



Request for City Council Committee Action From the Department of City Coordinator

Date: October 21, 2002

To: Council Member Barbara Johnson, Chair
Ways & Means/Budget Committee

Subject: New Central Library Project – Schematic Design Approval

Recommendation:

Approve the following New Central Library Implementation Committee recommendations:

- 1.0 Accept the Schematic Design for the New Minneapolis Central Library.
- 2.0 Authorize the Project Coordinator to proceed with the Design Development Phase of the Project.
- 3.0 Direct the Project Coordinator to resolve issues pertaining to the difference in first floor elevation between building and site during the Design Development Phase.
- 4.0 Accept the attached Schematic Design Project Budget of \$134,465,000 and request the Implementation Committee to return at the end of the Design Development Phase or earlier if necessary with any recommendations for amending the approved Project Budget based upon the status of Project capital campaign pledges and contributions.
- 5.0 Adopt the attached resolution requesting the Board of Estimate to incur indebtedness and issue and sell City of Minneapolis General Obligation Bonds authorized by referendum in the amount of \$110,000,000, the proceeds of which are to be used to finance previous and future eligible Project costs.
- 6.0 Accept the Project Schedule.
- 7.0 Adopt the attached resolution (A) requesting the Board of Estimate to incur indebtedness and issue and sell City of Minneapolis General Obligation Bonds supported by parking revenues in the amount of up to \$10,100,000, the proceeds of which are to be used to finance previous and future eligible expenses related to the design and construction of two levels of parking under the Central Library Project, (B) amending the 2002 Capital Improvement Appropriation Resolution, and (C) outlining terms and conditions of agreement (s) relating to the operation of the parking ramp and authorizing execution of such agreement(s). Said recommendation is subject to and conditioned upon acceptance by the Library Board of all obligations and liabilities, including financial obligations, associated with operating said parking ramp.

Previous Directives:

July 12, 2002 approval of Scheme R that would place the planetarium on the roof of the new library facility.

July 8, 2002 concurrence with the Library Board action of 6/19/02 to include a two level parking garage under the new Central Library and dedicate \$2 million of the library project budget to partially finance the cost of the parking with the remainder to be financed by bonds backed by parking garage revenues.

May 18, 2001 approval of the New Central Library Project Scope, Budget and Schedule.

March 1, 2002 approval of the Implementation Committee recommendation that the planetarium and new library be built on the site of the existing Central Library.

Prepared/Submitted by: Richard A Johnson, Project Coordinator_____

Approved by: John Moir, City Coordinator_____

Presenters in Committee: Richard A Johnson, Project Coordinator

<p>Financial Impact (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact - or – Action is within current department budget (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p> <p><input type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>

Community Impact (use any categories that apply)

- Neighborhood Notification
- Neighborhood Notification
- City goals
- Zoning Code
- Other

Background/Supporting Information:

Schematic Design Phase

The Schematic Design Phase for the New Central Library Project is the phase when the scale and relationships of the major project components get established. These are typically represented by the floor plans, elevations and building sections.

At the completion of Schematic Design, the design for the New Central Library will be about 25% complete. During the next eight months, the Schematic Design will be developed in greater detail including detailed design of the building systems (mechanical, electrical,

structural, vertical circulation systems, etc.), interior and exterior materials, finishes and colors, and site amenities/landscaping.

New Central Library Schematic Design

The total building area is 334,630, square feet. It had been designed to achieve the functional objectives efficiencies contained in the Facility Program developed by Library staff, and it has been designed to accommodate the planetarium on the fifth level. (The Schematic Design for the New Central Library was attached with the earlier version of this report (10/7/02)).

Parking

The City will build or cause to be built a parking garage of approximately 280 parking spaces included in two levels underneath the library. The City has determined that the most efficient means of designing and constructing the parking ramp is to add the design and construction of the parking ramp to the scope of the work included in the library project, and to allocate a portion of the total cost of construction, including soft costs, to the ramp project. The parking is conceived as a short-term parking garage for library patrons and the general public. The parking garage will be owned by the City and operated by the Library Board, and the Board will receive parking revenues and will pledge payment of funds including revenues sufficient to cover debt service. The Board will be liable for any financial deficits (operating and debt service costs in excess of parking revenues). The library will pay an up front operating deficit reduction fee of \$2,000,000 from project funds other than the \$110 million referendum bond proceeds. At the expiration of the term of the operating agreement (25 years), the library will purchase the garage for \$1. A proforma has been developed and is attached to this report.

Budget

The Project Budget, including the parking ramp project, is \$134,465,000. The budget assumes approximately \$12.0 million in private donations will be raised. Design and funding options for reducing and deferring the cost of the library have been developed in the event we are not able to receive \$12.0 million in contributions.

Schedule

Upon acceptance of Schematic Design, we will move into the Design Development Phase of the project. During Design Development, we will resolve issues that were raised previously, including urban design concerns resulting from grade differences between building and site, and sustainability. We also intend to involve the public in various focus groups, including public art, ADA, sustainability, technology and the design of certain departments such as Children's and the Teen Central.

Assuming approval of the Schematic Design by the Council and Library Board in October 2002, we are proposing to begin construction in the spring of 2003 and achieve substantial completion by the end of 2005. The grand opening is schedule for early 2006.

Additional Information

At the 10/7/02 meeting of the Ways & Means Committee, you requested that additional information be provided on the following questions:

1) Financial issues including contingency for potential funding gaps

The project budget assumes approximately \$12 million in private donations. The project fundraising campaign is currently underway. Approximately \$10 million in design options have been identified to reduce or defer the cost of the project if the project fundraising goal is not attained. The options include, but are not limited to, eliminating the fifth floor of the library, reducing the amount of public art and deferring the buildout of selected areas of the library.

2) Responsibilities related to the parking facility – see discussion above under Parking.

3) Funding of grade change at 3rd and Nicollet

We have studied this issue and will address this at the Ways and Means Committee meeting.

4) Lighting, including the question of how light from windows could affect the collection, and the affect of development planned for the area north of the project

We have studied these issues and we will address them at the Ways and Means Committee meeting.

5) Sustainability

We will design the library according to Minnesota Sustainable Design Guidelines. In order to fully address sustainability issues, the Implementation Committee will form a subcommittee to work directly with the project architects to evaluate and recommend sustainability options.

6) Traffic management (question of having to cross a bus lane for access)

We have reviewed the schematic design plans with the staff from the Department of Public Works and vehicular access to the library from 4th street is acceptable.