



Date September 17, 2025  
To Chair and Members of the Hamilton Public Library Board  
From Pam Byrne, Director, Finance  
Chad Roglich, Director of Facilities and Sustainability  
Paul Takala, Chief Librarian/CEO  
Subject **2026 10-Year Capital Budget Submission**

## Recommendation

That the Library Board approve the 2026 10-Year Capital Budget Submission.

## Background

The forecast of the Library's major capital facilities projects over the next 10 years is attached for consideration. The City budget process requires we submit a 10-year capital budget forecast. These capital forecasts assist in communicating the library's capital needs over the next ten years and the financial commitment required from the City or Development Charges.

With the use of library reserves in recent years and the current state of economic uncertainty, we conducted a detailed review of the 10-year capital plan. The revised plan removes and replaces some projects that have been discussed did not have a formal plan.

The City assesses capital budget requirements on a one-year basis, so including any capital requirements in a 10-year forecast does not guarantee approval will happen. Detailed project reviews and approvals must be addressed case-by-case. Costs are shown in magnitude estimates. Actual projects estimated budgets and the timing of projects is all subject to change.

The ongoing Board direction on facility renewal is for staff to look for opportunities to determine if viable business cases can be developed when new opportunities emerge. Our long-term adherence to a consistent and realistic capital plan has contributed to the successful renewal of all of our facilities, with the last project, Mount Hope, well underway. Adopting this plan does not preclude the possibility of projects being added or removed in future years if circumstances change.

The Mount Hope Renovation Project which has been pre-approved, is set to break ground in early spring. The project's purpose is to ensure the long-term sustainability of the Mount Hope Branch – expanding the existing premises, enhancing service offerings and making it more accessible to visitors. Approved project costs are estimated at \$5,314,000. The project is in the final design phase which will incorporate a Net Zero goal for the building (negating the amount of greenhouse gases produced by reducing emissions) as well as bringing back some of the building's heritage features and architecture while completing this much-needed renovation.

The other major ongoing project is the HPL Network Infrastructure Upgrade Project. This project entails replacing network switches and routers, upgrading Wi-Fi and hardware and creating a tiered backup solution.

The additions and cancellations of specific projects are indicated below. In all cases of project cancellation, no costs incurred to date.

The proposed additional projects will mitigate the high cost of new buildings while renovating or repurposing existing assets. This change in strategy allows us to reduce our long-term funding gaps in capital and operating expenses while solidifying and building on each library's role in its community.

## Expenditure Changes

Expenditure Changes	Year	Cost (Reduction)
Bookmobile	2026	\$1,000,000
Red Hill Renovations	2026	\$700,000
<del>New Red Hill</del>	<del>2028</del>	<del>(\$14,000,000)</del>
Saltfleet Renovations	2027	\$750,000
<del>Saltfleet Move to Stoney Creek</del>	<del>2028</del>	<del>(\$19,400,000)</del>
Turner Park Renovations	2027	\$1,000,000
Concession Renovations	2027	\$700,000
Facilities Van	2027	\$51,100
Tech Collection Room Refresh	2027	\$100,000
Children's Area & 5 <sup>th</sup> Floor	2028	\$5,500,000
<del>Lower City Expansion</del>	<del>2030</del>	<del>(\$10,360,000)</del>
<del>Ancaster Expansion</del>	<del>2031</del>	<del>(\$8,500,000)</del>
<del>Local History and Archives</del>	<del>2032</del>	<del>(\$2,000,000)</del>
<b>Net Difference</b>		<b>(\$44,458,900)</b>

The comments below are in the order of the of the chart above, explaining why the decision was made to cancel, adjust or add new projects.

### Bookmobile

This long-anticipated project is now ready to be approved for funding in 2026 as opposed to the plan of 2029. The project will see earmarked reserve and endowment funds of roughly \$1,400,000 contributed to the project, seeking board approval in October of 2025, as ongoing discussions with Development Funds and potential grants continue to be explored.

## **Red Hill Renovations**

After careful review and discussion, HPL has determined that, in the absence of a current alternative location in place or planned, combined with a recent lease renewal of the premises, renovating the leased space vs adding/building a new facility will provide both financial and location stability. This decision removes \$14,000,000 from the plan in 2028 and adds a much-needed full refresh (paint, ceilings, carpet and shelving) for 2026.

## **Saltfleet Renovations**

Saltfleet is under lease with the HWCSB until 2051, and it has a strong local partnership. Aside from the reciprocating relationship with the school that drives a concentrated group of youth from the school and the local community, its economics would be complex to match in a new space. The proposed \$750,000 renovation in 2027 will replace an earmarked project of a new site in Stoney Creek in 2028 at \$19,000,000 for many of the same reasons noted with Red Hill. There is an active lease, and no current opportunities for conversations in Stoney Creek to build upon. The funds will refresh the furniture and finishes, optimizing the spacing by reallocating space from traditional shelving to more seating and collaborative space.

## **Turner Park Renovations**

Turner Park Library, built in 2009 and located within a busy joint facility with the YMCA, is a high-traffic branch. A net new \$1,000,000 renovation is proposed in this capital plan for 2027—its 18th year of operation—as the space shows visible signs of wear from years of heavy use. This investment will enhance the member experience by updating worn furnishings and finishes, reallocating space from traditional shelving to more seating and collaborative areas and optimizing the layout to better serve evolving community needs.

## **Concession Renovations**

As we went through the Concession Maker Space business planning, it was noted that the main floor and workroom needed to be refreshed, as they were last completed in 1994. The budget accounts for finishes, some shelving at the info desk on the main level and workroom furniture on the second level. This is a net new allocation.

## **Facilities Van**

With our growing system, traffic and the desire to enhance service levels at our branches, we need to expand our maintenance fleet. HPL currently has one maintenance service e-van and one standard combustion vehicle on loan from the Corporate Facilities/Fleet. The net charge increase (\$51,000) reflects market rates for an electric van fitted out to city guidelines at roughly \$100,000, as we had previously allocated Development Charges Funds \$49,000 for this vehicle.

## **Tech Collection Room Refresh**

\$100,000 has been added to 2027 to upgrade the workspace that has reached the end of its life in this workroom. The funds would provide new fixtures, finishes and workstations for the area.

## **Central Children's and 5th Floor Expansion**

This project is being proposed for the potential relocation of the Children's section at Central from the first floor to the second floor, addressing and displacing library areas, as well as some administrative renovations of the 5<sup>th</sup> floor, estimated at roughly \$5,500,000. This net new project is proposed to be partially funded by deferring the Local History and Archive renovation and, utilizing its reserve allocation, combined with fundraising and city support. The project timing will give HPL time to review the needs of the community and the branch and better prepare for the disruption. The timing could also align with city-led work that may disrupt the branch simultaneously.

## **Lower City Expansion**

These earmarked funds of \$10,300,000 were removed because HPL, our partners or the community have determined that there is no tangible site, project or need that cannot be met by our current or planned enhancements.

## **Ancaster Expansion**

We have removed the 10M planned for an Ancaster expansion in 2031. With our commitment to Ward 14, as seen on this plan, and our current placement in the community, we are best suited to stay in the municipal centre until a need and a plan arise. We did add \$100,000 in 2026 to enhance the current branch by optimizing the layout slightly, with some minor furniture enhancements.

## **Local History and Archives (LHA)**

As noted in the Central Children's relocation, we have deferred the 2026 renovations to the LHA budgeted at \$3,000,000 to primarily assist with contributing financing through reserves (\$2,000,000) to the Central Children's area. This will allow us to explore alternate funding options such as fundraising and better understand alternatives for space requirements for our ever-growing LHA collection.

In all cases of project removal, HPL and the Board will have an opportunity to explore, adjust and address both new needs and opportunities .

Given all the changes, the amount of reserve funds requested for the two upcoming years, 2026 and 2027, will be impacted.

The first chart below outlines the changes to 2026 and the additional reserve fund request for each year. For each project, a Net Cost value of greater than zero means HPL is unsure how the additional funds will be obtained at this point.

The Bookmobile project has had funds put aside for the launch and will request approval to use those funds in October. For this particular project, there may be an opportunity to obtain funding from Development Charges or Grants. To be risk-averse, we are requesting that maximum funds be dedicated to the Bookmobile project. If additional funding is awarded to this project, the unused reserve funds will be allocated back to the HPL reserves.

The Board has a new request for \$250,000 in 2026 to assist with the various projects, as stated in Chart 1.

### Chart 1

Project		2026 Year
<b>East Hamilton Replace and Expand</b>	<b>Total Expenditures</b>	\$700,000
(ie. Permanent Location for Red Hill)	DC Revenues	
	Library Reserves	\$200,000
<b>NOW Red Hill Renovations</b>	<b>Total Revenues</b>	\$200,000
	<b>Net Cost</b>	\$500,000
<b>New Bookmobile</b>	<b>Total Expenditures</b>	\$2,000,000
	DC Revenues	\$900,000
	Library Reserves	\$1,100,000
	<b>Total Revenues</b>	\$2,000,000
	<b>Net Cost</b>	\$0
<b>Ancaster Refresh</b>	<b>Total Expenditures</b>	\$100,000
	DC Revenues	
	Library Reserves	\$50,000
	<b>Total Revenues</b>	\$50,000
	<b>Net Cost</b>	\$50,000
<b>Library Reserves</b>	<b>\$1,100,000</b>	<b>Funds set aside</b>

<b>Library Reserve Requirement</b>	<b>\$1,350,000</b>	
<b>Library Reserves</b>	<b>\$250,000</b>	<b>New ask</b>

In reviewing the changes below for the 2027 Year, the management change is the focus on renovations. With all the changes to the 2027 projects, there is a net cost value to all of them. Communication will be relayed as progress is made on the additional funding requirements. If a project cannot commence due to a lack of funding, communication will be forwarded. Chart 2 below outlines the additional reserve requirement from the Board strictly for the 2027 year.

### Chart 2

<b>Project</b>		<b>2027 Year</b>
<b>Downtown Stoney Creek</b>	<b>Total Expenditures</b>	\$750,000
	DC Revenues	
	Library Reserves	\$150,000
<b>Now Saltfleet Renovations</b>	<b>Total Revenues</b>	\$150,000
	<b>Net Cost</b>	\$600,000
<b>Turner Park Renovations</b>	<b>Total Expenditures</b>	\$1,000,000
	DC Revenues	
	Library Reserves	\$100,000
	<b>Total Revenues</b>	\$100,000
	<b>Net Costs</b>	\$900,000
<b>Concession Renovations</b>	<b>Total Expenditures</b>	\$700,000
	DC Revenues	
	Library Reserves	\$140,000
	<b>Total Revenues</b>	\$140,000
	<b>Net Cost</b>	\$560,000
<b>Library Reserves</b>	<b>\$0</b>	<b>Funds set aside</b>

<b>Library Reserve Requirement</b>	<b>\$390,000</b>	
<b>Library Reserves</b>	<b>\$390,000</b>	<b>New ask</b>

For the two years combined, the additional request to use reserve funds for the various projects indicated above is \$640,000. The balance remaining in these funds will be approximately \$2,000,000. This is an extremely low number for reserve balances. Prudent budget decisions must be made to support HPL operations for the future.