

To: North County Library Authority
From: NCLA Library Redevelopment Task Force
Subject: Funds Needed to Move Forward on Library Redevelopment Efforts
Date: November 9, 2018

Recommendation

The Task Force requests that NCLA review the attached preliminary budget and authorize \$75,000 to hire an outreach consultant to advise on strategy, timing, logistics, and community education for the purpose of raising public funds for a new library. As part of its fundraising strategy, the Task Force will also pursue private sources of funding to complement a possible public bond measure.

Background

The Task Force has researched what steps are necessary to put forward a bond measure to raise approximately \$45-60M toward an estimated need of \$60M for a new main library building in Los Altos. An additional goal is to raise \$15M through private gifts from individuals, foundation and/or corporate sources. After discussions with Godbe Research, outreach consultants and community leaders, the Task Force recognizes that it would benefit from the services of consultants to provide the expertise needed for a winning bond measure and a successful private fundraising campaign. In addition to the services of outside professionals, other expected expenses associated with putting a bond measure on the ballot, include filing fees, attorney fees, and outreach and awareness costs.

Discussion

The Task Force developed a preliminary budget outlining expenses expected through election day – currently assumed in March or November 2020 – and completion of a parallel private fundraising effort. Amounts are based on informational discussions with consultants, the past experiences of other SCCLD library campaigns, and Task Force member knowledge. These numbers will be refined as we work with knowledgeable consultants and when the County Registrar of Voters provides feedback after the November 2018 election. Below we have described major budget line items and other possible funding sources we are currently aware of.

Outreach Consultant. This expense is the most strategically important and time critical to Task Force efforts. A firm specializing in bond measure campaigns is key to developing a winning strategy. First and foremost, it will help the Task Force determine what is optimum timing to hold an election. It will also assist in providing firm dollar amounts for a more complete budget; specific steps and deadlines required for filing a bond measure; crafting language for the measure, as well as the arguments for and rebuttal statements; developing a community outreach plan; creating outreach materials; navigating the ins and outs of local processes; and developing positive working relationships with Los Altos and Los Altos Hills leadership. Once NCLA authorizes this expense, the Task Force can move forward with a formal selection process that will result in a recommendation for engaging a firm in the first quarter of 2019.

Education and Outreach. These are expenditures to carry out a comprehensive outreach campaign for a possible bond measure. The Task Force has begun developing messages and creating a plan to include: meetings with community groups and individuals, website development, social media campaigns, and

other appropriate measures such as yard signs, posters, and mailers. Some of these activities are expected to begin in early 2019.

Poll. A survey to determine whether or not community support exists to pass a bond measure. This would be conducted so that results are available before the ballot measure filing deadline.

Legal & Accounting Services. The Task Force would like clarity on which organizations have legal and financial authority for both the bond measure efforts and the capital project, and what restrictions exist, if any. With so many stakeholders involved – City of Los Altos, Town of Los Altos Hills, SCCLD, NCLA, LALE, FOL – a full understanding of the legal relationship between each regarding responsibilities, funding, and spending is essential. Other expenses include consulting services to ensure proper setup of fundraising accounts and accounting services for reports and FPPC filings.

Private Fundraising Consultant. The Task Force believes that a public/private fundraising strategy will maximize benefits to the community while balancing the fiscal burden. The Task Force also understands that raising \$15M in private funding is a challenging goal; no other SCCLD library has achieved such a level. As such, the Task Force is considering assistance to maximize the private fundraising campaign. A skilled professional firm can help with campaign plan development, grant writing, prospect identification, wealth screening, and cultivation planning. Once the Outreach consultant is hired (see above) and the Task Force has been able to identify a core list of prospects independently, it will be better able to assess whether additional skills are needed in this area. In the meantime, we are including a placeholder expense based on input from a consultant with library fundraising experience.

Registrar of Voters Fees. These are filing fees required by the County of Santa Clara to place a bond measure on the ballot.

Funding Sources for Campaign Expenses. The Task Force has also investigated possible funding sources other than NCLA to support efforts to run a bond measure, including:

Los Altos Library Endowment (LALE). The Task Force has requested and is awaiting a response for funding not to exceed \$150,000 to support outreach efforts after ballot filing as these expenses cannot be funded by public sources.

Los Altos Friends of the Library (FOL). A formal request has not been submitted to FOL to assist with bond measure expenses. Nonetheless, FOL has anticipated the need to assist with a new library, and would consider requests for supporting the bond measure and/or the capital project.

Summary

The Task Force needs to determine a date for the bond measure ballot as soon as possible as all other campaign activities will derive from it. As there are many factors that would influence this decision (cost, likelihood of voter turnout, time for outreach efforts), professional expertise is desired. Since an election could be held as early as March or November 2020, the urgency to engage such a consultant is very high. Thus, the Task Force respectfully requests that NCLA approve and fund the \$75,000 estimated to hire an outreach consultant.

NCLA Library Redevelopment Task Force
Preliminary Budget Estimate
9-Nov-2018

11/26/18
Item 4B

Description	Pre-filing date expenses (Feb - Nov 2019)			Post-filing date expenses (Dec 2019 - Feb 2020)			Total	Comment	
	Unit Cost	Qty.	Extension	Unit Cost	Qty.	Extension			
1 Outreach Consultant									
a Consulting fees	\$ 6,500	10	\$ 65,000				95,000	Pre - monthly fee;	
b Contingency		15%	10,000		15%	4,500	14,500	Post - lump sum payment	
c Subtotal			75,000			34,500	109,500	\$75,000 initial request to NCLA 11/9/18	
2 Education & Outreach									
a Printed materials, mailings		17,000	3	51,000		15,000	5	75,000	Pre - # of mailings to all households;
b Advertising, online media				10,000		10,000		20,000	Post - # of mailings to targeted households
c Signs, voter contact						6,000		6,000	
d Contingency			15%	9,150		15%		13,650	
e Subtotal				70,150		104,650		174,800	
3 Poll									
a Survey fees				30,000				30,000	
c Contingency			15%	4,500				4,500	
d Subtotal				34,500				34,500	
4 Legal & Accounting Services									
a City, town, county attorneys'				20,000				20,000	Review bond resolution, ballot language
b Fundraising accounting consultant		5,000	2	10,000				10,000	Compliant account structure & funds flow;
c Accounting services						2,000		2,000	Monthly fee
d Contingency			15%	1,500		15%		300	Treasurer's reports, FPCC filings
e Subtotal				31,500		2,300		33,800	
5 Private Fundraising Consultant									
a Consulting fees		2,000	10	20,000		2,000	2	4,000	Need still to be determined
b Fundraising study				45,000				45,000	monthly fee
c Fundraising campaign execution		4,500	10	45,000		4,500	2	9,000	
d Contingency			15%	16,500		15%		1,950	monthly fee
e Subtotal				126,500		14,950		141,450	
7 Total				337,650		156,400		494,050	\$150,000 request to LALE 11/9/18
8 SCCROV Filing Fees									
				75,000				75,000	
9 Grand Total				\$ 412,650		\$ 156,400		\$ 569,050	Exact cost to be determined by registrar in late 2018. Expected range: \$50K - \$500K