



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: 10/26/10
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Michael F. Brown, County Executive Officer
Director(s)
Contact Info: Terri Nisich, Assistant County Executive Officer
SUBJECT: New Orcutt Library Tenant Improvements

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

- (A) Approve the attached budget revision to transfer \$270,000 from the Orcutt Library AB 1600 Development Impact Fees and \$130,000 from Contingency to General County Programs for tenant improvements at the new Orcutt Public Library.
- (B) Approve and authorize the Chair to sign an agreement with the City of Santa Maria for funding of tenant improvements at the new Orcutt Public Library (Attachment 3).

Summary Text:

The County has received a request from the City of Santa Maria to assist in the funding of tenant improvements at a new library space for the Orcutt branch library (Attachment 1). The current Orcutt branch library has been housed in a 2,700 square foot rental space in the Oak Knoll Shopping Center for ten years. The square footage does not adequately meet the needs of the increasing population and the growing demand for library services across all demographics. For over five years library supporters have been in search of appropriate space for an expanded library within Orcutt and have recently identified space in Old Town Orcutt at the Orcutt Union Plaza. This space will provide 4,507 square feet, a 67% increase over the current location, and this increased footage will allow for an expansion of the library collection and a doubling of the number of computers available for use by the public. The new space is in need of tenant improvements that are estimated to cost \$426,400. This item is before the Board to consider funding tenant improvements through development impact fees and Contingency (Attachment 2). Should the Board decide to fund these improvements, the County would enter into an agreement with the City of Santa Maria regarding the use of these funds (Attachment 3).

Background:

The funding request is being brought forward by the City of Santa Maria on behalf of the Orcutt branch library. 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."*

The City of Santa Maria will render tenant improvements to the structure and enter into a twenty year lease with a private developer for the new library space for a cost of \$54,000 per year. This lease agreement will provide for an option to purchase the building at the termination of the agreement. In addition, the City of Santa Maria will enter into an agreement with the County 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 \$400,000 and require the City to construct, own and maintain improvements for twenty years and otherwise act as the lead for these various tenant improvements.

Proposed funding includes \$130,000 from the County General Fund Contingency and \$270,000 from the Orcutt library 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."*

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			\$ 270,000
Other: Orcutt Friends of the Library			\$ 30,000
Total	\$ -	\$ -	\$ 430,000

Narrative: The budget for tenant improvements is \$426,390, which includes a 15% project contingency of \$53,600. Proposed funding includes the use of \$270,000 from the Orcutt Library Government Code

Section 66000 Development Impact Fee, which has a fund balance of \$274,048 as of 9/30/10. An additional \$130,000 is proposed to come from the County (Contingency) and \$30,000 from private donation (Orcutt Friends of the Library). Should the Board of Supervisors allocate \$400,000 of one-time funding from the County, the funds will be used to reimburse the City upon the receipt of project-related invoices per the funding contract. Any unused balance will be retained by the County.

Attachments:

- (1) LETTER FROM SANTA MARIA REQUESTING USE OF FUNDS WITH ATTACHMENTS
- (2) BUDGET REVISION
- (3) FUNDING AGREEMENT BETWEEN THE COUNTY AND THE CITY OF SANTA MARIA

CC:

Rick Haydon, Assistant City Manager, City of Santa Maria

John Corbett, Interim City Librarian

Jette Christiansson, Business Manager, CEO