

LIBRARIES FACILITIES FINANCING AUTHORITY (LFFA)

On Thursday June 6, 2024 at 9:00 AM

All LFFA Board Meetings are held in-person and open to the public. Members of the public may also view and participate in the meetings via the alternative methods provided below as a courtesy. Please note that if the Zoom or YouTube connection malfunctions for any reason, and no Board Members are attending via teleconference, the meeting will continue in-person without remote access.

Public Viewing:

The meeting will be broadcast through the Santa Cruz Libraries YouTube channel <https://www.youtube.com/user/SantaCruzPL> which you can access through the Santa Cruz Libraries website by scrolling to the bottom of the page and clicking on the YouTube icon.

The meetings will be recorded and posted for viewing after the meetings on the Santa Cruz Public Libraries website.

Public Participation:

Member of the public may provide public comments to the Board in-person during the meeting for any item on the agenda or within the subject matter jurisdiction of the Board. Any public comment for a specific item on the agenda must be received prior to the close of the public comment period for that item.

Any person who is not able to attend in-person may submit a written comment as indicated below. Submitted written public comments will be included as part of the record of the meeting, either in Written Correspondence or in the Minutes, depending on when received by staff. Please be aware that the Board will not accept comments via Zoom nor read aloud written comments during the meeting.

How to comment on agenda items via email before the meeting begins:

Members of the public may provide public comment by sending an email to the Library Board Clerk at clerk@santacruzpl.org.

- Identify the agenda item number in the subject line of the email.
- Emailed comments should be a maximum of 500 words, which corresponds to approximately 3 minutes of speaking time.

All correspondences and written comments received prior to 12:00 p.m. on the Wednesday preceding a Board Meeting will be distributed to Board members to review prior to the meeting with the published Agenda packet. Written comments submitted after the Agenda and packet have been published will be distributed as Additional Materials at the commencement of the meeting.

Chair Jamie Goldstein
Vice Chair Matt Huffaker
Board Member Mali LaGoe
Board Member Carlos Palacios



SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY (LFFA) REGULAR BOARD MEETING AGENDA

THURSDAY JUNE 6, 2024

9:00 A.M.

In-Person Location:
Branciforte Branch Library
230 Gault Street, Santa Cruz, CA 95062

PLEASE NOTE:

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment please call the Library Administration Office at (831) 427-7706 at least five days in advance so that we can arrange for such special assistance, or email library_admin@santacruzpl.org.

Agenda and Agenda Packet Materials: The LFFA agendas and the complete agenda packet containing public records, which are not exempt from disclosure pursuant to the California Public Records Act, are available for review on the website: www.santacruzpl.org and at Library Headquarters, located at 117 Union Street, Santa Cruz, California, during normal business hours.

Agenda Materials Submitted after Publication of the Agenda Packet: Pursuant to Government Code §54957.5, public records related to an open session agenda item submitted after distribution of the agenda packet are available at the time they are distributed or made available to the legislative body on the website at: www.santacruzpl.org and are also available for public inspection at Library Headquarters, 117 Union Street Santa Cruz, California, during normal business hours, and at the LFFA meeting.

Need more information? Contact clerk's office at 831-427-7700 ext. 7618.

1. CALL TO ORDER / ROLL CALL

Board Members Matt Huffaker, Mali LaGoe, Jamie Goldstein and Carlos Palacios

2. ADDITIONAL MATERIALS

Additional information submitted after distribution of the agenda packet.

3. ADDITIONS AND DELETIONS TO AGENDA

4. PUBLIC COMMENT

Any member of the community may address the Board during this Public Comment period on any matter included on today's agenda or on any topic not on today's agenda but within the subject matter jurisdiction of the Board. Please note, however, that for non-agendized items, the Board is not able to undertake extended discussion or take any action today without notice. Such items may be referred to staff for appropriate action, such as individual follow-up or placement on a future agenda. If you intend to address a subject or item that is on the Agenda, please hold your comments until that item is before the Board so that we may properly address all comments on that subject at the same time. In general, 3 minutes will be permitted per speaker during Public Comment; A MAXIMUM of 30 MINUTES is set aside for Public Comment at this time.

5. LIBRARY DIRECTOR REPORT

Library Director's Report for June 2024 (p.5-6)

6. CONSENT CALENDAR

A. Consider the May 2, 2024, LFFA Board Meeting Minutes
Staff Recommendation: Approve Board Meeting Minutes for May 2, 2024 (p.7-8)

B. Libraries Facilities Financing Authority Budgets for 2024-25
Staff Recommendation: Approve adjustment to Libraries Facilities Financing Authority (LFFA) Proposed 2024-25 General Fund budget to increase Property Tax Collection Fees and decrease Accounting and Auditing Fees by \$45,000 and adopt attached budgets as amended. (p.9-11)

All items listed in the "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes on the action unless members of the public or the Board request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Business.

7. GENERAL BUSINESS

- A. Presentation by Brian Borguno and Bonnie Lipscomb: Plans for supporting the completion of the Downtown Branch Library.
- B. Libraries Facilities Financing Authority Bond Capacity
Staff Recommendation: Accept and file report on the Libraries Facilities Financing Authority (LFFA) bond capacity status. (p.12-13)

Other Business items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each Business item: 1) Staff explanation; 2) Board questions; 3) Public comment; 4) Board deliberation; 5) Decision.

8. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

9. SCHEDULED UPCOMING MEETINGS

August 1, 2024	Live Oak Annex	Anticipated Upcoming Agenda Items
9:00 am	979 17 th Ave., Santa Cruz, CA 95062	<ul style="list-style-type: none">• Quarterly Reports

10. ADJOURNMENT

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday August 1, 2024 at 9:00 a.m. at the Live Oak Annex, 979 17th Ave., Santa Cruz, CA 95062.

11. WRITTEN CORRESPONDENCE

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June 6, 2024



Library Director's Report to the LFFA

APTOS: Reopened on February 4th 2024!

The 8,000 sf building, built in 1975, suspended services in June 2021. Demolition took place on May 18, 2022 with a formal groundbreaking on June 11, 2022. The new 12,000 sf library features flexible community, meeting and study rooms; garden and terrace areas; a local history section and display space for the Aptos History Museum; children, teen and adult reading areas; it also maximizes its energy efficiency. Project Team: Design-Build by Anderson Brule Architects and Bogard Construction; Project Management and Administration by Santa Cruz County Department of Public Works Capital Projects Division.

BOULDER CREEK: Construction Complete (A new project is being planned)

Complete Interior remodel of the existing 4,500 sf library includes new infrastructure (HVAC, plumbing, entry, electrical, and lighting); upgrades throughout to comply with accessibility standards and increased exterior lighting of the parking lot; complete redo of the children's area; renovation of the main room and meeting room. Project Team: Design by Jayson Architecture; Construction by CRW builders; Construction Management by Bogard Construction, Project Management and Administration by Santa Cruz County Department of Public Works Capital Projects Division. Currently, the Library is researching costs for a natural gas generator. The intent with the generator is to have the Library serve as a community resource center. The Library reopened May 7, 2022.

BRANCIFORTE: Construction Complete

The renovation builds on the character of this iconic mid-century building (1967), refreshing the 6,800 SF interior for improved flexibility, function, and accessibility with areas for adult reading, children, and teens; electrical and telecommunication upgrades; the project also includes the development of a new community room and a children's outdoor patio. Design by Jayson Architecture; JPB Designs builder; construction management by Bogard. The library reopened on May 13, 2023.

CAPITOLA: Construction Complete

The previous temporary facility has been replaced with a stunning new 11,700 sf library. The new branch opened to the public in June and is already quite busy. A hub for community activity, the new library features a large meeting room, expanded children's wing, study and reading rooms, outdoor deck, fireplace and teen space. An energy efficient design makes this one of the greenest buildings in the Library system. The new library opened June 12, 2021.

DOWNTOWN SANTA CRUZ: The library at 224 Church Street remains open.

City of Santa Cruz is preparing for the final bond issuance for the new Downtown Library and Affordable Housing Project (DLAHP). The project team continues to work on Construction Documents that will lead to a building permit application in April/May of 2024. The DLAHP located at Cedar and Lincoln Street (Parking Lot 4) incorporates a new 41,000+ square foot facility with a large community room and outdoor rooftop deck, an upgraded children's programming room, teen room, and special collections room for genealogy and local history. The affordable housing component features 124 units of low-income housing with greenspaces, 243 parking spaces, and 258 bike parking spaces. Griffin Structures serves as the Owner's Representative; Eden Housing and For the Future Housing are the affordable housing developer team; Jayson Architecture is the master architect for the Library components. Construction is set to begin in early 2025, with

completion in late 2027. For project information visit:
www.cityofsantacruz.com/downtownlibraryaffordablehousing

FELTON: Construction Complete

The Felton Library branch operated for nearly 60 years in a historic church building; a charming, but not a modern library. The first Measure S project to be completed, the new 9,000 sf branch located on 2 acres of land connects to the Felton Discovery County Park. This stunning space includes comfortable reading areas, free computers/WiFi, teen and children's areas, community room and adjacent discovery park. Teall Messer architect, Noll and Tam interior, Thompson Builders contractor. The Library opened in February 22, 2020.

GARFIELD PARK: Construction Complete

The renovation brought new life to the historic 2,300 sf Carnegie library building (1915) with refreshed and cohesive design. Features include central seating area around the fireplace, children's area, a more open plan, better use of windows for natural light, meeting room and refreshed outdoor space. Design by Jayson Architecture; CRW builders, construction management by Bogard. The Library reopened on June 11, 2022. The Library was closed January 23 and 24, 2023 to make minor repairs to the floor. The new interior Branch sign was installed in September 2023.

LA SELVA BEACH: Construction Complete

The project included replacement of dilapidated interior finishes plus new lighting, electrical, and mechanical systems. Sliding glass wall between the adult and children's areas improves acoustics, lighting and flexibility. Lounge seating areas are provided for both children and adults for reading, tutoring and community programs; and an expanded deck increases usable outdoor space. Jayson Architecture design, C2Builders construction. Renovation completed March 20, 2021.

LIVE OAK: Construction Complete

The Live Oak Library renovation revitalized the children's area, transforming it into an ocean themed learning space. New acoustic wood ceiling and wall treatments, carpeting and redesigned seating completed the functional yet playful setting. A custom designed wall separates the children's collections from an "under-the-sea" inspired reading lounge and homework room. Design by Jayson Architecture. Live Oak Library branch reopened October 1, 2022.

LIVE OAK ANNEX: Construction began April 2022

The new Library Annex is attached to the Simpkins Swim Center. It provides a Library programming room and individual study rooms for patrons. Design by Noll and Tam; CRW builders, construction management by Bogard. The Santa Cruz Board of Supervisors selected team Sobrante dba ARTful Catalyst LLC on January 10, 2023, to provide the public art for the Live Oak Library Annex project. Construction delays continue. Anticipated opening is summer 2024.

SCOTTS VALLEY: Construction Complete

This 13,150-sf library was opened in 2011 with design by Group 4, transforming a previous roller rink with contemporary library features such as flexible space, dedicated areas for children, teens and adults, community room and courtyard. A new roof, HVAC system, and parking lot repairs page 7 were completed in early 2021; seismic and operational upgrades were made. The Grand Reopening of the Scotts Valley Library branch took place August 6, 2022. Additional work to provide a brighter lighting solution and relocate the thermostat to the community room occurred in early October.

Chair Jamie Goldstein
Vice Chair Matt Huffaker
Board Member Mali LaGoe
Board Member Carlos Palacios



**SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM**

**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)**

In person and online provided meeting

**REGULAR MEETING MINUTES
THURSDAY MAY 2, 2024**

9:00 A.M.

1. ROLL CALL

PRESENT: Carlos Palacios, Jamie Goldstein, Matt Huffaker

ABSENT: Mali LaGoe

STAFF: Eric Howard, Interim Library Director

2. ADDITIONAL MATERIALS

Item 11 – Written Correspondence

3. ADDITIONS AND DELETIONS TO AGENDA

The Agenda of May 2, 2024 was approved by consensus.

4. ORAL COMMUNICATIONS

None

5. LIBRARY DIRECTOR REPORT

A. Library Director's Report – May 2, 2024

Interim Library Director Eric Howard presented his report on the recent activities of the libraries and the status of facilities.

6. CONSENT CALENDAR

RESULT: APPROVED CONSENT CALENDAR

- A. Approved Minutes of February 8, 2024.**
- B. Accepted the Proposed 2024-2025 Libraries Facilities Financing Authority (LFFA) Budgets including the General Fund Proposed Budget and the Debt Service Fund Proposed Budget and recommend placing the approval of the Final Budgets on the next agenda.**
- C. Accepted and filed the attached financial statements of the Community Facilities District No. 2016-1 as of March 31, 2024
[UNANIMOUS]**

MOVER: Matt Huffaker
SECONDER: Carlos Palacios
ABSENT: Mali LaGoe
AYES: Palacios, Huffaker, Goldstein

7. GENERAL BUSINESS

None

8. PROJECT UPDATES BY BOARD MEMBERS

None

9. SCHEDULED UPCOMING MEETINGS

10. ADJOURNMENT

The Libraries Facilities Financing Authority (LFFA) adjourned at 9:05 a.m. to the Regular Meeting on Thursday June 6, 2024 at 9:00 a.m. at the Branciforte Branch Library, 230 Gault Street, Santa Cruz, CA 95062

11. WRITTEN CORRESPONDENCE

Staff received one email from a member of the public, Judi Grunstra.

ATTEST: _____
Helga Smith, Clerk of the Board

All documents referred to in these minutes are available in the Santa Cruz Public Libraries – Library Headquarters Office, 117 Union Street, Santa Cruz.

Chair Jamie Goldstein
 Vice Chair Matt Huffaker
 Board Member Mali LaGoe
 Board Member Carlos Palacios



STAFF REPORT

AGENDA: June 6, 2024
 TO: Libraries Facilities Financing Authority Board
 FROM: LFFA Treasurer-Controller
 RE: Libraries Facilities Financing Authority Budgets for 2024-25

RECOMMENDATION

Approve adjustment to Libraries Facilities Financing Authority (LFFA) Proposed 2024-25 General Fund budget to increase Property Tax Collection Fees and decrease Accounting and Auditing Fees by \$45,000 and adopt attached budgets as amended.

DISCUSSION

Proposed budgets were presented to the board on May 2 for discussion. No changes were recommended. However, Property Tax Collection fees in the amount of \$45,000 were included in Accounting and Auditing Fees in the original Proposed General Fund Budget. To improve transparency the attached General Fund Budget includes an adjustment to increase Property Tax Collection Fees and decrease Accounting and Auditing Fees by \$45,000. The adjusted General Fund Budget and original Debt Service Fund Budget are presented here for final adoption. The attached Final Budgets reflect the anticipated Sources and Uses of LFFA funds.

The allocation of Special Tax in the 2024-25 budget is based on the percentages reflected below.

Member	Maximum Distribution Amounts per JPA	Distribution Percentages per JPA	Speical Tax Distribution Percentage
City of Capitola	\$10,000,000	12.90%	Fully distributed
City of Santa Cruz	31,250,000	40.32%	98.65%
City of Scotts Valley	3,750,000	4.84%	1.35%
County of Santa Cruz	32,500,000	41.94%	Fully distributed
Total	\$77,500,000	100.00%	100.00%

Libraries Facilities Financing Authority
 General Fund - 76190
 Proposed Budget

Fiscal Year: 2024-25

Detail by Revenue and Expenditure Object		2022-23 Actuals	2023-24 YTD Adj Budget	2023-24 YTD Actuals	2023-24 Estimated Actuals	2024-25 Proposed Budget
REVENUES						
ASSESSMENTS	40192	\$ 4,431,028	\$ 4,444,000	\$ 2,203,693	\$ 4,450,000	\$ 4,450,000
INTEREST	40430	24,065	7,000	17,829	18,400	18,400
TOTAL REVENUES		<u>4,455,093</u>	<u>4,451,000</u>	<u>2,221,522</u>	<u>4,468,400</u>	<u>4,468,400</u>
EXPENDITURES						
ACCOUNTING AND AUDITING FEES	62301	49,440	49,000	3,000	4,000	4,000
TAX COLLECTION FEES	62314				45,000	45,000
PROF & SPECIAL SERV-OTHER	62381	-	-	2,500	-	-
CONTRIB TO CITY OF SANTA CRUZ	75237	2,118,853	2,160,911	1,550,604	2,199,475	2,169,830
CONTRIB TO CITY OF SCOTTS VALL	75238	28,996	29,572	21,219	30,099	29,694
TOTAL EXPENDITURES		<u>2,197,289</u>	<u>2,239,483</u>	<u>1,577,323</u>	<u>2,278,574</u>	<u>2,248,524</u>
TRANSFERS						
INTRAFUND TRANSFERS IN	95001	6,703	-	-	-	-
INTRAFUND TRANSFERS OUT	95002	(2,264,507)	(2,211,517)	(588,964)	(2,189,826)	(2,219,876)
TOTAL TRANSFERS		<u>(2,257,804)</u>	<u>(2,211,517)</u>	<u>(588,964)</u>	<u>(2,189,826)</u>	<u>(2,219,876)</u>
CHANGE		-	-	55,235	-	-
BEGINNING FUND BALANCE		-	-	-	-	-
ENDING FUND BALANCE		<u>-</u>	<u>-</u>	<u>55,235</u>	<u>-</u>	<u>-</u>

Libraries Facilities Financing Authority
Debt Service Fund - 76191
Proposed Budget

Fiscal Year: 2024-25

Detail by Revenue and Expenditure Object		2022-23 Actuals	2023-24 YTD Adj Budget	2023-24 YTD Actuals	2023-24 Estimated Actuals	2024-25 Proposed Budget
REVENUES						
INTEREST-NON COUNTY TREASURER	40435	\$ 335	\$ 15	\$ 152	\$ 155	\$ 155
TOTAL REVENUES		335	15	152	155	155
EXPENDITURES						
ADMINISTRATIVE COSTS	62305	-	-	4,250	-	-
FISCAL AGENTS FEES	62345	8,740	4,500	2,500	6,750	10,000
PRINCIPAL ON LONG-TERM DEBT	74110	945,000	995,000	995,000	995,000	1,040,000
INTEREST ON LONG-TERM DEBT	74425	1,245,406	1,196,906	1,196,906	1,196,906	1,146,031
TOTAL EXPENDITURES		2,199,146	2,196,406	2,198,656	2,198,656	2,196,031
INTRAFUND TRANSFERS						
INTRAFUND TRANSFERS IN	95001	2,264,507	2,211,517	588,964	2,189,826	2,219,876
INTRAFUND TRANSFERS OUT	95002	(6,703)	-	-	-	-
TOTAL TRANSFERS		2,257,804	2,211,517	588,964	2,189,826	2,219,876
CHANGE		58,993	15,126	(1,609,540)	(8,675)	24,000
BEGINNING FUND BALANCE		1,580,698	1,639,691	1,639,691	1,639,691	1,631,016
ADJUSTMENT TO ADD COI FUND HELD AT BNY						
BEGINNING FUND BALANCE AS ADJUSTED		1,580,698	1,639,691	1,639,691	1,639,691	1,631,016
ENDING FUND BALANCE		1,639,691	1,654,817	30,151	1,631,016	1,655,016 *

* Required for September debt service

Chair Jamie Goldstein
 Vice Chair Matt Huffaker
 Board Member Mali LaGoe
 Board Member Carlos Palacios



STAFF REPORT

AGENDA: June 6, 2024
 TO: Libraries Facilities Financing Authority Board
 FROM: LFFA Treasurer-Controller
 RE: Libraries Facilities Financing Authority Bond Capacity

RECOMMENDATION

Accept and file report on the Libraries Facilities Financing Authority (LFFA) bond capacity status.

DISCUSSION

The Santa Cruz Libraries Facilities Financing Authority (LFFA) Community Facilities District (CFD), was formed for the purpose of levying a special tax to fund Library Facilities. The CFD began levying the special tax in 2016-17 and will be levied for a total of 30 years. The first series of special tax bonds were issued in 2017 and raised \$21.6 million. The second series was issued in 2020 and raised \$19.1 million.

Your Board has been reviewing the timing and sizing of the third and final bond series issuance and the following information provides you with a status of the funds available. The information below was provided by Suzanne Harrell, LFFA Municipal Advisor.

Santa Cruz Libraries Facilities Financing Authority					
Funds Allocation as of June 30, 2024					
	<u>County</u>	<u>Santa Cruz</u>	<u>Scotts Valley</u>	<u>Capitola</u>	<u>Total</u>
Maximum Allocation	32,500,000	31,250,000	3,750,000	10,000,000	77,500,000
Allocated to Date					
Bond Proceeds Phase 1	13,111,756	500,449	500,449	7,533,201	21,645,855
Bond Proceeds Phase 2	15,386,032	-	2,105,826	1,824,947	19,316,805
Special Taxes thru 6/30/23	4,002,212	14,226,176	918,543	641,852	19,788,783
Special Taxes FY 23-24 Est	-	2,162,000	30,000	-	2,192,000
Total to Date	32,500,000	16,888,625	3,554,818	10,000,000	62,943,443
Balance to Allocate	-	14,361,375	195,182	-	14,556,557

The City of Santa Cruz has received approximately \$1,550,000 as of March 31 for FY 2023-24 taxes. They are estimated to receive an additional \$612,000 by June 30. Based upon that information the balance available to be bonded for in September 2024, would be approximately \$14,361,000. The Community Facilities District No. 2016-1 has the bonding capacity to accommodate raising this amount.

NEXT STEPS

If the bonds are issued in September 2024, the Board would need to approve the financing at the August meeting. The financing would be available within 90 days of the Board's approval.

Harrell & Company Advisors has provided assistance in planning the issuance of this final series as outlined in the Municipal Advisor Agreement approved by your Board on October 7, 2021. The agreement for bond counsel services with Jones Hall for all three series was approved in 2016. Other services needed in connection with the third series of bonds are provided by the Special Tax Consultant and the Disclosure Counsel. Contracts for those services will be presented with the documents required to authorize issuance of the bonds when your Board is ready to move forward with the issuance.

Stated interest rates for the 2017 series ranged from 3%-5% with an average effective interest rate of 3.32%. Stated interest rates for the 2020 series ranged from 2.5%-5% with an average effective interest rate of 2.28%. Similar bonds are currently being issued with an average effective interest rate in the range of 4% to 4.25%, however an estimate of the anticipated interest rate for this final series will not be available until closer to the issuance date and will depend on market conditions at the time of the bond sale.