



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: CEO
Department No.: 012
For Agenda Of: May 15, 2012
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Chandra L. Wallar, County Executive Officer
Director(s)
Contact Info: Terri Nisich, Assistant County Executive Officer
SUBJECT: Orcutt Library Amendment to Tenant Improvements Agreement

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

- (A) Approve and authorize the Chair to execute the amendment to the Tenant Improvements agreement between the City of Santa Maria and the County of Santa Barbara for funding of tenant improvements at the new Orcutt Public Library to reflect the Board of Supervisors action of December 13, 2011.
- (B) Find that the proposed actions do not constitute a "Project" within the meaning of CEQA, pursuant to 14 CCR 15378 (b)(4), which applies to the creation of government funding mechanisms.

Summary Text:

On November 9, 2010 the Board of Supervisors initially approved funding for the New Orcutt Library Tenant Improvements as well as the agreement for tenant improvements between the City of Santa Maria and the County of Santa Barbara. The estimated cost of the project at that time was \$430,000. Funding for the project was as follows: \$270,000 from the AB 1600 Library Fees, \$30,000 from the Orcutt Friends of the Library, and \$130,000 from the County General Fund Contingency (loan). The initial \$400,000 County contribution in funds was reflected in the Orcutt Library Tenant Improvement Agreement between the City of Santa Maria and the County of Santa Barbara. However, on December 13, 2011, the Board of Supervisors took action to adjust funding in the following manner to reflect the following project totals, \$311,000 AB 1600 Library Fees, \$112,000 County General Fund Contingency (loan) \$97,000 AB 1600 Pubic Administration Fees, \$45,000 Friends of the Library donation. This item is on the agenda with an amended tenant improvement agreement to amend the prior Orcutt Library Tenant Improvement Agreement to reflect the action taken by the Board of Supervisors on December 13, 2011.

New Orcutt Library Tenant Improvements Revised Estimate			
	Original 11/09/10	Revised 12/13/11	Change
Total Project Cost	430,000.00	610,000.00	180,000.00
Project Reductions	-	(45,000.00)	(45,000.00)
Revised Project Cost w/ Project Reductions	430,000.00	565,000.00	135,000.00
*General Fund Loan	130,000.00	112,000.00	-
AB 1600 (Library Fees)	270,000.00	311,000.00	41,000.00
Friends of Library AB 1600	30,000.00	45,000.00	15,000.00
(Administrative Development Fees)	-	97,000.00	97,000.00
Total	430,000.00	565,000.00	153,000.00

**Repaid via future AB 1600 Library Funding*

Background:

The County of Santa Barbara works collaboratively with the Cities of Santa Barbara, Lompoc and Santa Maria to provide library services throughout the County. Santa Maria has the primary obligation to furnish library services to all persons inhabiting Zone 3 including the City of Guadalupe, the City of Santa Maria, and the unincorporated communities of Orcutt and Cuyama. Per Section 2 of “The Agreement for Operation of a Countywide Free Library System” between the County and the respective cities, “Each of the contracting cities shall assume and provide the services of a free public library for the zone herein assigned to it, including the incorporated cities within such zone. The city librarian for each of the three contracting cities shall plan and administer a consolidated library program in the incorporated and unincorporated areas of his/her respective zone.”

In order to provide for the tenant improvements to the proposed new Orcutt Library located in Orcutt Valley Union Plaza, it was necessary for the County and the City of Santa Maria to enter into an agreement regarding the use of County funds for tenant improvements. Specifically, the agreement will reimburse the City for invoiced expenses in a “not to exceed” amount of now \$520,000 and require the City to construct, and maintain improvements and otherwise act as the lead for these various tenant improvements. Tenant Improvements to the facility will include all mechanical, HVAC, plumbing, lighting, security alarms, fire suppression and communications, lighting, pre wiring for technology, plumbing and carpentry. Funding will also be used to address design and permitting of the tenant improvements.

Funding includes \$112,000 from the County General Fund Contingency (loan), \$311, 000 from the Orcutt Library Government Code Section 66000 development impact fees, and \$97,000 in Orcutt Administration Government Code Section 66000 development impact fees which are fees levied on new development to pay for a portion of the cost of services associated with new/additional development. Per the County Board of Supervisors adopted Ordinance #4314, Section 21-153(a)3(h), the library development impact fee is intended to offset the costs incurred *“to acquire, construct and install library facilities” whereby facilities include “public improvements and community amenities including but not limited to public libraries, related equipment, buildings, books, related planning, engineering, construction and administrative activity and any other capital library facility projects identified in the OCP Public Infrastructure Financing Program.”*

As noted previously, per the “The Agreement for Operation of a Countywide Free Library System, “individual cities, in this instance Santa Maria, assumes responsibility to provide for library services.” Therefore, the City of Santa Maria will be the lease holder for the Orcutt Union Plaza facility and will similarly have responsibility to terminate the existing lease at the Oak Knoll property when appropriate. The County, per a condition of the funding agreement, must concur with lease provisions prior to distribution of funds. The General Services Department will review all requests for reimbursements of funds for tenant improvements.

Performance Measure:

The Orcutt branch library serves approximately 28,000 residents. Nearly 30,000 items from the library’s collection are borrowed (“checked out”) by library patrons each year, in addition to the use of computers and other resources on site at the library.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			\$ 130,000
State			\$ -
Federal			\$ -
AB 1600 Fees			\$ 390,000
Other: <i>Orcutt Friends of the Library</i>			\$ 45,000
Total	\$ -	\$ -	\$ 565,000

Narrative:

The budget for tenant improvements is \$632,000 which includes a 15% project contingency. The proposed funding includes the use of \$311,000 from the Orcutt Library Government Code Section 66000 Development Impact Fees, \$97,000 is recommended from the Orcutt Administration Government Code Section 66000 Development Impact Fees. \$112,000 is proposed to come from the County Contingency as a loan to be repaid via future Orcutt Library development fees and \$45,000 is from private donations (Orcutt Friends of the Library). Future Orcutt Library Development Impact Fees will be repaid to the County General Fund. Costs to operate the new expanded Orcutt Library facility are

consistent with operating costs of the existing Orcutt Library. Therefore, no additional funding for operations is requested.

Attachments:

(1) ORCUTT LIBRARY TENANT IMPROVMENT AGREEMENT AMENDED

CC:

Rick Haydon, Assistant City Manager, City of Santa Maria
John Corbett, Interim City Librarian
Jette Christiansson, Business Manager, CEO