

[Renewal of Library Preservation Fund for fifteen-year term and authorization to issue debt for Library purposes secured by and/or repaid from the Fund.]

CHARTER AMENDMENT

PROPOSITION ____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by repealing the existing Section 16.109 and adding a new Section 16.109, to renew the Library Preservation Fund for fifteen years and to authorize the City and County of San Francisco to issue debt for Library purposes secured by and/or repaid from the Fund.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 6, 2007, a proposal to amend the Charter of the City and County by repealing the existing Section 16.109 and adding a new Section 16.109 to read as follows:

Note: Additions are *single-underline italics Times New Roman*.
Deletions are ~~*strikethrough italics Times New Roman*~~.

SEC. 16.109. LIBRARY PRESERVATION FUND

(a) Establishment of Fund. There is hereby established the Library Preservation Fund ("the Fund") to be administered by the Library Department as directed by the Library Commission. Monies therein shall be expended or used solely by the Library Department, subject to the budgetary and fiscal provisions of the Charter, to provide library services and to construct, maintain and operate library facilities.

(b) Annual Set-Aside. The City will continue to set aside from the annual property tax levy, for a period of fifteen years starting with the fiscal year 2008-2009 an amount equivalent to an annual tax of two and one-half cents (\$0.025) for each one hundred dollars (\$100) assessed valuation ("Annual Set-Aside").

The Controller shall set aside and maintain such an amount, together with any interest earned thereon, in the Fund, and any amount set aside in the Fund that is unspent or uncommitted at the end of the fiscal year shall be carried forward to the next fiscal year and, subject to the budgetary and fiscal limitations of this Charter, shall be appropriated then or thereafter for the purposes specified in this Section.

Revenues obtained from the Annual Set-Aside shall be in addition to, and not in place of, any General Fund monies appropriated to the Library pursuant to subsection (c) and, together with interest, shall be deposited into the Fund.

(c) Baseline – Maintenance of Effort. The Annual Set-Aside shall be used exclusively to increase the aggregate City appropriations and expenditures for services, materials, facilities and equipment that will be operated by the Library for Library purposes. To this end, in any of the fifteen years during which funds are required to be set aside under this Section, the City shall not reduce the Baseline for the Library Department below the fiscal year 2006-2007 Required Baseline Amount (as calculated by the Controller), except that the Baseline shall be adjusted as provided below.

The Baseline shall be adjusted for each year after fiscal year 2006-2007 by the Controller based on calculations consistent from year to year, by the percentage increase or decrease in aggregate City and County discretionary revenues. In determining aggregate City and County discretionary revenues, the Controller shall only include revenues received by the City which are unrestricted and may be used at the option of the Mayor and the Board of Supervisors for any lawful City purpose. Errors in the Controller's estimate of discretionary revenues for a fiscal year shall be corrected by adjustment in the next year's estimate. For purposes of this subsection, (i) aggregate City appropriations shall not include funds granted to the City by private agencies or appropriated by other public agencies and received by the City, and (ii) Library Department appropriations shall not include funds appropriated to the Library Department to pay for services of other City departments or agencies, except for departments or

agencies for whose specific services the Library Department was appropriated funds in fiscal year 2006-2007. Within 180 days following the end of each fiscal year through fiscal year 2023-2024, the Controller shall calculate and publish the actual amount of City appropriations for the Library Department.

Any monies unspent at the end of a fiscal year shall be returned on a prorated basis to the funds from which they were appropriated. Adjustments in the Controller's estimate of the Baseline, including any baseline changes required from increases or decreases to City revenues after budget adoption, along with adjustments to the Annual Set-Aside for a fiscal year shall be corrected by credits or adjustment to be carried forward and added to the annual City appropriation for next fiscal year and, subject to the budgetary and fiscal limitations of this Charter, shall be appropriated then or thereafter for the purposes specified in this Section.

(d) Debt Authority. Notwithstanding the limitations set forth in Sections 9.107, 9.108, and 9.109 of this Charter, the Library Commission may request, and upon recommendation of the Mayor the Board of Supervisors may authorize, the issuance of revenue bonds or other evidences of indebtedness or the incurrence of lease financing or other obligations (the "Debt Obligations"), the proceeds of which are to be used for the acquisition, construction, reconstruction, rehabilitation and/or improvement of real property and/or facilities that will be operated by the Library for Library purposes and for the purchase of equipment relating to such real property and/or facilities. Such Debt Obligations shall be secured by and/or repaid from any available funds pledged or appropriated by the Board of Supervisors for such purpose, which amount may include funds in the Fund allocated under subsection (e)(3) below. Funds appropriated to pay debt service on the Debt Obligations in each fiscal year under the terms of this Section shall be set aside in an account for such use until such payment is made.

(e) Spending Priorities. The Annual Set-Aside and monies carried over from prior fiscal years in the Fund shall be expended in accordance with the following priorities:

1. Such allocations as are necessary for the Library Department to operate the Main Library, which includes a library for the blind, no fewer than 27 neighborhood branch libraries, and an auxiliary technical services facility, with 1211 permanent service hours per week system wide and the permanent service hours at each neighborhood branch library as set by the Library Commission as of November 6, 2007, which may be modified only as provided by subsection (f).

2. Such allocations as are necessary to provide for library services and collections in all formats in order to meet the current and changing needs of San Francisco communities, as the Library Commission in its sole discretion shall approve.

3. Notwithstanding the priorities set forth in this subsection, the Annual Set-Aside shall be used each fiscal year to pay debt service relating to Debt Obligations issued or incurred by the City under subsection (d) above, but only to the extent that such annual debt service would be payable under a financing with the term and principal amount reflected in a Library Commission request for bond issuance under subsection (d) above. Amounts on deposit in the Annual Set-Aside in excess of such annual debt service shall be used according to the other priorities of this subsection.

4. To the extent there are unexpended funds remaining in the Fund after the requirements of paragraphs 1 through 3 have been satisfied, such funds may be used for any lawful purpose of the Library Department.

(f) Library Service Hours. Except as provided below in paragraphs 3 and 4, the Library Commission shall maintain at least 1211 permanent service hours per week system wide and the permanent hours at any neighborhood branch Library until July 1, 2013. As of that date, the Library Commission may modify permanent service hours per week system wide and at specific neighborhood branch libraries for succeeding five-year intervals, or at shorter intervals as the Commission may adopt, and in accordance with the following procedures:

1. No later than March 1, 2013, and for each service hour interval thereafter, the Library Commission shall establish a community input process, which may include an informal

survey of library users and meetings with the Library Citizens Advisory Committee, Council of Neighborhood Libraries and neighborhood groups, through which citizens of the City and County of San Francisco may provide assistance to the Library Commission as it develops criteria to set system wide and branch service hours for the upcoming interval. Prior to setting service hours for the next interval, the Library Department shall conduct at least one hearing in each supervisorial district to receive and consider the public's comments about existing and potential Library service hours. The Library Commission shall ensure that at least six of these hearings, distributed geographically throughout the City, are held in the evenings or on weekends for the public's convenience.

2. Following the hearings in Paragraph 1, and based on the public input, a comprehensive assessment of needs, and the anticipated adequacy of library resources, the Library Commission may, as of July 1, 2013, modify the system wide and individual neighborhood branch service hours for the next five-year interval or such shorter interval as the Library Commission may adopt. The Library Commission shall repeat this public process and set service hours at least once every five years for the duration of the Fund.

3. The service hours requirement set in subsection (e)(1) and any modifications thereto made pursuant to this subsection shall be temporarily reduced by the normal operating hours for any neighborhood branch temporarily closed for construction, renovation or maintenance purposes. In such cases, the Library Department shall add temporary services elsewhere by adding temporary hours at nearby branches, providing bookmobile services, securing programming partners in the affected neighborhoods, or similar means.

4. If library services at any branch or system wide are interrupted due to fire, earthquake or other emergency, the Library Department shall be relieved of these service hour requirements, provided that the Library Department shall provide service hours consistent with such exigent circumstances.

(g) Unspent Funds. All unspent funds in the Fund on November 6, 2007 shall continue to be held for the use and benefit of the Library Department. These monies shall be expended to construct, maintain and operate library facilities as provided herein.

~~(a) There is hereby established a fund for libraries, which shall be called the Library Preservation Fund and shall be maintained separate and apart from all other City and County funds and appropriated by annual or supplemental appropriation pursuant to this Charter. Monies therein shall be expended or used exclusively by the Library Department solely to provide library services and materials and to operate library facilities in accordance with this section.~~

~~(b) So long as the Library Preservation Fund exists as provided in this section, the following requirements shall apply:~~

~~1. The Library Department shall operate no fewer than 26 branch libraries, a main library and a library facility for the blind (which may be at a branch or main library);~~

~~2. Not later than November 1, 1994, at least one public hearing shall be held at the main and each branch library, which at least one library commissioner shall attend and which shall receive the results of a survey of users' preferences as to the facility's operating hours;~~

~~3. Effective no later than January 1, 1995, the Library Commission shall establish service hours for the main and each branch library, which shall not be reduced during the five years beginning January 1, 1995; total annual average service hours shall be at least 1028 hours per week (that is, a level approximating the total service hours during fiscal year 1986-1987);~~

~~4. The public hearing process specified in paragraph 2 shall be repeated at five year intervals, being completed no later than November 1 of the year in question; and~~

~~5. Following the subsequent public hearings, the Library Commission may modify the individual and aggregate service hours established under paragraph 3, for the five year period~~

beginning January 1, 2000 or January 1, 2005 respectively, based on a comprehensive assessment of needs and the adequacy of library resources.

Increasing library hours throughout the system and acquiring books and materials shall receive priority in appropriating and expending fund monies to the extent the funds are not needed to meet the preceding requirements of this subsection. Any requirement of this subsection may be modified to the extent made necessary by a fire, earthquake or other event which renders compliance with the requirement impracticable.

(c) There is hereby set aside for the Library Preservation Fund, from the revenues of the property tax levy, the revenues in an amount equivalent to an annual tax of two and one half cents (\$0.025) per one hundred dollars (\$100) of assessed valuation for each of the fifteen fiscal years beginning with fiscal year 1994–1995. The Treasurer shall set aside and maintain such amount, together with any interest earned thereon, in the Fund, and any amount unspent or uncommitted at the end of any fiscal year shall be carried forward to the next fiscal year and, subject to the budgetary and fiscal limitations of this Charter, shall be appropriated then or thereafter solely for the purposes specified in this section. The Fund shall be in addition to any other funds set aside for libraries.

(d) The Fund shall be used to increase the aggregate City appropriations and expenditures for services, materials and operation of facilities provided by the Library Department. To this end, the City shall not reduce the amount of City appropriations for the Library Department (not including appropriations from the Library Preservation Fund) in any of the fifteen years during which funds are required to be set aside under this section below the amount so appropriated, including appropriations from the Children's Fund pursuant to this Charter and including all supplemental appropriations, for the fiscal year 1992–1993, adjusted as provided below. The base amount shall be adjusted for each fiscal year after 1992–1993 based on calculations consistent from year to year, by the percentage increase or decrease in aggregate City appropriations for all purposes from the base year as estimated by the

~~Controller. Errors in the Controller's estimate of appropriations for a fiscal year shall be corrected by adjustment in the next year's estimate. For purposes of this subsection, (i) aggregate City appropriations shall not include funds granted to the City by private agencies or appropriated by other public agencies and received by the City, and (ii) Library Department appropriations shall not include funds appropriated to the Library Department to pay for services of other City departments or agencies, except for departments or agencies for whose services the Library Department was appropriated funds in fiscal year 1993-1994. Within 90 days following the end of each fiscal year through fiscal year 2008-2009, the Controller shall calculate and publish the actual amount of City appropriations for the Library Department.~~

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
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