



## Sacramento Public Library Authority

July 22, 2010

### Agenda Item 16.0: County of Sacramento Request for Use of Supplemental Funds

**TO: Sacramento Public Library Authority Board Members**

**FROM: Rick Teichert, Deputy Director of Support Services**

**RE: County of Sacramento Request for Use of Supplemental Funds**

#### **RECOMMENDED ACTION:**

1. **Approve** the appropriation of \$45,000 to reimburse the County of Sacramento for professional services and support costs to complete a nexus study to support the creation of a County-wide Library Development Impact Fee, with the funding to be provided from the Authority's County of Sacramento Supplemental Funds previously reserved, contingent upon approval and direction from the County Board of Supervisors to use the Authority's County Supplemental Reserve Funds for this purpose.

#### **REASON FOR RECOMMENDATION**

##### **BACKGROUND**

The Authority Board created the Reserves for Supplemental Funding on September 25, 2008 as an element of the FY 2008-09 Approved Library Budget. This was done in accordance with the requirements of the Joint Exercise of Powers Agreement dated February 22, 2007 and effective July 1, 2007. The amount of County of Sacramento Supplemental Funds reserved was \$179,718, based on the formula recommended by the Finance Advisory Committee to the Library Director and approved by the Authority Board on April 24, 2008.

In 2009, County staff began a review of fees, costs and standards related to new commercial and housing development. A working group comprised of County staff, Library staff, and development representatives analyzed the existing approach and strategy to assessing and collecting Library impact fees. Currently, the Library impact fees only apply to new growth and would generate approximately \$27.8 million over the next 30 year period to help fund 70,000 square feet of new library space. The working group also studied the potential for an alternative broad-based Library development impact fee that would apply to both planned new growth areas and other new residential development in the unincorporated areas of the County (infill development). This concept could allow a reduced fee per dwelling unit, while generating up to \$66 million to fund the currently identified 154,000 square feet of planned library space over a 30-year period.

The next step in the process of moving forward with the County-wide fee process is to hire a consultant to prepare a nexus study for the possible implementation of a County-wide Library Development Impact Fee.



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#### **FISCAL IMPACT**

County staff has recommended using up to \$45,000 of the reserved County of Sacramento Supplemental Reserved Funds held by the Authority to pay for a County-wide Library Development Impact Fee nexus study and related support costs to complete the study. The County does not have operating funds to complete this study due to current budget conditions.

Staff is recommending the appropriation of \$45,000 from the Authority's County Supplemental Reserved Funds to reimburse the County for the cost of the Library Development Impact Fee nexus study, contingent upon the County Board of Supervisors approving the request to use the supplemental funds for this purpose. The County Board of Supervisors is scheduled to consider the County staff request to use the supplemental funds for this purpose in August 2010. Any unused funds will be returned to the Authority's County Supplemental Reserves.