

Sacramento Public Library

August 5, 1999

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Support for Senate Bill 3 (SB3) - (Rainey) California
Library Construction and Renovation Bond Act.

LOCATION AND COUNCIL DISTRICT: Citywide, All Districts.

RECOMMENDATION: Staff recommends adoption of the attached
resolution supporting SB 3 - California Library
Construction and Renovation Bond Act.

CONTACT PERSON: Mary Wray, Support Services Manager, 264-
2737.

FOR THE COUNCIL MEETING OF: August 5, 1999.

SUMMARY:

This report recommends support for SB3, the California Library Construction and Renovation Bond Act which would authorize the issuance of State General Bond Law in the amount of \$1,000,000,000 for the purpose of financing a library construction and renovation program. The bill would provide for submission of the bond act to the voters at a statewide general election in November 2000, as currently written.

COMMITTEE/COMMISSION ACTION:

This item was heard and unanimously approved by the Sacramento Public Library Authority at their regular meeting on June 24, 1999.

At its meeting on July 20, 1999, the City of Sacramento Law and Legislation Committee adopted a motion recommending approval of the attached resolution. The vote was unanimous.

BACKGROUND:

The Sacramento Public Library Authority adopted a 1999 Legislative Agenda in April 1999. Support for California State Public Library construction bond bills that would provide an additional funding source for public libraries was approved as a part of the legislative agenda. SB3, the California Library Construction and Renovation Bond Act of 2000 authorizes, subject to voter approval at the November 2000

APPROVED
BY THE CITY COUNCIL

AUG 5 1999

OFFICE OF THE
CITY CLERK

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General Election, the issuance of \$1 Billion in general obligation bonds for the purpose of financing library construction and renovation. The program administered by the State Librarian would make funds available on a 65% State - 35% local matching basis.

Statewide, the California State Library has recently conducted a statewide survey which identified a need for over 400 local library projects at a cost in excess of \$2 Billion. Locally, the Sacramento Public Library Master Plan identifies several new construction projects. Current City approved priorities for public library construction could be supported by State Library bonds.

A similar resolution of support will be submitted to the Board of Supervisors for review and approval.

ENVIRONMENTAL CONSIDERATIONS:

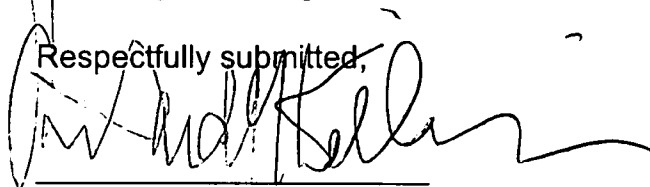
This activity does not constitute a "project" and is therefore exempt from the California Environmental Quality Act (CEQA), Guidelines Sections 15061 and 15378.

FINANCIAL CONSIDERATIONS: Not applicable.

POLICY CONSIDERATIONS:

This action supports the Library Master Plan and is in support of the SPL goal to provide high-quality library services to our patrons and our partners. This item also comports with the Sacramento Public Library 1999 Legislative Agenda.

Respectfully submitted,



Richard M. Killian
Library Director

RECOMMENDATION APPROVED:



Bob Thomas, City Manager

Attachment

RESOLUTION NO. 99-441

APPROVED
BY THE CITY COUNCIL

AUG 5 1999

ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE
CITY CLERK

ON THE DATE OF _____

BE IT HEREBY RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

WHEREAS, the California Legislature has declared that public libraries are a supplement to the formal system of free public education and deserve adequate financial support from government at all levels; and

WHEREAS, a viable statewide system of public libraries is essential to assist the schools, support children and to serve the general public in all local communities; and

WHEREAS, community public libraries are an important partner in providing a quality education for children and ensuring lifelong learning opportunities for all citizens; and

WHEREAS, local public libraries throughout California need additional funding for the construction of new libraries, and for the expansion and renovation of existing library facilities to better serve their communities; and

WHEREAS, the California State Library has recently conducted a statewide survey which identified a need for over 400 local library projects at a cost in excess of \$2 billion; and

WHEREAS, Senator Richard Rainey has introduced Senate Bill 3 establishing the California Library Construction and Renovation Bond Act of 2000, and authorizing the issuance of one billion dollars in State bonds to fund library construction and renovation projects on a 65% State - 35% local matching basis, and placing this bond measure on the November 7, 2000 statewide general election ballot; and

WHEREAS, approval by the Legislature of Senate Bill 3 would provide California voters the opportunity to vote on this bond measure in the November 7, 2000 election and to provide a significant new financing option for expanding and improving California's public libraries;

NOW, THEREFORE, BE IT RESOLVED THAT the Sacramento City Council hereby endorses and supports the passage of Senate Bill 3 (Rainey) by the Legislature, and directs the Chairman of the Board to notify Senator Rainey, the President pro Tempore of the Senate, the Speaker of the Assembly, the Governor, Senator Deborah Ortiz, 6th Senate District, and Darrell Steinberg, 9th Assembly District of its support.

MAYOR

ATTEST:

By: _____
City Clerk

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____ **3**
DATE ADOPTED: _____

BILL NUMBER: SB 3 AMENDED
BILL TEXT

AMENDED IN SENATE JUNE 30, 1999
AMENDED IN SENATE APRIL 6, 1999

INTRODUCED BY Senators Rainey, Burton, and Alpert
(Principal coauthor: Senator McPherson)
(Principal coauthors: Assembly Members Longville and Thomson)
(Coauthors: Senators Chesbro, Costa, Johnston, Karnette,
Kelley, O'Connell, Perata, Solis, and Speier)
(Coauthors: Assembly Members Aroner, Bock, Calderon,
~~Lempert, Mazzone, and Scott~~) Cardenas, Davis,
Jackson, Kuehl, Leach, Lempert, Mazzone, Romero, Scott, Washington,
and Wildman)

DECEMBER 7, 1998

An act to add Chapter 12 (commencing with Section 19985) to Part 11 of the Education Code, relating to financing a public library construction and renovation program, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds.

LEGISLATIVE COUNSEL'S DIGEST

SB 3, as amended, Rainey. California Library Construction and Renovation Bond Act.

Existing law establishes the California Library Construction and Renovation Bond Act of 1988, which authorized the issuance pursuant to the State General Bond Law of bonds in the amount of \$75,000,000 for the purpose of financing a special library construction and renovation program.

This bill would enact the California Library Construction and Renovation Bond Act of 2000, which would authorize the issuance pursuant to the State General Bond Law of bonds in the amount of \$1,000,000,000 for the purpose of financing a library construction and renovation program administered by the State Librarian.

The bill would provide for submission of the bond act to the voters at the statewide general election on November 7, 2000, and would become operative upon adoption by the voters at that election.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 12 (commencing with Section 19985) is added to Part 11 of the Education Code, to read:

CHAPTER 12. CALIFORNIA LIBRARY CONSTRUCTION AND RENOVATION BOND ACT OF 2000
Article 1. General Provisions

19985. This chapter shall be known and may be cited as the California Library Construction and Renovation Bond Act of 2000.

19986. As used in this chapter, the following terms have the following meanings:

(a) "Committee" means the California Library Construction and

Renovation Finance Committee established pursuant to Section 19972.

(b) "Fund" means the California Library Construction and Renovation Fund established pursuant to Section 19955.

(c) "Board" means the California Library Construction and Renovation Board established pursuant to Section 19952.

Article 2. Program Provisions

19987. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the fund.

19988. All moneys deposited in the fund shall be available for grants to any city, county, city and county, or district that is authorized at the time of the project application to own and maintain a public library facility for the purposes set forth in Section 19989.

19989. The grant funds authorized pursuant to Section 19988, and the matching funds provided pursuant to Section 19995, shall be used by the recipient for any of the following purposes:

(a) Acquisition or construction of new facilities or additions to existing public library facilities.

(b) Acquisition of land necessary for the purposes of subdivision (a).

(c) Remodeling or rehabilitation of existing public library facilities or of other facilities for the purpose of their conversion to public library facilities.

(d) Procurement or installation, or both, of furnishings and equipment required to make a facility fully operable, if the procurement or installation is part of a construction or remodeling project funded pursuant to this section.

(e) Payment of fees charged by architects, engineers, and other professionals, whose services are required to plan or execute a project authorized pursuant to this chapter.

19990. An applicant for a grant for the acquisition, construction, remodeling, or rehabilitation of public library facilities under this chapter on land not currently possessed by that applicant, for a project that does not include an application for a grant to acquire that land pursuant to subdivision (b) of Section 19989, shall be deemed to comply with any administrative condition adopted pursuant to this chapter that the applicant own the land if the application is accompanied by a copy of a court order issued in an eminent domain action pursuant to Section 1255.410 of the Code of Civil Procedure that entitles the applicant to possession of the land.

19991. Any grant funds authorized pursuant to Section 19988, or matching funds provided pursuant to Section 19995, may not be used by a recipient for any of the following purposes:

(a) Books and other library materials.

(b) Administrative costs of the project, including, but not limited to, the costs of any of the following:

(1) Preparation of the grant application.

(2) Procurement of matching funds.

(3) Conduct of an election for obtaining voter approval of the project.

(c) Interest or other carrying charges for financing the project, including, but not limited to, costs of loans or lease-purchase agreements in excess of the direct costs of any of the authorized purposes specified in Section 19989.

(d) Any ongoing operating expenses for the facility, its personnel, supplies, or any other library operations.

19992. All construction contracts for projects funded in part through grants awarded pursuant to this chapter shall be awarded through competitive bidding pursuant to Part 3 (commencing with Section 20100) of Division 2 of the Public Contract Code.

19993. This chapter shall be administered by the State Librarian. The State Librarian shall adopt rules, regulations, and policies

for the implementation of this chapter.

19994. A city, county, city and county, or district may apply to the State Librarian for a grant pursuant to this chapter, as follows:

(a) Each application shall be for a project for a purpose authorized by Section 19989.

(b) The applicant shall request not less than one hundred thousand dollars (\$100,000) per project.

(c) An application may not be submitted for a project for which construction bids already have been advertised.

19995. (a) Each grant recipient shall provide matching funds from any available source in an amount equal to 35 percent of the costs of the project. The remaining 65 percent of the costs of the project, up to a maximum of twenty million dollars (\$20,000,000) per project, shall be provided through allocations from the fund.

(b) Qualifying matching funds shall be cash expenditures in the categories specified in Section 19989 which are made not earlier than three years prior to the submission of the application to the State Librarian. Except as otherwise provided in subdivision (c), in-kind expenditures do not qualify as matching funds.

(c) Land donated or otherwise acquired for use as a site for the facility, including, but not limited to, land purchased more than three years prior to the submission of the application to the State Librarian, may be credited towards the 35 percent matching funds requirement at its appraised value as of the date of the application.

(d) Architect fees for plans and drawings for library renovation and new construction, including, but not limited to, plans and drawings purchased more than three years prior to the submission of the application to the State Librarian, may be credited towards the 35 percent matching funds requirement.

19996. (a) The estimated costs of a project for which an application is submitted shall be consistent with normal public construction costs in the applicant's area.

(b) An applicant wishing to construct a project having costs that exceed normal public construction costs in the area may apply for a grant in an amount not to exceed 65 percent of the normal costs up to a maximum of twenty million dollars (\$20,000,000) per project if the applicant certifies that it is capable of financing the remainder of the project costs from other sources.

19997. Once an application has been approved by the board and included in the State Librarian's request to the committee, the amount of the funding to be provided to the applicant may not be increased. Any actual changes in project costs are the full responsibility of the applicant. If the amount of funding that is provided is greater than the cost of the project, the applicant shall return that portion of the funding that exceeds the cost of the project to the fund. If an applicant has been awarded funding by the board, but chooses not to proceed with the project, the applicant shall return all of the funding to the fund.

19998. (a) In reviewing applications, the board shall consider all of the following factors:

(1) Needs of urban and rural areas.

(2) Population growth.

(3) Age and condition of the existing library facility.

(4) The degree to which the existing library facility is inadequate in meeting the needs of the residents in the library service area and the degree to which the proposed project responds to the needs of those residents.

(5) The degree to which the library's plan of service integrates appropriate electronic technologies into the proposed project.

(6) The degree to which the proposed site is appropriate for the proposed project and its intended use.

(b) If, after an application has been submitted, material changes occur that would alter the evaluation of an application, the State

Librarian may accept an additional written statement from the applicant for consideration by the board.

19999. (a) A facility, or the part thereof, acquired, constructed, or remodeled, or rehabilitated with grants received pursuant to this chapter shall be dedicated to public library direct service use for a period of not less than 20 years following completion of the project.

(b) The interest of the state in land or a facility, or both, pursuant to the funding of a project under this chapter, as described in subdivision (a), may be transferred by the State Librarian from the land or facility, or both, for which that funding was granted to a replacement site and facility acquired or constructed for the purpose of providing public library direct service.

(c) If the facility, or any part thereof, acquired, constructed, remodeled, or rehabilitated with grants received pursuant to this chapter ceases to be used for public library direct service prior to the expiration of the period specified in subdivision (a), the board is entitled to recover, from the grant recipient or the recipient's successor in the maintenance of the facility, an amount that bears the same ratio to the value of the facility, or the appropriate part thereof, at the time it ceased to be used for public library direct service as the amount of the grant bore to the cost of the facility or the appropriate part thereof. For purposes of this subdivision, the value of the facility, or the appropriate part thereof, is determined by the mutual agreement of the board and the grant recipient or successor, or through an action brought for that purpose in the superior court.

(d) The board may release the grant recipient or the successor of the recipient in the maintenance of the facility from its obligation under subdivision (a), and waive the requirements of subdivision (c), if the board determines that so doing would not diminish the quality of public library direct service in the community served by the facility.

(e) Notwithstanding subdivision (f) of Section 16724 of the Government Code, any money recovered pursuant to subdivision (c) shall be deposited in the fund, and shall be available for the purpose of awarding grants for other projects.

Article 3. Fiscal Provisions

20000. Bonds in the amount of one billion dollars (\$1,000,000,000), exclusive of refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used in accordance with, and for carrying out the purposes expressed in, this chapter, including all acts amendatory thereof and supplementary thereto, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of and interest on bonds as the principal and interest become due and payable.

20001. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

20002. (a) For purposes of this chapter, the California Library Construction and Renovation Finance Committee established pursuant to Section 19972 is the "committee" as that term is used in the State General Obligation Bond Law.

(b) For purposes of the State General Obligation Bond Law, the California Library Construction and Renovation Board established

pursuant to Section 19952 is designated the "board."

20003. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the actions specified in this chapter, including all acts amendatory thereof and supplementary thereto, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

20004. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of and interest on the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

20005. Notwithstanding section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, ~~the~~ an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of and interest on bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 20006, appropriated without regard to fiscal years.

20006. For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, with interest at the rate earned by the money in the Pooled Money Investment Account during the time the money was withdrawn from the General Fund pursuant to this section, from money received from the sale of bonds for the purpose of carrying out this chapter.

20007. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter. The board shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

20008. Any bonds issued and sold pursuant to this chapter may be refunded by the issuance of refunding bonds in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 2 of Title 2 of the Government Code. Approval of the electors of the state for the issuance of bonds under this chapter shall include the approval of the issuance of any bonds issued to refund any bonds originally issued or any previously issued refunding bonds.

20009. All money deposited in the fund that is derived from premium and accrued interest on bonds sold pursuant to this chapter shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

20010. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

20011. Amounts deposited in the fund pursuant to this chapter may be appropriated in the annual Budget Act to the State Librarian for

the actual amount of office, personnel, and other customary and usual expenses incurred in the direct administration of grant projects pursuant to this chapter, including, but not limited to, expenses incurred by the State Librarian in providing technical assistance to an applicant for a grant under this chapter.

SEC. 2. Section 1 of this act shall take effect upon the adoption by the voters of the California Library Construction and Renovation Bond Act of 2000, as set forth in Section 1 of this act.

SEC. 3. Section 1 of this act shall be submitted to the voters at the November 7, 2000, statewide general election in accordance with provisions of the Elections Code and the Government Code governing submission of statewide measures to voters.

SEC. 4. Notwithstanding any other provisions of law, all ballots of the election shall have printed thereon and in a square thereof, the words: "California Library Construction and Renovation Bond Act of 2000" and in the same square under those words, the following in 8-point type: "This act provides for a bond issue of one billion dollars (\$1,000,000,000) to provide funds for a library construction and renovation program." Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act.

Where the voting in the election is done by a means of voting machines used pursuant to law in the manner that carries out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof are in compliance with this section.