

# Cost Benefit Site Analysis

## Marion Public Library

## Charette Team Final Report

Prepared with the assistance of

**Engberg Anderson**

Milwaukee | Madison | Tucson | Chicago

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### Executive Summary

In 2013 the Marion Public Library Board of Trustees began planning for a library facility that will meet the current and future library needs of the community. The Board created a Renovation & Expansion (R&E) Committee to address the City's Imagine 8 Book It goal:

Raise additional funds, review library expansion options and proceed with an expansion of the library in public/private collaboration

With the assistance of the R&E Committee the Library Director, Doug Raber, prepared a Facility Needs Assessment. This assessment was based on a long-term planning perspective and a twenty-year time frame. Accordingly, the goal of the assessment was to determine how much and what kind of library space Marion would need in the year 2035. Based on the projected growth of Marion's population and the Library's service population the City will need a larger library facility by 2035 than the City can now build.

The Board determined to go forward with a facility project to address current needs, catch up with our peer cities, and provide a library capable of meeting future needs within a ten-year time frame. The average size of the public libraries serving Marion's peer cities is 47,500 square feet. A library of this size is smaller than the Needs Assessment recommends for Marion's 2035 service population but its construction is a realistic goal and it will adequately address current issues.

To date the Board of Trustees has made two planning decisions:

- To locate building project in Uptown, using land already designated for library use
- To plan for a branch facility on the north side of Marion after patterns of residential and commercial growth become clear

The R&E Committee also considered and identified a set of critical needed service features the library facility should have as well as the aesthetics of its look and feel. The Committee determined three possibilities regarding the site location of the facility based on available Uptown property:

- Renovation and expansion of the existing facility on the current site
- A new facility on the 11<sup>th</sup> St. parking lot, the 5<sup>th</sup> Ave lot acquired last year and the lot at 525 11<sup>th</sup> St., recently acquired by the City
- A new facility using portions of both current site and 11<sup>th</sup> St. lot, and bridging over 11<sup>th</sup> St.

The R&E Committee determined that it had insufficient information to provide a recommendation to the Board and recommended that the Board engage a public library architect as a consultant to conduct a cost-benefit analysis of these options. The Board engaged Joe Huberty of Engberg Anderson for this purpose. Mr. Huberty was the lead design architect for the Iowa City Public Library expansion and renovation.

### Site Location Evaluation

The Library Board of Trustees organized a planning team of Trustees, stakeholders, and citizens (the Charette Team) to work with Mr. Huberty. The Charette Team took seriously Imagine 8's call for public/private collaboration. Three critical values guided the Charette Team's work. Given necessary budget and site constraints:

- The City must have the best library possible—a facility with the best combination of initial size, expandability, functional efficiency, and adaptability
- The City must have a facility that contributes to Marion's civic and economic development, based on innovative funding mechanisms and partnerships
- The City must have a building of aesthetic value that reflects Marion's character and identity

The Charette Team considered multiple configurations of library expansion and commercial development. It carefully examined the available options with the goal of avoiding closing the library or moving to and renting temporary space during the construction. The Team identified five basic options; one would renovate and reuse the current building and four envisioned a new facility supported by mixed-use commercial development. For any mixed-use option, the Charette Team set four conditions:

- Mixed-use development options must be economically viable
- Verified developer interest must be determined before going forward
- The development must increase City taxable value and provide revenue for the increased operating expenses of larger library
- The library component must have the highest construction priority—it must be built first

Based on directions from the R&E Committee Mr. Huberty developed five basic options for the Charette Team to review. They vary in size from a low of 43,475 square feet to a high of 47,100 square feet. The estimated cost of each per square foot varies from a low of \$255 to a high of \$276. The estimated total cost of each option is about \$12 million.

A set of benefit evaluation criteria was identified and ranked by the Charette Team and applied to each option to determine its overall value. The score of each option is a measure of its value given its cost. Because all of the options have the same cost, the scores of each option are directly comparable.

During the evaluation process five local developers were contacted to assess preliminary interest.<sup>1</sup> All five expressed positive interest in the project and all five advised against renovating and expanding the current site due to construction constraints and difficulties.

The Charette Team arrived at a consensus on the following items:

- Reusing the current facility provides the least benefit for the estimated cost; of the five options evaluated by the Charette Team, renovating and expanding the existing site:
  - Has the lowest Total Performance Score – A measure of its overall cost-benefit value
  - Has the lowest Building Value Criteria score – A measure of its value as a library
  - Has the lowest Site Criteria Value score – A measure of the value of its location as library and economic development resource
  - Will require renting temporary space and closing the library to move before and after construction
- Options resulting in a new building provide more library and site benefits for the estimated cost than does renovation
  - They have higher performance and comparison evaluation scores
  - They are more cost-effective solutions to expansion than renovation
- Mixed-used projects including retail and residential development have the potential to provide significant community benefits
  - Synergy between library use and retail markets that increase the size and value of both
  - Economically viable use of high value Uptown property
  - Achievement of the Main Street Marion goal of walk-around-the-square commerce centered on City Square Park
  - Increased taxable value and property tax revenue that will fund increases in library operating expenses required by a larger facility and staff
  - Creation of an urban living center characterized by density, walkability, and concentrated amenities, services, and cultural experiences
- Developer interest and commitment must be assessed before a final decision about the direction of Library expansion can be made

Marion needs an adaptable library designed for 21<sup>st</sup> century library services and uses that can efficiently respond to changing technologies and user needs over the next twenty years. The Charette Team concluded that a mixed-use facility is an option worth exploring, but recognizes that moving forward with a mixed-use option depends on developer commitment. It recommended the preparation and issuance of a Request for Qualifications (RFQ) to determine developer interest and solicit preliminary plans.

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<sup>1</sup> Ahmann Companies, Armstrong Development Company, C.D. Smith Construction, Genesis Equities, Knutson Construction, Mooney-Engle Land Company

## Site Option Cost Models

	<b>3</b>	<b>2</b>	<b>2A</b>	<b>1</b>	<b>1A</b>
	New Facility on 11th St Parking Lot	Repurpose Existing & Expand over 11th St	Replace Existing & Expand over 11th St	Expand & Renovate Existing	New Facility on Existing Site
Area (sf)	47,100	43,550	44,300	43,475	45,000
Fixed Project Budget (\$)	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000
Cost /square foot (\$)	\$255	\$276	\$271	\$276	\$267
Cost to build 47,000 sf (\$)	\$11,975,000	\$12,951,000	\$12,731,000	\$12,973,000	\$12,533,000
Existing Reused as Library	-	-	-	17,500	-
New Building Area (sf)	47,100	43,550	44,300	25,975	45,000
Total Building Area (sf)	47,100	43,550	44,300	43,475	45,000
Increase over Existing (sf)	22,600	19,050	19,800	18,975	20,500
Increase over Existing (%)	92%	78%	81%	77%	84%
<b>Cost Component</b>					
Building (\$)	\$8,487,673	\$8,355,937	\$8,279,754	\$8,415,005	\$8,378,769
Furnishings & Technology	\$1,798,056	\$1,669,069	\$1,697,813	\$1,640,836	\$1,669,327
Parking	\$108,942	\$208,809	\$213,759	\$149,691	\$148,323
Other Site Development	\$531,682	\$525,413	\$520,622	\$544,109	\$527,237
Site Acquisition, Net	\$0	\$0	\$0	\$0	\$0
Implementation	\$104,816	\$280,598	\$329,922	\$198,542	\$198,542
Expenses	\$965,839	\$962,744	\$962,315	\$1,047,760	\$1,047,640
<b>Total Cost</b>	<b>\$11,997,008</b>	<b>\$12,002,570</b>	<b>\$12,004,186</b>	<b>\$11,995,943</b>	<b>\$11,999,838</b>
Cost /sf	\$254.71	\$275.60	\$270.97	\$275.93	\$266.66

### Limitations on the Cost Models

It is important to recognize that each model is a concept level opinion of probable cost. Many decisions regarding material selection, system development and project parameters have yet to be defined. Market conditions, as always, are beyond the control of the architect or estimator and will vary over time. No guarantee is given or implied that costs will not vary from these models. It is imperative that additional estimates are prepared as the project is developed to ensure conformance with project budgets.

## Site Option Performance Evaluation & Comparison Scores

		3	2	2A	1	1A
		New Facility on 11th St Parking Lot	Repurpose Existing & Expand over 11th St	Replace Existing & Expand over 11th St	Expand & Renovate Existing	New Facility on Existing Site
	Importance Factor					
<b>Building Criteria</b>						
Size – Initial	10	11.02	10.19	10.36	10.17	10.83
Size – Future	9	9.00	9.00	9.00	9.00	9.00
Function – Efficient Plan	8	6.90	6.75	7.83	7.11	8.00
Function – Adaptability	7	6.82	6.60	6.73	2.73	7.00
<b>Total - Building Criteria</b>		<b>33.74</b>	<b>32.54</b>	<b>33.92</b>	<b>29.01</b>	<b>34.83</b>
<b>Comparison Score</b>		<b>97</b>	<b>93</b>	<b>97</b>	<b>83</b>	<b>100</b>
<b>Site Criteria</b>						
Context & Synergies	6	3.87	5.51	6.00	1.09	5.44
Identity	5	4.25	3.88	5.00	3.36	2.52
Control	4	4.00	4.00	4.00	4.00	4.00
Access	3	0.75	1.58	1.66	3.00	2.94
Amenities	2	1.50	2.00	2.00	1.50	1.00
Other Attributes	1	0.00	1.00	1.00	0.00	0.00
<b>Total - Site Criteria</b>		<b>14.37</b>	<b>17.97</b>	<b>19.66</b>	<b>12.95</b>	<b>15.9</b>
<b>Comparison Score</b>		<b>73</b>	<b>91</b>	<b>100</b>	<b>66</b>	<b>81</b>
<b>TOTAL</b>						
Performance Score		<b>48.1</b>	<b>50.5</b>	<b>53.1</b>	<b>42.0</b>	<b>50.4</b>
Comparison Score		<b>91</b>	<b>95</b>	<b>100</b>	<b>79</b>	<b>95</b>