

July 2014

Alternative funding sources

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Recommended Citation

Fernandez, S., Delamarter, R., Happ, G., & Hilliard, T. (2014). Alternative funding sources. *OLA Quarterly*, 2(1), 8-10+. <http://dx.doi.org/10.7710/1093-7374.1395>

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OLA Quarterly is an official publication of the Oregon Library Association | ISSN 1093-7374

Carnegie, LSCA, bond measures. In recent years some new, imaginative ways of funding library buildings have been discovered and used.
— the editor

Alternative Funding Sources

Chetco Community Public Library in Brookings:

Certificates of Participation Help Build a New Building

by Susana Fernandez
Library Director
Chetco Community Public Library

Following formation of the Chetco Community Public Library in 1983, the board of directors began planning for the library's improvement. Studies conducted in 1987 and 1989 by the State Library at the request of the board found both the library facilities and services inadequate to meet the needs of the area's population, which had grown rapidly in recent years. These studies provided the impetus for the board's drive for a new library.

In 1973 the library had received a sizable bequest, which was deposited in the Oregon State Investment Pool. The library depended each year on the earned interest to supplement the insufficient funds provided by the district's tax base for library operations. Over the years this fund had grown to over \$300,000 and the board intended to use this money to purchase a suitable site and hire an architect to design the new facility. The board also intended to use the money as matching funds necessary for construction grants.

In 1990, district voters passed a new tax base more than three and one-half times greater than the existing tax base. This enabled the board to begin improvement and expansion of library services, and it provided funds needed to operate a new and larger facility. It also freed up more than \$300,000, which was to provide the basis for the new building project.

In 1991, the board located and purchased a suitable site, hired an architect, and developed a preliminary budget for the project. After investigating options for financing the new library's construction, in early 1992 the board signed a \$1.15 million, 15-year lease-purchase loan financed by

certificates of participation with U.S. Bank's Public Finance Department.

With financing assured, construction of the new library began in late 1992. During construction, the board set out to fill a budget gap left by the library's failure to receive an LSCA Title II construction grant. A five-person Project Fund Committee was appointed by the board, and the effort to raise an additional \$100,000 for "extras" began. Working out of office space donated by a local merchant, committee members raised nearly \$150,000 in the community over four months. Construction was completed one month after the close of the fund drive.

The Chetco Community Public Library opened its new 17,500 square foot facility on August 28, 1993.

Deschutes County Library System: *Using Library Districts for Capital Funding*

by Ralph Delamarter
Library Director
Deschutes County Library System

In 1990 and again in 1993 Deschutes County voters narrowly defeated general obligation bond measures. These measures proposed library facility improvements to all four Deschutes County Library System libraries. In each election, voters in Bend, Sunriver, and Black Butte Ranch supported the measures, but voters in other areas of the county did not.

Residents of the more rural areas believed their taxes were providing more benefits to other areas of the county than to their areas. The proposal did provide benefits to each community, but not enough to gain the required support.

To address this perception, the county turned to Oregon Revised Statutes Chapter 451, "County Service Facilities," to form library districts, one of several services permitted under this chapter. Under the Deschutes County formation resolutions, five library districts were established for capital funding to construct, remodel or renovate library facilities. Although operation funding is permitted under ORS 451, the decision was to keep operational funding under the county general fund budget. This approach allows local decision on new facilities, but maintains county services such as the automated cataloging and public access catalog, circulation control, reference and collection development.

Because operational funding is not a district responsibility, the Deschutes County Commission could form the districts by county commission resolution without a public vote for district formation and for a tax base establishment. General obligation bond funding still requires voter approval for construction projects.

What was the result of this approach? In 1995 both Redmond and Bend library service districts presented bond measures for voter consideration. Both were overwhelmingly supported, with the Bend measure receiving the highest "yes" majority—at 69 percent—of any recent money measure in Deschutes County. These two campaigns benefited from better organization and better strategy than the previous two bond measures. The campaigns' local emphasis permitted a local focus and removed voter concern that another community would receive funding for something they would not get to use. Compared with the 1993 election, each district was 14% more favorable in 1995. How much of that was due to organization and strategy and how much was due to the districts is difficult to say. We believe the district approach made a huge difference.

Renewed!

by George Happ
Library Director
Salem Public Library

When Salem's central library building was dedicated in 1971, the library board and administration envisioned a facility development strategy focused on building a system of branches. The city's planning commission and city council had a different vision. The city's 1984 capital improvement planning process rejected the branch-development concept. Instead the library was told it would have to fully realize the potential of the central location before branches would be authorized. There were two primary reasons for this: to avoid new costs for staff and collection development that branch operations create and to continue to feature the downtown area as the destination for shopping and city services.

The library dutifully directed its planning in that direction. Unfinished basement space became the audio-visual center in 1984. By 1985 the library board had authorized use of trust funds to prepare a preliminary study on how the building could best be expanded. Cost estimates for the expansion plan were established.

Recognizing that the library was located in the 20-year-old Pringle Urban Renewal District*, that most of the district's objectives had been accomplished, and that a fund balance of more than \$7 million had built up in the district's account, the library administration initiated discussions with the city finance director and city attorney regarding applying some of the accumulated balance to the library project. The response was that this would not be possible because the library was not mentioned specifically as one of the district's goals when it was formed.

In 1989 Salem had both a newly elected mayor and a newly hired city manager. The library board again brought forth the question about the use of existing renewal district funds for the much needed and much planned library expansion. This time the answer was "yes." That is, if an amendment to the district's goals passed the scrutiny of a public hearing. It did, and the rest is history. The newly expanded and renovated central library was dedicated in January 1991. It was built with existing funds without increasing the city's bonded indebtedness, and it improved the quality of public facilities in a way clearly in the spirit of the renewal district's goals.

** Renewal districts are formed to improve a deteriorating area of a community. Funds accrue to the district when property taxes on the value of improvements to privately held properties are deposited to the district account rather than distributed to city, county or school district general funds.*

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The Partnership Approach

by George Happ
Library Director
Salem Public Library

The Salem Public Library's only branch facility was established in 1957, in part to recognize the cordial annexation of the formerly independent city of West Salem to the city of Salem. The West Salem Branch Library occupied the first floor of the former West Salem City Hall, an old brick building complete with musty jail cells, inadequate parking, leaking walls, small spaces, and split-level rest rooms.

By 1985 the facility had badly deteriorated. The city studied the possibility of a major overhaul, but dismissed the concept as too costly. The library board and administration had, in the meantime, begun discussions with supermarket owner Orville Roth, who was developing plans for a new shopping center in that same area of the community. This generated immediate interest and agreement about the compatibility of a supermarket-anchored shopping center and a public library. Unfortunately, Mr. Roth's construction plans were several years in the future, but the library's needs were immediate.

The city authorized the library to attempt to find affordable rental quarters. In 1987 the branch moved to leased space in the nearby Oak Hills Shopping Center. Although the location was a short two blocks from the old building, usage immediately exploded. The shopping center location was even more attractive than anticipated. Business thrived, and the branch library lived happily ever after - or did it? Enter tax limitation Measure 5.

As in most cities, the library took its lumps when Measure 5 entered the ring in 1991. In Salem's case, the options included closing the newly expanded central library one or two days each week, closing the branch, eliminating bookmobile service, and gutting the book budget. Because the lease on the branch library's space was up for renewal and the price was going up, the city saw the branch as a logical place to cut costs. With their library threatened with elimination, the neighborhood let it be known that closure was not a politically acceptable solution.

Through a series of community forums, library board deliberation, and negotiation with the Salem-Keizer school district, the branch moved into shared space with Walker Middle School in July 1991. Although school district personnel cooperated fully and well designed agreements and procedures were established, the location and environment never caught on with the library's users. Business dropped dramatically. In 1994, when the district passed a capital improvement budget, Walker School was slated for major reno-

vation. The branch library was invited to stay, but would have needed to contribute \$150,000 to the project if extra space for the public's needs was to be constructed.

Because of the decline in public use, the enthusiasm regarding raising funds for a long term commitment to the school location flagged. The Salem Public Library Foundation stepped into the picture at this point to begin to research other possible sites for the branch.

Leased space, vacant buildings and bare land were all analyzed. All were either too expensive or inadequate. When it looked as if the school option might be the only one, our old friend Mr. Roth—who by now had developed his shopping center—came forward through one of our Library Foundation board members to offer a site on his shopping center property. The Library Foundation immediately pledged to raise \$200,000 for construction and the board encumbered \$100,000 from a recently received bequest for the same purpose.

With more than half of the branch library's construction cost raised from non-tax sources, and with valuable land donated by a prominent member of the business community, the city council authorized the remainder of the funds for the project without much fuss. The general fund budget provided the city's share.

The branch was dedicated in September 1995, and usage increases have averaged more than 60% above the school location. The project generated so much good will that a major developer who has land holdings in the area of the city earmarked for our next branch has donated the site, valued at \$160,000, to house branch number two. Fund raising and bond levy strategies are currently being developed for that project.

Old Into New:

Pendleton Public Library's New Building Spurred by ADA Requirements

by Tom Hilliard
Library Director
Pendleton Public Library

Pendleton Public Library occupies a unique, 1916 Carnegie building that defies the best efforts to find a rectangle in the whole structure. It was built as the headquarters of the Umatilla County Library, a 10-branch system that operated until 1987. That year, voters created a special library district, which now channels taxes to 12 cities to operate their own libraries in a shared system. The city of Pendleton inherited the building along with the responsibility for operation of a public library.

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When library funding was at a low point, the county library closed the separate children's library in the basement and moved all materials to the main floor. Pendleton continues to operate the building the same way, but circulation has risen from 60,000 to 110,000 during the past nine years. The library serves 22,000 people but occupies a mere 5,000 square feet on the building's main floor. Except for a secondary entrance with a steep ramp there are no handicapped improvements to the building, and rest rooms and meeting space are still in the basement.

Another city building has similar problems. The Pendleton City Hall has even worse accessibility problems: A long ramp through the garage gets people to the finance department on the first floor, but all other city functions are on the second floor.

Saddled with these substandard buildings, the city created a Facilities Committee to try to meet Americans with Disabilities Act requirements in these buildings and to consider future needs. Several architectural studies later, the committee began looking at a 32,000-square-foot vacant building known as the old Helen McCune Junior High School.

The McCune building is a typical school building, and it could have been a Carnegie reprint. It is imposingly rectangular, with steps centered on the front leading to the first of two stories. A partial basement lies under the rear half. Any reuse of the building had to consider retaining first-floor columns to support the second floor. Because of a two-story ell added to the rear of the building during the 1950s, any remodel had to consider access to five levels within one building. On the positive side, McCune is flanked by two buildings, an auditorium belonging to the city and a gymnasium used by the city recreation program.

It isn't surprising that the first restructuring estimates were high. A proposal to build an expandable 10,000 square foot building in its place seemed to be a sound decision to the Facilities Committee, but in a bond election for more than \$3 million, the voters didn't agree. There were several reasons for "no" votes: People did not want to see McCune torn down, they wanted to know the fate of the Carnegie building, and they felt the cost for remodeling had to be less than new construction.

After studying the remodeling issue again, the Facilities Committee solicited cost estimates from contractors and eliminated some top-of-the-line elements. In the end, the committee came up with a figure of \$2.9 million for remodeling. The city cleared many questions regarding reuse of the

Carnegie building by declaring that it would stay open for public use. As a result, voters approved the remodeling of McCune by 2,717 to 1,220 in a November 1994 bond election.

Heeding public comments, the architects abandoned their proposal to create an entrance in the corner of the ell—at the building's rear—and used the existing central entrance at the front. A new portico will enclose stairs and an elevator that will provide access to the library level on the main floor and to city hall on the second floor. Architects also solved the access problem to the addition by creating a ramp 80 feet long and 9 feet wide from the main level down to the addition level. A second, interior elevator will give staff access to the basement for storage and make future expansion possible.

The remodeled building will still be flanked by the auditorium and the gymnasium, creating a two-block complex of city buildings with more than 100 parking spaces. Pendleton Public Library will occupy more than 15,000 square feet of space on the first level, triple the space in the Carnegie building. From the entrance, patrons will have access to periodicals, new materials, videos, books-on-tape, genealogy, reference, microfilm, both adult and children's rest rooms, and the circulation counter. One end of the main floor will house all children's areas, all staff functions will be clustered in one area adjacent to circulation, and an interesting alcove will be used for a new young adult area. Down the ramp, patrons will find all the adult stacks—with study tables scattered throughout—and a meeting room with its own after-hours access.

All furniture that can be moved from the Carnegie building will be used, and fund raising is under way to purchase new furniture and shelving needed to fill additional space. The city sold the old City Hall, and the proceeds of \$60,000 will help pay for improvement of access to the Carnegie building. The Arts Council submitted a proposal, which has been accepted by the city, to establish an art gallery, a small cafe, public meeting areas, and offices for itself and the symphony in the building. A children's museum decided it would soon outgrow the Carnegie library, so it is moving to a downtown location.

Construction on McCune is scheduled to be completed by August 31, so moving of the current library and City Hall is planned for early fall. Citizens in Pendleton have much more than the Pendleton Round-Up to look forward to in the fall of 1996. **Q**