



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Community Services
Department No.: 057
For Agenda Of: May 9th, 2023
Placement: Departmental Item
Estimated Time: 45 minutes
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors
FROM: Department
Director: George Chapjian, Community Services Director (805) 568-2467
Contact Info: Ashley Watkins, Division Chief (805) 568-3514

SUBJECT: Ad Hoc Library Committee Update

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Risk Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file an update on the work of the Ad Hoc Library Committee;
- b) Appoint Zone 5 Library Administrator to the Ad Hoc Library Committee;
- c) Provide staff direction regarding Ad Hoc Library Committee recommendations and next steps;
- d) Determine that the above recommended actions are not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), finding that the action involves government organizational or administrative activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

This item is on the agenda to provide an update on the work of the Library Ad Hoc Committee (Ad Hoc Committee). The Ad Hoc Committee was established to outline a path to a sustainable and equitable finance and governance system for all county libraries. This report provides an overview of the governance and funding options explored by the Ad Hoc Committee and their recommendation to consider establishing a Joint Powers Authority to enable joint decision making and the ability to levy a countywide tax to supplement library funding and conduct outreach to cities. The Ad Hoc Committee also recommends conducting public polling to assess voter preferences around such a new tax and conducting outreach to cities to request their participation.

Background:

Santa Barbara County's unique library system

The countywide library system is a complex partnership between the County and the cities. The Cities of Santa Maria, Santa Barbara, Lompoc, Goleta, and Carpinteria ("Managing Cities") each have municipal libraries funded and governed by their City Councils. The County contributes funding to these libraries, and contracts with four of the five Managing Cities to manage libraries in the cities of Guadalupe, Buellton, Solvang, and in the unincorporated communities of Orcutt, Los Alamos, Vandenberg Village, Cuyama, and Montecito. The smaller cities also contribute funding to the libraries in their jurisdiction. The Eastside branch library, for budget purposes, is included with the City of Santa Barbara main library. The libraries are managed in zones.

Zone 1 - The City of Santa Barbara manages its main and Eastside libraries plus the Montecito library.

Zone 2 - The City of Lompoc manages its main library plus the Village library.

Zone 3 - The City of Santa Maria manages its main library plus the Guadalupe, Orcutt, Los Alamos, and Cuyama libraries.

Zone 4 - The City of Goleta manages its main library plus the Buellton and Solvang libraries.

Zone 5 - The City of Carpinteria began managing its library in 2022.

The Ad Hoc Library Committee

Local governments have been the primary funders of California libraries since state funding for library operations was phased out in the early 2010s. Local libraries within Santa Barbara County have faced chronic budget shortfalls for over a decade. The library directors have nowhere left to cut without impacting hours and programming.

In October 2018, the Board of Supervisors created the Santa Barbara County Library Ad Hoc Committee to address persistent budget challenges and funding requests needed to keep libraries open and maintain minimum service levels. The Ad Hoc Committee's primary task was to outline a path to a sustainable and equitable finance and governance system for all County libraries.

The Ad Hoc Committee is currently comprised of two members of the Board of Supervisors, County staff, Library Administrators from Zones 1, 2, 3, and 4 and a representative of the Library Advisory Committee, and a representative for Friends of the Library groups. When the Ad Hoc Committee was initially established, Zone 5 did not exist. Subsequently, the City of Carpinteria took over administration of its

library from the City of Santa Barbara and now manages Zone 5. Staff is requesting that the Board officially appoint the City of Carpinteria as Zone 5 Administrator to the Ad Hoc Committee.

Between 2018 and 2021, the Ad Hoc Committee succeeded in accomplishing a number of important outcomes:

- Established a shared purpose and guiding principles
- Built a shared understanding of facts and challenges
- Addressed immediate budget deficits
- Benchmarked Santa Barbara County libraries against libraries elsewhere in the state and country to compare funding and services for libraries serving similar populations
- Recommended minimum service levels for different categories of branch libraries and quantified the funding gap to reach those minimum service levels
- Assessed public funding options
- Revised the library agreement between the County and Managing Cities to accurately reflect current conditions and processes, better align timelines for budgeting, clarify expectations for shared resources, update population allocation, and cap administrative fees
- Assessed alternative governance models

In 2021, the Ad Hoc Committee concluded that in order to pursue public funding options and explore alternative governance models, the Cities must be engaged.

Recent progress

In 2022, the Ad Hoc Committee invited City representatives to join its meetings and engage in joint problem solving and make progress toward the following outcomes:

- Shared understanding of the current status of the library system, challenges, and opportunities
- Shared commitment to working together to strengthen the countywide library system and ensure equitable access to quality library services
- Dedicated funding for libraries sufficient to sustain minimum or approved target service levels across all branches
- A long-term solution for effective governance of the countywide library system

Through three Ad Hoc Committee sessions and the efforts of a small working group, the Committee explored alternative governance and funding options. The Committee focused most of its attention on the possibility of establishing a Joint Powers Authority (JPA) to enable joint decision making and the ability to levy a tax to supplement library funding.

Many Ad Hoc Committee members and city representatives were supportive of the concept of forming a JPA, but also recognized its formation would be challenging. Participants agreed that a JPA and dedicated tax could provide more financial stability. At the same time, municipal library cities expressed a strong desire to retain local control of municipal libraries, staff, and budgets. The Committee's process focused on how best to maintain that local control while still tapping the benefits of coordination and revenue generation made possible through a JPA. The Committee considered four main options:

Option	Recommendation
Full fledged library JPA with enhanced funding via a new tax and centralized administration and operation of all participating libraries	Rejected - Fails to maintain local control
Library JPA with opt-in operations , providing funding via a new tax and library administration for county branches and those cities that wish to opt in	Rejected - Too complex
Library finance JPA providing enhanced funding via a new tax; libraries continue to be administered via existing zone structure	Recommended - Provides forum for joint decision making between Cities and County and a source of supplemental funding
No JPA + county levied tax in which libraries continue to be administered via existing zone structure but County levies new tax and controls distribution of revenue	Rejected - Does not provide forum for joint decision making between Cities and County

Recommendation

The Ad Hoc Committee recommends that the County and Cities pursue the establishment of a library finance Joint Powers Authority (JPA) with a dedicated tax revenue source to be determined via research and voter polling and to potentially be placed on the 2024 or 2025 ballot. The polling is an essential step to understanding the appetite for a new tax given the fact that seven out of eight cities in Santa Barbara County have recently implemented tax measures as shown in Attachment 2.

Additionally, the Ad Hoc Committee requests the County prepare a letter to the cities that lays out the foundational background, articulates the proposed direction, and requests ongoing city participation. The letter would be followed by a presentation to answer questions.

The Ad Hoc Committee feels that pursuing these steps will help to:

- Address chronic budget shortfalls
- Rebuild library staffing and services, which have been eroded over time
- Improve equity and address the needs of small and unincorporated branches
- Reduce dependence on private sources to cover core operating expenses
- Provide a forum for communication and joint decision-making among County and City jurisdictions
- Enhance coordination and planning to strengthen the countywide library system

Potential Next steps

- Further investigate potential options for levying a tax.
- Conduct polling to assess voter preferences around such a new tax. Public polling will be used to help inform the choice of the specific tax. For examples sales, parcel, or other types of tax.

- Conduct outreach to cities to determine their interest in forming a JPA.
- Answer key questions about the design of the JPA, including its functions, governing board membership, and voting structure. Staff can look to examples Sonoma, Santa Cruz, Sacramento, Santa Clara, and San Mateo Counties which currently operate library JPAs.
- Consider hiring a .5 FTE Library Contracts Administrator who could support the recommendations of the Ad Hoc Committee and be responsible for fiscal oversight, strategic planning, and fundraising for the countywide library system overall.

Fiscal Analysis:

Budgeted: Yes

Attachments:

Attachment 1 – Ad Hoc Committee Update PowerPoint

Attachment 2 – List of Recent City Tax Measures