

Ready to Check Out? Santa Cruz City-County Library System

Synopsis

While investigating the cost of library system administrative headquarters, the larger, more complex issue of decreased revenues became glaringly apparent. A comprehensive financial and facilities plan is overdue. In 2013, the library system will lose nearly 60 percent of its funding when Measure B¹ expires. In October 1997, Technical Services, System Outreach and Administrative Services moved from the Central Branch Library to Pacific Avenue. The Central Branch became overcrowded when the library collection was expanded, and additional staff was hired after the passage of Measure B. By the time the Pacific Avenue lease expires in 2007, the library system will have spent more than \$2.5 million on rent.

Library administration has suggested a \$24 million expansion of facilities. However, larger buildings and more branches generate increased operating costs. Over the last two years, decreased library system revenues have meant cutting open hours, staff and acquisitions. Even at the current level of services, the library system is operating at a deficit. With future revenue sources uncertain, responsible fiscal planning is critical to the library system's survival.

Definitions/Abbreviations (See Appendix)

Background

The mission of the Santa Cruz City-County Library System is to: “provide materials and services that help community residents meet their personal, educational, cultural, and professional information needs.”² The library system serves the population of Santa Cruz County. As of August 2004, the library system served 205,000 people. The City of Watsonville has its own two-branch library system.

Library System Organization

The library system has ten branches:

- Aptos

¹Text of Measure B (November 1996), www.santacruzpl.org/libraryadmin/btext.shtml.

² Santa Cruz Public Libraries, “Facts about the Santa Cruz City-County Library System,” August 24, 2004.

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- Boulder Creek
- Branciforte (East Santa Cruz)
- Capitola
- Central (Downtown Santa Cruz)
- Felton
- Garfield Park (West Santa Cruz)
- La Selva Beach
- Live Oak (under construction)
- Scotts Valley

Library headquarters, housed on Pacific Avenue, includes the Administrative Unit, Technical Services (cataloging) and Outreach for both seniors and children. The library system also operates a bookmobile.

Current library system organization balances two conflicting library service issues:

- desire to retain neighborhood-level branch libraries; and
- economic necessity of maximizing funding resources by centralizing programs and services.³

Library External Administration

Santa Cruz County has contracted with the City of Santa Cruz since 1916 to provide library services. To ensure balanced service throughout Santa Cruz County, the County of Santa Cruz and the cities of Capitola, Santa Cruz and Scotts Valley agreed in May 1996 to form a joint exercise of powers authority⁴ to govern the library.⁵

The Library Joint Powers Authority Board (JPA Board) consists of nine members, including elected officials from the county and cities. The JPA Board oversees the operations of the library, sets policies and exercises responsibilities designated by this agreement. The Joint Powers Authority Agreement expires in 2014. JPA Board meetings are held at least quarterly.

The City of Santa Cruz provides administrative, financial and personnel services to the system.⁶ In return, the City of Santa Cruz receives the equivalent of 5.5 percent of the net

³ Santa Cruz Public Libraries, The Santa Cruz Library System Facilities Master Plan, 2001/01 – 2005/06, September 2001.

⁴ See Appendix: Definitions.

⁵ Joint Powers Agreement between the City of Santa Cruz and the County of Santa Cruz and the Cities of Capitola and Scotts Valley Relating to Library Services, May 1996.

⁶ Joint Powers Agreement between the City of Santa Cruz and the County of Santa Cruz and the Cities of Capitola and Scotts Valley Relating to Library Services, May 1996.

operating costs of the library system as compensation. The Santa Cruz City-County Library System has the equivalent of 117.98 full-time regular employees who are part of the Santa Cruz City personnel system. The library also employs on-call substitutes, student pages and numerous volunteers. The Santa Cruz City Manager reports to the Mayor and the City Council. The City of Santa Cruz Director of Finance maintains the accounts and financial records of the JPA Board.

Library Central Administration

The Director of Libraries oversees the overall allocation of duties and responsibilities in the library and reviews all processes. The Director of Libraries has department head status under the City of Santa Cruz personnel system and serves as staff to the JPA Board. The City Manager of Santa Cruz City supervises the Director of Libraries.

Central Branch/Administrative Facilities

The Central Branch facility was built in 1968 and is approximately 44,000 square feet. The building has been renovated and upgraded as needs have changed. When the Measure B library sales tax was approved by voters in 1996, the library system increased services, added to its collection and hired additional staff. As a result of this expansion, the JPA Board voted to rent additional space because enlarging the Central Branch would have disrupted library operations. Administrative Services, Technical Services and Outreach moved to 1543 Pacific Avenue in October 1997. Measure B was a new library tax in the form of a quarter-cent sales tax.

The Director of Libraries set the criteria for administrative headquarters. City of Santa Cruz Redevelopment Agency staff and the landlord negotiated the terms of the lease. After review by the JPA Board, the City Attorney and the RDA Executive Director, the Santa Cruz City Manager ultimately approved the lease.

Funding

Library funding for Fiscal Year 2004-05⁷ comes from a combination of:

- property taxes (43 percent);
- sales tax (57 percent); and
- library fees and fines, state funds, bequests and trusts (.06 percent).

Property tax and sales tax revenues are allocated annually to the library system and the Watsonville Public Library by a Library Financing Authority. The funds are divided according to a population-based formula. The library system achieved relative financial

⁷ Santa Cruz Public Libraries, The Library System's Revenue and Budget: FY 2004-2005, <http://www.santacruzpl.org/libraryadmin/04-05bud.shtml>. Also see Appendix: Budget.

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stability in fiscal year 1997-98 with the passage of Measure B. However, due to an ailing economy, sales tax revenues were declining by 2003.

Even without the effects of the economy, the library system's existing revenue sources are insufficient to meet future capital needs and operating expenses. In addition, the Measure B sales tax, which comprises approximately 60 percent of the library system's budget, ends in eight years. The JPA Board discussed the use of general obligation bonds to fund future system needs.

Scope

This investigation was initiated to review the cost of housing library administrative headquarters on Pacific Avenue and generate recommendations regarding facilities and space. The investigation included:

- researching the Santa Cruz City-County Library System budget, facilities plan and newspaper articles;
- interviewing library personnel and city staff regarding facilities and space for administration; and
- making recommendations based on findings.

In the course of the investigation, the larger, more complex issue of decreased and finite revenues became glaringly apparent as did the overwhelming need for a proactive, comprehensive financial and facilities plan.

Sources

Interviewed:

City of Santa Cruz administrators and staff.
Commercial Realtor.
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Library administrators and staff.

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- December 6, 2004.
- February 7, 2005.
- April 4, 2005.
- May 2, 2005.

Findings

Library Administration

1. Current library system organization balances two conflicting library service issues:
 - desire to maintain neighborhood-level branch libraries; and
 - economic necessity of maximizing funding resources by centralizing programs and services.⁸

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

2. The Director of Libraries is supervised by the City Manager and has department head status under the City of Santa Cruz's personnel system. The Director serves as staff to the Library Joint Powers Authority Board.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

⁸ Santa Cruz Public Libraries, The Santa Cruz Library System Facilities Master Plan, 2001/02 – 2005/06, September 2001.

3. Although the JPA Board governs the library, the staff are Santa Cruz City employees.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

4. The Joint Powers Board consists of nine members:
- Two members appointed by the Santa Cruz City Council from among its members;
 - Two members appointed by the Santa Cruz County Board of Supervisors from among its members;
 - One member appointed by the Capitola City Council from among its members;
 - One member appointed by the Scotts Valley City Council from among its members; and
 - Three at-large citizens appointed by majority vote of the board from the qualified electors of the Library Service Area and who represent the geographic diversity of the county.
5. The JPA Board oversees the operations of the Santa Cruz City-County Library System. It oversees the library budget, adopts and oversees enforcement of rules, regulations and policies necessary for the administration of the library system; sets hours and levels of service for operation of the library system and evaluates the quality of library service. The JPA Board does not concern itself with the day-to-day functioning of the library or the details of the library budget. It relies heavily on staff input to make decisions. The JPA Board duties include conferring with “the City Manager concerning the job performance of the Director of Libraries and any modification or renewal of the contract of the Director of Libraries.”⁹

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

⁹ Joint Powers Agreement between the City of Santa Cruz and the County of Santa Cruz and the Cities of Capitola and Scotts Valley Relating to Library Services, Library Joint Powers Board Bylaws, Article II, g., May 1996.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

6. The City Manager consults with other administrative heads of member jurisdictions for the director's personnel reviews (County Administrative Officer, City Manager of Scotts Valley, City Manager of Capitola).

Response: City of Santa Cruz AGREES.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

If the last review of the Director of Libraries by the City of Santa Cruz City Manager was in 1999, that review was prior to the tenure of the current City of Capitola City Manager.

Response: City of Scotts Valley DISAGREES.

No such consultation had occurred with the Scotts Valley City Manager.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

7. The Director of Libraries was last reviewed in 1999 and initiated a self-review in 2002-2003.

Response: City of Santa Cruz DISAGREES.

The "self-review" conducted in 2002 was just as much a "review" as the one conducted in 1999.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board DISAGREES.

The Director of Libraries was appraised by the City Manager in 2002-03. The Joint Powers Board participated in this appraisal by discussing the Director's performance in a closed session and instructing the chair to write a letter on behalf of the board to the City Manager.

Response: Santa Cruz City-County Library System DISAGREES.

The Director of Libraries was appraised by the City Manager in 2002-03. The Joint Powers Board participated in this appraisal by discussing the Director's performance in a closed session and instructing the chair to write a letter on behalf of the board to the City Manager.

8. JPA Board members and Santa Cruz City staff could not recollect when the JPA Board was last asked for advice on the performance of the Director of Libraries.

Response: City of Santa Cruz DISAGREES.

The board was asked to submit its comments on the performance of the Director of Libraries in September 2002.

Response: City of Capitola DISAGREES.

According to communications with District staff, the minutes of the September 9, 2002 reporting a closed session include the following: “The Board then conducted a performance appraisal discussion with the Director and agreed upon the content of a letter to the City Manager commenting on the Director’s performance.”

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board DISAGREES.

The Minutes of the September 9, 2002 reporting a closed session include the following: “The Board then conducted a performance appraisal discussion with the Director and agreed upon the content of a letter to the City Manager commenting on the Director’s performance.”

Response: Santa Cruz City-County Library System DISAGREES.

The Minutes of the September 9, 2002 reporting a closed session include the following: “The Board then conducted a performance appraisal discussion with the Director and agreed upon the content of a letter to the City Manager commenting on the Director’s performance.”

Measure B

9. Measure B, passed by voters in 1996, was a new library tax in the form of a quarter-cent sales tax. Polling data showed that the public valued services to children and seniors, increased open hours and an expanded collection.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

10. The sales tax went into effect March 1997 with funds becoming available in the fiscal year beginning July 1, 1997. The ordinance terminates on April 1, 2013.¹⁰
11. When people voted on Measure B, its purpose was for more open hours and some capital expenditures to expand places like Scotts Valley and Felton branches and to renovate and build when necessary. Measure B did not expressly call for renting additional administrative space.

Response: Santa Cruz County Board of Supervisors PARTIALLY DISAGREES.

The purpose of Measure B was to improve library services throughout Santa Cruz County by increasing open hours, expanding services, and strengthening the collections. Measure B did not expressly call for any specific services except those mentioned. Renting System Services space was necessitated by the implementation of the above improvements.

Response: City of Santa Cruz PARTIALLY AGREES.

It is technically correct that Measure B did not “expressly” call for renting additional administrative space. To our knowledge no one has questioned the need for such space; the only question has been how best to provide it. The expansion of library services authorized by Measure B would not have been possible without additional administrative support, which required additional space.

Response: City of Capitola PARTIALLY DISAGREES.

According to communications with district staff, the purpose of Measure B was to improve library services throughout Santa Cruz County by increasing open hours, expanding services, and strengthening the collections. Measure B did not expressly call for any specific services except those mentioned. Renting System Services space was necessitated by the implementation of the above improvements.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

The purpose of Measure B was to improve library services throughout Santa Cruz County by increasing open hours, expanding services, and strengthening the collections. Measure B did not expressly call for any specific services except those mentioned. Renting System Services space was necessitated by the implementation of the above improvements.

Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

¹⁰ “Text of Measure B (1996 November),” <http://www.santacruzpl.org/libraryadmin/btext.shtml>, November 1996.

The purpose of Measure B was to improve library services throughout Santa Cruz County by increasing open hours, expanding services, and strengthening the collections. Measure B did not expressly call for any specific services except those mentioned. Renting System Services space was necessitated by the implementation of the above improvements.

12. Measure B commitments included:¹¹

Commitments accomplished:

- Youth Service (YS) staff added and collections expanded;
- Mobile YS Librarian added;
- First 5 Commission Read to-Me-Grant received;
- Bookmobile purchased, staff hired;
- Outreach staff for seniors hired and programs developed;
- Library Book and Materials budget increased 44 percent in Fiscal Year 97-99, but declined starting after January 2002;
- Open hours expanded;
- Reopened Live Oak Branch in 1998, County Redevelopment Agency began construction of new facility in 2004;
- Scotts Valley Branch doubled in size, homework center added;
- Deferred maintenance accomplished at various branches; and
- Multiple improvements made in automation and internet access.

Items accomplished, not part of original commitment:¹²

- Opened new branch in Capitola;
- Asbestos abatement at Central Branch, new carpet, painting and HVAC repair;
- System Services staff moved to 1543 Pacific Avenue in downtown Santa Cruz; and
- Bathrooms and other basic facilities added to Garfield Park Branch.

¹¹ Director of Libraries, "Measure B Promises and Accomplishments," December 21, 2004.

¹² Director of Libraries, "Measure B Promises and Accomplishments," December 21, 2004.

Commitments not accomplished:¹³

- Construct 2,900 square foot addition to the Central Branch (based on further study, library staff states that 32,000 square feet are needed);
- Renovate historic structure occupied by Felton Branch (renovation proved to be impractical and expensive); and
- Install one-stop kiosk-type information centers with public access computers throughout county – unworkable without 24/7 staffing.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

Lease Negotiations

13. With the passage of Measure B, the library system increased services, added to its collection and hired additional staff, necessitating more space. As a result of overcrowding due to expansion, Administrative Services, Technical Services and Outreach moved to 1543 Pacific Avenue in October 1997.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley PARTIALLY AGREES.

We are unable to comment on the need for more space.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

14. The JPA Board directed the Director of Libraries to recommend rental space, including possible location, budget and timeline, to accommodate overflow from the Central Branch.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley PARTIALLY AGREES.

We do not recall the action of the JPA Board.

Response: Library Joint Powers Authority Board AGREES.

¹³ Director of Libraries, "Measure B Promises and Accomplishments," December 21, 2004.

Response: Santa Cruz City-County Library System AGREES.

15. To accommodate the newly hired staff (due to the passage of Measure B) by October 1997, prompt location of space and timely execution of a lease was necessary. Since the Santa Cruz City Council did not meet in August 1997, library and City of Santa Cruz Redevelopment Agency (RDA) staff requested that the Santa Cruz City Manager be authorized to approve a lease agreement. The lease was subject to the approval of the Santa Cruz City Attorney and the JPA Board.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

16. The recommendation from the Director of Libraries and the Santa Cruz City Director of Redevelopment stated that the new space should be located conveniently to the main branch of the library, should comprise approximately 10,000 square feet and should have a parking area adequate for loading, unloading and parking of book vans. One of the objectives of having library headquarters downtown was to contribute to the city's recovery from the 1989 earthquake. The building at 1543 Pacific Avenue met the above criteria.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

17. Alternative sites were not considered since there were no other available sites that met the above criteria. City Redevelopment Agency staff recollects that the library director identified this site as meeting the specification.

Response: City of Santa Cruz PARTIALLY AGREES.

The city recalls that the former School District Administrative Headquarters building at 133 Mission Street was available and met the criteria, but was more expensive than the Pacific Avenue property, so was not seriously considered.

Response: City of Capitola PARTIALLY DISAGREES.

According to communications with district staff, with the assistance of the Redevelopment Agency, library staff examined several other spaces, but none were large enough.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

With the assistance of the Redevelopment Agency, library staff examined several other spaces, but none were large enough.

Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

With the assistance of the Redevelopment Agency, library staff examined several other spaces, but none were large enough.

18. The lease approval process began with negotiation between the City of Santa Cruz Redevelopment Agency staff and the landlord. The Santa Cruz City Council approved the basic lease terms but was not involved in the details. They relied on the background material prepared by RDA staff.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

19. The original lease, executed in Santa Cruz on September 8, 1997 between Penak J. Ltd. and the Santa Cruz City-County Library System, was signed by the Santa Cruz City Manager. The lease had a five-year term with an additional five-year renewal option.
20. The JPA Board approved the Director of Libraries' recommendation that the JPA Board adopt a resolution to renew the lease between the library system and Penak J. Ltd. for library administrative headquarters at 1543 Pacific Avenue for an additional five-year term that ends September 30, 2007.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

But please note that although the space at 1543 Pacific Avenue has been referred to by all parties as the “library administrative headquarters,” it would be more accurate to call it “library system services” since three components of the library operation are housed there which serve all branches and programs.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

But please note that although the space at 1543 Pacific Avenue has been referred to by all parties as the “library administrative headquarters,” it would be more accurate to call it “library system services” since three components of the library operation are housed there which serve all branches and programs.

Response: Santa Cruz City-County Library System AGREES.

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Library Administrative Headquarters

21. The lease of library administrative headquarters has cost Santa Cruz County residents millions of dollars. In the eight years leading up to 2005, the cost has been \$1,936,006. That cost increases annually. By the end of the second five-year lease term, more than \$2.5 million will have been spent on administrative headquarters.

2004 – 2005 Santa Cruz County Grand Jury
Final Report and Responses

Calendar Year	Rent ¹⁴	NNN ¹⁵ + Utilities	Total Rent	Elevator Contract	HVAC Contract	Annual Cost
1997-1998 ^{16 17}	\$150,888	\$33,096	\$183,984	-0-	-0-	\$183,984
1999	\$174,108	\$35,292	\$209,400	-0-	-0-	\$209,400
2000 ¹⁸	\$182,232	\$41,712	\$223,944	-0-	-0-	\$223,944
2001	\$190,800	\$52,884	\$243,684	\$3,000	-0-	\$246,684
2002	\$199,392	\$57,768	\$257,160	\$3,166	\$5,040	\$265,366
2003	\$202,044	\$58,152	\$260,196	\$5,040	\$5,040	\$270,276
2004	\$204,060	\$55,416	\$259,476	\$5,040	\$5,040	\$269,556
2005	\$201,576	\$55,140	\$256,716	\$5,040	\$5,040	\$266,796
Total	\$1,505,100	\$389,460	\$1,894,560	\$21,286	\$20,160	\$1,936,006

Table 1. Library Administrative Headquarters Rent and Cost History.

Sources: Lease for 1543 Pacific Avenue dated September 8, 1997
Renewal of Library Administration Building Lease dated April 10, 2002

Chart from Santa Cruz City Manager, April 4, 2005

Response: Santa Cruz County Board of Supervisors PARTIALLY AGREES.

The Grand Jury inclusion of the elevator and HVAC contracts in the total rent inflates the cost of the facility. Any building with an elevator requires an elevator service contract and all buildings require HVAC maintenance. Similarly, all facilities must pay for utilities, taxes, etc., whether directly or via Triple Net charges

¹⁴ In 2005, rent was reduced by \$379 per month.

¹⁵ Triple net. See Appendix: Definitions.

¹⁶ Dates are from October 1997 through December 1998.

¹⁷ A memo confirming the area of the premises was signed on June 25, 1998. The original square footage stated in the lease was 11,770 square feet. In this memo, the area was confirmed actually to be 11,190 square feet. Rents are based on square footage. Adjustments were made to compensate for the overpayment of rent.

¹⁸ On May 17, 2000, the library system added another 1,123 square feet of rental space, for a total of 12,313 square feet.

on the rent. For comparative purposes, only the accrued rent of \$1,505,100 should be considered.

The library would have had to rent space somewhere for the System Services staff. Based upon study of the county rental market outside of downtown Santa Cruz, we can calculate that the price for such space would range from \$0.88/square foot in 1997-98 to \$1.10/square foot in 2005, compared to the Pacific Avenue range of \$1.07 to \$1.36 in the same time period. Were the library system to have rented 10,536 square feet (the most efficient package required) rent would total \$1,012,915.

So, the cost of the space in downtown Santa Cruz for the period 1997-98 through 2005 is \$492,915 more than it would have been elsewhere and that is the net cost of the facility.

Response: City of Santa Cruz AGREES.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

The City of Capitola does not have such records immediately available.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

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Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

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So, the cost of the space in downtown Santa Cruz for the period 1997-98 through 2005 is \$492,915 more than it would have been elsewhere and that is the net cost of the facility.

22. The Administrative Unit occupies 3,500 square feet in the Pacific Avenue Suite and includes offices, a conference room and an automation training room. Space is adequate but will not sustain growth. It would be hard to add staff for a grant program or special project. Foreseeable future needs would be met by 4,500 square feet.¹⁹

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

23. Technical Services occupies 5,500 square feet. Sixty percent is devoted to staff work areas including routing for daily delivery to all branches and the balance to shelving for books and other materials being processed. Seven thousand square feet is required to meet current and future needs.²⁰

Response: Santa Cruz County Board of Supervisors DISAGREES.

The Technical Services Division occupies 4,409 square feet.

Response: City of Santa Cruz DISAGREES.

Technical Services occupies 4,409 square feet.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

¹⁹ Santa Cruz Public Libraries, The Santa Cruz Library System Facilities Master Plan, 2001/02 – 2005/06, September 2001.

²⁰ Santa Cruz Public Libraries, The Santa Cruz Library System Facilities Master Plan, 2001/02 – 2005/06, September 2001.

The City of Capitola does not have such records immediately available.

Response: City of Scotts Valley DISAGREES.

The Technical Services Division occupies 4,409 square feet.

Response: Library Joint Powers Authority Board DISAGREES.

The Technical Services Division occupies 4,409 square feet.

Response: Santa Cruz City-County Library System DISAGREES.

The Technical Services Division occupies 4,409 square feet.

24. The Outreach Program occupies 856 square feet on Pacific Avenue. Sixty percent of the space is devoted to shelving library materials and other supplies. The Outreach Program staff workspace of 343 square feet for six people, even workers who are in and out of the building, does not meet library standards. “Conditions are absurdly overcrowded.”²¹

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

25. The Outreach Program requires at least 1,500 square feet for workspace and shelving. If staff moved to a stand-alone facility, a bathroom, break room and storage space would be needed. Access to a loading dock and vehicle parking is required. The space could be located elsewhere in the county near major thoroughfares.²²

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

²¹ Santa Cruz Public Libraries, The Santa Cruz Library System Facilities Master Plan, 2001/02 – 2005/06, September 2001.

²² Santa Cruz Public Libraries, The Santa Cruz Library System Facilities Master Plan, 2001/02 – 2005/06, September 2001.

26. Library staff reported that the heating system does not work well; the boiler is very old and some offices are often cold. The fire exit from the basement is through The Velvet Underground, a neighboring business. The door was locked in the past, but this has been remedied.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

27. Library staff says that the elevators are small, old and break down frequently. Since the library system pays for elevator servicing and repair costs, this adds to the expense of leasing administrative headquarters.

Response: Santa Cruz County Board of Supervisors DISAGREES.

The headquarters facility has two elevators, only one of which is “small, old, and break(s) down frequently.” The other is eight years old. The library has a four-hour service response to infrequent problems related to the need to periodically reset the elevator computer. The older elevator is used only for accessing the basement, where various items are stored and the boiler is located. Only a few designated staff are allowed to use this elevator.

Response: City of Santa Cruz DISAGREES.

The older of the two elevators at the administrative headquarters is small and old and does have a poor service history; it is used only by a few designated staff. The newer elevator has required service, but infrequently.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

The City of Capitola does not have such records immediately available.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board DISAGREES.

The Headquarters facility has two elevators, only one of which is “small, old, and break(s) down frequently.” The other is eight years old. We have four-hour service response to infrequent problems related to the need to periodically reset the elevator computer. The older elevator is used only for accessing the basement, where various items are stored and the boiler is located. Only a few designated staff are allowed to use this elevator.

Response: Santa Cruz City-County Library System DISAGREES.

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28. Loading docks for Outreach and Routing/Receiving, as well as limited staff parking, are available. The building meets the load-bearing requirement for books.²³

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

29. In Outreach, three people shared a desk designed for one. Crates of books were stacked at the end of aisles on the first floor. In contrast to other rooms, one room had empty shelves.

Response: Santa Cruz County Board of Supervisors PARTIALLY DISAGREES.

Two people, who work different schedules, share a desk in the Outreach Offices. Books and other items are swapped in and out of available shelving; on any day there may be empty shelves or all shelves may be full. “Crates of books stacked at the end of aisles on the first floor” probably were waiting for staff shelving.

Response: City of Santa Cruz PARTIALLY DISAGREES.

Two people share a desk in the Outreach Offices; they work different schedules. Stacked books were likely awaiting shelving.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

The City of Capitola does not have such records immediately available.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

²³ Memo from Director of Libraries to Library Joint Powers Authority Board regarding Headquarters Space, January 26, 2004.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

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Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

Two people, who work different schedules, share a desk in the Outreach offices. Books and other items are swapped in and out of available shelving; on any day there may be empty shelves or all shelves may be full. “Crates of books stacked at the end of aisles on the first floor” probably were waiting for staff shelving.

30. In June 2004, the JPA Board appointed a subcommittee to consider the cost and relocation of library administrative headquarters. No action was taken.²⁴

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

Location of Library Headquarters

31. The library system employs the equivalent of 117.98 full time employees. Forty-two people work at administrative headquarters. Twenty-two of them work two four-hour shifts per week on public desks at the Central Branch, and one senior manager works one four-hour shift. This is the equivalent of 2.4 full-time equivalency (FTE) positions on the Central Branch circulation desk and 2.1 FTE positions at Central Reference and Youth Services. Library system administration believes that administrative headquarters must be located within easy walking distance to the Central Branch.

Response: Santa Cruz County Board of Supervisors PARTIALLY DISAGREES.

Effective July 1, 2005 the Library System will employ 115.35 FTE staff, 36 of whom work at System Services Headquarters, plus 2 FTE grant staff.

²⁴ Memo from Director of Libraries to Library Joint Powers Authority Board regarding Headquarters Space, January 26, 2004.

Response: City of Santa Cruz PARTIALLY DISAGREES.

Effective July 1, 2005, the library system employed 115.35 FTE staff, 36 of whom worked at system services headquarters.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

The City of Capitola does not have such records immediately available.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

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Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

Effective July 1, 2005 the library system will employ 115.35 FTE staff, 36 of whom work at system services headquarters, plus 2 FTE grant staff.

32. Locating administrative staff close to Santa Cruz City Hall and the County Building is convenient. Administrative staff workers make daily trips to Santa Cruz City Hall that save mail/delivery time and maintain personal contacts with colleagues in the Finance and Human Resources Departments.²⁵

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

33. As many staff as possible work on public desks to preserve contact with the public. Library management believes that keeping in touch with the public allows Technical Services staff and management to improve service. Working on a public desk gives the staff involved a sense of the impact of their work on the public and other staff.²⁶

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

²⁵ Memo to the Joint Powers Authority Board from Director of Libraries regarding Headquarters Space, January 26, 2004.

²⁶ Memo to the Joint Powers Authority Board from Director of Libraries regarding Headquarters Space, January 26, 2004.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

34. Rotation of shifts was instituted to relieve staff from long hours “on desk” where repetitive motion could lead to stress injury.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

35. According to some staff members, rotation is inconvenient because the worker stops one job in the middle of the day and goes to another. Because staff fills in at branches other than Central, rotation involves travel time. Staff must acclimatize themselves to different and changing work situations if they fill in sporadically.

Response: Santa Cruz County Board of Supervisors DISAGREES.

No staff assigned to either headquarters or the Central Branch “fill in at branches other than Central.” Shifts on the Central Circulation Desk are limited to four or five hours in order to promote worker safety and decrease worker stress. Three of the four library clerks assigned to Central Circulation are regular part-time employees (20 hours per week) for this reason.

Response: City of Santa Cruz DISAGREES.

Regular employees assigned to headquarters do not “fill in” at branches other than Central. On-call substitute employees may, however, be assigned to substitute at different branches as required.

Response: City of Capitola NEITHER AGREES NOR DISAGREES.

The City of Capitola does not have such records immediately available.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board DISAGREES.

No staff assigned to either HQ or the Central Branch “fill in at branches other than Central.” Shifts on the Central Circulation Desk are limited to four or five hours in order to promote worker safety and decrease worker stress. Three of the four library

clerks assigned to Central Circulation are regular part-time employees (20 hours per week) for this reason.

Response: Santa Cruz City-County Library System DISAGREES.

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36. The library system has an existing courier service that delivers library materials throughout the 10-branch system, including administrative headquarters.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

Funding

37. Library funding comes from the following sources:

- County Library Fund - property tax, designated for library service, collected in the unincorporated areas and in the cities of Capitola and Scotts Valley;
- member contributions – the cities of Santa Cruz and Watsonville contribute money from their general funds;
- Measure B – a quarter-cent sales tax (approved by voters in 1996);
- library fee and fine revenue;
- State of California Public Library Fund grant; and
- income from library bequests and trusts.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

38. According to library staff, Measure B sales tax originally generated sufficient money for library operations but not enough for capital projects. The library has enough revenue to operate the city-county library system. It does not have enough money for updating facilities.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

39. The library budget has been negatively affected by:

- higher expenses for employee benefits such as workers' compensation;
- a recession that reduced sales-tax revenues; and
- a state government that took local tax revenues to narrow its budget gap.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

40. In response to a projected \$700,000 budget deficit, the JPA Board:²⁷

- increased the library system's schedule of fees and charges;
- shortened hours;
- eliminated a cumulative total of 9.13 positions since June 2003;
- accepted early retirements from staff;
- cut library materials budget by \$350,000; and
- cut Supplies and Services budget – training, staff travel to conferences, supplies for materials processing.

Response: Santa Cruz County Board of Supervisors AGREES.

²⁷ Director of Libraries, "The Library Budget Deficit: What's Going On?" November 10, 2003, <http://www.santacruzpl.org/libraryadmin/deficit.shtml>.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

41. The Director of Libraries estimated the anticipated library system budget deficit for FY 2005-2006 to be \$200,384.²⁸ In May 2005, that figure was revised to \$173,000.²⁹ This figure may look insignificant when looking at Fiscal Year 2004-05 expected expenditures of \$10.8 million,³⁰ but it was enough for the library system to consider closing a branch.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

Outcomes

42. The JPA Board has discussed going to the voters for a bond issue and how to otherwise fund long-term capital needs. There is no contingency plan if a bond issue doesn't pass. If it doesn't pass, money may continue to be spent the same way it is spent now. The cost of library administrative headquarters is \$266,796 this year and will increase each year.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

²⁸ Memo from Director of Libraries to Library Joint Powers Authority Board regarding FY 2005-06 Budget Increases and Revenues, March 30, 2005.

²⁹ Santa Cruz Sentinel, "Library chief's apology falls short for supervisor," May 4, 2005.

³⁰ Santa Cruz Public Libraries, the Library System's Revenue and Budget: FY 2004-2005, <http://www.santacruzpl.org/libraryadmin/04-05bud.shtml>.

Response: Santa Cruz City-County Library System AGREES.

43. A minimum of \$16.8 million is required for capital improvement. If Scotts Valley and Capitola are included the figure goes up to \$24.2 million.³¹

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

44. A bond issue on the ballot would request voters throughout the county to approve a 30-year general obligation bond measure on the order of \$20 million to support expansion or replacement of the Central Branch, construction of a new branch at Felton, expansion of the Aptos parking lot, upgrading the automation system and installing new materials handling and security technology. The cost would be roughly \$6.30 per \$100,000 of assessed valuation, or \$30 annually for the typical property taxpayer.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

45. The earliest a bond proposal could be ready for placement on a ballot is 2006.³²

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

³¹ Director of Libraries, Library Capital Improvement Program, September 1, 2004.

³² The Mid-County Post, "Library Expansion," October 5, 2004-October 18, 2004.

Response: Santa Cruz City-County Library System AGREES.

46. Some JPA members feel a bond measure would have difficulty passing. They have stated that if a bond issue is proposed, the public should be polled to see if they would vote for it.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

47. JPA Board members say that administrative headquarters rent is high, but holding a bond election is expensive, and the JPA would probably be responsible for that cost.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

48. In the City of Salinas, voters rejected a ballot measure on November 2, 2004 to boost sales tax to preserve city services.³³

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

49. The Salinas City Council voted on December 14, 2004 to permanently close all three of the city's libraries.³⁴

³³ Santa Cruz Sentinel, "Cash-strapped Salinas set to close libraries," December 26, 2004.

³⁴ Santa Cruz Sentinel, "Cash-strapped Salinas set to close libraries," December 26, 2004.

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

50. Santa Clara County's library tax (\$33.66 per year for a single home, comprising 20 percent of its operating budget) expires in June 2005. Efforts by its Joint Exercise of Powers Authority to pass a measure to renew and increase the tax failed last year. In May 2005, a mail-in ballot offering two options will be sent out. Measure A will renew the tax at the same amount and will avoid service cuts for the coming year. Measure B will increase the amount by \$12 per year per single home to restore some cuts in hours and services. The Santa Clara library district has spent at least \$80,000 on an opinion poll. The cost of running the election will be \$1.8 million (a third of the \$5.4 million the tax would raise annually).³⁵

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

51. Voters in San Luis Obispo rejected a proposed quarter-cent sales tax hike on November 2, 2004, which would have kept their libraries solvent, necessitating reduced hours and staff layoffs.³⁶

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

³⁵ San Jose Mercury News, "Library to try tax vote again," March 24, 2005.

³⁶ "Library Funding, California", www.ala.org.

52. Voters in Berkeley defeated Measure L, a library parcel tax, in November 2004. Supporters of the measure had hoped it would forestall staff layoffs and reduced hours.³⁷

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

53. Libraries in 41 states have absorbed more than \$50 million in funding cuts last year. At least 10 cities have considered closures.³⁸

Response: Santa Cruz County Board of Supervisors AGREES.

Response: City of Santa Cruz AGREES.

Response: City of Capitola AGREES.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

We are unable to respond.

Response: Library Joint Powers Authority Board AGREES.

Response: Santa Cruz City-County Library System AGREES.

54. At the Santa Cruz City-County Library System JPA Board meeting on May 2, 2005, a proposal was put forth to close the Felton branch to reduce the upcoming fiscal year 2005-06 budget shortfall of \$173,000 by \$156,355.³⁹ The community strongly opposed the closing, and the JPA Board voted to keep the branch open.

Response: Santa Cruz County Board of Supervisors AGREES.

The county agrees with this finding, and notes that closing the Felton Branch was only one part of a larger group of recommendations that included adding needed staff at Scotts Valley and downgrading the Branciforte Branch. The Library Joint Powers Board unanimously rejected the branch closure proposal.

Response: City of Santa Cruz DISAGREES.

The story is more complicated than the Grand Jury's brief summary. In addition to the proposal to close Felton, the director's budget proposal included reduced

³⁷ Berkeley Daily Planet, "Too Many Tax Measures Spells Defeat at the Polls," January 3, 2005.

³⁸ Santa Cruz Sentinel, "Cash-strapped Salinas set to close libraries," December 26, 2004.

³⁹ Santa Cruz Sentinel, "Supervisor Rips Library Chief over Library Closing," April 29, 2005.

services at Branciforte, as well as increased staffing and services at Scotts Valley and Live Oak.

Response: City of Capitola PARTIALLY DISAGREES.

According to communications with district staff, closing the Felton Branch was only one part of a larger group of recommendations that included adding needed staff at Scotts Valley and downgrading the Branciforte Branch. The Library Joint Powers Board unanimously rejected the branch closure proposal.

Response: City of Scotts Valley AGREES.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

Closing the Felton Branch was only one part of a larger group of recommendations that included adding needed staff at Scotts Valley and downgrading the Branciforte Branch. The Library Joint Powers Board unanimously rejected the branch closure proposal.

Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

Closing the Felton Branch was only one part of a larger group of recommendations that included adding needed staff at Scotts Valley and downgrading the Branciforte Branch. The Library Joint Powers Board unanimously rejected the branch closure proposal.

Conclusions

Library Administration

1. The JPA Board represents a diversity of interests in Santa Cruz County and includes elected officials. Many factors, including political considerations, contribute to making decisions for the library system.
2. Although the Library Services Joint Powers Agreement requires the Santa Cruz City Manager to “periodically” evaluate the Director of Libraries and seek written comments from the JPA Board, a review has not taken place for five years.
3. The JPA Board does not have direct authority over the Director of Libraries’ employment. Because the JPA Board is not regularly consulted about the Director of Libraries’ performance, the position’s accountability to the board is reduced.

Library Administrative Headquarters

4. The headquarters lease will expire in September 2007. This leaves only slightly more than two years to search and plan for an alternative to the expensive location at 1543 Pacific Avenue. Lack of timely planning may necessitate renewal of the lease as it did in 2002.

5. When the original lease was signed, library administration and the JPA Board had not done any advance planning for additional staff hired under Measure B. Lack of action forced hasty consideration of this site because the library needed to house already employed new staff within three months (July to October 1).
6. Upon inspection, Grand Jury members found administrative headquarters to be inefficiently laid out and crowded.
7. The library system is paying a premium price for the location of the building at 1543 Pacific Avenue. The building is currently crowded and will not sustain future growth.
8. Outreach and Technical Services do not have to be located in the same building as the Administrative Unit.
9. Shifts at public desks could be scheduled so that staff does not have to travel between administrative headquarters and the Central Branch during the workday.
10. Having staff work shifts at Circulation and Reference at the Central Branch benefits both staff and the library system, so the practice should continue.

Funding Improvements

11. The extensive capital improvements envisioned by library officials will require a major funding source such as a bond issue.
12. Even though Santa Cruz County residents passed Measure B in 1996, passage of a capital improvements bond involving property tax increases is not assured.
13. The library system will not be able to update or expand facilities if the proposed bond measure fails.
14. Unless changes are made in the library's current budget, or a major funding source is found, capital improvement and expansion plans will have to be scaled back or abandoned.
15. Other library systems that have faced budget deficits have been forced to close facilities or cut back services. The Santa Cruz City-County Library System depends on Measure B sales tax revenue for daily operating expenses. If this revenue source expires on April 1, 2013 without a replacement measure, and if a bond measure to fund capital improvements and expansion is not approved by voters, the system will not have the money it needs to operate.
16. The difference between the amount of rent and related expenses for administrative headquarters and a less expensive alternative since 1997 could have made a significant contribution toward improving facilities and funding daily operations and acquisitions.
17. The lease on administrative headquarters will expire in 2007. Finding a less expensive alternative would free money for daily operating expenses. Not finding an

affordable space for library administrative headquarters is an unnecessary drain on the library system budget.

18. Leasing administrative headquarters was not specified as a goal of Measure B as submitted to voters. Measure B monies became available July 1, 1997 and the lease was signed September 8, 1997. Therefore, before all stated goals were accomplished, over a quarter of a million dollars was committed annually for five years and, in 2002, this commitment was extended for another five years.
19. Since the library system did not honor all the Measure B commitments, it may face public distrust for any new funding proposals.
20. Paying the cost of leasing library administrative headquarters was part of a lack of planning and foresight that contributed to the proposed closure of the Felton branch in order to narrow the upcoming budget gap.
21. Focusing the cuts on the Felton branch rather than spreading the cuts throughout the library system seems drastic. This proposal appears to be calculated to inflame public opinion.

Recommendations

1. The Santa Cruz City Manager should review the Director of Libraries' job performance according to the Library Joint Powers Authority Agreement. He should solicit the written advice of the JPA Board for these reviews.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over the Santa Cruz City Manager and, therefore, cannot respond to this recommendation.

Response: City of Santa Cruz AGREES.

The recommendation will be implemented, in accordance with directions given by the library board.

Response: City of Capitola AGREES.

It is the City of Capitola's understanding that this recommendation will be implemented in FY 2005-06.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

The City of Scotts Valley does not have the authority to implement or not, or to require further study.

Response: Library Joint Powers Authority Board AGREES.

Will be implemented in FY 2005-06.

Response: Santa Cruz City-County Library System AGREES.

Will be implemented in FY 2005-06.

2. The JPA Board should immediately begin to find an alternative to the crowded and inefficient location at 1543 Pacific Avenue.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over the library board and, therefore, cannot respond to this recommendation.

Response: City of Santa Cruz PARTIALLY AGREES.

The recommendation requires further analysis. The current lease has two years to run. The library board has directed staff to report on alternatives by September 2005.

Response: City of Capitola AGREES.

It is the City of Capitola's understanding that the JPA Board has directed Director of Libraries to return with a plan for seeking alternative space in September 2005. The board also agrees that other options for constructing System Services and Central Branch space should be actively pursued.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

The City of Scotts Valley does not have the authority to implement or not, or to require further study.

Response: Library Joint Powers Authority Board AGREES.

JPA Board has directed Director of Libraries to return with a plan for seeking alternative space in September 2005. The board also agrees that other options for constructing System Services and Central Branch space should be actively pursued.

Response: Santa Cruz City-County Library System AGREES.

JPA Board has directed Director of Libraries to return with a plan for seeking alternative space in September 2005. The board also agrees that other options for constructing System Services and Central Branch space should be actively pursued.

3. Library administration should conduct an efficiency study to find reasonable alternatives to the way staff are located within the library system and are rotated in and out of the Central Branch. They should seek professional advice as necessary.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over library administration and, therefore, cannot respond to this recommendation.

Response: City of Santa Cruz AGREES.

The recommendation will be implemented by January 1, 2006.

Response: City of Capitola AGREES.

It is the City of Capitola's understanding that this recommendation will be implemented by January 1, 2006.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

The City of Scotts Valley does not have the authority to implement or not, or to require further study.

Response: Library Joint Powers Authority Board AGREES.

This recommendation will be implemented by January 1, 2006.

Response: Santa Cruz City-County Library System AGREES.

This recommendation will be implemented by January 1, 2006.

4. Since the operation of the Santa Cruz City-County Library System depends on Measure B sales tax revenue that will expire in 2013, economy measures and new funding sources must be found to maintain existing levels of service.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over library staff or the library board and, therefore, cannot respond to this recommendation.

Response: City of Santa Cruz AGREES.

The recommendation will be implemented. The board will develop a financial plan during FY 2005–2006.

Response: City of Capitola AGREES.

It is the City of Capitola's understanding that the board will develop a mid-range financial plan during FY 2005-06. The city expects that this matter will be addressed in the mid-range financial plan.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

The City of Scotts Valley does not have the authority to implement or not, or to require further study.

Response: Library Joint Powers Authority Board AGREES.

The board will develop a mid-range financial plan during FY 2005-06.

Response: Santa Cruz City-County Library Systems AGREES.

The board will develop a mid-range financial plan during FY 2005-06.

5. If a bond measure is passed, the JPA Board must be very careful to use the funds in the manner specified in the measure.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over library staff or the library board and, therefore, cannot respond to this recommendation. However, the county joins with the library board in objecting to the implication in this recommendation, which is not supported by findings.

Response: City of Santa Cruz PARTIALLY AGREES.

The recommendation will be implemented if a bond measure is passed. The city is, and always has been, scrupulous in this matter.

Response: City of Capitola AGREES.

The City of Capitola has every reason to believe that this will be the case.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

The City of Scotts Valley does not have the authority to implement or not, or to require further study.

Response: Library Joint Powers Authority Board PARTIALLY DISAGREES.

The board objects to the implication of this recommendation (see Responses to FINDINGS 11 and 20).

Response: Santa Cruz City-County Library System PARTIALLY DISAGREES.

The board objects to the implication of this recommendation (see Responses to FINDINGS 11 and 20).

6. The library staff and JPA Board must develop contingency plans for any future capital projects if a bond issue is unsuccessful at the polls.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over library staff or the library board and, therefore, cannot respond to this recommendation.

Response: City of Santa Cruz AGREES.

The recommendation will be implemented. The library board will develop a financial plan during FY 2005–2006.

Response: City of Capitola AGREES.

The City of Capitola anticipates that this matter will be addressed in the mid-range financial plan during FY 2005-06.

Response: City of Scotts Valley NEITHER AGREES NOR DISAGREES.

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The City of Scotts Valley does not have the authority to implement or not, or to require further study.

Response: Library Joint Powers Authority Board AGREES.

The board will develop a mid-range financial plan during FY 2005-06.

Response: Santa Cruz City-County Library System AGREES.

The board will develop a mid-range financial plan during FY 2005-06.

7. The library system and City of Santa Cruz staff and administrators should be commended for promptly providing comprehensive information to the Grand Jury.

Response: Santa Cruz County Board of Supervisors AGREES.

The county concurs with the Grand Jury's commendation.

Response: City of Santa Cruz has NO COMMENT.

Response: City of Capitola NO RESPONSE REQUIRED.

Response: City of Scotts Valley NO RESPONSE NECESSARY.

Response: Library Joint Powers Authority Board NO RESPONSE REQUIRED.

Response: Santa Cruz City-County Library System NO RESPONSE REQUIRED.

8. Library system staff is to be commended for their expressed desire to provide the best possible library services to the county.

Response: Santa Cruz County Board of Supervisors AGREES.

The county concurs with the Grand Jury's commendation.

Response: City of Santa Cruz has NO COMMENT.

Response: City of Capitola NO RESPONSE REQUIRED.

Response: City of Scotts Valley NO RESPONSE NECESSARY.

Response: Library Joint Powers Authority Board NO RESPONSE REQUIRED.

Response: Santa Cruz City-County Library System NO RESPONSE REQUIRED.

9. JPA Board members must make decisions for the good of the overall library system rather than focusing on their own constituencies and parochial concerns.

Response: Santa Cruz County Board of Supervisors NEITHER AGREES NOR DISAGREES.

The Board of Supervisors has no jurisdiction over the library board and, therefore, cannot respond to this recommendation. However, the county joins with the library board in objecting to the implication in this recommendation, which is not supported by findings.

Response: City of Santa Cruz has NO COMMENT.

Response: City of Capitola DISAGREES.

The purpose of this recommendation is unclear to the City of Capitola. The systems of government initiated in the United States, since its creation, have relied upon both decision-making methods. Debate and compromise of local concerns and broad priorities are often the heart of public policy matters, and are critical to introducing the opinions of the minority on matters under consideration.

Response: City of Scotts Valley NO RESPONSE NECESSARY.

Response: Library Joint Powers Authority Board DISAGREES.

No findings support this recommendation. In the eight-year history of the Joint Powers Board, each member, whether citizen or elected official, has demonstrated an exemplary dedication to the interests of the larger library system and to meeting the information needs of the people of Santa Cruz County.

Response: Santa Cruz City-County Library System DISAGREES.

No findings support this recommendation. In the eight-year history of the Joint Powers Board, each member, whether citizen or elected official, has demonstrated an exemplary dedication to the interests of the larger library system and to meeting the information needs of the people of Santa Cruz County.

Appendix

Definitions/Abbreviations

Americans with Disabilities Act (ADA): Signed into law on July 26 1990, the Americans with Disabilities Act is a wide-ranging legislation intended to make American society more accessible to people with disabilities.

General Obligation Bond: bonds that require approval by a two-thirds majority of those voting on the measure. General obligation bonds impose a tax on real property within the taxing area.

HVAC: heating, ventilation and air conditioning

Joint Powers Authority (JPA): State law authorizes two or more public entities to enter into a joint exercise of powers agreement establishing a separate public entity to carry out public purposes.⁴⁰

JPA Board: Library Joint Powers Authority Board

NNN or Triple Net: a pro-rata share of any and all real property costs agreed to between the owner and lessee

Parcel Tax: a tax on a parcel of property that is imposed as a special tax. Special taxes are permitted by the California State Constitution, and require approval at an election by at least two-thirds of those voting on the measure.

Parking Deficiency Fees: fees assessed on every business in a specific parking district to supply shared parking for that area

Redevelopment Agency (RDA): an agency created to provide a new source of financing and focused oversight for community improvement and affordable housing projects. In February 1990, the Santa Cruz City Council established a Redevelopment Department as a separate city administrative entity to meet the challenge of rebuilding downtown Santa Cruz.

Timeline

- **May 1996:** Joint Powers Agreement between the County of Santa Cruz and the cities of Santa Cruz, Capitola and Scotts Valley went into effect.
- **1996:** Measure B (quarter-cent sales tax) passed.
- **July 1, 1997:** Measure B funds became available.
- **September 8, 1997:** Lease for 1543 Pacific Avenue executed.

⁴⁰ Government Codes § 6503 and 6503.5.

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- **October 1997:** Library Administrative Unit, Technical and Outreach Services move into 1543 Pacific Avenue.
- **April 10, 2002:** JPA Board authorized Director of Libraries to execute documents. Lease extended under current terms and conditions.
- **January 26, 2004:** JPA Board appointed a three-member subcommittee to consider cost of administrative headquarters.
- **January 2005:** Live Oak Branch was slated for opening.
- **June or November 2006:** Earliest possible dates for a bond measure election.
- **September 30, 2007:** Lease for 1543 Pacific Avenue expires.
- **2013:** Quarter-cent sales tax expires.
- **2014:** Joint Powers Agreement expires.
- **2018:** Cities of Capitola and Scotts Valley are obligated to build library branches through their redevelopment agencies.

**Santa Cruz City-County Library System Budget Information for Fiscal
Year 2004-2005⁴¹**

Source of Revenue	Santa Cruz City-County Library System Share	Percentage of Total
Member Contributions: City of Santa Cruz (general fund) City of Watsonville (general fund) County Library Fund	\$ 4,278,883	42.70%
Sales Tax Revenues (Measure B)	\$ 5,736,292	57.24%
Miscellaneous (includes interest, bequest income, fees and fines, grants for special projects, and a state allocation)	\$814,716	0.06%
Total	\$ 10,829,891	100%

Budget Item	Amount Allocated	Percentage of Total Budget
Personnel (less 2.5% savings)	\$ 7,330,472	67.9%
Supplies and Services (less 3% savings)	\$ 2,168,979	20.1%
Debt Repayment	\$ 275,905	2.5%
Capital Projects	\$ 147,883	1.4%
Special Equipment	\$ 15,000	0.1%
Reserve Fund	\$ 85,000	0.8%
First Five (Read-to-me Grant)	\$ 215,887	2.0%
Subtotal	\$ 10,239,126	
City Charge @ 5.5%	\$ 563,152	5.2%
Total	\$10,802,278	100%

⁴¹ Santa Cruz Public Libraries, The Library System's Revenue and Budget: FY 2004-2005, <http://www.santacruzpl.org/libraryadmin/04-05bud.shtml>.

Responses Required

Entity	Findings	Recommendations	Respond Within
Santa Cruz County Board of Supervisors	1-3, 5-9, 11-18, 20-54	1-9	60 Days (August 30, 2005)
City of Santa Cruz	1-3, 5-9, 11-18, 20-54	1-9	60 Days (August 30, 2005)
City of Capitola	1-3, 5-9, 11-18, 20-54	1-9	60 Days (August 30, 2005)
City of Scotts Valley	1-3, 5-9, 11-18, 20-54	1-9	60 Days (August 30, 2005)
Library Joint Powers Authority Board	1-3, 5-9, 11-18, 20-54	1-9	90 Days (September 30, 2005)
Santa Cruz City-County Library System	1-3, 5-9, 11-18, 20-54	1-9	90 Days (September 30, 2005)

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