



Date: May 23, 2023

Honorable Mayor and Council Members

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Title: **Truckee Library revenue measure polling results**

Jen Callaway, Town Manager

Recommended Action:

- (1) Accept Voter Opinion Survey Summary Report for Truckee Library revenue measure
- (2) Direct staff to continue to contribute staff time to collaborative efforts to support the design and development of a new Truckee Library facility

Discussion:

Background

One of Town Council's priorities is to "invest in key infrastructure and community connectivity to enhance the quality of life for everyone." Supporting efforts to develop a new Truckee Library facility is an important project identified under this Council priority within the Town's most recent 2021-2023 and proposed 2023-2025 work plans. While the Town does not provide library services, for over five years the Town has collaborated with regional partners including Nevada County and Friends of the Truckee Library to support joint planning for the siting, design, financing, and construction of a new twenty-first century library facility. Town in-kind and financial investments in this effort has included completion of a site planning study, parking studies, staff input into the conceptual plan development, working with special districts to negotiate a land deal involving multiple public agency-owned parcels within Truckee River Regional Park, and participation in the Joint Powers Authority (JPA) study process, among others.

On October 25, 2022, Town Council authorized the Town Manager to execute a contract with TBWBH Props & Measures and sub-consultant True North Research, to be funded by the Town, to study electoral feasibility of a parcel tax revenue measure to support library development. It should be noted that Charles Heath, the principal consultant on this project, left TBWBH in March 2023 to start a new firm, Team CivX. The Town's project moved with Mr. Heath to the new firm and was subsequently completed by Team CivX and sub-consultant True North Research.

The Consultant team and Town staff convened an advisory committee consisting of representatives from the Town of Truckee, Nevada County, Friends of the Truckee Library, and Placer County, as well as at-large representative Paco Lindsay, who has extensive experience working on local revenue measures. Placer County's participation was the result of several productive exploratory discussions with Placer County staff and electeds regarding opportunities for regional collaboration in library services. These conversations recognized that many eastern Placer County residents already utilize the current Truckee library, and emphasized a vision in which the Truckee library could serve as a regional "hub" to support and augment services at the Kings Beach and Tahoe City libraries. As a result of these regional

discussions, Placer County agreed to include Martis Valley and Northstar within the survey area and within the resulting revenue projections. Additionally, areas of unincorporated Nevada County that are within the Truckee Fire Protection District boundary were included in the survey area.

The goals of the initial survey were to:

- Gauge current, baseline support for a local parcel tax measure to fund all or a portion of the construction and operation of a new Regional Library,
- Identify the tax rate that is within voters' comfort zone and what portion of a new Regional Library voters are willing to fund,
- Identify the features, amenities, and operations that voters are most interested in funding, should the measure pass,
- Expose voters to arguments in favor of—and against—the proposed parcel tax measure to gauge how information affects support for the measure, *and*
- Estimate support for the measure once voters are presented with the types of information they will likely be exposed to during the election cycle.

The Town, Nevada County and Friends of the Truckee Library agree that multiple fund sources would be necessary to successfully fund the library project, including a revenue measure, capital campaign, and grant funding, in addition to funds already contributed by the Town and Nevada County. To that end, the opinion survey studied a range of funding levels to understand the portion of the project that voters would likely support funding through a revenue measure, considering funding levels that would result in \$30 million revenue (estimated to fund 100% of the project cost), \$20 million (67%) and \$10 million (33%). Additionally, a parcel tax can be structured as a flat rate per parcel or a rate that is based on building square footage. To test the relative support of these two options, the survey employed a split-sample approach in which half of respondents were asked about a measure based on a flat rate and half responded to a measure with a rate per square foot.

Summary of results

Complete survey results and *Key Findings* are provided as **Attachment 1**. The following findings are particularly relevant for the partners' consideration of a project funding strategy:

- A majority (50.0%) of voters in the Greater Truckee Area consider improving the quality of local library facilities and services to be an extremely important (18.1%) or very important issue (31.9%). Although this issue does not rank as high as several other issues that also compete for tax dollars—including reducing traffic congestion, protecting the environment and natural open space, improving the quality of education in local schools, and improving public safety—the survey results nevertheless indicate that many voters are interested in the creation of a Regional Library. See *Attachment 1, Figure 1*.
- Voters appear willing to support a proposal provided that the cost of the measure is within their comfort zone. The survey tested a range of tax rates to identify the level at which the requisite two-thirds of voters would be willing to support a measure. At the highest rates tested (\$93 per parcel or 6 cents per square foot), which would fully fund the construction of a new Regional Library, support ranged between 57% to 63% in the initial ballot test (*Attachment 1, Figure 2*) and ranged from 50% to 51% in the tax threshold question (*Attachment 1, Figures 5 and 7*), short of the two-thirds supermajority required for passage of a special tax. Support increased as the tax rate declined. Approximately two-thirds of respondents were willing to support the measure at 2 cents per square foot (66%) or \$31 per parcel (65%), which would provide approximately \$10,000,000 in revenue, or one-third of the anticipated project cost (this is in alignment with Friends of the Library expectations and goals).

These results suggest that a revenue measure may be a viable fund source for a *portion* of the project and confirm that other very significant funding sources—such as a capital campaign and grant funding—would be required to fund the remainder of the project (approximately \$20,000,000) for a project at the \$30,000,000 scale to move forward. Both Charles Heath and team, as well as the Friends of the Library

team, will provide summary level presentations on polling results and funding strategies during this discussion item. For any project of this magnitude, staff recommend considering project phasing options throughout the design process to allow the project to continue to move forward should the full funding not be raised within a reasonable timeframe.

Next Steps

Initial ballot measure polling is anticipated to be the first step to inform a multi-pronged financing strategy and, ultimately, the placement of a revenue measure on the ballot. The creation of a Joint Powers Authority (JPA) to oversee library development is anticipated within the next year and the JPA would likely be the agency to place a measure on the ballot. The partners will continue to work together to ensure that a complete financing strategy is developed including other funding sources as described above. Additional polling to confirm voter sentiment is anticipated prior to placing a measure on the ballot and the current target election date is June 2025.

Town staff continue to work collaboratively on many other fronts to support the library project, including the following efforts currently underway:

- Development of a JPA agreement, which is anticipated to come back to Town Council by the end of 2023;
- Supporting grant writing efforts to secure funding for design development;
- Participating on the project design team. It is anticipated that Nevada County will release an architectural and engineering RFP within the coming months;
- Ongoing bi-weekly coordination with project partners to discuss all aspects of the project, including communications, JPA formation, funding strategy, and opportunities for regional project collaboration involving Placer County; and
- Supporting, as necessary, the lot line adjustment process to finalize the library location within Truckee River Regional Park

The Friends of the Library have asked for Town Council support of an additional \$215,000 in the FY 2023 Library Capital Improvement Project budget. With this level of additional support, the Library CIP budget would allocate \$500,000 in funds to help finalize design. If grant monies are received through the Building Forward grant applied for by Nevada County, on behalf of the partner entities, the \$500,00 Town contribution would fund further development of the project to a stage of being construction ready.

Summary

Staff recommend that Town Council accept the Voter Opinion Survey Summary Report for Truckee Library revenue measure and direct staff to continue to contribute staff time town collaborative efforts to support planning for the new Truckee Library project, as described above.

Priority:

- | | | |
|---|---|---------------------------------------|
| <input type="checkbox"/> Enhanced Communication | <input type="checkbox"/> Climate and Greenhouse Gas Reduction | <input type="checkbox"/> Housing |
| <input checked="" type="checkbox"/> Infrastructure Investment | <input type="checkbox"/> Emergency and Wildfire Preparedness | <input type="checkbox"/> Core Service |

Fiscal Impact:

Accepting the Voter Opinion Survey Summary Report will have no direct fiscal impact.

The Town has contributed approximately \$1.5 million to the Library Project to-date (including in-kind staff time, land value and contracted services). The draft budget for FY23/24 and FY24/25 (CIP C-2110) includes an additional \$550,000 toward project design and permit and fee subsidies. This draft budget

will be considered as part of the FY23/34 budget adoption process. Additional project expenses prior to construction, such as hiring of JPA staff, are anticipated and funding has not yet been budgeted or negotiated with project partners for these additional expenses.

As stated above, based on the polling results, a ballot measure may be anticipated to fund approximately \$10,000,000, currently estimated as one-third of the anticipated project costs. Fiscal feasibility of this project would require not only a successful ballot measure, but also substantial grant funding and a very significant capital campaign by Friends of the Truckee Library. Considering project phasing options throughout the design process would be prudent to allow the project to continue to move forward should the full funding not be raised within a reasonable timeframe.

Public Communication

The Town convened a stakeholder committee comprised of representatives from Nevada County, Friends of the Truckee Library, Placer County, and member-at-large Paco Lindsay to inform the polling process. Polling is one component of the ongoing, multi-year collaboration between the partners to support the Truckee Library facility project.

Attachments:

- (1) Voter Opinion Survey Summary Report for Truckee Library revenue measure