

DATE ISSUED: December 7, 2001

REPORT NO: 01-275

ATTENTION: Natural Resources & Culture Committee,
Agenda of December 12, 2001, Item

SUBJECT: Proposition 14 Project Recommendations

SUMMARY

Issue: Which library building projects should be submitted to the California Public Library Construction and Renovation Board for funding consideration for funding under the State Bond Act?

Managers Recommendation:

1. Consider the Balboa, Logan Heights, Mission Hills, North Park, Ocean Beach, San Carlos, San Ysidro, and Skyline Branches, as well as the new Main Library for funding submission under the State Bond Act.
2. Submit up to three projects including the new Main Library for the first round of funding, and the remainder of the approved projects for funding in future rounds

Other Recommendations: None.

Fiscal Impact: There will be costs associated with the hiring of consultants to prepare information required for the grant applications.

BACKGROUND

Proposition 14, the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000, will provide \$350 million in grants to local agencies to construct new libraries or expand and/or renovate existing libraries. Libraries can apply for grants of between \$50,000 and \$20 million per facility, and a 35 percent local match will be required. First priority funding is established for joint-use projects where there is a cooperative agreement between public libraries and K-12 public schools.

Specifically, Proposition 14 funds can be used for:

- 1) Acquisition or construction of new facilities or additions to existing public library facilities
- 2) Acquisition of land necessary for the acquisition or construction of new facilities or additions to existing public library facilities
- 3) Remodeling or rehabilitation of existing public library facilities or of other facilities for the purpose of their conversion to public library facilities. All remodeling and rehabilitation projects funded with grants authorized shall include any necessary upgrading of electrical and telecommunications systems to accommodate Internet and similar computer technology.
- 4) Procurement or installation, or both, of furnishings and equipment required to make a facility fully operable, if the procurement or installation is part of a construction or remodeling project funded under the State Bond Act.
- 5) Payment of fees charged by architects, engineers and other professionals, whose services are required to plan or execute a project authorized pursuant to the State Bond Act.

Attachment 1 provides the wording of SB 3, the legislation that establishes the bond act approved as Proposition 14. The legislation outlines the general program and fiscal provisions of the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000.

Priority funding under the Bond Act is as follows:

First priority shall be given to joint use projects in which the agency that operates the library and one or more K-12 public school districts have a cooperative agreement.ⁱⁱ For all projects, first priority for funding is given to joint use projects in which the agency that operates the library and one or more school districts have a formal, cooperative agreement. In applications for remodeling or rehabilitating existing public libraries, priority is also given for those libraries in the attendance areas of public schools that have inadequate infrastructure to support access to computers and other educational technology.

Joint use projects may be interpreted in two ways:

- 1) A “**co-located facility**” or one that houses a combined public and school library in a single facility either on or off school grounds,
- 2) A “**joint venture project**”, is a public library that provides one or more special features such as a computer center, family literacy center, homework center, career center, shared electronic and telecommunications, subject specialty learning centers or similar collaborative services that directly benefit K-12 students.

Second priority shall be given to all other new public library projects.¹

¹(See Education Code Section 19994 [a] [2].)

The California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 Board has the power to adopt rules, regulations, and policies for the implementation of the Library Bond Act, and the Board is also responsible for reviewing applications and making grant award decisions. The Board consists of the following individuals:

- Dr. Kevin Starr, the State Librarian
- Philip Angelides, the State Treasurer
- B. Timothy Gage, the Director of the State Department of Finance
- Assembly Woman Ellen M. Corbett, Speaker of the Assembly Appointee
- Senator Deirdre "Dede" Alpert, Senate Rules Committee Appointee
- Barton Pachino Esq., Governor's Appointee.

The Library Bond Act will go through the following phases during its implementation:

- 1) Rulemaking for Program Regulations** Both Title 5 Program Regulations Rulemaking (**Attachment 2**) and Title 24 Building Standards Rulemaking Regulations (**Attachment 3**) for both the application process and the plans review and construction process must be completed first, and it is anticipated that this process will be complete by January 1, 2002.
- 2) Grant Applications submitted to the State Library for evaluations** It is anticipated that the deadline for the first application cycle will be June 14, 2002 with subsequent deadlines of March 28, 2003 for the second cycle and January 16, 2004 for a third cycle if needed. After determining eligibility, California State Library staff will evaluate the grant applications based on the "review consideration factors" stated in Education Code Section 199989. Depending upon the number of applications, this process may take several months to complete after the application deadline.
- 3) Board Grant Award Decisions** Once staff has completed evaluating the applications, the Board will meet to make grant award decisions. No more than \$150 million of Library Bond Act funds will be allocated at the first cycle, and no more than \$110 million of grant funds will be allocated at the second cycle. Any remaining funds will be allocated at the third and final cycle.
- 4) Grant Agreement.** Immediately after grant award, successful applicants will enter into a grant agreement with the California State Library for the construction of the public library building. This step will include a number of reviews including:
 - a. Architectural project plans review and acceptance by the State Librarian. Once a grant agreement has been completed, grant recipients must submit architectural plans for review and acceptance by the State Librarian.
 - b. Once a grant agreement has been completed, grant recipients must also submit architectural plans for review and approval by the Access Compliance unit of the Division of the State Architect (DSA).
 - c. Project Plans Review & Approval by DSA for "Field Act" Projects. This step is for grant recipients with "Joint Use" public library construction

projects that trigger the Field Act requirements.

5) Project Construction, Grant Payments & Close Out A number of steps are required:

- a. After the completion and acceptance of architectural plans and specifications, grant recipients may advertise the project for bids and begin construction.
- b. After a grant agreement has been executed, grant recipients may request the payment of State matching funds for planning costs and subsequently for construction costs on a reimbursement basis.
- c. Once the public library building project is completed, grant recipients should close out the project by providing a final compliance review and any appropriate audits within 18 months after substantial completion of the project.

CRITERIA FOR PROPOSITION 14 GRANT APPLICATIONS

Title 5 regulations, the application, criteria and process on which Proposition 14 projects will be selected for funding, were finalized on October 19, 2001. In the first phase of funding, no more than \$150 million will be allocated, with a \$20 million limit on any one individual grant payment. The State Library is estimating that the current Bond Act will fund between 100 and 150 public library projects depending upon the size of the projects funded as well as the number of remodeling projects versus new construction projects.

Because the competition for funds will be keen, the Board held a number of public meetings requesting information that will assist them in making an informed and fair decision about the proposed project based on the priorities and "review considerations" stated in the Library Bond Act.² It is almost certain that there will be many more applicants than state funds available. A recent statewide needs assessment demonstrated funding needs for over \$2 billion for public library construction in the State of California- this is six times the amount of available Library Bond Act funds.

The grant has specific components and criteria. Following is a summary of the criteria that are provided by the State Library on its Proposition 14 website. The criteria indicate that there are seven "factors" which the Board shall consider while reviewing applications.³ In reviewing applications, as part of establishing the priorities set forth in the Board shall consider all of the following factors⁴:

- 1) Needs of urban and rural areas. The purpose is to ensure that both the urbanized and rural areas of the State receive equitable treatment.
- 2) Population growth. Libraries serving areas that have had significant increases in population will receive greater consideration.

² (See Education Code Sections 19994 and 19998.)

³ (See Education Code Section 19998 [a].)

⁴ (See Education Code Section 19994)

- 3) Age and condition of the existing library facility. Funding will favor the replacement of older, usually obsolete facilities.
- 4) The degree to which the existing library facility is inadequate in meeting the needs of the residents in the library service area and the degree to which the proposed project responds to the needs of those residents.
- 5) The degree to which the library's plan of service integrates appropriate electronic technologies into the proposed project.
- 6) The degree to which the proposed site is appropriate for the proposed project and its intended use.
- 7) The financial capacity of the local agency submitting the application to open and maintain operation of the proposed library for applications for the construction of new public libraries.

In addition, the local government submitting an application must contain the following information:

1. **Funding:** The local grant recipient must provide 35% of all eligible project costs and 100% of all other project costs.* A resolution from the local governing body must be submitted with the application demonstrating the commitment to provide the local matching fund amount and any other supplemental funds needed to complete the project.
2. **Commitment to Provide Public Library Direct Service:** Regardless of any operating agreements, the governing body must agree that the completed building will be dedicated to public library direct service use for a period of at least 40 years following the completion of the project.
3. **Building and Site Considerations** Supporting documents must be submitted with the application. These include: site and title requirements including all California Environmental Quality Act (CEQA) documentation, proof of property ownership or any lease and lease-purchase agreements, boundary survey, geo-technical report, visual record of the existing library, map and visual record of the site with map.
4. **Community Needs Assessment** The needs assessment is developed as a collaborative effort between the public library and public school district. It demonstrates the need for the project and describes its relationship to the overall library jurisdiction.
5. **Library Plan of Service** A library plan of service will describe how the needs of the residents in the library service area will be met by the proposed project.
6. **Library Building Program** The building program will demonstrate how the library plan of service will be implemented in the project.
7. **Conceptual plans:** Architectural plans will be submitted that include a floor plan and site plan that justify the projected construction cost estimate.

*Past experience with Proposition 85 bond act projects shows that these costs can be quite considerable, bringing the required match closer to 40 percent.

Once applications have been submitted, they will be ranked by priority and as to how

each application met the review consideration factors specified in the Education Code, section 19998 (the seven factors listed above). Applications for the first cycle of funding will be accepted on June 14, 2002.

The California State Library has provided answers to *Frequently Asked Questions*, and this document is **Attachment 4**.

Preparation of Grant Project Proposals and Evaluation of Projects Based on State Criteria

Attachment 5 is a matrix listing the proposed City of San Diego State Bond Act projects, and the criteria and requirements for each project. Preparation of each individual grant project is a time consuming and expensive effort. Approximately \$150,000 will be required to fund each grant application

Recommended Library Projects to be submitted to the State Library for Grant Funds

Staff has met with each of the Council offices to discuss the needs of the branches in their Council district and elicit the priorities of the Councilmembers. A series of discussions has also been ongoing at the Natural Resources & Culture Committee to receive community input and to further clarify Councilmembers' priorities for development of the library system. Based upon input from these meetings and the evaluation of potential projects using State criteria, **Attachment 6** shows the library building projects that are recommended as candidates for submission for State Funding.

Cooperative Efforts to Date for Joint Use Facilities

The Library has been in contact with the San Diego Unified School District, as well as other districts serving the City of San Diego, to discuss possible joint services and co-locations. Although Proposition MM will provide funds to expand many San Diego Unified School District library media centers, the majority of the expansions will average only 1,000 to 2,000 square feet to meet the goal of a 3,500 square foot facility for elementary schools and up to 9,300 square feet for secondary school facilities. Consequently, the best opportunities for co-location are in new school facility projects rather than these small expansion projects. Additionally, in order for a library to provide full services for both students and the community, it is crucial to locate the library on or adjacent to the campus on a site that allows full day access and convenient parking for the community, while not compromising the security of the students.

A school library media center is more than a library. It provides classroom space for media instruction and is the locality for textbook ordering, processing, distribution and storage. These special space needs suggest that a joint use facility will have to be larger than the current 13,000 square foot minimum approved by Council in order to meet the needs of the school, the students and the community.

Following is a summary of joint use activities currently under development.

Balboa - In addition to working with the 9 public schools in its service area, Balboa Branch Library staff work closely with the 2 disabled magnet schools in the area (Lindbergh/Schweitzer and Lafayette). Staff introduces disabled students to the library and brings them up to speed on Information Technology through class visits to the library, class tours explaining the benefits of the library to their lives, and class story times.

Logan Heights - The library serves a school population of almost 8,000 students from pre-school through high school. Teachers at the local elementary school and adjacent middle school rely on the library's resources. A large number of the students have Spanish-only classes, while others are transitional students with limited English language skills. They take advantage of the library's extensive Spanish-language collection, in addition to the library's online databases. Although the current site is adjacent to a middle school, it is too small for expansion. Negotiations are underway to site the new library adjacent to a middle and elementary school.

Mission Hills- The Library has held meetings with the San Diego Unified School District about the possibility of relocating and building a new Mission Hills Branch Library on or adjacent to the Florence Elementary School on First Avenue between University and Washington. The school currently has no library media center, and by providing library service to the school, the District may be willing to contribute Proposition MM funding to provide library service to the school. Proceeds from the sale of the existing Mission Hills Branch Library could also be used to fund a portion of the 35 percent match required by Proposition 14.

North Park - North Park library staff has developed a close relationship with the local high school in addition to other public elementary schools in its service area. Library staff serves on mock interview panels at the high school and the school provides the branch with a student intern. As a result, 2 past interns have become permanent library employees. A local elementary school has an annual "Visit the Library Night". A beautiful 12' x 5" Millennial quilt hangs in the library, created by students and volunteers from 2 local elementary schools.

Ocean Beach - The current branch is across the street from an elementary school. Even with a recent infusion of Proposition MM funding, the school's media center is the size of one classroom. It is inadequate in meeting the needs of the students. Over 22 classes visit the branch each month.

San Carlos/Patrick Henry - In February 2000, Councilmember Judy McCarty called a meeting to discuss developing a formal partnership between the San Carlos and Benjamin branch libraries and City Schools in their service area. The objective was to form an Ad Hoc Committee that would build on existing school- public library partnerships. Members from both the school district and the community were invited. They met three times, March, April and September 2000 to discuss ways school and public libraries

could cooperate.

San Ysidro - The Library has met with representatives from the San Ysidro School District about a proposal to use a District owned site adjacent to two schools to build a new branch library and provide an upper floor to house the District's administrative offices. The City has hired an architectural consultant to prepare some preliminary studies and designs. The value of the District's property plus the availability of some Developer Impact Fees could provide the 35 percent match required by Proposition 14. An alternate site also is being investigated at a shopping center in San Ysidro that may offer an opportunity for cooperation with an elementary school.

Skyline - The Skyline Hills Branch provides educational support to 10 public schools in the area serving over 11,000 students. Classes from two elementary schedule regular library visits. One elementary school closed their school library, converting it into a classroom. Students from this school have been using the Skyline Hills Branch as their school library. In addition to public schools, 2 special high schools have no library on their school site and use the branch extensively.

Central Library - The Children's Room serves 13 schools in the downtown area, including elementary, junior high, high school and charter schools. The Children's Room has an Outreach Youth Services Librarian, who regularly visits the schools providing book talks, library skills, book kits for teachers, library card campaigns and Summer Reading Program information. The Outreach librarian also attends Parent School Nights and School Faculty meetings to share library resources and programs.

School classes regularly visit the library for research and special programs related to school curricula. In FY2000 9,312 children and teens attended tours, storytimes, crafts, films and special programs. School classes are given library skills and internet training, and computers are available for school reports. Teachers can submit applications for library cards for their students, which are processed before the next class visit. Book talks and help with resources on a specific topic are also available to school classes. Many schools in the downtown area do not have easy access to computers or an in-depth book collection, and the demand for library service by the downtown schools is high.

Additional Cooperative Activities The Library and school districts serving City residents cooperate in many ways to promote reading and learning. The major activities in which the Library cooperates or collaborates with local schools are summarized in **Attachment 7**. Several of these activities could be expanded upon to provide creative means of jointly using City library and school facilities.

Sources of Funding for the Local Match Required by Proposition 14

Following is a summary of the potential sources of funding for the local match, in addition to funds already identified in the City's Capital Improvements Program.

CDBG Eligible Branch Libraries

In order for a branch library to qualify for Community Development Block Grant (CDBG) funding, the library service area must contain at least 51 percent low to moderate income residents, as defined by HUD using 1990 census data. Using these criteria, there are twelve branch libraries that currently qualify for CDBG funding (Beckwourth, College Heights, Kensington/Normal Heights, Linda Vista, Logan Heights, Malcolm X, North Park, Oak Park, Ocean Beach, San Ysidro, University Heights, Weingart City Heights).

Sale of Existing Property

Existing branch library facilities that are not proposed for expansion or replacement on its current site might be sold, with the proceeds being directed towards the required match. Facilities located on property with restricted use, such as City parkland, would be precluded from this option.

Corporate Sponsorship Opportunities

The City Manager recently embarked on a program to seek corporate sponsorship for City facilities and major equipment. It might be possible to negotiate the naming rights for a branch library in return for a contribution to construct the new branch. Ideally, a corporate sponsor would be a company whose business is compatible with the Library's mission; any sponsorship recognition would need to meet City guidelines and have general acceptance from the community.

Fundraising

Richard B. Hall, the Bond Act Manager for the California State Library, has written a text titled *Financing Public Library Buildings*, in which he categorizes nationwide funding sources for public library construction. Hall's findings show that nine percent (9%) of construction funding comes from gifts with 78% coming from local governments. Through significant gifts from private donors, San Diego has been fortunate to have four libraries built, with a fifth on the horizon.

Proposition 14 requires a one third match from the recipients. Fundraising may play a role in obtaining the match for some of the San Diego Prop 14 projects. A library system fundraising campaign is being planned to raise a minimum of \$15 million for the New Main Library as well as approximately \$35 million to build and refurbish branch libraries. The final campaign goal will be determined at the conclusion of a campaign feasibility study in which approximately 50 individuals will be interviewed to help set a realistic monetary goal; identify potential lead gifts; educate and begin the cultivation process for potential donors and campaign leadership; provide an assessment of external factors that may affect the campaign; and make recommendations about the campaign organization and staffing. The Library has hired the Robert B. Sharp Company to conduct the study.

The campaign will be conducted through the recently formed Foundation for San Diego Central and Branch Library System (FLS), a 501(c)(3) corporation operating as a public charity. On July 30, 2001, the City Council voted to provide \$1 million in seed money to the FLS. This funding came from the New Main Library Major Facilities Fund, which has been funded by an annual Transient Occupancy Tax allocation. Additional campaign support will be sought from various groups, including individuals, foundations, corporations, and other government agencies.

A fundraising steering committee, composed of approximately 15 community leaders and City staff, will report to the FLS Board of Directors. Current directors are James Dawe, president; Mike Madigan, secretary; and Mary Walshok, treasurer. The FLS will have an MOU with the City authorizing it to use its donations to support the library system. The City and the FLS will work together to provide for services and facilities over and above what traditional tax-based funding for the San Diego Public Library has provided.

ALTERNATIVES

1. Select alternative projects for funding submission.
2. Do not recommend submitting projects for funding under Proposition 14.

Respectfully submitted:

Anna Tat 
Library Director

Approved: Bruce A. Herring
Deputy City Manager

TAT /WWS

Attachments: [1: California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000](#)
[2: Title 5 Library Bond Act Regulations](#)
[3: Title 24 Library Bond Act Regulations \(California Building Standards Code\).](#)
[4: *Frequently Asked Questions \(FAQ's\) about Proposition 14*](#)
[5: Evaluation of Projects Based on State Criteria](#)
[6: Recommended Library Projects for Proposition 14](#)
[7: The San Diego Public Library and Collaboration with Local Schools](#)