

EXECUTIVE SUMMARY

Update on the Lafayette Library and Learning Center

Lafayette City Council & Redevelopment Agency
July 10, 2006

Introduction

Councilmember Anderson requested that a special briefing be prepared and a meeting be conducted to update the community regarding project plans and construction and options for operating and maintaining the new Lafayette Library and Learning Center (LLLC). This is a summary of the information presented in the Council / Agency report.

Why a New Library is Needed

- Contra Costa County Library looks to its cities to provide and maintain their own libraries and to supplement the County's budget for library services in each community.
- Under the terms of the 1996 settlement agreement with the County regarding the Redevelopment Agency, the City is required to purchase the library property by 2011.
- The library is physically inadequate to meet the needs of the community.

Lafayette's New Library and Learning Center

- Adult library services with 92 reader seats, 15 public computers, and outdoor reading deck
- Separate student spaces
- Children's library services with 78 reader seats, 12 public computers, and outdoor activity deck
- Shelving to hold an opening day collection of 70,000 items with capacity for 117,000 items
- Four express checkout machines, centrally-located Information Desk, and public copy center
- Wireless internet access for personal computers
- Community Hall with 161 seat-capacity, performance platform, art gallery, meeting room, and serving kitchen
- City's Emergency Operations Center and back-up power generator in the Community Hall
- Friends of Lafayette Library bookstore and donation spaces (1,791 square feet)
- Lafayette Historical Society study, display and storage spaces (875 square feet)
- Glenn Seaborg Learning Consortium and Lafayette Arts & Science Foundation support spaces (823 square feet)
- Future retail space for café or other library-supporting commercial uses (273 square feet)
- 79 on-site vehicle parking spaces and 20 covered bicycle parking spaces
- Solar energy and other energy-efficient elements



Current Project Budget

There are sufficient funding resources to complete the project. The adopted 2006/2007 Redevelopment Agency Budget identifies the project costs and these funding resources.

Project Costs	
New Construction	\$ 30,687,000
Land Acquisition	2,185,000
Consultants	3,266,000
Furniture, Fixtures & Equipment	1,923,000
Administrative Costs & Fees	1,581,000
Public Art	500,000
Library Materials	250,000
Total Project Costs	\$ 40,392,000
Project Resources	
Redevelopment Bonds	\$ 17,594,694
Redevelopment Agency	1,897,306
State Grant	11,900,000
Donations	9,000,000
Total Project Resources	\$ 40,392,000

Current Project Schedule

The following shows the estimated project schedule. Dates will depend on agency approvals, bidding climate, and weather conditions during 22-24 construction period.

Estimated Date	Action
May-Aug 06	Review of construction documents by agencies and peer reviewers
Aug 06	Revise plans
Aug-Sep 06	Review by non-bidding contractor
Sep-Oct 06	Resubmit plans- Receive permits
Oct 06-Jan 07	Bid process
Nov 06 – Feb 07	Award construction bid
Dec 06 – Mar 07	Begin construction
Oct – Dec 08	Complete construction
Nov 08 – Jan 09	Open LLLC

LLLC Operations and Maintenance

A working group of about a dozen people representing many different library and community interests met several times through the fall of 2005 and winter of 2006 with the aim to generally identify the scope of the operating and financing needs for the operations and maintenance of the LLLC. While the LLLC will not be open for two years, it is not too early to begin planning for its operating success.

The Needed Services

The group identified the functions that needed to be provided and managed, including:

- Transferring funds to County Library services to provide the hours of operation requested
- Contracting for and assuring quality building and landscaping maintenance
- Managing the Glenn Seaborg Learning Consortium
- Securing private funding (donations, grants) for the operation of the Consortium
- Operating or contracting for retail services
- Booking the Community Hall and other spaces
- Managing the Community Art Gallery and other spaces
- Attracting and managing volunteers to support library operations, Consortium programming and fundraising
- Providing administrative and accounting
- Retaining a paid staff to carry out these functions

Governance and Management Structure

The group discussed at least eight different options for how the project might be governed and managed. Ultimately, the group coalesced around the idea of a forming both a subsidiary district and a non-profit organization (NPO) for the purposes of management and fundraising. The group determined that having two entities provided access to a greater range of fundraising opportunities, could attract and manage more volunteers, and create a better experience for users of the LLLC than could only one entity. These two entities are discussed in turn.

Subsidiary District

A subsidiary district would be dependent on the City, but could have its own board of directors appointed by the City Council. It would be created to serve as the administrator of the LLLC. Forming a district would require the approval of both the City and the Contra Costa Local Area Formation Commission (LAFCO). Two-thirds of the voters of the district would be required to approve any parcel tax levied by the district. The City is working with LAFCO to determine exactly what procedures are required to establish the district. If approved by LAFCO and Lafayette voters, a subsidiary district could shoulder all of the responsibilities currently accepted by the City.

These responsibilities include:

- Providing funding for additional operating hours and building maintenance for the LLLC through a voter-approved tax
- Cooperating with the school districts
- Creating and managing lease agreements with tenants

The benefits of a subsidiary district include:

- Any funds raised for the subsidiary district (e.g., a parcel tax) would be protected from competing public demands
- District board members could participate actively in the private fundraising effort to support the LLLC
- Public accountability would be provided because the district would be under the control of the City Council
- Board members would be appointed by Council and focus on the LLLC, thereby providing informed direction
- Board members would be appointed in a public process
- The district would implement the provisions of the existing agreement among the City, County and school districts
- The district could purchase services from other City (or school district) departments as needed for services
- The district would be created by voters at the same time that they approve a tax measure.
- There would be no reason for the State Library Board to object to this form of public participation
- Ownership of the building could be retained by the City or transferred to the subsidiary district

Given that the formation of a subsidiary district would require approval of both LAFCO and possibly the voters, and imposition of a parcel tax would require two-thirds of the voters to approve it, it behooves the City to move forward well in advance of the anticipated opening of the LLLC. Other communities, when opening libraries, have typically placed measures before voters in the period immediately preceding the grand opening of the facility. This would suggest that, if it chooses to go in this direction, the Council should consider placing such measures on a ballot in fall of 2008 or spring of 2009.

Staff and Councilmember Tatzin have initiated discussions with LAFCO to determine what next steps would be required to establish the district. Alternatively, the City could form a community benefit district, levy a parcel tax dedicated to library functions, and, if desirable, appoint a library commission with many of the responsibilities outlined above. Creating a community benefit assessment district is a fairly standard process and provides a back-up if we cannot form a subsidiary district. The main practical difference is that the subsidiary district could include land outside the city limits (possibly the boundaries of the Lafayette School District or the City's adopted sphere of influence) whereas a community benefit district can be no larger than the city limits.

The key highlights of the City's proposal to form a subsidiary district follow:

- The boundary of the new district would be coterminous with that of the Lafayette School District. The District boundary is slightly larger than the City boundary, but more than 70% of all voters in the proposed district would reside in the City of Lafayette. Subsidiary district governing rules require that at least 70% of the voters reside in the city of which the district is a subsidiary.
- The City would propose to form the district either by resolution or with a petition with valid signatures from 5% of the voters living within the proposed district.
- Formation of the district would be conditioned on voter approval of a tax for LLLC operations and maintenance.

Non-profit Organization (NPO)

There are many examples of a local agency, such as a special district or subsidiary district that has a relationship with a NPO. The purpose of the NPO is to manage the fundraising functions to supplement the district's services and possibly to provide some of those services such as Consortium programming. It is proposed that the governance model for the LLLC have such a NPO, whether it is an existing organization or a new organization formed to fulfill these functions.

Library Operations And Programming

Contra Costa County Library

Library services are provided by the Contra Costa County Library, which operates 24 community libraries throughout the county, including Lafayette. Library staff has worked closely with City staff, project design team and community to develop the building program, conceptual design, technology plan, library plan of service, use, operations and maintenance agreement, and cooperative agreement for the new LLLC.

Under the terms of the Use, Maintenance and Operations Agreement, County Library staff will operate the library and provide staff training, professional development, ongoing collection development, and long-range planning. Library staff will operate and supervise the Homework Center and Technology Lab in cooperation with the schools. Library staff may include a Programs Coordinator and a Homework Center Coordinator to direct the activities of the joint venture library services.

Service levels provided by the County Library will be dictated by available resources, as described below.

Glenn Seaborg Learning Consortium

Other programming at the LLLC will be the responsibility of the Consortium, a group of Bay Area educational and cultural organizations. These 12 original partners are:

California Shakespeare Theater • Chabot Space & Science Center • Commonwealth Club of California • Greenbelt Alliance • John F. Kennedy University • John Muir-Mount Diablo Health System • Lindsay Wildlife Museum • Oakland Museum of California • The Oakland Zoo in Knowland Park • Saint Mary's College • UC Lawrence Hall of Science • UC Institute of Governmental Studies

The core idea behind the Consortium – bringing a broad range of urban cultural resources into a suburban library – has not been tried before, and the Consortium is the first of its kind at any American public library. Its mission is to provide diverse learning opportunities to people of all ages and interests. The Consortium idea is highly popular, and it has received favorable regional and national publicity. While other aspects of our application – including the building design – were rated “outstanding” by the State, Lafayette was awarded the \$11.9 million grant in part due to the Consortium. Some private donors made large contributions in part due to the inclusion of the Consortium in the LLLC.

As discussed above, the Consortium would be managed by a subsidiary district or NPO. The Consortium will accomplish its mission and fulfill its goals at the LLLC by:

- Engaging cultural, scientific and educational institutions and organizations from throughout the region to provide a wide variety of learning opportunities
- Connecting the resources of Consortium partners to the information and facility resources of the LLLC for the mutual benefit of all parties
- Marketing these programs to a regional audience through multiple media and through Consortium partners' established channels
- Maintaining a high profile as a demonstration project so that the Consortium can garner participants, publicity, grant funding, and donations
- Employing a small professional staff to provide management, curricula development and scheduling, marketing, coordination between organizations, and administrative tasks
- Relying extensively on volunteers for a range of tasks including supporting library functions, fundraising and programming
- Developing synergies with the school districts and LASF

Estimated Cost of Operations and Maintenance

Outlined are three scenarios for incremental costs to operate and maintain the LLLC at different levels of service. The scenarios are entitled “Minimum”, “Medium”, and “Full” and include different levels of hours of operations, staffing, and Consortium programming. The incremental cost in 2009 dollars ranges from \$529,000 for the Minimum scenario to \$1,100,000 for the Full scenario. There is some opportunity for the final operating plan to mix components from different scenarios – these are illustrative only. Each scenario is accompanied by a financing plan which does not require contributions from the General Fund beyond the current amount. Ultimately, the service level will depend greatly on what the community is willing to fund through donations and a parcel tax.

Service Level Scenarios	Minimum	Medium	Full
Hours per Week	40	50	64
Staffing	7.0	10.0	14.0
Consortium Programs per Year	Quarterly	Monthly	Twice a week
Additions to Collection per Year	2,900	3,200	5,240

	Minimum	Medium	Full
Annual Costs			
Operations & Maintenance	\$ 360,976	\$ 440,173	\$ 519,369
Library Services	889,623	997,387	1,236,575
Consortium & District Services	88,246	154,710	409,707
Total	\$ 1,338,845	\$ 1,592,270	\$ 2,165,651
Annual Resources			
County	600,460	600,460	600,460
City	125,024	125,024	125,024
Consortium Revenue	463	1,389	12,039
Grants & Fundraising	15,000	100,000	250,000
Friends of the Lafayette Library	34,729	34,729	34,729
Building Reimbursements	34,266	34,266	34,266
Total	\$ 809,942	\$ 895,868	\$ 1,055,518
Incremental Cost to Operate LLLC	\$ 528,903	\$ 696,402	\$ 1,110,133

A range of scenarios for additional resources under the three service levels is shown below. For each, the incremental cost to operate the LLLC is adjusted to include the proceeds from a low endowment of \$3 million, a medium endowment of \$8 million, and a large endowment of \$13 million. The average parcel tax for each of the scenarios under each of the service level options is included. It is assumed the parcel tax would be for five years and based on 11,000 parcels.

	Minimum	Medium	Full
Incremental Cost	\$ 528,903	\$ 696,402	\$ 1,110,133
Low Endowment Scenario – \$3,000,000			
Proceeds - 5%	150,000	150,000	150,000
Incremental Cost - adjusted	\$ 378,903	\$ 546,402	\$ 960,133
Average Parcel Tax	\$ 38	\$ 53	\$ 93
Medium Endowment Scenario – \$8,000,000			
Proceeds - 5%	400,000	400,000	400,000
Incremental Cost - adjusted	\$ 128,903	\$ 296,402	\$ 710,133
Average Parcel Tax	\$ 13	\$ 29	\$ 69
Large Endowment Scenario – \$13,000,000			
Proceeds - 5%	650,000	650,000	650,000
Incremental Cost - adjusted	\$ (121,097)	\$ 46,402	\$ 460,133
Average Parcel Tax	0	\$ 4	\$ 44

Next Steps

- Staff and Councilmember Tatzin will work with LAFCO regarding the subsidiary district, and return to Council with a report in September.
- Discussions regarding the NPO will continue, and an update will be brought to the Council later this year.
- Staff will make regular reports to the Council/Agency regarding the construction documents, review by agencies, constructability review and issuance of permits. Bidding results will be presented this fall for approval by the Agency before construction begins.
- Staff will continue to work with the County to resolve the Agency budget and its effect on library funding.
- Staff will continue to participate with the Consortium planning group to develop the business plan and agreements. Agreements with each partner will be brought to the City Council for approval in 2007.
- The Lafayette Community Foundation will continue its fundraising.