San Mateo County Libraries

Agenda Item V.

To:	JPA Governing Board
From:	Anne-Marie Despain, Director of Library Services
Date:	November 3, 2020
Meeting:	November 9, 2020
Re:	Fair Oaks Library Service Agreement

Background

In 1974, the Fair Oaks Library opened in a 750 square-foot space in the Fair Oaks Community Center. The new library served both Redwood City (City) and unincorporated County of San Mateo (County) residents and was funded jointly by the City and County. A number of cost sharing and service agreements have been in place over the years.

In 1995, the Fair Oaks Library moved to its current location on Middlefield Road sharing space with the County's Human Services Agency. The County and the City entered into a new "Common Use/Shared Facility License Agreement" under which the City agreed to operate the Fair Oaks Library, with the County contributing to the annual operating costs of the Library, on the basis that 50% of the library's service population came from the neighboring unincorporated North Fair Oaks area.

When the San Mateo County Library Joint Powers Authority (Library JPA) was formed in 1999, the Library JPA assumed the County's obligation under the agreement to ensure a continued high level of service to the unincorporated area residents. The agreement between the Library JPA and the City is still based on a set amount that is increased or decreased at the same percentage rate as the change in the Library JPA's property tax revenue from the previous year. The current agreement also allows termination with one year's notice or in the event the County withdraws as a member from the Library JPA.

The County, a member of the Library JPA and representative of the unincorporated areas of the district, regularly reviews usage and library services provided to North Fair Oaks residents to ensure the level of service provided by the City meets or exceeds what is provided by the Library JPA.

Discussion

The County has notified the City that it is interested in transferring operational responsibility of the Fair Oaks Library from the City to the Library JPA. In response, County, City, and Library JPA staff are working collaboratively to discuss options, including a potential new three-party agreement, with the goal of supporting all community members to ensure that they receive the best possible library services and programs.

Potential long-term benefits of the transfer to the Library JPA could include increased programming and hours of service. Indeed, based on data collected from the Redwood City Library and Library JPA, the City is operating the Fair Oaks Library at a lower cost and somewhat lower service level than would occur if the Library JPA were to assume operation.

The Fair Oaks Library service area includes an estimated 25,015 people, with 62% (15,454) representing unincorporated residents and 38% (9,561) representing Redwood City residents primarily located in the neighborhoods of Friendly Acres and Redwood Village. Pre-COVID, the Library was open six days a week, Monday through Saturday, for 50 hours per week. If the Library JPA were to assume operation, the Fair Oaks Library would be entitled to 60 hours per week, based on the current Library JPA Agreement.

In 2018-19, the Fair Oaks Library branch circulated 34,850 items, had 50,000 visitors, and hosted 443 programs that were attended by 9,632 people. Approximately 30% of the service area has a library card and usage by home jurisdiction for July 2019-February 2020 included 47% by City residents, 24% by North Fair Oaks residents, and the remaining 29% coming from other residents throughout the County.

Total Fair Oaks Library operating costs budgeted in FY 2019-20 by the City were $819,187. Under the terms of the Agreement between the Library JPA and City, the JPA provided $435,000 in FY 2019-20 to support library operations, or 53% of total operating costs. In the current FY 2020-21 budget a total of $400,000 has been set aside to support the Fair Oaks Library. These operating costs would likely increase due to expanded service.

Over the next month, County, City, and Library JPA staff plan to jointly conduct community outreach/engagement efforts surrounding the potential transfer of operations from the City to the Library JPA in order to gather input from community residents.

Fiscal Impact

There is no fiscal impact associated with accepting this report and providing input to staff. A total of $400,000 has been budgeted in FY 2020-21 to support the Fair Oaks Library. If a new agreement is approved by the Governing Board that transfers responsibility of operations to the Library JPA, these funds would be retained to support new operational costs.

Recommendation

Recommend that (a) the Library JPA Governing Board accept and provide input on this report regarding the possibility of the Library JPA assuming operations of the Fair Oaks Library, and (b) authorize staff to work with County and City staff to conduct community outreach and negotiate a new Fair Oaks Library Cost-Sharing Agreement. Operations Committee members present at the November 3, 2020, meeting concurred with this recommendation.

Attachment

Current Agreement Between San Mateo County Library Joint Powers Authority and City of Redwood City

AGREEMENT BETWEEN
SAN MATEO COUNTY LIBRARY JOINT POWERS AUTHORITY AND
CITY OF REDWOOD CITY

THIS AGREEMENT, entered into this _____ day of _____, 2020, by and between the SAN MATEO COUNTY LIBRARY JOINT POWERS AUTHORITY, hereinafter called "JPA," and CITY OF REDWOOD CITY, hereinafter called "City";

W I T N E S S E T H:

WHEREAS, the County of San Mateo and the City of Redwood City have previously entered into a "Common Use/Shared Facility License Agreement" dated June 6, 1995 (hereinafter referred to as the "License Agreement"); and

WHEREAS, that License Agreement calls for the City of Redwood City to operate the Fair Oaks Library at the Middlefield Road facility, with the County contributing annually to the costs of that Library; and

WHEREAS, the initial term of the License Agreement is to "continue in effect as long as both parcels are used for community serving facilities, but in any event the term of the Agreement shall be no longer than (30) years from" June 6, 1995, and

WHEREAS, under the License Agreement the County contribution to the Fair Oaks Library was set at a base of $94,600 effective FY 1995-96, with increases or decreases each fiscal year set at the same rate as the change in the County Library's base property tax for the previous year; and

WHEREAS, the County and the Cities served by the County Library entered into a Joint Powers Authority Agreement relating to library services in 1999; and

WHEREAS, in July 2000 the JPA agreed to assume the County's obligation under the License Agreement to contribute to the operating costs of the Fair Oaks Library; and

WHEREAS, the JPA Agreement indicated the JPA's intent to continue to support the Fair Oaks Library in recognition that it serves residents of the Fair Oaks unincorporated areas and, by this agreement, to establish a new base rate for annual contributions;

NOW, THEREFORE, IT IS HEREBY AGREED:

1. PAYMENT OF OPERATING COSTS

In consideration of the City's continuing to assume responsibility for operation of the Fair Oaks Library, the Library JPA will contribute funding to the operation of the Fair Oaks Library as follows. For the base year of 2019-20, under the terms of the expiring Agreement, the JPA has paid $435,000. For FY 2020-21 the base contribution shall be increased or decreased each fiscal year at the same percentage rate as the change in JPA's property tax revenue from the previous year. Said contributions shall be made from the JPA to the City on a quarterly basis.

2. TERM

The term of this Agreement shall commence upon the execution of this Agreement by all parties and continue in effect through fiscal year 2020-21.

3. TERMINATION

This Agreement may be terminated for any reason by either party prior to the end of its initial term as set forth in paragraph 2 above, with one year written notice to the other party. However, in the event that the JPA is terminated or the County withdraws from the JPA prior to the expiration of the Joint Powers Authority Agreement, this Agreement shall be deemed immediately terminated.

4. NOTICES

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed to:

In the case of the Library JPA:
Library Director
San Mateo County Libraries
125 Lessingia Court
San Mateo, CA 94402

In the case of the City:
City Manager
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

5. RELATIONSHIP OF PARTIES

The parties hereto are separate public entities and are independent contractors with respect to this agreement. City's employees involved in operation of the Fair Oaks Library shall be and remain only City employees, and are not and shall not be asserted to be employees or agents of JPA, and neither party shall be vicariously liable for the culpable acts of omissions of the other's employees. Each party will hold harmless, defend and indemnify the other if the other is sued for culpable acts or omissions of an employee of the indemnifying party.

6. ENTIRE AGREEEMENT

The foregoing constitutes the entire agreement between the parties and may be modified only by a writing executed by City's City Council and the Governing Board of the Library Joint Powers Authority.