

**Agency: Commerce, Community and Economic Development****Grants to Municipalities (AS 37.05.315)****Grant Recipient: Juneau****Federal Tax ID: 92-0038816****Project Title:****Project Type: New Construction and Land Acquisition****Juneau - Mendenhall Valley Public Library****State Funding Requested: \$7,000,000**  
One-Time Need**House District: Juneau Areawide (3-4)****Brief Project Description:**

Provide state matching grant for a new library in the Dimond Park area of Juneau's Mendenhall Valley. This project ranked third on the Department of Education & Early Development's Public Library Construction and Major Expansion Grant list.

**Funding Plan:**

Total Project Cost:	\$14,000,000
Funding Already Secured:	(\$2,250,000)
FY2013 State Funding Request:	<u>(\$7,000,000)</u>
Project Deficit:	\$4,750,000

*Funding Details:**\$1 million in private sector funds (Friends of the Library cash on hand committed to the project.)**\$250,000 Juneau Public Library Endowment Funds for Furnishings and Equipment***Detailed Project Description and Justification:**

The Public Library Construction and Major Expansion Matching Grant Program ranked this project third on its statewide list. It will build a new public library in the Mendenhall Valley area of Juneau.

On October 17, 2011 the City & Borough of Juneau Assembly passed a resolution authorizing the application to proceed. The resolution and the city's analysis showing lower operating & maintenance costs in a new facility than the current rental space are attached.

With at least \$1 million in nonprofit grants committed and \$250,000 of CBJ Public Library Endowment funds committed toward the furnishings & equipment portion of the project, there is already substantial local buy-in. The city has identified a parcel of CBJ land to use for the project as well, tentatively valued at \$1 million.

The project is under consideration for \$4.7 million in the package of public works projects funded by the voters in the renewal of the 1% sales tax expected to be on the ballot in October 2012.

**Project Timeline:**

Design by end of FY 13.

Construction complete by end of CY 15.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City & Borough of Juneau
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**Grant Recipient Contact Information:**

Name:	Kim Kiefer
Title:	City Manager
Address:	155 South Seward St. Juneau, Alaska 99801
Phone Number:	563-5400
Email:	kim_kiefer@ci.juneau.ak.us

Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No

## Funding for New Mendenhall Valley Library at Dimond Park

- The Library Construction and Major Expansion Matching grant program offers a unique opportunity for Juneau to construct a city-owned library at Dimond Park.
- In the budget for this fiscal year, the CBJ funded preparation of a grant application to the Department of Commerce, Community, and Economic Development (DCED) for a 50% matching grant under this program for construction of a Mendenhall Valley Library at Dimond Park.
- The Mendenhall Valley Library project ranked third out of seven applications received by DCED.
- 10 Alaska communities have already received funding for construction of new libraries or expansion of existing libraries.
- AkLA and the library community statewide have cooperatively supported all of the projects funded in the first two years of the program. By mutual understanding they have agreed to rank projects by an established criterion that confirms their readiness to apply to funders as shown in the statewide library construction funding matrix.
  - Project meets a documented need
  - Is consistent with strategic and community plans
  - Considers opportunities for collaboration
  - Has appropriate facility and site plans
  - Is financially sustainable
  - Supports long-term sustainability of the organization
- The communities with the four top-ranked projects support funding by this year's legislature for construction of all four libraries. We have each supported earlier projects in their requests for funding. Now libraries around the state and the Alaska Library Association are actively supporting funding for our projects.
- The interest of the Friends of the Juneau Public Libraries is strongest, of course, in the construction of a new Mendenhall Valley Library at Dimond Park, but we here today requesting funding for all four library projects that are ready to move forward however, require state funding be in place to leverage the balance of funding required to construct their new facilities.
- The library and the Friends of the Juneau Public Libraries have requested the CBJ Assembly to include construction of the new library in the temporary 1% sales tax measure on the fall ballot.
- The proposed funding for the Juneau project is the following:

\$7,000,000	Library Construction grant 50%
1,000,000	Friends of the Juneau Public Libraries
300,000	Juneau Public Library Endowment (furnishings and equipment only)
1,000,000	CBJ in-kind land
<u>4,700,000</u>	CBJ sales tax
\$14,000,000	Total project cost

# Statewide Public Library Construction Projects Status Updates / FY2013 State Assistance Funding Requests

Community	Project Type	Project Status	State Funding Request	State Funding Received					
✓ Cordova	New Library	Construction began September 2009. Completion anticipated Fall 2012.	\$2M	FY2011					
✓ Kenai	Expansion	Grand Opening held July 9, 2011.	\$1.5M	FY2011					
✓ Seward	New Facility	Construction began September 2011. Completion anticipated Fall 2012	\$4.7M	FY2011					
✓ Petersburg	New Facility	Completing Design Phase. Anticipate Spring 2012 construction start.	\$3.25M	FY2011					
✓ Barrow	Expansion	Construction Began June 2010. Completion anticipated Winter 2012.	\$350K	FY2011					
✓ Sutton	New Facility	Construction Began July 2011. Completion anticipated Fall 2012.	\$1.5M	FY2011					
State Funding Secured			\$13.3M						
Community	Project Type	Project Status	State Funding Request	State Funding Received					
✓ Soldotna	Expansion	Advancing to next level of design. Anticipate Spring 2012 construction start.	\$3.4M	FY2012					
✓ Ketchikan	New Facility	Construction to begin Fall 2011. Completion anticipated Winter 2012.	\$6M	FY2012					
✓ Skagway	Expansion	Advancing to design. Anticipate late Summer 2012 construction start.	\$667K	FY2012					
✓ Kodiak	New Facility	Advancing to next level design. Anticipate Fall 2012 construction start.	\$6.9M	FY2012					
State Funding Secured			\$16.967M						
Community *	Project Type	Site Ownership	Space Program	Design Concept Study	Legislative Priority	Cost Estimate	Local Funding	State Funding Request	Timing For State Funding
Fairbanks/ North Pole	New Facility	Yes-Borough	18,625 SF	Yes	Yes	\$13.6M	Portion of \$10M Trust + Grants + Local Fundraising	\$6.8M	FY2013
Talkeetna	New Facility	Yes-Borough	7,840 SF	Yes	Yes	\$5.6M	Borough Funding + Grants + Local Fundraising	\$2.8M	FY2013
Juneau, Mendenhall Valley	New Facility	Yes-Borough	20,600 SF	Yes	Yes	\$14M	Borough Revenue + Endowment & FOL Funds + Grants + Local Fundraising	\$7M	FY2013
Sitka	New Facility	Yes-City	14,000 SF	Yes	Yes	\$11.4M	G.O. Bond + Grants + Local Fundraising	\$5.7M	FY2013
					\$22.4M				
The Following Public Libraries Are In Early Stages Of Planning. Further Information Will Be Provided As These Projects Evolve.									
Anchor Point – New Facility • Craig – Expansion • Nome – New Facility • Palmer – Expansion • Thorne Bay – New Facility • Wasilla – New Facility									

This matrix represents the collaborative initiative of statewide library directors, community leadership, Friends of the Library organizations and volunteer steering committees leading new construction or renovation of public libraries in their communities. The intent of this effort is to continue to provide a comprehensive statewide view of all known public library construction or renovation projects highlighting each project's current status toward meeting today's commonly accepted criteria for applications to funders for capital funding.

- To achieve the adoption of new language to align the grant regulations and grant solicitation processes to better serve Alaska's public libraries
- Determine the best long-term opportunity for state funding of library construction projects
- Achieve the intent of the legislation enacted and to support public library construction funding as a recurring line item of the state budget

- Meet a documented need
- Are consistent with strategic/community plans
- Have explored funding opportunities with collaborators
- Have appropriate facility and site plans and realistic project budgets that are financially sustainable
- Will not negatively impact the sustainability of the proposing organization
- Have a fully developed and vetted business plan
- Identify timing of need for state funding critical for each community's ability to leverage additional capital funding from agencies and private funders agencies
- Identify local matching funds as required

***The following links are offered for your reference:*** AS Statute Reference; AS 14.56.355.356 enacted into law September 2, 2008. Enacted Regulations Library Construction and Major Expansion Matching Grant Program Alaska Library Association, President, [atmcr@uaa.alaska.edu](mailto:atmcr@uaa.alaska.edu) Multiple Library Projects have received the support of The Foraker Group Pre-Development Program. To learn more about this program visit: <http://www.forakergroup.org/index.cfm/Shared-Services/Pre-Development> or contact: Chris Kowalczewski at [ckowalczewski@forakergroup.org](mailto:ckowalczewski@forakergroup.org) or 907-743-1200.





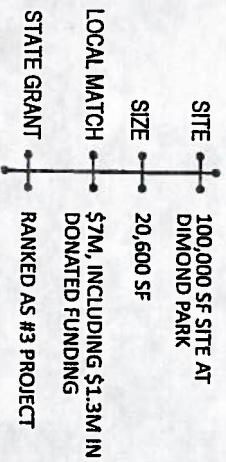
**Juneau Public Libraries**  
Juneau, Alaska

*An open door to lifelong learning and exploration that provides free access to shared resources that entertain, and enlighten.*

The Mendenhall Valley Library is the busiest branch among the three Juneau Public Library facilities. The library welcomes more than 3,500 visits per week and circulates more than 93,000 items per year. The branch serves the largest population of children, teens and young adults in the borough and accounts for 65% of the juvenile circulation in the system. The meeting room at the library hosts more than 600 government and private meetings and events a year attended by more than 7,000 people.

The current facility has been located in commercial space in a mall since 1983. Although the population of the Mendenhall Valley has more than doubled in that time, the library now has only 300 more square feet than it did 29 years ago. The facility has no outside entrance, limiting library access to mall hours and reducing programming options. The facility is only minimally ADA compliant. Lighting, electrical and structural deficiencies limit collection size, programming space, and placement of technology.

Construction of a city-owned library in the Mendenhall Valley has been a community goal since the early 1980's. Land has been designated for a library on the Diamond Park site since the city first purchased the site. The library and this construction project enjoy considerable community support, including financial support. The Friends of the Juneau Public Libraries and the Juneau Public Library Endowment Fund have committed \$1.3 million to the project.

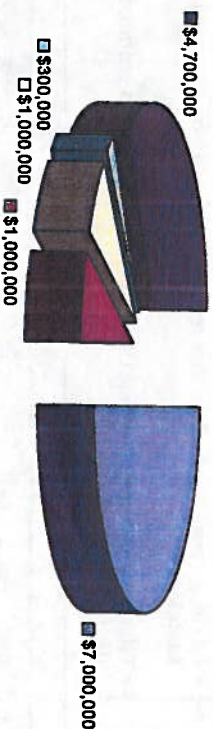


A city-owned library will save on operating costs. Rentals have cost the city more than \$6.5 million in current dollars over 29 years, and the rent expense is one of the largest drivers of the library's total budget. A new facility will also offer staffing and energy efficiencies that will save operating expenses for many years to come.

## Project Funding

Project funding will be led by the City and Borough of Juneau. The city is contributing the land for the project with a current market value of \$1,000,000. The library is asking to be included in a temporary 1% sales tax measure on the October ballot. Among several projects, the library is unique in bringing considerable non-city resources to the table. As the third-ranked project of those submitted to DCCED, the new Mendenhall Valley Library is in an excellent position to receive state matching grant funds. The library and the Friends are both committed to seeking further grant resources to reduce the CBJ sales tax contribution needed.

**Total Project Cost: \$14M**



\*Additional grants (Rasmuson, AEA, etc.) to reduce CBJ Sales Tax contribution will be pursued but no funding is currently defined



## Juneau Library Achievements to Date

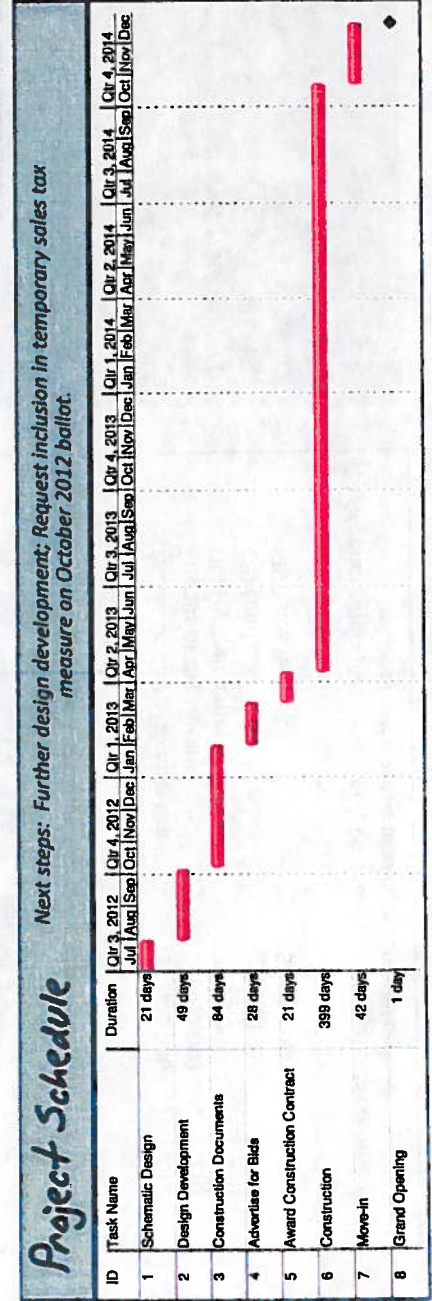
- Endowment Board commits \$300 K to help equip and furnish the new library.
- Successful State construction grant application submitted, project ranked #3 of seven. Assembly adopts resolution approving submission of State grant application Public design workshops held to gather public input. .
- Friends of Library host public open house to kick off the public design process.
- MRV Architects are hired to develop the conceptual plan.
- 2011 — The Assembly authorizes development of concepts for new library
- 2008 — State establishes Library Construction and Major Expansion Matching Grant Program
- 2005 — Friends of the Juneau Public Libraries adopts resolution that establishes Major Library Projects Fund.
- Unsuccessful ballot initiative for community complex
- 2001 — Assembly directs library planned community recreation center complex.
- 1989 — Friends of the Juneau Public Libraries opens The Amazing Bookstore.
- 1985 — CBJ purchases Dimond Park site, library designated as one of site uses.
- Library moves from a shared school facility to Mendenhall Mall as temporary home until library can be constructed.
- 1983 — Successful campaign for temporary sales tax, supports acquisition of a library site in the Mendenhall Valley.
- 1981 — CBJ long-range library plan that recommends a city-owned public library in the Mendenhall Valley.
- 1980 — Friends of the Juneau Public Libraries is incorporated to promote library development in Juneau.



## Project Goals

In planning the new Mendenhall Valley Library at Dimond Park the community is committed to creating a building that:

- Generates community pride, ownership and belonging in the Mendenhall Valley
- Provides access and information resources to all
- Offers programs that promote lifelong learning and reading for pleasure
- Offers children a doorway to learning
- Provides community meeting spaces
- Is affordable to construct, operate and is fiscally sustainable
- Contributes to the quality of life in the Mendenhall Valley



Presented by: The Manager  
Introduced:  
Drafted by: J.W. Hartle

## RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2590

**A Resolution Authorizing the Manager to Submit to the Alaska Department of Commerce, Community, and Economic Development an Application for a Library Construction and Major Expansion Matching Grant for Construction of a Valley Branch Library at Dimond Park.**

WHEREAS, the City and Borough of Juneau has updated the planning and space needs assessment for a valley branch library at Dimond Park in order to prepare an application for a Library Construction and Major Expansion Matching Grant; and

WHEREAS, the Department of Commerce, Community, and Economic Development, has advertised for Library Construction and Major Expansion Grant requests pursuant to AS 14.56.355-14.56.356; and

WHEREAS, the City and Borough is an applicant for a grant in the amount of \$7 million from the Alaska Department of Commerce, Community and Economic Development under the Library Construction and Major Expansion Matching Grant program; and

WHEREAS, the Manager has prepared the grant application, which must be submitted by November 4, 2011.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1.** That the Assembly hereby authorizes the Manager to submit an application to Department of Commerce, Community, and Economic Development.

**Section 2.** That the Engineering Department is established as the agent for the City and Borough for administration of this project.



**Section 3. Effective Date.** This resolution shall be effective immediately upon adoption.

Adopted this      day of              2011.

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Bruce Botelho, Mayor

Attest:

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Laurie J. Sica, Clerk

## Comparison of Valley Library Operating Expenses for Rental and Owned Facilities

### Current Library in Mall - Projected through FY16

3% inflation factor

	2012	2013	2014	2015	2016	
Personnel to cover desk shifts	253,600	261,208	269,044	277,116	285,429	Division of personnel costs for desk shifts only Juneau 13%, Valley 15%, Douglas 6%
Utilities	0	0	0	0	0	Included in rent
Rent	192,000	198,000	204,000	212,400	220,800	Three year lease through FY14. Two year optional renewals through FY16
<b>Library budget</b>	445,600	459,208	473,044	489,516	506,229	Excludes Shared Costs over All Facilities
Janitorial/maintenance	37,542	38,668	39,828	41,023	42,254	<b>In Building Maintenance budget</b>
<b>Total budget</b>	<b>483,142</b>	<b>497,876</b>	<b>512,873</b>	<b>530,539</b>	<b>548,483</b>	

### CBJ-Owned New Valley Library at 21,000 s.f.

3% inflation factor

	2012	2013	2014	2015	2016	
Personnel to cover desk shifts		261,208	269,044	277,116	285,429	Division of personnel costs for desk shifts only Juneau 13%, Valley 15%, Douglas 6%
Utilities		83,623	86,132	88,716	91,377	Juneau expenses per s.f. times 21,000 s.f. +3% inflation
Rent		0	0	0	0	
<b>Library budget</b>		344,831	355,176	365,831	376,806	Excludes Shared Costs over All Facilities
Janitorial/maintenance		113,565	116,972	120,481	124,096	<b>In Building Maintenance budget</b>
<b>Total budget</b>		<b>458,396</b>	<b>472,148</b>	<b>486,312</b>	<b>500,902</b>	

Difference in total expense from rental facility

**(39,480)   (40,725)   (44,226)   (47,581)**

## Comparison of Valley Library Operating Expenses for Rental and Owned Facilities

### Comparable 21,000 SF Rental Library in Mall 3% inflation factor

	2012	2013	2014	2015	2016	
Personnel to cover desk shifts	253,600	261,208	269,044	277,116	285,429	Division of personnel costs for desk shifts only Juneau 13%, Valley 15%, Douglas 6%
Utilities	0	0	0	0	0	Included in rent
Rent	403,200	415,200	427,200	444,000	445,280	Three year lease through FY14. Two year optional renewals through FY16
<b>Library budget</b>	656,800	676,408	696,244	721,116	730,709	Excludes Shared Costs over All Facilities
Janitorial/maintenance	78,838	81,203	83,639	86,149	88,733	<b>In Building Maintenance budget</b>
<b>Total budget</b>	<b>735,638</b>	<b>757,611</b>	<b>779,884</b>	<b>807,264</b>	<b>819,442</b>	

### CBJ-Owned New Valley Library at 21,000 s.f. 3% inflation factor

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Difference in total expense from rental facility

(299,215) (307,736) (320,952) (318,540)



## OPERATING COSTS ESTIMATES NARRATIVE

### Operating costs estimates for a new Mendenhall Valley Public Library compares:

- a) Operating costs for the present, 9,600 SF rental facility and costs for a CBJ-owned library of 21,000 SF, and
- b) Operating costs for a comparable rental facility of 21,000 SF and costs for a CBJ-owned library of 21,000 SF

## ASSUMPTIONS

### Staffing

A new library will be designed to be operated and supervised by 2 staff during open hours, just as the current facility and the downtown Juneau facility are. Therefore, staffing costs will not increase at a greater rate in a new facility than in the current location.

The cost of staffing was determined by the actual desk shift hours worked by staff at the current Valley library and current open hours using the current staffing schedule for the FY12 budget. A 3% annual inflation rate was used.

Some existing administrative staff functions now housed at the downtown library could be relocated to the new facility to be located near the locus of their primary functions. These changes would relocate existing administrative functions and do not represent an increase in staffing:

- Youth Services, since the majority of the population they serve uses the Valley library
- Shipping and receiving of books and materials, since deliveries to the downtown library are complicated by the lack of delivery parking and elevator only access, and the Dimond location is near the main post office in the Valley, and
- Central circulation supervision, since the Valley accounts for the greatest circulation in the system, and the circulation supervisor also serves as the Valley branch manager.

### Utilities

Utilities for the current Valley facility are included in the rent. These estimates are based on 3-year average consumption rates per square foot at the downtown Juneau library at current costs, multiplied by the square footage of the proposed new library. Because the new library will be built to current energy-saving standards, while the downtown library is more than 20 years old, these costs are probably slightly higher than they would be in a new 21,000 square foot building. A 3% annual inflation rate was used.

### Rent

The annual rent is projected through 2016, using rental amounts from the current 3-year budget, with amounts for two optional 1-year extensions in the present lease. For a comparable 21,000 SF rental facility, the cost per square foot in the current library was multiplied by 21,000.

### Janitorial and Maintenance

These costs are currently in the Building Maintenance budget, and this estimate assumes that they will remain there.

Janitorial costs are not included in the rent at the current library. Costs to Building Maintenance also include an amount for maintenance that covers maintaining and replacing lights in the rental facility. Routine maintenance and repairs of the structure, plumbing and electrical in the present library are handled by the mall management.

The projected janitorial and maintenance costs for the current library are derived from the Building Maintenance FY12 budget with a 3% annual inflation rate.

The projected building and maintenance costs for a new 21,000 SF library are derived from the FY12 Building Maintenance budget for janitorial and maintenance at the downtown Juneau library. The cost per square foot at Juneau was multiplied by the square footage of a new facility. A 3% annual inflation rate was used.

Maintenance issues at the downtown library involving the elevators add to the base cost, as do problems that arise from aging of the facility. This probably results in a greater cost per square foot than would occur in a new facility without elevators.

### Additional Valley Expenses

The library does not budget for supplies, equipment, materials (books), or services by branch, but for the library system as a whole. Expenditures are made as appropriate and as needs arise. Certain costs, such as database subscriptions, contractual costs for systems software maintenance, courier services, and training expenses benefit all branches equally and cannot be reasonably subdivided by branch. We anticipate that costs for the system as a whole would shift among the branches as some functions move to the Valley, but not increase substantially over the costs for the present three facilities.



## FRIENDS OF THE JUNEAU PUBLIC LIBRARIES

292 MARINE WAY • JUNEAU, Alaska 99801

DATE: October 10, 2011  
TO: Mayor Bruce Botelho  
Juneau City and Borough Assembly  
FROM: Friends of the Juneau Public Libraries Board  
RE: Library Construction Grant Application for the Valley Library

The Friends of the Juneau Public Libraries board unanimously requests the Assembly of the City and Borough of Juneau to submit a grant application to the State of Alaska Department of Commerce Community and Economic Development under the Library Construction and Major Expansion Grant program. Subject to appropriation of local matching funds, this grant will provide up to 50% of the total proposed project costs.

We believe that the availability of these matching grants from the State of Alaska represents a unique opportunity for Juneau to build a community library branch in the heart of the Valley. Not only will a city-owned library provide improved library services to Valley residents, but it will also serve as a civic meeting space for public and private meetings and offer improved services to families with young children and to youth. A city-owned library will also save money in both the short and long term by putting the money that now goes to rent into a library that will serve the city and Valley residents for decades to come.

The Friends of the Juneau Public Libraries have worked many years toward the goal of building a city-owned public library branch in the Mendenhall valley. Since the 1980's, hundreds of volunteers have operated the Amazing Book Store with this goal in mind. We have invested the proceeds of the book store wisely and are prepared to contribute substantially to the 50% local match required by the grant.

The Friends of the Juneau Public Libraries board has voted to commit at least \$1 Million of presently held assets toward construction of a new Mendenhall Valley Library at Dimond Park. We are also committed to raising more funds, both through the Amazing Book Store and through additional fundraising for this much-needed facility in the Valley.

We feel the time is now for this project.

Paul B. Began, Vice President  
Latt Macaulay  
Jeff Vogt, President

Lon Brotherton, Treasurer

Kathleen Erickson

Sharon Smith