MEMORANDUM

DATE: November 11, 2009

TO: City Council Members

FROM: Russell Weeks

RE: Salt Lake City Library System Budget Opening and Branch Building Process and Preliminary Timeline

CC: Cindy Gust Jenson, David Everitt, Beth Elder, Gordon Hoskins, Helen Langan, Jennifer Bruno, Susan Callaway, Kay Christensen

This memorandum pertains to two items. One is an amendment to the Salt Lake City Library System's operating and capital budget for fiscal year 2009-2010. The other is a preliminary timeline for the planning, design and construction of branch libraries in the Glendale and West Capitol Hill/Marmalade areas.

The two items are scheduled to be briefed together because they reflect the City Council's action June 16 to increase property taxes in part to pay for the planning and construction of the two branches and the City Council's adopted legislative intent that the Library System prepare a process to use to build the branch libraries.

The budget opening is scheduled for a briefing on November 17. By law the City Council also must schedule a public hearing on the opening. An item setting the date of the public hearing has been placed on the November 17 consent agenda for a December 1 public hearing.

OPTIONS

- o Adopt the proposed budget amendment.
- o Do not adopt the proposed budget amendment.
- o Amend the proposed budget amendment.

It should be noted that the proposed budget amendment is the last step in allocating funds generated by a property tax increase the City Council enacted in June when it adopted the budget for the Library System.

POTENTIAL MOTIONS

PUBLIC HEARING

- o I move that the City Council close the public hearing and refer this item to a future meeting for action.
- o I move that the City Council continue the public hearing to a later date.

PROPOSED BUDGET AMENDMENT

- o I move that the City Council adopt the Salt Lake City Library System Operating and Capital Budget for Fiscal Year 2009-2010 as amended.
- o I move that the City Council consider the next item on the agenda.
- o I move that the City Council adopt the Salt Lake City Library System Operating and Capital Budget for Fiscal Year 2009-2010 as presented at the November 17 briefing with the following amendments: (Council Members may propose amendments they choose to make).

BACKGROUND/DISCUSSION

The Salt Lake City Library System Board of Directors in May submitted an operating and capital budget with revenues of $14,958,068. Property taxes made up $12,499,568 of the total projected revenues.

On June 16, 2009, the City Council adopted a motion to increase the Library System's operating revenue by $560,000; to build a new library with a sales tax bond; and to fund planning for a branch library in the Glendale area and a planning process for a branch library in the West Capitol Hill/Marmalade area at a tax rate of .000057. The motion also included a legislative intent statement indicating the City Council's intent to fund, plan and build the two branch libraries.

It should be noted that later budget calculations brought the adopted increase to the Library System's operating budget to $572,466.[i] Under the proposed amended budget, the increase in operating revenues would be used to restore $500,000 to the System's operating fund balance. That would bring the fund balance up to about $1.9 million. The original budget presented to the City Council proposed using $500,000 in operating fund balance to pay for projected increased costs to run the System's main and branch libraries. The remaining $72,466 would be used to offset an overly optimistic projection of interest earnings for the current fiscal year. The revised budget shows projected interest earnings at $27,535 for the year ending June 30, 2010, instead of interest earnings of $100,000. Total anticipated revenue from all sources is projected to remain the same as the original budget. Projected expenditures also are shown as remaining the same.

Another $556,466 in capital budget expenditures is projected to be split equally between the Glendale area and Marmalade area branch building projects. Again, it should be noted that, ultimately, the $556,466 will be used to repay sales tax bonds issued to build the Glendale area branch library. It also should be noted that the capital fund balance is listed at about $4 million.[ii] Projected total construction costs of building a 20,000 square foot branch library is estimated at about $8.24 million.[iii]

According to the Library System timeline, construction of the Glendale area branch library would finish in June 2012. Construction of the West Capitol Hill/Marmalade area branch library would finish in September 2012.[iv]

It should be noted that the timeline also indicates that the Library System plans to request tax increases in fiscal years 2011-2012 and 2012-2013.[v] The projected increase in 2011-1012 would fund construction of the West Capitol Hill/Marmalade branch library. The projected increase in the subsequent fiscal year would fund operating expenses for the Glendale area and West Capitol Hill/Marmalade area branch libraries. It should be noted that the City Council motion on June 16, 2009, included a legislative intent that the City Council move forward with funding for the West Capitol Hill/Marmalade area branch library beyond planning and design.[vi]

The preliminary timeline projects planning, program development and site selection for the Glendale area branch library would start in December 2009. That phase of the process for the West Capitol Hill/Marmalade area branch would start in March 2010. The phase for both libraries would last about nine months and include a community process aimed at involving as many members of each community as possible.[vii]

[i] Salt Lake City Library System proposed amended budget, Page 6
[ii] Salt Lake City Library System proposed amended budget, Page 5.
[iii] Glendale and Marmalade Library Branch Building Process and Preliminary Timeline Draft, Nov. 4, 2009, Page 5.
[iv] Ibid, Page 6.
[v] Ibid, Page 6.
[vi] Salt Lake City Council audio tapes, June 16, 2009, 10:16 p.m. to 10:18:36 p.m.
[vii] Glendale and Marmalade Library Branch Building Process and Preliminary Timeline Draft, Nov. 4, 2009, Page 3.

The City Library

Salt Lake City Public Library System

Operating
and
Capital
Budget

Revised Budget
Approved by
Library Board of Directors
October 30, 2009

Fiscal Year
2009-2010

SALT LAKE CITY PUBLIC LIBRARY
SUMMARY OF GENERAL PROPERTY TAX REQUEST
2009-2010 BUDGET

	2007-08 ACTUAL	2008-09 BUDGET	APPROVED 2009-10 BUDGET	REVISED 2009-10 BUDGET
Operating	$12,670,293	$12,445,448	$12,499,568	$13,072,034
Capital	25,000	—	—	556,466
TOTAL GENERAL PROPERTY TAX	**$12,695,293**	**$12,445,448**	**$12,499,568**	**$13,628,500**
Operating Fund Balance	*$1,910,183*			
Capital Fund Balance	*$4,019,006*			

REVENUE SOURCES OPERATING FUND AND CAPITAL FUND
2009-2010 BUDGET

	2007-08 ACTUAL	2008-09 BUDGET	APPROVED 2009-10 BUDGET	REVISED 2009-10 BUDGET
OPERATING REVENUE				
General Property Tax	$12,670,293	$12,445,448	$12,499,568	$13,072,034
Operating Fund Balance from Prior Year	—	—	500,000	—
Copier/Printer and Sundry Revenue	63,741	70,000	60,000	60,000
Fines and Collections	393,973	425,000	385,000	385,000
Interest	195,515	200,000	100,000	27,534
Grants	10,013	25,000	25,000	25,000
Donations	53,143	100,000	100,000	100,000
Leases	63,222	70,000	60,000	60,000
Events/Conferences	65,804	40,000	50,000	50,000
TOTAL OPERATING REVENUE	**$13,515,704**	**$13,375,448**	**$13,779,568**	**$13,779,568**
CAPITAL REVENUE				
General Property Tax	$ 25,000	$ —	$ —	$ 556,466
RDA Rebate	110,802	—	28,500	28,500
Interest	141,164	150,000	100,000	100,000
Prior Year Capital Fund Balance	—	est. 3,500,000	1,000,000	1,000,000
Donations and Grants	120,134	50,000	50,000	50,000
Miscellaneous/Sundry Revenue	500	—	—	—
TOTAL CAPITAL REVENUE	**$ 397,600**	**$ 3,700,000**	**$ 1,178,500**	**$ 1,734,966**
TOTAL BUDGET	**$13,913,304**	**$17,075,448**	**$14,958,068**	**$15,514,534**

4/16/09
REVISED 10/30/09

GRANTS

The City Library continues its efforts to raise private funds to supplement tax and fee revenues. In 2008-09, a grant was received from the Division of Workforce Services. In the coming year, efforts will be made to apply for grants with particular emphasis upon strengthening the Library's capacity to cooperate with other agencies on early literacy and to support public programs such as the Dewey Lecture series.

DONATIONS

The City Library has been successful in raising funds for special programs and projects with the continued support of the Friends of the Library and individuals. The Library has been included as a beneficiary in several estates over the past few years. Although these funds cannot be budgeted, we are grateful to patrons who have included The City Library in their estate planning. The Library will seek in-kind donations for reading incentives, media promotion, welcome literature for new city residents, and incentives for staff wellness efforts.

LEASES

The City Library receives rent from the shops on Library Square.

EVENTS/CONFERENCES

Frequent use of library facilities, both during and after library hours, has resulted in revenue from rental fees. Income from this budget center has increased in 2009-10.

SUMMARY OF OPERATING BUDGET EXPENDITURES

	2007-08 ACTUAL	2008-09 BUDGET	2009-10 BUDGET
BUILDINGS AND GROUNDS			
Buildings–Maintenance	$ 246,996	$ 195,000	$ 221,100
City Boiler Operations	–	–	103,900
Equipment–Maintenance	52,491	55,000	50,000
Buildings and Equipment–Contract Services	269,053	315,000	300,000
Building Security	121,142	120,000	150,000
Equipment Purchases	26,913	25,000	25,000
Heating and Fuel	106,332	155,000	100,000
Lights and Power	322,703	360,000	343,000
Motor Equipment–Service and Maintenance	14,339	6,000	9,000
Rent–Property and Equipment	2,839	5,000	3,500
Water	38,879	42,000	38,000
TOTAL BUILDINGS AND GROUNDS	**$ 1,201,687**	**$ 1,278,000**	**$ 1,343,500**
MATERIALS			
Art Prints	–	–	$ 1,000
Binding	$ 5,336	$ 6,000	4,000
Books and Reference Sources	884,125	887,305	935,068
CD-ROMS	3,171	2,000	–
Computer Reference Sources	180,667	180,000	200,000
Downloadable Audio	30,667	32,500	31,000
Maps	1,160	1,000	1,000
Periodicals	114,591	120,000	120,000
Sound Recordings	338,823	325,000	400,000
Visual Recordings	322,860	325,000	375,000
TOTAL MATERIALS	**$ 1,881,400**	**$ 1,878,805**	**$ 2,067,068**
PERSONNEL			
Salaries and Wages	$ 6,621,896	$ 6,945,643	$ 7,087,000
Employees' Insurance	780,113	900,000	974,000
Social Security	489,540	508,000	517,000
Retirement	599,421	640,000	635,000
Unemployment Compensation	3,312	6,000	12,000
Other	12,772	18,000	15,000
TOTAL PERSONNEL	**$ 8,507,054**	**$ 9,017,643**	**$ 9,240,000**

SALT LAKE CITY PUBLIC LIBRARY

SUMMARY OF CAPITAL BUDGET EXPENDITURES

	APPROVED 2009-10 BUDGET	REVISED 2009-10 BUDGET
GLENDALE BRANCH BUILDING PROJECT	$ —	$ 278,233
MARMALADE BRANCH BUILDING PROJECT	—	278,233
CAPITAL IMPROVEMENTS	628,500	628,500
TECHNOLOGY INFRASTRUCTURE	200,000	200,000
QWEST LEASE AGREEMENT	50,000	50,000
CAPITAL REPAIRS	200,000	200,000
PRIOR YEAR/CONTINGENCY	100,000	100,000
TOTAL CAPITAL EXPENDITURES	$1,178,500	$1,734,966

4/16/09
REVISED 10/30/09

SALT LAKE CITY PUBLIC LIBRARY
FUND BALANCES 2009-10

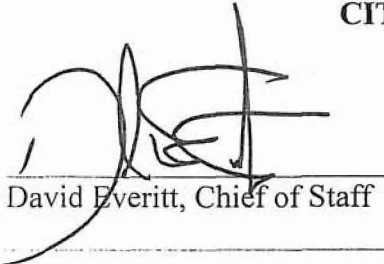|		06/30/08		06/30/09
Operating Fund Balance				
Unreserved			$	2,348,314
Reserved				147,338
Designated				58,636
Total Operating Fund Balance	$	1,910,183		2,554,288
Capital Fund Balance				
Unreserved				3,340,088
Reserved				528,717
Designated				70,000
Total Capital Fund Balance		4,019,005		3,938,805
Total Fund Balances	$	5,929,188	$	6,493,093

10/30/09

RALPH BECKER
MAYOR

SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

CITY COUNCIL TRANSMITTAL

David Everitt, Chief of Staff

Date Received: 11/4/2009
Date sent to Council: 11/4/2009

TO: Salt Lake City Council
Carlton Christensen, Chair

DATE: November 4, 2009

FROM: David Everitt
Chief of Staff, Office of the Mayor, x7704

SUBJECT: Glendale and Marmalade Library Branch Building Process and
Preliminary Timeline Draft

STAFF CONTACT: Beth Elder
Director, Salt Lake City Public Library, 801.524.8201

DOCUMENT TYPE: Briefing

BUDGET IMPACT: None

BACKGROUND/DISCUSSION: The following document outlines a process for the
program development, site selection, architectural design and construction of branch
libraries in the Glendale and Marmalade neighborhoods.

Date: November 2, 2009

To: Honorable Mayor Ralph Becker
        David Everitt, Mayor's Chief of Staff

        Salt Lake City Council
        Carlton Christiansen, Chair

From: Beth Elder, Director, Salt Lake City Public Library

Subject: Glendale and Marmalade Library Branch Building Process and Preliminary
Timeline Draft

The following document outlines a process for the program development, site selection,
architectural design and construction of branch libraries in the Glendale and Marmalade
neighborhoods.

    I.   Process Advisors
    II.   Overarching Project Goals
    III.   Process
    IV.   Communication
    V.   Preliminary Timeline
    VI.   Preliminary Budget

I. Process Advisors
In developing this document, the following people provided advice:
- Capital Project Management: Sam Guevara/Susie Kontgis
- City Council Staff: Cindy Gust-Jenson/Russell Weeks
- Community and Economic Development: Frank Gray/Mary de la Mare-Shaefer
- Management Services: Dan Mule
- Mayor's Office: Helen Langan
- Planning: Wilf Sommerkorn/Cheri Coffey/Joel Paterson
- Policy and Budget: Gina Chamness/Kay Christensen
- Public Utilities
- Salt Lake City Arts Council: Nancy Boskoff

II. Overarching Project Goals
New Libraries will:
- Meet the library service needs of the neighborhood through the engagement of as
  many residents as possible in the program planning and review processes.
- Emphasize the unique identity and character of the neighborhoods.
- Serve as a catalyst for activation and development in the surrounding area by
  integrating the projects effectively with existing City Master and Area Plans.
- Be convenient and accessible by maximizing pedestrian/non-auto accessibility and
  providing adequate parking for a variety of vehicles.

- Provide a lasting and appealing amenity that creates a growing sense of pride and ownership in the library and the neighborhood as a whole.
- Build upon current neighborhood amenities and avoid redundancy.
- Integrate the newest library technologies and architectural innovations to meet community needs.
- Optimize flexibility in overall design to ensure responsiveness to a changing community.
- Provide appealing environments to gather and hold meetings.
- Integrate planning for public art early in the design phase.
- Use outdoor spaces to enhance activity, functionality and the potential for seasonal activities.
- Be delivered on-time and on-budget.
- Use local services and vendors when possible.
- Use high quality, durable materials within budget constraints.
- Be ADA compliant.
- Achieve the highest LEED certification possible

III. Process

Phase 1: Planning, Program Development and Site Selection
Glendale Library (December 2009-September 2010)
Marmalade Library (March 2010-December 2010)

Internal Planning by the Library
Complete process and timeline drafts with City Representatives, Library Board, Mayor's Office and City Council.

Develop method for ongoing communication with community for involvement and project awareness including invitations, alerts and updates via mail, email, webpage.

Establish Staff Committee to review all building and service innovations and best practices in library buildings and technology.

Identify community members, Library and City representatives to comprise Steering Committee for each Branch.

Begin providing monthly updates to Glendale and Capitol Hill Community Councils

Establish a Fundraising Sub-Committee of the Library Friends Organization comprised of Community representatives.

Develop RFQ for Project Manager

Develop RFQ for Public Process/Programming Consultant

Appropriation of 2009-2010 Library Budget by Mayor and City Council

Issue RFQ for Project Manager: Selection Committee comprised of Library Admin/Staff. Will provide fiscal responsibility and stewardship of project to deliver on time and on budget. Project Manager will report to Library Director.

Issue RFQ for Public Process/Programming Consultant. Scope of service will be for Glendale Program Development and Site Selection with option to engage for Marmalade Program Development and Site Selection. Works collaboratively with Steering Committee and Staff Committee.

Establish a Steering Committee: Steering Committee of 8-10 will consist of Community members, a Library Board representative, Library Director/designee, Library Staff and City representative. City Council Member and Community Council Chair will be informed of all meetings if they wish to attend.

Hire Public Process/Programming Consultant: Selection made by Library Steering Committee

Initiate analysis of Site Options by the City Planning Dept. and RDA (concurrent with public programming process)

Initiate Community Process to develop Branch Program Plan: Sessions will be conducted by Consultant with assistance and high visibility of Library Staff. As many residents as possible will be involved. A goal of the process will be to build Community ownership, excitement and engagement.

Finalize Branch Program Plan: The Program will integrate the needs of the community into a philosophical direction, necessary elements and optional/desired elements, spaces, site requirements and library functional needs.

Recommendation of Branch Program Plan to Library Board by Steering Committee

Approval of Branch Program Plan by Library Board

Develop criteria for Site Evaluation: Guided by the Branch Program Plan and Community Master Plans, City Planning Dept. and Redevelopment Agency will provide assistance in evaluating sites that meet size, location, feasibility and cost parameters. Sites are evaluated for feasibility by undergoing the City Planning DRT Process.

Recommendation and discussion of preferred site with Community by Steering Committee

Recommendation of Site to Library Board by Steering Committee

Approval of Recommended Site by Library Board

Approval of Recommended Site by Mayor

Approval of Recommended Site by City Council

Acquisition of Site (if necessary) with assistance from City Property Management. Project Manager will assist in real estate due diligence and contract negotiations.

Initiate Planning and Zoning requirements: Project Manager will initiate and later work with Architect to produces and submit required documentation. Processes are underway during Architectural Design Phase

Phase 2: Architectural Design, Plan Review and Permitting
Glendale Library (October 2010-June 2011)
Marmalade Library (January 2010-September 2011)

Establish Art Review Committee with assistance of SLC Arts Council

Issue RFP for Architectural Services

Short-listing of Architects by Steering Committee

Presentation to Community by short-listed Architects. Presentations include prior work and vision for project but not preliminary designs. Community provides feedback to Steering Committee.

Recommendation of Architect to Library Board by Steering Committee

Approval of Recommended Architect by Library Board

RFQ initiated by Architect for artists to develop a collaborative relationship to ensure art is integrated into overall design.

Recommendation of Artist(s) by Art Review Committee and Architect to Steering Committee

Approval of Artist(s) by Steering Committee and Library Board

Meetings are held with City Planning, Architect and Project Manager to set up preliminary review and site development requirements and initiate conditional use application. Planner is assigned.

Initiate Schematic Design phase. Architect meets Steering Committee, Staff Committee and potentially some community groups for design development

Presentation of Schematic Design to Community by Architect. Community provides feedback to Architect and Steering Committee.

Approval of Schematic Design by Steering Committee and Library Board to initiate Design Development phase by Architect

Recommendation of final design to the Library Board by Steering Committee

Recommendation of final design to Planning Commission by Library Board

Completion of construction documentation by Architect

Planning Commission Public Hearing

Approval of final design by Library Board

Completion of Contract Documents

Review by legal counsel/City Attorney.

Phase 3: Construction
  Glendale Library (August 2011-August 2012)
  Marmalade Library (October 2011-October 2012)

RFQ for Bidder for General Contracting Services

Short-list of General Contractors

Recommendation of General Contractor by Steering Committee to Library Board

Bid Award to General Contractor by Library Board

Groundbreaking Celebration

Begin Construction

Grand Opening

IV. Preliminary Budget
New Branch Construction Costs based on general estimates, as follows

Construction ($235 x 20,000 sf)	$4,700,000
Collection ($20 x 100,000 items)	$2,000,000
Furnishings ($35 x 20,000 sf)	$ 700,000
Consulting (8%)	$ 376,000
Technology	$ 250,000
Art, Landscaping, Misc.	$ 210,000
	$8,236,000

(Marmalade Project estimated at $9m includes an additional $700,000 for land acquisition)

V. Preliminary Timeline
Phase 1: Planning, Program Development and Site Selection (estimated 10 months)
  Glendale Library (December 2009-September 2010)
  Marmalade Library (March 2010-December 2010)
Phase 2: Architectural Design, Plan Review and Permitting (estimated 9 months)

Glendale Library (October 2010-June 2011)
Marmalade Library (January 2010-September 2011)
Phase 3: Construction (estimated 12 months)
Glendale Library (July 2011-June 2012)
Marmalade Library (October 2011-October 2012)

VI. Funding Schedule

FY 2010-2011-No funding increase needed. Approval of issuance of sales tax bonds will need to be initiated in January 2011 for Glendale and in April 2011 for Marmalade.

FY 2011-2012-Tax rate increase/other mechanism to fund construction of Marmalade Branch Library (estimated at $600,000 per year/20 years for debt service).
FY 2012-2013-Tax rate increase/other mechanism to fund operating of Glendale and Marmalade Libraries (estimated at $1.65 m/year for both libraries)

VII. Communication
Monthly updates will be provided through meetings, mailings, email and the Library website to:
- The Library Board
- The City Council
- The Mayor's Office
- The Glendale and Capitol Hill Community Councils
- Community Members (email, newsletter, flyers, Library website)
- City Library Staff