

East Baton Rouge Parish Library Board of Control

2006-2015

Capital Improvements Program Assessment Study

Cyntreniks LLC

October, 2006

Table of Contents

Table of Contents.....	2
Acknowledgments.....	3
Executive Summary	4
East Baton Rouge Parish Library – Past & Present.....	20
Evolving Role of the Library in the 21 st Century.....	24
East Baton Rouge Parish Library’s 2006-2015 Capital Improvements Program (CIP).....	29
Significant Findings and Recommendations.....	32
<input type="checkbox"/> New Central Library	33
<input type="checkbox"/> Construction Price Trends.....	40
<input type="checkbox"/> Project Construction Timeline.....	40
<input type="checkbox"/> The Financial Gap.....	45
<input type="checkbox"/> Metro Council’s “Rollback”/“Roll forward” Action.....	48
<input type="checkbox"/> “Pay-as-you-go” Policy.....	51
<input type="checkbox"/> “No-naming-rights” Practice and Public Fund-raising Campaign.....	52
<input type="checkbox"/> Strategic Partnership with Capital Area Transit System (CATS).....	53
<input type="checkbox"/> Strategic Partnership with Baton Rouge Recreation Commission (BREC).....	53
<input type="checkbox"/> New Regional Library.....	55
<input type="checkbox"/> Strategic Partnership with Congressional Delegation.....	58
<input type="checkbox"/> Downtown Sites.....	59
<input type="checkbox"/> South Baton Rouge Neighborhood Branch Library.....	70
<input type="checkbox"/> East Baton Rouge Neighborhood Branch Library.....	76
<input type="checkbox"/> Public/Private Partnership in Multi-Use Concept.....	79
<input type="checkbox"/> New Market Tax Credits	83
Summary of Recommendations.....	84



Acknowledgments

Special thanks to the East Baton Rouge Parish Library Board of Control for the faith and confidence expressed in our firm, Cyntreniks LLC, to provide a comprehensive and objective assessment study regarding its ten-year Capital Improvements Program. We trust that we have professionally and successfully achieved our assigned tasks and that the results of this study will provide welcomed insight to the Library Board as it performs its important mission.

We would also like to recognize and express strong appreciation to Lydia M. Acosta, Executive Director of the East Baton Rouge Parish Library, and her staff, particularly, Liz Zozulin, Mary Stein, Brenda Lovett and Rhonda Pinsonant for their valuable contributions to our work. Their positive willingness to provide information critical to the study on a moment's notice allowed us to maintain continuity and momentum.

The integrity of the findings and recommendations is due, in large part, to the time, information and opinions provided through personal conversations, interviews and meetings with municipal, state and federal elected officials and employees, civic leaders, non-governmental and association personnel, architects, designers, planners, contractors, engineers, downtown Baton Rouge property owners, real estate agents, appraisers, developers, financial and fund-raising professionals, librarians and library patrons. You know who you are and we thank you.

During the long hours and days researching, analyzing and compiling the study, we relied on the understanding, cooperation and assistance of our family and friends. They maintained our morale, encouraged, supported and helped us throughout the process and forgave us our transgressions. We humbly acknowledge all that you did.

And to the supporters of the East Baton Rouge Parish Library to whom we dedicate this study, thank you for permitting us to submit this work, its findings and recommendations before providing judgment on its content.



Executive Summary

INTRODUCTION

In May 2006, the East Baton Rouge Parish (EBR) Library Board of Control contractually retained Cyntreniks LLC to study the Library Board's planned *Ten-year Capital Improvements Program (CIP)* and to develop recommendations to ensure that the proposed strategy reflects current conditions and identifiable future trends, particularly those of a financial nature. Upon approval of the contract by the East Baton Rouge Parish Metro Council and the approval signature of the Mayor-President later in the month of June, Cyntreniks commenced the study.

The goals of the study were to identify and verify relevant issues, develop findings based on these issues, and provide recommendations to assist the Library Board in its mission. This report, entitled the East Baton Rouge Parish Library's 2006-2015 Capital Improvements Program Assessment Study, documents the firm's work in meeting the above goals and provides the following:

- a comprehensive review of the Library Board's current *CIP* strategy for continuing the building growth and prosperity of the library system;
- findings regarding current and significantly changed circumstances that impact the initial plan; and
- recommendations for adjusting the current strategy in response to the current findings.

During the investigative phase of the report, the Baton Rouge community, as well as library communities across the nation, responded positively and with insight to questions asked by the interviewers. The library staff was generous and helpful in providing data and access to research and work experiences that are critical for a report of this nature. In addition to the interviews of various stakeholders, web-based and traditional research, analysis of information and data form the basis for the final report.



Executive Summary

Specific areas of the study included

- Board policies and practices, specifically, those that impact the financial viability of the library
- Financial proformas
- Project construction timelines
- The expanding and renovating of the current facility or the construction of a new building at Goodwood Blvd.
- Available sites for a downtown central library
- Site selection for the two pending neighborhood library branches
- A public fund-raising campaign to cover any financial gap
- The development of a comprehensive financial strategy

Since the Library Board adopted the current CIP strategy, East Baton Rouge Parish and the State of Louisiana have been dramatically impacted by hurricanes Katrina and Rita. These twin disasters changed the demographic, political, social, and economic environments of our area. The current CIP strategy is not immune to the ravages of the storms.

The Library Board has exhibited tremendous foresight in engaging this study as evidenced by the announcement recently that another public building project in the parish – the LSU Union – is grappling with a post-Katrina, \$18 million shortfall according to a preliminary estimate. The challenge facing this project is accentuated by the fact that construction has already commenced.

The Library Board's historically proven, strong track record of outstanding stewardship of public funds, evidenced by a library system that has grown to a main library and 12 neighborhood branch libraries over the past twenty years, underscores that the accompanying findings and recommendations will be carefully studied and filtered by a diversity of perspective and commitment before final action is taken.

What is imperative is for the Library Board to adopt a timely, concise, viable CIP strategy that includes a final determination of the location of the new central library.



Executive Summary

FINDINGS and RECOMMENDATIONS

- The major economic finding is that the financial proformas that guided the Library Board in formulating its CIP strategy must be revised in conformity with post-hurricanes construction costs
- The pre-Katrina financial gap of \$4 to 16 million built into the current CIP strategy now ranges from \$16-48 million (without 2008/2012 property tax rollbacks) depending on the construction timeline that the Library Board elects to pursue for the four projects:
 - A new central library
 - A new/renovated regional library
 - A new South Baton Rouge neighborhood branch library
 - A new East Baton Rouge neighborhood branch library
- As challenging as these financial numbers are, there are avenues that can be explored and opportunities that were not available when the current CIP strategy was adopted. The study presents these options and encourages timely discussion and action by the Library Board while recognizing that it is, of course, the responsibility of the Library Board to adopt or reject the recommendations in this report as well as others that will result from the discussions that follow.
- The Library Board comes to this challenge from a solid financial position. The cash ending balance for budget year 2006 is projected at \$36,672,653. This amount has accrued over the past years after all operational requirements of the library system have been addressed; these monies are currently available for the CIP program.



Executive Summary

- A financial analysis of projected revenue and expenses over the ten-year period of the current property tax millage projects that approximately \$87,000,000 will be available for the CIP program. The projection benefits from a 4% annual increase in parish wide property values from 2006-2009 and a 3% annual increase from 2010-2015.
- The \$87,000,000 amount assumes a roll forward of the current 11.1 property tax millage rate that is the key revenue-generating source for the library system. If the East Baton Rouge Parish Metro Council elects to rollback the annual property tax millage rate in 2008 and 2012, the available monies for the CIP program will decrease by more than \$14 million dollars and the financial gap will widen to \$28-62 million depending on the construction timelines.
- A property tax millage rollback is intended to generate, for the taxing body, the same amount of revenue in the year succeeding the rollback as was generated in the year of the rollback. The purpose of such action is to offset any benefit to the taxing body resulting from increases in property valuation from the date of the tax millage election.
- It is important that the Mayor President and the Metro Council be informed of the CIP program, the program merits and the benefit of their support.

Executive Summary

- In a rising construction price market environment, the construction timeline – the date work on a project commences - is a determinative factor in the size of the CIP financial gap. The current construction timelines for the respective projects are the following:

<u>Project</u>	<u>Year to Open</u>
New central library	2013
New Regional library	2013
South branch library	2009
East branch library	2016

- If the Library Board maintains the current construction timelines, the projected CIP financial gap – with no rollbacks – would range between \$36-48 million. The most aggressive, feasible construction timeline – new regional and south neighborhood branch library opening in 2009, new central library opening in 2010 and new east neighborhood branch library opening in 2016 – narrows the projected CIP financial gap to between \$24-39 million.
- The long-standing, Library Board fiscal practice of “*pay-as-you-go*” – commencing a new library construction project only when all required funding is secured – must be seriously evaluated in a rising construction price market environment.
- Current construction prices have risen a minimum of 20% post-Katrina and are projected to continue to rise annually at the rate of 5-7% for the foreseeable future.



Executive Summary

- A review of construction prices per sq. ft. for recently completed library projects shows that the current cost per sq. ft. is at least \$300.
- The annual construction price increase per sq. ft. could be greater than \$20. When this price trend is applied to a new central library 150,000 sq. ft. in size, the resulting total annual construction cost increase for such a project is \$3,000,000 and rising.
- The upward spiral in construction costs needs to be evaluated against the cost of borrowing the required monies to cover any financial gap.
- The Library Board may be able to continue the “*pay-as-you-go*” policy for certain immediate projects – the new South Baton Rouge neighborhood branch and a new regional library – since the library system has a sizeable cash ending balance of over \$37 million while, at the same time, modifying the policy for both the new central library project and the new neighborhood branch library in East Baton Rouge.



Executive Summary

- Population is a key criterion in determining the essential minimum size of a library system. Best practices standards call for 1 sq. ft. of facility space per capita. The four new projects – including a new central library of 150,000 sq. ft. - increase the total EBRP Library System size by over 30% from 324,000 sq. ft. to 437,000-471,000 sq. ft. depending on the location of the new central library.
- The East Baton Rouge Parish demographic statistics and trends have significantly changed post-Katrina. At the time the current CIP strategy was adopted, EBR parish population was estimated at 412,000. Today, that population is conservatively estimated at 450,000 and future growth trends are expected to exceed historical averages.
- The reality surrounding Baton Rouge's rise to prominence as Louisiana's largest city, coupled with developing strategies by various political and civic entities to capitalize on this recent development, could easily propel the parish's population in 2015 to 550,000 and more.
- The current CIP strategy regarding library system size is sound provided EBR parish population remains static over the next two decades. However, if the population trend is upwards as predicted, the size of the EBRP Library System could be below best practices standards by 2015 unless there is an adjustment in the size of the new libraries planned in the current CIP program.



Executive Summary

- It is recognized that increasing the size of the new central library, or, including an additional new regional library in the CIP plans, will widen the already significant financial gap. This is a thought-provoking decision for the Library Board: Is it better to address a larger financial gap today or to address an over-crowded library system tomorrow?”
- The size of the CIP financial gap and a recognition of a best practices policy adhered to by more and more library systems constructing new central libraries strongly warrant the Library Board’s review of its “*no-naming-rights*” practice. Historically, the Library Board has adhered to a “*no-naming-rights*” practice. Under this tradition, the Library Board has refrained from naming any library (or component feature, e.g., a children’s room or collection) after a living or deceased person even for a financial contribution to the Library.
- A review of the financial strategy employed by numerous library systems across the United States showed that many incorporated a revenue-producing, “*naming-rights*” element. Recently, the city of Seattle expanded its Library System (including a new central library) as part of a \$190 building program. Before commencing construction, \$88 million in “*naming-rights*” revenue was built into the financial strategy.



Executive Summary

- *A public/private partnership* for the purpose of building a multi-use environment in which the new central library is a prominent structure is an attractive avenue to pursue for the purpose of cost savings and best urban land use planning. Public/Private partnership is generally defined as “the close collaboration of a public entity and a private entity, or team, to structure, negotiate and implement the finance, design, development, construction and operation of a building.” The idea of combining library, commercial, office and/or residential space within one project is being considered in other metropolitan areas.
- The GOZONE incentives that were established post-storms offer significant inducements to private investors/developers to become involved in the CIP program, specifically, the construction of a new central library.
- The New Market Tax Credit program is a viable public/private partnership incentive for a new central library, multi-use project built in a qualified, low income census tract.
- Engaging in strategic alliances with the Baton Rouge Recreation Commission (BREC) and the Capital Area Transit System (CATS) is collaborative leadership at its best and a win-win situation for the entities and parish taxpayers.
- BREC, under the leadership of its Executive Director, Bill Palmer, has expressed a strong willingness to work with the Library Board to make the CIP strategy successful. The current Goodwood main library is on city-owned and BREC-managed property. The Library Board’s CIP strategy, however, needs to be feasible within BREC’s pending plans for Independence Park. The construction of a new regional library on the site appears to be compatible with BREC’s plans based on current design drawings. A Library Board decision to build a new central library at Independence Park, however, must be preceded by in-depth discussions with BREC as to its feasibility and compatibility with BREC plans for the park.
- The Library Board must promptly respond to BREC’s request that the board move quickly and clearly in finalizing its CIP strategy and submit official requests to BREC so that BREC can timely incorporate approved requests into its plans.
- Although the pending change in CATS leadership initially handicaps this funding pursuit, the process continues and can be successful provided the Library Board adopts with finality the location of the new central library so that efforts can be renewed for the next federal fiscal year.



Executive Summary

- It is important to note that regardless of whether the new central library is built at Independence Park or downtown Baton Rouge, a multi-story parking structure will be required at either location. The Library Board and CATS leadership have developed and submitted requests for financial funding from the U.S. Federal Transportation Agency (FTA) for a parking structure for the new central library. The only caveat is that the parking structure would have to be part of the overall CATS transit strategy.
- The congressional offices of Senator Mary Landrieu, Senator David Vitter and Rep. Richard Baker have been and continue to be committed to doing what each can do in securing federal funding for some part of the Library Board's CIP program. The critical factor to recognize is that each office is inundated with constituency requests on a daily, if not hourly, basis. Top-of-mind awareness is important to success in this venue. The efforts of the Library Board through its staff and outside representatives must be professional, reasonable, consistent and persistent.
- The size of the financial gap for the CIP program demands that a broadly supported, public fund-raising campaign be conducted. The Library Board recognized that a financial gap of \$4-16 million (depending on land, parking and other costs) to be bridged with public fund-raising contributions (and potential FTA funding for parking purposes) was part of its current CIP program. What was not expected were the 2005 hurricanes and the impact on the financial proformas.
- The dramatic widening of the financial gap highlights three prominent financial strategy options that are available to the Library Board. The third option should be fully explored before any consideration is given to the other two options.
 - Significantly modify in size, number and/or scope the proposed four projects to reduce the financial gap
 - Submit a secondary tax millage proposal to the voters to fund the financial gap
 - Develop a financial strategy that includes a public fund-raising program as well as other revenue-related activities, such as those outlined in this report, to bridge the financial gap.
- A successful public fund-raising campaign (with support from other revenue-related sources) can achieve the financial success required if strong support is received from major participants – for example, private donors, the Baton Rouge Area Foundation (BRAAF) and the Baton Rouge Area Chamber (BRAC).
- The selection of architects for the respective projects promptly after adoption of a revised CIP strategy will not only be a sign that the projects are moving forward but will also lead to the development of design concept drawings that are essential to “painting a picture” for prospective donors and contributors.

Executive Summary

THE NEW CENTRAL LIBRARY

- *A new central library is vital to the functionality, viability and sustainability of the entire EBR Parish Library System. Any one who has recently visited the Goodwood library should be able to vouch for the inadequacy of the facility.*
 - No room to add computers
 - No room to add new Library materials
 - No room to expand seating
 - No meeting rooms, study rooms or auditorium
 - No exhibit space
 - No youth programming area or separate teen space.

- A comparison of the cost differential between locating a new central library at Independence Park versus downtown Baton Rouge shows that the combination of a new downtown central library/new Goodwood regional library would cost between \$7,940,000 - \$9,255,450 more than a new Goodwood central library/new downtown regional library if BREC would provide the land required for a new central library at Independence Park at no cost. Since there is no commitment from BREC, this cost difference needs to be considered with that caveat. Also, this gap is eliminated if FTA funding for a downtown parking garage at the new central library facility is factored into the consideration.

- The new central library location decision process begins with a discussion of four fundamental questions.
 - “What do we want our new central library to be?”
 - “What size does our new central library need to be to properly perform its assigned role?”
 - “What will it cost to build a new central library based on its required size?”
 - “What will be the sources of revenue required to bridge any financial gap?”

- The answer to these four questions will tell the Library Board what geographic site is best for the new central library. Various individuals and groups may express their preference for one geographic site – for example, Independence Park or downtown Baton Rouge, but until these four major questions are answered, a discussion of specific sites is premature.



Executive Summary

- Should the location answer be downtown Baton Rouge, the study confirmed that there are *available* downtown sites that meet the 50,000 sq. ft. “*land surface*” requirement established by the Library Board for a new central library.
- The *availability* of each prospective downtown Baton Rouge site is affected by one or more variables – property size, shape and location, acquisition timeframe, cost and legal acquisition structure (lease, purchase or equity option).
- Possible downtown Baton Rouge areas that could be considered for the new central library are
 - Current downtown library site at North Blvd.
 - North Blvd./St. Ferdinand
 - North Blvd and 6th/7th Streets
 - Riverfront blocks
 - Main St. and 6th/7th Streets
 - U.S. Post Office parking lot
 - I-110 and Laurel/Florida Streets
- Should the Library Board make a final decision to construct the new central library in downtown Baton Rouge, the Board needs to move promptly to gain “control” of its preferred downtown site either individually or through a private/public partnership. The available sites are limited and the price market is trending upwards.



Executive Summary

NEW REGIONAL LIBRARY

- A new regional library is part of the current CIP program. The construction of a new central library at Independence Park would result in the downtown branch library being renovated into a new regional library. Conversely, the construction of a new central library in downtown Baton Rouge would result in the Goodwood library being renovated into a regional library or a new regional library facility being built on the site.
- A comparison of the construction costs increase for building a new Goodwood regional library based on various construction timeline options shows that the pre-Katrina price difference of \$1.5 million between new/renovated has increased \$3.5 million more to build new if construction starts in late 2007 (with a 2009 opening) and to as much as \$5.4 million if the construction timeline of 2011 (with a 2013 opening) remains.
- One extremely important point often overlooked in the discussion of the location of a new central library is that the new regional library project - Goodwood Blvd. or RiverCenter library - will be superior in every single category to the current facility - more computers, additional Library materials, expanded seating, meeting and study rooms, auditorium and youth and teen areas.
- Although there will be a centralization of all collections at the new central library as part of the current CIP strategy, library services to the current and future users of the Goodwood or RiverCenter library will be tremendously enhanced.



Executive Summary

NEW SOUTH BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY

- The Burbank property falls outside the best practice site selection parameters for a South Baton Rouge neighborhood library location. Since two new neighborhood branch libraries are proposed in the current CIP program, the study focused on *nationwide best practices* relative to the *neighborhood branch site selection process*. These *best practices* have been applied in evaluating the proposed Burbank site for the new South Baton Rouge neighborhood branch library.
- The Burbank site is extremely viable as a possible site for a future neighborhood branch library as the population within a 3 mile radius of the site continues to grow,.
- The application of the same *best practices standards* to the proposed JTS site on Perkins Road shows that the JTS site is a viable location for the new South Baton Rouge neighborhood branch library.
- The Library Board's evaluation of the JTS property for a neighborhood library should be restricted to the *best practices standards* and the proposed terms of the agreement between the parties. The JTS proposed development has received opposition from certain surrounding property owners. Nevertheless, the proper forum for any zoning-related inquiries is the City-Parish Planning Commission.
- If the Library Board elects not to build the new South Baton Rouge neighborhood branch library on the Burbank property, it is strongly recommended that the timeframe in the current donation agreement for construction to commence for a branch library be extended for a minimum of ten years.



Executive Summary

NEW EAST BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY

- The proposed construction timeline – opening 2016 – with construction commencing in 2014 subjects the project to significant construction price increases over the next eight years. In light of a rising construction price market, the Library Board should review an acceleration of the project timeline if feasible.
- In the interim, the Library Board should adopt *best practices standards for neighborhood branch site selection* prior to the commencement of its search for a specific location.



Executive Summary

SUMMARY OF KEY RECOMMENDATIONS

OVERALL RECOMMENDATION: Adopt a revised, comprehensive CIP strategic plan by year end

SPECIFIC RECOMMENDATIONS:

- ❑ “Ask and answer” the 4 fundamental questions regarding a new central library then promptly finalize the location decision and move to gain control of a downtown site, if appropriate
- ❑ Evaluate CIP construction timelines against construction price trends
- ❑ Evaluate “pay-as-you-go” policy against construction price trends
- ❑ Evaluate “no-naming-rights” practice against revenue-generating requirements
- ❑ Designate site for South BR neighborhood branch library and, if applicable, extend donation timeline on Burbank property
- ❑ Select architects for key projects by early 2007
- ❑ Discuss with Mayor and Metro Council the impact of property tax *rollbacks* on CIP program
- ❑ Establish a package of multiple revenue-generating sources to bridge the financial gap
- ❑ Involve BREC and CATS in CIP strategy planning
- ❑ Consider development of a public/private partnership in a multi-use concept for a new central library
- ❑ Recognize the critical importance of private donors, BRAF and BRAC in a public fund-raising campaign
- ❑ Establish *best practices standards* for neighborhood branch library site selection process

East Baton Rouge Parish Library – Past & Present

- 1900 First public library, *Baton Rouge Public Library*, established by the Joanna Waddill Chapter of the United Daughters of the Confederacy in the Washington Fire Company on Church Street (now North Fourth St.)
- 1922 Library moved to the second floor of the Allen Building (or Singletary Building) at Church and Florida Streets
- 1923 Library moved to the courthouse where it remained for 16 years
- 1939 New library completed at the corner of Laurel and Seventh Streets and established by the Police Jury as the *East Baton Rouge Parish Library*
- 1939 Zachary branch library opened.
- 1939 Harelson branch library opened
- 1940 Central branch library opened
- 1941 Seventh Ward branch library opened
- 1941 Baker branch library opened
- 1941 Baton Rouge Air Base branch library opened
- 1941 Pride branch library opened
- 1942 Carver branch library opened
- 1946 Sharp Station branch library opened
- 1948 3 lots acquired for North Baton Rouge Library at Aliquippa and Weller Streets.
- 1949 First Bookmobile service
- 1949 Library no longer an independent entity; now under the jurisdiction of the City Parish Council
- 1950 Second Bookmobile service

East Baton Rouge Parish Library – Past & Present

- 1953 Racial segregation ended at the parish library
- 1954 Friends of the Library group organized
- 1955 Carver branch library moved to Louise Street
- 1955 Baker branch library moved to new location
- 1957 Zachary branch library moved to new location
- 1959 Baker branch library moved to new location
- 1960 North Baton Rouge branch library opened on Plank Rd. at Winbourne Street
- 1967 Mid-city branch library opened
- 1972 Begin plans to change the mid-city branch library on Goodwood Blvd. to the new main library
- 1974 Scotlandville branch library opened
- 1975 Conversion of mid-city branch library to Goodwood main library completed
- 1975 Bookmobile service discontinued
- 1979 Formal dedication of Centroplex (now known as the River Center) Library built with federal revenue sharing funds
- 1980 Formal opening of Centroplex Library
- 1981 Eden Park branch library opened
- 1984 Delmont Gardens branch library opened
- 1984 Established Patrons of the Library friends group
- 1986 First dedicated library property tax passed (8.3 mills); approved by 67% of the voters



East Baton Rouge Parish Library – Past & Present

- 1990 Jones Creek regional library opened
- 1991 Carver Branch moved to 1509 Highland Road
- 1993 Bluebonnet regional library opened
- 1996 Property tax renewed by voters at 11.1 mills
- 1997 Greenwell Springs regional library opened
- 2001 New Baker branch library opened
- 2001 New Scotlandville branch library opened
- 2002 New Bookmobile with on-line access via satellite
- 2002 New Central branch library opened
- 2004 New Zachary branch library opened
- 2004 Property tax millage *rollback* to 9.97 mills
- 2005 Newly remodeled Delmont Gardens branch library opened
- 2005 New Carver branch library opened
- 2005 New Pride-Chaneyville branch library opened
- 2005 Internet Library opened at Renaissance Village FEMA Trailer Park for Hurricane Katrina evacuees
- 2005 Property tax renewed by voters at 11.1 mills; approved by 62% of the voters
- 2006 New Eden Park branch library opens

East Baton Parish Library – Today

Current Facility Locations and Size

<u>Location</u>	<u>Type</u>	<u>Opened</u>	<u>Sq.Ft.</u>
■ Goodwood	Central	1967/1975	65,000
■ Bluebonnet	Regional	1993	37,600
■ Jones Creek	Regional	1990	34,750
■ Greenwell Springs Road	Regional	1997	26,672
■ Downtown	Regional	1979	29,950
■ Baker	Branch	2001	18,592
■ Carver	Branch	2005	12,078
■ Central	Branch	2002	18,263
■ Delmont Gardens (expansion)	Branch	2005	19,267
■ Eden Park	Branch	2006	14,000
■ Pride/Chaneyville	Branch	2005	12,086
■ Scotlandville	Branch	2001	17,985
■ Zachary	Branch	2004	<u>17,869</u>
■		TOTAL	324,112

Source: East Baton Rouge Parish Library



Evolving Role of the Library in the 21st Century

(Excerpts from reports and news articles published by the *American for Libraries Council* and *Urban Libraries Council* and a *Wall Street Journal* article dated October 21, 2006 authored by Christopher Conkey, entitled, Libraries Beckon, But Stacks of Books Aren't Part of the Pitch)

A 2006 *Americans for Libraries Council*-sponsored study, conducted by *Public Agenda* and funded by the *Bill & Melinda Gates Foundation* entitled Long Overdue: A Fresh Look at Public Leadership Attitudes About Libraries in the 21st Century shows that libraries are poised to lead the way to solutions to today's pressing community problems, including providing a safe and engaging place for teens; building a strong and literate workforce; and extending access to technology. The report stated that taking on such challenges is also the best bet for libraries to strengthen their communities and their own funding futures.

"Libraries cannot survive on accolades alone. If public libraries are to compete successfully for dwindling public dollars, they will need to look at opportunities to showcase and strengthen their role in addressing serious problems in their own communities."

From Long Overdue

Communities across the nation are realizing that libraries can play a significant role to support community development. The State of Florida recently convened a conference with the general theme being, "The library's role in supporting community health-related topics." This theme is linked to the overall theme of the *2007 World Library and Information Congress: "Libraries for the Future: Progress, Development and Partnerships"*.

In a partnership with the *MIT Design Lab* and the *Americans for Libraries Council*, a nonprofit organization conducting national research on library use and library funding, a planning charrette was recently conducted in Louisville (KY) on the future of public library buildings. The research question was this:

"Given the changes in how communities use their libraries, the blossoming of digital communications, and the pervasive integration of technology into library operations, how will library building design change to create libraries for the next hundred years?"

Over two days, this question was hammered out from the perspectives of all of the disciplines represented, finally developing guiding principles for our 21st century libraries. The results were then presented to the public and the media in an open, publicly packed session. *The participants were committed to libraries as central public spaces for the future.*



Evolving Role of the Library in the 21st Century

Hundreds of Louisville (KY) residents recently shared their visions for the future of libraries in a “Listening Forum” sponsored by the *Americans for Libraries Council*, a nonprofit organization conducting national research on library use and library funding. Suggestions from the nearly 300 attendees emphasized visions for expanding the role of the library in the Information Age. People wanted to see the library expand services to job seekers, immigrants, teens, the disabled, and the homeless; develop programs and collections for both ends of the lifespan: children and older adults; become more active in capturing local history; increase partnerships with local schools and statewide library systems; and consider new library buildings with “green design,” welcoming façades, and enough room for mixed community uses.

“The overriding theme was that the library is of value to the whole community, not just those who use it,” said Norman Morton, director of Community Relations at the Louisville Free Public Library. “We’ve been doing an awful lot of things to raise our profile,” he added, including hosting a popular concert series that drew 600 people to the library the week of the Listening Forum. “In the world of community building, local libraries have a unique and powerful role,” say Jody Kretzmann, Asset-Based Community Development Institute Co-Director, and Susan Rans, researcher. “While many places and organizations ‘bond’ together people of like mind, libraries also have the capacity to ‘bridge’ – bring together different types of people who may not share experiences with each other otherwise.”

Kretzmann and Rans published a report entitled [The Engaged Library](#) as part of a commission from the Urban Libraries Council. They contend that libraries should be given the resources and support for creativity in programming and outreach, but also should be charged with being more engaged in their communities. Libraries “...come to the table with a wealth of assets: free community space, connections to the local economy, a sense of ownership by the community and, above all, a level of community trust,” they say. “With these assets, they can connect to all parts of a community, building those relationships and networks that contribute to social capital.” Their report was released at the *2005 Partners for Successful Cities Conference*, a biennial gathering of mayors, city and county administrators and library directors of major metropolitan library systems. The conference’s goal is to develop libraries as urban assets that can help solve city problems.



Evolving Role of the Library in the 21st Century

The evolution of the library in the 21st century is towards recognition that libraries are more than just book depositories. The advent of the Internet and the availability of virtually limitless electronic information on a computer have challenged the historical role of libraries. In some circles, quiet whispers even question the very nature of libraries, “Is the future void of physical libraries and more the domain of digital libraries?” A 2006 public opinion poll by the Americans for Libraries Council noted that even in the age of the Internet, 80% of Americans say that “all children need access to a good, safe and appealing library.”

Christopher Conkey, in his October 21, 2006, Wall Street Journal article entitled, Libraries Beckon, But Stacks of Books Aren't Part of the Pitch, wrote about college libraries with a particular focus on Valparaiso University in Indiana. The article provides a unique insight into the evolving use of a library by our younger generation and how libraries can continue to attract this generation in the era of electronic technology,

“The goal: Entice today’s technology savvy students back into the library with buildings that blur the lines between library, computer lab, shopping mall and living room. Imposing rows of stacks, uncomfortable wooden furniture and rigid rules are giving way to open spaces, cafes and chatter. Librarians are looking the other way on food and drink, encouraging conversation and even responding to students’ text-message queries for research help or technology tips. The main entrance of the library here opens into a room with a Steinway grand piano, black leather couches with polished chrome legs and a glass wall. A side entrance takes students to a café and bustling technology center where semicircular, computer-equipped booths are favorites...”

Other libraries are taking note of the developing situation, particularly, libraries focused on research. The digitization of magazines, newspapers, articles, collections and books is gaining momentum like a fast-moving river. Google, Inc. recently announced a goal to digitize all books ever printed. This trend has prompted some libraries to store many of their volumes in secondary or off-site spaces and open up the primary spaces for computers and related electronic databases. Electronic databases are the new Gutenberg Bibles. Conkey quoted Ann Okerson, Yale University’s associate university librarian, “Ten years ago, Yale University spent \$300,000 to access 10 electronic databases. In its most recent fiscal year, Yale spent \$5 million on 900 separate databases. We are seeing mass digitization.”



Evolving Role of the Library in the 21st Century

Conkey described the new library for Marquette University in Milwaukee as one, “that left 95% of the books behind in its old one as the new ‘information commons’ – full of comfy couches, group study spaces and computing stations. A bridge connecting the old and new buildings has a popular café, big-screen televisions and live music. Usage of the library has tripled since 2003.”

Considering that the expected life cycle of a new library facility is 25 years, it is critical to recognize that today and tomorrow’s generation are technology savvy and part of the computer laptop and iPod culture. Conkey quoted Mr. AmRhein, the 49-year-old library dean at Valparaiso, who arrived in 1999 to oversee the design of a new library, “We looked at the way students work today. They sit in comfortable chairs with their latte in their hand and they’re instant messaging with their friends at the same time as they’re studying or doing research.” Student traffic, measured by gate counts, jumped 433% in the first year after the new library opened in September 2004.

As electronic technology proliferates, however, a corresponding rise in social interaction is taking place in libraries. The picture of the librarian with her finger vertical to her lips and a big “Quiet” message below is being replaced by an image of the library as a community-gathering place. Tom Findley, vice president for design at Leo A. Daly, which is working on a library at Georgia State University said that libraries “are becoming these great social centers,” reported Conkey.



Evolving Role of the Library in the 21st Century

Baton Rouge Morning Advocate Editorial
July 4, 2006

Library survey shows priorities

Local library patrons are combing the stacks for beach books. They're also sending their children to summer reading programs. This is a season when we tend to see the lighter side of libraries.

But libraries also command stature as vital community institutions, according to a recent national survey on the subject conducted by Public Agenda, a nonpartisan, New York-based public policy organization that frequently samples national opinion on a wide range of subjects. Respondents to Public Agenda's survey cited traditional services as a preferred priority for their local libraries - such as having enough books for children, having good reference materials and knowledgeable, friendly librarians. At the same time, though, two-thirds of the respondents said that having enough computers and online services also should be a priority for their local library.

The respondents also mentioned several areas as opportunities for libraries to fill key gaps in their communities. Those areas include providing safe places and engaging activities for teens, offering places where adults can improve their literacy skills and serving as the "go-to place" in the community for important government information, such as health programs and tax forms.

The East Baton Rouge Parish Library has implemented special library cards for teens in order to better track their preferences. It also has increased the number of programs it offers teens. The library has been a key player in a local coalition aimed at increasing literacy. The library has added more computers in recent years and made online use of the library's collection easier. It is also a convenient outlet for many government forms. It seems that the local library's priorities are in line with the public preferences expressed in Public Agenda's survey of national opinion. That should help retain and increase patronage for a library system that historically has enjoyed strong support among the public.



East Baton Rouge Parish Library's 2006-2015 Capital Improvements Program

BACKGROUND

The first municipal funding for the library system was in 1920 when the Baton Rouge City Council voted \$900 annually for maintenance of the library. This allocation was discontinued in 1937 when \$1,400 was provided for library operations by the East Baton Rouge Parish Police Jury.

In June 1938, the Public Works Administration approved a grant in the amount of \$45,248 for the construction of a new public library facility in Baton Rouge. The city was responsible for supplying the building site and providing building maintenance and the parish was responsible for parish-wide library development and maintenance. In 1939, the new library opened at the corner of Laurel and Seventh Streets and was established by the Police Jury as the East Baton Rouge Parish Library.

Over the next 45 years the library system grew and 9 additional branch libraries were opened. In 1975, the mid-city branch library on Goodwood Blvd. was renovated, expanded and converted into a main library. Federal revenue-sharing funds were used to construct the downtown Centroplex regional library in 1979.

But funding for the library system has been a struggle from its inception in 1900. In 1985, the city drastically cut the library's budget requiring the closure of all branch libraries on Labor Day, the reduction of hours of operation at the main library, and the lay-off of staff personnel.

The financial crisis prompted a civic outcry which led to the parish's first dedicated library property tax. The annual 8.3 mills tax was approved by 67% of the voters on September 27, 1986. The Library Board of Control earmarked approximately 90% of the revenue generated from the property tax millage for operational purposes with the remaining 10% to be used for capital improvement projects (CIP). The Library Board also adopted a "*pay-as-you-go*" policy for construction projects that became the financial core of its CIP strategy for two decades. Immediately, staff was rehired, branches were re-opened and library hours were extended. Over the next decade, two new regional libraries were opened at Jones Creek and Bluebonnet.

East Baton Rouge Parish Library's 2006-2015 Capital Improvements Program

In 1996, the dedicated library property tax was renewed for an additional decade at an 11.1 mills annual rate. The “pay-as-you-go” policy continued in effect as one new regional library, seven new neighborhood branch libraries and one renovated neighborhood branch library were added to the library system over the next decade.

In 2004, the Metro Council, however, rolled back the 11.1 mills annual property tax rate to 9.97 mills thus providing the library system with approximately the same amount of property tax revenue in 2005 as it had received in 2004. The intended purpose of such action was to offset any benefit to the taxing body resulting from increases in property valuation from the date of the tax millage election.

CURRENT CAPITAL IMPROVEMENTS PROGRAM

The current CIP program was adopted in 2005 in preparation for the October 2006 dedicated library property tax renewal election. The program proposed four specific construction projects that involved either new construction or renovation work over the next ten years, 2006-2015,

<u>Project</u>	<u>Construction Commences</u>	<u>Year Open</u>
New central library	2011	2013
New regional library	2011	2013
South Baton Rouge neighborhood branch library	2007	2009
East Baton Rouge neighborhood branch library	2014	2016

Financial proformas developed in 2005 projected that the total construction costs for the 4 projects based on the above construction timeline would be approximately \$76 million. It must be noted that construction cost projections for the new central library included no land or parking costs. (See chart on page 31).

East Baton Rouge Parish Library System

Individual CIP Projects – Total Construction Costs Projections Pre-Katrina and Post-Katrina Construction Timeline Options

<u>Project</u>	<u>Pre-Katrina Timeline</u>
South Branch	\$4,656,080
Goodwood Regional	\$7,848,500
Downtown Central	\$56,627,500
East Branch	\$6,658,500
Total	\$75,790,580
	<u>Year Opened</u>
South Branch	2009
Goodwood Regional	2013
Downtown Central	2013
East Branch	2016

•2006 East Baton Rouge Parish Library Board of Control Ten-Year CIP Assessment Study

Cyntreniks, LLC



Significant Findings and Recommendations

OVERVIEW

A ten-year capital improvements plan involves more than just the selection of one or more projects to construct. There are a myriad of different, integral pieces that need to be assembled in order to bring the complex puzzle together. The process begins with a key financial consideration, “What funds are available to fund a CIP program.” The total amount of dollars available over the decade controls the scope and number of new projects that can be undertaken.

For the past two decades since the enactment of the first dedicated library property tax, members of the East Baton Rouge Parish Library Board of Control have been astute stewards of the public monies entrusted with the operation of the library system and the construction of new libraries. The Library Board’s long-standing policy has been to use 90% of the revenue from the dedicated library property tax to fund on-going operational costs while escrowing the remaining 10% for capital improvement projects on a “*pay-as-you-go*” basis. During this period, the library system has expanded to a main library, 4 regional libraries and 8 neighborhood branch libraries.

This strategy was utilized by the Library Board in the development of the current 2006-2015 Capital Improvements Program (CIP). Even though there were non-fiscal challenges to be overcome, the vision of building a new 150,000 sq. ft., central library, a new regional library and two new neighborhood branch libraries was uppermost in the minds of the Library Board and its staff until the end of August 2005.

But then, in September 2005, the twin disasters of Hurricanes Katrina and Rita had occurred. The non-fiscal challenges took a back seat to the mounting financial challenge of a widening financial gap between projected monies available for the CIP program and revised projected costs for constructing the proposed 4 CIP projects. The Library Board commissioned this study to address the significant issues related to the 2006-2015 CIP program before proceeding further.

What follows is an analysis of financial and non-fiscal issues that are seen by Cyntreniks LLC as impacting, or having the potential to impact, the current CIP program in some fashion, albeit positive or negative.



Significant Findings and Recommendations

NEW CENTRAL LIBRARY

The current 2006-2015 Capital Improvements Program involves four projects of varying scope, size and cost. The single project that has engendered the most discussion - and not because of its scope, size or cost – is the proposed new central library. The focus of the dialogue has been on the issue of *location* with proponents of Independence Park and of downtown Baton Rouge being at the forefront of the discourse.

Due to its scope, size and cost, the new central library is the key component of the current CIP. This requires that the location issue must be determined by the Library Board with finality and as soon as possible. Vocal support and large contingents of citizens show interest and commitment though these factors cannot be the sole bases for decisions of such far-reaching consequences. This is a decision that impacts the future of the entire library system and must be made from both sound data and bold vision. Addressing the following four fundamental questions will help to clarify and strengthen the position of the Library Board in making this decision.

- “What do we want our new central library to be?”
- “What size does our new central library need to be to properly perform its assigned role?”
- “What will it cost to build a new central library based on its required size?”
- “What will be the sources of revenue required to bridge any financial gap?”

The answer to these four fundamental questions will tell the Library Board what geographic site is best for the new central library.

Significant Findings and Recommendations

- “What do we want our new central library to be?”

In the prior section entitled, “*Evolving Role of the Library in the 21st Century*”, the message was strongly voiced that library stakeholders of multiple persuasion – librarians, library patrons, philanthropists, information and electronic technologists, researchers, designers, architects... – are asking themselves and each other, “What is the evolving role of the Library in the 21st Century?” For the stakeholders invested in the East Baton Rouge Parish Library not to confront the same question as plans are developed to spend more than \$100 million on operational and construction costs related to a capital improvements program would be unwise.

The subordinate inquiries are equally important and are, for example, the following:

- Should our libraries be positioned to lead the way in solving one of today’s pressing community problems, for example, literacy?
- Should our libraries be providing a safe and engaging place for teens?
- Should our libraries be assisting in providing a strong and literate workforce?
- Should our libraries be expanding services to job seekers, immigrants, teens, the disabled, and the homeless?
- Should our libraries be developing programs and collections for both ends of the lifespan: children and older adults?
- Are our libraries of value to the whole community or just to those who use it?
- Are our libraries to play a unique and powerful role of community building by serving as a bridge to bring together different types of people who may not share experiences with each other otherwise?
- What is the role of our libraries in an era of virtually limitless electronic information from the digital library?
- How do we attract the younger generations born into the culture of electronic technology – laptop computers and iPods – to our libraries?
- Do we maintain a portion of our inventory of available books off-site to maximize open, community spaces and, if yes, what portion? How is the off-site inventory accessed?
- If our libraries are to be the new community social centers, what multi-use activities should be incorporated into the design of our new libraries? Are visitors and tourists also our target markets?

These are just some of the thought-provoking questions that will provide insight into what type of new central library to build and start to answer the question, “Where should the new central library be located?”

Significant Findings and Recommendations

- “What size does our new central library need to be to properly perform its assigned role?”

When it is decided, “What do we want our new central library to be?”, the question of size arises. Obviously, the intended uses of the library will greatly dictate its size requirements. Population, however, is another key criterion in determining the essential minimum size of a library system. And since a central library is the largest facility per sq. ft. in the Library System, its size has a significant impact on the overall Library System size.

Best practices standards adopted by the *Louisiana Library Association, Public Library Section* in 2003 and published in the booklet, Standards for Louisiana Public Libraries, provides that the *essential minimum standard size* is 1 sq. ft. of facility per capita. The current EBRP Library System has 324,112 sq. ft. of facility space, thus warranting, based on the *best practices standard*, an expansion of the system as provided for in the current CIP program. The four new projects – including a new central library of 150,000 sq. ft. - increase the total EBRP Library System size by over 30% from 437,000 sq. ft. to 446,000-471,000 sq. ft. depending on the location of the new central library.

The East Baton Rouge Parish demographic statistics and trends have, however, changed significantly post-Katrina. At the time the current CIP strategy was adopted, EBR parish population was estimated at 412,000. Today, that population is conservatively estimated at 450,000 and future growth trends are expected to exceed historical averages. The reality surrounding Baton Rouge’s rise to prominence as Louisiana’s largest city, coupled with developing strategies by various political and civic entities to capitalize on this recent development, could easily propel the parish’s population in 2015 to 550,000 and more. (See chart on page 36).

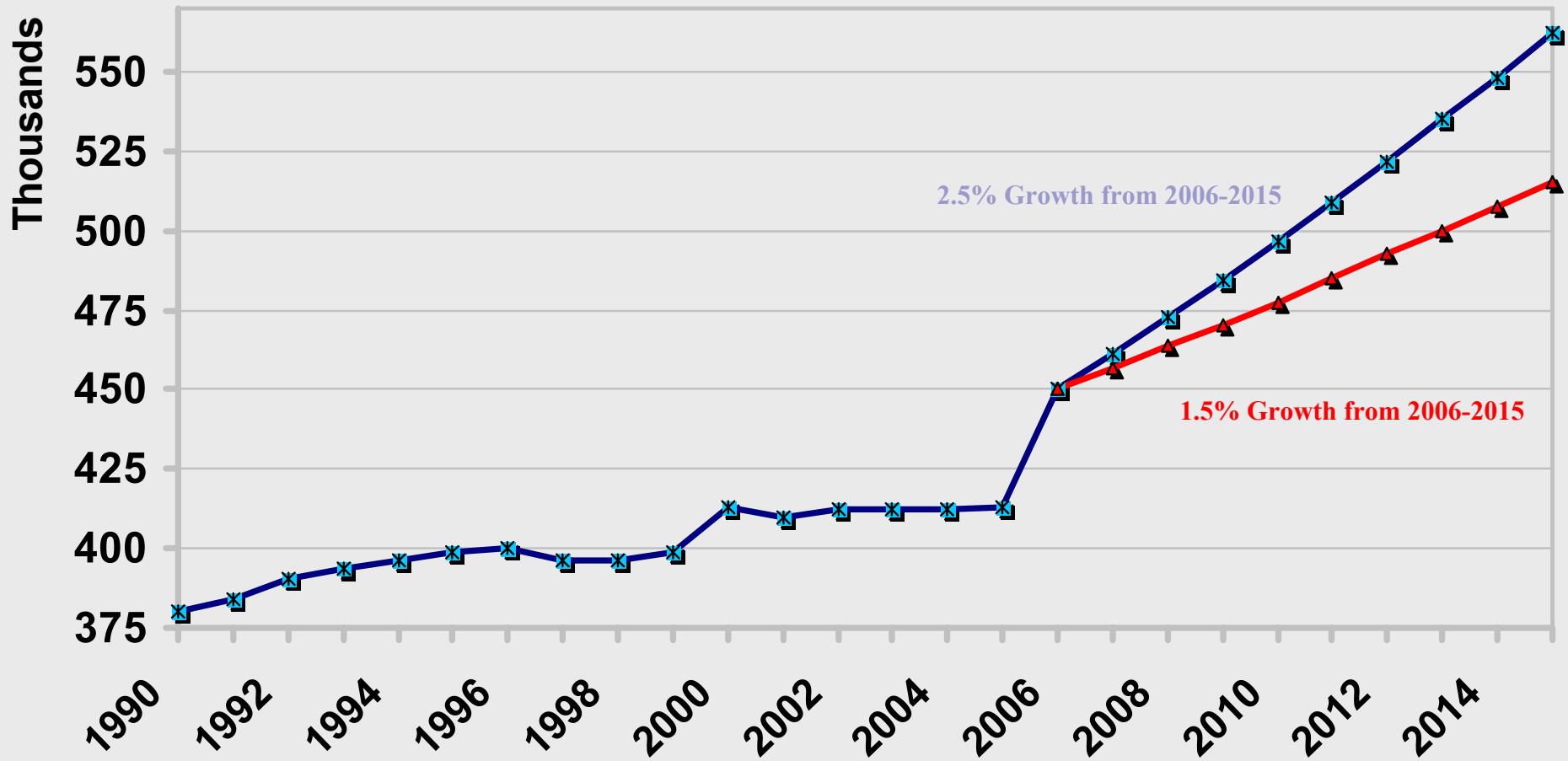
The current CIP strategy regarding library system size is sound provided EBR parish population remains static over the next two decades. However, if the population trend is upwards as predicted, the size of the EBR library system could be below best practices standards by 2015 unless there is an adjustment in the size of the new libraries planned in the current CIP program. It should be noted that, earlier CIP plans had called for a 200,000 sq. ft. new central library.

It is recognized that increasing the size of the new central library, or including an additional new regional library in the CIP plans, will widen the already significant financial gap. This is a thought-provoking decision for the Library Board: “Is it better to address a larger financial gap today or to address an over-crowded library system tomorrow?” A comparison of central library sizes with our *Peer Cities* shows what other library jurisdictions have done. (See chart on page 37).

East Baton Rouge Parish Population Historical and Projected Estimates

(Based on 1.5% and 2.5% growth from 2006-2015)

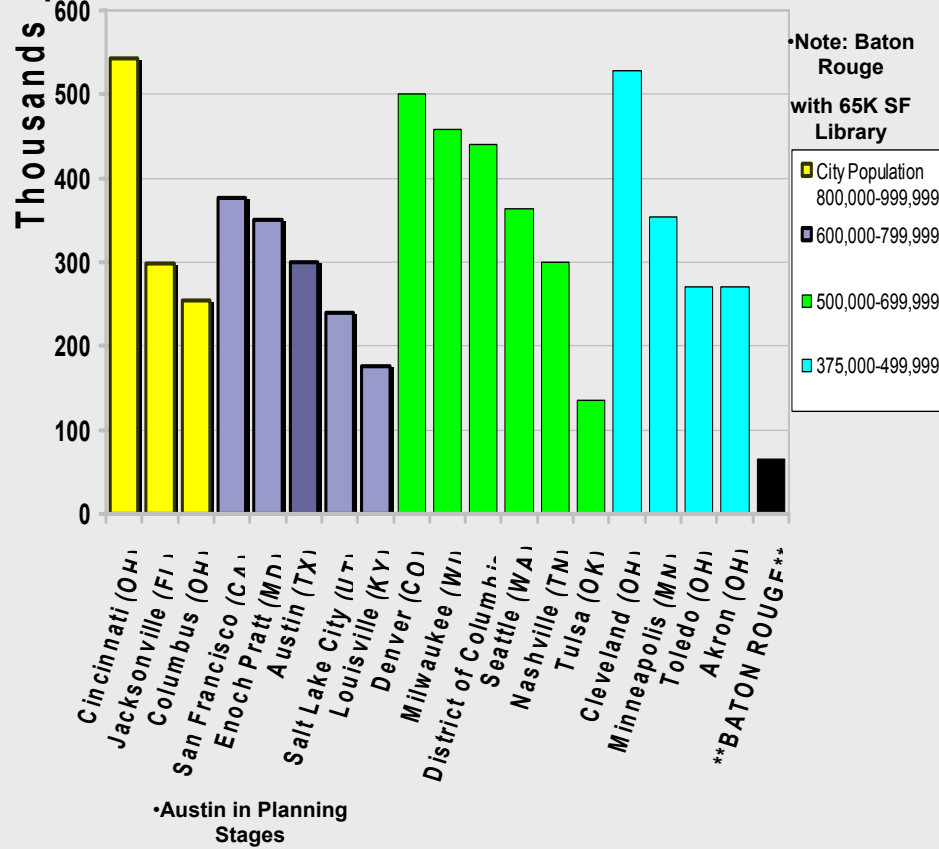
Population



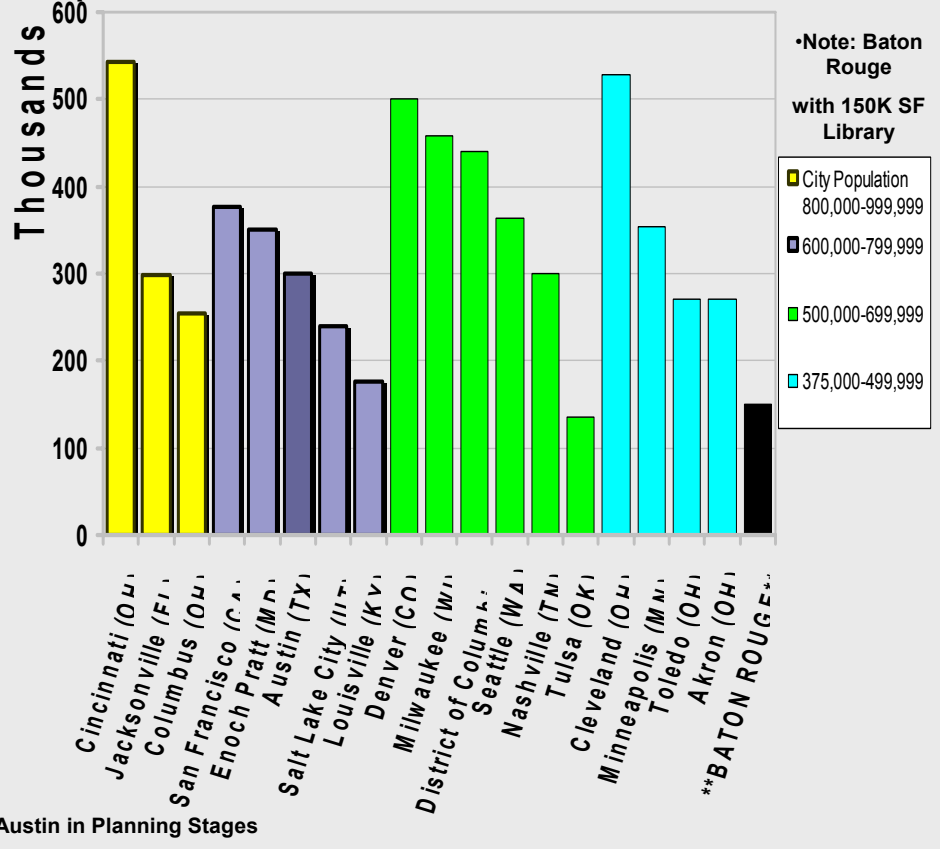
Sources: Compilation of Projections from Baton Rouge Area Chamber; Louisiana Recovery Authority; Pop Stats; DataPlace; Greater Baton Rouge Association of Realtors; and, various news articles

Peer City Central Library Size by Population

Square Feet



Square Feet



Significant Findings and Recommendations

- “What will it cost to build a new central library based on its required size?”

A more detailed analysis of projected construction costs is outlined in two succeeding sections entitled, “Construction Price Trends” and “Project Construction Timeline”. Due to the numerous comparisons being made between the two most highly touted sites for the new central library – Independence Park and downtown Baton Rouge – it merits providing a comparison of the costs differential between the two sites.

It is important to note in this price comparison that regardless of whether the new central library is built at Independence Park or downtown Baton Rouge, a multi-story parking structure of similar size and shape will be required at either location. Furthermore, the scope and size of the project should not change based on location; therefore, architectural and engineering fees, landscape costs and furniture, fixtures and computer equipment budgets would remain similar.

Therefore, the key variables in the cost comparison are

- Land cost
- Renovation cost for the Goodwood library if Independence Park is not the new central library location and, alternatively,
- Renovation cost for the RiverCenter library if downtown Baton Rouge is not the new central library location

The Baton Rouge Recreation Commission (BREC) has expressed its willingness to work with the Library Board in implementing its CIP program subject to any requests being compatible with BREC plans. Goodwood Blvd. proponents argue that the land required would be made available by BREC at no cost. There has been no commitment by BREC to do so. Nevertheless, a downtown Baton Rouge site for the new central library would, in all probability, involve a cost regardless of whether the property is acquired outright or contributed as part of a public/private partnership multi-use development. Research conducted as part of this study establishes a current cost of downtown property of the land size required in the \$3-4 million range.



Significant Findings and Recommendations

- “What will it cost to build a new central library based on its required size?” (CONT'D)

The comparison of the costs to renovate Goodwood and RiverCenter libraries into new regional libraries shows that based on pre-Katrina financial projections, the cost to renovate the Goodwood library was approximately \$2.5 million more than to renovate the downtown RiverCenter library. A principal reason for the price difference is that the Goodwood library is 65,000 sq.ft. and the RiverCenter library is 29,980 sq. ft. The current CIP program proposes doing major renovation to only 40,000 sq. ft. of the Goodwood facility with the remaining 25,000 sq. ft. having only minor, shell-type renovation.

Combining the land cost and renovation cost variables, pre-Katrina cost projections based on the 2013 construction timeline established that a CIP program providing for a downtown new central library would cost approximately \$6.3 million more than a CIP program providing for a Goodwood Blvd. new central library. When post-Katrina construction price increases and trends are applied to the comparison equation, the cost difference ranges between \$7.94 million and \$9.255 million depending on the construction timeline option selected. The financial gap is eliminated, however, when potential FTA funding for a downtown garage is considered.

- “What will be the sources of revenue required to bridge any financial gap?”

There are multiple revenue-related sources and three strategic options available to the Library Board to address any financial gap as will be shown in later sections. However, one important revenue-generating source – public fund-raising campaign – has particular relevance to the new central library location. The Library Board acknowledged, in the adoption of its current CIP program, that a \$4.6 - \$16.1 million financial gap was factored as part of the strategy. The financial gap was considered the “downtown location” factor (downtown land and parking costs) and thus would be the price to be paid through a public fund-raising campaign (and potential FTA funding for the parking garage) for locating the new central library downtown. Downtown proponents, capable of successfully backing a public fund-raising campaign on behalf of the library, acknowledged the pending task. The Library Board needs to evaluate thoroughly each proposed new central library location vis-à-vis the size and quantity of financial contributions that will be made by private donors who designate that their contributions be binding only if the new central library is built at a particular location.



Significant Findings and Recommendations

CONSTRUCTION PRICE TRENDS

Since 1990, the EBRP Library System has added 3 new regional libraries, 7 new neighborhood branch libraries and 1 renovated neighborhood branch library. Construction prices per sq. ft. for the respective projects have risen from \$77 per sq. ft. to \$250 per sq. ft. over this 16 year period. When the financial proformas for the current CIP program were developed pre-Katrina, the \$250 per sq. ft. price was used for calculating construction prices for the 4 proposed projects even though the construction timeline for the projects called for construction to commence several years out. Post-Katrina construction prices have evidenced at least a 20% increase in the past year and the projected trend shows a 5-7% annual increase for the foreseeable future. (See chart on page 41).

CONSTRUCTION TIMELINE OPTIONS

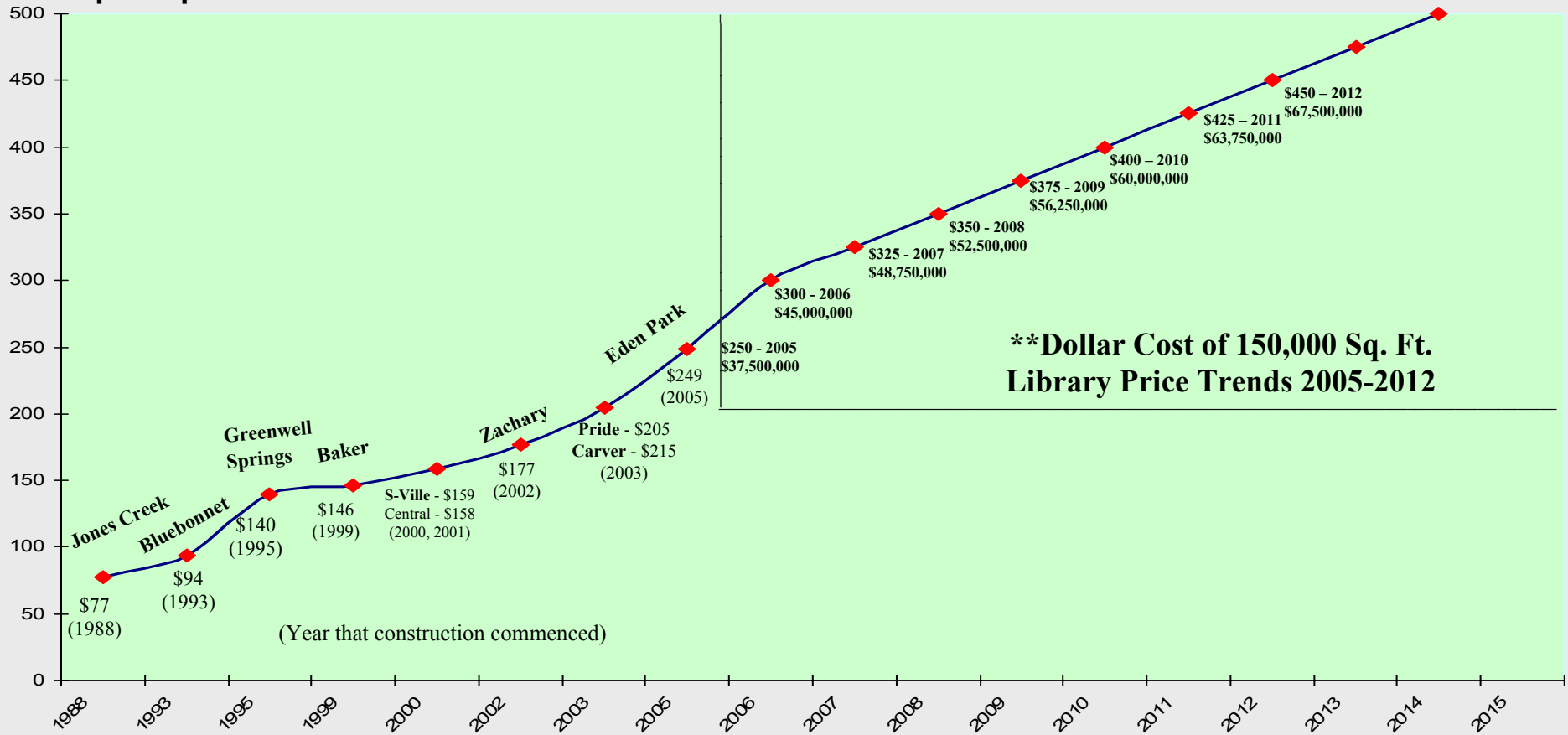
The post-hurricanes impact on the total construction costs for the individual CIP projects is dramatic irrespective of the construction timeline option evaluated. The most ambitious construction timeline would have a renovated Goodwood regional library opening in 2009 along with a new South Baton Rouge neighborhood branch library followed by a new central library downtown in 2010 and an East Baton Rouge neighborhood branch library in 2016. Despite this extremely aggressive schedule, revised construction price projections are nearly \$27 million dollars more today than pre-Katrina.

Furthermore, if the current construction timeline listed in the CIP program is followed – South Baton Rouge neighborhood branch library in 2009 followed by a new central library downtown and a new Goodwood regional library in 2013 with the East Baton Rouge neighborhood branch library in 2016 – the projected construction price increase for the 4 projects over pre-Katrina estimates is \$44 million. (See chart on page 42)

There is a financial benefit, however, of extending the construction timeline for the 4 projects. The commencement of operating costs associated with the opening of the respective libraries is delayed thereby generating some savings. (See chart on page 43). Nevertheless, when you combine construction and operating costs and do a comparison of various construction timelines, there is still an overall financial savings by pursuing a more aggressive construction timeline. (See chart on page 44).

East Baton Rouge Parish Library System Historical & Projected Construction Costs Per Sq. Ft.

Dollars per square foot



****Dollar Cost of 150,000 Sq. Ft.
Library Price Trends 2005-2012**

Consolidation of Information from the following Sources:

- Association of general Contractors – Report by AGC Chief Economist Kin Simson
- Survey of Baton Rouge Contractors
- Comparison of Public Projects in Planning, Under Construction and Recently Completed
- Interview with Louisiana State Facility Planning representative
- Miscellaneous Data References

East Baton Rouge Library System

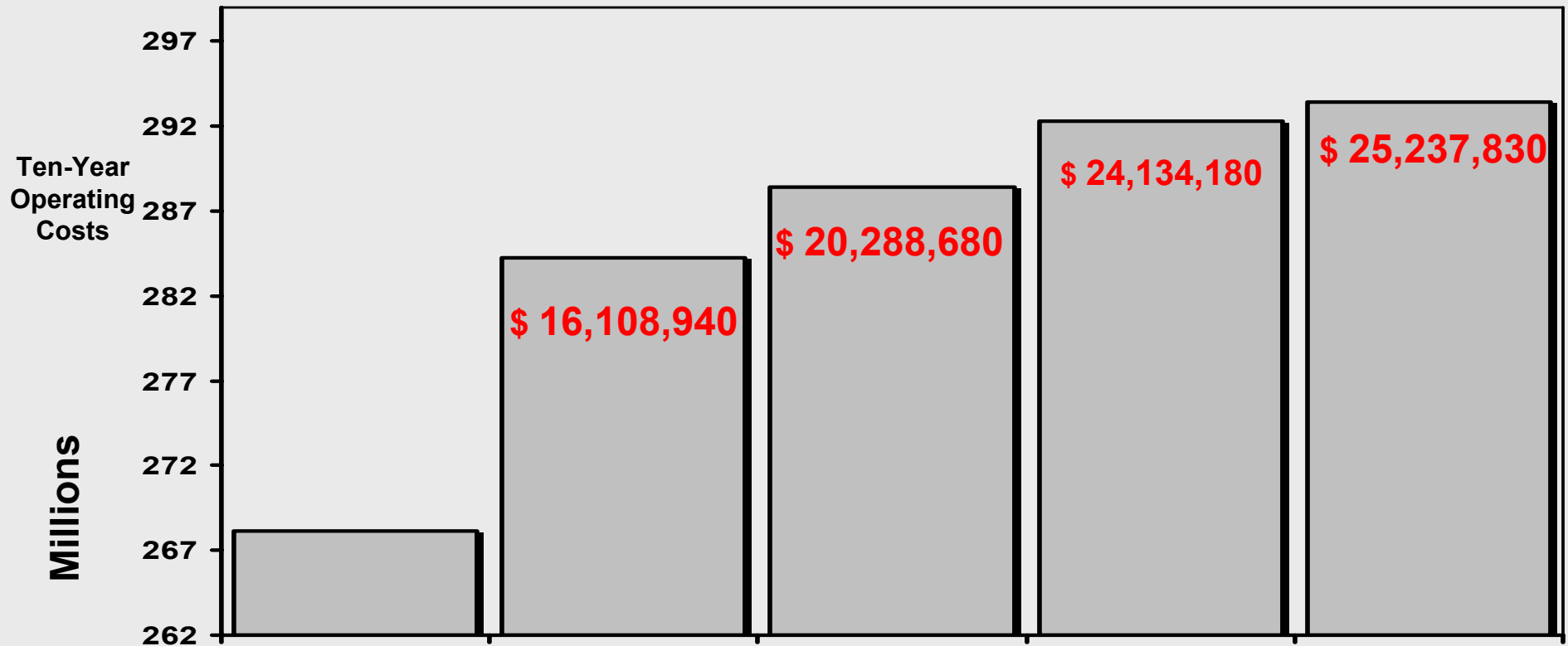
Individual CIP Projects – Total Construction Costs Projections Pre-Katrina and Post-Katrina Construction Timeline Options

<u>Project</u>	<u>Pre-Katrina Timeline</u>	<u>Post-Katrina Timeline A</u>	<u>Post-Katrina Timeline B</u>	<u>Post-Katrina Timeline C</u>	<u>Post-Katrina Timeline D</u>
South Branch	\$4,656,080	\$5,916,680	\$5,916,680	\$5,916,680	\$5,916,680
Goodwood Regional	\$7,848,500	\$10,914,000	\$12,529,550	\$13,419,000	\$14,088,250
Downtown Central	\$56,627,500	\$71,847,300	\$79,496,000	\$85,169,850	\$90,316,000
East Branch	\$6,658,500	\$9,000,800	\$9,000,800	\$9,000,800	\$9,000,800
Total	\$75,790,580	\$97,678,780	\$106,942,950	\$113,506,250	\$119,321,650
	<u>Year Open</u>	<u>Year Open</u>	<u>Year Open</u>	<u>Year Open</u>	<u>Year Open</u>
South Branch	2009	2009	2009	2009	2009
Goodwood Regional	2013	2009	2011	2012	2013
Downtown Central	2013	2010	2011	2012	2013
East Branch	2016	2016	2016	2016	2016

Cyntreniks, LLC

42

East Baton Rouge Parish Library System Comparison of 10-Year CIP Operational Costs Based on Ten-Year Various Construction Timeline Options



<u>Capital Construction</u>	Current Libraries	Year Opened	Year Opened	Year Opened	Year Opened
Southern Branch	(Base Costs)	2009	2009	2009	2009
Goodwood Regional		2013	2012	2011	2009
Downtown Main		2013	2012	2011	2010
Eastern Branch		2016	2016	2016	2016

East Baton Rouge Parish Library System Comparison of Consolidated CIP Cost Projections Over Various Construction Timeline Options

<u>Cost Category</u>	<u>Pre-Katrina Timeline</u>	<u>Post-Katrina Timeline A</u>	<u>Post-Katrina Timeline B</u>	<u>Post-Katrina Timeline C</u>	<u>Post-Katrina Timeline D</u>
Total CIP Funds Available	\$87,204,283	\$87,204,283	\$87,204,283	\$87,204,283	\$87,204,283
LESS: Total CIP Construction Costs	\$75,790,580	\$97,678,780	\$106,942,950	\$113,506,250	\$119,321,650
Total CIP Operating Costs	\$16,108,750	\$28,743,927	\$24,133,460	\$20,288,060	\$16,108,750
Total Costs	\$91,899,330	\$126,422,707	\$131,076,410	\$133,794,310	\$135,430,400
Surplus (Deficit)	(\$4,695,047)	(\$39,218,424)	(\$43,872,127)	(\$46,590,027)	(\$48,226,117)
	<u>Year Open</u>	<u>Year Open</u>	<u>Year Open</u>	<u>Year Open</u>	<u>Year Open</u>
South Branch	2009	2009	2009	2009	2009
Goodwood Regional	2013	2009	2011	2012	2013
Downtown Central	2013	2010	2011	2012	2013
East Branch	2016	2016	2016	2016	2016



Significant Findings and Recommendations

THE FINANCIAL GAP

Even allowing for one or more of the following, - construction prices stabilizing at some point in the near future, Federal Transportation Agency (FTA) assistance in constructing a parking garage for the new central library, or cost savings generated from the elimination or reduction of one or more of the construction and operating cost variables – such a scenario only reduces the range of the projected financial deficit in each of the construction timeline options. The \$4 – 16 million financial gap built into the current CIP program ranges from \$24.5 - \$39.2 million in the most aggressive construction timeline option and \$36.3 - \$48.2 million in the construction timeline option that mirrors the timeline in the current CIP program. (See chart on page 46).

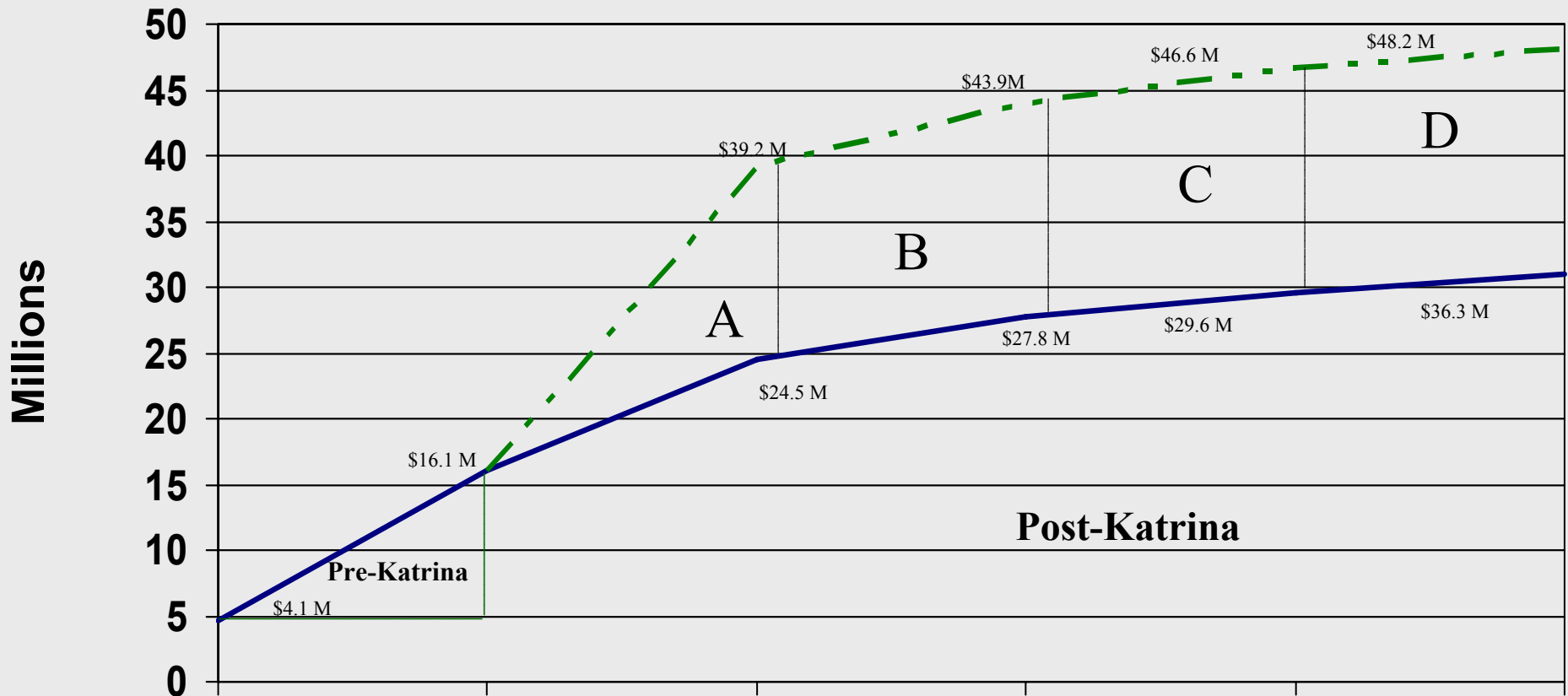
Although the financial gap may be narrowed when the location for the new central library is shifted from downtown Baton Rouge to Independence Park (see pages 38 & 39), the financial deficit still remains significant. The most aggressive construction timeline option produces a financial gap range of between \$16.6 - \$31.3 million and the construction timeline that mirrors the timeline in the current CIP program produces a projected financial gap of \$27 - \$39 million. (See chart on page 47).

It is important to note that the situation of having a financial gap between the amount of tax-generated revenue and the total cost of library projects proposed is common for library boards across the country. The need for a public fund-raising campaign and/or other revenue-generating sources is typical. Most library expansion programs build into their CIP programs both the financial gap and the strategy for bridging the gap.

East Baton Rouge Parish Library System Downtown Central Library

Comparison of CIP Projected Financial “Deficit” Ranges

Based on Various Construction Timeline Options (No Tax Millage Rollbacks in 2008 & 2012)



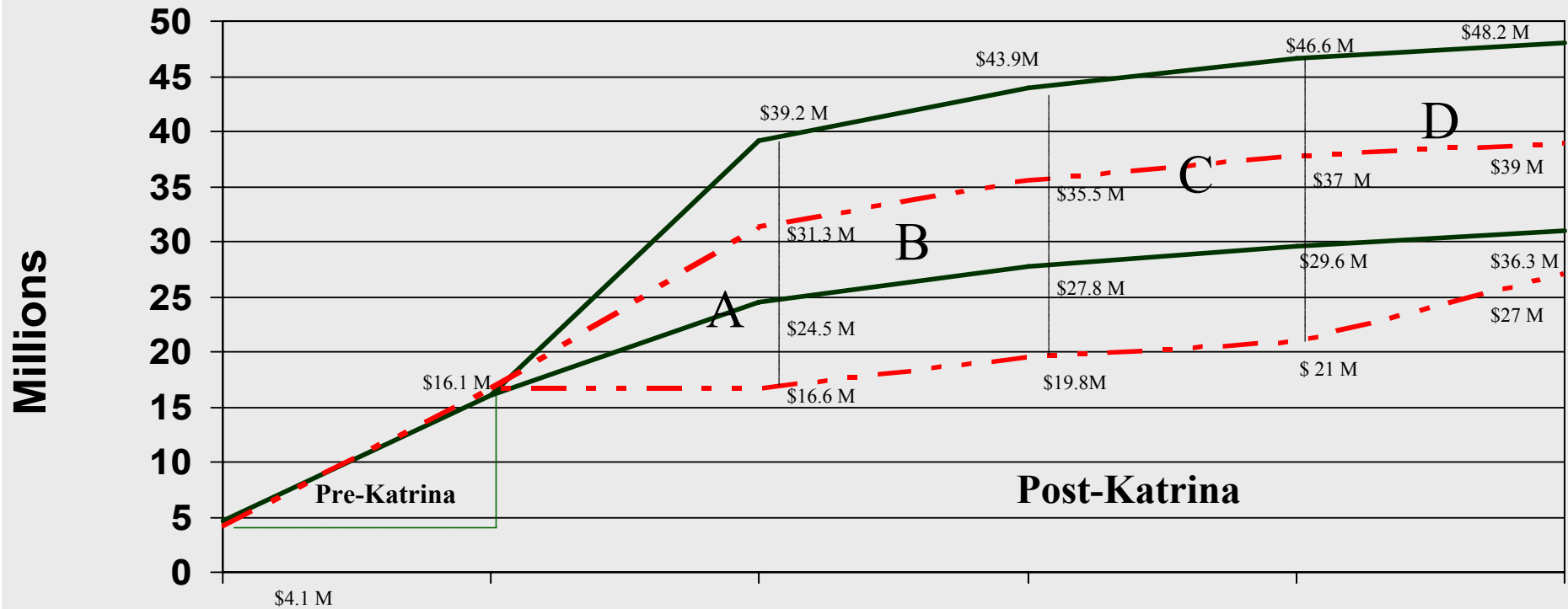
	Timeline 2005 Year Open	Timeline “A” Year Open	Timeline “B” Year Open	Timeline “C” Year Open	Timeline “D” Year Open
Southern Branch	2009	2009	2009	2009	2009
Goodwood Regional	2013	2009	2011	2012	2013
Downtown Central	2013	2010	2011	2012	2013
Eastern Branch	2016	2016	2016	2016	2016

Solid Line = Best Case / Dashed Line = Worst Case – No Rollbacks

Cyntreniks, LLC

East Baton Rouge Parish Library System Downtown vs. Goodwood Central Library

Comparison of CIP Projected Financial “Deficit” Ranges
Based on Various Construction Timeline Options (No Tax Millage Rollbacks in 2008 & 2012)



	Timeline 2005 Year Open	Timeline “A” Year Open	Timeline “B” Year Open	Timeline “C” Year Open	Timeline “D” Year Open
Southern Branch	2009	2009	2009	2009	2009
Goodwood Regional	2013	2009	2011	2012	2013
Downtown Central	2013	2010	2011	2012	2013
Eastern Branch	2016	2016	2016	2016	2016

Solid Line = Best Case / Worst Case – Downtown Central
Dashed Line = Best Case / Worst Case- Goodwood Central

Cyntreniks, LLC



Significant Findings and Recommendations

METRO COUNCIL'S "ROLL BACK/ROLL FORWARD" ACTION

In 1996, the dedicated library property tax was renewed for an additional decade at an 11.1 mills annual rate. In 2004, however, the Metro Council *rolled back* the 11.1 mills annual property tax rate to 9.97 mills. This reduction effectively yielded the Library System the same amount of property tax revenue in 2005 as it had received in 2004. The intended purpose of such action was to offset any financial benefit to the taxing body resulting from increases in property valuation from the date of the tax millage election.

In determining that approximately \$87 million will be available for the CIP program through 2015 after all on-going operating expenses for the current Library System are paid, the financial analysis was predicated on the Metro Council *rolling forward* the 11.1 dedicated property tax millage rate in both 2008 and 2012.

If the East Baton Rouge Parish Metro Council elects to rollback the annual property tax millage rate in both 2008 and 2012, *the available monies for the CIP program will decrease by more than \$14 million dollars and the financial gap will widen to \$28-62 million, depending on the construction timelines.* (See charts on pages 49 and 50).

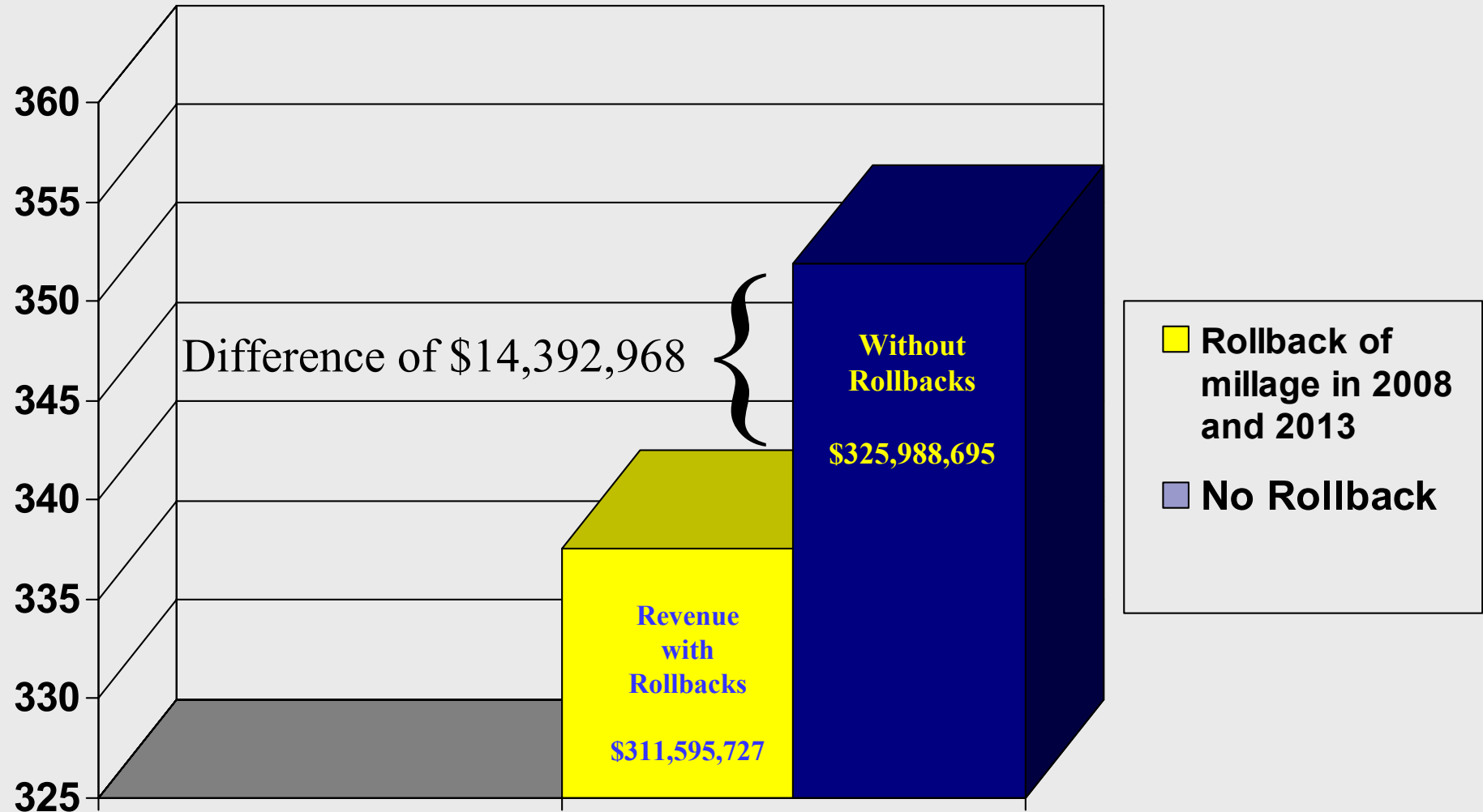
It is important that the Mayor President and the Metro Council be informed of the CIP program, the program merits and the benefit of their support.

Total Projected Property Tax Revenue

From 2006-2015

Rollback vs. No Rollback of Millage

Dollars (in millions)



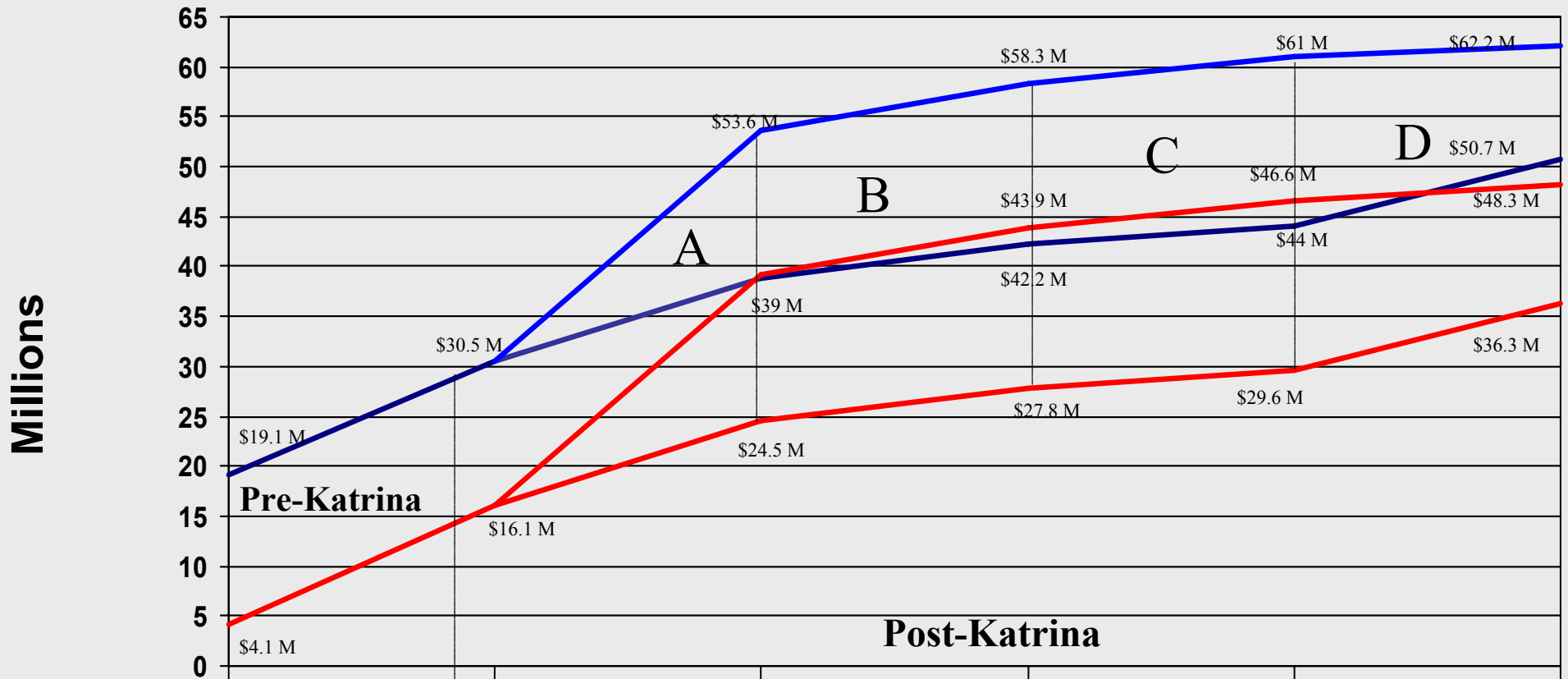
2006-2015

Cyntreniks, LLC

East Baton Rouge Parish Library System

Comparison of CIP Projected Financial “Deficit” Ranges

Based on Various Construction Timeline Options (Tax Millage Rollbacks in 2008 & 2012)



	Timeline 2005 Year Opened	Timeline “A” Year Opened	Timeline “B” Year Opened	Timeline “C” Year Opened	Timeline “D” Year Opened
Southern Branch	2009	2009	2009	2009	2009
Goodwood Regional	2013	2009	2011	2012	2013
Downtown Central	2013	2010	2011	2012	2013
Eastern Branch	2016	2016	2016	2016	2016

Cyntreniks, LLC



Significant Findings and Recommendations

“PAY-AS-YOU-GO” POLICY

The long-standing, Library Board fiscal policy of “*pay-as-you-go*” – commencing a library new construction or renovation project only when all required funding is secured – has served the Library System extremely well over the past two decades. In the last decade alone, one new regional library, seven new neighborhood branch libraries and one renovated neighborhood branch library have been added to the Library System with this policy in effect.

In addition, the policy has enabled nearly \$37 million to be set aside for the current CIP program as of this coming December 31st. This amount has accrued over the past years after all operational requirements of the library system have been addressed.

This \$37 million, however, is only 25% of the total dollars required to fund the current CIP Program. Although an additional \$50 million will come available over the next nine years, this cumulative \$87 million will only address 75% of the costs associated with the current CIP program. As mentioned, this \$50 million will come in gradually over the next nine years.

As we discussed earlier, compounding the situation is a rising construction price market that results in construction prices increasing dramatically the longer a project construction timeline is extended. Therefore, the continuance of the long-standing, “*pay-as-you-go*” policy needs to be closely evaluated and modified, if appropriate. The Library Board may be able to continue the “*pay-as-you-go*” policy for certain immediate projects – the new South Baton Rouge neighborhood branch and a new regional library – since the library system has a sizeable cash ending balance of over \$37 million while, at the same time, modifying the policy for both the new central library project and the new neighborhood branch library in East Baton Rouge.

Significant Findings and Recommendations

“NO NAMING RIGHTS” PRACTICE and PUBLIC FUND-RAISING CAMPAIGN

Although not a formal policy of the Library Board, the members have refrained from *naming* any library (or component of a library, for example, a special collection room) after a living or deceased person. This practice has deterred requests with a simple reference to its existence. The significant financial gap facing the Library System coupled with a developing national trend towards the use of *naming rights* in library public fund-raising efforts, however, warrants that the practice be revisited by the Library Board.

A review of the most prominent, new central libraries constructed in the last decade evidences that the vast majority of these facilities were partially funded with revenues generated from public fund-raising that promoted *naming rights*. In fact, a public fund-raising campaign featuring *naming rights* to various library components for the purpose of raising a pre-determined amount of the total construction costs was built into the financial proformas for these projects. For example, the new Seattle library system expansion, which includes a new central library, was budgeted for nearly \$190 million with nearly \$88 million of that amount raised from public contributions to the library foundation. The Seattle Public Library Foundation has received thousands of generous contributions to the “Campaign for Seattle’s Public Libraries.” In recognition of gifts of \$250,000 and above, the contributors have been honored with named physical spaces in the new central library. Some of the spaces and their designated honorees are

Anne Marie Gault Story Hour Room
Faye G. Allen Children’s Center
The Norcliffe Foundation Living Room
Howard S. Wright Family & Janet W. Ketcham Meeting Room
Washington Mutual Foundation Meeting Room
Charles Smoyi Mixing Chamber
Kreielsheimer Foundation Performance Arts Room
A. Scott Bullitt History and Biography Collection
Betty Jane Narver Reading Room
Virginia Burnside Board Room
Joshua Green Foundation Arcade
Microsoft Auditorium
Maria Lee Koh and Family Fiction Collection

Evelyn W. Foster Learning Center
Maritz Map Room
Boeing Technology Training Center
PACCAR Inc. Meeting Rooms
The Maffei Family Aviation Room
Barry A. Ackerley Business Collection
Peter F. Donnelly Arts and Literature Collection
Eulalie and Carlo Scandiuzzi Writers’ Room
Hugh and Jane Ferguson Seattle Room
Atsuhiko and Ina Goodwin Tateuchi Plaza
Dynix Gallery
Starbucks Teen Center



Significant Findings and Recommendations

STRATEGIC PARTNERSHIP WITH CAPITAL AREA TRANSIT SYSTEM (CATS)

Although the pending change in CATS leadership initially handicaps a request for funding assistance from the U.S. Federal Transportation Agency (FTA), the application process continues and can be successful provided the Library Board adopts with finality the location of the new central library so that efforts can be renewed for the upcoming federal fiscal year.

In the spring of 2005, Dwight Brashear, CATS's executive director, submitted an appropriation request to the FTA for fiscal year 2006 funding for the purpose of constructing a new downtown transfer terminal and tipping point station plus the acquisition of buses. The dollar request was for \$7,680,000. In early 2006, Mr. Brashear announced that first-year funding of \$1,000,000.00 for authorized purposes related to the construction of a downtown transfer terminal had been secured. No further action has been taken on the library's behalf since that date due to the uncertainty surrounding the location of the new central library.

It is important to note that regardless of whether the new central library is built at Independence Park or in downtown Baton Rouge, a multi-story parking structure will be required at either location. A renewed, sustained effort with Mr. Brashear (or his successor) is imperative immediately upon the Library Board's making a final decision on the new central library's location.

STRATEGIC PARTNERSHIP WITH BATON ROUGE RECREATION COMMISSION (BREC)

BREC, under the leadership of its Director, Bill Palmer, has expressed a strong willingness to work with the Library Board to make the CIP strategy successful. The current Goodwood main library is on city-owned and BREC-managed property. The Library Board's CIP strategy, however, needs to be feasible within BREC's pending plans for Independence Park. The construction of a new regional library on the site appears to be compatible with BREC's plans based on current design drawings. A Library Board decision to build a new central library at Independence Park, however, must be preceded by in-depth discussions with BREC as to its feasibility and compatibility with BREC's plans for the park. (See page 54). BREC's most pressing request is that the Library Board finalize as soon as possible its plan of action regarding Independence Park in order that BREC may move forward in its master plan for the property. BREC is prepared to work with the Library Board in a spirit of collaborative leadership.

Goodwood Library at Independence Park



AERIAL PHOTOGRAPH



Significant Findings and Recommendations

NEW REGIONAL LIBRARY

A new regional library is part of the current CIP program. The construction of a new central library at Independence Park would result in the downtown branch library being renovated into a new regional library. Conversely, the construction of a new central library downtown Baton Rouge would result in the current Goodwood library being renovated into a regional library or a new regional library facility being built adjacent to the current library with the latter being demolished after completion.

In planning for the CIP program, the Library Board commissioned Cockfield-Jackson Architects in 2005 to develop a schematic design and probable cost analysis for the renovation and conversion of the Goodwood main library into the Goodwood Regional Library. The firm reported its findings to the board last fall and, based on pre-Katrina construction pricing, it was projected that a savings of approximately \$1.2 million could be achieved by renovating the 65,000 sq. ft. facility instead of constructing a new facility. The financial savings from renovating instead of building a new facility would be larger if library operations would not have to be relocated to another off-site facility during renovation construction. It is projected that this relocation cost could be as much as \$1 million, therefore, the cost difference narrowed from \$2.2 million to the \$1.2 million amount. (See drawing on page 56).

Again, however, post-hurricanes construction prices have caused this financial gap to increase based on the construction timeline option elected by the Library Board. A more aggressive construction timeline schedule results in the construction of a new regional library costing \$3.5 million more than the renovation of the current facility. An extended schedule that mirrors the current CIP construction timeline increases the cost difference to \$5.4 million. (See chart on page 57).

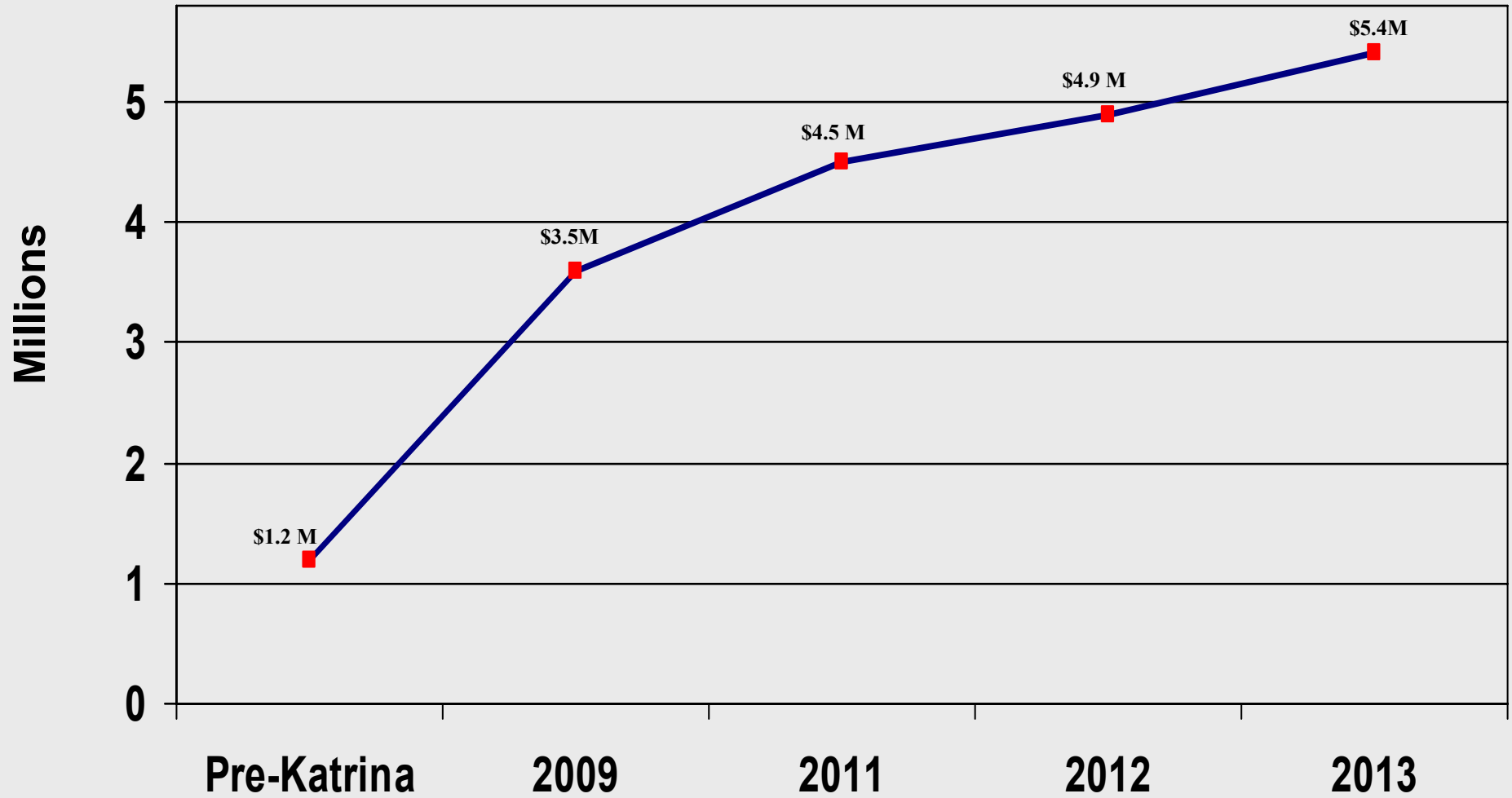
An extremely important point that has been overlooked by many people in the discussion of the location of a new central library is that the new regional library to be constructed will be superior in every single category to the current facility - more computers, additional Library materials, expanded seating, meeting and study rooms, auditorium and youth and teen areas. Although there will be a centralization of all collections at the new central library as part of the current CIP strategy, library services to the current and future users of the Goodwood or downtown library will be tremendously enhanced.

Renovated Goodwood Regional Library



New Goodwood Regional Library

Increased Cost of New Construction over Renovation





Significant Findings and Recommendations

STRATEGIC PARTNERSHIP WITH CONGRESSIONAL DELEGATION

The EBRP Library System, through its Director, Lydia M. Acosta, has initiated federal appropriation requests through the offices of both United State Senators, Mary Landrieu and David Vitter, and the United States Congressman for the Sixth District of Louisiana, Richard Baker. The requests to each party were similar in approach and content and referenced the new central library and parking garage. The requests were submitted knowing that the appropriations process is extremely competitive at the national level and that only a small percentage of such requests is ever funded.

The appropriations describe the EBR Library System as the busiest system in the State of Louisiana. The impact of Hurricanes Katrina and Rita have been noted, including the effect on the parish's population figures. The fact that the Library System has available matching funds in excess of 50% of the new central library projected cost is tendered as an inducement.

Conversations with staff representatives of the federal legislators tend to indicate that the requests have not yet evolved in a fashion that would make them actual items in an appropriations bill. The 2006-2007 federal budget is history. With this in mind, the Library Board should implement strategies targeted to advancing the requests through the complicated federal appropriations process for 2007-2008,

- Designate a staff person as liaison to work diligently to keep appropriate congressional staffers' attention focused on the requests
- Name designees to meet with the congressional delegation to reaffirm the priority of the requests
- Seek the support of the City-Parish administration and, specifically, the administration's Washington lobbying assets
- Explore the value of engaging governmental relations services designed specifically to advance these requests
- Ensure that the service of the governmental relations personnel encompass an analysis of all federal initiatives available.

Significant Findings and Recommendations

DOWNTOWN SITES

Although this study encompassed an assessment of all 4 projects included in the ten year CIP program, the subject of a downtown site for the new central library has generated the most interest. The mission of the study regarding possible downtown sites was clearly defined. The study was to determine if there were any downtown properties that met the minimum 50,000 sq. ft. land surface requirement for a new central library and, if so, to determine the extent of their respective availability. Three study inquiries set the tone for our research.

- What is the feasibility and viability of the current downtown library site as the location of the new downtown main library based on a analysis of all relevant factors?

RESPONSE: The current downtown RiverCenter regional library is 29,950 sq. ft. in a multi-story building. The fact that the proposed plans for a new central library envision a minimum 150,000 sq. ft. facility built on a minimum land area of 50,000 sq. ft. immediately raises questions of feasibility and viability. More than one architectural firm has informally evaluated the site and the responses are generally consistent. Unless the upper floors of a new building were allowed to protrude over Galvez Plaza, the site's space limitations would overrule the consideration of this site for a new central library. Furthermore, some of the required parking would have to be underground and the parking cost factor would increase at least 50%. Also, a potential role for this building as part of the City-Parish administrative complex has been mentioned. The property's attraction as a new central library site is based on the cost of land (free) and the proximity to downtown happenings. Both attributes pale when compared to the challenges that would be encountered to make this site work for a new central library.

- Will the efforts of the city-sponsored Hargreaves study of the Riverfront area offer any new feasible, viable, alternative sites?

RESPONSE: The Hargreaves study, to date, has not proposed any new feasible and viable sites for the new central library. A discussion was conducted with the Hargreaves staff and the topic of possible sites for the new central library was raised, but all sites discussed had already been identified and are listed below in the group of possible downtown sites.

Significant Findings and Recommendations

DOWNTOWN SITES (CONT'D)

- What are the possible sites for a new central library in downtown Baton Rouge? (See page 62)

RESPONSE: The *availability* of each prospective downtown Baton Rouge site is affected by one or more variables: property size, shape and location, acquisition timeframe, cost and legal acquisition structure (lease, purchase or equity option). Possible downtown Baton Rouge areas that could be considered for the new central library are

- **Current downtown library site at North Blvd.** (See pic on page 63)

A narrative on this possible site is available on the preceding page.

- **North Blvd./St. Ferdinand Street** (See pic on page 64)
- This block has potential because one of the major structures on the property, the old EBRATS school, is for sale. The limitations is that the EBRATS building alone does not occupy sufficient land space. It would be necessary also to acquire adjacent property on the block – other property owners include Entergy – and the price and timing may be prohibitive.

- **North Blvd and 6th/7th Streets** (See pic on page 65)

This geographic area encompasses two city blocks. One block fronts on North Blvd. and is bounded by 6th/7th and Convention Streets. The other block fronts on Convention St. and Florida Blvd. and also is bounded by 6th/7th Streets. The two blocks together encompass over 120,000 sq. ft. Although each block has separate ownership, the owners want the two tracts considered as part of one acquisition package. The property is available and the fact that BREC owns the old Continental bus station property on the second block adds to the attractiveness of the property. Furthermore, the fact that the properties have access/egress on three major downtown thoroughfares – Convention St., Florida and North Blvds. enhances the property's viability as a site for a CATS/FTA parking garage. This site is ideal for a public/private partnership venture.



Significant Findings and Recommendations

DOWNTOWN SITES (CONT'D)

- **Riverfront blocks** (See pic on page 66)

This description refers to the geographic area between River Rd., Florida Blvd., Main St. and Lafayette St. It is a *high rent zone* because of the spectacular views of the Mississippi River, but its river proximity is also its allure. One can just envision reading a book on an outdoor patio of the library while watching the sunset and the passing of boats. Whether there is a place for the new central library here will depend on on-going discussions regarding the property owners' intended use of the individual properties, timing and positive karma.

- **Main St. and 6th/7th Streets** (See pic on page 67)

This property is close to Spanish Town and across the street from the Galvez parking garage that houses the Farmer's Market. The owner is amenable to working with the Library Board in creating a public/private partnership venture with the property.

- **U.S. Post Office parking lot** (See pic on page 68)

Pre-Katrina, this property off of North Blvd. at I-110 may have been a greater possibility for a new central library. Post-Katrina, the increased workload of mail running through the downtown post office clouds the possibility of this being a prospective site. The fact that it is owned by a government agency keeps the door opened.

- **I-110 and Laurel/Florida Streets** (See pic on page 69)

Although right outside the geographic area that is traditionally known as downtown Baton Rouge, the fact that property within the zone is owned by state and municipal entities makes it a possible site. Furthermore, entering and exiting the interstate from both directions is easy. Finally, since the life span of a new central library facility is 25 years or more, the continued development of downtown and mid-town could eventually intersect in this area.



DOWNTOWN BATON ROUGE

New Central Library Site Possibilities

- **Current downtown library site at North Blvd.**
- **North Blvd./St. Ferdinand**
- **North Blvd and 6th/7th Streets**
- **Riverfront blocks**
- **Main St. and 6th/7th Streets**
- **U.S. Post Office parking lot**
- **I-110 and Laurel/Florida Streets**

River Center Library



North Blvd./St. Ferdinand/St. Charles



North Blvd./N. 6th St./N. 7th St.



Riverfront Blocks



Main St./6th St./7th St.



North Blvd./9th St./I-110



I-110/Florida St./Laurel St.





Significant Findings and Recommendations

SOUTH BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY

History

(Excerpted from 2003-2004 Minutes of the EBRP Library Board of Control)

In early 2003, the EBRP Library Board began an aggressive search to locate a site for a South Baton Rouge neighborhood branch library. Initially, three sites were under consideration. A common characteristic of all three sites was their respective location in the Burbank Rd. area though it was the sentiment of several board members that property more in the Southdowns area would be a preferable location.

Two possible sites were discussed and included property adjacent to Southdowns Elementary School on Hood Avenue and the Ford property on Perkins Road. Lydia M. Acosta, the library director, was directed to look into the availability of the Ford property. At the request of the Library Board of Control, Mr. Carnahan sent a letter to Mr. Gregory A. Pletsch, attorney for the estate of Mary Bordelon Ford on January 27, 2004. The letter expressed the Board's continuing interest in the Ford property as a potential site for the Southdowns Branch Library.

Members of the Southdowns Civic Association were recognized at the February 2004 board meeting to express their desire for a library branch in Southdowns. Mr. Richard Barker, President of the Association, said that they would like a library branch within walking distance for the residents of the area. They are very interested in a site on Hood Avenue. Mrs. Liza Armshaw, a member of the Southside Civic Association, expressed her desire for a library on Hood Avenue; however, she said that the association membership is divided on the issue of building a library in their neighborhood because of traffic in the neighborhood. Mrs. Armshaw feels that the Library needs to address traffic concerns with the public. Residents along Lee Drive were opposed to a library branch on Lee because of the traffic problem. Another site, the Ford property on Perkins Road, was seen by some speakers as a very desirable location because of its proximity to the Kenilworth, Pollard and Woodchase subdivisions.



Significant Findings and Recommendations

SOUTH BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY: Minutes 2003-2004 (CONT'D)

Dr. Charles Afeman and Mr. Kirk Patrick offered a gift of property behind the Highland Road estate of Coach Nick Sabin and across Burbank Drive. A flood zone drawing revealed that most of the property in question is in a flood zone. It is necessary to determine if any of this land is considered wetlands so that the regulations mandated by the Army Corps of Engineers for wetlands can be followed.

Mrs. Acosta stated that she spoke to Ms. Carrie Broussard of the City-Parish Planning Commission about the Burbank Drive property. Ms. Broussard mentioned that this area of the parish is projected for the greatest growth. Mrs. Acosta asked the City-Parish Planning Commission to provide the Library with population statistics for the area. The 2000 Census figures show a population of 25,200 with a projected population of 29,988 in 2010 and 36,285 in 2020. If a library branch were to be constructed in the Burbank area, it would be one of the first public buildings to go up in that area of the parish.

Mr. Carnahan stated that the Board needs to make a decision on whether a library should be constructed in Southdowns before proceeding further with the site on Burbank Drive. Mr. Carnahan asked Ms. Stepteau and Mrs. Acosta to investigate new listings of property for sale in the Southdowns area so that the Board can make a decision on the location for a new library.

As late as May 2004, members of the Library Board of Control continued the discussion begun at last month's meeting about the need to construct a library in Southdowns or to investigate the site on Burbank Drive near West Lee Drive. In response to Mr. Carnahan's request last month, Ms. Stepteau investigated new listings of property for sale in the Southdowns area. There were no listings that would have been suitable for a library.

In June, 2004 members of the Southside Civic Association expressed their desire for a library in their neighborhood. They would like a new branch library to be built within walking distance of their homes and possibly constructed on school property. They voiced concerns about the Burbank site because it is in a flood zone and contains wetlands. Traffic issues were also cited as a concern with the Burbank location.



Significant Findings and Recommendations

SOUTH BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY: Minutes 2003-2004 (CONT'D)

The Board explained to the Southside Civic Association members that they have searched for property in Southdowns for almost three years to no avail. Rising property values in Southdowns have resulted in property being sold above its appraised value. The Board is restricted from purchasing real estate above the appraised value. It was also noted that some residents of the area signed a petition to block the construction of a library branch on Lee Drive. The board further indicated that the available school sites were not on main thoroughfares, limiting the visibility of the library.

The members of the Southside Civic Association were appreciative of the opportunity to express their desires and they offered to help the Board find alternative sites. The Board welcomed the assistance offered and stated that its role was to serve the public in its need for library services. The Board will continue to investigate the Burbank site.

In July 2004 the members of the Board discussed whether to accept a donation of land on Burbank Drive near Lee Drive in order to construct a new library building. The consensus of opinion was that the gift of land should be accepted by the Library Board. A motion was made by Mr. Carnahan that the Library Board of Control accept the donation of approximately 5.8 acres on Burbank Drive near Lee Drive, and that the Library Board then initiate wetland's permitting and mitigation on the property. The motion was seconded by Mr. Reed, and unanimously approved by the Board.

At the board meeting, Mr. Jackson presented a preliminary master plan for the property. This plan outlined a 6.23 acre site with a 25,000 square foot library building. The exact location of the building will be determined when the permitting and mitigation of the property is begun. The board will need to make a determination on the size of the building at next month's regular meeting. Mr. Jackson advised the board to ask for enough land so that there is sufficient acreage for mitigation and construction of the building. A discussion followed about determining the size of the land donation. The board does not want to accept more land than it can use.

Significant Findings and Recommendations

SOUTH BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY (CONT'D)

Mr. Dan Reed spoke with Mr. Larry Book at the Parish Attorney's office for his legal opinion and guidance on the donation of property on Burbank Drive near Lee Drive. Mr. Book stated that once the board accepts the donation of the property, it cannot return unused land to the donors.

At the next meeting, Mrs. Acosta will provide population statistics and the 2003 Louisiana Standards for Public Libraries to the board so that the members can decide on the square footage for this branch. Ms. Stepteau stated that for the record, in regard to determining the size of the Burbank Branch Library, she will not vote for a size greater than the smallest branch library currently approved.

In December 2004, formal documents evidencing the donation of 6 acres +/- on Burbank Dr. were signed by the donors and the Mayor-President, Honorable Bobby Simpson. The terms of the donation provide that a branch library shall be constructed upon the donated property within five (5) years of the date of acceptance of the donation. If the EBRP Library System fails to honor the commitment/obligation, the property shall be returned to the donors. The property donated was valued at \$915,000 based on an appraisal. The Library Board included the Burbank property in its 2006-2015 CIP program.

Today

Subsequently, JTS Realty LLC submitted a proposal to the Library Board offering to donate property for a neighborhood branch library in its *Rouzan* traditional neighborhood development on Perkins Road on the former Ford property. Negotiations have ensued between the parties over the recent intervening months. Neighborhood civic associations, who only a year earlier were requesting the Library Board consider the Ford property for the Southdowns neighborhood branch library location, have voiced their strong objection to the *Rouzan* TNG. Efforts have been made to draw the Library Board into what is a determination for the City-Parish Zoning Board. On October 13, 2006, a revised proposal for the Library Board's review was submitted by JTS Realty. The latest proposal appears to address all substantive issues of the board, particularly, the provision that the library would not be responsible for any of the maintenance or repair of the library-related parking.



Significant Findings and Recommendations

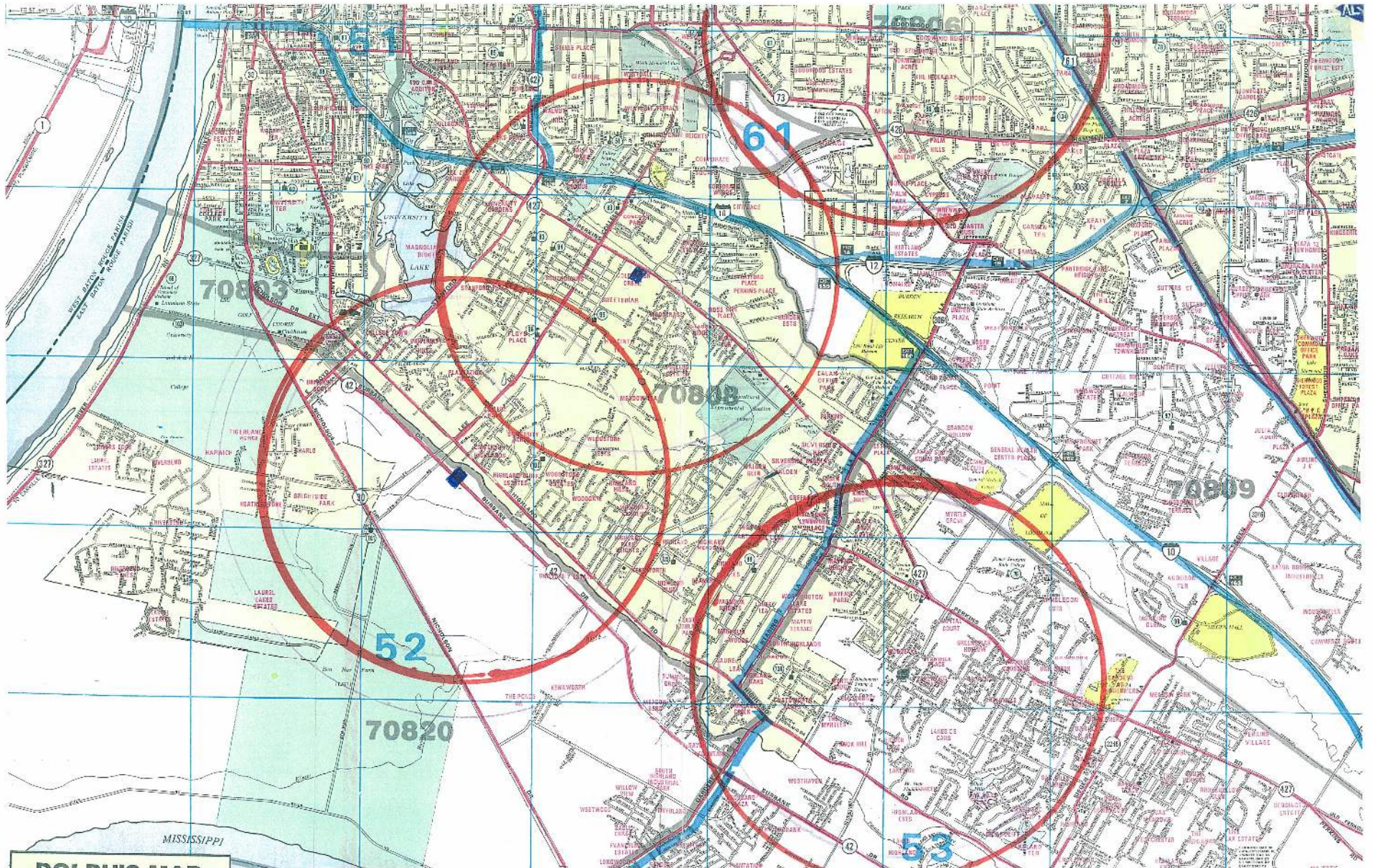
SOUTH BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY (CONT'D)

SUMMARY OF RECOMMENDED OPTIONS

(Reference Map on Page 75)

- The Burbank property falls outside the best practice site selection parameters for a South Baton Rouge neighborhood library location. Since two new neighborhood branch libraries are proposed in the current CIP program, the study focused on *nationwide best practices* relative to the *neighborhood branch site selection process*. These *best practices* have been applied in evaluating the proposed Burbank site for the new South Baton Rouge neighborhood branch library.
- The Burbank site is extremely viable as a possible site for a future neighborhood branch library as the population within a 3 mile radius of the site continues to grow,
- The application of the same *best practices standards* to the proposed JTS site on Perkins Rd. shows that the JTS site is a viable location for the new South Baton Rouge neighborhood branch library.
- The Library Board's evaluation of the JTS property for a neighborhood library should be restricted to the *best practices standards* and the proposed terms of the agreement between the parties. The JTS proposed development has received opposition from certain surrounding property owners. The proper forum for any zoning-related inquiries is the City-Parish Planning Commission.
- If the Library Board elects not to build the new South Baton Rouge neighborhood branch library on the Burbank property, it is strongly recommended that the timeframe in the current donation agreement for construction to commence for a branch library be extended for a minimum of 5 years and, preferably, ten years.

FINDINGS





Significant Findings and Recommendations

EAST BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY

The proposed new East Baton Rouge neighborhood branch library has the longest lead time before the commencement of construction. If the current timeline is maintained, construction would not commence until 2014. If construction prices rise at a rate of 5-7% annually for the next six or seven years, the total cost of the project will increase almost 50% during this period. As the Library Board evaluates its “*pay-as-you-go*” policy, strong consideration should be given to moving up this construction timeline. (See chart on page 78)

In the interim, sufficient time is allowed for the use of *best practices standards* in the site selection process. Christine Koontz, a nationally recognized authority on library siting, in her book, *Library Facility Siting and Location Handbook*, listed several key criteria:

Capacity of Site

The site should be large enough to accommodate the library facility requirements in a square or rectangular “footprint”; code required parking at grade or in a parking structure; necessary allowances for setback, zoning requirements, and suitable landscaping. A site that allows for a single story configuration, a single story over structured parking, or with all public spaces on a single story is preferred due to operational cost concerns wherever possible. Site capacity may also consider anticipated future library service needs.

Availability

The site should be relatively acquirable within the time frame needed without major conflicts and high legal costs.

Proximity to Other Branches

The location should be no closer than one mile from other branch libraries in the area, and preferably two miles away from any full service branches, so that each branch can have an immediate service area of a one-mile radius without significant overlap.



Significant Findings and Recommendations

EAST BATON ROUGE NEIGHBORHOOD BRANCH LIBRARY (CONT'D)

Accessibility

The site should be in an area frequently visited by all segments of the primary community being served, close to or on primary streets and transit routes, and highly visible. It should have convenient access to parking, and have the capacity to meet all Americans with Disabilities Act (ADA) requirements.

Neighborhood and Comprehensive Plan Compatibility

Libraries should be sited to provide a positive contribution to the neighborhood. The library should be compatible with existing land uses, and the environment around the future library should support access and use by library patrons. Siting of a new library facility will be consistent with the City's Comprehensive Plan. Siting decisions will be made after consideration of recommendations from the neighborhood planning process. Siting decisions may also consider co-location and joint use opportunities with other public or non-profit agencies.

Library Program Requirements

The site for a new library building or for space in an existing facility should provide for a single street level entrance, an open flexible floor plan with a minimum of load bearing walls and closely placed columns.

Cost

All costs related to each site must be considered including: acquisition costs; demolition costs of existing buildings; relocation costs of businesses or residents on the site; any unusual site development costs; any extra construction costs due to site conditions or configuration; costs of providing sufficient utility service. Neither the offer of donated property or a lower cost of property should be used to justify the selection of a site that does not substantially meet the above criteria. The cost of land may be evaluated in light of other cost considerations, such as the trade-off between land cost and the cost of structured parking.

East Baton Rouge Library System

Individual CIP Projects – Total Construction Costs Projections Pre-Katrina and Post-Katrina Construction Timeline Options

<u>Project</u>	<u>Pre-Katrina Timeline</u>	<u>Post-Katrina Timeline D</u>
South Branch	\$4,656,080	\$5,916,680
Goodwood Regional	\$7,848,500	\$14,088,250
Downtown Central	\$56,627,500	\$90,316,000
East Branch	\$6,658,500	\$9,000,800
Total	\$75,790,580	\$119,321,650
	<u>Year Opened</u>	<u>Year Opened</u>
South Branch	2009	2009
Goodwood Regional	2013	2013
Downtown Central	2013	2013
East Branch	2016	2016

Cyntreniks, LLC



Significant Findings and Recommendations

PUBLIC/PRIVATE PARTNERSHIPS

Overview

One of the study inquiries assigned to Cyntreniks LLC was

- What is the recommended strategy to gain “control” of the preferred downtown site for a new central library?

Typically, an agreement to purchase on mutually-agreeable terms and conditions would be the recommended strategy to use in gaining control of a desired parcel of property downtown for a new central library. All of the possible sites available for a new central library in downtown Baton Rouge, however, do not lend themselves to an outright purchase. Two or more of the preferred sites within the 7 geographic zones described may only be able to be acquired as part of a public/private partnership.

While such a structure has been used across the nation by various governmental entities for highway, schools, parking garages and other infrastructure purposes, the EBRP Library Board heretofore has not found the need to pursue such a collaboration. Interestingly, the board may have need to consider the concept for at least two of the 4 projects in the current CIP program.

First, should the Library Board elect to enter into an agreement with JTS Realty Services, LLC for the construction of a South Baton Rouge neighborhood branch library at its *Rouzan* traditional neighborhood development off Perkins Rd., the venture would be considered a public/private partnership. Furthermore, should the Library Board elect to enter into an agreement with a property owner/developer to construct a new central library downtown on property owned by the property owner/developer, this, too, would be a public/private partnership.

Also, in the era of GOZONE incentives that were established post-storms, significant inducements are available to private investors/developers interested in becoming involved in the Library System’s CIP program, specifically, the construction of a new central library. The heightened applicability of the business structure to library projects warrants a thorough explanation of the concept. Therefore, we have taken the liberty of excerpting an outstanding article by John Stainback, who is nationally recognized as one of the leaders in the field of public/private finance and development.



Significant Findings and Recommendations

PUBLIC/PRIVATE PARTNERSHIPS (CONT'D)

(Excerpted from an article in the Journal of Professional Issues in Engineering Education and Practice, October 2005 by John Stainback and Michael B. Donahue)

A public/private partnership (PPP) is a creative way by which a governmental entity like the EBRP Library Board of Control can address a financial challenge or opportunity. A PPP is a method of development that uses private capital, public interest and improvement, and combined risk and responsibility in order to deliver projects that would otherwise be beyond the reach of the public entity.

Although PPP is a new concept for the Library Board to consider in its CIP program, the structure has been used successfully across the United States in the redevelopment of downtowns, town centers, mixed-used developments, and a wide variety of public facilities including city and town halls, public garages, and the like.

There are many alternative project delivery methods that, if used properly, can reduce the cost and time of construction, such as Design/Build, Construction Management-at-Risk Delivery, and others. However, the only alternative method that reduces the amount of public capital necessary to deliver a project is PPP. In its Report to Congress on Public/Private Partnerships, in December 2004, the United States Department of Transportation (U.S. DOT) developed a useful definition of the term which shows the overall flexibility of this delivery system. According to the U.S. DOT,

“A public/private partnership is a contractual agreement formed between public and private sector partners, which allow more private-sector participation than is traditional. The agreements usually involve a government agency contracting with a private company to renovate, construct, operate, maintain, and/or manage a facility or system. While the public sector usually maintains ownership in the facility or system, the private party will be given additional decision rights in determining how the project or task will be completed.”



Significant Findings and Recommendations

PUBLIC/PRIVATE PARTNERSHIPS (CONT'D)

One of the greatest qualities of public/private partnerships is the enormous amount of creativity and flexibility in structuring these partnerships. Agreements can be specifically tailored to address the concerns of the public partner and satisfy the constraints and opportunities facing the public partner, such as

- Level of control over issues such as design, development quality, and facility operations
- Level for project risks, such as, market, interest rate, construction, etc.
- Amount of public capital investment (in many instances, traditional public debt can be eliminated by leveraging non-tax income paid by the private partner to the public partner and tax revenue generated by the project to support a revenue bond)
- Opportunity for public partners to negotiate the level of their responsibility for project tasks such as design, development, construction, and operation

The design, finance, and development of real estate requires experience, special skills and creativity. PPP allows the government entity to do what it does best and leaves real estate finance and development to professionals who have dedicated their careers to the industry. The key to any successful public/private partnership is a fair sharing of risks, costs, responsibilities, and economic return. Both partners should do what they do best. The actions of a private partner may include:

- Assemble the multidisciplinary team required to finance, design, develop, construct, and possibly operate the facilities and commercial development
- Structure creative public/private finance plans
- Provide and/or obtain private at-risk equity and debt
- Manage construction, market, interest rate, inflation, and other project risks
- Manage the design, finance, development, construction process to achieve significant cost reductions
- Accelerate the predevelopment and development processes to reduce interest cost during construction.



Significant Findings and Recommendations

PUBLIC/PRIVATE PARTNERSHIPS (CONT'D)

The advantages of PPP delivery are apparent and include sizeable project cost savings. Significantly, the timeline between concept and delivery is shortened considerably. In turn, the acceleration of predevelopment and construction activities that PPP affords (versus traditional public procurement schemes) collapses the overall schedule and thereby reduces the interest cost during construction, which results in significant cost savings. Innovations in project management, which allow for privatization of certain administrative and management functions, save both time and money.

Finally, to a degree not found in traditional public procurement models, PPP allows parties to allocate risk to the side best suited to manage it. Under traditional notions of design-bid-build procurement, the majority of risk (in fact, all risk except for the contractor's financial exposure) is borne by the government. However, PPP permits the private sector to share in a certain amount of the risk associated with the cost of capital and the capital investment in the deal.

For example, where a private-side developer has a financial stake in long-term maintenance costs, he is much more likely to deliver a higher-quality product in the first place and has an incentive to be especially diligent about value-engineering and quality control issues. The same principle is at work where return on investment is considered – a poor product will have little long-term value. Similarly, in the traditional scheme, the risk of operational cost over-runs is borne by the owner.

Under a PPP delivery, the operator of the facility, the developer, will pay the price if operating cost estimates prove to be too light, or if a shoddy product produces artificially high costs of maintenance and operation. This not only encourages good financial practice and diligent quality assurance/quality control during planning and construction, it serves as an incentive for a developer to be innovative and to use cutting edge technologies that might reduce long-term operational costs.

PPP has its risks and challenges. Certainly, there is no assurance that anticipated cost savings will be realized. The same can be said of time savings; PPP does not always save time. Again, however, on the whole the process is more streamlined and flexible and should result in shorter delivery times. Also, private-participant solvency is not guaranteed, so there is some risk relative to financial failure of the private developer which, of course, is not present when the government backs the project.



Significant Findings and Recommendations


NEW MARKET TAX CREDITS

New Market Tax Credits (NMTC) are a perfect complement to public/private partnership. NMTC are designed to promote investment in low-income communities. The Community Renewal Tax Relief Act of 2000 authorized tax credits to stimulate \$15 billion in equity investments in low income and economically distressed communities. Over 40% of all US census tracts qualify for investments, and over one-third of the US population lives in these tracts. Downtown Baton Rouge is a qualified census tract.

NMTC are viewed as a modest subsidy and function more like an interest subsidy than a capital grant. This means that financed activities will have to generate a positive cash flow and a return on capital in order to attract investors. However, the tax credits can turn a marginally profitable investment into an attractive investment. Therefore, a mixed-use development including a new central library could be a candidate for a NMTC allocation. NMTC provide an opportunity to bridge financing gaps and create partnerships among investors, communities, businesses, NGOs, and government in projects within low-income census tracts. The next allocation of NMTC will occur in 2007.

PROCESS

1. The US Treasury, through its Community Development Financial Institutions Fund, certifies qualified Community Development Entities. These entities must have a primary mission of community development, and serve or provide capital to low-income persons or in low-income communities.
2. The Community Development Entities then submit applications and compete for an allocation of the tax credits. Priority for allocation goes to entities with a successful track record in providing capital or technical assistance to disadvantaged businesses or low-income communities.
3. The Community Development Entities use the allocated tax credits to raise capital or financing from private investors for a term of at least seven years.
4. The Community Development Entities then use substantially all of the investment funds in low-income communities for a wide range of business activities such as equity investment, small business lending, financial counseling, and real estate investment.



Bridging the Financial Gap – A Strategy Going Forward

OVERALL RECOMMENDATION: Adopt a revised, comprehensive CIP strategic plan by year end

SPECIFIC RECOMMENDATIONS:

- Determine and gain control of a location for the new central library after “asking and answering” the 4 fundamental questions
- Evaluate CIP construction timelines against construction price trends
- Evaluate “pay-as-you-go” policy against construction price trends
- Evaluate “no-naming-rights” practice against revenue-generating requirements
- Designate site for South BR neighborhood branch library and, if applicable, extend donation timeline on Burbank property
- Select architects for key projects by early 2007
- Discuss with Mayor and Metro Council the impact of property tax *rollbacks* on CIP program
- Establish a program of multiple revenue-related sources to bridge the financial gap
- Involve BREC and CATS in CIP strategy planning
- Consider development of a public/private partnership in a multi-use concept for a new central library
- Recognize the critical importance of private donors, BRAF, and BRAC in a public fund-raising campaign
- Establish *best practices standards* for neighborhood branch library site selection process