

ITEM	14
MANAGER'S REPORT NO.	31
COUNCIL MEETING	Apr. 25/77

Re: SHORT TERM BORROWING PROPOSAL FOR CONSTRUCTION OF A
LIBRARY/RECREATION COMMUNITY CENTRE ON CAMERON STREET
(Item 15, Report No. 25, April 4, 1977)

Information on the financing for construction of a library/recreation community centre on Cameron Street is contained in the following report from the Municipal Treasurer.

The two recommendations from the Parks and Recreation Commission that Council tabled on April 4, 1977 were as follows:

- "1. THAT Council approve the construction of an air supported gymnasium in conjunction with the North-East Burnaby Community Centre on Cameron Street.
2. THAT Council provide short term borrowing repayable over a five year period for the amount of \$1,152,000 for this project."

Item 13 on page 141 pertains to air supported structures, and concludes with a recommendation that the item be referred to the Parks and Recreation Commission for comment by April 28. In view of the fact that the Commission recently concluded a tour of air supported structures in other communities, we should now ascertain if the Commission's position on this matter has changed or been modified in any way. When the Commission provides Council with its current position on this matter, Council will be able to consider and take action on both Item 13 and on this report as well.

It should be pointed out that the recommendation that appears in this report should not be construed as an endorsement by the Municipal Manager for air supported structures. This recommendation is simply a proposed mechanical means of financing the project if such a structure is to be constructed in the future.

In summary, the following recommendation should be tabled until the report that has been requested from the Parks and Recreation Commission is received.

RECOMMENDATIONS:

1. THAT the following recommendation be tabled until the report from the Parks and Recreation Commission has been received:
THAT a temporary borrowing by-law in the amount of \$1,145,000.00, repayable in five years at 9% per annum interest, be brought down; and
2. THAT a copy of this report item be forwarded to the Parks and Recreation Commission.

* * * * *

20 April 1977

File: C4-45-2

TO: MUNICIPAL MANAGER

FROM: MUNICIPAL TREASURER

RE: SHORT TERM BORROWING PROPOSAL FOR CONSTRUCTION OF A
COMMUNITY CENTRE ON CAMERON STREET - ITEM 15, MANAGER'S
REPORT NO. 25, COUNCIL MEETING 4 APRIL 1977

On 4 April 1977 Council directed:

1. THAT financing for the project be referred to the Municipal Treasurer for a report.
2. THAT Council table the Parks and Recreation Commission's recommendations as contained in the Administrator's report, and direct that the recommendations and the report be brought forward for consideration on 25 April 1977.

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Pursuant to Item 9, Manager's Report No. 19 of 14 February 1977, the Library Board will participate with the Parks and Recreation Commission in the development of this site.

The Parks and Recreation portion of this project is estimated at:

Land acquisition	\$ 300,000		
Construction	<u>1,392,000</u>	\$1,692,000	
Less "Burnaby 200" deposit	240,000		
Less 1976 budget provision	<u>600,000</u>	<u>840,000</u>	\$ 852,000

The Library portion of this project is estimated at:

Land acquisition	\$ 100,124		
Architect fees	27,770		
Construction	<u>414,691</u>	542,585	
Less 1976 budget provision		<u>250,124</u>	<u>292,461</u>
Sum to be found			<u>\$1,144,461</u>

The Parks and Recreation Commission's submission recommends that \$1,152,000 be borrowed; that \$95,000 of the \$300,000 allocation from budget referred to, be appropriated for the lighting of one lacrosse box, one soccer field and eleven tennis courts; and that the balance of the budget item (\$205,000) be removed from the Parks budget.

We recommend against this course of action. We endeavour to retain temporary borrowing power for emergency purposes, and this can hardly be described as an emergency. However, completing the project in one step, rather than two, has merit. Certainly the revenue to be gained on the completed project will offset to a great degree the operating costs, something that cannot be expected to happen if a part only of the project is undertaken. Therefore, we recommend that only \$852,000 be borrowed; that the \$300,000 remain in the budget for the purposes of this project; and that the lighting projects be put off for another year. At the same time, consideration must be given to the financing of the Library Board's share of the project - \$292,461. This suggests that in round figures, a total of \$1,145,000 for both purposes should be borrowed. Such a borrowing must be approved by the Inspector of Municipalities.

RECOMMENDATION

1. THAT a temporary borrowing by-law in the amount of \$1,145,000, repayable in five years at 9% per annum interest, be brought down.

David M. Jack
MUNICIPAL TREASURER

BM:gw

cc: Parks & Recreation Administrator
Chief Librarian