

From: joni teter
To: [BPL-COM](#)
Subject: comments on April packet
Date: Sunday, April 1, 2018 1:45:33 PM

Nice job on the Master Plan section, Jennifer!

Detailed comments below

Minutes

--- Page 5 ---

Timnoth - Correct spelling: Timnath

--- Page 7 ---

I think we need to provide a more specific about our JLF conversation, and recommend the following *additions* to the language in our minutes.

Jaipur Literature Festival (JLF) update discussed scaling back the project with the organizers. They were not interested in scaling back rather they want to expand. Convention and Visitors Bureau will not be funding JLF. The City's funding for the project is contingent on the organizers meeting *milestones developed from "lessons learned" gleaned through debriefs*. . *One set of milestones address outside funding targets. Another set requires that certain program information be provided to the city on an agreed upon schedule, so that marketing for the festival could begin in the spring. (In past years, program information has not been available until July - about 6 weeks before the festival. This timing has been identified as a major challenge in drawing participants).*Most of the milestones have not been met.

Funding gap is between \$60,000 and \$160,000. Discussion ensued about past funding sources and amounts and the cost per attendee. *When asked to take a position on whether to support JLF for this year, the Commission decided to that it would be prudent to wait and see the outcome of these contractual discussions.* Commission was advised that JLF may go directly to city council to ask for funding. Teter expressed concern with asking for a funding increase for JLF when the library will also be asking for increased funding. *Commissioners agreed that, if an email campaign was launched, we would advise Council that funding for JLF is not a priority for the Library Commission. Teter volunteered to carry this message forward and to discuss it with the JLF Executive Director.*

--- Page 13 — Attachment A to Commission's budget letter to Council

Total Full Time Equivalent (FTE) staff positions requested (excluding new branch):

Are these positions assigned to Main (if not identified as assigned to a specific branch)? Or do they float? May need a footnote explanation of what "systemwide" means in terms of FTE.

Marketing and communications: Missing word - " a priority?"

Supervisor for Creative Technologist team systemwide: "To oversee and provide planning and operational support to the Creative Technologist team *at BLDG 61 and branch Makerspace programs.*"

--- Page 15 ---

Security service Open hours security officer \$80,000

Is a full time-security person planned for NoBo?

--- Page 16 — Capital and One Time Costs

North Boulder branch library total estimated capital and one-time costs needed: \$ 6.2 million

Should we note that last fall's ballot measure dedicates \$5 million for NoBo construction. Does the additional \$1.2 million represent fixtures and equipment (which can't be funded from the capital budget) or are additional capital costs included?

I assume the source of all one time and capital expenses (beyond the dedicated \$5 million) is unrestricted general funds?

Additional patron laptops

I find it confusing that purchase of computers is grouped with capital items, but replacement is included in operating expenses. It might be worthy of an explanatory footnote.

Demographics and Community Priorities and Needs Assessment

--- Page 18 ---

Suggested minor re-wording of two intro paragraphs.

While Boulder is unique in its many appealing attributes, many members of the community face economic, educational achievement, and social challenges *that are shared across Boulder County*. The Boulder Public Library is an organization that seeks to serve everyone, and over the past ten years has become a regional hub providing library service to city residents as well as many patrons who reside in unincorporated Boulder County.

The following section *uses relevant data from both the City and County*. It summarizes demographic trends for children and families, the largest group in BPLs patron base, as well as trends for other groups that are typically considered harder to connect with the city's public services, or otherwise underserved.

What patron groups are not reflected in this demographic trends discussion?

Demographic Trends

Would a table or figure summarizing demographics groups and major stats be useful?

--- Page 20 ---

1st Paragraph

"...it is important to consider the unique challenges of reaching and providing library services to children *and youth* in this category."

--- Page 21 ---

Immigrants paragraph, line 3 - should be "principle"

--- Page 22 --- Growth Trends & Characteristics

I think this portion of the report would benefit from a comparison table summarizing key demographic data from the statistics cited.

First full paragraph under "Gunbarrel", line 5

"The *City's* 2006 Gunbarrel Community Center Plan"

--- Page 23 ---

For Gunbarrel and NoBo discussion of average household income, is there a reason to use different income cutoffs to identify lower income households? Seems like an area where consistency would be useful - maybe citing both thresholds? Currently:

Gunbarrel - \$25K

NoBo - \$50K

--- Page 24 --- Boulder Junction, paragraph 2

"Providing popular, convenient, commuter-friendly library service may be a natural enhancement that BPL could provide to mixed-used, higher-density areas like Boulder Junction."

Could Boulder Junction also provide closer library services for patrons on the eastern part of the city? Are there

demographic data that should be cited for “the east”? I believe there are several low income neighborhoods in the area east of 28th and north of Arapahoe? (I think these folks may be split between Crossroads and East Boulder in the survey?)

--- Page 25 — **Community Priorities and Needs Assessment**

The first three paragraphs are very eloquent! Very well stated!

--- Page 27 — **Supporting Economic Sustainability**

Cultivating opportunities to address the income gap

“The income gap between those groups in Boulder County is significantly greater when compared to the income gap between those two populations nationwide. [*Awkward transition - Need some kind of “how can BPL help” statement*] For example, BPL provides opportunities for low-income and immigrant community members to build a range of 21st century literacy skills through the Boulder Reads adult literacy program, the BLDG61 Makerspace skill-building workshops, and Conversations in English meetings. I

--- Page 28 —

Education and skill development.

Science, Technology, **Education**, and Math (STEAM)

I realize that this is what the Boulder Economic Development Strategy says, but the acronym is wrong - should be Science, Technology, Engineering [Art] and Math

Line 4: “Providing children with the opportunity to develop interest and skills in these fields *in an integrated way* encourages critical thinking and experimentation and is a first step in preparing them for the workforce.”

--- Page 30 —

Volunteerism.

The library relies on volunteers to provide several of its programs and services, such as materials delivery to homebound patrons, adult literacy tutoring, oral history interviewers, and BLDG61 instructors to name a few.

Should this section also mention that volunteers assist with ongoing operational needs (weeding books, bookstore, others)?

--- Page 31 ---

Performance space - last line in 2nd paragraph

“Further investigation is required to determine if significant renovation or reconfiguration of the building is feasible *and what kind of performing arts space would best meet community needs.*”

From: joni teter
To: [BPL-COM](#)
Subject: Questions to guide discussion on the library funding needs memo for Council
Date: Tuesday, April 3, 2018 6:44:41 PM
Attachments: [Library Funding Needs CC IP memo April 2018 Final draft.pdf](#)

Dear Commissioners -

Earlier this afternoon, Jennifer shared with us a memo on the library's funding needs that has been written as an Information Packet (IP) item for Council. (I have attached the memo to this email for convenience so you can have all of the information in the same place.)

This memo has changed substantially from the earlier versions Commission has reviewed, and we have a very short period of time (one week) to review and offer input before the memo is submitted to Council. Accordingly, we have developed some questions (below) intended to help frame tomorrow night's discussion and organize Commission's potential input to Council.

1. Do Commissioners have questions about the financial analysis underlying the memo? (Bob Eiche has offered to attend our May 2nd meeting to discuss this analysis, if we wish. It would be helpful to generate a written list of questions for Bob in advance of the May meeting.)
2. Are the funding levels outlined in the memo sufficient to meet the library system's long term funding needs?
3. Should Commission make a recommendation about which funding option (s) would best support BPL's long term financial sustainability? Options included in the memo are:
 - reallocation of general fund revenues;
 - dedicated sales tax to address the library's funding deficiencies and expansion needs (with the remainder of BPL's funding provided through the general fund)
 - dedicated property taxes to address the library's funding deficiencies and expansion needs (with the remainder of BPL's funding provided through the general fund)
4. Should Commission recommend consideration of an additional ballot option: funding BPL entirely from property taxes? (This is the funding option that most closely mirrors the library district funding model.)
5. If the City chooses to dedicate an additional increment of property taxes to BPL, the charter-imposed cap on City property taxes would need to be raised. This means that (at a minimum) two related ballot items would be on th atballot, and both would have to pass in order for BPL to be funded. Does the Commission wish to make any recommendations about how an election should be structured in the best interests of the library? Things to consider:
 - Timing of an election: 2018 vs. 2019
 - Individual of ballot measures vs. packaging several funding needs together in one ballot question
 - Specificity of the mill levy amount and timing of property tax revenues coming BPL (phasing in increments of the additional mill levy vs. "up to" a specified amount - the Jeffco library

experience)

- To ensure a successful outcome, the City would need to devote resources to help develop explanatory materials and support community engagement around the complex questions underlying such ballot measures (for example, charter action vs. BPL funding; City's portion of the mill level vs. the total mill levy assessed by the County)

6. Does Commission have any recommendations around next steps in the process to address BPLs long term financial sustainability? Current schedule:

- Exec team memo and LibCom letter to Council on 2019-20 funding needs in April
- Master plan completion in May. (MP will include a section addressing BPL's long term funding needs and options for funding, including districting).
- Master Plan review by Planning Board in June, and by Council in July
- Council study session on BPL funding approaches in November

Thanks - Joni & Tim

**INFORMATION PACKET
MEMORANDUM**

To: Mayor and Members of Council

From: Jane S. Brautigam, City Manager
Tanya Ange, Deputy City Manager
David Farnan, Library and Arts Director
Jennifer Phares, Deputy Library Director

Date: Thursday April 12, 2018

Subject: **Information Item: Preliminary Library Operating and Capital Funding Needs and Financing Options**

EXECUTIVE SUMMARY

This memo provides information regarding preliminary, future library operating and capital funding needs anticipated to be outlined in the 2018 Boulder Public Library Master Plan. The 2018 Boulder Public Library Master Plan will be presented to City Council for consideration in July 2018. At the November 28, 2017 City Council study session, the council requested further information about the library's current and projected revenues and expenditures.

The primary goal is to present sustainable, financial options to fund the library's operating and capital needs all of which are based upon growth predicted in the Boulder Valley Comprehensive plan, the 2007 Boulder Public Library Master Plan goals, and community input received as part of the development of the 2018 Boulder Public Library Master Plan. The near-term needs represent the community's high-priority requests for library services, such as the long-standing goal of a full-service branch library to serve the north Boulder area, and investment needed to maintain current service levels and quality.

Two options to increase municipal funding for the library are presented: a) reallocate funds from other current programs and services within the City's operating budget, or b) a new voter approved dedicated sales or property tax. In the event the amount of a new dedicated property tax increase would exceed the current maximum limit of 13 mills for all property taxes allowed under Section 94 of the city charter, a City of Boulder charter change to increase the maximum allowable property tax mill limit would be needed. The 2018 library master plan will include information about funding and governance of library district.

This memo does not include information about the 2019 budget as the library staff and the Library Commission are in the process of reviewing and prioritizing the proposed budget.

FISCAL IMPACT

- This memo provides estimates of the Boulder Public Library's (BPL) operating and capital needs for the next three to five years and funding options for council to consider to meet these needs. For analytical purposes an amount of \$4 million annually was used. The amounts used in the analytical section are in today's dollars and do not account for inflation.

COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

- Economic: The 2018 Boulder Public Library Master Plan draft goals are outlined broadly to elucidate anticipated costs for council. If all the future goals are implemented, an estimated \$2.5 to \$3.5 million total in increased annual operating funds and \$5 to \$8 million in new capital and one-time funds will be required during the next five years to maintain the current high-quality and level of library services and meet the community's demand.
- Environmental: While library funding has no direct impact on the environment, library operations and capital projects meet the environmental standards adhered to by the city of Boulder.
- Social: The decision to fund library goals may require budget trade-offs that could impact the library's ability to deliver current high-quality programs and services. The decision not to fund certain programs may result in a reduction of service to some populations in the community and may have an adverse social impact.

MASTER PLAN THEMES - OPERATING AND CAPITAL NEEDS

A preview of the master plan was presented at the November 28, 2017 City Council study session. The estimated cost to implement all master plan goals is between \$2.5 and \$3.5 million in increased annual operating funds and between \$5 and \$8 million in new capital and one-time funds to maintain the current high-quality and level of library services and meet the community's demand. This funding would not be needed immediately or all at one time but would be phased in over the next several years. The following list represents broad themes and estimated costs that will be described in more detail in the master plan. The costs provided are estimates and broken down into operating, one-time and capital costs. The estimates for these broad themes do not represent a comprehensive total estimated cost of all the master plan goals. This information is not reflective of the 2019 budget as library staff and the Library Commission are in the process of reviewing and prioritizing the proposed budget.

MAINTAIN LEVELS OF CORE SERVICES

BPL has experienced significant growth in nearly all program and service areas over the past few years while finding many efficiencies in the delivery of services. It is not possible to consistently

experience growth in output measures and maintain high-quality service without increasing funding. These are planned for incremental implementation during the next 2 to 3 years.

Operating: To maintain current quality and service levels, personnel are needed in materials handling (shelving), branch libraries, technology support and renewal of a fixed term position in BLDG 61. Funds are needed for library materials, courier and janitorial services cost increases, and furniture replacement to keep pace with current demand and use of facilities. The total estimated cost is \$475,000 ongoing.

Facilities Renovation and Replacement: All library facilities are heavily used by the community. Costs for ongoing building maintenance, deferred maintenance, and utilities needs have been estimated for the city-owned library buildings including the Main Library, George Reynolds Branch Library, and Carnegie Library for Local History. The update to the Facilities and Asset Management (FAM) Master Plan will outline a plan to address these maintenance needs for all city facilities including the libraries. Funding these maintenance costs will support efficient management of the facilities and reduce future costs by preventing critical failure of building structures and systems. The 2018 Boulder Public Library Master Plan will support annual budget requests from FAM for library building maintenance. The 2018 deferred maintenance backlog costs for the library facilities is \$3.7 million. To put this in perspective, the deferred maintenance backlog for all general fund city facilities is \$15.3 million. Current Operations & Maintenance, Major Maintenance and Renovation & Replacement for the libraries are also currently funded below funding goals and should increase from the annual \$487,000 to \$550,000.

SERVICE AND COLLECTION ENHANCEMENTS

With one million visitors annually and approximately 78,000 city of Boulder residents with active library cards, BPL is a highly utilized service. Community survey results consistently rate BPL very high for value. Community input received during the master planning process included numerous requests for service enhancements. Increased staffing and non-personnel funds are needed in each of the areas described below to increase capacity, meet community demand and provide some expansion of services. These enhancements are planned for incremental implementation during the next 5 to 10 years.

- Collections: Increased expenditures for collections will reduce patron wait time for materials and make more materials available. Likewise, an increased investment in staff to process and shelve more materials will be required.
- Programs: BPL popular programs are at capacity and access is limited because the demand is so great. Many patrons who wish to attend children's Science, Technology, Engineering, Arts, and Mathematics (STEAM) programs and the BLDG 61 Makerspace programs are often put on long waiting lists.
- Hours: Branch hours and program offerings (while increased in the past few years to cover seven days per week) are still not consistent between locations or with the Main

Library hours. Making the hours and program offerings consistent will require additional patron services staff and youth services librarians.

- Marketing: Through the master plan community engagement, many patrons requested that BPL provide more informational materials and communications about books, programs and events at the library. Similar to the rest of the city organization, BPL does not currently have dedicated marketing and advertising personnel, despite this being a 2007 Library Master Plan goal.
- Events: BPL hosts and supports several popular community events and festivals such as, author talks, literature festivals, the Boulder International Film Festival, the Boulder Food and Film Festival, Boulder TEDX events, Techstars Startup Week, Computer Science Education (CSEd) Week and others. BPL does not currently have event planning and management staff or operating funds to adequately support any of these endeavors. The Boulder Library Foundation does provide BPL with continued grant funding for programs, events and festivals, but this does not include funds for staffing.
- Volunteer program: The volunteer services program accounts for 10% of BPL's workforce. Nevertheless, as the demand for programs increases, the need for volunteers to serve as literacy tutors for adult learners and for program assistance continues to grow. Further expansion of volunteer service is limited by staff to manage recruitment, training, placement, evaluation, and appreciation. The capacity of the staff could be increased by the implementation of a volunteer management software system, and additional funds are needed to continue recruiting more volunteers, provide them with supplies, and to recognize their contribution to the community. The City's Volunteer Cooperative is evaluating options for an enterprise volunteer management software system which would allow volunteer coordinators from several city departments to more effectively collaborate and coordinate the sharing of volunteers and volunteer opportunities. BPL would support a funding request for such a system.
- BLDG 61 support: The community's demand for BLDG 61 Makerspace programs far exceeded expectations. The sophisticated equipment available to the community in the makerspace must also be well maintained. Proper materials selection, inventory control, planning and preparation is required for BLDG 61 Makerspace to operate effectively and serve the community. Additional staffing is needed to maintain the specialized makerspace equipment, to oversee the Creative Technologist team, and for program planning.

Operating: Total estimated operating cost is \$1.38 million ongoing. \$780,000 is estimated for non-personnel costs and \$600,000 for personnel.

NORTH BOULDER BRANCH LIBRARY

A full-service branch library has been a priority for community members who reside in north Boulder since 1995 in the North Boulder Subcommunity Plan. Community members who participated in community engagement activities during the recent library master planning process also identified it as high priority goal for the library. Another high priority community request was for expansion of the makerspace and associated programs in the new branch library. Recognizing that expanded library services in north Boulder was a high priority for the community, even before adoption of the 2018 master plan, City Council included a branch library in the group of projects on the Community, Culture and Safety (CCS) Tax renewal November 2017 ballot item which was approved by the voters. The branch library is anticipated to open in early 2021.

Capital/ One-Time: The CCS Tax is expected to generate \$5 million for construction. An estimated \$1.2 million in Development and Excise Tax (DET) and impact fees collected for the library will be contributed for construction and materials collection costs. The one-time investment for makerspace equipment is estimated at \$125,000.

Operating: Approximately, \$485,000 in additional personnel (public desk staff) and operating funds for library materials, security and janitorial service, etc. is needed to operate a new branch library. This is in addition to the current annual personnel allocation for the NoBo Corner Library, as those staff members would be reassigned to the new branch. An additional \$183,000 in personnel funding is needed to staff a makerspace in the new the new branch library. Ongoing building maintenance and utilities costs which are managed by FAM are currently estimated at \$110,000, annually. Total estimated cost is \$778,000 ongoing.

GUNBARREL “CORNER” LIBRARY

Opening a ‘corner’ library in Gunbarrel has become a goal in the 2018 Boulder Public Library Master Plan. Modeled on the current NoBo Corner Library, BPL would seek a partnership with another agency or real estate developer in Gunbarrel to obtain rental space for the small library at a reduced or nominal cost. The branch library is anticipated to open in 2022.

Capital/One-Time: DET and impact fees that were collected for the library would be used for tenant finishes, furniture and an opening library materials collection. The cost for these is estimated at \$486,000.

Operating: Approximately, \$290,000 is needed for personnel (library manager and public desk staff), library materials, janitorial service, etc. Ongoing building maintenance and utilities costs which are managed by FAM are currently estimated at \$34,000. Total estimated cost is \$324,000 ongoing.

CANYON THEATER ACTIVATION

During the community engagement phase of the master plan process, the community ranked full-activation of the Canyon Theater performance space and areas adjacent to the Main Library in the Civic Area as high priorities. To address this community request, BPL has included a pilot

program in the master plan to provide staff for planning and technical support in the Canyon Theater so that it may be offered at significantly reduced cost or no charge to community groups for rehearsal space, programs, and events throughout the year.

The Main Library’s north building, where the Canyon Theater is located, was also identified as potential space for expansion of other popular programs such as the BLDG 61 Makerspace or to house new community partners. Upgrading the building interior to facilitate activation of the Canyon Theater or to expand other programs may require extensive renovations. The building sits in part of the high hazard flood zone and therefore flood regulations may limit the amount of money that can be invested in renovations. A renovation feasibility study for that building is needed to determine if interior physical alterations are possible. The library would coordinate oversight of the study with FAM.

Capital/One-time: Minor improvements such as paint and carpet and the renovation feasibility study are estimated at \$156,000.

Operating: Personnel costs for the pilot program are estimated at \$344,000 ongoing.

TABLE 1. Summary of operating and capital needs

	Total	Ongoing needed	One-time needed	Other one-time sources
Maintain core service levels	\$4,730,000	\$1,030,000	\$3,700,000	-
Service and collection enhancements	\$1,380,000	\$1,380,000	-	-
North boulder branch library	\$7,103,000	\$778,000	\$125,000	\$6,200,000 *
Canyon Theater activation	\$500,000	\$344,000	\$156,000	-
Gunbarrel “Corner” Library	\$810,000	\$324,000	-	\$486,000 **

*\$1.2 million in DET and impact fees have been collected for the library and will be contributed. The CCS tax is expected to generate \$5 million to be used for the project.

**\$486,000 in DET and impact fees have been collected for the library and will be contributed.

MASTER PLAN PRIORITIES AND GOAL IMPLEMENTATION

Maintaining high-quality core services is the priority over expanding or introducing new programs and services. Annual funding for operating costs of the north Boulder branch library project is a high-priority due to the Community, Culture and Safety Tax capital funding approved by the voters. The prioritization of the goals for expanding library services to Gunbarrel and activating the Canyon Theater will be considered along with the community’s requests for other service enhancements. Library staff is working with the Library Commission to refine the priority of the Master Plan goals and objectives. This prioritization will inform the library’s annual budget requests over the next several years.

FUNDING OPTIONS

Funding the library's needs to maintain core services and the 2018 Boulder Public Library Master Plan goals represents a significant financial investment. It is estimated to be as much as a \$20 million total increase in costs to the city budget over five years – approximately \$3 million in annual ongoing operating costs and \$1 million in annual unfunded one-time and capital expenses. Additional revenues will need to be secured in addition to the current-level of annual appropriations from the General Fund to fund library needs. Capital projects are reviewed and considered in the Capital Improvement Program (CIP) that is part of the city's annual budget process.

At the November 28, 2017 City Council study session, council requested more information about several options for municipal and district funding models. Information on all the options including forming a library district will be included in the 2018 Boulder Public Library Master Plan for council's consideration. The options to increase municipal funding are summarized below. These options assume that the current level of General Fund support for BPL remains constant, approximately \$6.8 million annually. The two major sources of general fund revenue are sales and use tax and property tax. Sales and use tax is a volatile revenue source while property tax is a more stable revenue source.

OPTION: Reallocate current city funds

To keep the city's budget balanced, a change in the allocation of resources requires moving currently allocated resources from one program or service to another. If the decision is made to reallocate current General Fund resources from other general fund programs to the library, it would require a reduction in other general fund city services (fire, police, parks, and city support services (such as Finance, HR, IT, City Attorney's office, City Manager's Office)). The changes would be accomplished through the annual budget process. The actual impact on current programs would be known once the budget trade-offs were proposed.

OPTION: Request voters dedicate a new sales or property for the library

Increase dedicate sales or use tax for library services

Charter amendments and proposals for a tax increase require an ordinance from City Council prior to putting the proposed changes to a vote. The proposals that all relate to changes to effect increased taxes for the benefit of the library can be on a single ballot measure, as long as the procedural standards of TABOR are met. The current sales and use tax rate in the City of Boulder is 3.86% (there is an additional .15% on prepared food only that is dedicated to the Visitors and Convention Bureau). Each one tenth of a cent increase in sales and use tax currently generates approximately \$3.3 million dollars annually. Initial indications estimate the amount needed to fund the library master plan goals is at \$4 million. Annually, this includes \$3 million for operating costs and \$1 million for one-time and unfunded capital costs.

When fully implemented, these master plan costs would require an increase of .12 percent in sales and use tax. This would raise the City of Boulder sales and use tax rate to 3.98% (4.13% on prepared foods). See Table 2. below for comparison to other cities in the region.

TABLE 2. Current Regional Sales and Use Tax Rates

City	Local % Tax Rate	Total % Tax Rate	Local Tax Rate if COB Increased .12%
Broomfield	4.15	8.15	4.15
Boulder	3.86	8.845	3.98
Fort Collins	3.85	7.30	3.85
Denver	3.65	7.65	3.65
Lafayette	3.50	8.485	3.50
Louisville	3.65	8.635	3.65
Arvada	3.46	8.21	3.46
Longmont	3.53	8.515	3.53
Golden	3.00	7.50	3.00
Loveland	3.00	6.45	3.00

SOURCE: Colorado Department of Revenue – Taxation Division.
 Total rate may be different in city is in more than one county.

Proposals for a tax increase would follow the normal process for a city ballot item, that is, passage of an ordinance by City Council to place the proposed changes to a vote. The proposals that all relate to changes to effect increased taxes for the benefit of the library can be on a single ballot measure, if the procedural standards of Taxpayer Bill of Rights (TABOR) are met. At this time, it is not expected that any of these funds would be used for any type of debt funding. If that would change, and debt funding would be considered, a separate ballot question would need to be approved by the voters to authorize the issuance of debt.

Increase dedicated property tax for library services

1. Reallocate current general fund revenues by dedicating more of the current property tax to the library.

At present, due to Charter section 134, BPL receives funding from a dedicated one-third of one mill on City of Boulder residential and commercial property. In 2018, it is projected this will generate approximately \$1.23 million for the library. This translates to approximately \$20 in taxes for the average household in the city (\$850,000 average property value). This effectively dedicates (earmarks) a portion of the mill levy revenue to be used for library purposes. If the city wants to dedicate a higher level of the mill levy for library purposes, this portion of the Charter could be amended by the voters. If approved, it would require a greater amount of the mill levy to go to the library instead of other general fund services that it now goes to. This would require a reallocation of current city funds going to such programs as Fire, Police, Park Maintenance, Finance, HR, IT, City Manager’s office, City Attorney’s Office and IT.

Though there would be no overall tax increase, changing the dedicated amount in the Charter would require a ballot item for a Charter change. The ballot item would earmark the funds for library use and would not change unless a future ballot item changed the dedication.

Since there is no overall tax increase, council could decide to change the amount of dedication by ordinance only and not have a Charter ballot item. The ordinance would remain in effect unless changed by a future City Council.

Once approved by the voters the actual trade-offs in services could occur during the annual budget process or via a supplemental appropriation.

2. Request voters increase the total city mill levy currently assessed and dedicate it to the library.

Due to the Colorado Constitutional amendment called the Taxpayer Bill of Rights (TABOR) passed in 1992, any increase in the tax rate must be approved by the voters of the jurisdiction. This is true for both sales/use taxes and property tax. For property tax it means the total mill levy cannot be increased past what it was in 1992 without a vote.

Charter section 94 of the City of Boulder Charter caps the total property tax mill levy at a maximum of 13 mills (the city's mill levy is currently 11.981 mills) unless any new mill levy approved by the voters is used to make debt payments only. Currently, the difference between the total mill levy of the city and the maximum allowed in the Charter is 1.019 mills. If council wanted to dedicate the increase to the library, section 134 of the charter could be amended to include the increase in the dedication. The amount expected to be generated by the increase would be approximately \$3.67 million annually, short of the needed \$4 million dollars estimated for library needs. The impact on a residence with a value of \$850,000 would be approximately \$63 dollars annually. For each one million dollars of market value, a commercial property would have an increase of approximately \$296 per year. If approved by the voters, the increase would not have to be implemented all at once. New library master plan program costs would occur over several years and the increase in the mill levy could be phased in to match the implementation of the new services.

3. Increasing the mill levy beyond current charter limit of 13 mills.

The current 13 mill maximum property tax levy contained in the city charter was approved in November of 1943. An increase in property taxes to the maximum of 13 mills as described above would fall approximately \$330,000 short of meeting all needs of the library of \$4 million annually (\$3 million for operating and \$1 million for capital) when all projects are implemented). For the library to reach the needed \$4 million additional dollars annually, a mill levy increase of 1.111 mills would be required. This would take the total mill levy of the city to 13.092 mills. Since not all master plan projects would come at once, the ballot item could be written so the full increase in the library mill levy would be phased in as needed until it reached the fully allowed amount.

The average annual increased cost per household would be approximately \$68. This amount is based on the assessed value of the current average property of \$850,000. Housing values vary

across the city, so for the purposes of comparison, the increased cost per household would be \$160 for a residential property valued at \$2 million and approximately \$48 for a residential property valued at \$600,000. For commercial the increase would be approximately \$322 per one million dollar of fair market value.

In addition, there are several other projects in the City that will need additional ongoing or temporary bridge funding in the early years until revenues generated by the project are sufficient to meet ongoing costs. They are covered in the IP dated March 29, 2018. It can be found at the following link https://www-static.bouldercolorado.gov/docs/2018_03_29_IP-1-201803291020.pdf. An increase in the overall mill levy allowed by the charter would support these projects, as well as the library needs, and could allow the city additional headway in the event other needs arise in the next decades.

If the maximum allowed mill levy was increased by the voters, the total mill levy collected would not automatically increase to the maximum. Increases must occur in two steps, each of which requires voter approval. The first step would be to request an increase in the maximum mill levy allowed by the charter. If the maximum increase is approved by the voters, a separate ballot question must be placed before the voters to increase the mill levy by any increment above the current 11.981 mill levy of the City.

TABLE 3. Property Tax Mill Levy Comparisons

City	Property Tax Mill Levy
Broomfield *	11.457
Boulder	11.981
Fort Collins	9.797
Denver **	See below
Lafayette	16.879
Louisville	8.869
Arvada	4.310
Longmont	13.420
Golden	12.340
Loveland	9.564

* City of Broomfield portion only

** City and County of Denver does not separate its mill levy between the city portion and the county portion

SOURCE: County Assessor Abstracts for each entity

SUMMARY OF FUNDING OPTIONS AND IMPACTS FOR THE LIBRARY MASTER PLAN CAPITAL AND OPERATING NEEDS

Method	Does it meet the \$4 million annual target?	Comments	Expected result
Increase sales tax by .12 percent	Yes. If approved by the voters, it should in most years.	Sales and use tax is volatile and the target may or may not be met each year. Places Boulder as the second highest sales tax jurisdiction in the area	In most years the target should be met
Reallocate current resources and dedicate to the library*	It will depend on how deep the reductions are to other general fund departments.	It will impact services in other general fund departments.	Results will be impacted by the amount of reduction incurred in each area.
Ballot item to raise property tax to maximum and dedicate to the library	No. If approved by the voters, it will fall short of the target by about \$330,000 annually.	It will close off funding for other programs and services that may benefit from a property tax increase.	Based on projections it would meet a little over 90% of expected needs.
Ballot items to increase the maximum mill levy and dedicate enough to reach \$4 million target.	Yes, if approved by the voters.	Provides possibilities for other programs and services in the city.	If approved, by the voters it provides additional options for sound, long-range fiscal planning.

* Reallocating current revenue from one program or service to another is the same whether it is done for all revenues of the general fund or property tax only.

NEXT STEPS

1. **May 2018** - Library staff will complete the 2018 Boulder Public Library Master Plan draft in May 2018 for the Library Commission’s final review.
2. **June 2018** - Presentation of the 2018 Boulder Public Library Master Plan draft to the Planning Board.
3. **July 2018** - Presentation of the 2018 Boulder Public Library Master Plan to City Council for adoption.