

A Brief for the Honourable Shirley Bond Minister of Education, Deputy Premier and Minister Responsible for Early Learning and Literacy

Submitted by the British Columbia Library Trustees' Association

5 November 2007



Our Association represents 71 Library Boards and over 650 library trustees around the province. There are four topics that we wish to discuss with the Minister today:

- Our appreciation and thanks for programs and funding;
- The need for tools to help libraries meet funding challenges;
- Our desire to participate in the review of the Library Act; and
- Our desire to participate in the updating of the Strategic Plan – Libraries Without Walls.

Our Thanks

BCLTA, on behalf of our members, is very grateful for the increased funding and support that the Provincial Government has provided to public libraries as part of the Strategic Plan – Libraries Without Walls. We applaud the Province's recent initiatives such as OneCard, AskAway and BC Pines.

BCLTA also appreciates the numerous other ways that your Ministry supports BCLTA's efforts, such as targeted grants that have allowed us to offer free training for trustees, a grant to support an Executive Director who can implement the goals of the Board, and an annual operating grant that supports our newsletter, website and Board meetings. We also would like to thank the Minister for her annual support at the Library Reception at UBCM and at our conference each spring.

New Tools to Help Libraries Meet Funding Challenges

We don't want to sound like a broken record on this topic, because we know that year after year BCLTA has approached the Province with a plea for additional funding. Nonetheless, when we surveyed our member trustees this summer to find out what their top issues were, funding emerged as the top priority. We appreciate that the Province has recently increased library funding, provided us with grants for new programs, and helped create efficiencies by funding development of federations. While our libraries would welcome additional financial resources, instead we are here to ask you for tools. We would welcome new tools that would help us to meet some of these financial challenges. We have several ideas in this regard. This is not an exhaustive list – our intent is to provide some examples of tools that would not involve a lot of cost to the Province, but would provide significant help to libraries in meeting their funding challenges.

Development Cost Charges

It is widely accepted that growth creates demand for new or expanded infrastructure and services. For example, growth can create demand for a new library branch or the expansion of existing facilities. The development industry understands that local governments are not able to directly absorb all growth-related infrastructure costs, and that growth itself should assist in funding required infrastructure. Development Cost Charges (DCCs) are a tool created to enable local

governments to collect from development a portion of growth-related infrastructure costs. It is proposed that consideration be given to allowing local governments and regional libraries to levy DCCs for library facilities (buildings).

DCCs are optional and not all local governments choose to employ this tool. In concept, developers pay DCCs instead of the existing taxpayers who are not creating the demand and may not benefit from the new infrastructure. DCCs are applied as one-time charges against new residential, commercial, industrial and institutional developments.

Currently DCCs can only be used to collect funds for roads, sewers, waterworks, drainage works, and acquisition of parklands. Currently, DCCs may not be used to collect funds for libraries.

In the planning of new or expanded facilities most libraries project growth and design and build facilities to serve the future need. However, currently it is the existing taxpayers that pay the cost of facilities to serve this growth. Because of this, many libraries have difficulty securing funding and/or may reduce the capacity to serve future needs.

Property Tax Exemption

Currently library facilities that are owned by a local government or by a public library are exempt from property taxes. Library facilities that are leased are taxed.

For perspective, approximately half of the Vancouver Island Regional Library's (VIRL's) branches pay property taxes. The taxes on VIRL's largest branch, the Nanaimo Harbourfront Branch, are approximately \$125,000. For VIRL this creates a problem of equitable funding. Why should some local governments receive taxes from libraries where others don't? As a consequence, to be fair, the rental payment on library facilities leased from local governments all include the equivalent value of local government taxes.

While there is an argument that libraries contribute to traffic, parking demand, and demand for some other local government services, collecting property taxes from libraries seems inappropriate and inefficient. For example, VIRL's budget includes funds to pay the library tax on VIRL's libraries. VIRL makes a lump sum payment to local governments who then return these monies to VIRL in quarterly installments. In effect, VIRL finances the taxes that it pays to itself. Something is wrong with this picture.

It is proposed that all facilities used as public libraries be exempted from property taxes regardless of who owns them. It is recognized that this proposal will require consultation with local governments and others.

Borrowing Powers for Regional Libraries

One of the challenges facing regional libraries is securing funding for new or expanded facilities. Typically these are located in a municipality or electoral area but also provide to service to one or more adjacent electoral areas. The challenge is that to secure funding generally involves obtaining the consent of the electorate and it is difficult to objectively define who the facility will be serving and therefore who should help bear the debt. As the number of areas participating in the borrowing increases, so does the complexity of obtaining consent of the electorate and the likelihood that the initiative will fail. Conversely, if areas that will benefit from the facility are not expected to share the debt, then the initiative may fail because taxpayers perceive that the sharing of debt is not fair.

In VIRL's case, there have been several occasions where local governments were unwilling or unable to fund development of a new facility – even with VIRL committing to a long-term lease. Instead, VIRL was forced to turn to leasing a facility from a developer. In many cases VIRL could easily have borne the cost of a standard mortgage and come out ahead on costs. However, the Library Act does not currently allow long-term borrowing, i.e., mortgages.

We are not suggesting that authority for long-term borrowing be given to municipal libraries and public library associations. Because of their close relationship with their parent municipality there

should not be a need for an independent borrowing authority. Regional libraries are however, a different situation because of the challenges of obtaining approval from the electorate of several areas, and because regional libraries already have the authority to establish a tax levy.

Again, if this proposal were to move forward we see the need for consultation with local governments in BC.

Review of Library Facilities in British Columbia

The Minister is undoubtedly aware that “the infrastructure deficit” is an emerging issue for local governments. Many local governments across Canada, as well as in BC, have not provided adequate resources to maintain municipal infrastructure. As a consequence, many local governments are faced with finding significant resources to pay for deferred works or risk the consequences. This presents a challenge for many public libraries when they go to their parent local government to present a case for a new or expanded facility. First, libraries are generally not on the radar in contrast to sewer, water and drainage. Second, local governments are often skeptical of a business case which is presented by a group who are often perceived to be library advocates.

We suggest that there is a common interest in the completion of an objective study of public libraries in BC which evaluates facilities in areas such as accessibility, safety and ergonomics, capacity (e.g., floor area per capita, number of public Internet stations, etc.), and expected life. This would help put library facilities on the radar by documenting how BC libraries compare against objective standards. It would help local governments by giving them an objective assessment of their own libraries. And, it would help public libraries by providing a planning tool and helping them prepare a business case for new facilities.

This should not be a large project given that many of the relevant statistics are compiled annually by PLSB. Examples of objective assessment criteria can be found in ALA studies and others. We suggest that it would be valuable to undertake such a project in partnership with the Union of BC Municipalities (UBCM). This would improve both the credibility of the report and help raise the profile for this issue.

Participation in the Review of the Library Act

We are aware that the Provincial Government is planning to initiate a review of the Library Act this winter. BCLTA is very enthusiastic about actively participating in this process. We believe that we can be of assistance by identifying issues and bringing new ideas to the table. We can undertake consultation with our member public libraries and can assist in consultation with local governments. We look forward to the opportunity of working with your staff on this matter.

Participation in the Review and Updating of the Strategic Plan – Libraries Without Walls

We are aware that the Provincial Government is looking to update the Strategic Plan – Libraries Without Walls. We applaud this initiative. Again, BCLTA is enthusiastic about participating in this process and looks forward to working with your staff to update the Strategic Plan.

BC Library Trustees' Association
PO Box 4334 Stn. Terminal Vancouver BC V6B 3Z7
Tel: (604) 913 -1424 Fax: (604) 913 -1413
www.bclta.org
admin@bclta.org