



Agenda Report

July 11, 2022

TO: Honorable Mayor and City Council
FROM: Department of Libraries and Information Services
SUBJECT: **CONSIDERATION OF POSSIBLE ACTION RELATED TO A LIBRARY SERVICES CONTINUATION SPECIAL TAX BALLOT MEASURE**

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental clearance is required for the action; and
2. Direct Staff to prepare and return to the City Council for its consideration, all documents necessary to place a ballot initiative on the November 8, 2022 ballot related to the renewal of the Library Services Continuation Special Tax Measure

ADVISORY COMMISSION AND COMMITTEE RECOMMENDATIONS:

On June 15, 2022, the Library Commission voted unanimously to recommend placement of the Library Services Continuation Measure, as described in the following report, on the November 8, 2022 general election ballot.

On June 29, 2022 the Board of The Friends of the Pasadena Public Library voted unanimously to recommend placement of the Library Services Continuation Measure on the November 8, 2022 general election ballot.

EXECUTIVE SUMMARY:

Since its inception over 135 years ago, the Pasadena Public Library system has attained a unique position as a very highly regarded educational and cultural resource. With more than 3,000 on-site programs, free Wi-Fi services, and an extensive collection of printed books, periodicals, media, and cloud-based eBooks, the Pasadena Public Libraries serve as life-long learning centers and cultural beacons for the greater Pasadena community.

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The City has demonstrated continuously its commitment to ensure Pasadena children and youth have the resources they need to succeed in school as evidenced by the fact that close to nine-in-ten residents surveyed agree that Pasadena's libraries play a critical role in educating our community's children and youth.

About 20%, or \$2.8 million annually, of the Pasadena Public Library's budget comes from a Special Library Parcel Tax, which is set to expire in February 2023. These revenues are used to keep Pasadena libraries open and well maintained. These funds are also used to purchase up-to-date books and materials, support library programs and services, provide access to computers, Wi-Fi, and technology, and retain well qualified librarians. It has enabled the Pasadena Public Library to enhance its services by implementing an advanced search engine, a computerized magazine, and newspaper index, a new online library catalog, and public access to the internet with terminals at all library locations. A loss of this funding source would mean a drastic reduction in library collections, programs, services, and availability.

It is recommended that City Council ask voters to continue the existing source of revenue by voting on the "Pasadena Public Library Services Continuation Measure", which will:

- Keep libraries open and well-maintained
- Retain qualified librarians
- Maintain library book/materials collections
- Maintain youth reading/ homework/college preparation programs
- Ensure computer and Wi-Fi access for all residents

Proposed Ballot Measure Language

Following, is the recommended text of the parcel tax ballot measure question:

CITY OF PASADENA	
Pasadena Public Library Services Continuation Measure	
To keep libraries well-maintained; provide library books/materials, youth reading/homework programs; maintain library hours/days open; retain qualified librarians; ensure computer access; shall the City of Pasadena continue the voter-approved annual parcel tax, currently \$41 for single-family residences and condominium units and specified rates for other parcel types, generating \$2,800,000 annually for 15 years, limiting annual increases to the Consumer Price Index; requiring audits, locally controlled funds, be adopted?	
<input type="radio"/> YES	
<input type="radio"/> NO	

The measure will be an extension of a revenue source that has been in existence over the last 29 years, not a new tax.

This report outlines in broad terms the potential plan to maintain library services and programs for the Pasadena community.

BACKGROUND:

The Pasadena Public Library was founded in 1884, two years before Pasadena was incorporated as a city in 1886. Residents came together to support the funding of the first library by purchasing shares for as little as \$5. The first library opened February 26, 1884, located on the south side of Colorado St. between Raymond St. and the Santa Fe tracks. Community groups met regularly at this location and have been gathering in Pasadena's libraries ever since.

In 1889, an Art Fair highlighting different communities and epochs of California history was held to raise funds for the second library. The third library, known as Central, opened its doors at its current location in 1927. Today, the public enjoys access to nine neighborhood branch libraries.

In the early 1990s, the Library suffered considerable reductions in hours of service and collections as city revenues declined due to the worst recession in California since the

Great Depression. In June 1993, Pasadena voters approved a five-year Special Library Parcel Tax by a 79.9% margin, restoring the Library budget to its 1989 level. In September 1993, the Library hours and book budget were completely restored and the rebuilding of the Library's collections began. It has since been renewed twice with tremendous support. In 1997, it was supported with 84% of the vote and in 2007, it was supported with 80.4% of the vote.

Prior to the 2007 election, the Pasadena City Council authorized the Pasadena Public Library Commission to appoint a twelve-member Pasadena Public Library Future Funding Task Force to investigate alternative methods for financing the operations of the Pasadena Public Library. The impetus for establishing this Task Force was the scheduled expiration of the Library Special Tax at the end of June 2008. The findings and recommendation of the task force, which led to the current Special Tax arrangement, are contained in a report issued by the task force. The report was studied thoroughly by the City and was used as a point of departure in its investigations.

The parcel tax now generates about 20% of the library budget. The revenue has been used to keep libraries open and well maintained, purchase up-to-date books and materials, support library programs and services, continue to offer access to computers and Wi-Fi, and retain qualified librarians. It has enabled the Pasadena Public Library to bring many technological improvements to the Library including an advanced search engine, a computerized magazine, and newspaper index; a new online library catalog; and public access to the internet with terminals at all library locations.

The current parcel tax has a sunset date of February 2023. Upon expiration of the current Special Tax, the citizens of Pasadena cannot automatically rely on resuming full financing of the current level of library services entirely from the General Fund. Based on citizen surveys and various measures of utilization of City services, it is evident that the citizens of Pasadena strongly support the current level of library service and hold the Library in high regard. Therefore, staff is recommending that the appropriate route would be to ask voters to extend the current parcel tax past its February 2023 deadline for an additional fifteen years, to support the ongoing operations of the Library and Information Services Department.

A significant reduction in Library funding (such as losing approximately 20% or \$2.8 million annually of the budget as a consequence of the Special Tax expiring) would result in a drastic reduction in library programs services offered to the community, including potential closure of neighborhood library branches, a reduction of books and collections, a reduction in library hours, the loss of qualified librarians, and cuts in other significant programs and services offered to our community.

The approval of the Special Tax renewal requires two-thirds of the voters in an election. In order to have no interruption in library services, the measure should be placed on the ballot in the General Election which will be held on November 8, 2022. The City Council will need to act no later than August 8, 2022 at a regular City Council meeting in order to meet the deadline for the measure to be placed on the November 8, 2022 ballot.

From its very inception in 1884, the Pasadena Public Library has expanded its media and collections. Today, the Pasadena Public Library boasts a variety of media, including books, magazines, art, music, and digital articles. Pasadena Public Library also provides free access to Wi-Fi and computers. Residents can also check out Chromebooks or hotspots from their local branch, or utilize printing services. Youth and educational programs such as Steam @ the library, Storytime, and Homework help are held free of charge. The Pasadena Public Library branches also provide free exhibition and meeting spaces, as well as video and board games for checkout. To sum up, over the years the Pasadena Public Library collections have vastly expanded beyond shelves of books.

Continuing this funding source will keep libraries open and well-maintained, help support fire safety systems, provide up-to-date library materials, continue to offer access to computers, Wi-Fi, and retain qualified librarians.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The initiation of a ballot initiative to renew the City's Library Special Tax is a government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The Pasadena Public Library is currently financed by an appropriation from the City General Fund, revenues that flow directly to the Library Service Fund (e.g., earmarked funds from the State) and a dedicated Special Tax on real estate parcels in the City. This is an extension of an initial five-year special tax that was established in June 1993 and has been in existence since then. The City can only levy the Special Tax if it first appropriates a Threshold Amount from the General Fund. If the requisite General Fund appropriation is not made, the Special Tax cannot be levied. The Threshold Amount is a minimum not a maximum commitment. The required General Fund Threshold Amount and the tax rates are indexed to the Consumer Price Index (CPI). The Special Tax took effect beginning with fiscal year 1994 (starting July 1, 1993). It will expire early 2023. The current tax rates and the amount of revenue generated are presented below.

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Sources	Fiscal Year 2022 \$
General Fund	12,603,000
Library Special Tax	2,843,000
Total	15,446,000

The following is a breakdown of taxes annually:

Single Family	\$40.86
Condominiums	\$40.86
Duplexes & Larger	\$26.83/unit
Non-Residential	\$298.99

Exemptions from the Library Special Tax:

Any owner if such owner is a person who meets the following qualifications: the claimant's annual household income shall not exceed the amount shown on the following table at the start of the calendar year for which the exemption is claimed.

Household	Income
1	\$13,000
2	18,000
3	23,000
4	28,000
5	33,000
6	38,000
7	43,000

- Federal government, state government, any state agency, or any local governmental agency parcels.
- Property which is owned by a religious facility or community service organization which qualifies for an exemption from ad valorem taxation under California law.
- Any owner if such owner receives a senior citizen or disability exemption from the utility user's tax imposed by Chapter 4.56 of the Pasadena Municipal Code.

Respectfully submitted,



TIM MCDONALD

Acting Library Director

Libraries and Information Services

Approved by:


CYNTHIA J. KURTZ
Interim City Manager