



Board of Library Trustees

ACTION CALENDAR
May 24, 2024

To: Honorable Mayor and Members of the City Council
 From: Board of Library Trustees
 Submitted by: Amy Roth, President of the Board of Library Trustees
 Subject: Council Referral – Request for City Council to place a limited Library tax on the November 2024 ballot

RECOMMENDATION

Adopt a Resolution to include on the November 2024 ballot a measure levying a new, limited tax in order to maintain current levels of Library services, building maintenance, collections and staffing.

The proposed rate is 6¢ per square foot of residential building space and 9¢ of commercial building space, with annual adjustments, and exempting low-income homeowners.

The recommendation is to place this measure on the ballot, using language that aligns as closely as possible with the language employed by Godbe Research in the March 2024 community survey, per attachment 2:

To maintain Berkeley Public Library services/ facilities such as:

- *summer reading programs for children;*
- *keeping qualified librarians;*
- *quality places for children;*
- *homework help/ tutoring;*
- *book, material/ digital collections;*
- *maintain library facilities;*
- *senior/ accessible programs; and*
- *maintain weekday and weekend hours;*

shall the Berkeley Public Library measure be adopted, levying 6¢ per square foot of residential building space (other rates detailed in the voter handbook), providing \$5,600,000 annually, until ended by voters, with annual adjustments, and exempting very low-income homeowners?

FINANCIAL IMPLICATIONS

The Library has not adjusted its annual tax rate since 1988, beyond annual adjustments based on the Consumer Price Index (CPI) or Personal Income Growth (PIG) factor in California, which are the adjustments the City Council is currently authorized to approve under Chapter 7.56, Section 7.56.040 of the Berkeley Municipal Code, “LIBRARY RELIEF ACT OF 1980.”

The Berkeley Public Library is anticipating a structural deficit in the very near future, when expenses will outpace revenue. In order to sustain current hours and staffing levels, including the staffing required for the reintroduction of Sunday hours for which the Library is mandated by the City Charter to offer, the Library must be proactive and fiscally responsible by identifying a new revenue source.

If revenue does not increase, the Library will need to impose cost saving measures that will impact open hours as well as staffing levels, as the Library's personnel budget represents over 70% of the Library's total expenditures. In Fiscal Year 2025, personnel represents 75.8% of expenses.

Also, the Library would have to prioritize only select deferred maintenance facilities and technology projects for implementation that most impact health and safety. Since the onset of the pandemic, a number of significant deferred maintenance projects have been identified for the Library's physical plant and technological infrastructure needs.

One such example includes a full-scale replacement of the Central Library's HVAC system, which will cost over \$1.5M. Another example comes out of the recent strategic planning process in which the community identified the need for a new website. Addressing technological needs will require additional funding, which could be provided by the proposed limited tax increase.

The estimated \$5.6M in annual revenue generated by this proposed tax would maintain the Library's hours, address the immediate infrastructure and technological needs, and allow for the current level of Library services and staffing.

CURRENT SITUATION AND ITS EFFECTS

At a regular meeting on April 3, 2024, the Board of Library Trustees approved a motion to communicate a recommendation to Council to include a Library tax measure on the November 2024 ballot, proposing a rate of 6¢ per square foot of residential building space and 9¢ of commercial building space, with annual adjustments, and exempting low-income homeowners.

Action: M/S/C Trustee Selawsky / Trustee Greene to adopt resolution #R24-073 to refer to Council a request for inclusion on the November 2024 ballot a measure levying a new, limited tax in order to maintain current levels of Library services, building maintenance, collections and staffing.

Vote: Ayes: Trustees Ami, Greene, Hahn, Roth and Selawsky. Noes: None. Absent: None. Abstentions: None.

The Library contracted Godbe Research to conduct a community survey of Berkeley residents in March 2024. As illustrated in attachment 2, a high level of satisfaction (87.2%) with Library services as well as a strong level of support (78.3%) in the Berkeley community for a limited additional tax that would sustain library services.

BACKGROUND

The City of Berkeley applies a citywide special tax (referred to as the Library Relief Act of 1980) on all residential and commercial property in Berkeley based on square footage. The tax became permanent in 1988 through an amendment.

This Library Tax Fund is the primary funding source supporting the full range of Berkeley Public Library public services. The Fund generates 99% of total revenues and bears 98% of total expenses. This voter-approved tax is intended to provide a stable revenue source to ensure the provision of library services. The Library employs the proceeds of the library tax to maintain and enhance the Library’s physical plant and infrastructure, purchase library materials, and provide public services.

As established in 1988, the tax is adjusted annually by either the Consumer Price Index in the immediate San Francisco Bay Area or the per capita Personal Income Growth factor in California. City Council adjust the tax rates (residential and commercial) based on the recommendation of the Director of Library Services to the Board of Library Trustees.

In recent years, the revenue increase afforded by the annual tax rate adjustment has not kept pace with rising costs associated with increased personnel and collection material expenses and the costs of operating five locations, including a historic, large Central Library and two historic branch buildings.

Although the Berkeley Public Library has had previous bond measures intended to fund the retrofit and expansion of the Central Library in 1996 and Branch renovations in 2000 and 2008, it has never had a change to this base tax rate, apart from the annual adjustments as described above. The annual adjustment to the tax rate of Fiscal Year 2023 was 4.44% and based on the PIG, raising an additional revenue of \$1,064,969, over Fiscal Year 2022. At the same time, expenditures in Fiscal Year 2023 were \$19,782,045, whereas in 2024 they are projected to be \$22,865,496, a difference of \$3,083,451.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Some of the deferred maintenance projects include ensuring that the systems and equipment used in each of the Library’s five locations optimize environmental sustainability and reduce climate impacts. For example, Library staff is currently undertaking a project to replace all lighting fixtures in all five libraries with LED and/or more sustainable kinds of bulbs and fixtures.

Additionally, given the increasing impact of climate change, City of Berkeley Emergency Operations personnel as well as Library staff and City residents have observed that the libraries should have some additional features that would allow them to serve as actual cooling centers and/or locations where people could access clean, temperate air in the event of extended wildfire seasons and extreme heat.

CONTACT PERSON

Tess Mayer, Secretary of the Board of Library Trustees, 510-981-6195

Amy Roth, President of the Board of Library Trustees

Attachments:

1. 2024 04 03 Survey Report and Recommendation for Council Referral
2. 2024 Berkeley Public Library Revenue Measure Survey Presentation 04-03-24

RESOLUTION NO. ##,###-N.S.

Adopt a resolution to include on the November 2024 ballot a measure levying a new, limited tax in order to maintain current levels of Library services, building maintenance, collections and staffing.

WHEREAS, the Berkeley Public Library is anticipating a structural deficit in the near future; and

WHEREAS, the Library will need to employ cost-saving measures in order to remain financially solvent if additional revenue is not identified; and

WHEREAS, these cost-saving measures could impact current hours, staffing levels, and the ability to complete identified deferred maintenance and capital improvement projects; and

WHEREAS, the Library has developed a robust new 2024-2028 strategic plan in partnership with community stakeholders that identifies relevant and significant service directions in support of community that also require investment of resources; and

WHEREAS, the Library contracted Godbe Research to conduct a community survey in Berkeley; and

WHEREAS, the survey result reflected a favorable assessment of Library services as well as a strong level of support in the Berkeley community for a limited additional tax that would support the sustainability of library services; and

WHEREAS, the Board of Library Trustees is responsible for developing budgetary priorities and recommends an annual budget for the operation and maintenance of the library; and

WHEREAS, the Board of Library Trustees has recommended to refer to Council a request for inclusion of a ballot measure calling for limited increase in Library tax on the November 2024 ballot; and

NOW THEREFORE, BE IT RESOLVED that the Council adopt a resolution to include a ballot measure calling for limited increase in Library Tax on the November 2024 ballot.

BE IT FURTHER RESOLVED that the language used in the text of the ballot measure align as closely as possible with the language employed by Godbe Research in the March 2024 community survey, per attachment 2:

To maintain Berkeley Public Library services/ facilities such as:

- *summer reading programs for children;*

- *keeping qualified librarians;*
- *quality places for children;*
- *homework help/ tutoring;*
- *book, material/ digital collections;*
- *maintain library facilities;*
- *senior/ accessible programs; and*
- *maintain weekday and weekend hours;*

shall the Berkeley Public Library measure be adopted, levying 6¢ per square foot of residential building space (other rates detailed in the voter handbook), providing \$5,600,000 annually, until ended by voters, with annual adjustments, and exempting very low-income homeowners?

ADOPTED by the Berkeley City Council on May 21, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:



ACTION CALENDAR
April 3, 2024

To: Board of Library Trustees
 From: Tess Mayer, Director of Library Services
 Subject: Report on Community Survey and Recommended Action

RECOMMENDATION

The Board of Library Trustees adopt a resolution to refer to Council a request for inclusion on the November 2024 ballot a measure levying a new, limited tax in order to maintain current levels of Library services, building maintenance, collections and staffing.

The proposed rate is 6¢ per square foot of residential building space and 9¢ of commercial building space, until ended by voters or after 12 years, with annual adjustments, and exempting very low-income homeowners.

FINANCIAL IMPLICATIONS

The Berkeley Public Library is anticipating a structural deficit in the very near future, when expenses will outpace revenue. In order to sustain current hours and staffing levels, including the staffing required for the reintroduction of Sunday hours, the Library must be proactive and fiscally responsible by identifying a new revenue source.

If revenue does not increase, the Library will need to impose cost saving measures that will impact the open hours and staffing levels, as the Library's personnel budget represents over 70% of the Library's total expenditures.

Also, the Library would have to prioritize only select deferred maintenance facilities and technology projects for implementation that most impact health and safety. Since the onset of the pandemic, a number of significant deferred maintenance projects have been identified for the Library's physical plant as well as technological infrastructure needs. One such example includes a full-scale replacement of the Central Library's HVAC system, which will cost over \$1.5M. Another example comes out of the recent strategic planning process in which the staff and community identified the need for a new website. Addressing technological needs will require additional funding, which could be provided by the proposed limited tax increase.

The estimated \$5.6M in annual revenue generated by this proposed tax would maintain the Library's hours, address the immediate infrastructure and technological needs, and allow for the current level of Library services.

CURRENT SITUATION AND ITS EFFECTS

The Library contracted Godbe Research to conduct a community survey of Berkeley residents in March 2024. The findings illustrate a high level of satisfaction with Library services as well as a strong level of support in the Berkeley community for a limited additional tax that would sustain library services.

BACKGROUND

The City of Berkeley applies a citywide special tax (referred to as the Library Relief Act of 1980) on all residential and commercial property in Berkeley based on square footage. The tax became permanent in 1988 through an amendment.

This Library Tax Fund is the primary funding source supporting the full range of Berkeley Public Library public services. The Fund generates 99% of total revenues and bears 98% of total expenses. This voter-approved tax is intended to provide a stable revenue source to ensure the provision of library services and may be adjusted annually based on the recommendation of the Director of Library Services to the Board of Library Trustees that the City Council adjust the tax rates (residential and commercial) by either the consumer price index in the immediate San Francisco Bay Area or the per capita personal income growth factor in California. The Library employs the proceeds of the library tax to maintain and enhance the Library's physical plant and infrastructure, purchase library materials, and provide public services.

In recent years, the revenue increase afforded by the annual tax rate adjustment has not kept pace with rising costs associated with increased personnel and collection material expenses and the costs of operating five locations, including a historic, large Central Library and two historic branch buildings.

Although the Berkeley Public Library has had previous bond measures intended to fund the retrofit and expansion of the Central Library in 1996 and Branch renovations in 2000 and 2008, it has never had a change to this base tax, apart from the annual adjustment as described above.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Some of the deferred maintenance projects include ensuring that the systems and equipment used in each of the Library's five locations optimize environmental sustainability and reduce climate impacts. For example, Library staff is currently undertaking a project to replace all lighting fixtures in the libraries with LED and/or more sustainable kinds of bulbs and fixtures. Additionally, given the increasing impact of climate change, many have observed that the libraries should have some additional features that would allow them to serve as actual cooling centers and/or locations where people could access clean air in the event of extended wildfire seasons.

CONTACT PERSON

Tess Mayer, Director of Library Services, Library, 510-981-6195

Report on Community Survey and Recommended Action]

Attachments:

- 1: Report to Board of Library Trustees on Community Survey and Recommended Action
- 2: Berkeley Public Library Revenue Measure Survey Presentation to Board of Library Trustees

RESOLUTION NO. 24-073

Refer to Council a request for inclusion of a ballot measure calling for
Library Tax on the November 2024 ballot

WHEREAS, the Berkeley Public Library is anticipating a structural deficit in the near future; and

WHEREAS, the Library will need to employ cost-saving measures in order to remain financially solvent if additional revenue is not identified; and

WHEREAS, these cost-saving measures could impact current hours, staffing levels, and the ability to complete identified deferred maintenance and capital improvement projects; and

WHEREAS, the Library contracted Godbe Research to conduct a community survey in Berkeley; and

WHEREAS, the survey result reflected a favorable assessment of Library services as well as a strong level of support in the Berkeley community for a limited additional tax that would support the sustainability of library services; and

WHEREAS, the Board of Library Trustees is responsible for developing budgetary priorities and recommends an annual budget for the operation and maintenance of the library; and

WHEREAS, the Board of Library Trustees provides leadership, governance and oversight of the Library.

NOW THEREFORE, BE IT RESOLVED that the Board of Library Trustees adopt a resolution to refer to Council a request for inclusion of a ballot measure calling for limited increase in Library Tax on the November 2024 ballot.

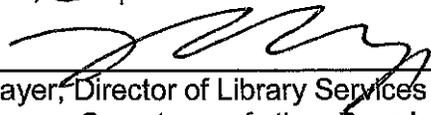
BE IT FURTHER RESOLVED that the Board recommend to the Council that the ballot language used be the language tested by Godbe Research, incorporating proposed changes as described.

ADOPTED by the Board of Library Trustees of the City of Berkeley at a regular meeting held on April 3, 2024 by the following vote:

AYES:	Trustees Ami, Greene, Hahn, Roth & Selawsky
NOES:	none
ABSENT:	none
ABSTENTIONS:	none



 Amy Roth, Chairperson



 Tess Mayer, Director of Library Services
 Serving as Secretary of the Board of Library Trustees



GODBE RESEARCH
Gain Insight

Berkeley Public Library:
2024 Revenue Measure Feasibility Survey

April 3, 2024

Overview and Research Objectives

GODBE RESEARCH
Gain Insight

The Berkeley Public Library commissioned Godbe Research to conduct a survey of local voters with the following research objectives:

- Gauge satisfaction with the Library's provision of services and management of taxpayer funds, as well as gauge opinion on whether the Library needs additional funding;
- Assess potential voter support for a revenue measure to maintain Library services and facilities with funding that cannot be taken by Sacramento;
- Prioritize projects and programs to be funded with the proceeds;
- Test the influence of informational and critical statements on potential voter support;
- Identify any rate sensitivity; and
- Assess opinion on the future direction of the economy;
- Identify any differences in voter support due to demographic and/or voter behavioral characteristics.

Page 2
April 3, 2024

Methodology Overview

GODBE RESEARCH
Gain Insight

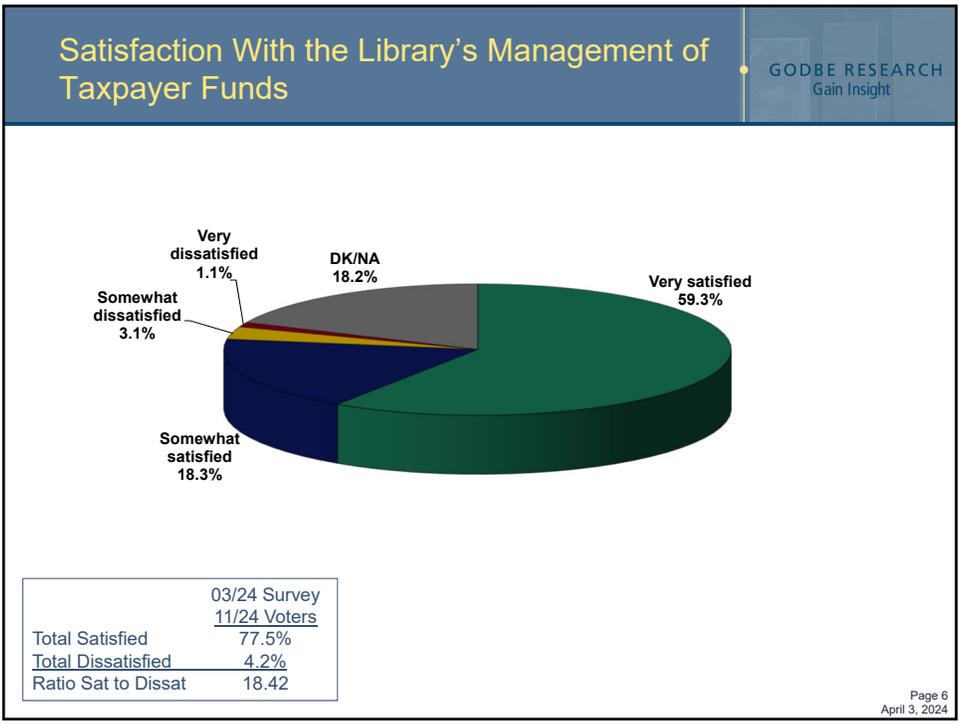
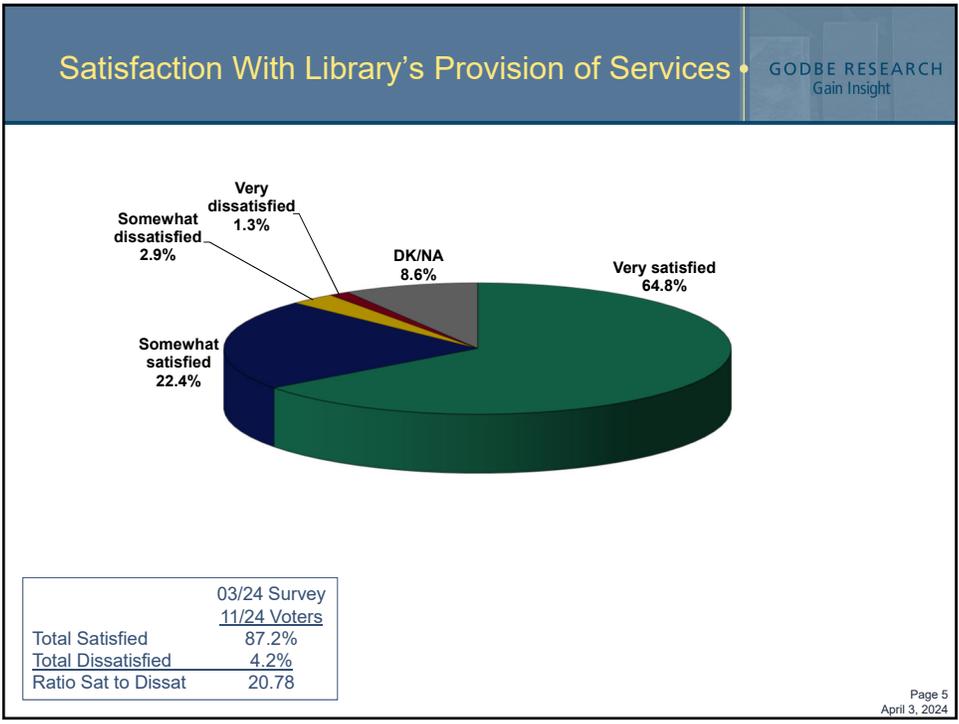
- Data Collection Landline (20), cell (145), text to online (696), and email to online (11) interviewing
- Universe 64,798 likely November 2024 voters
- Fielding Dates March 11 through 18, 2024
- Interview Length 25 minutes
- Sample Size n=872
- Margin of Error $\pm 3.30\%$

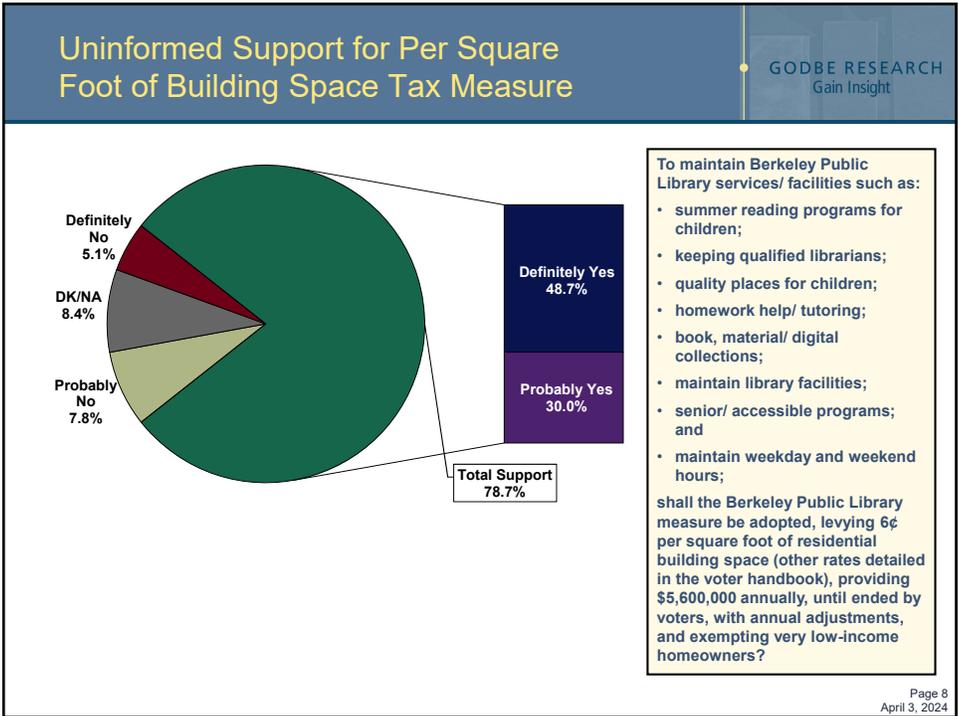
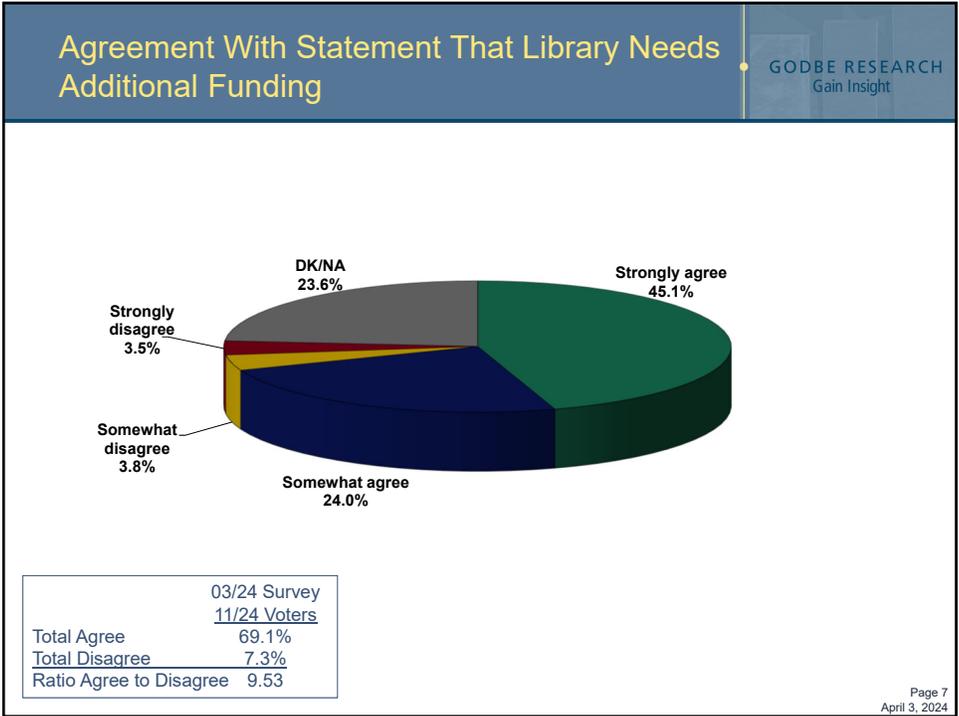
The data have been weighted to reflect the actual population characteristics of likely voters in the City of Berkeley in terms of their gender, age, and political party type.

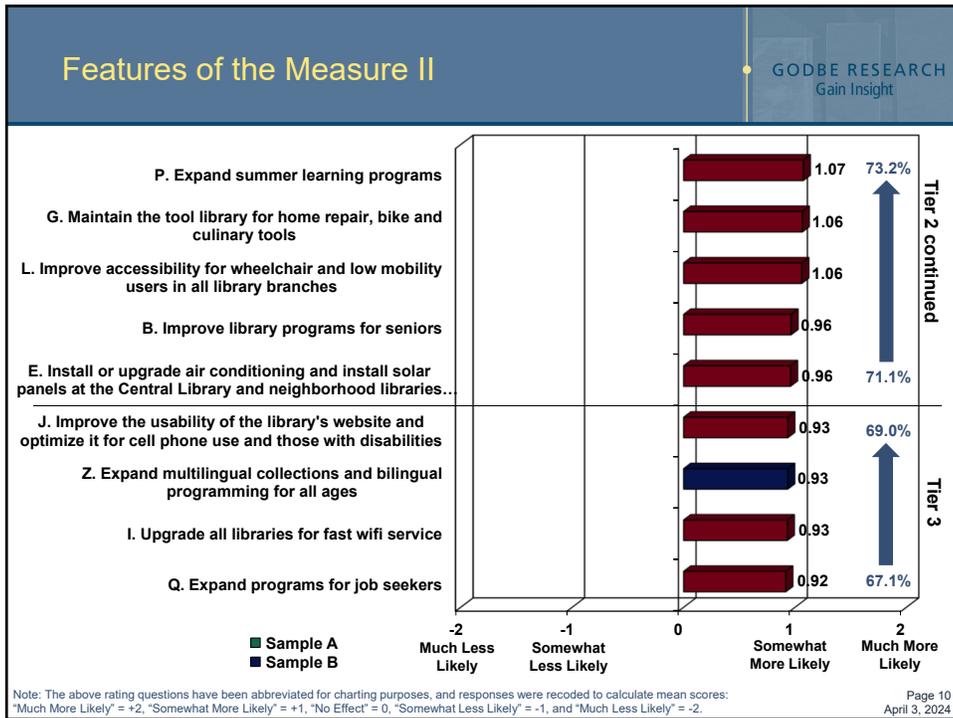
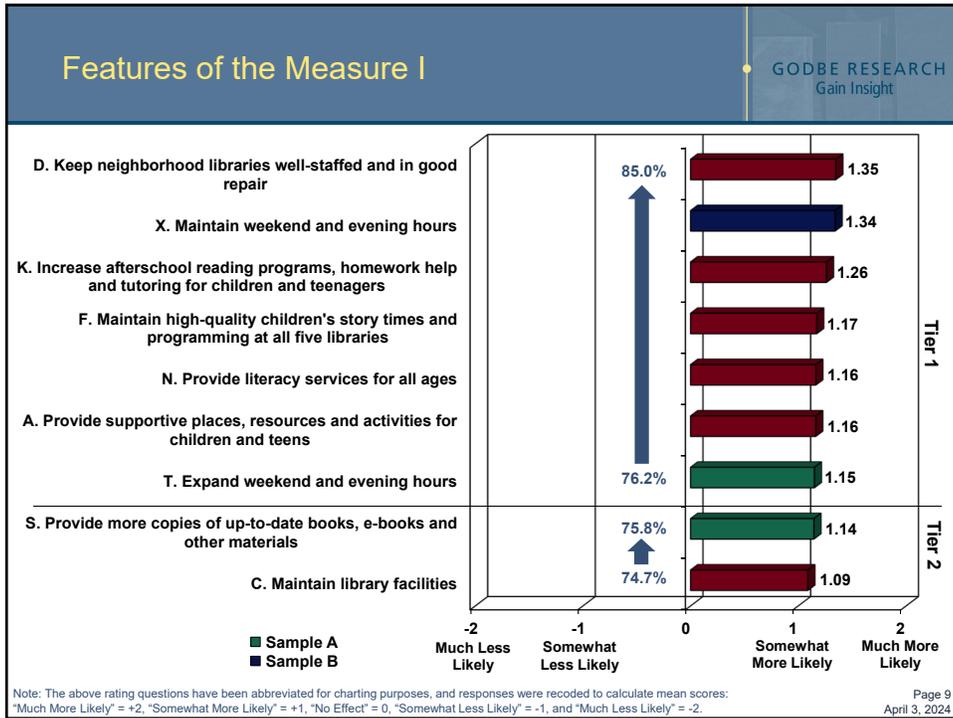
Page 3
April 3, 2024

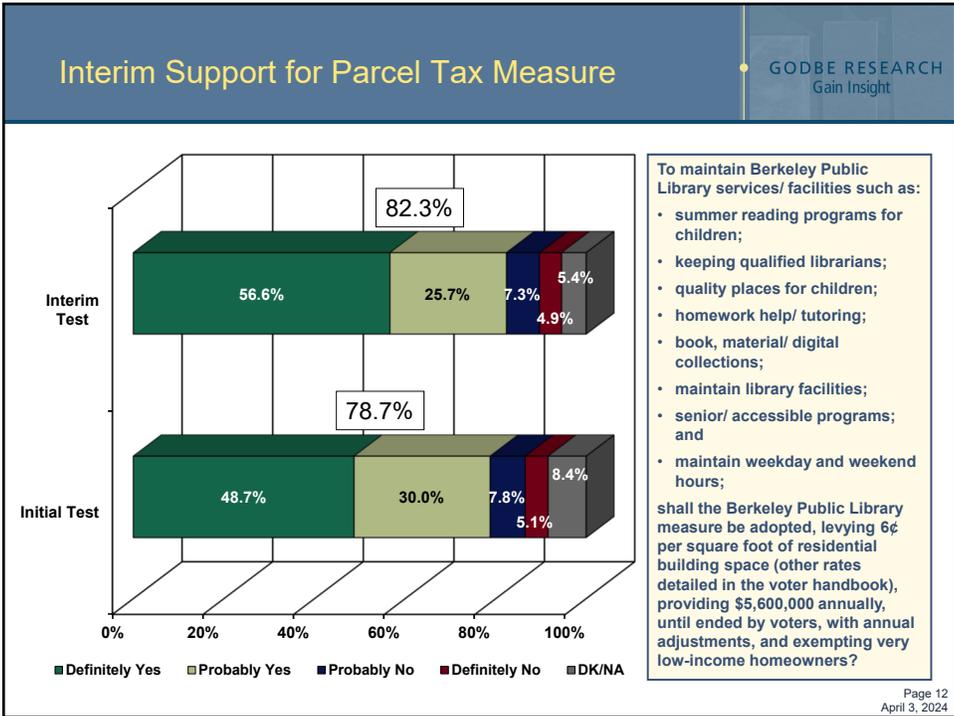
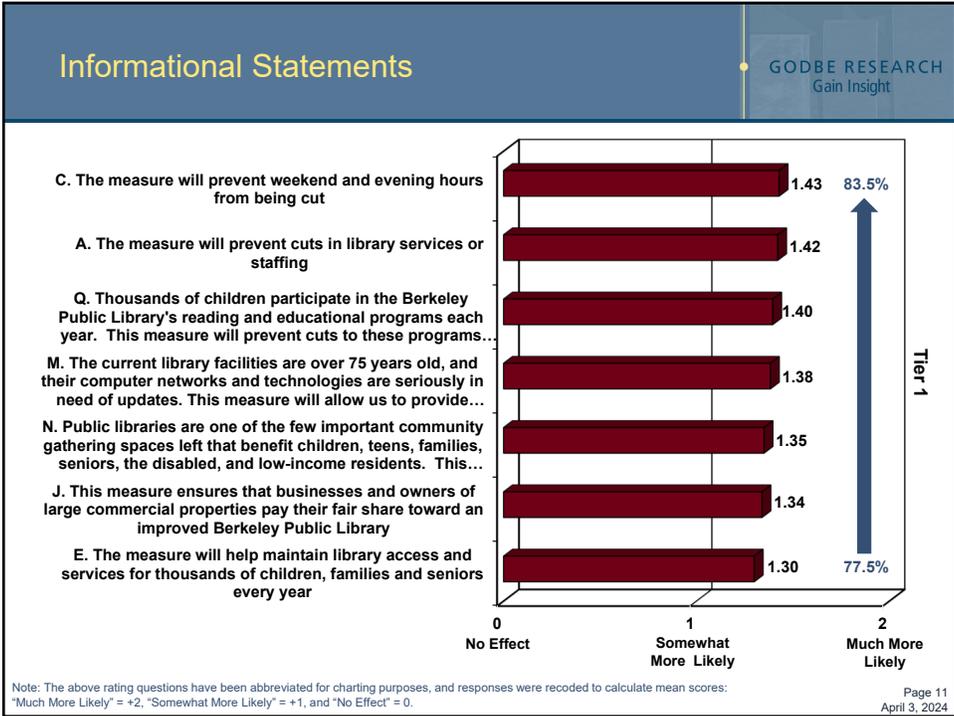


The slide is titled "Key Findings" in a large, light-colored font. On the left side, there is a graphic consisting of a lightbulb icon above the text "GODBE RESEARCH Gain Insight". To the right of this graphic is a photograph of a large crowd of people, possibly at a public event or meeting, with a blue color overlay. The slide has a dark blue background with a yellow horizontal bar at the top and bottom.



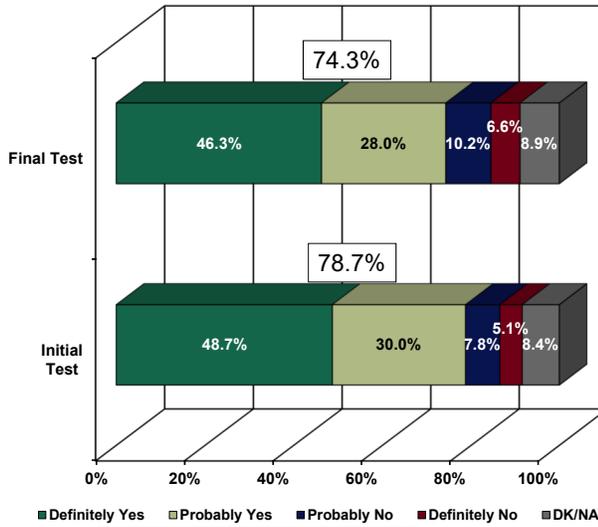






Informed Support for Per Square Foot of Building Space Tax Measure

GODBE RESEARCH
Gain Insight



To maintain Berkeley Public Library services/ facilities such as:

- summer reading programs for children;
- keeping qualified librarians;
- quality places for children;
- homework help/ tutoring;
- book, material/ digital collections;
- maintain library facilities;
- senior/ accessible programs; and
- maintain weekday and weekend hours;

shall the Berkeley Public Library measure be adopted, levying 6¢ per square foot of residential building space (other rates detailed in the voter handbook), providing \$5,600,000 annually, until ended by voters, with annual adjustments, and exempting very low-income homeowners?

Page 13
April 3, 2024



GODBE RESEARCH
Gain Insight



www.godberesearch.com

California and Corporate Offices
1220 Howard Avenue, Suite 250
Burlingame, CA 94010

Nevada Office
59 Damonte Ranch Parkway, Suite B309
Reno, NV 89521

