

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Library Local Option Levy

Meeting Date: July 13, 2015
Department: Library, Recreation, and Cultural Services
www.eugene-or.gov

Agenda Item Number: B
Staff Contact: Connie Bennett
Contact Telephone Number: 541-682-5363

ISSUE STATEMENT

The council is asked to review a proposed library local option levy to place on the November 3, 2015 ballot.

BACKGROUND

Council Action History

At the January 14, 2015, work session, the City Council received information about the status of the Eugene Public Library funding and services, including the “Library of the Future” envisioned by the community and its leaders, and discussed initial options for a Library local option levy. The purpose of a library local option levy would be as a supplement to current General Fund support, enabling the City to invest in the Eugene Public Library of the future and to sustainably operate the services at the level desired by the community. After discussion, the council voted unanimously to direct staff to prepare a comprehensive option to place a five- year library levy measure on the November ballot.

On June 17, 2015, the council received a presentation on potential library levy options and information about a public opinion survey conducted in April. At that meeting, the council was leaning towards the “Option 1” (less costly) level of enhanced services. There were also comments and questions about building accountability into the levy measure.

Current Library Services

The bulk of Library services are those currently supported by the General Fund budget. In addition to the General Fund, the Library provides a number of ongoing services with donated funding; for example, the Eugene Public Library Foundation supports the Imagination Library early literacy program, and free Summer Reading programs for all ages are made possible by support from the Friends of the Eugene Public Library. The total FY16 Proposed Budget for the Library is \$10.6 million, of which \$10.3 million is provided from the General Fund, and \$267,000 is provided from donations.

Existing Services:

- Downtown Library services 61 hours across seven days a week.

- Bethel and Sheldon Branch services 26 hours over five days a week.
- Publically available technology to use at the Library.
- Ability to use personal technology to access Library services online 24/7.
- Purchase of a limited amount of new materials.
- Approximately 1,000 free public programs offered annually, for all ages.
- Some off-site programs serve those unable to come into the Library, such as storytimes to low-income children at daycares and large-print book delivery to homebound seniors.

Library Levy Proposal

The levy proposal would enhance existing service levels, rather than fund maintenance of current services. Based on comments from the council at the June 17 meeting, the “Option 1” scenario has been further defined into a specific proposal for the voters to consider at the November ballot. This option addresses the public’s concern about current barriers to accessing services – shortened hours, limited neighborhood convenience, not enough programs or services for teens, and constraints on access to technology, including “makerspace.” It also remains within the threshold of willingness to pay, as advised by Strategy Research Institute, the public opinion survey firm hired to inform Library planning. The levy focuses on the operational priorities identified in the survey and recommended by the council, which is to invest in services at existing branches (increasing hours and adding new services), and to bring the Library to the community through expanded off-site services.

The levy proposal builds on the existing, General Fund-supported service level and adds the following to meet current and future community needs:

Additional Hours and Access at All Three Library Locations: In order to expand access and achieve more equitable library services throughout the community, hours would be added at the Downtown Library and both branches. Specifically, the levy would:

- Add 22 hours each week at Bethel Branch Library, to be open 48 hours over six days a week.
- Add 22 hours each week at Sheldon Branch Library, to be open 48 hours over six days a week.
- Restore three hours on Sunday mornings each week at the Downtown Library, to be open 64 hours over seven days a week.

The types of expenditures that will be made to accomplish these service goals are for staff salaries, additional utilities, and custodial expenses.

Expanded Programs for Literacy, and to Support Success in School/Career: Based on community input through the Library of the Future conversations and the public opinion survey, the top priorities for expanded programs are in the areas of early literacy, success in school and career development, as well as equity of access. The levy proposal would address those priorities by adding the following:

- Expand the early literacy off-site program delivery.
- Increase programs and events for all ages, at all three Library locations, with particular focus on teens.

- Expand shared “makerspace” to provide community members with access to and training on tools and equipment they might not be able to afford individually. This could help with providing community members new skills to help with career development, as well as supporting informal, self-directed learning for all ages.

To accomplish these service goals, expenditures will be made for additional staff, materials, equipment, and a van for bringing offsite programs directly to community members. The existing Library volunteer program would also be expanded. The levy will include funds to save for replacing the equipment and van when their useful lives are ended.

More Technology and Materials: Survey results indicated that adding books and materials to shorten wait times as part of the levy proposal was positively viewed by respondents. This echoes what was determined through the Library of the Future conversation. Providing public technology equipment and user training was also identified as a key Library service; this is another way Library services address equity and access issues for all parts of the community.

- Restore to the Library’s materials budget for new books and other resources to the level of the Fiscal Year 2009 budget by adding \$300,000. This will result in a shorter “wait time” for the most popular items.
- Add technology (tablets and/or laptops) to lend for public use on-site at both branches.

Expenditures in this category will include materials, equipment, and services; also, increased staff to support these services. The levy will include dollars to save for technology replacement when the tables and/or laptops have reached the end of their useful lives.

Accountability

The council has expressed a desire to provide a high degree of assurance to voters about what will be accomplished with levy funds. This will give community members confidence about the use of public funds and reduce the risk that Eugene citizens will think that the money could be used in a way that was not intended when they voted for the measure.

To address this concern, several components will be included in the levy implementation:

- Levy funds will be budgeted and accounted for in separate funds that are easily identified by members of the public, in accordance with State law.
- Staff will prepare an annual summary of levy spending and performance measures. The report will clearly lay out the Library’s budget and the split between General Fund and Levy Funds. The Library Advisory Board will annually review the report to determine whether spending complied with the intention of the ballot language.
- The City Manager will provide an annual memorandum to the council about levy spending and key performance measures for the services. The memorandum will include the staff report and any comments from the Library Advisory Board after their review.

This three-pronged approach is designed to give the community confidence that funds are appropriately spent through both published financial documents and a community panel review. It will also focus the conversation on how levy funds are accomplishing key goals through a review of appropriate performance measures.

Financial Information and Impact to Taxpayers

The proposed levy to accomplish the goals and provide the services described above would result in a levy of \$2.7 million per year. The levy calculations include inflation at three percent per year, anticipated PERS rate increases, estimated property tax collection factors and a small contingency of five percent per year to cover the unknown. Annual cash flow needs to cover service costs between July and November prior to property tax collections would be managed by the General Fund and not built into the levy calculations.

For the \$2.7 million annual levy, the typical home in Eugene would pay an average of \$36 per year, or \$3 per month. The tax rate would be \$0.17 per \$1000 of assessed value. The typical home in Eugene was assessed at \$183,945 in the current year, and had a market value of \$237,761, according to Lane County Assessment & Taxation.

Timing

In order to place a measure on the November 3, 2015, general election ballot, the council must act by July 29, 2015 (last meeting before summer break). A meeting is scheduled for July 27 for continued council discussion and decision making.

Other Background Information

Under Oregon law, a property tax measure placed on either a primary election ballot (May) or a general election ballot (November) requires a simple majority of the votes cast in the election.

Voters' Pamphlet

Once the council places a measure on the ballot, an item that requests funding for a voters' pamphlet and assignment of councilors to serve on the proponent committee will need to be considered. The City has prepared neutral information tabloids for some of the previous ballot measures, including the previous street bond measures and library levy measures. If the council approves the resolution at this meeting to place the measure on the ballot, the council will consider the voters' pamphlet at a future meeting; otherwise, that item will be included at the July 27 council meeting, with final levy approval.

RELATED CITY POLICIES

This item relates to the following Council Goals:

- *Accessible and Thriving Culture and Recreation:* A community where arts and outdoors are integral to our social and economic well-being and are available to all.
- *Sustainable Development*
- *Effective and Accountable Municipal Government*

City of Eugene Financial Management Goals and Policies

Policy C.6 - Non-recurring revenue

"Except for local option levies approved by the voters, the City will use non-recurring revenue on limited-duration services, capital projects, equipment requirements, or services that can be terminated without significant disruption in the community or City organization."

COUNCIL OPTIONS

The council could adopt the resolution included in Attachment A, as written, or could direct staff to bring back a revised library levy proposal at the July 27 council meeting.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends the adoption of the resolution included in Attachment A, as written.

SUGGESTED MOTION

Move to adopt the resolution attached as Attachment A.

ATTACHMENTS

A. Proposed Resolution.

FOR MORE INFORMATION

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