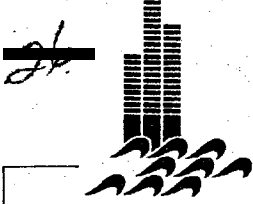


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LONG BEACH, CALIF



# CITY OF LONG BEACH

LONG BEACH PUBLIC LIBRARY and INFORMATION CENTER

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March 18, 2003

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**SUBJECT:** Joint-Venture Agreement With the Long Beach Unified School District to Provide Cooperative Services; Option Agreement Between the Redevelopment Agency and the City; and Resolution Approving the Submittal of the Application for the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 (District 6)

## DISCUSSION

A new library is needed to replace the current Mark Twain Branch, which is inadequate for the population served. The 2,130-square foot Mark Twain Branch would be replaced with a 16,155-square foot library, which represents the current standard for a neighborhood library serving a population of nearly 60,000. The Mark Twain Branch Library was built in 1958 at 1325 E. Anaheim Street as part of a neighborhood Parks and Recreation facility and was expected to be a temporary facility. While the Mark Twain Branch is the smallest neighborhood library (less than one-third the size of the next smallest branch), its service area is one of the most densely populated areas of the City. An expanded library would allow for enhanced services and programs for the residents of the City's most diverse neighborhood. This powerful level of human diversity brings cultural richness and social challenges to the neighborhood and to the Library that serves it. Neighborhood problems include high crime, gang activity, a high poverty level, unemployment, and low educational levels compared to the rest of the City. This Branch serves a young community, with more than 44 percent of residents 19 years of age or younger. The City has committed to projects and activities to revitalize the area, and replacement of the neighborhood branch library is identified as a key component in the Central Redevelopment Project Area Plan.

There is an opportunity to build a new library through funding provided by the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 (Library Bond Act). A total of \$350,000,000 has been allocated to the Library Bond Act. Because of the available funding, many jurisdictions in California will be submitting applications. The Library Bond Act requires a 35 percent local match or \$3,414,987 of the \$10,062,105 total estimated project cost. The State will give first priority to joint-venture projects between a public library and a school district. The City's plan sets forth the vision of a joint venture, whereby special programs would be offered by the Department of Library Services and the Long Beach Unified School District (LBUSD).

### Background

The City Council took previous action on March 19, 2002 to authorize the City Manager to execute a one-year agreement with Kathryn Page Associates, in an amount not to exceed \$216,430, to develop a community needs assessment, plan of service, building program and conceptual design, and to coordinate the Library Bond Act application for a proposed new Mark Twain Branch Library. (Please see Attachment A for the City Council letter.)

### Community Needs Assessment

A comprehensive community needs assessment (Assessment) was conducted in 2002, which supplemented previous needs assessments undertaken as part of the Library's strategic planning process in 1999 and a Partnerships for Change grant in the early 1990s. Community needs and priorities were identified by consulting a broad representation of community leaders and residents, area demographics, and Library and City strategic planning documents. The Assessment pointed out that the population served by the Mark Twain Branch Library is expected to increase by nearly 10 percent and reach 70,000 by 2010. The demand for library services, access to electronic resources, and the need for space will become more acute.

### Limitations of the Current Facility

The Assessment concluded that while the major problems the current facility has in providing library services to the community are lack of space and an outdated structure, there are many other limitations of the current facility. A 2,130-square foot facility that is essentially one large room serves a community of nearly 60,000. The facility is overcrowded and noisy, offers very limited resources, seating and computer access, does not meet the Americans With Disabilities Act (ADA) access standards, and has no community room for programming. In addition, the facility has no dedicated staff space, no dedicated parking, and no public restrooms.

### Recommended Service Levels

The Assessment recommended the following service levels to meet the current and future needs of the MacArthur Park community:

- a collection of 62,000 books and audiovisual materials;
- 43 public computers to include a Family Learning Center and Computer Learning Lab, with 17 computer stations for homework assistance and technology training;
- 136 reader seats plus 10 seats in two group study and tutoring rooms;
- a community meeting and program room to seat 75; and
- a class-visit and storytelling space for 25 children.

### Joint-Venture Agreement Between LBUSD and the City

To help meet the needs of the large and growing youth population for educational resources and services, the Assessment recommended a partnership between the library and the elementary schools in the area. This recommendation supports the State's priority for joint-venture projects. A Joint-Venture Agreement (Agreement) is required between the Long Beach Unified School District (LBUSD) and the City to enhance after-

school and weekend educational opportunities for children and their families living in the Anaheim Corridor area. The Agreement proposes the implementation of an expanded and enhanced Family Learning Center Program, which would include homework assistance and computer learning activities. Staffing and training responsibilities would be shared by teachers and paraprofessionals (funded by the LBUSD), librarians (funded by the City), Homework Helpers (funded by the Long Beach Public Library Foundation), and volunteers. The LBUSD would provide copies of current textbooks and software. The Library would be responsible for providing the computers as well as the overall operation and maintenance of the Family Learning Center and Computer Learning Lab. A Library/School Partnership Committee would be formed to identify, evaluate and implement opportunities for joint services. The term of the Agreement would be for a period of 20 years following the opening of the new library.

#### Building Program

As part of the Assessment, a detailed building program was developed that defines the requirements for all the spaces in the proposed new 16,155-square foot library. A conceptual (schematic) design was prepared by Manuel Oncina Architects, Inc. The new library would be the first 21<sup>st</sup> century library in Long Beach and, as such, it would be a state-of-the-art community center for information, education, recreation and technology. The building design also incorporates energy management strategies. As the first Leadership in Energy and Environmental Design certified or "green" public building in the City, it would become a model and standard for the future.

#### Location

The proposed location for the new library is the north side of Anaheim Street between Gundry and Peterson. The location keeps the new library in the heart of the Anaheim Corridor area adjacent to MacArthur Park. The move from the current site would allow for the expansion of park programs into the current facility. (Please see Attachment B for a map of the proposed location.)

The Redevelopment Plan for the Central Redevelopment Project Area was adopted on March 6, 2001. The Central Project Area Committee and Redevelopment Agency (RDA) staff are currently working on the Strategic Guide for Development for the Project Area. The strengthening of the Anaheim Corridor will be an important keystone of that Guide, and the reconstruction of the current Mark Twain Branch Library would be an impetus for corridor improvement.

Rebuilding the library immediately across from MacArthur Park addresses several key goals of the Central Redevelopment Project Area Plan. It eliminates blighting influences by consolidating small lots, removing aged buildings, and replacing deteriorated public improvements. The assembled site will be suitable for modern, integrated development with improved pedestrian and vehicular circulation. The juxtaposition of the library to the park will establish a civic complex in the neighborhood, and the existing Mark Twain Branch Library building within the park grounds could be reused for neighborhood-oriented programs.

It is common to construct landmark public facilities, public service centers, and modern

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infrastructure as a way to anchor and stimulate private development within redevelopment areas. Facilities draw people to the area, creating a market for surrounding private enterprise. Service centers enhance the safety and security of the area, and new infrastructure enhances pedestrian and traffic circulation and improves the aesthetic quality of the neighborhood. Whether it is, as in this case, a new library, or a new police station, or a widened curvilinear sidewalk with street furniture and landscaping with street trees, the public investment is one that can be controlled and relied upon, and one to which the private sector looks for guidance.

To further enhance the impact of the new construction, the proposed new Mark Twain Branch Library would be a strong expression of contemporary architecture that will help inspire neighborhood pride. As an off-shoot of the project, Community Rehabilitation Industries (CRI) will also be rebuilding a portion of its facilities on the other side of Anaheim Street and restoring the art deco façade of its main building. The net cost to assemble the library site and the CRI relocation site, and rebuild CRI's facilities is \$5,955,000. The resulting dual development on opposite sides of Anaheim Street will catalyze future reinvestment in the Anaheim Corridor area.

Toward this end, the RDA has spent approximately \$2,900,000 to date to purchase the properties needed for the proposed new Mark Twain Branch Library and CRI's relocation. In order to ensure that title vests in the RDA's name at the time the City's Library Bond Act grant application is submitted to the State, the RDA instituted eminent domain actions against the seven parcels needed for the library project in November 2002 and has taken possession of the site. The RDA has indemnified Stewart Title Company, guaranteeing that these eminent domain actions will be completed, so that title can vest in the RDA's name at the time of possession.

The RDA has also adopted a Replacement Housing Plan, discussing how the units of housing that have been available to low- and moderate-income families will be replaced in the marketplace, and a Relocation Plan, describing the availability of replacement sites and the assistance program for residents and businesses alike.

Option Agreement Between the City and the RDA

The RDA has approved an Option Agreement, giving the City the right to purchase the assembled site for the proposed new Mark Twain Branch Library. The City needs an Option Agreement for the grant application that documents that it has the ability to get title to the development site if grant funds to build the library are awarded.

The term of the Option Agreement is five years (January 1, 2003, until December 31, 2007). At any time during this period, the City can elect to proceed with the library, exercise its option, execute a Promissory Note for the land value, and get title to the land. If the City decides not to proceed with the library, at the end of the period, the RDA has the option to sell the land.

The Option Agreement will include a purchase price equal to land-only value as determined by an independent appraisal. The amount will be approximately \$1,040,000 based on final site calculations. The land value must be included in the Option

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Agreement for the City to claim the land value as a project expenditure and apply that amount toward the grant's 35 percent matching funds requirement.

If the City exercises the Option within the five-year timeframe, the City will sign a Note in lieu of payment of the purchase price. There will be no annual payments and when the library is built, the Note will be forgiven.

With the approval of the Option Agreement, the City will be able to claim \$1,040,000 toward the local matching funds required as part of the Library Bond Act. However, since the RDA will forgive payment of the Note that secures payment in the future, there will be no actual cost to the General Fund for the purchase of the library site.

Proposed Project Timeline

|     | Activity   | Date     |       |
|-----|--|----------|-------|
| 1.  | Site Acquired (Obtain Possession by Purchase, Donation or Lease) | 03/13/03 | FY 03 |
| 2.  | Grant Received   | 10/15/03 | FY 04 |
| 3.  | Schematic Plans Completion                                       | 10/31/03 |       |
| 4.  | Planning and Land Use Permits Obtained                           | 12/02/03 |       |
| 5.  | Design Development Plans Completion                              | 02/28/04 |       |
| 6.  | Working Drawings (90%) Completion                                | 07/31/04 |       |
| 7.  | Construction Documents Completion                                | 08/31/04 |       |
| 8.  | Project Advertised for Bids                                      | 11/30/04 | FY 05 |
| 9.  | Start of Construction  | 02/15/05 |       |
| 10. | Estimated Mid-Point of Construction                              | 09/15/05 |       |
| 11. | Completion of Construction                                       | 04/15/06 | FY 06 |
| 12. | Opening of Library Building to the Public                        | 07/01/06 |       |
| 13. | Final Fiscal & Program Compliance Review Completed               | 08/31/06 |       |

Strengths of the Project

1. This is a unique one-time opportunity and a bargain; the City's 35 percent local match or \$3.4 million (\$2.26 million from RDA and \$1.15 million from the General Fund explained in detail on page 7) can be leveraged to build a \$10 million project with many additional benefits. (Again, many jurisdictions in California are submitting applications to take advantage of this extraordinary opportunity.)
2. In the "Voice Your Choice" survey, 75 percent of the respondents indicated that library construction and repair was essential or important.
3. The project supports the following Strategic Plan goals:
  - Build a strong network of healthy neighborhoods in Long Beach (N-1);
  - Support neighborhood efforts to create beauty and pride by removing blight and providing high-quality and well-maintained public infrastructure, parks and public facilities in each neighborhood (N-4);

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- Maintain a citywide focus on improving the well-being of youth and families (Y-1);
  - Increase youth engagement in productive activities (Y-5); and
  - Create a Sustainable City Program (E-1).
4. Sixty-one percent of Long Beach voters overall and 82 percent of 6<sup>th</sup> District voters approved Proposition 14 (Library Bond Act), demonstrating strong support for the construction of new libraries.
  5. The needs of this multi-ethnic and largely immigrant community for all services, but especially educational programs for youth, are great and have been well documented over the past twenty years.
  6. LBUSD has placed the educational needs of this diverse community on its highly critical list.
  7. The project is unique in that it will serve the State's largest Cambodian community.
  8. Construction of the new library and the enhancement of CRI's site will eliminate blight by consolidating small lots, removing aged buildings and replacing deteriorated public improvements. The resulting dual development on opposite sides of Anaheim Street will catalyze future reinvestment in the Anaheim Corridor area.
  9. The new library will incorporate energy management strategies. As the first Leadership in Energy and Environmental Design certified or "green" public building in the City, it will serve as a model and standard for the future.
  10. The new library will be the first 21<sup>st</sup> century library in Long Beach and, as such, will be a state-of-the-art community center for information, education, recreation, and technology.
  11. The new library will serve as a community and cultural anchor and as a symbol of civic pride in this emerging community, which is the most diverse in all of Long Beach. The building will be a "landmark" along Anaheim Street. The project can create a synergy to transform the neighborhood.

This letter was reviewed by Deputy City Attorney Donna F. Gwin on March 7, 2003, Budget Bureau Manager Michael A. Killebrew on March 7, 2003, and Public Works Administration and Planning Bureau Manager Del Davis on March 10, 2003.

TIMING CONSIDERATIONS

There are two remaining funding cycles for Library Bond Act applications, with deadlines of March 28, 2003 and January 16, 2004. City Council action on this matter is critical in order to meet the goal of submitting an application for the March 28th funding cycle. Funding in the last cycle is more limited, and the competition will be even keener.

FISCAL IMPACT

The proposed project represents a unique opportunity for library construction funding. For this \$10,062,105 project, the State will fund 65 percent of the total eligible costs or \$6,342,118. The City's 35 percent match or \$3,414,987 will come from several sources.

RDA Contribution (\$2,265,100)

The value of the land and the cost to demolish the existing structures are eligible project expenses and are being paid by the RDA. The land value is \$1,040,000 and the estimated demolition cost is \$137,000.

In addition, because of the influx of building permits for new housing in 2001 as a result of projects constructed by Camden, Genesis, and DDR, the City is eligible for additional grant funding from the State identified as the "Jobs-Housing Balance Incentive Grant." This grant is available without competition to cities that have increased their housing permits by 112 percent in 2001 compared to the prior three-year average and that have high employment demand. The concept behind the grant is that cities meeting high employment demand with increased housing will also need capital facilities like libraries, parks, and community centers.

The State has already classified the City as having high employment demand. The three-year average of housing permits from 1998-2000 is 147 permits. In 2001 the City had 984 housing permits, or an increase of 837 permits over the average. The State estimates that cities entitled to the grant will receive about \$1,300 for each housing permit issued over the average. This results in an estimated grant amount of \$1,088,100 for the City. It is unknown at this time when the grant amount will be received.

It is recommended that those funds be used toward the local match for the proposed new Mark Twain Branch Library. The entitlement is available primarily because of the housing generated through redevelopment. The proposed library project is a key activity for both the City and the RDA.

General Fund (\$1,149,887)

The remaining portion of the City's match of \$1,149,887 would come from the General Fund. Recognizing current financial constraints, the Department of Library Services recommends deferring \$1,149,887 of budgeted FY 03 Library capital improvement projects to provide the required General Fund match. This funding, in conjunction with RDA and State funds, would cover anticipated project costs. The deferred projects include the recarpeting and painting of the Main Library and various neighborhood library roofing projects.

Other Funding Issues

Supplemental funding in the amount of \$305,000 would cover the cost of moving the collections from the current site to the new location (\$5,000) and the purchase of about 12,000 new books and media (\$300,000). The Library would provide for these needs by setting aside a portion of the book materials budget annually, for this purpose; it is

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expected that the Long Beach Public Library Foundation and the Friends of the Library would also actively pursue grants and fund raise to assist in this area.

Due to the larger size of this facility compared to the current one, annual operating costs may increase by as much as \$500,000. A permanent funding source for these higher costs will have to be identified. With the approval of this item, the Three-Year Financial Strategic Plan will be adjusted to reflect costs associated with this project.

The State requires that the facility be dedicated to public library direct service use for a period of 40 years following the completion of the project. Should the City face further downsizing, the City may consider going to a regional model of library service delivery to reduce costs or consider a possible assessment to support Library Services. This new library would fill the role of a regional library for the Central area.

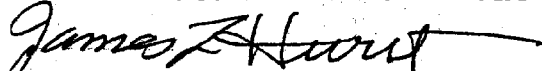
IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Authorize the City Manager to approve and execute the Joint-Venture Agreement with the Long Beach Unified School District to provide cooperative services to students and the community at the proposed new Mark Twain Branch Library for a period of 20 years following the construction and opening of the Library; and
2. Authorize the City Manager to approve and execute the Option Agreement between the Redevelopment Agency and the City for the sale of the proposed new Mark Twain Branch Library site to the City; and
3. Adopt the attached Resolution certifying project budget, local funding commitment, and supplemental funds for the application for the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000.

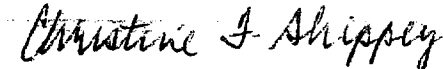
Respectfully submitted,



ELEANORE SCHMIDT  
DIRECTOR OF LIBRARY SERVICES




MELANIE S. FALLON  
DIRECTOR OF COMMUNITY DEVELOPMENT



CHRISTINE F. SHIPPEY  
ACTING DIRECTOR OF PUBLIC WORKS

APPROVED:



GERALD R. MILLER  
ACTING CITY MANAGER

ES:bf



Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200

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RESOLUTION NO. C-

RESOLUTION AMENDING RESOLUTION NO. C-28152  
WHICH CERTIFIED PROJECT BUDGET, LOCAL FUNDING  
COMMITMENT, AND SUPPLEMENTAL FUNDS FOR THE GRANT  
APPLICATION UNDER THE LIBRARY BOND ACT OF 2000

WHEREAS, the people of the State of California have enacted the "California  
Reading and Literacy Improvement and Public Library Construction and Renovation Bond  
Act of 2000," also known as the Library Bond Act of 2000; and

WHEREAS, the Library Bond Act authorized the sale of \$350 million of state  
general obligation bonds for the purpose of public library construction and renovation; and

WHEREAS, \$350 million of state grants are currently available on a 65%  
state to 35% local matching fund basis to cities, counties and library districts authorized to  
own and maintain a public library facility, for the construction and renovation of public  
library facilities in the State of California; and

WHEREAS, Library Bond Act grant application guidelines indicate that first  
priority for new libraries shall be given to joint-venture projects in which the agency that  
operates the library and one or more school districts have a cooperative agreement; and

WHEREAS, the City of Long Beach (Public Library) and the Long Beach  
Unified School District have a cooperative agreement to provide certain space, programs  
and services at the MacArthur Park Branch Library (the "Project"); and

WHEREAS, the City of Long Beach has completed all requirements to apply  
for this grant and originally requested \$6,342,118 in grant funds but the California State  
Library, Office of Library Construction, informed the City that the grant amount will actually  
be \$6,366,733 and has requested this amended resolution to confirm that amount;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
follows:

Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200

- 1                   Section 1.    The above recitals are true and correct and are incorporated  
2 hereby by this reference.
- 3                   Sec. 2.        The City commits to provide the local matching fund amount of  
4 \$3,428,241 identified in the Library Project Budget, as required by Education Code Section  
5 19995(a).
- 6                   Sec. 3.        The City commits to provide supplemental funds of \$305,000  
7 necessary to complete the Project as stated in the Project budget.
- 8                   Sec. 4.        The City certifies the availability of local matching and  
9 supplemental funds at the level specified in the Project budget when they are needed to  
10 meet cash flow requirements for the Project.
- 11                  Sec. 5.        The City commits to the Project budget in the amount of  
12 \$10,099,974 contained in the Library Project Budget section of the Application, contingent  
13 upon award of grant funding .
- 14                  Sec. 6.        The City attests to the accuracy and truthfulness of all  
15 information submitted in the Application and the required supporting documents.
- 16                  Sec. 7.        The City commits to operate the completed facility and provide  
17 public library direct service.
- 18                  Sec. 8.        The City commits that the facility shall be dedicated to the  
19 public library direct service use for a period of 40 years following completion of the Project,  
20 regardless of any operating agreements the City may have with any other jurisdictions or  
21 parties.
- 22                  Sec. 9.        The City Council accepts local funding commitment and  
23 supplemental funds for the grant application under the Library Bond Act of 2000 and  
24 appoints the City Manager as agent to conduct all negotiations, execute and submit all  
25 documents including, but not limited to applications, agreements, payment requests and  
26 the like, which may be necessary for the completion of the Project.
- 27                  Sec. 10.     This resolution shall take effect immediately on its adoption by  
28 the City Council, and the City Clerk shall certify the vote adopting this resolution.

Robert E. Shannon  
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I hereby certify that the foregoing resolution was adopted by the City Council  
of the City of Long Beach at its meeting on \_\_\_\_\_, 2004, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
City Clerk