

**Measure FF
Library Bond**

CITY OF BERKELEY BOND MEASURE FF	
Shall the City of Berkeley issue general obligation bonds not exceeding \$26,000,000 to renovate, expand, and make seismic and access improvements at four neighborhood branch libraries, but not the Central Library, with annual reporting by the Library Board to the City Council?	YES
	NO

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE FF

A MEASURE TO ISSUE GENERAL OBLIGATION BONDS NOT EXCEEDING \$26,000,000 TO RENOVATE, EXPAND AND MAKE SEISMIC AND ACCESS IMPROVEMENTS AT FOUR NEIGHBORHOOD BRANCH LIBRARIES, BUT NOT THE CENTRAL LIBRARY, WITH ANNUAL REPORTING BY THE LIBRARY BOARD TO THE CITY COUNCIL

This bond measure would authorize the issuance of \$26 million of general obligation bonds. The bond measure specifies that bond proceeds would be limited to renovation, construction, seismic, and disabled access improvements, and expansion of program areas at the City's four neighborhood branch libraries, but not the Central Library downtown. Current plans for renovation include restoration and refurbishment of historic features at the branch libraries as part of any renovation.

Although the bonds must be issued by the City Council, under the Berkeley City Charter, the Board of Library Trustees is responsible for managing the Library. Thus the bond proceeds, which are allocated for improvements to neighborhood branch libraries, will be administered by the Board of Library Trustees. The measure would also require the Board of Library Trustees to report annually to the City Council on the use of the bond proceeds.

Financial Implications

The year after the first bonds are issued, the tax rate required to meet the estimated debt service would be 0.01822¢ per \$100 of assessed valuation. This rate is expected to peak at 0.01822¢ per \$100 of assessed valuation and average 0.00836¢ per \$100 of assessed valuation during the 30-year issue. The estimated annual tax for a home with an assessed valuation of \$330,500 would be \$59 the first year after bonds are issued, peak at \$59 and average \$27 over the 30-year life of the bonds.

TAX RATE STATEMENT FOR MEASURE FF

An election will be held in the City of Berkeley on November 4, 2008, for the purpose of submitting to the electors of the City, the question of incurring a bonded indebtedness of the City in a principal amount not to exceed \$26,000,000. It is expected that bonds would be issued in a single series. The following estimated projections are made assuming said bonds are sold in a single series with an average annual interest rate of 4.95% and using 2008-2009 assessed valuation of the City of Berkeley, County of Alameda, California as the base year. If such bonds are authorized and sold, the principal thereof and interest thereon will be payable from the proceeds of tax levies made upon the taxable property of the City. The following information regarding tax rates is given to comply with Sections 5301 and 5304 of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the City, and other demonstrable factors.

Based upon the foregoing and projections of the City's assessed valuation, and assuming the entire debt service will be amortized through property taxation:

1. The best estimate of the tax which would be required to be levied to fund the bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement is 1.822 cents per 100 dollars of assessed valuation (or stated another way, \$18.22 per \$100,000 of assessed valuation).
2. The best estimate of the tax rate which would be required to be levied to fund the bond issue during the first fiscal year after the sale of the last series of bonds and an estimate of the year in which that rate will apply, based on estimated assessed valuation available at the time of filing this statement, is 1.822 cents per 100 dollars of assessed valuation for the year 2009/2010.(or stated another way, \$18.22 per \$100,000 of assessed valuation).
3. The best estimate of the highest tax rate which would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on estimated assessed valuation available at the time of filing this statement is 1.822 cents per 100 dollars of assessed valuation for the year 2009/2010
(or stated another way, \$18.22 per \$100,000 of assessed valuation).
4. The best estimate of the average tax rate which would be required to be levied to fund the bond issue over 30 years is .836 cents per \$100 of assessed valuation (or stated another way, \$8.36 per \$100,000 of assessed valuation).

Attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which are not binding upon the City. The actual times of sales of said bonds and the amount sold at any given time will be governed by the needs of the City and other factors. The actual interest rates at which the bonds will be sold, which in any event will not exceed 12%, will depend upon the bond market at the time of each bond sale. Actual assessed valuation in future years will depend upon the value of property within the City as determined in the assessment and the equalization

process. Hence, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated stated above.

s/PHIL KAMLARZ
City Manager, City of Berkeley

ARGUMENT IN FAVOR OF MEASURE FF

Measure FF will restore Berkeley's four branch libraries, allowing these cherished community resources for lifelong learning to continue to serve Berkeley neighborhoods.

The branch libraries are an essential part of our community and each neighborhood. The library system provides more than 500,000 books, videos, DVDs, cassettes, CDs, books on tape, and microfilm for children and adults alike. But, the branches are old and out of date and must be improved in order to support the over 800,000 visits during the year. Most have not been renovated in more than three decades. The buildings have crowded spaces, suffer from structural and infrastructural damage, need to be ADA-accessible and lack the infrastructure to meet current and future technology needs.

This measure will bring the buildings up to current code standards, meet seismic requirements, make all of the branches fully accessible to Berkeley's diverse population, provide environmentally sustainable "green" operations, and create adequate space for the Tool Library and Berkeley Reads, the adult literacy program. Renovations will preserve and restore the historic architectural features at the branch libraries.

The measure would also require the Board of Library Trustees to report annually to the City Council on the use of the bond proceeds.

As members of the community, we support our branch libraries so the neighborhoods can continue to benefit from their resources. The passage of this measure would ensure their safety.

s/TOM BATES

Mayor

s/SHIRLEY DEAN

Former Berkeley Mayor

s/MIRIAM HAWLEY

individually and on behalf of, Action Co-Chair, League of Women Voters of Berkeley, Albany, and Emeryville

s/DARRYL MOORE

Berkeley City Councilmember and Vice-Chair, Board of Library Trustee

s/NANCY SKINNER

Director, Ward 1, East Bay Regional Park District

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE FF

When will they get the message?

In 2004, voters declined to increase funding for the libraries. We simply couldn't understand why the Library needed more when its revenues had already increased by 45% between 1999 and 2004.

At first, library managers seemed to understand: 2005 costs were held to the 2004 level. At the end of 2006 there was a \$1,261,350 surplus.

Now they are back to their old ways:

- ✓ Since 2006, library spending has gone up by 17.3%. The surplus is nearly gone. Wages and salaries are up by 14%. They will increase by another 14% over the next three years.
- ✓ Proponents tell us about high usage. They do not tell us that nearly half of that usage comes from outside users who pay nothing to offset the costs we must bear.
- ✓ Library revenues have already gone up by 11.5% since 2004 and will be UP 15% by the middle of next year. **The issue is poor management, not lack of money.**

Tell the City that it needs to live by the same rules as the rest of us. These are hard times. A middle class family already pays more than ten percent of its gross income in property taxes. **Taxpayers shouldn't be forced to pay for ALL library costs. City, State and Federal funds are available.** The library's revenues are well protected from inflation and recession-- we are not. We must live within our means. So should they.

VOTE NO on MEASURE FF

s/MARIE BOWMAN

individually and on behalf of, President, Berkeley Alliance of Neighborhood Associations (BANA), individually and on behalf of, Steering Committee Chair, Berkeleyan's Against Soaring Taxes (BASTA!), Former Chair and Commissioner, City of Berkeley, Housing Advisory Commission (HAC)

s/DAVID KRASNOR

individually and on behalf of, Co-Treasurer, Tyler & King Neighborhood Association (TKNA), Vice-President, Council of Neighborhood Assoc. (CNA), Member & Former Delegate Alameda Central Labor Council & Parent of Two Children in Berkeley Schools (K-12)

s/BETTY J. HICKS

individually and on behalf of, Oregon Street Neighborhood Watch, Co-Block Captain, Former Treasurer, San Pablo Neighborhood Council & Former City of Berkeley Planning Commissioner

s/GREGORY HARPER

individually and on behalf of, Neighbors of Staton Street Block Captain and Former Chair, Housing Advisory Commission (HAC)

s/JAMES KILPATRICK

individually and on behalf of, President, Berkeley Property Owners Association (BPOA)

ARGUMENT AGAINST MEASURE FF

We love our libraries, but....

Library spending has skyrocketed by 56% from 2002 to mid-2008, more than double the rise in the consumer price index, which was 22%.

Library Spending

2002	\$9,783,316
2003	10,659,897
2004	12,015,164
2005	12,157,463
2006	12,985,751
2007	13,468,680
2008	15,232,605

Now they're asking for another \$26 million dollars! Why can't this beloved institution live within its means as we do in these stressful economic times?

The Library is run by a non-elected board insulated from public view. **It already enjoys guaranteed special property tax revenues with generous and automatic annual increases, which explains why the library budget keeps increasing.** A 1900 square foot home is taxed \$300 annually for the library alone.

Taxpayers have been more than generous. **We love our library and believe it is a basic City service, to be at least partially funded by the \$141,000,000 General Fund. Taxpayers shouldn't be forced to pay for all library costs through special taxes.** City ad valorem property tax revenue has increased by more than 100% between 2000 and 2008 and Transfer Tax revenue has averaged approximately \$13,000,000 annually, **yet not one penny of this extra revenue has been given by the City to our libraries.**

In 2004 voters said NO to another library tax, which should have caused a search for alternatives. **State and Federal grants are available for library seismic reconstruction and other expansion.** The Library and City have not actively applied for funds, preferring instead to threaten voters with dire outcomes

Push back against City profligacy, multimillion dollar developer subsidies and the \$159,000 average employee compensation. City revenue increases can provide for one-time needs of the Library. As in 2004, join your neighbors to VOTE NO on Measure FF and tell the City to spend our tax dollars more wisely.

s/MARIE BOWMAN

individually and on behalf of, President, Berkeley Alliance of Neighborhood Associations (BANA), individually and on behalf of, Berkeleyan's Against Soaring Taxes (BASTA!), Steering Committee Chair, Former Chair, City of Berkeley Housing Advisory Commission (HAC)

s/LAURIE BRIGHT

individually and on behalf of, President, Council of Neighborhood Associations (CNA)

s/DEAN METZGER

individually and on behalf of, President, Claremont Elmwood Neighborhood Association (CENA), Former Commissioner, City of Berkeley Transportation and Zoning Advisory Board

s/KARL J. REEH

individually and on behalf of, President, Le Conte Neighborhood Association

s/SHARON EIGE

individually and on behalf of, President, North East Berkeley Association Board (NEBA)

REBUTTAL TO ARGUMENT AGAINST MEASURE FF

Save Our Branch Libraries!

We appreciate the generosity of the Berkeley taxpayers whose property assessments fund the Library's operation, protecting its public service from General Fund decreases. These operating funds DO NOT PAY FOR MAJOR PHYSICAL IMPROVEMENTS OF BUILDINGS.

Important neighborhood library upgrades should be done with Berkeley voters' review and approval.

The community relies on our neighborhood libraries even more during stressful economic times. Libraries are community anchors and provide a level playing field for persons of all socioeconomic backgrounds.

Library use continues to increase, with **more than 800,000 visits** and **more than 700,000 items checked-out annually**. Our neighborhood branches need a substantial investment and safe facilities to continue to serve our community.

The Library budget has been well spent, keeping its commitment to voters, with the Central Library open seven days a week and the branches open six days a week.

The Board of Library Trustees (BOLT) is a publicly functioning body, appointed by the City Council. The Council sets the Library's annual tax increases, approves its budget, and holds it accountable to Berkeley's residents. Measure FF requires BOLT to report annually to the City Council on the use of the bond proceeds.

No capital funds (needed for building repairs) are available to public libraries from the State or Federal government.

Help save and restore our neighborhood branch libraries by voting YES on Measure FF!

s/AMY ROTH

President, Friends of the Berkeley Public Library

s/BETTY OLDS

Council Member, Berkeley City Council, District 6

s/KRISS WORTHINGTON

Berkeley City Council

s/PAT CODY

Co-Founder, Cody's Books

s/WINSTON BURTON

Berkeley Public Library Foundation, Board Member; BOSS Economic Development Director