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February 14, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

SACRAMENTO UPDATE

LEGISLATION OF COUNTY INTEREST

SB 156 (Simitian), as introduced on January 30, 2007, would enact the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2008 and would place it on the 2008 statewide primary ballot. If approved by voters, it would authorize the issuance of bonds in the amount of $4 billion for library construction and renovation.

SB 156 would award funds for up to $30 million per project with a minimum funding level of $500,000. Local agencies would be required to pay 35 percent of the project costs. Funds cannot be used for books, certain administrative costs, interest payments, or operating costs.

In 2000, California voters approved Proposition 14, the California Library Construction and Renovation Bond Act, which authorized $350 million in State General Obligation bonds for the acquisition, construction, remodeling or rehabilitation of public library facilities. Although these funds have been expended, approximately 75 percent of all eligible library bond applications were not awarded grants due to the large number of applicants. In 2006, Proposition 81, which would have authorized $600 million in State General Obligation Bonds to finance library construction and renovations, was rejected by the voters.

The County Library applied for funding for four projects under the 2000 library bond act. In addition, three cities served by the County Library (Diamond Bar, Duarte, and West Hollywood) submitted projects. Two projects submitted by the County were funded, Lawndale and Acton/Agua Dulce. Topanga Canyon and East San Gabriel Valley Regional Library and the city projects were not funded.

The County Librarian indicates that notwithstanding these specific projects, the County Library has additional library construction and renovation needs. The Library faces a serious long-term problem with crowded and outdated library facilities. Financial limitations have prevented the Library from expanding or replacing facilities to any significant degree since the 1970s. Among the current County Library buildings, 74 percent are at least 30 years old and another 29 percent have been in existence for at least 40 years. These aging and outdated facilities are inadequate to meet the needs of the growing population. Over the past 20 years, the County Library's service area population has increased 39 percent. By 2020, the Library will need to add new library facilities in 10 high growth areas and replace 67 of the existing buildings. Additionally, a 2003 California State Library needs assessment indicates that renovation and building costs in the State exceed $4 billion.

The County Librarian notes that for past bond measures, a long time elapsed from the passage of the measure to the allocation of awards, which seemed to be due to the complexity of the application process. It takes considerable time to develop the regulations for a complex application, and then it takes a long time to evaluate each round of applications. Therefore, construction and other costs escalate while applications are under consideration. In addition, previous bond acts did not consider population density in the distribution of grants. Also in the past, some projects received grants but the receiving agency was unable to raise matching funds. In such cases, funds were retained by the receiving agency for years even though construction did not take place, while projects that were ready for construction were denied funding.

The County Librarian reviewed SB 156 and recommends that it be amended to: 1) include a deadline for awarding bond funds; 2) develop a streamlined and shorter application process; 3) consider per capita or geographical distribution as a factor in determining the awards; 4) allow jurisdictions up to one year to conduct an election if required to obtain matching funds through a local bond measure; and 5) require recipients to take immediate responsibility for project construction and demonstrate that funds are available to operate the new facility.

Because this measure will provide funding for library construction and renovations, the County Librarian recommends that the County support SB 156, if amended, as indicated above. Although support is consistent with the Board's prior actions to support Proposition 14 in January 2000 and Proposition 81 in June 2006, **a position on a bond related proposal is a matter for Board policy determination.**

We will continue to keep you advised.

DEJ:GK
MAL:RM:hg

c: All Department Heads
Legislative Strategist
Local 660
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants