



# MEMORANDUM CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Sherilyn Lombos, City Manager  
**DATE:** January 30, 2009  
**SUBJECT:** Special Work Session for Wednesday, February 4, 2009

---

**Work Session will begin at 6:00 p.m.**  
***We will be meeting at the Police Department Training Room.***  
***Dinner will be available.***

The following items will be discussed at the special work session:

**6:00 p.m. (90 min) – Library issues.** There are three issues associated with the Library to be discussed at this meeting: 1) WCCLS Strategic Planning for Services, 2) WCCLS Funding Models / Options, 3) Clackamas County Library services. Attached is a discussion outline and backup material from Paul.

**7:30 p.m. (90 min) – Local aspirations.** On December 9<sup>th</sup>, Council had a work session to discuss this subject where several topics emerged, including the quality of life in Tualatin, the urban/rural reserve discussions taking place around the region, which areas surrounding Tualatin should be designated urban or rural, the inclusion of buffers around Tualatin, and the fiscal impact analysis conducted on the Stafford area in 2000. Tonight's discussion is a deeper discussion of those issues. At the end of tonight's discussion, staff needs direction from the Council about potential candidate urban and rural reserves that can be taken back to both Clackamas County and Washington County, who have requested this from us right away. Attached is a memo from Doug with an in depth analysis that will be discussed on Wednesday.



# MEMORANDUM

## CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Paul Hennon, Community Services Director  
Abigail Elder, Library Manager

**DATE:** January 29, 2009

**SUBJECT:** Library Issues: WCCLS Strategic Plan and Clackamas County Library Services

---

There are three issues associated with the library to be discussed at this meeting:

- WCCLS (Washington County Cooperative Library Services) Strategic Planning for Services
- WCCLS Funding and Governance Models / Options
- Clackamas County Library services

### 1. WCCLS STRATEGIC PLANNING FOR LIBRARY SERVICES

#### ■ Scope

This is a strategic planning process to guide the Cooperative in planning and delivering service to all 500,000 + county residents for the next 10 years, and to recommend options for long term, stable funding.

The plan will include:

- Strategies for service with goals and objectives
- Performance measures
- Recommendations for serving urban, unincorporated population
- Service levels defined by scope – threshold, adequate, excellent
- Recommendations for services that are more efficiently or economically delivered centrally or in a decentralized manner.

#### ■ Schedule

- Study now underway
- Study complete Spring 2009
- Surveys of public and library staff available February 8

#### ■ Next Steps:

- Public Meeting  
February 4, 5:30 to 7:30 p.m.  
Location: King City Clubhouse (15245 SW 116<sup>th</sup> Ave.)

MEMORANDUM: Library Issues: WCCLS Strategic Plan and Clackamas County Library Services

January 29, 2009

Page 2 of 2

- Tualatin Library Focus Group  
February 6, 9:00 a.m. to Noon  
Location: Tualatin Library Community Room

■ Discussion

2. WCCLS FUNDING AND GOVERNANCE MODELS / OPTIONS

■ Status Quo

- Format: County-wide cooperative with some centralized services
- Funding: County General Fund and Local Option Levy
- Governance: Locals manage libraries

■ Cooperative County Service District

- Format: County-wide district with some centralized services
- Funding: County levies a permanent tax, locals can supplement
- Governance: Locals manage libraries

■ Consolidated County Service District

- Format: County-wide library district
- Funding: County levies a permanent tax
- Governance: Washington County manages libraries

■ Special District

- Format: County wide library district
- Funding: District levies a permanent tax
- Governance: District has elected board and manages libraries

■ Discussion

3. CLACKAMAS COUNTY LIBRARY SERVICE

■ Situation:

Due to pending financial constraints, Clackamas County chose to discontinue funding its libraries through the county permanent tax rate. Those funds currently collected will be reallocated in the next fiscal year. To provide library service, the county placed the formation of a library district on the November 2008 election. Voters passed the new Clackamas County Library District with a permanent tax rate of \$0.3974 per \$1,000 taxable assessed value.

Tualatin chose not to participate in that district election for a number of reasons with the provision that Tualatin's Clackamas County residents could vote to join the district in the future, if desired. There are about 3,065 residents in the Clackamas County part of Tualatin (east of 65<sup>th</sup> Avenue).

As a result of passage of the new library district, effective July 1, 2009, Tualatin's Clackamas County residents will not be eligible for the same level of library service at non-Tualatin libraries as Tualatin's Washington County residents since the

MEMORANDUM: Library Issues: WCCLS Strategic Plan and Clackamas County Library Services

January 29, 2009

Page 3 of 3

Clackamas County residents will be neither a part of the new Clackamas County Library District nor part of the Washington County Cooperative Library Services (WCCLS).

Tualatin's Clackamas County residents will not qualify to use Clackamas County libraries without the purchase of a non-resident library card (valid for individual libraries where fee is paid). Tualatin's Clackamas County residents will not qualify to use Washington County libraries (other than the Tualatin library) without the purchase of a non-resident library card (valid for individual libraries where fee is paid).

Tualatin's Clackamas County residents are eligible to receive a Tualatin Public Library Courtesy card enabling use of the Tualatin library since they pay Tualatin property taxes to partially support the Tualatin library and Tualatin's Library Improvement Bonds. The Tualatin Courtesy Card does not have all the privileges of a WCCLS library card nor the new Clackamas County Library District library card. For example, the Tualatin Courtesy Card cannot be used to check out materials from another library through the holds system. Also, Tualatin does not receive financial reimbursement from WCCLS for materials or other WCCLS tax reimbursement criteria for use activity by Courtesy Card holders.

It is timely for Council to begin discussing the course of action it would like to take regarding the library service level and funding for Tualatin's Clackamas County residents.

■ Options to Initiate Discussion:

- Option 1: Provide Tualatin Library courtesy cards. Residents have the option to purchase non-resident library cards from other libraries.
- Option 2: Hold an election to give Tualatin's Clackamas County voters the opportunity to join Clackamas County Library District (soonest appears to be November 2009)
- Option 3: Contract with Washington County for library services
- Other options?

Additional information and some pros and cons on each option will be presented at the meeting.

Attachments:

- A. Current Trends and Future Directions: A Look at Public Libraries
- B. Finding the Sweet Spot: New options for Washington County libraries
- C. An Exploration: How should the libraries of Washington County be funded and governed?



## **Finding the sweet spot: New options for Washington County libraries**

Prepared by Consensus  
for Washington County Cooperative Library Services  
January 2009

There is no one right way to fund and govern America's libraries. Each state and each community does things a little – and sometimes a lot – differently. The important thing is for the model to hit that sweet spot where the benefits to various stakeholders are balanced and maximized. There is agreement within Washington County that, in general, the current system has not yet found the sweet spot.

Washington County Cooperative Library Services (WCCLS) and its member libraries hope to change that. In 2006, after two failed attempts, voters approved a four-year local option tax levy for library services. The funds provide some breathing space for the county's libraries, which had cut services drastically. The libraries are using this reprieve to plan for the future. They are considering new options for funding and governing libraries in Washington County and they are creating a ten-year strategic plan.

WCCLS selected Consensus, a nonprofit firm based in Kansas City, Missouri, to conduct research and guide the process. Early in 2009, Consensus will hold 12 stakeholder meetings and four public meetings in Washington County. The three-hour stakeholder meetings will be held at member libraries and will include staff, board, and community members. Stakeholders will discuss funding and governance and will contribute to a strategic plan. The four public meetings will focus on funding and governance, and will provide a sense of what the public would and would not support. In addition, an online survey will allow the public and others to weigh in. In March, WCCLS leaders will consider all the information and agree on a course of action.

### **The current situation in Washington County**

WCCLS leaders intend to identify a new option that is substantially better than the current situation, if one exists. The last thing they want to do is put effort into changing the system, only to find that the solution isn't much better than what it was intended to fix. Understanding the current system is vital to

deciding what to do next.

### **How libraries are currently governed**

Decision-making about library services in Washington County happens at the county and city/community level. WCCLS is a county-wide cooperative that provides some centralized services to its member libraries. The County funds WCCLS from the general fund and a local option levy; WCCLS passes along most of the money it receives to its member libraries for operating costs, and libraries provide services directly to the public.

WCCLS includes 12 libraries with 14 sites. Ten sites are operated by nine municipalities, and the County runs one and two nonprofits run the other three sites. WCCLS is governed by the Washington County Board of Commissioners, which convenes the Executive Board to advise it. The Executive Board is composed of chief administrative officers of 11 municipal and nonprofit libraries, plus county representation. WCCLS convenes the Policy Group, which includes the directors of member libraries. The Executive Board deals with funding and long-term governance and funding strategies, while the Policy Group deals with operations and policy implementation. Each member library also has its own board of directors.

#### **Pros...**

Local leaders consider libraries to be central to their communities, and point with pride to both the buildings and the services they provide. While leaders say that they value cooperation, they also value the fact that the current structure allows for a substantial amount of local control. Member libraries decide how much to share. For example, libraries have chosen to buy and catalogue books independently, when having WCCLS handle that task it would cost less. Libraries say independence gives them the autonomy to design services for their unique communities.

#### **...and Cons**

Others say that the cooperative structure is missing some important pieces. Most important is the ability to make decisions at the county level about which libraries go where and what services they provide. This missing piece is especially vital to providing services to unincorporated Washington County. And, currently, WCCLS is entirely reactive. If a municipality wants to double the size of its library, it can, even though it means that County dollars must stretch further to cover the higher operating costs.

### **How libraries are currently funded**

WCCLS will expend a total of about \$20 million in FY 08-09. About two-thirds come from the County general fund and about one-third from a county-wide local-option levy, which expires in 2011. In general, county funds pay for WCCLS central services (catalog, publicity, courier, website, etc.) and for library operations (staff, books, occupancy). County funds pay for an average of 65 percent of library operating costs, although that number varies by library. Cities and nonprofits pay for all capital costs and some operations.

**Pros...**

Libraries receive funds from several sources, a structure which provides some stability. County funding provides a base level of funds for each library. Because everyone in the county helps pay for that base level, it spreads the burden widely. In communities without that shared county-wide support, there is less incentive for cooperation and more problems with unequal library service. Library leaders appreciate the strong support they receive from the Washington County Board of Commissioners.

**...and Cons**

Concerns often center on the local option levy. Libraries must seek voter approval every few years, which is expensive and inefficient. When the levy doesn't pass, libraries are forced to reduce services. Other concerns are that city governments are not required to contribute towards library operations, and that residents in unincorporated areas don't pay as much as city residents. Competition is also an issue. WCCLS competes for funds with other county departments, and municipal libraries compete for funds with other city departments.

**Washington County funding as a percentage of library revenues 2007-08**

<b>Public Libraries:</b>	<b>Operating Revenues</b>	<b>Revenue from WCCLS</b>	<b>% of Revenue from WCCLS</b>
Banks	\$157,183	\$98,994	63.0%
Beaverton	\$6,232,273	\$3,803,315	61.0%
Cedar Mill	\$2,771,068	\$2,417,134	87.2%
Cornelius	\$236,276	\$117,670	49.8%
Forest Grove	\$768,214	\$612,949	79.8%
Garden Home	\$338,156	\$313,162	92.6%
Hillsboro Libraries	\$6,836,666	\$3,597,699	52.6%
North Plains	\$92,888	\$51,890	54.9%
Sherwood	\$840,611	\$595,309	70.8%
Tigard	\$3,172,100	\$2,196,844	69.2%
Tualatin	\$1,417,079	\$1,135,616	80.1%
West Slope	\$624,489	\$543,110	87.0%
<b>Total</b>	<b>\$23,801,577</b>	<b>\$15,482,802</b>	<b>65.0%</b>

**How Washington County libraries compare to the state and the nation**

To compare local libraries with the national average, we must use 2005 figures because that is the latest year for which national data are available. While 2005 was before the local-option levy kicked in, it does remind us what library services looked like without those funds.

The 2005 figures show libraries that were more efficient, more funded and visited far more often than the national average, but that had far less space and fewer books per capita than their peers nationwide.

- On average, WCCLS libraries spent about the same amount per capita as Oregon libraries, but 33 percent more than the national average of \$30.11 in 2005.

- Average materials expenditures per capita were \$4.03 for local libraries, which was below the state average and almost precisely the national average. At 2.1, local libraries had fewer book volumes per capita than their counterparts at the state (2.9) or national (2.8) level.
- Operating expenditures per circulation, which show efficiency, was \$2.88, slightly above the state average and more than a third less than the national average.
- Residents visited WCCLS member libraries 7.3 percent more often than their Oregon counterparts and 42.6 percent more often than the national average.
- In 2005, the county had only 70 percent of the average square feet per capita that one would expect to find in U.S. libraries. By 2008, with several new buildings, the county had 89 percent of the national average for square feet per capita. Beaverton, Forest Grove, North Plains and Tigard were above the national average for square feet per capita.

### **There are unequal levels of library service throughout the county**

When we look at the WCCLS member libraries, we find that the figures vary from one library to the next. We would also note that, with staffing, materials and hours open purchased with funds from the local option tax levy, the quality of services for all libraries in the county have risen substantially based on Oregon Library Association (OLA) standards. The standards are voluntary and provide guidelines for three levels of quality: threshold, adequate or excellent. The latest figures available are for 2007-08.

- **Staffing.** Bringing libraries to an adequate level would cost some \$802,000 in additional personnel costs annually. Hillsboro would account for over half of this while Cornelius, Forest Grove, North Plains, and Sherwood would all need additional staffing. Several libraries are above the OLA adequate level and the total countywide staff compliment exceeds OLA adequate standards. Staff expenditure per FTE varies from \$32,935 in Garden Home to \$71,136 in Hillsboro.
- **Buildings.** Only Forest Grove exceeds the OLA standard for minimum building size in 2007-08. The remaining libraries ranged from as little as 32 percent of needed space (Cornelius) to 97 percent (Sherwood). In total, the county's libraries provided just 59 percent of space needed to serve the current population, according to the OLA minimum standard for building size.
- **Collections.** Banks, Cedar Mill, Forest Grove, Garden Home, North Plains, Tigard and West Slope met the OLA standard for adequacy in collection size. Beaverton, Cornelius, Hillsboro and Sherwood fell behind and Tualatin was almost exactly on target.
- **Hours open.** Eight libraries met the OLA standard for adequate hours. Collectively, libraries were 20 hours per week over the adequate standard and 160 hours per week short of excellent.

It would cost about \$7.24 million annually to get all libraries in Washington County to the OLA level of "adequate." That includes about \$802,000 for staffing, \$5.8 million for buildings at a conservative \$175 per square foot, and \$609,000 for materials.

**Washington County residents pay different amounts for library services**

If the tax burden for all libraries was spread throughout the county, the rate would be \$0.78. The \$.78 figure would be an increase for residents of unincorporated areas, which pay \$0.55, and for Cornelius, North Plains, Sherwood and Tualatin. It would be a decrease for Banks, Beaverton, Forest Grove, Hillsboro, and Tigard. (To reach OLA’s “adequate” standards would require a tax rate of \$0.94.)

**Tax Revenue for Libraries**

Library	2008 Assessed Value	County levy Tax with Central Support Services	Local Operating and Capital	Combined Operating and Capital Tax	Taxpayer Rate
Banks	\$96,396,494	\$52,074	\$44,200	\$96,274	\$1.00
Beaverton	\$7,288,431,637	\$3,937,250	\$4,109,704	\$8,046,954	\$1.10
Cornelius	\$489,139,947	\$264,236	\$99,427	\$363,663	\$0.74
Forest Grove	\$1,111,526,156	\$600,452	\$304,460	\$904,912	\$0.81
Hillsboro	\$7,963,202,164	\$4,301,765	\$3,361,877	\$7,663,642	\$0.96
North Plains	\$138,383,111	\$74,755	\$28,621	\$103,376	\$0.75
Sherwood	\$1,224,220,020	\$661,330	\$206,927	\$868,257	\$0.71
Tigard	\$4,732,621,073	\$2,556,587	\$1,809,405	\$4,365,992	\$0.92
Tualatin	\$2,342,432,702	\$1,265,395	\$478,986	\$1,744,381	\$0.74
Unincorporated & Other	\$18,329,203,744	\$9,901,534	\$238,000	\$10,139,534	\$0.55
<b>Totals</b>	<b>\$43,715,557,048</b>	<b>\$23,615,379</b>	<b>\$10,681,607</b>	<b>\$34,296,986</b>	<b>\$0.78</b>

**Any resident can use any library**

Communities around the country have different ways of dealing with the question of who pays to serve non-residents. Sometimes, people must buy a library card to use a library for which they don’t pay taxes. In other communities, people create agreements like the one in Washington County that allow anyone to use any library at no cost to the individual.

**Pros...**

Being able to use every library in the county is very popular with library users. Because resources are shared, libraries don’t all need to have the same materials. This reduces what libraries need to spend for materials and allows even small libraries to tailor collections to the interests of their residents.

**...and Cons**

Some libraries are more popular than others; the taxpayers for those libraries subsidize users who don’t pay taxes for that library. In Washington County, the situation is exacerbated by the fact that almost half of the county’s residents live in unincorporated areas. While a library may build a building and hire staff to serve all of its users, only a fraction are paying for capital or helping to subsidize operations.

<b>Library, 2007-08</b>	<b>Municipal Population</b>	<b>Population Transfer</b>	<b>Service Population</b>
Banks Public Library	1,435	3,605	5,040
Beaverton City Library	84,270	32,653	116,923
Cedar Mill Community Library		49,735	49,735
Cornelius Public Library	10,785	1,804	12,589
Forest Grove City Library	20,380	7,755	28,135
Garden Home Community Library		6,275	6,275
Hillsboro Public Library	84,445	73,126	157,571
North Plains Public Library	1,755	1,144	2,899
Sherwood Public Library	16,115	3,448	19,563
Tigard Public Library	46,300	18,896	65,196
Tualatin Public Library	22,585	2,435	25,020
West Slope		11,639	11,639
Unincorporated and other	212,515	(212,515)	0
<b>Totals</b>	<b>500,585</b>	<b>0</b>	<b>500,585</b>

### **Residents in urban unincorporated areas pay less and receive less**

Those who live in urban unincorporated areas pay just the base county rate and can still use any library. A recent study showed that urban unincorporated residents receive \$600,000 in library services that they don't pay for. On the other hand, unincorporated residents have fewer libraries to serve them, so city libraries are often the library of choice. Of the 14 library sites within WCCLS, just four are located in unincorporated areas. This means that the 212,515 unincorporated residents have one library site per 53,126. The 288,070 residents of incorporated Washington County have ten library sites to serve them, or one library per 28,807.

The problem of providing services to urban unincorporated residents will only increase, as many new residents are moving into those areas. The county's population has grown 58 percent since 1990, and library circulation has grown even faster than the population has grown: 127 percent since 1990. Rapid population growth has increased demand for all sorts of county services, not just libraries. County government is expected to provide services at a level more normally provided by cities, but restrictions placed on traditional county funding sources make that difficult.

### **People who work at libraries are paid different salaries**

If libraries in Washington County became consolidated, wages would need to be "harmonized," and they usually get harmonized to the highest rather than the lowest common denominator. Currently, staff expenditure per employee ranges from 2.2 to 1 between Hillsboro (high) and Garden Home (low). To pay all library employees at the Hillsboro level would add \$1.43 million, or 8.6%, to payroll costs. In most consolidations, there is some attrition and a case could be made for paying managers of smaller branches less than the larger ones, but salary costs would still climb significantly.

## The Problem

The current method of governing and funding libraries in Washington County has worked reasonably well in the past, but rapidly growing population is among the reasons that leaders think it may not be the best choice for the future. Residents currently pay different amounts for unequal levels of service, there is no countywide method for siting new libraries, and the local option levy is an unstable and inefficient method of raising funds. How can Washington County provide library services in a way that is fair and sufficient for all residents of the county?

Members of the WCCLS Executive Board and Policy Group considered several options and selected the options below as the most promising new possibilities. None of the three are perfect. Each comes with tradeoffs and consequences, and only the people of Washington County can determine whether the benefits are worth it.

### OPTION ONE: Cooperative County Service District

**The broad remedy:** Any option that separated libraries from government or that sacrificed municipal-level control for county-level control would not work. We should form a service district that would allow us to levy a permanent tax, but governance should be cooperative, like it is now, rather than consolidated. The district would have a board appointed by county government. The county would use an inter-governmental agreement to contract with libraries, which would continue to operate independently. Cities would retain ownership of their library buildings. The permanent tax levy should be just enough to assure a stable floor of funding. Cities that want to spend more or less on buildings or operations could do so. Equal service for equal taxes is less vital than giving communities the option to pay for excellence. It would be best to avoid using the local option levy, but that may not be possible in the long term.

#### Arguments for

- Because it is most like the current system, people may feel most comfortable with this option.
- The permanent tax levy would likely be much lower than for the other two options, and therefore might be more likely to pass.
- The loyalty within each city and nonprofit for the library would not be threatened.
- It would allow communities to spend more to provide excellent libraries.
- Each municipality or nonprofit would have control over funding, location and design of its library buildings and services. Staff members still would be city or library employees.

#### Arguments against

- It could still require using the local option levy, which is expensive and inefficient to pass.
- It wouldn't necessarily provide a method for building libraries in the urban unincorporated areas, so those residents could remain underserved.
- There would continue to be unequal service, as residents flock to some libraries but not others.
- The opportunities for efficiencies and economies of scale would largely be lost. Staff members would still be paid at different rates.

## **OPTION TWO: Consolidated County Service District**

**The broad remedy:** We need to make decisions at the county level, but it would be a mistake to separate libraries from government. Instead, we should form a county service district and operate it in a consolidated manner. The county service district has a board appointed by county government and all library employees would be county employees. To assure equal levels of library service, the district could lease all the library buildings and pay for capital costs for future libraries through its permanent tax levy. The permanent tax levy should be enough to cover operating costs for all libraries throughout the county, including new ones built in the urban unincorporated areas and cities. It would be best to avoid using the local option levy, but that may not be possible in the long term.

### **Arguments for**

- Unlike a special district, the service district doesn't require a new layer of government just for libraries.
- We could use the existing county infrastructure to manage aspects of the districts, like payroll and maintenance.
- Libraries would have a permanent tax levy and would no longer compete with county or city departments for funding.
- It achieves economies of scale and equal pay for library staff members.
- A consolidated district is likely to encourage about the same level of quality among all libraries.
- It solves the problem of unequal tax rates and unequal quality, and allows planning for library services throughout the county.

### **Arguments against**

- This option, unlike a special district, doesn't allow libraries to be separate and distinct from government.
- Citizens would need to vote to establish the service district and might view it as a tax increase.
- Municipalities could lose control of determining building location, design, and level of services.
- The library would need to reimburse the county for services such as payroll and maintenance, when it might cost less for the library to handle them internally or through another vendor.
- While compression isn't currently a problem in Washington County, the library tax could eventually reduce funds available for other government services.

## OPTION THREE: Special District

**The broad remedy:** It is vital that we make decisions at the county level, and the best way to do that is to separate libraries from county and municipal government entirely. We should form a county-wide library special district. The special district would be a separate unit of government, led by a five-person elected governing board and funded by a permanent property-tax levy. The district would hire all staff members and could own all library buildings. Special districts have more stable funding than other types of libraries because they don't have to compete with city or county services. Because they cover the whole county, they can assure an equal level of service and equal tax level for all residents. In Oregon, 18 public libraries already use the special district model.

### Arguments for

- It takes library services out of local government entirely, so the library is the only priority of its leaders.
- The elected board is accountable to all residents of the county.
- It achieves economies of scale and equal pay for library staff members.
- It allows the county and municipalities to quit paying for libraries from their budgets.
- A special district is likely to encourage about the same level of quality among all libraries.
- It solves the problem of unequal tax rates and unequal quality, and allows planning for library services throughout the county.

### Arguments against

- Citizens would need to vote to establish the district and might view it as a tax increase and as "another level of government."
- More decisions would be made at the county rather than local level, which could reduce the loyalty that some residents and friends and foundation groups feel for their libraries.
- There would be a loss of municipal-level control in determining building location, design, and level of services.
- Over time, libraries could start to feel more similar and less unique to their communities.
- While compression isn't currently a problem in Washington County, the library tax could eventually reduce funds available for other government services.

**About Consensus.** Consensus is celebrating its 25<sup>th</sup> year of putting the *public* in public policy. It has worked on national projects with MacNeil/Lehrer Productions, the Kettering Foundation and the Institute for Environmental Conflict Resolution. It works in metro Kansas City on behalf of the community and clients. It specializes in consulting related to library structure and funding, and has completed projects in metro Kansas City, Washington State, and Scott County, Iowa. The Consensus team includes: Therese Bigelow, Mary Jo Draper, Tom Hennen, Martha Kropf and Jennifer Wilding. For more information about Consensus, see [www.consensuskc.org](http://www.consensuskc.org).

Final January 20, 2009



# Current Trends and Future Directions: A Look at Public Libraries

Prepared by Consensus  
for Washington County Cooperative Library Services  
January 2009

More than 125 years ago philanthropist Andrew Carnegie spent what today would be about \$3 billion to build 1,689 libraries around the U.S. He “saw the potential of the public library to be the center of enlightened learning in every community. He offered to build libraries if communities would contribute land, furnish money for annual maintenance, and exercise governance and oversight.”<sup>1</sup>

In 1997 Bill Gates, founder of Microsoft, funded the development of technology in public libraries through the Gates Foundation. The first Gates grants targeted libraries and branches of libraries in the urban core and rural areas of the country, and attempted to bridge the digital divide.

Both Gates and Carnegie transformed libraries from what they were into what they could be. There are, of course, many other changes at work on public libraries. Some even question whether Carnegie’s “University of the People” is relevant in this age of instant access to information. By considering those changes and various options for its library system, Washington County Cooperative Library Services helps assure its continued relevance to the population it serves.

## Where we came from: The library of the past

To a great extent, our view of the modern public library and its core services was set in the first decade of the 20<sup>th</sup> century as a direct result of Carnegie's funding of library buildings. Those core services included:

- Quiet place for study, research, and reading
- Collections of books – both circulating and reference
- Collections of current and retrospective newspapers and magazines
- Knowledgeable librarians

These services are still considered important for the modern library. Over time, libraries have added and removed other services as technology changed, among them:

Age-specific service specialties	Hardcover books
Paperback books	16 mm films
Sound recordings	Tapes and cassettes
Videos & DVDs	Materials in languages other than English
Compact discs (CDs)	Computers
Internet access	Wireless connectivity
Digitized resources	Downloadable books, music, and movies
Exhibits	Meeting spaces
Study areas	Community information
Literacy training	Programming
Amenities like coffee shops, gift shops, and used bookstores	

## Where we are: Today's public library and the trends that affect it

For many years, public libraries were thought of as quiet places for study and research, and good places for children. Citizens supported the construction of libraries in their communities and fought against library closings, but many citizens didn't use libraries unless they had a specific need. Today's libraries, by contrast, are often the most popular places in town.

Libraries have been the focus of quite a bit of recent research. Among others, the federal Institute for Museum and Library Services (IMLS), OCLC (Online Computer Library Center), the Urban Libraries Council (ULC), the Pew Trust, the American Library Association, Public Agenda, the Americans for Libraries Council and the Bill and Melinda Gates Foundation have invested in research on today's libraries.

A handful of these studies help us understand today's library and foresee future developments. Those studies include three from ULC, *The Engaged Library* (2005), *Making Cities Stronger: Public Library Contributions to Local Economic Development* (2007), and *Welcome Stranger* (2005); the 2005 OCLC Scan; and *Long Overdue* from the Americans for Libraries Council.

The issues that have emerged from the research fall into two groups: social and economic issues, and library services and staff issues.

**1. Social and economic issues**

- a. The library as space
- b. The funding of libraries
- c. The ease of finding electronic content
- d. The advocacy and marketing of libraries
- e. The issues of privacy and confidentiality

---

In England, the word "library" is even disappearing from the vocabulary. The replacement term is "idea store."

---

**2. Library services and staff issues**

- a. The globalization of libraries and information
- b. The Googlization of information
- c. The changes in use of library services
- d. The graying of the workforce
- e. The place of reference services

**1. Social and Economic Issues**

**1.a. The library as space**

Time spent at the library was once considered a solitary activity of reading and research, but today's libraries – including public, school and academic – are being reconfigured as gathering spaces for people. In England, the word "library" is even disappearing from the vocabulary. The replacement term is "idea store." Amenities at the idea store include Internet terminals, a large variety of multi-media viewing and listening stalls, and children's play areas as well as books.

In the U.S., newer libraries are being designed with more space for people and technology and less space for books. Older libraries are being reconfigured around the same lines, with books sometimes relegated to upper floors, back areas, compact storage, or warehouse-like space.

Books are taking a secondary role in the design of both academic and high school

libraries. In describing the new library at Valparaiso University, the *Wall Street Journal* noted that students who once avoided the library are now “flocking to the new library -- the \$33 million Christopher Center. The four-story blend of metal, glass, concrete and brick is twice as big as the old library but has 80,000 fewer books. About one-fifth of the books are kept in a vault students can't enter. Robotic arms retrieve them in 15 seconds after a request is made online. Threatened with irrelevance, the college library is being reinvented - and books are being de-emphasized.”<sup>2</sup>

The new approach also includes coffee bars, gaming activities, changing rules about noise, food and drink, flexible furniture, small-group study spaces and more. Examples of the new look include the central libraries in Seattle and Salt Lake City. The Salt Lake Public Library, for example, sees its role as “the center of town, the community gathering place” and “a place where people interact with material and each other” according to *Library Journal*, which selected the system as the library of the year in 2006.

---

Some popular teen spaces include computers with gaming applications and furniture commonly seen in diners and coffee shops.

---

Libraries are also designing spaces just for teens. The new Hobart High School library, slated to open in 2009, was totally designed around how teens actually use libraries, with “relaxed, flexible spaces, comfortable seating, spaces for quiet reading and for shared learning, and spaces for computers.”<sup>3</sup> When public libraries create teen spaces, they attract teens by providing computers with gaming applications and furniture commonly seen in diners and coffee shops.

### **1.b. The funding of libraries**

The November 2008 elections contained good results for many public libraries with funding issues on the table, including the successful ballot initiative in Clackamas County. Despite bright spots, libraries nationwide face challenges in securing adequate funding. Public libraries struggle with increased costs for digital resources balanced against a continued demand for print materials. New construction is often questioned. Libraries that have been able to acquire new spaces have sometimes suffered reductions in their operating budgets. And in the current economic climate, cities and counties are requesting major budget cuts while at the same time public libraries are experiencing huge increases in use.

### **1.c. Ease of finding electronic content**

Information consumers are used to logging on and calling up information. Survey results from the *2005 OCLC Scan* demonstrate that information consumers want their answers fast. They rely on information that can be sought through a quick Internet search and they rely on Google to give them the most relevant and up-to-date information. What often

concerns librarians is that the public pays little attention to the authenticity of a source. When they do need to authenticate that source, they tend to check other sources on the web or check with a friend or acquaintance. They do not necessarily check with a library, librarian or even library catalog. In addition, the library's electronic catalog, which somewhat replicates the concept of the old physical catalog with Boolean logic and keyword searching an added feature, does not capture content as efficiently as search engines.

#### **1.d. The advocacy for and marketing of libraries**

Several of the reports discuss the difficulties libraries have in making the public aware of services other than the traditional ones. The OCLC environmental scan, for example, noted that those surveyed were mostly aware of libraries and librarians. Databases and other electronic resources were much less well known and, while people respected librarians, they didn't tend to turn to them as sources of information.

There is hope, though. The 2007 *Pew Report on the Internet and American Life* found that libraries have a 53% market share among the people they surveyed. As noted by the report, a "53% 'market share' isn't bad, but there are lots of opportunities out there." The Institute recommends that libraries focus their marketing on:

- Public education efforts about what libraries do, how they do it, and how libraries have changed;
- Success stories and competence; and
- Letting everyone know that the people who know you best are the ones who keep coming back.<sup>4</sup>

Effective marketing requires good information. David Lee King of the Topeka and Shawnee County Public Library in Kansas has shared how the library used GIS software to identify its six biggest growth-potential population segments. One of those was families with children that live outside of the city. King said that library staff identified the big things that segment wants, and then matched those up with the library's strategic plan. In 2009, he said, the library would remake itself in order to meet those goals.<sup>5</sup>

#### **1.e. The issues of privacy and confidentiality**

Librarians were very concerned about the ramifications of the Patriot Act, which did away with due process protection in National Security Letters, and fought hard along with the ACLU to test its legality in court and to let it expire. In 2006, FBI and Newton police were involved in a tense standoff with Newton Free Library Director, Kathy Glick-Weil,

---

One library used GIS software to identify its six biggest growth-potential population segments.

---

who refused to allow law enforcement access to library computers without a court-issued warrant during an investigation into an imminent terrorist threat targeting Brandeis University. A library director in New Jersey resigned instead of accepting a disciplinary action for following a state law that requires law enforcement to obtain a search warrant before a library releases customer information.

Most states have laws covering the privacy and confidentiality of library records. Lawmakers in several states have questioned these laws as they relate to minors. And even the implementation of self-help features in libraries can conflict with state privacy and confidentiality laws. For example, libraries that let patrons pick up their own reserves must successfully shield the requester from prying eyes, a need that isn't always understood by the public.

---

We are only a few years away from having the entire collections of large research libraries completely digitized and searchable.

---

## 2. Library Services and Staff

### 2.a. The globalization of libraries and information

Those seeking knowledge no longer need to rely only on resources housed at a physical library. Several studies pointed out that most information seekers begin with an Internet search. As libraries have made more information, including their card catalogs, available on their websites, the use of that library is no longer restricted to someone with physical access. The Kansas City Public Library, for example, has noted that hits on its homepage now more than rivals the annual circulation and, in fact, exceeds that figure by 107%.<sup>6</sup> As more and more information becomes available through the Internet, those using the information are not necessarily the ones who paid to have it created in that format or who support its ongoing availability.

### 2.b. The Googlization of information

Who owns the information and who has access is an important future consideration. The folks at Google suggest that we are only a few years away from having the entire collections of large research libraries completely digitized and searchable. In some cases, the entire text of scarce and out-of-print books will become available in an electronic format. In others, only snippets will display because of copyright issues.

Google is not the only show in town. Project Gutenberg, a volunteer project, is the oldest digital library and focuses on public domain titles. Project Gutenberg titles are easily accessed on the web and OCLC's NetLibrary has included MARC (machine-readable cataloguing) records for the titles as part of their e-book lease packages. More than 20,000

titles are now available.

A third group, OCA<sup>7</sup> is a collaborative effort of a number of organizations including Yahoo and the Internet Archive. They funded a \$1 million grant to help pay for digital copies of collections owned by the Boston Public Library, the Getty Research Institute and the Metropolitan Museum of Art. OCA intends to “build a permanent archive of multilingual digitized text and multimedia content.”

And Google has other competition, at least for the newest titles, with publishers and online bookstores selling access. Google’s edge will probably rely on the number of universities with extensive, stored collections of out-of-print materials who are giving Google access. According to Roy Tennant, in a *Library Journal* article<sup>8</sup>, this mass digitization effort will “make a serious mark and will create unforeseen impacts and enable unpredicted kinds of interactions with books. Whatever the outcome, libraries will be affected. We just don't know exactly how yet.”

---

A new kind of printing machine can print, align, mill, glue and bind two books in less than seven minutes, including full-color laminated covers.

---

### **2.c. Changes in the use of library services, both virtual and physical**

Increased digital access to books will affect libraries in the future. Some of the ways in which libraries will be affected include a real potential for cooperative collection-building for academic, special and large public libraries, a possible increased reliance on interlibrary loan services, and a reduced or expanded need for storage for titles that are rarely used, depending on the institution. Digitizing collections also open up special collections to a much wider audience.

There is also the likelihood of an increased acceptance of books in digital format and easier print access to rare and out-of-print works through affordable instant-print technology like The Espresso, a printing machine that “can print, align, mill, glue and bind two books simultaneously in less than seven minutes, including full-color laminated covers. It prints in any language and will even accommodate right-to-left texts by putting the spine on the right.”<sup>9</sup>

How the cost of technology affects a library’s ability to purchase print resources is another service change. At a minimum, acquiring both digital and print versions is a budget/cost balancing issue that both academic and public libraries are weighing heavily. Technology, especially in the form of digitized information, is costly. Yet survey responses for the 2005 OCLC Scan show that these resources are underutilized by a public that is not familiar with them.

While they are designing around similar service needs for space and technology,

public libraries are also evaluating their potential as the community's "Third Place" so named by Ray Oldenberg in his book *The Great Good Place*. Or they are looking at a role as community activity center as discussed in Robert Putnam's *Better Together* and ULC's report *Engaged Libraries*, both of which highlighted some of the best community-involved branches in the Chicago system.

Adding to this new vision for public libraries, the Public Library Association has drafted new service roles for public libraries and a study from the Urban Libraries Council (ULC), *Making Cities Stronger: Public Library Contributions to Local Economic Development* identified the potential for public libraries as a force in economic development. The four areas identified in the report were:

- a. Early literacy and adult literacy
- b. Workforce skills
- c. Entrepreneurship and small business development
- d. Catalyst for economic development

---

One librarian argues for the abolition of the reference desk by the year 2012, despite thinking reference skills are more important than ever.

---

#### **2.d. The graying of the workforce**

The future of librarianship is of concern to all types of libraries and needs to be of concern to communities that will be hiring new library directors and professional staff over the next 10 years. Librarians are looking to the report of a study undertaken by IMLS, begun in 2006, which will assess the retirement issue facing the profession and provide direction on the skills that will be needed in the future. A high percentage of current librarians are baby boomers, and the profession is concerned with who will replace the boomers and whether the replacements will be librarians with master's of library science (MLS) degrees. During her presidential term, ALA Past President Leslie Burger discussed a possible alternative to the MLS, and OCLC's George Needham has recommended a complete overhaul of the way we educate librarians.

#### **2. e. The changing place of reference services**

The ability to quickly find information on the Internet has turned people away from traditional library reference services. The traditional role of reference service was to search print resources seeking answers to questions posed by library patrons, but people seeking answers to their information needs now have other resources they turn to first. The growth of the Internet has changed the way that information is organized, stored and sought. Information that was once scarce and difficult to find is now plentiful through search engines like Google.

Steven Bell, a librarian from Temple University, took a controversial stand at a symposium hosted in 2008 by Columbia University's library system. In a debate before an audience made up almost entirely of reference librarians, Bell argued for the abolition of the reference desk by the year 2012. Bell, who believes that the services of reference librarians are more important than ever, thinks that the old model of a desk staffed by highly trained reference librarians is outdated. In its place, he sees a future where librarians are available 24/7 to apply their finely honed research skills and knowledge of information systems to helping patrons search the vast digital stacks of the Internet.

---

In 2008, 34 public libraries were awarded grants by the ALA and Dollar General to help them increase their literacy services to adults learning English.

---

So what are the roles and services that WCCLS and its member libraries can explore as they reconfigure library services in Washington County?

## **How we serve: Roles that libraries currently fill**

Most libraries have taken on new roles, beyond that of providing books and quiet places to read.

### **The library as destination**

Libraries have become destination places, with whole families settling in for an afternoon of programs, computer time and reading. When the Kansas City, Missouri, Public Library added Friday evening hours to its largest branch library, it quickly discovered that the library was as popular as the Barnes and Noble down the street. On Friday evenings, folks filled the computers and casually browsed the shelves for books and DVDs for their weekend entertainment. The library quickly learned that this crowd was composed of independent users who did not need programming or the services of reference staff.

### **The library as community change agent**

Libraries are a focal point for community change as they help people of all ages learn new skills and apply for jobs. A December 10, 2008, NBC Nightly News report emphasized the increased demand for library services during these tough economic times.

The long tradition of serving new immigrants also continues, as libraries provide resources for acquiring English language skills and citizenship, and help immigrants stay linked to the old country through access to email and major news sources there. In 2008, 34 public libraries were awarded grants by the American Library Association and Dollar General to help them increase their literacy services to adults learning English.

### **The library as neutral haven**

Libraries welcome all members of the community to safe, comfortable place for young and old. They provide information without judgment, and are a neutral place for public discourse about the issues and concerns of the communities they serve. One example of this role is the community forums using the National Issues Forums Institute discussion guides and held by many libraries, including the Johnson County Library in Kansas, the Kansas City Public Library in Missouri, and the Virginia Beach Public Library in Virginia.

---

In many cities, a new public library has proved to be a better anchor than a major department or big-box store.

---

### **The library as neighborhood anchor**

Libraries often serve as a neighborhood anchor and help stabilize the communities in which they are located. Local government makes a strong statement about its faith in a community when it chooses to build a new library or replace one that has outlived its usefulness. Construction of a new library facility in a blighted area often leads to new commercial and residential development. The Chicago Public Library experienced this phenomenon when it built a new library, and an expanded branch in Chesapeake, Virginia, will be the focal point for the revitalization of the South Norfolk area. In many cities, a new public library has proved to be a better anchor than a major department or big-box store.

### **The library as the place for education, workforce and small business learning.**

The 2007 Pew Report found that 53% of the adults surveyed had visited a public library in the last year. The age breakdown is support for the continued relevance of libraries.

- 62% of 18-30 year olds
- 59% of 31-42
- 57% of 43-52
- 46% of 53-61
- 32% 72+

Thirteen percent of those surveyed reported turning to libraries when seeking answers to problems, including: decisions about schooling, paying for education, or getting training for themselves or for a child; jobs; serious illness; taxes; Medicare, Medicaid, food stamps.

Once people are at the library, they use a variety of services.

- 69% got help from library staff
- 68% used library computers
- 38% got one-on-one help with those computers

- 58% sought reference material
- 42% used newspapers and magazines

Small businesses and entrepreneurs rely on library services, including access to digital resources like RefUSA and even automobile manuals. It is not unusual to see an individual basically running a small business via the library's computers and a cell phone.

Now that most companies require submission of an application online, reference staff often goes beyond providing classroom instruction on computer skills to sitting down with an individual to help him or her actually complete the employment application.

## How we might serve: Roles for libraries of the future

Some options for focusing library services over the next decade could include the following service roles. No one library could fill all of these roles. Rather, a library may select a limited number of service roles and then work to achieve excellence in those areas. Some public libraries have adopted one or more of these roles already, while others are just beginning the exploration.<sup>10</sup>

---

The Lexington, Kentucky, Public Library recently announced the opening of its own production studio.

---

### Technology center

Libraries have a new role of providing access to knowledge (not just information) and of providing the tools to help individuals create their own content. This might include computer equipment for producing video and music content as well as access to web spaces that can be posted and shared.

For example, the Lexington, Kentucky, Public Library recently announced the opening of its own production studio, and the Public Library of Charlotte & Mecklenburg County has a similar set-up. Library homepages are now content-rich rather than just marketing tools. An example of this can be found at The Topeka and Shawnee County Public Library in Kansas, which includes staff-created and -monitored blogs, where staff members and the public talk about books and ideas. And a number of libraries, including the Kansas City, Missouri, Public Library, are taking library programming a step further by posting video podcasts of library programs as well as providing digital access to the rich resources of their local history room.

### Resource for small-business owners and entrepreneurs

Libraries are moving beyond providing print resources for small businesses. Now it's not unusual to find things like computers with Internet access and productivity software, scanning and faxing capability, WiFi, access to online databases like ABI Infrom and Ref-

USA, and even small study rooms that can serve as temporary office space. As more people work away from established workplaces and operate small businesses that do not require a physical presence, this role for the local public library will increase.

### **Workforce training center**

Libraries are providing instructor-led classes on entrepreneurship, presentation skills, computer skills, sales generation, financial planning, marketing and other business-related topics in order to improve the workplace skills and marketability of community members.

They also support those seeking jobs by providing resources and consultation for resume writing and interview skills. This is in addition to free Internet access for searching online job sites like Monster.com and Careerbuilder.com. The International City Manager's Association considers this an important enough role to make it the focus of a new grant funding opportunity for public libraries whose city managers are members of the group.

---

The Allen County Public Library in Indiana is one of several libraries that have hosted YouTube video contests for teens.

---

### **Resource for information on local government, forms and applications**

Libraries act as one-stop-shops for all government forms as well as provides resources and sometimes advice about filling out the forms and submitting them.

### **Health resource center**

Libraries provide up-to-date health and medical information, flu shots and other vaccinations as well as conducting regular health fairs.

### **Preschool learning center**

By providing experiences for young children and their parents where emergent literacy is supported, the children's areas of libraries play an important role in school readiness.

### **Children's center**

Libraries offer regular learning programs for school-age children and also support their school-related learning needs, thereby being a place where children can learn about things that are not mandated by the school curriculum.

### **Teen center**

Teens in most communities have a limited number of places that welcome them. The library provides a safe place for teens to gather outside of school, get help with schoolwork,

and have access to the Internet and computer games. A number of libraries are reaching out and connecting to teens through social networking sites, by creating pages on MySpace and posting videos on YouTube. The Allen County Public Library in Indiana is one of several libraries that have hosted YouTube video contests for teens.

### **Community center**

The library serves as the place where citizens can gather formally and informally by providing free space for meetings and special events, and for socializing with friends.

### **Immigration center**

The library continues a traditional role when it provides a place where immigrants have access to government forms, books and other information resources in languages other than English. It also provides literacy classes and other English as a second language (ESL) courses to help immigrants adapt to the community.

---

Libraries are places where people can create and display their own art and perform their own music.

---

### **Music and art center**

Libraries act as cultural centers, where community members can come to learn about different types of music and art through books and other resources, and where they can also create and display their own art and perform their own music.

### **Research center**

Libraries provide access to information on a wider variety of topics than you can find anywhere else through their online databases, reference materials, and the expertise of librarians.

### **Social center**

Libraries offer a café and lounge-like atmosphere where people gather and socialize.

### **Preserver of local history**

This includes not only safely preserving and storing these resources but also making them available through digitization.

### **Where the books are**

All studies about the role of public libraries emphasize that the library's role as provider of books, as a place where reading is important and where individuals can connect, whether in person or online, to discuss and share the ideas from those books, is still vital.

### **The expert in “new literacy”**

The Pew Report provided some implications for libraries to consider in planning their future. It identified various components of what the authors call “new literacy,” and suggested that libraries could provide expertise to the public. Components include:

Graphic literacy – the language of the screen.

Navigation – the transition to nonlinear format.

Context – the importance of seeing connections.

Focus – the value of reflection.

Skepticism – the capacity to evaluate.

Ethical behavior – living responsibly.

Personal literacy – understanding digital footprints.

### **Where we are going: Some intriguing possibilities for the next 10 years**

Only one guarantee can be made about libraries in the future, and that is that they will be different. Some intriguing possibilities gleaned from searching blogs, online discussion groups and web pages, including those of the DaVinci Institute, suggest the following:

- The Dewey Decimal System as a means for organizing libraries will become defunct. Already a branch library in Arizona has utilized the bookstore topical arrangement, and discussion on library listservs and blogs about open source options is strong. 

---

The online catalog will function as a search command center rather than just a database of library holdings. 

---
- Print magazines and newspapers will be a thing of the past. This is a sad thought for fans of newsprint, but the reality is that more people now get their news from the online versions of local and national newspapers than from the physical product.
- Eighty percent of Internet users will engage in some form of virtual world activity by 2011 according to the Gartner Research Group.
- No MLS degree will be required to be a professional librarian. Other preparatory degrees and backgrounds will be preferred.
- All technologies commonly used today will be replaced by something new.
- Search technology will become increasingly more complicated. Right now most searching is based on text searching. In the future other options, including searching

using the five senses, will exist.

- As the economy transitions from being product-based to being experience-based, libraries will transition from being centers of information to being centers of culture.
- The online catalog will function as a search command center rather than just a database of library holdings.
- Traditional lending will be replaced with downloadable books, which are never out of stock, formatted for electronic tablets and readers.
- The very concept of what a book is will change. Where once a customer would passively read and absorb a book, every volume now is more akin to an online forum, with authors, experts and other readers available to discuss and answer questions on almost every important book ever written.

---

In the future other options, including searching using the five senses, will exist.

In the future, what we think of as our public library will be drastically different and yet at least as important as it is today. The major themes of library service are timeless, while the tools with which libraries address those themes are constantly changing.

No library can fulfill every potential service role or provide every possible service. The challenge for the libraries of Washington County, Oregon, is to identify those roles and services that are the best fit for their community and for the future they want to create.

## ENDNOTES

- 1 ICMA Management Perspective. October 2007. *Local Government Managers and Public Libraries: Partners for a Better Community*, 4 pages.
- 2 Wall Street Journal (eastern edition). Libraries Beckon, But Stacks of Books Aren't Part of Pitch; Valparaiso's New Building Has PCs, a Cafe, a Steinway; 'Quiet's Not the Thing' Christopher Conkey. Oct 21, 2006. pg. A.1.
- 3 Northwest Indiana News story ran on nwitimes.com Monday December 4, 2006 12:07 AM CST.
- 4 SirsiDynix Institute. Grow your skills. [www.sirsidynixinstitute.com/archive.php](http://www.sirsidynixinstitute.com/archive.php).
- 5 Email exchange with author.
- 6 Annual statistical report July 2006 Kansas City Public Library
- 7 Open Content Alliance, [www.opencontentalliance.org](http://www.opencontentalliance.org).
- 8 Library Journal, October 15, 2006. "Mass Digitization", Roy Tennant.
- 9 An ATM for books. Emily Maltby. Fortune Small Business Magazine. December 14, 2006.
- 10 With some help from an OCLC blog from Thursday, February 08, 2007, 13 ways of looking at a public library

# **An Exploration: How should the libraries of Washington County be funded and governed?**



Presented to the  
WCCLS Executive Board & Policy Group  
November 2008

by  
Consensus  
PO Box 10252  
Kansas City, MO 64171  
[www.consensuskc.org](http://www.consensuskc.org)  
816.531.5078

## Table of Contents

Executive summary .....	3
Introduction .....	9
What is the current method of funding and governing libraries?.....	10
How do WCCLS libraries compare to the state and nation? .....	13
What are the major benefits and disadvantages of the current model of funding and governance? .....	19
What may influence how Washington County libraries are structured in the future? .....	25
State law, 25	
Oregon Library Association standards, 25	
Tax capacity and tax rates, 30	
Salary differences among WCCLS member libraries, 34	
Growing population and services to urban unincorporated areas, 37	
The difference between libraries' municipal and service populations, 38	
What are the major options for new models? .....	39
Option A: Special district, 41	
Option B: County service district, 45	
Option C: Alternative tax to replace local option levy, 51	
Option D: County library system, 53	
A comparison among options, 56	
Tax costs for three options, 58	
Appendix A: WCCLS .....	60
Appendix B: Circulation Summary .....	61

## *Executive Summary*

### **An Exploration: How should the libraries of Washington County be funded and governed?**

There is no one right way to fund and govern America's libraries. Each state and each community does things a little – and sometimes a lot – differently. The important thing is for the model to hit that sweet spot where the benefits to various stakeholders are balanced and maximized. There is agreement within Washington County that, in general, the current system has not yet found the sweet spot.

This report offers four options for funding and governing the libraries of Washington County. Each option has distinct advantages and disadvantages, and each comes with tradeoffs. It is up to Washington County leaders to determine which option will, on the whole, best position its libraries to meet the challenges of the future.

#### **What is the current method of funding and governing libraries?**

Washington County Cooperative Library Services (WCCLS) is a county/city/nonprofit partnership that includes 14 public libraries. It is governed by the Washington County Board of Commissioners, which convenes the Executive Board to advise it. Among others, the Executive Board is composed of chief administrative officers of 11 municipal libraries. It also convenes the Policy Group, which includes the directors of member libraries. The Executive Board deals with funding and long-term governance and funding strategies, while the Policy Group deals with operations and policy implementation.

WCCLS will receive a total of about \$21.4 million in FY08-09. About two-thirds comes from the Washington County general fund, and about one-third comes from a four-year local option levy, which expires in 2011. In general, county funds pay for WCCLS central services (catalog, publicity, courier, etc.) and for library operations (staff, books, occupancy). County funds cover an average of 65 percent of library revenue. Cities pay for some operations and all capital costs.

There is no central body that determines where libraries should be located, their size or what they should provide. This is a concern because the population is growing rapidly and much of that growth is in urban unincorporated areas. Those residents pay the county property tax that funds WCCLS, but don't pay for capital and some operating costs for the libraries they use, an estimated \$600,000 shortfall.

#### **How do WCCLS libraries compare to the state and the nation?**

The libraries in Washington County are visited at a level much higher than the national and state averages, but they offer less in the way of materials.

- On average, WCCLS libraries spend about the same amount per capita as Oregon libraries, but 33 percent more than the national average of \$30.11.

- Average materials expenditure per capita for WCCLS member libraries of \$4.03 is below the state average and almost precisely the national average. At 2.1, they have fewer book volumes per capita than their state (2.9) or national (2.8) counterparts.
- Operating expenditures per circulation, which show efficiency, is \$2.88, which is slightly above the state average and more than a third less than the national average. Within the county, the range is from \$1.79 to \$4.84.
- Residents visit WCCLS member libraries 7.3 percent more often than their Oregon counterparts and 42.6 percent more often than the national average. At 93.6 visits per open hour, the WCCLS library average is well above both the state (43.7) and national (36.6) average.
- Overall, the county has only 70 percent of the average square feet per capita that one expects to find in U.S. libraries. Only Beaverton and Forest Grove are above the national average.

### **What do WCCLS leaders want from a funding and governance model?**

In interviews, members of the Executive Board and Policy Group discussed what works and what doesn't in the current system, and what they would like from a new model. The following items were mentioned by more than two persons.

What currently works includes:

- The new Executive Board includes city managers.
- Libraries receive funds from several sources.
- The Washington County Board of Commissioners is supportive of libraries.
- Library leadership collaborates and talks with one another.

What people would like to see changed includes:

- Libraries have stable funding rather than having to rely on the local option levy.
- The funding formula is changed to assure a base level of services and encourage cooperation.

If libraries were able to produce one outcome as a result of this process, people said they would like to see:

- Libraries operate as one library district.
- Libraries have stable funding.
- Libraries agree on where they are and where they're going.

## **What may influence how Washington County libraries are structured in the future?**

When choosing a new method for funding and governing libraries, leaders will need to take several elements into account. They include standards, tax capacity, salary differences, growing population and the difference between libraries' resident and service populations.

1. **Oregon Library Association (OLA) standards.** The standards are voluntary, for levels of quality that include threshold, adequate or excellent. The county's libraries are significantly below OLA standards for adequate staff, buildings, materials and hours open. For purposes of this report, we propose closing the materials gap by buying enough extra materials in a 10-year period to meet the adequate standard. The 2006-07 materials spending was just short of \$2 million, so adding \$1,658,662 annually would be a major expense. Staff costs are about \$15 million, so the added \$1,195,308 for threshold level staffing, while substantial, is less of an impact than the materials changes. The largest cost would, of course, be capital. We calculated 4 percent bonds over 25 years and the standard size building for each community. We used a modest \$175 per square foot building cost. The total of estimates for meeting standards is more than \$8 million.
2. **Tax capacity and tax rates.** Tax capacity is the property value per resident, and is a rough measure of a community's wealth. If the tax burden for all libraries was spread throughout the county, the tax rate would be \$0.72. That would be an increase for unincorporated areas, Cornelius, and Tualatin. It would be the same rate for Sherwood and a decrease for all other communities. Currently, the lowest rate (\$0.50) is paid by unincorporated areas. The highest rate (Banks, at \$1.18) is more than twice as much. On a tax-per-resident basis, the average tax is \$59.42, but the unincorporated/other areas pay \$41.14. The highest rate per resident is in Beaverton, with \$81.88, and the lowest is in Cornelius, with just \$26.42.
3. **Salary differences among WCCLS member libraries.** There is a wide range in total staff expenditure per employee of 2.5 to 1 between Tigard (high) and Garden Home (low). A consolidated library district would need to "harmonize" staff salaries, and they usually are harmonized at the highest rather than lowest level. To harmonize salaries to the highest level would cost another 16%, or \$2.4 million. There is usually some attrition and a case can be paid to pay managers of smaller branches less.
4. **Growing population, urban unincorporated areas, and service populations.** The county currently adds some 500 new housing units and 1,200 new residents a month. Much of the growth is occurring in unincorporated areas. The more-than 212,000 residents of unincorporated residents can use municipal libraries, for which they don't help pay capital costs or operating costs not covered by County general funds. In addition, people who live in one city may travel to

another to use its library. The Hillsboro Public Library service population, for example, is almost twice its municipal population.

### **What are the major options for new models?**

To the public, a library is a library; most people assume that they are all organized pretty much the same way. Increasingly, though, that is not the case. The basic structure for libraries was developed back when people visited libraries on foot or horseback. Those days are long gone and, for many reasons, states and communities are changing how they structure, fund and govern American libraries.

The following four options are available within Oregon state law.

#### **OPTION A: SPECIAL DISTRICT**

Special districts are units of government superimposed on the traditional units of government like cities, towns and counties. A special district has the power to levy taxes and issue boundaries. Eighteen public libraries in Oregon use the special district model.

Special districts have five-person elected boards. The public votes to establish the special district with a permanent tax rate, which cannot be changed in the future. When a special district is formed, library service becomes countywide service without any distinction between residents of cities and unincorporated areas. Overall policymaking is the responsibility of the board, which also appoints the library director.

Library districts have more stable funding than other types of libraries. Because districts operate separately from municipalities, they don't have to compete with city or county services for funding. The library board is entirely responsible for budget decisions. Funds remaining in the account can be rolled forward and used the next year.

#### **OPTION B: COUNTY SERVICE DISTRICT**

A county service district has a board appointment by county government, which sets policy. The library could continue to operate as a cooperative with limited county-wide decision making, or it could consolidate and make decisions at a county level. Cities could continue to contribute funds for capital and some operations. Five Oregon counties currently use county service district to provide library services.

The Clackamas County Library Service District, passed on November 4, 2008, with 61.18 percent of the vote, established the county service district mainly as a means to move the county out of the business of providing library services directly to the public. While the County will continue to use general funds to pay for its countywide library cooperative, the Library Information Network of Clackamas

County, it will move control of its three libraries to nearby cities. The service district, with a levy of \$0.3974 per \$1,000, will serve mainly as a funding source, with all funds going towards library services. The municipal libraries in the county will continue to operate as municipal libraries, and cities can pay more for libraries if they want a higher level of service.

The Corvallis-Benton County Public Library is somewhat different in that all library employees are City of Corvallis employees. The local communities are responsible for the construction and maintenance of the library branches located in their communities.

### **OPTION C: ALTERNATIVE TAX TO REPLACE LOCAL OPTION LEVY**

This option assumes that WCCLS would continue to operate as a cooperative with its current governance and decision-making structure. The only difference would be that the County would implement an alternative tax or taxes, not connected to property, that would replace the nearly \$8 million per year raised by the local option levy. This option also assumes that the alternative tax or taxes would not pay for costs currently borne by municipalities, such as capital costs and some operating costs.

Possible sources of tax revenue include some sources that are used elsewhere but rarely or never in Oregon. They include: utility user tax; income tax; sales tax; impact fees, a special tax on new developments; court penalties, etc., that currently fund law libraries; and excise taxes and fees, such as a construction excise tax.

### **OPTION D: COUNTY LIBRARY SYSTEM**

The library would become a department of Washington County government, with the level of funding for operations and buildings decided by the county board of commissioners. In this model, the board of commissioners governs the library and, as in Multnomah County, the commissioners would appoint citizens to a library advisory board to oversee library operations. Four Oregon libraries use this model.

Nationwide, the most typical type of consolidated library is the county library system. Library legislation in 39 states includes county option as part of library law. County libraries, like municipal libraries, must compete for funding with other government departments, and experience shows that when funding is cut and quality suffers, more affluent communities may choose to opt out of the system.

### **Tax costs for three of the four options**

The current estimated actual combined tax for communities in Washington County is almost \$30 million. But it would cost at least another \$8 million to get libraries to the adequate Oregon Library Association standards.

- For Options A & D, a special district or a county library system, every taxpayer in the county would pay the same rate, \$0.72 without the added funds to meet standards, and \$0.91 to meet standards.
- In Option B, a county service district, cities could continue to pay extra funds for some services. Cities would be left with their current local debt payments and leases.
- Option C is not included because the revenue source would not be property-tax based, so the tax rates would be irrelevant.

We have left the cost of a special district and county library system the same as the current cooperative structure. Some may find this surprising, assuming that the elimination of administrative overhead like multiple bookkeeping, ordering, etc., would result in lower total costs. The actual results of a change in governance and funding cannot be predicted, of course, but there are several factors that make cost savings unlikely. They include wage harmonization and the need to provide a base level of service throughout the county in terms of staffing, building size, and collections. While consolidation would result in some efficiencies, it would not cost less than the current system.

*Presented to WCCLS in November 2008 by Consensus, a nonprofit consulting firm based in Kansas City, Missouri. For more information, go to [www.consensuskc.org](http://www.consensuskc.org).*

## Introduction

There is no one right way to fund and govern America's libraries. Each state and each community does things a little – and sometimes a lot – differently. The important thing is for the model to hit that sweet spot where the benefits to various stakeholders are balanced and maximized. There is agreement within Washington County that, in general, the current system has not yet found the sweet spot.

This report does not attempt to persuade Washington County Cooperative Library Services (WCCLS), its member libraries or patrons that there is one right way to fund and govern their libraries. The Consensus consulting team offers four options, and the final choice ultimately belongs to the local community. Each option has distinct advantages and disadvantages. Each comes with tradeoffs. It is up to Washington County leaders to determine which option will, on the whole, best position its libraries to meet the challenges of the future and, where there are tradeoffs, to find ways to navigate them.

What we have attempted to do here is to provide clear and complete information that will help Washington County leaders make the right choice for their community. This report includes the following information:

- the current situation and its major benefits and disadvantages,
- how local libraries compare with the national and state averages,
- what changes people say they want to see in a new funding and governance model, and
- elements influencing the future of Washington County libraries, such as state law, Oregon Library Association standards, tax capacity, growing population, differences between municipal and service populations and salary differences.

In total, the process will identify options for funding and governance, and will work with the local community to create a 10-year strategic plan for library services in Washington County. This report marks the second step in a six-step process. Here's what to expect:

- The first step in this process was devoted to conducting research, including stakeholder interviews.
- The second step will conclude with a three-hour meeting with members of the WCCLS Executive Board and Policy Group, during which leaders will discuss the options and decide which one or two hold the most promise.
- Third, Consensus will produce a report on trends that can be expected to affect local libraries over the course of the next decade.
- Fourth, over two weeks, Consensus will meet with stakeholders and the public in 14 small-group interviews, supplemented by a deliberative online poll. The public involvement will identify a broad vision for the county's libraries, as well as specific goals and objectives to be reached.
- Fifth, the Executive Board and Policy Group will determine their preferred funding and governance method, mission and vision statements and goals and objectives.
- The last phase is a report that includes the ten-year strategic plan.

## **What is the current method of funding and governing libraries in Washington County?**

This section provides an overview of the current system, data about the inputs and outputs it produces, and its major benefits and disadvantages as identified by stakeholders. It also includes a picture of what stakeholders want from a new structure of funding and governing Washington County libraries.

WCCLS possesses some excellent historical documents. This report will not duplicate them. Instead, because this process is intended to consider the present and future, we will leave the past for another day. This provides a snapshot of the current structure.

### **Governance of WCCLS**

WCCLS is a county/city/nonprofit partnership that includes 14 public libraries. (While WCCLS cooperates with other libraries in the area, because it does not govern or fund them, we won't deal with them here.)

WCCLS is governed by the Washington County Board of Commissioners.

- WCCLS convenes an Executive Board to advise it and the Board of County Commissioners on matters pertaining to “funding for countywide services, distribution of financial resources by WCCLS for the provision of countywide public library services, and long-term governance and funding strategies.” The Executive Board includes the chief administrative officers of 11 member libraries, the county administrator, and a representative from the one county-owned library.
- WCCLS also convenes the Policy Group, which includes 11 library directors, a representative from the county-owned library, and a representative from one of two special libraries. The Policy Group deals with operations and policy implementation.

WCCLS has three roles: to provide funding for public libraries, to provide central support services, and to provide outreach to special populations, including the homebound, Spanish-speaking children, jail inmates, and West Slope residents. Central support services include things like a website, reference, interlibrary borrowing, catalog, publicity and courier service.

Public libraries that belong to WCCLS agree to treat all qualified borrowers the same, and they provide services such as reciprocal borrowing and participation in WCCLS activities.

### **Funding of WCCLS and member libraries**

Two entities receive funds for library services in Washington County. The first is WCCLS and the second is the member libraries. In general, WCCLS serves the member libraries, while the libraries serve the public. In general, county funds pay for WCCLS central services and for library operations (staff, books, occupancy), while cities are responsible for capital costs. Cities and non-profit contractors also help pay operating costs for their libraries, although at very different levels.

WCCLS will receive a total of about \$21.4 million in FY08-09. About two-thirds of WCCLS funding - \$14.068 million – comes from the Washington County general fund. Most general fund revenue comes from a county-wide property tax. About one-third of WCCLS funding - \$7.069 million – comes from a four-year, \$28 million local option levy approved in November 2006, which expires in 2011.

WCCLS keeps a portion of those funds so that it can provide centralized services to member libraries. WCCLS distributes the great majority of funds it receives (about 80 percent) to member libraries.

The number of member libraries is determined mainly by the number of cities that want to form a municipal library. City government is responsible for the physical plant and, generally, some support for operations.

There is no central body that determines where libraries should be located, their size or what they should provide.

- Cities with existing libraries have the autonomy to expand or build new libraries whenever they see fit. When they do this, it leads to higher operating costs for the county's libraries because new or bigger libraries require more staff, books, etc. Since 1996, twelve libraries have remodeled, expanded or built new buildings (11 since 2000). Only the library in Cornelius has not remodeled or expanded since 2000.
- Cities that don't yet have libraries can choose to build new ones. They don't need permission from WCCLS, but if they meet basic criteria to become members of WCCLS, the county then must share tax dollars with them. Two cities have created libraries since 2005, and one, North Plains, has met the criteria to join WCCLS.

County tax dollars don't cover all of a library's operating expenses. On average, they cover about 65 percent of library revenue. The total varies widely, though, from county funds providing 93 percent of revenue for Garden Home Community Library to 50 percent of Cornelius Public Library to 12 percent of North Plains Public Library. The rest of a library's revenue may come from city general funds, fines and fees, and local fundraising.

#### Washington County funding as a percentage of library revenues 2007-08

Public Libraries:	Operating Revenues	Revenue from WCCLS	% of Revenue from WCCLS
Banks	\$157,183	\$98,994	63.0%
Beaverton	\$6,232,273	\$3,803,315	61.0%
Cedar Mill	\$2,771,068	\$2,417,134	87.2%
Cornelius	\$236,276	\$117,670	49.8%
Forest Grove	\$768,214	\$612,949	79.8%
Garden Home	\$338,156	\$313,162	92.6%
Hillsboro Libraries	\$6,836,666	\$3,597,699	52.6%
North Plains	\$92,888	\$51,000	54.9%
Sherwood	\$840,611	\$595,309	70.8%
Tigard	\$3,486,674	\$2,196,844	63.0%
Tualatin	\$1,417,079	\$1,135,616	80.1%
West Slope	\$624,489	\$543,110	87.0%
<b>Total</b>	<b>\$23,801,577</b>	<b>\$15,482,802</b>	<b>65.0%</b>

In the most recent satisfaction survey, a scientific telephone survey of a random sample of 550 households, 72 percent said the library had done either an excellent or good job of handling taxpayer resources. The survey was conducted in 2008 by Riley Research Associates.

## **Two major complications**

1. **The population of Washington County is growing rapidly.** It has grown 58 percent since 1990. Library circulation has increased even faster than the population has grown: 127 percent since 1990.

Rapid population growth has increased demand for all sorts of county services, not just libraries, according to the county strategic plan, *County 2020*. County government is expected to provide services at a level more normally provided by cities, but restrictions placed on traditional county funding sources make that difficult.

2. **Urban unincorporated areas receive more library services than they pay for.** According to “Service Incidence Study: Analysis of the Geographic Distribution of Washington County Expenditures and Revenues,” overall, urban unincorporated areas pay about 4.9 percent more than the value of county services they receive, while rural areas receive 4.6 percent more services than they pay for and incorporated areas come out about even. But that is not the case for WCCLS. The report found that WCCLS was one of the few services where urban unincorporated areas received more services than they paid for, in this case more than \$600,000 worth. The difference is made up by incorporated (\$400,000) and rural (\$200,000) areas. Almost all libraries in Washington County are located within municipal boundaries, so residents of urban unincorporated areas have few options other than city libraries. The study was released in 2007 by the Washington County auditor and prepared by Public Knowledge LLC.

## How do WCCLS libraries compare to the state and nation?

Data provide a picture of WCCLS and member libraries that are visited at a level much higher than the national and state averages, but which offer less in the way of materials. In terms of expenditures, WCCLS libraries come in at about the Oregon average and significantly lower than the national average. Note that the data for this section come from reports for fiscal 2005, which is necessary in order to get national comparisons. For WCCLS and its member libraries, 2005 was a “funding reduction” year, following the failure of the 2002 levy. The last two columns indicate the percentage that WCCLS is over (under) state or national averages.

### WCCLS, Oregon Libraries and U.S. Libraries Compared, 2005

Values	WCCLS	Oregon Libraries	Rest of U.S. Libraries	OR	US
Population	472,600	2,747,340	282,359,956		
Expenditure per capita	\$40.11	\$40.25	\$30.11	-0.4%	33.2%
Percent budget To materials	10.0%	12.3%	13.3%	-18.5%	-24.3%
Materials expenditure per capita	\$4.03	\$4.96	\$3.99	-18.8%	0.8%
FTE staff per 1000 population	0.5	0.5	0.5	-3.0%	5.3%
Periodicals per 1000 residents	5.4	6.8	6.4	-20.9%	-15.5%
Volumes per capita	2.1	2.9	2.8	-28.4%	-25.7%
Expenditure per circulation	\$2.88	\$2.75	\$4.34	5.0%	-33.5%
Visits per capita	6.6	6.1	4.6	7.3%	42.6%
Collection turnover	6.7	5.0	2.5	32.5%	169.4%
Circulation per FTE staff hour	13.3	13.6	7.0	-2.1%	90.0%
Average of circulation per capita	13.9	14.6	6.9	-5.1%	100.2%
Reference per capita	0.9	0.9	1.1	-1.9%	-15.6%
Circulation per hour	198.2	104.7	55.3	89.3%	258.7%
Visits per hour	93.6	43.7	36.6	114.1%	155.6%
Circulation per visit	2.1	2.4	1.5	-11.6%	40.3%

**WCCLS Member Library Detail – Based on Federal Data, 2005**

Values	Banks	Beaverton	Cedar Mill	Cornelius	Forest Grove	Garden Home	Hillsboro	Sherwood	Tigard	Tualatin
Population	4,834	109,872	46,903	11,857	26,467	5,925	151,184	17,332	62,964	24,269
Expenditure per capita	\$17.12	\$43.08	\$41.93	\$18.23	\$25.41	\$31.41	\$31.58	\$29.79	\$29.18	\$41.90
Percent Budget to materials	20%	10%	10%	9%	11%	15%	9%	11%	14%	18%
Materials Expenditure Per capita	\$3.44	\$4.43	\$4.10	\$1.59	\$2.88	\$4.69	\$2.77	\$3.14	\$3.99	\$7.56
FTE staff per 1000 population	0.40	0.48	0.66	0.30	0.40	0.78	0.36	0.52	0.46	0.63
Periodicals per 1000 residents	16.1	4.2	6.8	4.0	8.0	9.1	4.4	6.6	4.1	8.3
Volumes per Capita	4.1	2.2	3.2	1.7	3.5	2.6	1.6	1.3	1.5	2.0
Expenditure per circulation	\$2.06	\$2.69	\$1.79	\$4.84	\$2.57	\$1.29	\$2.79	\$2.31	\$2.82	\$2.71
Visits per capita	5.0	7.0	9.5	3.5	8.2	11.4	4.5	10.9	4.3	11.1
Collection turnover	2.0	7.4	7.3	2.2	2.8	9.3	7.1	9.6	6.8	7.5
Circulation per FTE Staff Hour	9.9	16.1	17.1	6.1	12.0	15.0	14.9	11.9	10.8	11.9
Average of Circulation per Capita	8.3	16.0	23.4	3.8	9.9	24.4	11.3	12.9	10.4	15.4
Reference per capita	0.8	1.3	0.8	0.5	0.6	1.0	0.6	0.4	1.0	1.2
Circulation per hour	22.1	491.2	374.5	19.4	92.2	59.1	334.9	74.3	214.0	113.0
Visits per hour	13.3	214.6	151.2	18.1	76.8	27.8	131.7	63.1	88.3	81.3
Circulation per visit	1.7	2.3	2.5	1.1	1.2	2.1	2.5	1.2	2.4	1.4

\* Following Oregon State Library and national reporting guidelines, West Slope Library is not reported separately, but as a branch of WCCLS, so it does not show up in this analysis. Likewise, both of Hillsboro's libraries are reported together.

On average, WCCLS libraries spend about the same amount per capita as Oregon libraries, but that figure is 33 percent higher than the national average of \$30.11. It is surprising to find that a relatively

affluent suburban area is at just the state average, and a cause for concern that several libraries in the county pull in so much less revenue than the state average revenue.

<b>Expenditure per capita, 2005</b>	
<b>Library</b>	<b>Amount</b>
Banks	\$17.12
Beaverton	\$43.08
Cedar Mill	\$41.93
Cornelius	\$18.23
Forest Grove	\$25.41
Garden Home	\$31.41
Hillsboro	\$31.58
Sherwood	\$29.79
Tigard	\$29.18
Tualatin	\$41.90
<b>WCCLS Average</b>	<b>\$40.11</b>
<b>Oregon Libraries Average</b>	<b>\$40.25</b>
<b>Rest of U.S. Libraries Average</b>	<b>\$30.11</b>

The WCCLS funding formula places a great deal of importance on circulation. It is a bit surprising, therefore, to find that the average materials expenditure per capita for WCCLS member libraries is below the state average and almost precisely the national average. Among the WCCLS member libraries, there is quite a variation. Materials expenditures per capita run from \$1.59 to \$7.56.

<b>Materials expenditure per capita, 2005</b>	
<b>Library</b>	<b>Amount</b>
Banks	\$3.44
Beaverton	\$4.43
Cedar Mill	\$4.10
Cornelius	\$1.59
Forest Grove	\$2.88
Garden Home	\$4.69
Hillsboro	\$2.77
Sherwood	\$3.14
Tigard	\$3.99
Tualatin	\$7.56
<b>WCCLS Average</b>	<b>\$4.03</b>
<b>Oregon Libraries Average</b>	<b>\$4.96</b>
<b>Rest of U.S. Libraries Average</b>	<b>\$3.99</b>

WCCLS libraries have fewer book volumes per capita than either their state or national counterparts. Only Banks and Cedar Mill have more volumes per capita than the national average. All other libraries are well below the average.

<b>Volumes per capita, 2005</b>	
<b>Library</b>	<b>Amount</b>
Banks	4.1
Beaverton	2.2
Cedar Mill	3.2
Cornelius	1.7
Forest Grove	3.5
Garden Home	2.6
Hillsboro	1.6
Sherwood	1.3
Tigard	1.5
Tualatin	2.0
<b>WCCLS Average</b>	<b>2.1</b>
<b>Oregon Libraries Average</b>	<b>2.9</b>
<b>Rest of U.S. Libraries Average</b>	<b>2.8</b>

Operating expenditures per circulation are one way to judge the efficiency of a library. WCCLS member libraries average \$2.88 per circulation, which is very close to the state average and more than a third less than the national average. Within the county, the range is three to one (from \$1.79 to \$4.84), which is low by comparison with other measures such as materials expenditures per capita.

<b>Expenditure per circulation, 2005</b>	
<b>Library</b>	<b>Amount</b>
Banks	\$2.06
Beaverton	\$2.69
Cedar Mill	\$1.79
Cornelius	\$4.84
Forest Grove	\$2.57
Garden Home	\$1.29
Hillsboro	\$2.79
Sherwood	\$2.31
Tigard	\$2.82
Tualatin	\$2.71
<b>WCCLS Average</b>	<b>\$2.88</b>
<b>Oregon Libraries Average</b>	<b>\$2.75</b>
<b>Rest of U.S. Libraries Average</b>	<b>\$4.34</b>

Residents visit WCCLS member libraries 7.3 percent more often than their Oregon counterparts and 42.6 percent more often than the national average. The rate of visits by library ranges from 3.5 to 11.4, with an average of 6.6.

<b>Visits per capita, 2005</b>	
<b>Library</b>	<b>Amount</b>
<i>Banks</i>	5.0
<i>Beaverton</i>	7.0
<i>Cedar Mill</i>	9.5
<i>Cornelius</i>	3.5
<i>Forest Grove</i>	8.2
<i>Garden Home</i>	11.4
<i>Hillsboro</i>	4.5
<i>Sherwood</i>	10.9
<i>Tigard</i>	4.3
<i>Tualatin</i>	11.1
<b>WCCLS Average</b>	<b>6.6</b>
<b>Oregon Libraries Average</b>	<b>6.1</b>
<b>Rest of U.S. Libraries Average</b>	<b>4.6</b>

At 13.9, WCCLS nearly matches Oregon's pace for circulation per capita. That figure is twice the average national rate. The range within the county is quite dramatic, going from 3.8 in Cornelius to 24.4 in Garden Home.

<b>Average of circulation per capita, 2005</b>	
<b>Library</b>	<b>Amount</b>
<i>Banks</i>	8.3
<i>Beaverton</i>	16.0
<i>Cedar Mill</i>	23.4
<i>Cornelius</i>	3.8
<i>Forest Grove</i>	9.9
<i>Garden Home</i>	24.4
<i>Hillsboro</i>	11.3
<i>Sherwood</i>	12.9
<i>Tigard</i>	10.4
<i>Tualatin</i>	15.4
<b>WCCLS Average</b>	<b>13.9</b>
<b>Oregon Libraries Average</b>	<b>14.6</b>
<b>Rest of U.S. Libraries Average</b>	<b>6.9</b>

At 93.6 visits per open hour, the WCCLS library average is well above both state and national averages. More visits per hour are to be expected in libraries with larger populations, as can be seen in the results for Beaverton and Hillsboro, but Cedar Mill at 151.2 visits per hour is noteworthy.

<b>Visits per hour, 2005</b>	
<b>Library</b>	<b>Amount</b>
Banks	13.3
Beaverton	214.6
Cedar Mill	151.2
Cornelius	18.1
Forest Grove	76.8
Garden Home	27.8
Hillsboro	131.7
Sherwood	63.1
Tigard	88.3
Tualatin	81.3
<b>WCCLS Average</b>	<b>93.6</b>
<b>Oregon Libraries Average</b>	<b>43.7</b>
<b>Rest of U.S. Libraries Average</b>	<b>36.6</b>

Overall, the county has only 70 percent of the average square feet per capita that one expects to find in U.S. libraries. Bear in mind that the average includes libraries that are well under and over the indicated square footage per capita. Only Beaverton and Forest Grove are above the national average.

<b>Library</b>	<b>Pop. Category</b>	<b>Square Feet</b>	<b>Population</b>	<b>WCCLS Square Feet per Capita</b>	<b>U.S. Average Square Feet per Capita</b>	<b>Library as % National Average</b>
Hillsboro	c) 100k	33,663	143,576	0.23	0.49	48%
Beaverton	c) 100k	67,000	108,681	0.62	0.49	126%
Tigard	d) 50k	13,000	61,808	0.21	0.58	36%
Cedar Mill	e) 25k	24,368	46,585	0.52	0.66	80%
Forest Grove	e) 25k	24,700	25,818	0.96	0.66	146%
Tualatin	f) 10k	8,505	23,649	0.36	0.76	48%
Sherwood	f) 10k	3,500	16,945	0.21	0.76	27%
WCCLS - W. Slope	f) 10k	6,000	13,665	0.44	0.76	58%
Cornelius	f) 10k	2,500	11,628	0.21	0.76	28%
Garden Home	g) 5k	930	5,891	0.16	0.91	17%
Banks	h) 2.5k	3,000	4,804	0.62	1.07	58%
<b>Totals</b>		<b>187,166</b>	<b>463,050</b>	<b>0.40</b>	<b>0.58</b>	<b>70%</b>

## What are the major benefits and disadvantages of the current model of funding and governance?

The current structure for funding and governing libraries offers distinct benefits and disadvantages, according to individuals interviewed by Consensus and our own analysis. Interviewees included six members of the Executive Board, seven of the Policy Group, the WCCLS director and State Librarian Jim Schepke.

It's important to keep in mind that some positive and negative aspects of library services have nothing to do with the structure. Instead, they may involve coincidence, personalities, or societal trends. We have included only positive or negative characteristics that are pretty clearly a result of the structure.

Most of the benefits and disadvantages below were mentioned by interview subjects. Keep in mind that, depending, one person's "benefit" may be another person's "disadvantage." A few benefits and disadvantages were added based on historical materials and the Consensus team's observations. The items are listed in no particular order.

<b>Benefits – current method</b>	<b>Disadvantages – current method</b>
Libraries receive funds from several sources, which provides some stability.	Funding is a roller coaster. The local option levy expires every four years and voters can choose not to renew.
All libraries have a secure “floor” of funding from the county general fund.	Libraries must put a lot of time and money into getting local option levies passed every four years.
Libraries have the autonomy to design services for their unique communities.	There is no countywide authority or method for siting new libraries.
Libraries have the autonomy to choose local control, even if it reduces efficiency.	There are unequal levels of library service throughout the county and no countywide method for correcting the problem.
The county includes different types of libraries, not just public libraries.	City governments are not required to pay anything for libraries.
Every resident has access to every library.	Residents in unincorporated areas pay nothing towards capital costs.
Everyone shares in the costs of library operations.	Cities must build libraries large enough to accommodate the unincorporated residents in

	their service area, but unincorporated areas don't help pay for the buildings.
Libraries share, which saves money and allows for specialized collections.	WCCLS competes for funding against other county services.
Having city managers on the executive board connects libraries with decision-makers.	Municipal libraries compete for funds against other city services.
Having non-city managers on the executive board provide different points of view.	The circulation-based funding formula means that libraries compete for operating funds from WCCLS.
The cooperative structure encourages libraries to come to agreement on the important things.	Decision-making is multi-layered, labor-intensive and slow.
If you live in an unincorporated area, you don't have to help pay for capital costs.	Efficiency is not required and often takes a back seat to local control. Libraries buy and catalogue books independently and miss out on economies of scale.
Even very small libraries have a place at the table.	Library staff members receive different pay for similar work.
WCCLS provides central services more efficiently than libraries could on their own.	Larger libraries don't have a voice commensurate with the size of their populations.
Every four years, citizens choose whether to fund a local option levy. This allows citizens to choose which services they will support at what level.	Almost all funds come from the property tax, which is capped.
	There is sometimes tension between WCCLS and member libraries regarding who serves whom.
	Because so much area is unincorporated, the county has to provide services usually provided by cities.

## What do people want from a funding and governance model?

Part of each Consensus interview with Executive Board and Policy Group members dealt with how libraries in Washington County should be funded and governed, and those responses are provided here. The remainder of the interviews dealt with strategic planning and will be used later in this project.

Similar responses are grouped together. Any ideas that were mentioned more than once are included in the chart. “Mentions” shows how many Executive Board (EB) and Policy Group (PG) members mentioned that idea. The “EB” grouping includes the WCCLS director and the state librarian, so as to avoid being able to identify the comments of either one.

**Question: If libraries were able to produce one outcome as a result of this process, what would be most valuable to you?**

Idea	Quotes	Mentions
Libraries operate as one library district.	<p>“There is a real disparity among the type of library services in the county. To the extent that one common system...would create opportunities in areas that are underserved, that would work.”</p> <p>“There are so many efficiencies to be achieved by consolidation into a district or special district.”</p> <p>It would allow libraries to share staff, technology and purchasing, and would reduce competition for circulation. “It would also make a more efficient decision-making process.”</p> <p>“The (co-op) arrangement no longer seems to fit our current needs... We need a library district of some sort. It would free us from funding problems with cities...and provide stable funding.”</p>	2-EB 2-PG
Libraries have stable funding.	<p>“I’m worried that I’ll still be picking up the newspaper in 20 years, and WCCLS has some new crisis and if we don’t fund it library hours will be cut in half.”</p> <p>“What Clackamas County is doing is worth watching, voting to form a county service district with a locked-in tax. Washington County could still be federated and do this and it wouldn’t have to cost voters more.”</p>	3-PG 2-EB
Libraries agree on where they are and where they’re going.	<p>“The first thing to do is to decide what level of quality they are aiming for...Are they going for greatness or pretty good?”</p> <p>“Our circulation numbers continue to increase and there’s a</p>	4-EB

	<p>danger in that. We can get too comfortable. How do we anticipate the next change?"</p> <p>"I would be delighted if we could agree on what we're moving towards together."</p>	
<p>Library funding features less competition and more equality.</p>	<p>Change the funding formula to reduce the importance of circulation.</p>	<p>1-EB 1-PG</p>

Outcomes mentioned by one person included:

- Libraries develop relationships with their communities.
- Libraries are the most-loved and essential service for all county residents.
- Libraries provide consistently delivered excellent service.

**Question: What works well in terms of how WCCLS and member libraries are currently funded and governed?**

<b>Idea</b>	<b>Quotes</b>	<b>Mentions</b>
<p>The new Executive Board includes city managers.</p>	<p>"The new structure makes library services higher on the radar for city managers."</p> <p>"I give the city managers credit. The reality was it wasn't working well before we changed the governance agreement....The city managers and the county administrator are not afraid of making decisions."</p>	<p>4-EB 1-PG</p>
<p>Libraries receive funds from several sources.</p>	<p>"If the levy fails, it's not everything. There are still some permanent county funds and city funds."</p> <p>"The combined city/county funding package has worked, but it's not beyond baling wire and duct tape by much."</p>	<p>3-EB</p>
<p>Washington County government is supportive.</p>	<p>"The Board of Commissioners has been unwavering in its support...They continue to give us a percentage increase every year of 4 percent, which no other department gets. That gives us a lot of stability."</p>	<p>1-EB 2-PG</p>
<p>Leadership collaborates and talks together.</p>	<p>"We come to solutions, no matter the minor disputes along the way."</p> <p>"I like how everyone has their own library and yet</p>	<p>3-EB</p>

	cooperates with common agreement on standards and some policies.”	
Libraries have autonomy to design services for their unique communities.	“We can share and are not all required to have exactly the same collection.”	2-PG
The current funding formula is okay.	“After all the iterations, I think the current (formula) is working pretty well...I also agree with the person who said we can’t stand to talk about it again.”	2-PG
City leaders support their libraries.	“There are no cities for which I worry that the city council will close the library.”	2-EB

Other aspects of funding and governance that are working well, mentioned by one person, include:

- All libraries have a secure “floor” of funding.
- The executive board includes some non-city managers, who can provide a different perspective.
- The county includes diverse types of libraries.
- There is cooperation between the county and the cities.
- WCCLS works well and is being asked to do more.
- The cooperative structure makes it possible to serve rural areas.
- Voters passed the most recent levy.

**Question: What changes would you like to see in how WCCLS and member libraries are funded and governed?**

Idea	Quotes	Mentions
Libraries have stable funding.	<p>“The only way to get away from local option levies is to create something new, a new special district or city.”</p> <p>“If the levy had failed, I would have recommended that we raise \$1.5 million a year through a \$2-a-month utility fee.”</p> <p>“Clackamas County is voting on a district that is exactly like what we could do in Washington County...It seems perfect, exactly what we would want.”</p> <p>“Stable funding would do a great deal to alleviate some of the politics.”</p> <p>“When there’s a levy, libraries have to put a lot of time and effort into it.”</p>	EB-3 PG-2
The funding formula is changed.	<p>Change the formula to reward something other than circulation, to assure a base level of services, and to encourage cooperation.</p> <p>“Competition for funding undermines the spirit of</p>	1-EB 4-PG

	<p>cooperation.”</p> <p>“We’re supposed to be a cooperative but we’re competitive. I’ve always thought this was weird.”</p> <p>“Those communities that have substandard service, bring them up to the base level before rewarding performance... We need to raise the floor.”</p>	
Everyone pays equitably for library services.	<p>“You have 200,000 people who may not view library service as an issue because they can go to a city that has a library to use it.”</p> <p>“My council is talking to me about trying to charge an out-of-city rate...to reflect the different level of support. That makes me real nervous, to be honest.”</p>	EB-2
Cities are required to pay a certain amount	<p>“It’s too bad that when WCCLS was started in the 1970s that it didn’t require equitable support from each of the cities in the cooperative.”</p> <p>“There is no requirement that a municipality has to pay a certain percentage in order to be eligible for county funds, and cities can withdraw their funding at will.”</p>	EB-2
Larger libraries have a larger voice.	<p>“Policies end up being one-size-fits-all or we spend a lot of time and effort serving the smaller libraries while the larger libraries have to take care of themselves. We need to...make sure everyone gets something out of the deal.”</p> <p>“I’m not sure I would give Banks the same vote at the table that Hillsboro or Beaverton has...I would consolidate the small libraries into one seat on the board.”</p>	EB-2
There is a plan for siting and funding future libraries.	<p>“More people live in unincorporated areas than in any city, and there are many gaps in service to them.”</p> <p>The plan for siting could include a mechanism for funding the capital costs that share the expenses incurred because non-residents can use any library.</p>	EB-1 PG-1

Other changes in funding and governance, suggested by one person each, include:

- Make sure any new library funding model is not based on the property tax, so that it doesn’t cause compression.
- Continue to be able to customize service to each community, even if going to a county system.
- Use electronic methods to reduce the time needed to participate in WCCLS activities.
- Make faster decisions rather than hash over things that someone could just decide.
- Provide a stronger voice for small libraries, whose representatives may be less comfortable speaking up.
- Provide more funding and authority for WCCLS Central Services.
- Libraries explore fund development through endowment funding and foundations.

## What may influence how Washington County libraries are structured in the future?

When choosing a new method for funding and governing Washington County libraries, local leaders will need to take several elements into account. These elements set parameters within which libraries must operate, explain the conditions facing the entire county, or show the possible consequences of a major change in funding or governance.

### State law

*“Oregon public libraries have had a rich and varied history. Even before Oregon officially attained statehood, Oregonians demonstrated their desire for public libraries. We have since advanced from having a few small subscription libraries in the 1800s to today having hundreds of public, school, academic, special, and tribal libraries, ranging from the huge to the tiny.”* (Oregon State Library, Oregon Library Laws History, <http://www.oregon.gov/OSL/LD/resources/laws/history.shtml>)

Essentially, the options for establishing public libraries in Oregon were set in place very early and revised in limited ways over the years to remove early limitations based on city and county population size.

The first legislation passed in 1901, H.B. 2, authorized incorporated cities to levy taxes to create public libraries or to contract with an association that already managed a library. The most recent revision to those laws came in 1971 with S.B. 21, which redefined "public library." The law eliminated the requirement that public libraries be free, which had been in effect since the original 1901 laws; revised petition requirements for establishing a public library; required that every public library have a separate governing board, unless otherwise established at its creation; required that public libraries submit annual reports to the State Library and altered wording of statutes to refer to "local government units."

Oregon law also allows for special districts and county service districts. While both can and have been used for providing library services, neither originated as a method specifically for providing library services. More detail on special districts and county service districts is provided in the next chapter, where those options are discussed.

### Oregon Library Association standards

The Oregon Library Association has standards for staffing, hours open, book collection and square feet of library building. Some standards are pass/fail, such as for building size, while other standards are for libraries of threshold, adequate or excellent quality. The standards are voluntary and there is no consequence for not meeting them, unlike some states where failure to meet state standards can mean a loss of funding or favorable tax treatment. For details see:

<http://www.olaweb.org/mc/page.do?sitePageId=63898>

The standards can help Washington County clarify the level of quality it wants for its libraries. How good is good enough? What does excellence look like and how much does it cost?

For the most part, Washington County libraries compare unfavorably to the Oregon standards, although some libraries hold up better than others.

## Staffing

Only Cedar Mill and Tigard meet OLA standards for excellence in staffing levels. At current salary rates the aggregate cost of getting to excellent staffing levels would be more than \$3.6 million. The actual costs would probably be somewhat less since the administrative tier at each library would not gain as much as would the ranks of line and clerical staff. Nevertheless, the cost to bring the libraries as a whole to an excellent level in a consolidated library system would be considerable.

Even bringing libraries to an adequate level would cost \$1.2 million in additional personnel costs annually. Hillsboro would account for about half of this while Banks, Cornelius, North Plains, Sherwood and West Slope would all need additional staffing for an adequate level by Oregon Library Association standards.

### Staffing Shortfall from Oregon Library Standards for "Adequate." 2006-07

Library	Pop.	OLA Adequate	Actual Staff Level	Shortfall	Staff Expend per FTE	Cost
Banks	5,040	2.5	2.0	0.5	\$35,519	\$18,825
Beaverton	116,923	46.8	51.5		\$62,863	\$0
Cedar Mill	49,735	24.9	38.0		\$41,888	\$0
Cornelius	12,589	6.3	2.8	3.5	\$49,899	\$174,645
Forest Grove	28,135	14.1	10.2	3.9	\$61,668	\$239,888
Garden Home	6,275	3.1	5.5		\$26,908	\$0
Hillsboro	157,571	64.6	55.5	9.1	\$63,570	\$576,583
North Plains	2,899	1.5	1.1	0.3	\$28,596	\$9,151
Sherwood	19,563	9.8	7.4	2.4	\$62,129	\$147,866
Tigard	65,196	26.1	34.2		\$66,520	\$0
Tualatin	25,020	12.5	16.5		\$54,189	\$0
West Slope	11,639	5.8	5.3	0.5	\$59,065	\$28,351
Outreach/Courier	NA	NA	8.3			\$0
Admn/Auto/Ref	NA	NA	14.6			\$0
<b>Total</b>	<b>500,585</b>	<b>217.9</b>	<b>252.9</b>	<b>20.2</b>		<b>\$1,195,308</b>

## Buildings

Only Forest Grove meets the Oregon standard for building size, although Sherwood is very close. (There is just one standard for this element, not three.) The remaining libraries in the county range from as little as 29 percent of needed space (Hillsboro) to 82 percent (North Plains). In total, the county's libraries provide just 55 percent of the needed space, according to OLA standards for the current population. The shortfall does not include the anticipated future needs of a population that is growing rapidly.

**Building shortfall from Oregon standards, 2006-07**

Library	Population	Square Feet per capita by standard	Square Feet per capita actual	Percent of needed building space
Banks	5,040	0.76	0.60	78%
Beaverton	116,923	0.92	0.57	63%
Cedar Mill	49,735	0.76	0.49	64%
Cornelius	12,589	0.76	0.24	32%
Forest Grove	28,135	0.76	0.88	115%
Garden Home	6,275	0.76	0.30	39%
Hillsboro (all)	157,571	0.84	0.24	29%
North Plains	2,899	1.05	0.86	82%
Sherwood	19,563	0.76	0.74	97%
Tigard	65,196	1.16	0.74	64%
Tualatin	25,020	0.76	0.29	38%
West Slope	11,639	0.76	0.53	69%
Outreach	NA			
<b>Total</b>	<b>500,585</b>	<b>0.87</b>	<b>0.48</b>	<b>55%</b>

With just over half the building space needed, WCCLS member libraries have a significant shortfall in buildings. At a conservative \$175 per square foot, they have a collective \$40 million shortfall. Communities should be budgeting for buildings worth \$83 million in Column G but are actually maintaining far less than that in building stock.

A	B	C	D	E	F	G
Library, 2006-07	Standard square feet	Actual Square feet	Value of current buildings at \$175 square foot	Value of standard buildings at \$175 per	Current actual debt	Estimated total cost of current building needs (Greater of E or F)
Banks	3,840	3,000	\$525,000	\$672,070		\$672,070
Beaverton	107,023	67,000	\$11,725,000	\$18,729,030	\$21,895,000	\$21,895,000
Cedar Mill	37,809	24,368	\$4,264,400	\$6,616,505		\$6,616,505
Cornelius	9,578	3,025	\$529,375	\$1,676,087		\$1,676,087
Forest Grove	21,393	24,700	\$4,322,500	\$3,743,705	\$6,000,000	\$6,000,000
Garden Home	4,779	1,860	\$325,500	\$836,325	\$245,364	\$836,325
Hillsboro (all)	131,818	38,000	\$6,650,000	\$23,068,204	\$13,200,000	\$23,068,204
North Plains	3,050	2,500	\$437,500	\$533,750		\$533,750
Sherwood	14,878	14,400	\$2,520,000	\$2,603,629		\$2,603,629

Tigard	75,470	48,000	\$8,400,000	\$13,207,173	\$13,000,000	\$13,207,173
Tualatin	19,025	7,300	\$1,277,500	\$3,329,410	\$4,500,000	\$4,500,000
West Slope	8,856	6,142	\$1,074,850	\$1,549,737		\$1,549,737
Outreach	NA	1,622	\$283,850			\$0
<b>Total</b>	<b>437,518</b>	<b>241,917</b>	<b>\$42,335,475</b>	<b>\$76,565,626</b>	<b>\$58,840,364</b>	<b>\$83,158,480</b>

Using the standard square feet needed and \$175 per square foot, the county's libraries should be budgeting for more than \$76 million worth of buildings. At 4.5 percent interest and a 25-year amortization period, that would require \$129 million over the next 25 years of a total of \$5.6 million annually.

Library, 2006-07	Estimated total cost of current building needs	Principal and interest at 4.5% and 25-yr amortization	Annual amount needed
Banks	\$672,070	\$1,133,092	\$45,324
Beaverton	\$21,895,000	\$36,918,238	\$1,476,730
Cedar Mill	\$6,616,505	\$11,156,415	\$446,257
Cornelius	\$1,676,087	\$2,826,133	\$113,045
Forest Grove	\$6,000,000	\$10,116,895	\$404,676
Garden Home	\$836,325	\$1,410,169	\$56,407
Hillsboro (all)	\$23,068,204	\$38,896,435	\$1,555,857
North Plains	\$533,750	\$899,982	\$35,999
Sherwood	\$2,603,629	\$4,390,107	\$175,604
Tigard	\$13,207,173	\$22,269,265	\$890,771
Tualatin	\$4,500,000	\$7,587,672	\$303,507
West Slope	\$1,549,737	\$2,613,088	\$104,524
Outreach	\$0		
<b>Total</b>	<b>\$83,158,480</b>	<b>\$140,217,490</b>	<b>\$5,608,700</b>

### Collections

Only Banks, Cedar Mills and West Slope meet the Oregon threshold for adequacy for collection size. At \$35 per volume, the aggregate shortfall is almost \$12 million.

### Collections compared to Oregon standards for "Adequate," 2006-07

Library	Population	OLA Adequate Level	Actual	Shortfall	At \$35 per Volume
Banks	5,040	15,120	25,886		\$0
Beaverton	116,923	350,769	284,860	65,909	\$2,306,815
Cedar Mill	49,735	149,205	206,892		\$0
Cornelius	12,589	37,767	24,599	13,168	\$460,880
Forest Grove	28,135	84,405	101,152		\$0

Garden Home	6,275	18,825	19,142		\$0
Hillsboro (all)	157,571	472,713	286,715	185,998	\$6,509,930
North Plains	2,899	8,697	13,440		\$0
Sherwood	19,563	58,689	36,330	22,359	\$782,565
Tigard	65,196	195,588	151,556	44,032	\$1,541,120
Tualatin	25,020	75,060	66,383	8,677	\$303,695
West Slope	11,639	34,917	50,046		\$0
Outreach	NA	NA	8,897		\$0
					\$0
<b>Total</b>	<b>500,585</b>	<b>1,501,755</b>	<b>1,275,898</b>	<b>340,143</b>	<b>\$11,905,005</b>

### Hours open

None of the libraries in the county meet the Oregon standard for excellence for open hours. Only three meet the standard for adequate hours. Libraries are, collectively, 69 hours per week short of adequate and 235 hours per week short of excellent. Open hours have increased at many libraries since these figures were compiled.

### Hours open compared to Oregon standards, 2006-07

Library	Adequate	Excellent	Actual	Short of Adequate	Short of Excellent
Banks	45	60	31	14	29
Beaverton	60	75	58	2	17
Cedar Mill	60	75	62		13
Cornelius	55	70	36	19	34
Forest Grove	60	75	44	16	31
Garden Home	45	60	52		8
Hillsboro (all)	60	75	54	6	21
North Plains	35	50	34	1	16
Sherwood	55	70	52	3	18
Tigard	60	75	55	5	20
Tualatin	60	75	65		10
West Slope	55	70	52	3	18
Outreach	NA	NA	NA		
<b>Total</b>	<b>650</b>	<b>830</b>	<b>595</b>	<b>69</b>	<b>235</b>

### Annual costs to reach Oregon adequate standards

The table below calculates the annual costs of meeting the shortfalls from Oregon adequate standards.

Hours open are not included because it is more difficult to judge the cost of additional hours. If the staffing shortfalls are met, the added hours may cost no more than extra utilities and changing staff schedules.

For purposes of this report we propose closing the materials gap by buying (at \$35 each) enough extra materials in a 10-year period to meet the adequate standards. The costs are substantial. The 2006-07 materials spending was just short of \$2 million, so adding \$1,658,662 annually would be a major expense. Staff costs are about \$15 million, so the added \$1,195,308 for basic level staffing, while substantial, is less an impact than the materials changes. The largest cost would, of course, be capital. We calculated 4% bonds over 25 years and the standard size building for each community. We also used a very modest \$175 per square foot building cost. The sum total of estimates for meeting standards is more than \$8 million.

Please note that the standards calculations are based on assigned populations and that WCCLS is in the process of reviewing the process.

#### Calculations for Extra Funds Needed for Standards

Library	Fix materials Shortfall at \$35/volume and bond over 10 yrs at 4%	Staff Shortfall cost	Capital Needed at 4% and 25 yr amortization	Total Shortfalls
Banks		\$18,825	\$45,324	\$64,149
Beaverton	\$321,397	\$0	\$1,263,198	\$1,584,594
Cornelius	\$64,212	\$174,645	\$113,045	\$351,902
Forest Grove	\$0	\$239,888	\$252,498	\$492,385
Hillsboro	\$906,995	\$576,583	\$1,555,857	\$3,039,435
North Plains	\$0	\$9,151	\$35,999	\$45,150
Sherwood	\$109,031	\$147,866	\$175,604	\$432,501
Tigard	\$214,716	\$0	\$890,771	\$1,105,487
Tualatin	\$42,312	\$0	\$224,555	\$266,868
Unincorporated & Other	\$0	\$28,351	\$607,187	\$635,538
Totals	\$1,658,662	\$1,195,308	\$5,164,038	\$8,018,009

#### Tax capacity and tax rates

Tax capacity is the property value per resident. It is a rough measure of the property tax wealth of a community and therefore a rough measure of the ability to pay property taxes. One reason that tax capacity matters is because it affects how taxed people feel. A high tax rate in a community with low tax capacity will raise fewer taxes than a lower tax rate in a community with higher tax capacity. For example, a community with \$10 million in assessed value can raise as twice much money with the same mill rate as a community with \$50 million in assessed value.

While people in a wealthier community may choose to pay more for their libraries per capita, it may actually reflect a much smaller tax bite than a smaller per-capita amount in the poorer community next door.

Library	2007 Assessed Value	Municipal Population	Tax Capacity
Banks	\$91,067,844	1,435	\$63,462
Beaverton	\$6,879,131,400	84,270	\$81,632
Cornelius	\$464,200,448	10,785	\$43,041
Forest Grove	\$1,050,957,097	20,380	\$51,568
Hillsboro	\$7,449,889,842	84,445	\$88,222
North Plains	\$132,501,884	1,755	\$75,500
Sherwood	\$1,173,180,060	16,115	\$72,801
Tigard	\$4,569,131,529	46,300	\$98,685
Tualatin	\$2,202,345,585	22,585	\$97,514
Library cities subtotal	\$24,012,405,689	288,070	\$83,356
Unincorporated and other	\$17,342,935,563	212,515	\$81,608
<b>Totals</b>	<b>\$41,355,341,252</b>	<b>\$500,585</b>	<b>\$82,614</b>

This table illustrates the picture for the 2007-08 taxes and spending for libraries in WCCLS. The purpose of the table is to compare current tax rates in the library communities and unincorporated areas. Note that the libraries in Cedar Mill, Garden Home and West Slope are combined here because they are all subject to the county tax rate and this is the only way to show them. Although the tax rate yield for 2007-08 is listed as a total of \$20,274,541, some of that amount will be uncollected due to tax delinquencies. Not all libraries have current debt payments, leases or other capital expenses.

The numbers are estimates only and not the final revenues for any municipality. The table excludes other revenue sources, such as state, federal, fines, fees, and so forth.

The tax revenue table tells us that the tax rate per thousand of assessed value varies by community. The lowest rate (\$0.50) is paid by the unincorporated areas and non-library communities. The highest rate (Banks' \$1.18) is more than twice as much. One way to look at that is to say that if you physically moved a house from an unincorporated area to a lot in Banks, the library tax on the house would more than double. Even moving the house to Cornelius at \$0.61 would cost the property tax payer a 22% library tax premium.

If the tax burden for all libraries was spread throughout the county, the rate would be \$0.72. That would be an increase for the unincorporated areas, Cornelius, and Tualatin. It would be the same rate for Sherwood, and a decrease for all other communities.

### Tax Revenue for Libraries

Library	Oct. 2007 AV	Combined County Tax Rate Yield 2007-08	City Revenue (Estimated from 2006-07)	Debt Payments and Leases	Total City Revenue, County Tax and Capital	Tax Rate
<b>Banks</b>	\$91,067,844	\$44,646	\$4,386	\$58,047	\$107,079	\$1.18
<b>Beaverton</b>	\$6,879,131,400	\$3,372,508	\$1,651,182	\$1,876,478	\$6,900,168	\$1.00

<b>Cornelius</b>	\$464,200,448	\$227,575	\$57,372	\$0	\$284,947	\$0.61
<b>Forest Grove</b>	\$1,050,957,097	\$515,234	\$279,212	\$160,000	\$954,446	\$0.91
<b>Hillsboro</b>	\$7,449,889,842	\$3,652,324	\$2,782,841	\$310,000	\$6,745,165	\$0.91
<b>North Plains</b>	\$132,501,884	\$64,959	\$63,401	\$0	\$128,360	\$0.97
<b>Sherwood</b>	\$1,173,180,060	\$575,154	\$265,230	\$0	\$840,384	\$0.72
<b>Tigard</b>	\$4,569,131,529	\$2,240,026	\$1,268,917	\$0	\$3,508,943	\$0.77
<b>Tualatin</b>	\$2,202,345,585	\$1,079,704	\$456,704	\$0	\$1,536,408	\$0.70
<b>Unincorporated &amp; Other</b>	\$17,342,935,563	\$8,502,410	\$0	\$238,000	\$8,740,410	\$0.50
<b>Totals</b>	\$41,355,341,252	\$20,274,541	\$6,829,245	\$2,642,525	\$29,746,311	\$0.72

The table below indicates the tax expenditures for the tax revenues in the table above. Note that the grand totals for revenues and expenditures are the same; \$29,746,311. The table indicates the WCCLS public library payments and then the value of Central Support Services as estimated by WCCLS. City revenues and debt payments are listed as in the previous table. Actual total spending will differ, of course. Some of the County levy will be lost to uncollected taxes, WCCLS will retain some revenue because of the need to retain reserves on a fixed rate levy, and libraries will carryover revenue or use reserves for some spending, and so on. Nevertheless, the two tables allow us to get a rough idea of how about \$30 million is collected and expended for library services in Washington County.

### Tax Expenditures for Libraries

<b>Library</b>	<b>Public Library Payment 2007-08</b>	<b>Value of Central Supt 2007-08 Estimated</b>	<b>City Revenue (Estimated from 2006-07)</b>	<b>Debt Payments and Leases</b>	<b>Total Expended with Value of Support Services</b>
<b>Banks</b>	\$98,994	\$101,912	\$4,386	\$58,047	\$263,339
<b>Beaverton</b>	\$3,723,315	\$617,593	\$1,651,182	\$1,876,478	\$7,868,568
<b>Cornelius</b>	\$117,670	\$92,868	\$57,372	\$0	\$267,910
<b>Forest Grove</b>	\$612,949	\$212,456	\$279,212	\$160,000	\$1,264,617
<b>Hillsboro</b>	\$3,597,699	\$542,450	\$2,782,841	\$310,000	\$7,232,990
<b>North Plains</b>	\$51,890	\$73,922	\$63,401	\$0	\$189,213
<b>Sherwood</b>	\$595,309	\$150,420	\$265,230	\$0	\$1,010,959
<b>Tigard</b>	\$2,196,844	\$434,135	\$1,268,917	\$0	\$3,899,896
<b>Tualatin</b>	\$1,135,616	\$170,897	\$456,704	\$0	\$1,763,217
<b>Unincorporated &amp; Other</b>	\$3,266,569	\$2,481,034	\$0	\$238,000	\$5,985,603
<b>Totals</b>	\$15,396,855	\$4,877,686	\$6,829,245	\$2,642,525	\$29,746,311

The table below summarizes the data from the two previous tables. It demonstrates effective tax transfers by municipality. What that means is that library communities and the unincorporated/other areas are taxed at a given rate but their libraries expend, either directly or through the WCCLS shared services, more (or less) than their communities are taxed. The difference is an effective tax transfer.

Keep in mind that the tax expenditures include WCCLS central support and capital expenditures for some of the communities.

**Tax Revenues and Expenditures Summarized**

<b>Library</b>	<b>Tax Revenues</b>	<b>Effective Tax Transfers</b>	<b>Tax Expenditures</b>
<b>Banks</b>	\$107,079	\$138,473	\$245,552
<b>Beaverton</b>	\$6,900,168	\$813,248	\$7,713,416
<b>Cornelius</b>	\$284,947	\$153,166	\$438,113
<b>Forest Grove</b>	\$954,446	\$386,193	\$1,340,639
<b>Hillsboro</b>	\$6,745,165	\$1,047,308	\$7,792,473
<b>North Plains</b>	\$128,360	\$62,411	\$190,771
<b>Sherwood</b>	\$840,384	\$480,499	\$1,320,883
<b>Tigard</b>	\$3,508,943	\$1,362,062	\$4,871,005
<b>Tualatin</b>	\$1,536,408	\$849,809	\$2,386,217
<b>Unincorporated &amp; Other</b>	\$8,740,410	(\$5,293,168)	\$3,447,241
<b>Totals</b>	\$29,746,311	\$0	\$29,746,311

The table below puts data for Washington County library services into perspective. Consider:

- On a tax-per-resident basis, the average tax is \$59.42, but the unincorporated/other areas pay \$41.13. The highest rate per resident is to be found in Beaverton with \$81.88, almost twice that rate. The lowest rate may be found in Cornelius, with just \$26.42.
- On a tax-per-resident-circulation (items borrowed from any library) basis, the countywide average is \$3.83 but the range is from as little as \$2.57 in the unincorporated/other areas to as high as \$7.10 in North Plains.
- On the basis of the tax per \$1,000 of assessed value, the average is \$0.72 but the unincorporated/other areas pay just \$0.50 while Banks pays \$1.18 and all other library communities pay at least \$0.11 per \$1,000 more.
- On a library spending per circulation basis, the \$3.83 average rate can be compared to a high of \$6.78 in North Plains to lows of \$3.46 and \$3.03 in Sherwood and the unincorporated areas.

Why are the data relevant? When considering library funding and governance options, it is critical to look at the current impact that library taxes have on municipalities. Any change will have a substantial impact on the current distribution of taxes, sometimes for the better and sometimes for the worse from the taxpayer standpoint. And, it must be said, sometimes for the better and sometimes for the worse from the library user perspective.

### Mill Rates, Per Capita Rates and Per Circulation Rates

Library	Oct. 2007 AV	Tax Revenues	Resident Circulation	Municipal Pop.	Library Circulation	Tax per Res.	Tax per Res. Circ.	Tax per \$1,000	Library Exp. per Circ.
<b>Banks</b>	\$91,067,844	\$107,079	25,207	1,435	46,548	\$74.62	\$4.25	\$1.18	\$5.66
<b>Beaverton</b>	\$6,879,131,400	\$6,900,168	1,414,401	84,270	1,886,000	\$81.88	\$4.88	\$1.00	\$4.17
<b>Cornelius</b>	\$464,200,448	\$284,947	86,927	10,785	57,361	\$26.42	\$3.28	\$0.61	\$4.67
<b>Forest Grove</b>	\$1,050,957,097	\$954,446	221,121	20,380	276,198	\$46.83	\$4.32	\$0.91	\$4.58
<b>Hillsboro</b>	\$7,449,889,842	\$6,745,165	1,145,603	84,445	1,820,055	\$79.88	\$5.89	\$0.91	\$3.97
<b>North Plains</b>	\$132,501,884	\$128,360	18,090	1,755	27,902	\$73.14	\$7.10	\$0.97	\$6.78
<b>Sherwood</b>	\$1,173,180,060	\$840,384	289,266	16,115	291,775	\$52.15	\$2.91	\$0.72	\$3.46
<b>Tigard</b>	\$4,569,131,529	\$3,508,943	835,455	46,300	1,030,168	\$75.79	\$4.20	\$0.77	\$3.79
<b>Tualatin</b>	\$2,202,345,585	\$1,536,408	324,599	22,585	353,781	\$68.03	\$4.73	\$0.70	\$4.98
<b>Unincorporated &amp; Other</b>	\$17,342,935,563	\$8,740,410	3,403,770	212,515	1,974,651	\$41.13	\$2.57	\$0.50	\$3.03
<b>Totals</b>	\$41,355,341,252	\$29,746,311	7,764,439	500,585	7,764,439	\$59.42	\$3.83	\$0.72	\$3.83

### Salary differences among WCCLS member libraries

There is a wide range in total staff expenditure per employee, a range of 2.5 to 1 between Tigard (high) and Garden Home (low). This is significant for consideration of consolidated levies because wages would need to be "harmonized" and they usually get harmonized to the highest rather than the lowest common denominator.

### Salary costs for WCCLS and member libraries, 2006-07

Library	Salaries and wages	Employee benefits	Total staff expenditure	Total paid staff	Staff expend. per FTE
Banks Public Library	\$52,836	\$17,846	\$70,682	2.0	\$35,519
Beaverton City Library	\$2,107,234	\$1,130,218	\$3,237,452	51.5	\$62,863
Cedar Mill Community Library	\$1,284,354	\$307,396	\$1,591,750	38.0	\$41,888
Cornelius Public Library	\$117,270	\$21,947	\$139,217	2.8	\$49,899
Forest Grove City Library	\$473,083	\$154,695	\$627,778	10.2	\$61,668
Garden Home Community Library	\$137,116	\$10,877	\$147,993	5.5	\$26,908
Hillsboro Public Library	\$2,549,956	\$980,105	\$3,530,061	55.5	\$63,570

North Plains Public Library	\$28,607	\$3,706	\$32,313	1.1	\$28,596
Sherwood Public Library	\$330,554	\$129,198	\$459,752	7.4	\$62,129
Tigard Public Library	\$1,703,989	\$570,991	\$2,274,980	34.2	\$66,520
Tualatin Public Library	\$651,931	\$243,273	\$895,204	16.5	\$54,189
West Slope & WCCLS	\$1,362,991	\$567,851	\$1,930,842	28.2	\$68,542
<b>Totals</b>	<b>\$10,799,921</b>	<b>\$4,138,103</b>	<b>\$14,938,024</b>	<b>252.9</b>	<b>\$59,065</b>

To harmonize the salary structure to the highest common denominator would add \$2.4 million to the payroll costs, or 16%. Over \$1 million would go to Cedar Mill employees. In most consolidations, there is some attrition in total administrative costs. Furthermore, a case could easily be made for paying managers of smaller branches less than those of larger branches, but all the variances would still require either a large infusion of salary dollars or a significant cut in the total workforce.

**Salary differences from WCCLS member libraries, 2006-07**

Library	Total Current staff expenditure	At WCCLS Rate of \$68,542	Change	Percent Change
Banks Public Library	\$70,682	\$136,400	\$65,718	93%
Beaverton City Library	\$3,237,452	\$3,529,938	\$292,486	9%
Cedar Mill Community Library	\$1,591,750	\$2,604,615	\$1,012,865	64%
Cornelius Public Library	\$139,217	\$191,234	\$52,017	37%
Forest Grove City Library	\$627,778	\$697,763	\$69,985	11%
Garden Home Community Library	\$147,993	\$376,984	\$228,991	155%
Hillsboro Public Library	\$3,530,061	\$3,806,165	\$276,104	8%
North Plains Public Library	\$32,313	\$77,453	\$45,140	140%
Sherwood Public Library	\$459,752	\$507,214	\$47,462	10%
Tigard Public Library	\$2,274,980	\$2,344,153	\$69,173	3%
Tualatin Public Library	\$895,204	\$1,132,322	\$237,118	26%
West Slope & WCCLS	\$1,930,842	\$1,930,842	\$0	0%
<b>Totals</b>	<b>\$14,938,024</b>	<b>\$17,335,082</b>	<b>\$2,397,058</b>	<b>16%</b>

The state library data below shows pay rates for each of the positions. That allows for a comparison of the costs for salaries for these positions. The data will be used later in this report in constructing alternative funding scenarios. The data show how many staff members there are per position and what they make, not what should be the case.

Library	Director	Assistant Director	Department Head	Senior Librarian	Entry-level Librarian	Library Assistant	Library Clerk	Other	Total paid staff
Banks	1.0					1.6			2.6
Beaverton	1.0		3.0	3.0	11.0	8.3	26.7	1.0	54.0
Cedar Mill	1.0		7.0	6.4	2.8	19.0	5.3	1.6	43.1

Cornelius	0.8					1.0	2.4		4.2
Forest Grove	1.0		2.0	1.5	0.8	2.0	4.0		11.3
Garden Home	1.0				1.0	1.5	1.5		5.0
Hillsboro	1.0	1.0	2.0	10.0	7.3	15.6	37.3		74.1
North Plains	0.5						0.7	0.2	1.4
Sherwood	1.0		2.0	1.0		2.4	1.0		7.4
Tigard	1.0	3.0	3.0	10.1	5.5	11.0	2.0	7.3	40.9
Tualatin	1.0		2.0	4.0		3.0	5.0		16.0
WCCLS/W. Slope	1.0	1.0	3.0	3.0	4.0	9.6	1.1	9.9	32.6
<b>Totals</b>	<b>11.3</b>	<b>5.0</b>	<b>24.0</b>	<b>39.0</b>	<b>32.3</b>	<b>75.0</b>	<b>86.9</b>	<b>20.0</b>	<b>292.5</b>
Banks	\$32,926	\$0	\$0	\$0	\$0	\$64,865	\$0		\$97,791
Beaverton	\$91,094	\$0	\$188,978	\$186,638	\$480,251	\$497,635	\$863,353		\$2,307,950
Cedar Mill	\$78,676	\$0	\$402,438	\$349,307	\$117,121	\$1,065,064	\$153,068	\$76,428	\$2,242,102
Cornelius	\$43,594	\$0	\$0	\$0	\$0	\$65,302	\$60,927		\$169,823
Forest Grove	\$70,512	\$0	\$105,581	\$73,070	\$27,986	\$105,269	\$127,504		\$509,922
Garden Home	\$52,000	\$0	\$0	\$0	\$0	\$0	\$34,492		\$86,492
Hillsboro	\$91,520	\$85,280	\$137,280	\$582,400	\$286,520	\$861,250	\$1,239,680		\$3,283,930
North Plains	\$23,400	\$0	\$0	\$0	\$0	\$0	\$0	\$6,864	\$30,264
Sherwood	\$65,655	\$0	\$0	\$57,450	\$0	\$110,448	\$21,902		\$255,455
Tigard	\$86,507	\$0	\$0	\$579,191	\$238,066	\$653,796	\$68,286	\$354,433	\$1,980,279
Tualatin	\$70,304	\$0	\$123,510	\$231,379	\$0	\$158,496	\$143,104		\$726,794
WCCLS/W. Slope	\$100,880	\$69,680	\$174,720	\$174,720	\$183,040	\$618,363	\$42,682	\$521,980	\$1,886,065
<b>Totals</b>	<b>\$807,069</b>	<b>\$154,960</b>	<b>\$1,132,508</b>	<b>\$2,234,155</b>	<b>\$1,332,985</b>	<b>\$4,200,487</b>	<b>\$2,754,999</b>	<b>\$959,704</b>	<b>\$13,576,867</b>

The state data already provide some staffing numbers. The numbers illustrate some possible discrepancies for any merger or consolidation. There are large variations in librarians as a percent of the total and large variations in total staff per service population. "Librarians" are defined as people with their master's of library science degree. Countywide, the average shows librarians being 34 percent of total staffing, but the range is from 22 percent to 54 percent. Staffing per 1,000 population is 0.51 on average, but ranges from 0.22 to 0.88, figures that might show the need for staff re-allocations in a consolidated operation.

Library , 2006-07	Librarians with ALA/MLS	Other librarians	Total librarians	Other paid staff	Librarian % total	FTE per 1,000 service pop.
Banks Public Library	-	0.8	0.8	1.2	42%	0.39
Beaverton City Library	14.8	-	14.8	36.7	29%	0.44

Cedar Mill Community Library	11.4	1.3	12.7	25.3	33%	0.76
Cornelius Public Library	0.8	-	0.8	2.0	27%	0.22
Forest Grove City Library	2.3	0.8	3.1	7.1	30%	0.36
Garden Home Community Library	2.0	-	2.0	3.5	36%	0.88
Hillsboro Public Library	14.3	4.0	18.3	37.3	33%	0.35
North Plains Public Library	0.3	-	0.3	0.9	22%	0.39
Sherwood Public Library	4.0	-	4.0	3.4	54%	0.38
Tigard Public Library	13.0	-	13.0	21.2	38%	0.52
Tualatin Public Library	6.0	-	6.0	10.5	36%	0.66
West Slope & WCCLS	10.8	0.8	11.6	16.6	41%	2.42
<b>Totals</b>	<b>79.5</b>	<b>7.6</b>	<b>87.2</b>	<b>165.7</b>	<b>34%</b>	<b>0.51</b>

### **Growing population and services to urban unincorporated areas**

Washington County has grown dramatically in the last half-century, and expects to continue rapid growth well into the future. Data from the Urbanization Forum show that the county has grown from about 61,000 residents in 1950 to more than 511,000 in 2007. Another 400,000 new residents are expected in the next 25 years, a growth rate of 80 percent. In the last two years, fully 20 percent of Oregon's total population growth has occurred in Washington County, which adds some 500 new housing units and 1,200 new residents a month.

The County and city governments, and service districts, formed the Urbanization Forum to identify the best way to accommodate and plan for growth, and the appropriate roles for cities, service districts and county government in providing services to residents of urban, unincorporated Washington County. The unincorporated areas currently receive services from a combination of the County, the Sheriff and the service districts.

The Urbanization Forum held a series of events in April of 2008 that looked at the options for providing services in the rapidly growing unincorporated areas of the County. Forum members included representatives from the County, the cities and the current special districts. Participants were asked to analyze the various options available for governing and funding services in the county's unincorporated areas. The analysis included the trade-offs and consequences of the different options.

Forum members listed the current method for providing urban services in unincorporated as the Status Quo model – multiple cities, urban services provided in unincorporated areas by county or special districts and specials districts serving some city residents. Other models presented along with advantages and disadvantages were:

1. All urban services provided by special districts, dissolve cities and ask the county to deliver core services (jail, justice system, public health etc. only). This may cause other special districts to form (i.e. library district).
2. All urban services provided by Washington County, dissolve cities and special districts. Alternatively the urban portion of the county might incorporate as one very large city.
3. All urban services provided by cities, dissolve special districts and offer no enhanced urban services outside of city boundaries.

## The difference between libraries' municipal and service populations

One area of tension for libraries in Washington County is the difference between their municipal populations and their service populations. A quick explanation:

1. Any resident of Washington County can use any library in the county.
2. Every resident of Washington County pays taxes to the county. Those taxes are used to subsidize operations of all WCCLS member libraries.
3. For the municipal libraries, though, only residents of that municipality pay for whatever operating expenses are not covered by the county general funds and for capital expenses such as new buildings or renovations.
4. A municipal library's service population may include many more people than live in that city because people from surrounding areas use that library. This means that city residents pay more than non-resident users for their library services because they subsidize some operating costs and all capital expenses. Non-residents who use the library don't pay those costs. It also means that the library may hire more staff members, build a bigger building or buy more books to meet the demand from non-residents.
5. Some of a library's non-resident users are people who live in the urban unincorporated areas. Some non-resident users live in other cities that have municipal libraries, and they pay taxes toward their home libraries' operating and capital expenses.

The following chart shows the difference between the municipal population and the service population for WCCLS member libraries. Oregon requires the allocation of population for reporting purposes. WCCLS does the allocation based on municipal population and the populations in the surrounding areas from Census data. These figures represent the 2006-07 service population. WCCLS is currently reviewing the population allocation method, with support from Civic Technologies.

Library, 2006-07	Municipal Population	Population Transfer	Service Population
Banks Public Library	1,435	3,605	5,040
Beaverton City Library	84,270	32,653	116,923
Cedar Mill Community Library		49,735	49,735
Cornelius Public Library	10,785	1,804	12,589
Forest Grove City Library	20,380	7,755	28,135
Garden Home Community Library		6,275	6,275
Hillsboro Public Library	84,445	73,126	157,571
North Plains Public Library	1,755	1,144	2,899
Sherwood Public Library	16,115	3,448	19,563
Tigard Public Library	46,300	18,896	65,196
Tualatin Public Library	22,585	2,435	25,020
West Slope		11,639	11,639
Unincorporated and other	212,515	(212,515)	0
<b>Totals</b>	<b>500,585</b>	<b>0</b>	<b>500,585</b>

## **What are the major options for new models?**

To the public, a library is a library; most people assume that they are all organized pretty much the same way. Increasingly, though, that is not the case. The basic structure for libraries was developed back when people visited on foot or horseback. Those days are long gone, of course, and the advent of cars is just one of the many developments that have changed the way we structure, fund and govern American libraries.

In the beginning, there were municipal libraries. Today, while about 80 percent of all libraries nationwide are still municipal libraries, they serve only about one-third of the population. These libraries are typically supported through the general funds of their municipalities. The funding, structure and governance of municipal libraries tend to be very similar from state to state. Where we find great differences is in the systems that overlay some municipal libraries, such as cooperatives, and in the structures of the other 20 percent of libraries, which may be organized in a variety of ways under a range of state laws.

Consolidated libraries are at the far end of a continuum that began to be created when librarians held their first conference in 1853. Up until then, cooperation among libraries was informal and very limited in scope. In 1853, though, librarians proposed and began work on a national union catalog.

Cooperation remained informal through the end of World War II. In the 1950s, public libraries began to incorporate into “systems” or cooperatives. These efforts got a push from the passage of the federal Library Services Act in 1956, which required planning at the state level and emphasized rural library development. The 1964 Library Services and Construction Act added funding for construction and for urban libraries.

Then, in 1966, the federal government added Title III, Interlibrary Cooperation, to the Act. Title III “established a mechanism to include state, school, college and university, public and special libraries in networks which could be local, regional, state or interstate in configuration.” The intent was to use limited funds efficiently.

Since then, several states have moved to establish library cooperatives or federations, either multi-type or limited to public libraries. Most are voluntary, membership-based systems designed to achieve economies of scale and improve services to library users.

Cooperative or federated systems like WCCLS do not provide services directly to the library users (for the most part). Instead, their services are provided to the independent libraries within their geographic boundaries. One article on library cooperatives noted that this can cause difficulties. “The tradition of local control and local decision making...is a key element that challenges cooperative organizations and cooperative decision making. The tension that is created in supporting local needs and expanding and offering wider services will remain a challenge and generate more philosophical, practical, and pragmatic challenges....”

At the next spot on the continuum are libraries that have consolidated their funding and governance and that provide services directly to library patrons. Like municipal libraries, they are one administrative entity. What separates them from municipal libraries is the unit of service. These unified libraries take in at least one county and most or all of the municipalities within it. They may be consolidated county libraries that are operated by county government, multi-jurisdictional libraries

established through various means including joint powers agreements, or special library districts that have taxing authority and function as their own governmental unit.

Consensus has researched governance and funding options that are possible within current state law as well as options that have been used in other states that could fit into the structure of Oregon law, and outlined four options below.

As an aside, library service to unincorporated areas when there is no countywide library system under the structure of county government is not unique to Oregon. A quick search of Google on this topic produced 113,000 hits. Some of the states included in those hits were Texas, Illinois, Washington, California, Florida, Missouri as well as Oregon.

## **Option A: Special district**

A special district is a library district organized under ORS 357.216 to 357.286. According to The Electronic Encyclopedia of Chicago © 2005 Chicago Historical Society, “Special districts are units of government superimposed on the traditional units (municipalities, townships, and counties). As independent governments, they may have the power to levy taxes and issue bonds. The boundaries of special districts may cut across the boundaries of other districts and local governments.”

The ability for Oregon libraries to establish a special library district resulted from legislation passed in 1981 that was modeled on the special district law already on the books. Both this option and Option B: County Library District existed in the law without special focus on libraries. The 1981 law provided the focus for libraries.

A special district has a five-person elected board. The option for how this board is established, whether elected as a whole or by district, is determined as part of establishment legislation. The tax rate, which is a permanent rate, is set as part of the vote.

When a special library district is formed, library service becomes countywide service without any distinction between residents of cities and unincorporated areas. Overall policy making for the system becomes the role of the elected governing board, which is also responsible for appointing the library director, employing and paying staff. The special district is the most popular option for Oregon library systems that choose to provide library service across a county, without being part of the county government.

Library districts have more stable funding than other types of libraries. Because the districts operate separately from municipalities, they don't have to compete with city or county services for funding. The library board is entirely responsible for budget decisions. Funds remaining in the account can be rolled forward and used the next year. Most non-district libraries must spend all funds that year or risk receiving fewer dollars from their governments the next year.

A review by Tom Hennen of libraries nationwide found that special district libraries on average spend significantly more per resident than municipal libraries do – more than 25 percent in 2000. (“*Are Wider Library Units Wiser?*” in *American Libraries*, June/July 2002, pg. 65+). Some or most of those additional funds may pay for services for which municipal libraries are not charged. For example, municipalities rarely charge municipal libraries for indirect costs for maintenance, accounting, payroll services, etc., which library districts must handle themselves. He found that there is less variation between spending for library materials such as books than there is for total spending when comparing library districts and municipal libraries.

In Washington County, most WCCLS member libraries reimburse their cities for the cost of indirect support services. WCCLS reimburses the county for those indirect costs, as well. This fiscal year it was assessed more than \$146,000 for indirect costs, including \$37,000 for the West Slope Library, according to WCCLS Director Eva Calcagno.

### **Oregon libraries using this model**

18 public libraries use the special district model. They include:

- Agness Community Library District
- Baker County Public Library

- Chetco Community Library District
- Clatskanie Library District
- Curry Public Library District
- Deschutes Public Library System
- Fern Ridge Library District
- Jefferson County Library
- Lake County Library District
- Lane Library District
- Langois Public Library
- Lincoln County Library District
- Oregon Trail Library District
- Port Orford Public Library
- Scappoose Library District
- Silver Falls Library District
- Siuslaw Public Library District
- Umatilla County Special Library District

### **Deschutes Public Library**

Deschutes Public Library was organized in 1998 following a vote of county residents to create a library district. Prior to this, the library operated as a department of the county. The library consists of five branches located in Bend, La Pine, Redmond, Sisters, and the Sunriver area. The library board consists of five elected members who represent the five communities served by the library district. The district encompasses the entire county; support and services are countywide.

“Considered one of the fastest growing areas in Oregon, the library serves a population of approximately 140,000 people. The library's bookmobile service, The Book Buggy, serves the rural communities within the county and focuses primarily on children and parenting materials. The library's homebound service provides delivery to county residents confined to their homes. Circulation throughout the library service area has increased dramatically during the last three years. More than 1.6 million items were circulated this past year.” ([www.dppls.lib.or.us/about](http://www.dppls.lib.or.us/about) the library)

Deschutes uses a policy governance model that is sometimes referred to as the “Carver” model. This model is characterized by a clear delegation of duties and accountability between the board and the library director. The board is responsible for setting the direction of the library district while the library director is responsible for “getting there.” The director is authorized to work with staff to design and implement programs that achieve the Board’s results, so long as the library operates within the constraints of the executive limitations.

### **Libraries in other states with similar models:**

Some variation of library districts exists in 18 other states. States with the largest percentage of all public libraries as special districts include Kentucky, Illinois, Delaware, Idaho and Colorado; and other states with substantial proportions of library districts are Arizona, Michigan, Nevada and Washington.

The exact definition of a library district, how it is formed and governed depends on the laws of the individual states. New York State, for example, uses the district model with several variations; school district public libraries and special legislative district public libraries are the most common types of public library districts. However, “As defined by the New York State Education Department, a public library district is a public library which has a process that requires: (a) public election of its trustees; (b) the library to secure 60 percent or more of its operating revenue through a public budget vote; and (c) the library to ensure financial accountability by presenting annually to appropriate funding agencies, and the public, a written budget which would enable the library to meet or exceed the minimum standards...and

to carry out its long-range plan of service.” (New York State Library/Division of Library Development website, <http://www.nysl.nysed.gov/libdev/libsp/types.htm>)

A 2003 report from the Colorado State Library noted that library districts were thriving while other types of public libraries were seeing major budget cuts. By the end of 2002, the average library district collected nearly \$18 per capita more than non-district libraries, with library districts receiving 67 percent more funding than those of other types.

Illinois law allows for either municipal libraries or library districts. Library districts may include area from more than one local governmental unit and outlying unincorporated areas. In 2005, for the first time, a community located within an Illinois library district could withdraw from that district. In order to separate from the library district, the city or town must first receive the consent of the library district board and complete several steps, including the establishment of a new municipal library by ordinance or referendum. At the end of the process, city residents no longer have access to the libraries in the rest of the library district.

<b>Benefits</b>	<b>Disadvantages</b>
One voice for policy and decision making.	More decisions made at county rather than municipal level.
Elected library board with accountability to all residents of the county.	No financial commitment to library services by individual municipalities.
Stable funding source with potential for increased annual revenue based on the increased population size.	Perception that strong loyalty by library patrons and city residents to their library will disappear.
Eliminates the need to vote and the cost of elections for funding renewal every few years.	Potential loss of funding from individual donors who support their municipal library.
Centralized decisions for library services and operations based on the needs of the entire county.	Loss of municipal-level control in determining building location, design, and level of services offered.
Support for library services paid by all residents through an equitable formula.	Creating districts for popular services like libraries can leave fewer public funds for less-attractive government functions.
Citizens pay the same tax rate and directly decide how much to spend on libraries.	Citizens would need to vote to establish the district, and may view the district as “another level of government” or as a tax increase.
Removal of competition and resentment present in current model.	Must pay for services previously provided for free by municipalities.
Equitable pay for staff across all libraries based on position, level of education, and responsibility.	The district is funded using the property tax.
Economies of scale for all operations and for administration and governance.	The tax rate is set as a permanent rate with no option for increasing it in the future.
Differences in service area and reciprocal	Other sources for funding would need to be added

borrowing no longer an issue within the county.	at a future date should the rate not generate enough revenue to operate the district or address future service needs.
Releases municipalities from responsibility of paying for some operations and all capital expenses.	
Skillful management can push decision-making down to its most "local" level.	

## **Option B: County Service District**

A county service district is organized under ORS chapter 451. A county service district has a board appointed by county government. The library could continue to operate as a cooperative with limited county-wide decision making, or it could consolidate and make decisions at a county level. Cities would continue to contribute funds for capital and some operations. Policy making would be handled by a board appointed by County Commissioners.

### **The Washington County Enhanced Sheriff's Patrol District**

The best-known local example of a county service district relates to law enforcement. The Washington County Sheriff's Department utilizes an Enhanced Sheriff's Patrol District to fund services in the unincorporated areas. According to information provided as part of a renewal vote, "Voters established the Enhanced Sheriff's Patrol District (ESPD) in 1987 to provide an enhanced level of police response for residents of the urban area of Washington County outside of cities. With funding from a local option levy, the Washington County Sheriff's Office has provided these law enforcement services focused inside the urban unincorporated area."

The Enhanced Sheriff's Patrol District is funded by two property taxes in addition to funds provided as part of the County's general operating budget:

- A permanent tax rate (64 cents per \$1,000 assessed value) funds approximately 60% of District services.
- A five-year, voter-approved levy (averaging 63 cents per \$1,000 assessed value). This option does require regular renewal of the levy funding but the voting cycle at five years is broader than the local options levy currently used by WCCLS.

Note that the sheriff's department is similar to WCCLS in that it receives funding from the County as well as from the levy. Unlike WCCLS, it also has a foundation. If we take into consideration that the individual cities provide their own policing and the excise tax provides that service to the unincorporated areas, the comparison between the two units is even stronger.

Two library systems organized as special districts, Fern Ridge and Lincoln County, also use this dual taxing structure for funding.

### **Proposed Clackamas County Library Service District**

On November 4, Clackamas County voters approved a library service district by 61.18 percent to 38.82 percent.

The Clackamas County Board of County Commissioners proposed the county service district to the city libraries in part as a means to move the county out of the business of providing library services directly to the public. At the time, the County operated three library branches. The County paid, and will continue to pay, for the Library Information Network of Clackamas County (LINCC), a countywide library cooperative formed in the 1970s and similar to WCCLS. LINCC provides centralized services such as book transfers, central computing and network staffing. The service district will serve mainly as a funding source, and all of those funds will go to provide library services.

The levy is \$0.3974 (about 39 cents) per \$1,000 of assessed property tax calculation, or about \$82 per year for the average homeowner. That figure was chosen to allow all libraries to meet the Oregon

Library Association standard for “threshold” libraries. Currently, at least five are below the threshold level. Residents of some other communities have paid more for libraries, which reach higher standards of excellence, and they can continue to do so. The county-wide tax will provide a stable floor below which no library will fall.

The district will collect the funds and distribute them to the municipal libraries, which will continue to operate as municipal libraries. Clackamas County will transfer the operation of its three library branches to nearby cities. With the funds saved from running county branches, the County will provide each municipal library with a one-time payment of about \$1 million to be used for any purpose other than operations. The Clackamas County Commissioners will also serve as the library district board of directors.

Historically, libraries have received most of their funds from the Clackamas County general fund (the LINCC serial levy was rolled into the County’s general fund tax base by Measure 50, similar to WCCLS). The County has recently taken a hit with the loss of \$12 million in federal funding in 2007. That, coupled with challenges of tax limitations, led the County Commissioners to decide to eliminate funding for three County-operated libraries in 2009, and to gradually eliminate County contributions to city libraries between now and 2014. The vote was complicated by the fact that federal timber funds were restored in the financial bailout bill passed by Congress in October 2008. While all those funds will disappear in five years, some in the county were concerned that citizens will use the restored funds as a reason to vote no on the library service district.

The city councils chose to form a service district rather than a special district because they didn’t want to hand governance over to a different elected board, and because they wanted to use the existing county infrastructure to operate and manage the district, according to Steve Wheeler, deputy county administrator, and Joanna Rood, LINCC manager. Wheeler said that the process of getting the service district to the ballot was time-consuming with a lot of back-and-forth among the cities and libraries.

#### **Oregon libraries using this model**

There are currently four libraries structured as county service districts. They include:

- Coos County Library Service District
- Benton County Library Service District
- Klamath County Library
- Wasco County Library District

#### **Corvalis- Benton County Public Library**

The Corvalis-Benton County Library has been a county service district since 1994. Library service is based on a fifty year old intergovernmental agreement between the city of Corvalis and the County to provide library services. The establishment of the county district replaced funding previously provided by the County.

The County Board of Commissioners provides the governance structure. An appointed Advisory Board advisory to City provides structure for the operations and policies. Five members are appointed by the County, five by the mayor of Corvalis. In addition, the county board and the city council each has a member who serves as a liaison.

The system pays for salaries and employee costs. Library employees are all City of Corvallis employees. The local communities are responsible for the construction and maintenance of the library branches located in their communities. The services district pays for costs of extension services, outreach and a portion for the operation of the Corvallis Central Library. The City of Corvallis general fund covers the rest of the dollars needed to operate the Central Library. In general this structure works well since most of the county population resides within the Corvallis city limits.

The service district was planned on the current model that existed in 1994, with branch services at a minimal level. (Information provided by Carolyn Rawles-Heiser, library director.)

### **Libraries in other states with similar models**

The library as county service district is unique to Oregon. However, an Oregon county service district library can be structured as a cooperative or as a consolidated county-wide library. If it is structured as a cooperative, it has the same basic characteristics as other cooperatives. (To complicate matters, while WCCLS is called a cooperative, it actually has the central administrative unit that provides services to member libraries, which is a characteristic of a federated system. For simplicity's sake, we'll use both terms interchangeably.)

### **Wisconsin - Milwaukee County Federated Library System**

The Milwaukee County Federated Library System (MCFLS) is an umbrella agency primarily funded by the State of Wisconsin and administered by a seven-member board appointed by the Milwaukee county executive. It is a membership organization composed of the 15 administratively autonomous and fiscally independent public libraries in Milwaukee County. (All but one of the 16 municipalities in the county has a library.) Milwaukee County government is the trustee of MCFLS state aid payments and provides fiscal oversight. Libraries help pay for some services, such as county-wide computer services, while other services, like delivery trucks and continuing education, are provided free of charge by MCFLS using state funds.

Within MCFLS, each member library pays for itself and any county resident can use any library free of charge. As is often the case in these situations, reciprocal borrowing has been a major issue. (Because all county residents help underwrite operations of WCCLS member libraries, the financial impact of reciprocal borrowing is dampened somewhat, although some libraries do complain of costs to serve non-resident users.)

In 2004, four suburbs threatened to leave the federated library system because of the cost of reciprocal borrowing. This was the first such split in the 30-year history of the state's federated library systems. The problem was that Milwaukee residents used the nicer libraries in nearby suburban areas, but the city only reimbursed \$.57 of the estimated \$1.60-\$2.35 cost per item for reciprocal borrowing. Milwaukee County is one of just two federated library systems in the U.S. in which member libraries bill one another for reciprocal borrowing.

### **New York – Buffalo and Erie County Public Library**

In 1953, three existing libraries were merged by New York State special legislation to become the Buffalo and Erie County Public Library (B&ECPL). Responsibility for operations was transferred to Erie County

government, which owns the Buffalo library building, the system's central library. It does not own the urban branch library buildings or those of the separate county libraries, some with their own branches, that contract with Erie County for service. The system includes a total of 37 libraries and is one of four federated library systems in the State of New York. (Until a budget crisis in 2005-2006, the system included 52 libraries, more per capita than any other community in North America. Until the financial crisis made it absolutely inevitable, the community had been resistant to consolidation.)

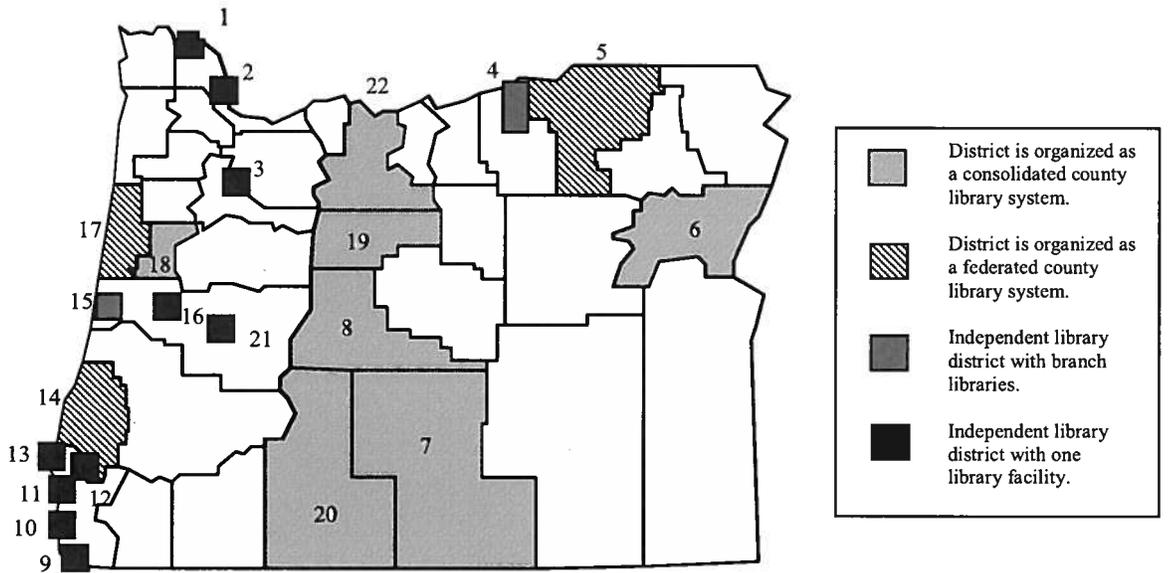
The City of Buffalo is responsible for the urban branch library buildings and each suburban or rural municipality within Erie County is responsible for the library buildings within its boundaries. Each of the county libraries also has its own governing board appointed by its municipality, a system that the (B&ECPL) library director said makes governance more complicated but also builds a strong base of support for libraries.

The operating costs for all of the libraries are paid for by the county. All the libraries throughout the county operate under the same contracts, and all staff members get paid the same due to civil service and union regulations. The one major area of inequity is the library buildings. Library buildings in Buffalo, with its low tax capacity, are not in as good condition as the library buildings in the suburbs, which are newer and well-maintained.

<b>Benefits</b>	<b>Disadvantages</b>
Depending on the funding sources selected, it could provide relatively stable funding with the potential for increased annual revenue based on the increased population size.	Local option for funding of buildings, including location and design of library buildings, remains.
It could eliminate the need to use the local option levy, which must be voted on every few years.	No provision for locating or funding buildings in the unincorporated areas.
Depending, it may provide centralized policy setting for library services and operations, like WCCLS does currently.	If cities can choose to pay more for excellent libraries, people from surrounding communities may flock to them, which can lead to imbalanced use patterns and resentment.
Loyalty within each city for its library would not be threatened.	Less efficient than having more centralized operations and decision making.
Would provide a floor of funding for all libraries, including those in poorer communities.	
Would allow communities to spend more on their libraries, if they wanted to do so.	
Residents of unincorporated areas would be included in the tax.	
Local option for funding, location and design of library buildings remains.	
Can use the existing county infrastructure to manage the district.	

## Oregon Library Districts, special and county service

There are presently 22 library districts in Oregon providing public library service — 18 special library districts and four county service districts. All 22 districts are funded through voter-approved permanent tax rates. The following map shows the location of each of Oregon's library districts. The boundaries shown, however, may not be exact (particularly for the smaller districts and districts in Jefferson and Morrow counties). Specific information about each district is provided below the map, corresponding to the numbers on the map.



	Name of District And County	Population of District	Year Formed	District Type	Permanent Tax Rate	Tax Imposed in 2005-06
1.	Clatskanie Library District (Columbia)	5,974	1985	Special	0.29	\$125,448
2.	Scappoose Library District (Columbia)	9,915	1986	Special	0.25	\$177,754
3.	Silver Falls Library District (Marion)	17,465	1994	Special	0.57	\$487,580
4.	Oregon Trail Library District (Morrow)	9,862	1992	Special	0.25	\$225,595
5.	Umatilla County Special Library District	57,370	1986	Special	0.37	\$1,105,681
6.	Baker County Public Library	16,500	1986	Special	0.53	*\$817,721

7.	Lake County Library District	7,505	1990	Special	0.45	\$191,446
8.	Deschutes Public Library System	143,490	1998	Special	0.55	\$7,240,526
9.	Chetco Community Public Library (Curry)	12,944	1982	Special	0.43	\$534,652
10.	Curry Public Library District (Curry)	4,799	1982	Special	0.66	\$301,554
11.	Port Orford Public Library (Curry)	2,259	1982	Special	0.50	\$90,962
12.	Agness Community Library District (Curry)	125	1992	Special	0.66	\$14,250
13.	Langlois Public Library (Curry)	739	1982	Special	0.77	\$53,505
14.	Coos County Library Service District	62,695	1992	County Service	0.73	\$2,529,432
15.	Siuslaw Public Library District (Lane)	16,597	1984	Special	0.52	**\$749,672
16.	Fern Ridge Library District (Lane)	10,947	1994	Special	0.38	***\$360,637
17.	Lincoln County Library District	22,550	1988	Special	0.25	***\$948,004
18.	Benton County Library Service District	82,835	1994	County Service	0.39	\$2,005,855
19.	Jefferson County Library	16,633	2000	Special	0.43	\$429,273
20.	Klamath County Library	65,055	2000	County Service	0.49	\$1,882,627
21.	Lane Library District	7,406	2004	Special	0.59	\$244,932
22.	Wasco County Library District	22,955	2006	County Service	0.66	n/a

**\*Includes permanent rate levy, local option levy and bond levy. \*\*Includes permanent rate levy and bond levy. \*\*\*Includes permanent rate levy and local option levy.**

### **Option C: Alternative tax to replace local option levy**

This option assumes that WCCLS would continue to operate as a cooperative with its current governance and decision-making structure. The only difference would be that the County would implement an alternative tax or taxes, not connected to property, that would replace the nearly \$8 million per year raised by the local option levy. While WCCLS could certainly consolidate and move to one board and a central administration, simply replacing the local option levy wouldn't push in that direction.

This option assumes that the alternative tax or taxes would only replace the \$8 million in funds currently raised through the local option levy each year, not the nearly \$15 million from the County general fund. Local leaders expressed strong appreciation for the support they receive from the Washington County Board of Commissioners, but great unhappiness with the instability of the local option levy. Clearly, the most urgent need is for a source of funding that doesn't require a new campaign and new vote every few years.

The option also assumes that the alternative tax or taxes would not pay for costs currently borne by municipalities, such as capital costs and some operating costs.

It is beyond the scope of this study to recommend the specific tax or taxes that, together, would provide \$8 million annually. Identifying an alternative tax or taxes will require deep knowledge of state and local laws governing taxes and more time than is available in this study.

The possible sources of tax dollars include some that are used elsewhere but rarely or never in Oregon. Possible sources would include:

- utility user tax;
- income tax;
- sales tax;
- impact fees, a special tax on new developments that is often used to fund schools and roads could be developed to fund library services to the unincorporated areas that would be experiencing rapid growth in housing construction;
- court penalties, fine and fees to fund additional libraries along with the county law library (Oregon law libraries are funded with a percentage of the civil court case filing fees);
- excise taxes and fees, such as a construction excise tax.

#### **Oregon libraries using this model:**

This option is not currently used for funding any libraries in Oregon.

#### **Libraries in other states with similar models:**

- Alameda County Public Library in California funds unincorporated areas of the county with a utility user tax they share with the county sheriff and community development agency. The tax is only paid by residents of the unincorporated areas.
- Library services in Ohio are funded via the state income tax.
- Wisconsin uses court penalties to fund school libraries

<b>Benefits</b>	<b>Disadvantages</b>
Possibility for a built-in formula for increasing funding based on population growth.	It would solve the problem of needing to vote for a new levy every few years, but would produce no additional benefits, such as efficiency.
Tax would be paid by all county residents.	While funding from the County general fund is currently stable, that could change with new commissioners or a troubled economy.
Eliminates the need to vote for a levy every few years.	The new tax might require voter approval, and voters might see it as an extra burden.
Eliminates the compression caused by use of the property tax.	There are a limited number of taxing methods and opportunities. Libraries could be opposed by other entities needing tax dollars.
Depending on the taxing and governance structure chosen, the new tax could also pay for capital costs.	
If the main problem is the need for stable funding, this would solve the problem without requiring any other changes.	
Maintains local control over operations, collections, and buildings.	

## **Option D: County Library System**

The library system would become a department of Washington County government, with the level of funding for operations and buildings decided by the county board of commissioners. In this model the board of commissioners governs the library and, as in Multnomah County, the commissioners would appoint citizens to a library advisory board to oversee library operations.

### **Oregon Libraries using this model:**

- Multnomah County (funding enhanced with an Optional Tax Levy)
- Jackson County (now by contract with an outside library service provider)
- Douglas County
- Josephine County (closed for the last year due to loss of federal timber payments; may reopen with some renewed timber funds and local non-profit fundraising)

### **Multnomah County Library**

Multnomah County Library is the oldest public library west of the Mississippi, with a history that dates to 1864. It is also the largest public library in the state serving nearly one-fifth of the state's population. Originally established as a subscription library, the library became a tax-supported city library in 1902 and began providing service countywide in 1903. The library association maintained control of the library buildings and collections until 1990, when they transferred ownership to the people of Multnomah County to be governed by the county board of commissioners. An appointed advisory board oversees library operations. (<http://www.multcolib.org/about/>)

In addition to funding from the County operating funds, the library system is also supported by an optional tax levy that must be renewed every five years. The current rate of funding is approximately 1/3 from the County, 2/3 from the tax levy with some additional funds from fines and fees, grants, and gifts from the library foundation.

### **Libraries in other states with similar models:**

The most typical type of consolidated library is the county library system. Library legislation in 39 states includes the county governance option as part of library law.

California and Florida are among the states that use county library systems most. Two lessons from their experience deal with funding. The first lesson is that county libraries are no safer from loss of funding than municipal libraries because they compete for funds rather than possessing their own taxing authority. The second lesson is that, when funding is cut and quality suffers, more affluent communities may choose to opt out of the county system.

### **California**

The county boards of supervisors establish and maintain free public libraries and appoint county librarians. The libraries may be a special district or a general fund department of county government. Some counties have consolidated systems that include both city and county libraries.

The Contra Costa Library System came close to losing its largest single financial contributor in 1998, when the Concord City Council voted unanimously to begin negotiating terms to withdraw from the underfunded systems. Concord officials complained that the city gave more than it got for its tax dollars. In fact, of the \$1 million in tax dollars provided by Concord, about \$320,000 went to libraries in less-affluent or more rural areas. The county library had tried and failed three times over six years to pass library tax measures, which required a two-thirds majority and the loss to Contra Costa would have been devastating. In 2000, though, Concord, the county and a local university partners on a new library downtown, which ended Concord's threats to secede.

The Riverside County Library System chose to outsource operation of the 25-branch system when the state of California cut its budget by a third in 1996. It entered into an agreement with Library Systems and Services, the first of its kind nationwide, through which the private company managed and staffed the public library, with the county retaining ownership of buildings and collections. In 1998, some communities threatened to secede and two communities pulled out of the county system to open independent libraries.

The Santa Clara County Library survived a 1993 funding crisis by creating a new governance structure. The library lost about 40 percent of its revenue when the California legislature appropriated property taxes from cities and counties to pay for its obligations to schools. The county librarian brought together city managers and city councils to look for alternatives, meeting with city managers every week for 13 months. Every city chose to stay with the county library system. The team developed a joint powers authority to govern the library, which, along with an annual assessment, was approved by 68 percent of voters. The new jurisdiction is governed by 11 elected officials and includes nine of the 15 cities in the county and all of the incorporated areas. Each of the eight community libraries has a director and a citizen library commission that is appointed by the city. The county library pays the leases and maintains the library buildings, most of which are owned by the cities.

## **Florida**

When the State of Florida created its State Aid to Libraries grant program in 1961, it identified counties as the political subdivisions most suited to provide library services. At that time, 43 percent of Floridians lived in unincorporated areas; the percentage had grown to 51 percent by 1999.

According to a 2002 report prepared by the state, all 67 Florida counties participate in the program and receive state aid. The grant formulas are based mainly on how much the local community pays to provide library service. The state supports three types of library structures: consolidated county public library; county public library cooperative; and multi-county library cooperative.

Consolidated county public libraries have a governing body designated by one or more participating local governments to directly administer all library services, with individual library outlets operated as branches of the county library. There are no independent municipal libraries within the county library administrative structure. This system is often used in counties that have one incorporated area and many unincorporated areas. If a county choose to create a consolidated library system, an existing municipal library can either turn over its library to the county or it can continue to operate independently. Because all county residents are taxed to pay for the county library, residents of municipalities with their own independent libraries pay twice for library service, as is the case in Broward County.

County public library cooperatives are operated or coordinated by one governing body that administers or coordinates the common services for libraries operated by the participating local governments. The director has no direct control or authority over the member municipal libraries and instead coordinates annual service plans, long-range plans, coordinated budgets, etc. A multicounty library system is similar to a county library cooperative, with more counties involved.

<b>Benefits</b>	<b>Disadvantages</b>
Library system is supported equally by all citizens of the county.	Library would be in competition with other county departments for funding.
The county assumes responsibility for the construction and maintenance of buildings.	Loss of local autonomy, as municipal libraries become branches in a county system.
Resolves issues about library service in unincorporated areas.	Perception that strong loyalty by library patrons and city residents to their municipal library will disappear.
Centralized decisions for library services and operations based on the needs of the entire county.	Individual cities no longer required to contribute financially to their libraries.
Need to vote and cost of levy elections eliminated.	Many sources of funding replaced by one major source of funding, which can leave libraries vulnerable.
Equitable pay for staff members across all libraries.	Property tax would still be used to fund libraries, which maintains problem of compression.
Achieves economies of scale and maximum efficiency.	
Skillful management can push decision-making down to the most "local" level.	
Builds on strong support that libraries have received from the County.	

## A comparison among the options

The following comparison is a thumbnail sketch of the distinctions among the four options. Keep in mind that Option B: County Service District could be structured either as a cooperative or as a consolidated county-wide library.

X=this is definitely a characteristic; (x)=it may be a characteristic, depending.

Characteristic	Option A: Special	Option B: Service	Option C: Alt. to levy	Option D: County
The library has taxing authority.	X			
The library board is elected.	X			
The library board is or is appointed by the County Commissioners.		X		X
Decision-making is conducted at the county level.	X	(x)		X
Municipal libraries continue to function within a cooperative.		(x)	X	
The library system owns and maintains library buildings.	X	(x)		X
Libraries compete with county or city departments for base levels of funding.			X	X
Everyone pays the same rate for base level of services.	X	X		X
A municipality can choose to spend more on its library.		X	X	
The library can keep funds remaining at the end of the year.	X			
Debt financing: General obligation bonds and certificates of participation are available to the district as a governmental unit.	X		X	X
The vote to form the district may set a permanent property tax rate.	X	X		
County or city governments provide administrative support. Libraries may be expected to pay for that support.		X	X	X
Governing body at county level determines where to site new libraries.	X	(x)		X
Employees would be transferred to the district under ORS 236.610.	X	(x)		

Employees would be county employees.				X
Municipalities determine whether to build new libraries.		(x)	X	
Citizens directly determine how much to spend on libraries.	X	X	(x)	
Citizens would need to vote on a new tax.	X	X	(x)	
Inequalities in size of service area are no longer a problem.	X	(x)		X

## Tax costs for three options

The table below summarizes the property tax impact that the options in this report would have on each community. Option C is not included because the revenue source would not be property-tax based, so the tax rates listed here would be irrelevant.

The table lists the current estimated actual combined tax for communities as \$29,746,311. But based on the tables on the Oregon Library Standards, we estimate that at least another \$8,018,009 should be spent to get libraries to minimum standards. As the table demonstrates, there is presently a wide range of tax rates. In Options A & D, a special district or county library system, every taxpayer in the county would pay at the same rate, \$0.72 without the added funds to meet standards, and \$0.91 to meet standards.

In Option B, a county service district, cities could continue to pay extra funds for some services. In the example below, cities are left with current local debt payments and leases. This allows for an illustration of the continued variations in tax rates possible in Option B.

The compiled costs for the extra amounts needed for standards may be found in the next table.

## Tax Costs for Various Options

Library	Type	Combined County Tax Rate Yield 2007-08	City Revenue (Estimated from 2006-07)	Local Debt Payments and Leases	Combined Tax	Tax rate	Extra needed for Standards	Combined Tax for Full Standards	Tax rate
Banks	Status Quo	\$44,646	\$4,386	\$58,047	\$107,079	1.18	\$64,149	\$171,228	1.88
Beaverton	Status Quo	\$3,372,508	\$1,651,182	\$1,876,478	\$6,900,168	1.00	\$1,584,594	\$8,484,762	1.23
Cornelius	Status Quo	\$227,575	\$57,372	\$0	\$284,947	0.61	\$351,902	\$636,850	1.37
Forest Grove	Status Quo	\$515,234	\$279,212	\$160,000	\$954,446	0.91	\$492,385	\$1,446,831	1.38
Hillsboro	Status Quo	\$3,652,324	\$2,782,841	\$310,000	\$6,745,165	0.91	\$3,039,435	\$9,784,600	1.31
North Plains	Status Quo	\$64,959	\$63,401	\$0	\$128,360	0.97	\$45,150	\$173,510	1.31
Sherwood	Status Quo	\$575,154	\$265,230	\$0	\$840,384	0.72	\$432,501	\$1,272,885	1.08
Tigard	Status Quo	\$2,240,026	\$1,268,917	\$0	\$3,508,943	0.77	\$1,105,487	\$4,614,430	1.01
Tualatin	Status Quo	\$1,079,704	\$456,704	\$0	\$1,536,408	0.70	\$266,868	\$1,803,276	0.82
Unincorp/Other	Status Quo	\$8,502,410	\$0	\$238,000	\$8,740,410	0.50	\$635,538	\$9,375,948	0.54
<b>Totals</b>	<b>Status Quo</b>	<b>\$20,274,541</b>	<b>\$6,829,245</b>	<b>\$2,642,525</b>	<b>\$29,746,311</b>	<b>0.72</b>	<b>\$8,018,009</b>	<b>\$37,764,320</b>	<b>0.91</b>
Banks	Options A&D	\$65,504			\$65,504	0.72	\$17,656	\$83,160	0.91
Beaverton	Options A&D	\$4,948,062			\$4,948,062	0.72	\$1,333,732	\$6,281,794	0.91
Cornelius	Options A&D	\$333,893			\$333,893	0.72	\$90,000	\$423,892	0.91
Forest Grove	Options A&D	\$755,939			\$755,939	0.72	\$203,760	\$959,699	0.91
Hillsboro	Options A&D	\$5,358,600			\$5,358,600	0.72	\$1,444,391	\$6,802,991	0.91
North Plains	Options A&D	\$95,307			\$95,307	0.72	\$25,690	\$120,996	0.91
Sherwood	Options A&D	\$843,852			\$843,852	0.72	\$227,457	\$1,071,309	0.91
Tigard	Options A&D	\$3,286,512			\$3,286,512	0.72	\$885,867	\$4,172,379	0.91
Tualatin	Options A&D	\$1,584,116			\$1,584,116	0.72	\$426,993	\$2,011,109	0.91
Unincorp/Other	Options A&D	\$12,474,528			\$12,474,528	0.72	\$3,362,463	\$15,836,991	0.91
<b>Totals</b>	<b>Options A&amp;D</b>	<b>\$29,746,311</b>			<b>\$29,746,311</b>	<b>0.72</b>	<b>\$8,018,009</b>	<b>\$37,764,320</b>	<b>0.91</b>
Banks	Option B	\$59,685		\$58,047	\$117,732	1.29	17,656	\$135,388	1.49
Beaverton	Option B	\$4,508,499		\$1,876,478	\$6,384,977	0.93	1,333,732	\$7,718,709	1.12
Cornelius	Option B	\$304,231		\$0	\$304,231	0.66	90,000	\$394,231	0.85
Forest Grove	Option B	\$688,784		\$160,000	\$848,784	0.81	203,760	\$1,052,545	1.00
Hillsboro	Option B	\$4,882,567		\$310,000	\$5,192,567	0.70	1,444,391	\$6,636,958	0.89

North Plains	Option B	\$86,840		\$0	\$86,840	0.66	25,690	\$112,530	0.85
Sherwood	Option B	\$768,888		\$0	\$768,888	0.66	227,457	\$996,345	0.85
Tigard	Option B	\$2,994,553		\$0	\$2,994,553	0.66	885,867	\$3,880,420	0.85
Tualatin	Option B	\$1,443,390		\$0	\$1,443,390	0.66	426,993	\$1,870,383	0.85
Unincorp/Other	Option B	\$11,366,348		\$238,000	\$11,604,348	0.67	3,362,463	\$14,966,811	0.86
Totals	Option B	\$27,103,786	\$0	\$2,642,525	\$29,746,311	0.72	\$8,018,009	\$37,764,320	0.91

Some will question why we have left the cost of a special district and county library established under Oregon law the same as for the current cooperative structure. The assumption of many is that the administrative overhead of having multiple bookkeeping, ordering, board reporting, etc., would result in lower total costs when they are eliminated. The actual results of a change in governance and funding cannot be predicted, of course, but there are several factors that must be considered.

Currently there are 13 separate administrative staffs reporting to 13 boards. Operations like book ordering, payroll, and accounting are duplicated and could be consolidated in a special district or county library. But, as the tables included in this report demonstrate, wage harmonization would likely to overwhelm the savings to be obtained from administrative efficiencies. It is unlikely that wages would be harmonized (or made equal for similar responsibilities) at the lowest level, and much more likely that they would be harmonized at the highest or at least the average level.

Furthermore, a special district or county library would likely want to equalize other aspects of library services and bring them more in line with best practices.

A special district or county library would likely want to deploy at least the minimum staffing levels indicated in the Oregon Library Association standards. That would result in the addition of 20 FTE staff members, approximately a 9 percent increase in staffing levels.

A consolidated library would need to address the book collection and building size issues that WCCLS member libraries currently face. Libraries in the county are collectively deficient for book volumes at about 340,000 volumes. That means that libraries in the county have 85 percent of the volumes they should have, and filling the gap would cost \$1.2 million. As for buildings, libraries in the county have just half of what the Oregon standards call for in terms of square feet per capita, and just 70 percent of the average for libraries in the nation. That shortfall would need to be remedied in a county library or special district, which would cost nearly \$6 million, about twice what the libraries are currently investing for buildings.

All in all, libraries in the county would require significant investment in buildings, staffing and collections. While consolidation would result in some increased efficiencies, it would not produce an overall cost savings.

## **Appendix A: WCCLS**

### **WCCLS Executive Board:**

Christine Fore, Banks (resigned)  
Stephanie Jones, Banks  
Mayor Rob Drake, Beaverton  
Peter Leonard, Cedar Mill  
David Waffle, Cornelius  
Michael Sykes, Forest Grove  
Robert Goetz, Garden Home

Sara Jo Chaplen, Hillsboro  
Don Otterman, North Plains  
Jim Patterson, Sherwood  
Craig Prosser, Tigard  
Sherilyn Lombos, Tualatin  
Becky Clark, West Slope  
Robert Davis, Washington County

### **WCCLS Policy Group:**

Denise Holmes, Banks  
Ed House, Beaverton  
Peter Leonard, Cedar Mill  
Rita Rivera, Cedar Mill  
Karen Hill, Cornelius  
Colleen Winters, Forest Grove  
Cooky Abrams, Garden Home

Mike Smith, Hillsboro  
Aaron Schmidt, North Plains  
Pam North, Sherwood  
Margaret Barnes, Tigard  
Abigail Elder, Tualatin  
Veronica Eden, West Slope  
Eva Calcagno, WCCLS manager

### **WCCLS staff:**

Karen Crawford, Administration and Courier  
Barbara O'Neill, Reference and Interlibrary Loan  
Stephanie Lind, Outreach and Youth Services  
Sylvia Lee, Automation  
Jodi Nielsen, Publicity and Promotions

### **Thanks to others who provided information for this report:**

Jim Scheppke, State Librarian  
Steve Wheeler, Clackamas County  
Joanna Rood, Library Information Network of Clackamas County

### **The Consensus team:**

Therese Bigelow  
Mary Jo Draper  
Tom Hennen  
Martha Kropf  
Jennifer Wilding

For more information about Consensus, go to [www.consensuskc.org](http://www.consensuskc.org).

## Appendix B: Circulation Summary

### How to read this table:

Read across to see the items circulated to residents of a community. For instance, Banks residents borrowed 15,245 items from the Banks library, another 905 from Beaverton and so on through the unincorporated area (includes Cedar Mill, Garden Home, and West Slope libraries), for a total of 25,207 items borrowed by Banks residents.

Read down to see the use at a given library. Banks lent 15,245 items to its own residents, 192 to Beaverton, and so on through the unincorporated areas, for a total of 46,548.

These numbers matter because they illustrate the patterns of lending and borrowing in the county is not perfectly reciprocal. Imbalances lead to friction between libraries that are lenders as opposed to borrowers.

### Circulation Summary

Library	Banks Library	Beaverton Library	Cornelius	Forest Grove	Hillsboro	North Plains	Sherwood	Tigard	Tualatin	Unincorporated	Total
Banks residents	15,245	905	276	3,957	4,423	68	9	129	1	194	25,207
Beaverton residents	192	1,042,197	485	1,127	97,387	393	3,851	68,602	6,934	193,233	1,414,401
Cornelius residents	146	1,553	39,333	19,595	24,223	332	254	371	205	915	86,927
Forest Grove residents	987	3,087	5,880	184,162	24,692	81	30	328	148	1,726	221,121
Hillsboro residents	411	40,208	7,383	6,953	1,061,811	1,264	1,110	4,663	883	20,917	1,145,603
North Plains residents	-	169	2	40	4,953	12,725	-	137	-	64	18,090
Sherwood residents	6	4,364	334	246	2,459	8	246,732	19,700	14,299	1,118	289,266
Tigard residents	12	87,854	105	340	6,215	46	6,924	702,077	18,962	12,920	835,455
Tualatin residents	1	6,376	6	19	934	-	5,160	30,903	279,936	1,264	324,599
Wash Co unincorporated residents	29,548	699,287	3,557	59,759	592,958	12,985	27,705	203,258	32,413	1,742,300	3,403,770
<b>Totals</b>	<b>46,548</b>	<b>1,886,000</b>	<b>57,361</b>	<b>276,198</b>	<b>1,820,055</b>	<b>27,902</b>	<b>291,775</b>	<b>1,030,168</b>	<b>353,781</b>	<b>1,974,651</b>	<b>7,764,439</b>

### Circulation Summary 2

This table illustrates the variations in use experienced by libraries in the county. Crossover lending is lending by a library to residents of another library community.

Just 33% of Banks' circulation is to its home residents, the rest being to residents of other communities in the county. Banks residents borrowed a lot fewer items from other libraries (9,962) than the library lent (31,303). Compare to Sherwood, where 85% of the library's business is to its own residents, and lending to other communities (45,034) is almost perfectly matched by the borrowing Sherwood residents do elsewhere (42,534). Compare further to the unincorporated areas where 88% of the lending is to residents. But, libraries lent 232,351 items to residents of other communities while residents borrowed 1,661,470 items.

If the amount in the last row is below 100% the library is a net lender. If it is above 100% the library is a net borrower. The final row indicates a rough measure of the impact of

neighbors on a library. Cornelius and the unincorporated areas have residents that borrow more than their libraries can provide. Cornelius residents borrowed 86,927 items but the library lent out just 57,361 items. The score is 152%. Banks is most affected by other residents at 54% while Sherwood is almost ideal at 99% and the unincorporated areas borrow 172%.

Library	Banks Library	Beaverton Library	Cornelius	Forest Grove	Hillsboro	North Plains	Sherwood	Tigard	Tualatin	Unincorporated	Total
Home lending	15,245	1,042,197	39,333	184,162	1,061,811	12,725	246,732	702,077	279,936	1,742,300	5,326,518
Crossover Lending	31,303	843,803	18,028	92,036	758,244	15,177	45,043	328,091	73,844	232,351	2,437,920
Crossover Borrowing	(9,962)	(372,204)	(47,594)	(36,959)	(83,792)	(5,365)	(42,534)	(133,378)	(44,663)	(1,661,470)	(2,437,920)
Resident Borrowing	25,207	1,414,401	86,927	221,121	1,145,603	18,090	289,266	835,455	324,599	3,403,770	7,764,439
Library Lending	46,548	1,886,000	57,361	276,198	1,820,055	27,902	291,775	1,030,168	353,781	1,974,651	7,764,439
Home lending % Library lending	33%	55%	69%	67%	58%	46%	85%	68%	79%	88%	69%
Crossover lending % library lending	67%	45%	31%	33%	42%	54%	15%	32%	21%	12%	31%
Crossover Borrowing % library lending	-21%	-20%	-83%	-13%	-5%	-19%	-15%	-13%	-13%	-84%	-31%
Resident borrowing % library lending	54%	75%	152%	80%	63%	65%	99%	81%	92%	172%	100%



# MEMORANDUM CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Doug Rux, Community Development Director 

**DATE:** February 4, 2009

**SUBJECT:** URBAN/RURAL RESERVES LOCAL ASPIRATIONS

---

Included in this packet is an analysis of potential residential, commercial and industrial development with associated population and employment information on a range of scenarios that might be Tualatin's future over the next 20 –50 years. To understand this staff has taken an inside/out and outside/in in approach looking at potential capacities within our existing planning and area and potential capacity outside of our planning area. We have attempted to provide you with trend information over the past 30-35 years to gain an understanding of how we arrived at the built development capacities for Tualatin as of 2007. In the analysis we have taken into consideration past City Council discussions about Tualatin's future such as focusing on mixed use development in the Town Center and maintaining residential densities in our residential areas consistent with our currently adopted regulations, as examples.

In conducting the analysis we have used the analogy of bookends identifying high and low numbers for your consideration and to facilitate discussion. An example of this approach is high and low values for vacant land and redevelopment in the Town Center. Staff is not attempting to prescribe any of the scenarios as correct or desired, only as possibilities, and is aware the scenarios and numbers will change as discussion and feedback is provided.

I would also like you to keep in mind that the goal for February 4 is to identify potential candidate urban reserves. This is land outside of the Urban Growth Boundary (UGB) that would move to the next level of analysis in the Urban and Rural Reserve program to occur between roughly March and June 2009. Identifying a potential candidate urban reserve does not endorse or identify land as urban reserve land. That recommendation point will occur later in 2009. A potential candidate urban reserve area can compete directly and simultaneously in the next level of analysis with potential rural reserve land.

**MEMORANDUM: Local Aspirations**

**February 4, 2009**

**Page 2 of 2**

Finally, you may question if any population and employment allocations have been provided to Tualatin by Metro to assist you in the discussion. The short answer is no. Metro has been asked to work on those numbers by cities in the region. At the same time Metro is asking local communities what their local aspirations are. Somewhere there will be the convergence of the Metro population and employment analysis and Tualatin's desired future for population and employment.



# MEMORANDUM

## CITY OF TUALATIN

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Doug Rux, Community Development Director   
Aquilla Hurd-Ravich, Senior Planner 

**DATE:** February 4, 2008

**SUBJECT:** Urban Rural Reserves Local Aspirations

---

### **BACKGROUND**

Metro, the Portland area's regional government, is charged with managing the Urban Growth Boundary (UGB). The last UGB expansions occurred in 2002 and 2004. At those times the region became very frustrated with the process for expanding the UGB and it was voiced that a new system for making UGB expansion decisions was necessary. One of the main problems with the UGB expansion process was what is generically called the Soils Priority Statute. This statute required that lands outside of the UGB for expansion first should look at urban reserve lands (the region had none identified) followed by exception lands and then the various classifications of soils for consideration. This left many communities at the center of the target for UGB expansion as lands outside their boards were designated as exception lands. This was the situation for the City of Tualatin.

To address this concern two bills were introduced into the Oregon Legislature in 2007. HB 2051 was a bill to extend Metro's timeline to conduct a UGB evaluation and expansion by two years. This was a one-time extension. The second was SB 1011 which established a new process to establish Urban and Rural Reserves in the Portland Metropolitan region. Both bills passed and subsequent changes were made to Oregon Administrative Rules (OAR) Division 27 establishing the criteria to establish Urban and Rural Reserves.

Metro is using this new authority in their program entitled "Making the Greatest Place". There are multiple activities occurring simultaneously under this program ranging from Investments, Urban and Rural Reserves, Performance-Based Growth Management and Regional Transportation Plan.

The region has been engaged since January 2008 in the Urban and Rural Reserve program. A subcomponent of this is called "Local Aspirations". Local Aspirations will

MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 2 of 36

inform Metro's process in determining the location and size of urban and rural reserves. The reserves process stems from concerns with the current system for managing growth in the Metro area. According to Metro's website, the longstanding system for managing the region's Urban Growth Boundary has achieved some success in focusing population and employment growth in existing communities while protecting valuable farmland from development. However the system has produced some less than desirable land use patterns and has failed to provide protection of the regions most valuable farmland and natural features. The current process does not leave room for consideration of what types of communities the region seeks to create. As a result of the shortcomings of the current system, the Oregon legislature passed Senate Bill 1011. This piece of legislation enables the counties and Metro to establish urban and rural reserves. Urban reserves are areas outside of the urban growth boundary, which based on a number of factors, may be better suited to accommodate population and job growth over the next 40-50 years. Rural reserves are areas outside the urban growth boundary needed to protect valuable farm and forestland for a similar period.

Definitions of Urban and Rural Reserves:

**Urban Reserves:** lands outside an urban growth boundary that will provide for (a) future expansion over a long-term period; and (b) the cost effective provision of public facilities and services within the area when the lands are included in the urban growth boundary.

**Rural Reserves:** land reserved to provide long-term protection for agriculture, forestry or important natural landscape features that limit urban development or help define appropriate natural boundaries of urbanization, including plant, fish, and wildlife habitat, steep slopes and floodplains. *Oregon Revised Statute 195.137*

There are two exercises the City has been asked to complete for Washington and Clackamas Counties and Metro. The Counties are asking their respective cities to identify potential candidate urban and rural reserves. Metro has asked cities to identify their Local Aspirations meaning what we want to be like in 20 years and 50 years in terms of growth, jobs and housing. This is both an inside/out and outside in look as communities evaluate capacities for housing, jobs, commercial and industrial development and the less tangible element of quality of life.

The time frame is such that Clackamas County has requested our recommendations by February 4<sup>th</sup>; Washington County has requested our recommendations by February 9<sup>th</sup>; March through June will continue discussions of candidate reserves and evaluation of those candidates; Final recommendations will be made July through September.

The City Council has held two work sessions on Local Aspirations. The first occurred on October 27, 2008 with Metro Councilor Carl Hosticka setting the context of what Local Aspiration mean. On December 9, 2008, Council conducted a Special Work Session to discuss Local Aspirations. From these two initial discussions several topics emerged including: the quality of life in Tualatin and Tualatin values; Local Aspirations in the broader context of the Urban and Rural Reserve discussions taking place around the region; which areas surrounding Tualatin should be designated urban or rural; the

MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 3 of 36

inclusion of buffers around South Tualatin; and the Fiscal Impact Analysis conducted on Study Area 42 in 2000.

As a precursor or in parallel to these discussions the City Council has additionally established some context for Local Aspirations through the Stafford Basin Analysis in 2000, South Tualatin Fiscal Analysis in 2003, Town Center and SW Concept Plans in 2005, Tualatin Tomorrow Strategic Vision and Action Plan in June 2007, Town Center Vision statement in February 2008, evaluation of the Central Urban Renewal District maximum indebtedness in 2008, and the Council retreat in November 2008. Finally, the City has been engaged with other communities in Washington County in the Washington County Urbanization Forum. This forum has been a series of four public meetings discussing governance issues for lands brought into the UGB in 2002 and 2004, lands that could be brought into the UGB post 2009 and unincorporated urbanized lands under Washington County's jurisdiction within the UGB (Bull Mountain, Aloha, Metzger, etc.)

Based on those discussions, staff drafted the following work plan and will present all elements with the exception of infrastructure costs. That topic will be brought back at a later date for further discussion.

- Town Center work
- Industrial lands analysis
- Commercial land located outside of the Town Center
- Residential capacity analysis inside the existing Planning Area boundary
- Analysis of land brought into the UGB in 2002 and 2004 (Southwest Concept Plan and SouthTualatin/ North Wilsonville)
- Analysis of land in our "sphere of influence" (Stafford Basin and Knife River Morse/Brothers Site)

The information contained in this document identifies past trends in Tualatin for population, housing, commercial and industrial development and job growth to establish a context on what has occurred over the past 30-35 years. Additionally the information identifies possible development scenarios for population and employment capacities, within ranges rather than specific point numbers, for what could occur in Tualatin's future within our existing planning area and for lands outside our planning area that could become part of Tualatin. It should also be stated that at this time no specific numbers have been provided to Tualatin by Metro on what our share of the regions future (20 – 50 years) population and employment capacity might be. The Local Aspirations discussion will assist Metro and the Counties in establishing that share number.

**EXECUTIVE SUMMARY**

At the conclusion of tonight's discussion, the Council should be able to articulate their thoughts about potential candidate urban and rural reserves. The areas termed our "sphere of influence", Stafford Basin and the Knife River/ Morse Brothers site specifically need to be discussed as reserve candidates. To assist with this discussion staff has prepared an analysis that covers a range of topics that coincide with geographical areas they include: the Town Center, industrial, commercial and residential lands, Southwest Concept Plan, South Tualatin/ North Wilsonville (Study Area 47) and the Stafford Basin. The analysis of future development, employment and population is based on generalized assumptions using current standards. No accounting for possible changes in market conditions or the economy and their affects on development of land is taken into account. The following summary is intended to provide an overview of discoveries made through the analysis described in the body of this memo.

After reviewing land within the existing planning area boundary and the work that has been done through concept plans and fiscal impact analysis, a preliminary estimate shows the possibility to add over 23,000 jobs and potentially over 13,000 residents. As of July 1, 2008 our population was estimated to be 26,040 people. This analysis indicates that our population could increase by 50 percent. A review of 2007 business license data indicates there are approximately 20,544 employees in the City. Employers typically undercount the number of employees on their business license applications. The long range planning group is currently working with the State of Oregon to obtain more accurate employment data. The business license data is used here for comparison purposes and to indicate that the number of employees in the City could increase by as much as 115 percent. It is fair to estimate this growth represents what could happen in the next 20 years.

**Summary of possible additional Dwellings Units, Population and Jobs:**

<b>Geography</b>	<b>Dwelling Units</b>	<b>Population</b>	<b>Jobs</b>
Town Center	1,458 (low)-1,614-1,814(high)	3,820 (low)-4,229-4,753(high)	9,606-9,722
Industrial Land			5,823
Commercial Land outside of the Town Center			408
Medical Center			199
Residential Land	922-2,243	2,416-5,877	
Southwest Concept Plan			5,500-5,700(low) – 12,000 (high)
South Tualatin/ North Wilsonville (Study Area 47)	168-1,075	440-2,817	1,840
Total	2,548(low)-4,932 – 5,132 (high) units	6676 (low)-12,9293-13,447 (high) population	23,376-23576(low)-29,992(high) jobs

**Possible Reserve Candidate:**

Stafford Basin Scenario 1	14,100-14,124	36,942-37,005	8,322-8,406
Stafford Basin Scenario 2	1,334-8,563	3,495-22,435	252-420

**Town Center**

Vacant commercial land in the Town Center	1.69 acres
Redevelopment in 20 years	915,275 (low)- 1,369,250-1,669,250 (high) square feet
Redevelopment in 50 years	340,000 (low)-925,000-1,452,000 (high) square feet
New employment based on redevelopment (1,291-1,408), 2005 plan (8,273) and vacant land (41 jobs)	9,606-9,722 new jobs
New dwelling units based on redevelopment (45-200-400 units), 2005 plan (1,408 units) and vacant land (5-6 units).	1,458 (low)-1,614-1,814 (high) dwelling units
Added population from new dwelling units Based on 2.62 people per dwelling unit:	3,820(low)-4,229-4,753 (high) additional residents

**Industrial Land (within existing Planning Area)**

Gross square feet of industrial building as of December 31 <sup>st</sup> , 2007:	12,595,317 square feet
Vacant industrial land in the City and Planning Area :	408 acres
Future employment based on vacant land:	5,823 jobs

**Commercial Land (within existing Planning Area)**

Gross square feet of commercial building as of December 31 <sup>st</sup> , 2007 (Includes Town Center):	10,122,189 square feet
Vacant commercial land in the City and Planning Area (Does not include Town Center):	18 acres
Future employment based on vacant land (Does not include Town Center):	408 jobs

**Medical Center Land (within existing Planning Area)**

Gross square feet of building within the Medical Center Planning District:	639,260 square feet
Vacant land in the Medical Center Planning District:	7.98 acres
Future employment based on vacant land:	199 jobs

**Residential Land (within existing Planning Area)**

Population of Tualatin as of July 2008	26,040	
US 2000 Census 2.62 persons per household	2.62	
Vacant and redevelopable land	301.51	
	<b>Range:</b>	
	<b>Low</b>	<b>High</b>
Potential Dwelling Units	922	2,243
Population of Potential Dwelling Units	2,416	5,877
Total population at build out:	28,456	31,917

**Southwest Concept Plan**

Gross Acres	431 acres
Net Buildable Acres	352 acres
Projected jobs	5,500-5,700 jobs – 12,000
Jobs per acre	15.6-16 jobs/acre

**South Tualatin/North Wilsonville (Study Area 47)**

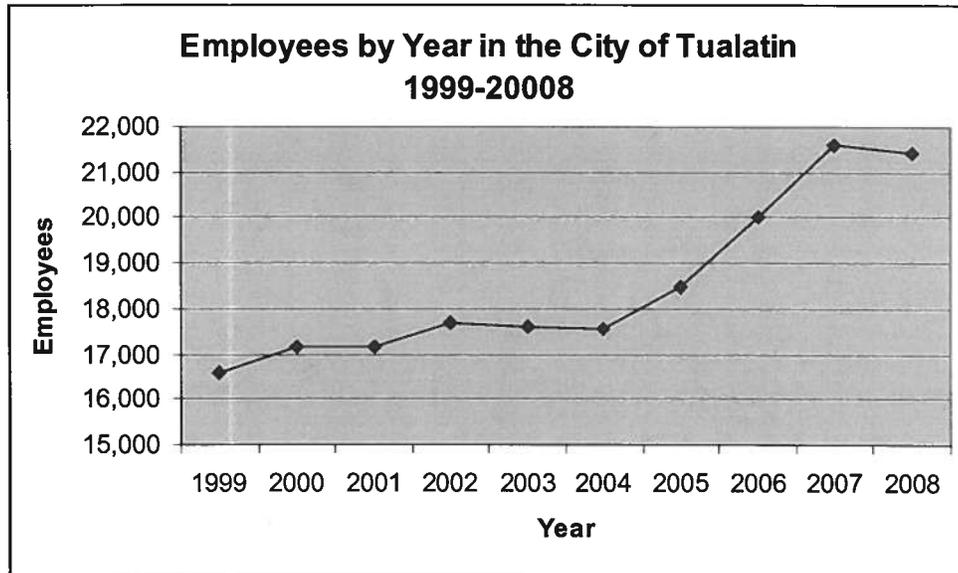
Residential land	168 acres
Dwelling units per acre	Low Density 1-6.4 d.u./ acre
Total dwelling units	168-1,075 dwelling units
Potential population growth	440-2,187 people
Employment land	96 acres
Total potential jobs	1,840 jobs

**Stafford Basin –Possible Reserve Candidate**

Net Developable Vacant Acreage:	1,608 acres
Scenario 1:	
Potential jobs:	8,322-8,406 jobs
Future Dwelling Units:	14,100-14,124 dwelling units
Scenario 2:	
Potential jobs:	252-420 jobs
Future Dwelling Units:	1,334-8,563 dwelling units

## **ANALYSIS**

In the entire city the number of employees grew from 16,588 to 21,430 in 2007. Employment grew by 6% between the years 1999 and 2003 and it grew another 22% between the years 2004 and 2008.



*City Business Licenses 2008*

### **Town Center**

The existing Town Center is comprised of approximately 364 gross acres of land area. That area is generally bounded by I-5 on the east, Warm Springs and Tualatin-Sherwood Road on the south, 95<sup>th</sup> Avenue on the west and Tualatin Road and the Tualatin River on the north. Two additional areas were added to the study area in February 2008 they include the "North URD Subarea" which is approximately 36.6 acres and is generally located north of the Tualatin River and west of Lower Boones Ferry Road. The second area is the "South URD Subarea" which is approximately 19 acres and is generally located south of Tualatin-Sherwood Road west of the railroad and east of a small private street, which is just east of Mohave Court. There are three documents that set the context for Town Center aspirations: 2005 Town Center Plan, Tualatin Tomorrow Vision and Strategic Action Plan and a vision statement from a 2008 Council work session.

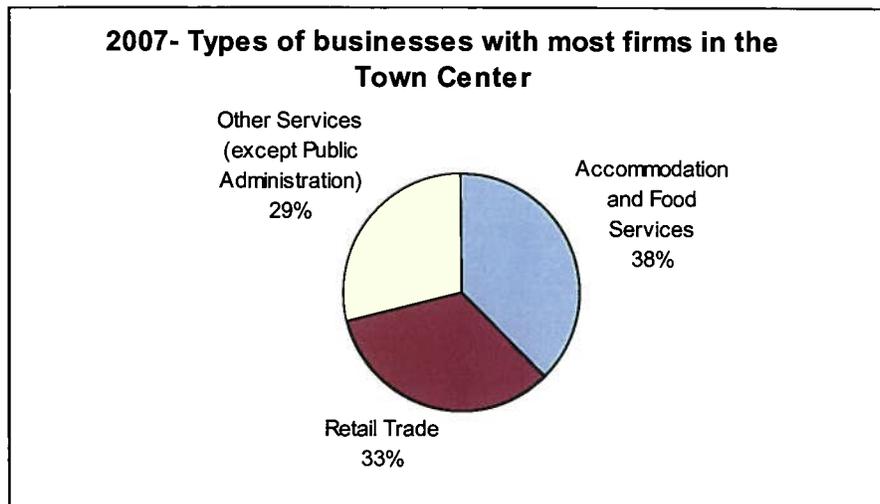
The Town Center Plan was accepted by City Council in 2005 and put on hold until the completion of the Tualatin Tomorrow visioning project. When Council revisited the Town Center Plan in February 2008 a revised draft vision statement was agreed on:

*The Tualatin Town Center will be a distinctive high-quality mixed-use development location with a wide variety of residential dwellings and retail, professional and service employment opportunities, and important recreational and cultural facilities.*

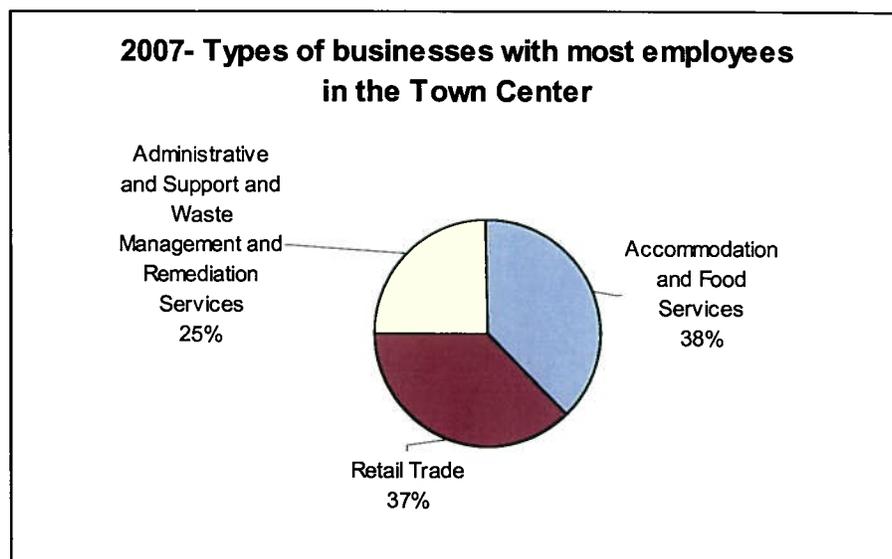
Tualatin Tomorrow identified several strategies under the broad heading *Growth, Housing and Town Center*. One of these strategies identified mixed-use as a priority for the Town Center with amenities such as mixed-use development, financial and retail services, a non-commercial district with government and social services, civic and cultural features, and high-density housing.

Businesses in the Town Center are classified according to the North American Industrial Classification System (NAICS) and grouped for purposes of analysis by the State of Oregon and within our own business licenses. According to state data in 2007, there were 302 firms and 3,855 employees in the Town Center. According to the same data businesses classified as “accommodations and food services” had the greatest number of firms and employees in the Town Center, followed by the “retail trade”. The category “other services except public administration” had the third highest number of firms in the Town Center, while “administrative and support and waste management and remediation services” had the third highest number of employees in the Town Center.

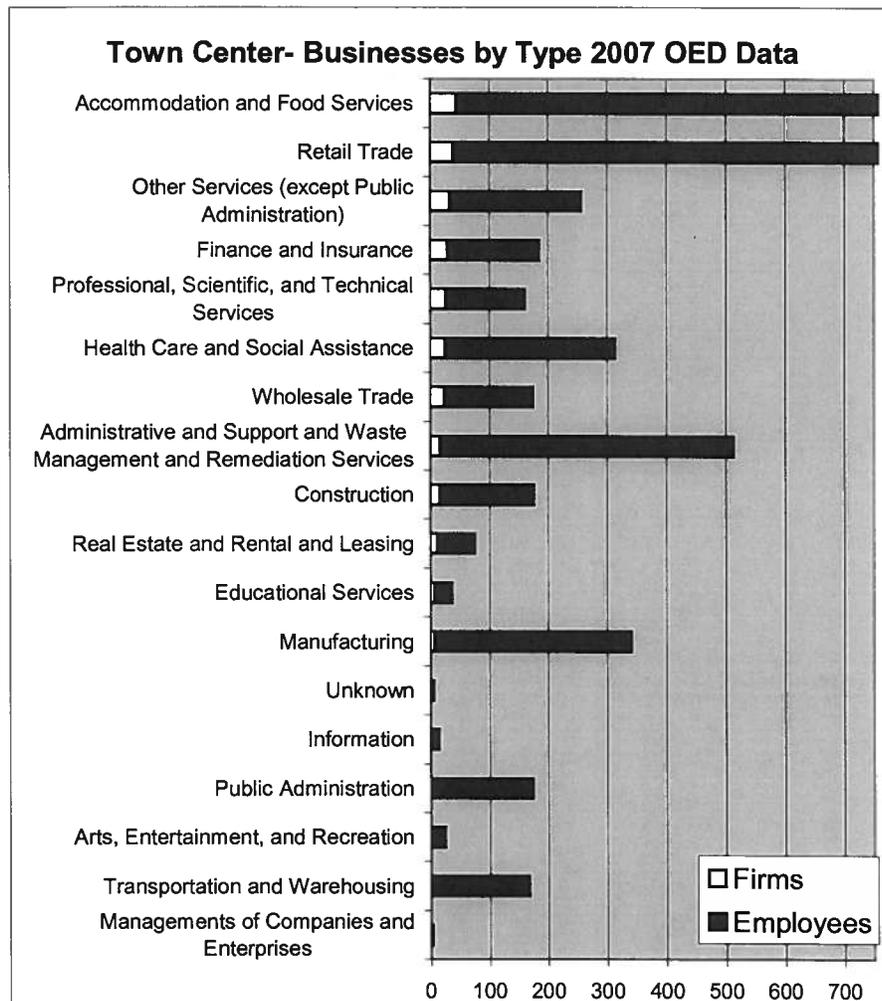
Business Category	Firms		Employees	
	2007	2003	2007	2003
Accommodation and Food Services	45	40	742	694
Retail Trade	40	38	723	631
Administrative and Support and Waste Management and Remediation Services	17	15	495	636
Manufacturing	8	10	332	252
Health Care and Social Assistance	26	26	287	171
Other Services (except Public Administration)	35	29	221	171
Public Administration	2	1	171	156
Transportation and Warehousing	2	0	164	0
Construction	16	11	159	194
Finance and Insurance	30	31	154	181
Wholesale Trade	25	25	149	274
Professional, Scientific, and Technical Services	27	32	133	167
Real Estate and Rental and Leasing	12	17	63	62
Educational Services	8	6	28	35
Arts, Entertainment, and Recreation	2	5	22	122
Information	3	5	10	82
Unknown	3	4	2	2
Managements of Companies and Enterprises	1	1	1	1
<b>Total</b>	<b>302</b>	<b>296</b>	<b>3855</b>	<b>3831</b>



*Community Development January 2009*



*Community Development January 2009*



*Community Development January 2009*

The following objectives were identified in the 2005 Town Center plan with subsequent changes (if any) identified in the 2008 revisit:

- A. New City Hall/ Community Center with parking (achieved with the completion of the expanded library building)
  - B. Library Expansion (opened in August 2008)
  - C. Alternate City Hall location identified for the tax lot adjacent to the southeasterly portion of the Police station (Tualatin Development Commission).
  - D. Redevelopment of tax lots on the easterly side of Boones Ferry north of Tualatin-Sherwood Road and across from Hedges Green retail center as commercial uses.
  - E. Redevelopment of tax lots off of Tonka Road to office uses
  - F. Locate a "signature" office development adjacent to the Tualatin River and I-5 and abutting the northerly boundary of the K-Mart/ Michaels tax lots.
- Discussions in the 2008 revisit identified the possibility of locating mixed uses in this area but keeping residential uses away from I-5.

- G. Residential mixed uses were identified for the tax lots east of Boones Ferry Road, north of the K-Mart/Michaels and library lots and south of the river.
- H. Mixed use redevelopment was identified for the replacement of the K-Mart/Michaels building. Discussions in the 2008 revisit indicated that any residential uses should be located away from Tualatin-Sherwood Road and I-5.
- I. The tax lots surrounding the Lake of the Commons were identified for Civic mixed use development
- J. An additional parcel located near the Lake of the Commons was identified for a City Cultural/ Arts Center.
- K. Office development was identified for the tax lots near the Kaiser medical offices off Tualatin-Sherwood Road. The 2008 revisit discussions indicate creating an overlay district that only allows medical offices.
- L. Residential and mixed use redevelopment was identified for the area west of the railroad on the north side of Sweek Drive and south of Tualatin Road.
- M. Mixed use redevelopment was identified for the "North URD Subarea". In the 2008 revisit the council decided to include this area in the Town Center and potentially change the land use designation to Central Commercial.
- N. Like the previous objective, the "South URD Subarea" was identified for mixed use redevelopment. Subsequently in the 2008 revisit the council decided to include this area in the Town Center and potentially change the land use designation to Central Commercial.

In addition to the above objectives, staff has identified specific sites for potential redevelopment within the Town Center.

1. **Baker/Tomeoni Parcels** are generally located on the north side of Boones Ferry Road bounded on the east by the public parking "Green" lot and the west by "Aspen Place", a multistory office building. Currently there are two tax lots abutting each other that will have to be combined to achieve a high intensity development similar to "Aspen Place". A new development will consist of a lot size approximately 1.05 acres with a three to four story building of approximately 32,925- 43,900 square feet. Parking will most likely be at the ground floor under the building similar in design of Aspen Place. This redevelopment could happen in the next 20 years. (2S124BC00800, 2S124BC00901)
2. **Robinson Crossing/ Veterans of Foreign Wars Parcels**, an application for an Architectural Review of a proposed retail office building has been submitted to the Community Development Department. The proposed development is generally located on the east side of Boones Ferry Road north of Seneca Street and across the street from the TriMet Commuter Rail station. The proposal encompasses two parcels including the site where Mashita's restaurant is currently located and the site where the Veterans of Foreign Wars meeting hall is currently located. Together these lots comprise 0.72 acres. The proposed development includes remodeling the historic Robinson Store and constructing a three-story retail and office building with parking on the ground floor and basement level. The project is proposed to be 36,350 square feet. This redevelopment could occur in the next 20 years. (2S124BC03000, 2S124BC03500)

3. **Emami Parcels/ Clark Lumber site** is generally located on the easterly side of Boones Ferry Road, north of Tualatin-Sherwood Road and south of Nyberg Street. The redevelopment site is made up of seven tax lots under the same ownership. The combined lot size will total 4.69 acres. Two redevelopment possibilities exist for this site. One is a 50,000 square foot retail building similar to Hedges Green with all surface parking. The property owner's preferred alternative is a multistory 120,000 square foot building with ground floor retail uses, offices above and structured parking. This redevelopment could occur in the next 20 years. (2S124CB00500, 00600, 00700, 00800, 00900, 01000, and 01100)
4. **Tualatin Development Commission property** is generally located on the westerly side of Tualatin Road, west of the railroad, east of Hedges Creek wetlands and abutting the southeasterly property line of the Police Station. It has a lot size of 1.19 acres. This site was identified in the Town Center Plan as being an alternate location for City Hall and a future use may be as a civic building. Potential development could be low intensity and consist of a two story building approximately 20-25,000 square feet. Redevelopment is expected to happen in the long term over the next 50 years. (2S123A001600)
5. **United Rentals** is generally located on the southerly side of Tualatin-Sherwood Road, east of Tonka Road and west of the shopping center Martinazzi Square. It has a lot size of 1.21 acres. This site was identified in the Town Center Plan for office redevelopment. Staff assessed the site based on recently built developments in the vicinity of this parcel and determined that it is possible to build a two story building with retail on the first floor and office, potentially medical or dental, on the second floor. Such a building could be 26,000 gross square feet with structured parking or one level of below grade parking. Redevelopment for this site will most likely occur in the next 20 years.<sup>1</sup> (2S124CB01700)
6. **Nyberg Limited Partnership (K-Mart/ Michaels site)** is generally located west of I-5, east of the City offices and Library, south of the Tualatin River and north of Tualatin Sherwood Road. The Town Center Plan identified this site for mixed-use redevelopment including some residential. A memorandum of understanding (MOU) signed between the City and property owners stipulates a land use mix of a minimum of 80,000 square feet retail, a minimum of 150,000 square feet office and housing with a minimum of 45 units. However, development at a higher intensity might include 250,000-400,000 square feet of retail space, 250,000- 400,000 square feet of office space and possibly 200-400 residential units. This kind of intensity would result in a development similar to Bridgeport Village. Additionally, for purposes of this analysis only tax lots located north of Nyberg are included. The MOU includes tax lots on the southerly side of Tualatin-Sherwood Road where the Nyberg Crossing retail

---

<sup>1</sup> Redevelopment potential on this site is the result of analysis of surrounding properties that recently went through the AR process (AR05-01, AR97-03, and AR98-35). Additionally, we used the proposed parking structure, in AR08-12, for comparative analysis. A development scenario on this site is a two story building with 13,650 square feet on the ground floor, 12,650 square feet on the second floor, 13,758 square feet of landscaping or 26% of the site, and 50,598 square feet of structured parking on two levels providing 114 parking stalls. The building is parked at 4/1000 for retail on the first floor and 3.6/1000 for office or medical office on the second floor.

complex is currently located. Redevelopment of this site is expected within the next 20 years. (2S124A002506, 2S124A002507, 2S124A002700, 2S124B001500, 2S124B001602, 2S124B002000, S124B002100)

7. **Pac-Trust** site is generally located north and east of the Tualatin River, west of Lower Boones Ferry Road and south of the city's northerly border. The site is made of up three parcels totaling 33.39 acres. This site, known as "North URD Subarea" was identified in the Town Center Plan for mixed use and was added to the Town Center study area in the 2008 revisit. Possible development includes four to five multiple story buildings, 100,000 square feet with ground floor retail and office above. Structured parking would be built to accommodate this development. Redevelopment could happen within the next 20 years. (2S124B001007, 2S124B001008, 2S124B001000)
8. **Mohave Court** site is generally located south of Old Tualatin-Sherwood Road, bounded on the east and south by the railroad and on the west by a private street (89<sup>th</sup> Ave). This area, known as "South URD Subarea" was identified in the Town Center Plan for mixed used redevelopment and was added to the Town Center study area in the 2008 revisit. Using a broad assumption of mixed use, one redevelopment possibility could look like the land use mix proposed for Nyberg Limited Partnership. This translates to a minimum 64,000 square feet of retail use, a minimum of 112,000 square feet of office use and a minimum of 37 dwelling units. Development at a higher intensity may include 290,000-450,000 square feet of retail, 290,000-450,000 square feet of office and 231-452 residential units. Again, this type of high intensity development could result in a development similar to Bridgeport Village. Redevelopment of this site could occur over the next 20 years but may be spread out over the next 50 years. (2S123DA00300, 2S123DA00500, 2S123DA00600, 2S123DA00700, 2S123DA00800, 2S123DA01500, 2S123DA01600, 2S123DA01700, 2S123DA01701, 2S123DA01800, 2S123DA02200, 2S123DA02300, 2S123DD02400, 2S123DD02701)
9. **Hedges Green** retail center is generally located west of Boones Ferry Road and the railroad, east of 90<sup>th</sup> Avenue, north of Tualatin-Sherwood Road and south of Hedges Creek wetlands. Using a similar analysis to that done for the Mohave Court site and a broad assumption of land use mix produces a generalized version of land uses and minimum square footages. Redevelopment could include 50,000 square feet of retail, 94,000 square feet of office and a minimum of 28 dwelling units. Development at a higher intensity may include 160,000-250,000 square feet of retail, 160,000-250,000 square feet of office and 127-162 dwelling units. Such square footages could result in a development somewhat similar to the Point at Bridgeport, the Shoppes at Bridgeport and the Alexan by Trammel Crow. Redevelopment is likely to occur over a 50-year period. (2S123D002600)
10. **Red Lot (Core Area Parking)** is generally located on the easterly side of Boones Ferry Road bounded by Seneca Street on the north, Nyberg Street on the south and 84<sup>th</sup> Avenue on the west. This site is composed of seven tax lots four of which are owned by the Tualatin Development Commission. A possible redevelopment opportunity is a four story parking structure with three floors of parking above 15,000 square feet of ground floor retail. Redevelopment could occur over the next 20 years. (2S124BC03800, 2S124BC04000, 2S124BC04100, 2S124BC04101, 2S124BC04200, 2S124BC04300, 2S124BC04400)

11. **Boones Ferry Road and Warm Springs Street**, a redevelopable lot is located on the southeasterly corner at the intersection of these two streets. Currently, there is an industrial building that could redevelop to a commercial site similar to the site know as "Warm Springs Crossing" further east on Warm Springs Street. This site could potentially have 18,000 square feet of office or medical office in a one-story building with surface parking. Redevelopment could take place in the next 20 years.<sup>2</sup> (2S124CB02300)
12. **Martinazzi Avenue and Warm Springs Street**, a vacant lot is located on the northeasterly corner at the intersection of these two streets. This site could develop into a restaurant use of 7-10,000 square feet over the next 20 years. (2S124CA00501)
13. **Kaiser's vacant lot** is generally located to the west of the existing Kaiser medical offices on the northerly side of Tualatin-Sherwood Road. Possible development of this site includes a multistory, 100,000 square foot office building with structured parking. Development of this site could take place over the next 20 years. (2S123D003900)

---

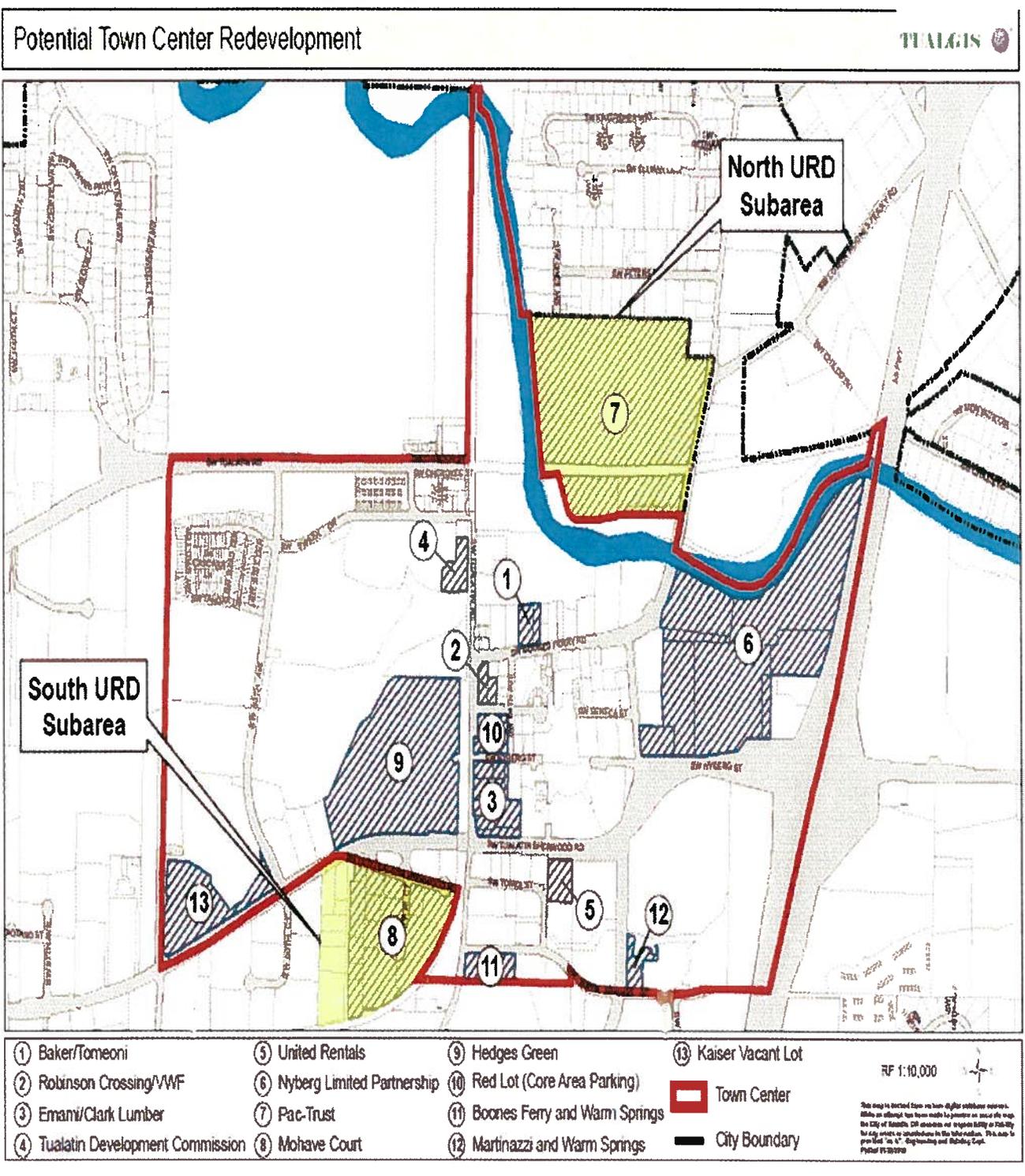
<sup>2</sup> Redevelopment is based on ratios from AR05-01, "Warm Springs Crossing". A floor area ratio of 24%, a ratio of 28% landscaping to lot size and a ratio of 47% parking square footage to lot size.

MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 15 of 36

Site Description	Square Feet	Dwelling Units	Time Horizon
<b>Baker/ Tomeoni</b> – 3-4 story office building	32,925- 43,900		20 yrs
<b>Robinsons Crossing/ Veterans of Foreign Wars-</b> 3 story office retail building in addition to the renovation of the historic Robinson’s building.	36,350		20 yrs
<b>Emami Parcels/ Clark Lumber-</b> multi-story mixed use, retail on ground floor, office above and structured parking.	50,000- 120,000		20 yrs
<b>United Rentals-</b> 2 story retail on ground floor with office, potentially medical or dental above.	26,000		20 yrs
<b>Nyberg Limited Partnership-</b> a mix of retail, office and residential in potentially multi-story buildings.	230,000 (low)- 500,000-800,000 (high)	45 (low)- 200-400 (high)	20 yrs
<b>Pac-Trust-</b> 4 to 5 buildings of class A office building with retail on the ground floor.	400,000-500,000		20 yrs
<b>Red Lot (Core Area Parking)-</b> 4 story parking structure with ground floor retail.	15,000		20 yrs
<b>Boones Ferry and Warm Springs-</b> 1 story office/ medical office building.	18,000		20 yrs
<b>Martinazzi Avenue and Warm Springs Street-</b> 1 story restaurant use on a vacant lot.	7,000- 10,000		20 yrs
<b>Kaiser’s vacant lot-</b> multistory office building	100,000		20 yrs
<b>Total in 20 years:</b>	<b>915,275 (low)- 1,369,250-1,669,250 (high)</b>	<b>45(low)- 200- 400(high)</b>	
<b>Mohave Court-</b> a mixed use retail, office and residential in multi-story buildings.	176,000 (low)- 580,000-900,000 (high)	37(low)- 231-452 (high)	20yrs- 50 yrs
<b>Tualatin Development Commission property-</b> two story civic building	20,000- 25,000		50 yrs
<b>Hedges Green/ Zian Limited Partnership-</b> mixed use of retail, office and residential in potentially multi-story buildings.	144,000 (low)- 320,000-500,000 (high)	28 (low)- 127-162 (high)	50 yrs
<b>Total in 50 years:</b>	<b>340,000 (low)- 925,000 –1,425,000 (high)</b>	<b>65 (low)- 358-614 (high)</b>	
<b>Grand Total:</b>	<b>1,255,275 (low)- 2,294,250-3,094,250 (high)</b>	<b>110 (low)- 558-958 (high)</b>	

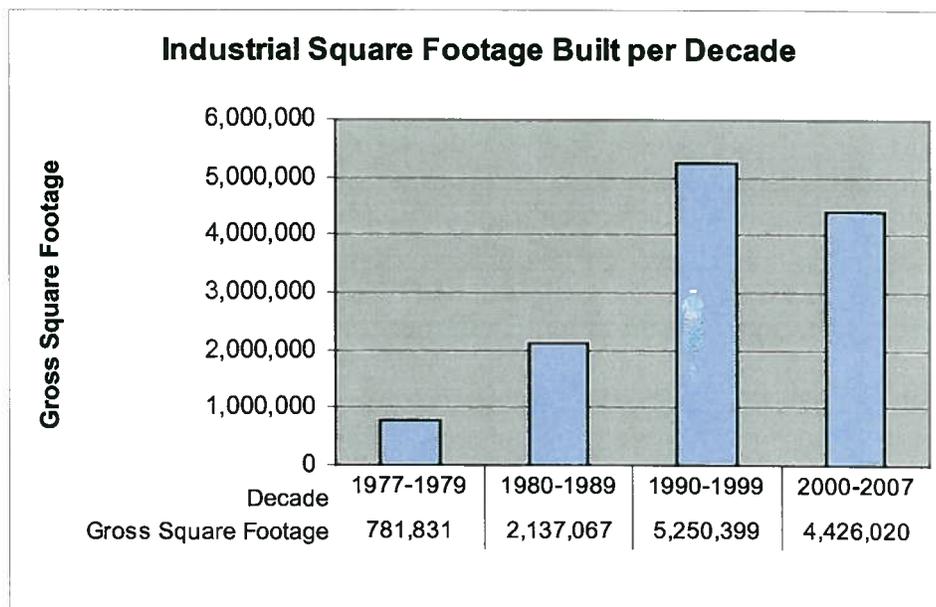


To estimate future jobs in the Town Center based on the above redevelopment possibilities, staff used the total acreage comprised of each of the above sites. Total redevelopable acreage is 140.19 acres. To clarify, the above table estimates how much building square footage could be built through redevelopment it does not discuss redevelopable acres. Based on data from the State of Oregon and Tualatin business licenses available for the Town Center, employees per acre range from 18.1-15.8. Redevelopment identified in the Town Center could add 1,292-1,480 jobs to the existing job base in the next 20 years and 923-1,057 could be added in the next 50 years.

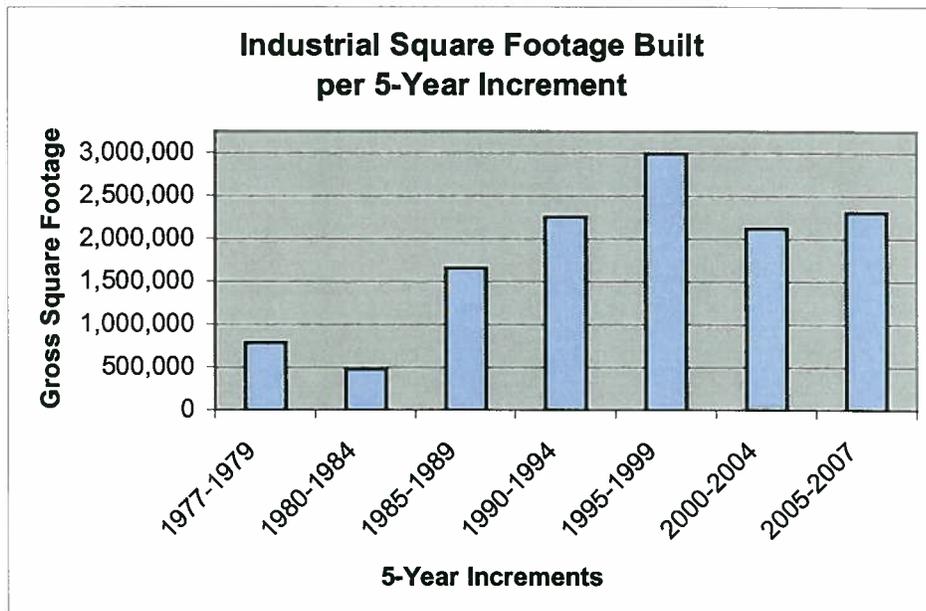
Industrial Lands Analysis

Industrial building land use decisions over the last 30 years have been entered into a database for analysis purposes. The square footage numbers in the land use files are approximates but present a fairly clear picture of how much has been built over the last 30 years. The earliest Architectural Review for an industrial building was in 1977. Although there are Architectural Reviews for industrial buildings in 2008, that data is not included because not all land use decisions issued that year have associated building permits. Therefore, it is not clear how much square footage will be built from 2008 land use decisions. As of December 31, 2007 approximately 12,595,317 gross square feet of industrial building space exists in Tualatin. This does not include square footage built prior to 1977. Staff is currently working to gather that information.

Only two years worth of data exists in the 1970s resulting in the lowest number of square feet built in comparison to the other full decades. The greatest amount of square footage was built in the 1990s. However, a full decade has not been captured in the 2000s.

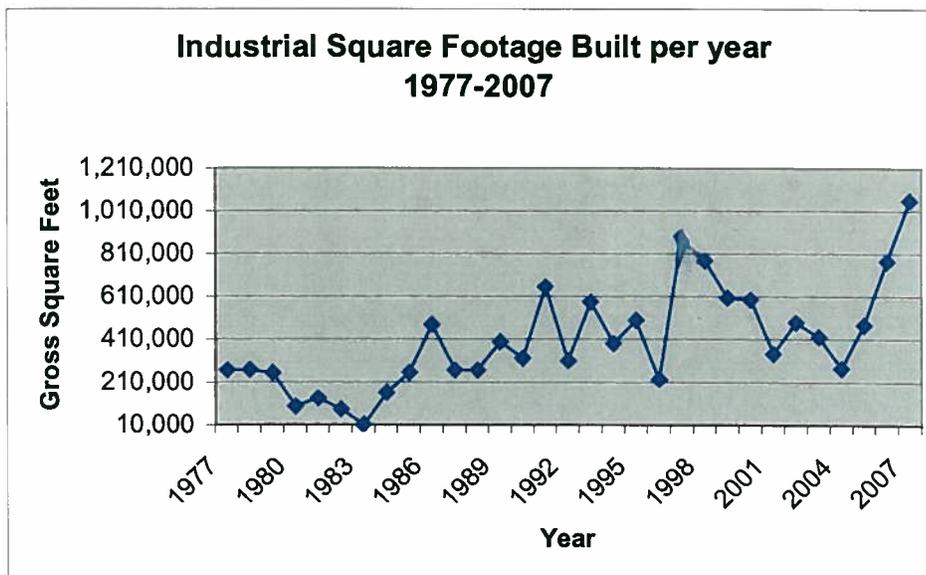


When broken into five-year increments 1995 to 1999 stands out as having the most industrial square footage built. The average amount of square footage built per five-year increment over the last 30 years is 1,799,331 square feet. The least amount, 480,362 square feet, was built between the years 1980 to 1984 and the greatest amount, 2,991,895 square feet, was built between the years 1995 to 1999.



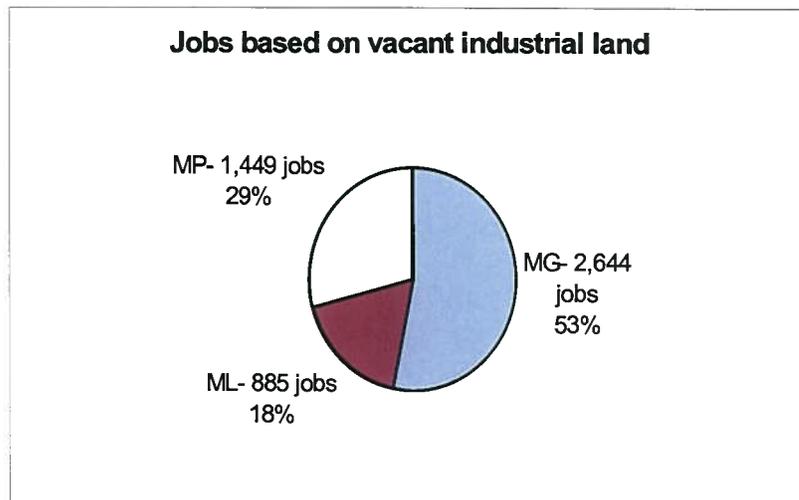
Community Development January 2009

Based on the data from the last 30 years an average of 406,301 square feet were built per year. The least amount of square footage was built in 1983 at 10,084 square feet and the greatest amount was built in 2007 at 1,057,982 square feet and the median 342,069 square feet was built in 2001.

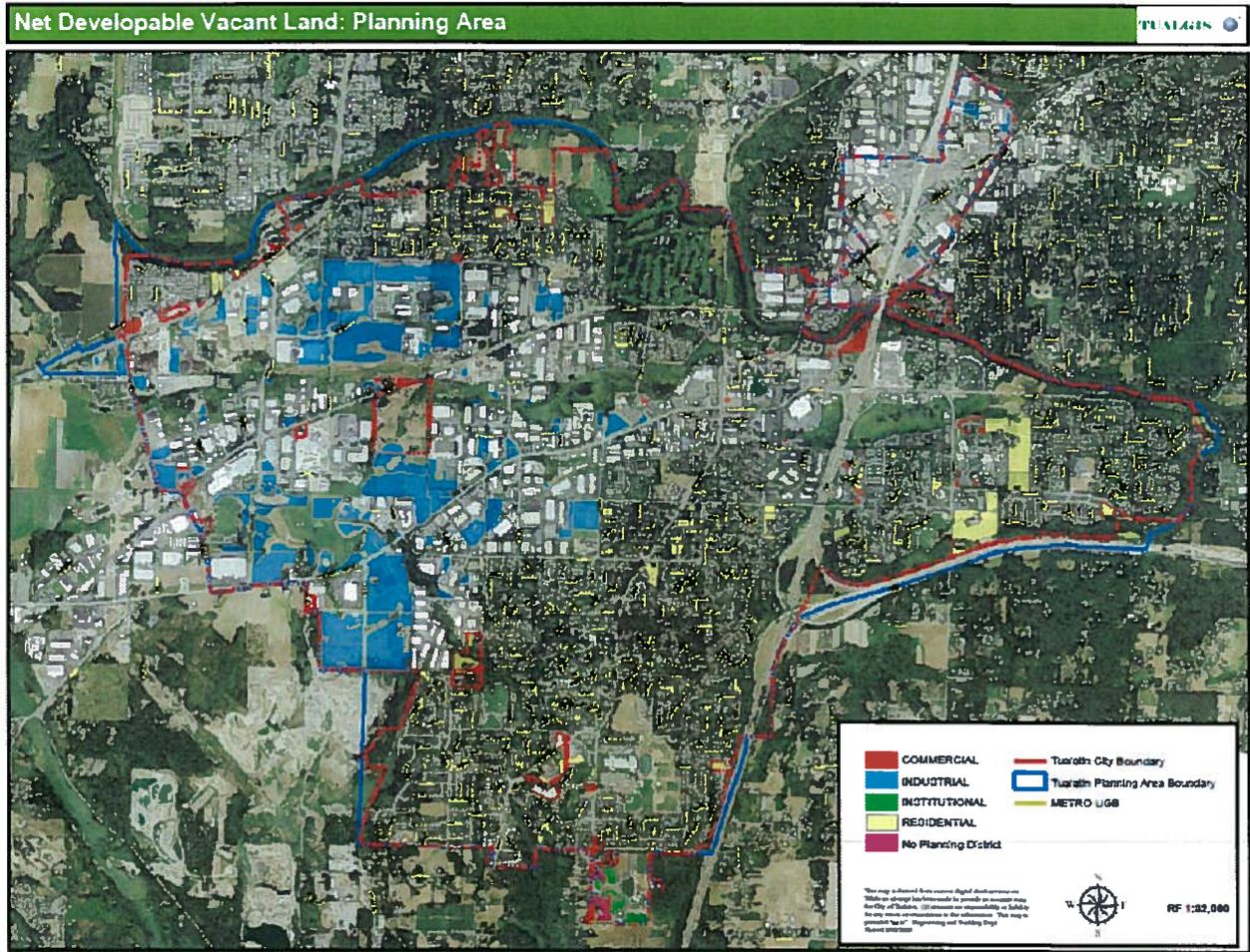


Community Development January 2009

Industrial land in the City and Planning Area that is vacant can support approximately 4,978 future jobs. Land in the General Manufacturing (MG) planning district can accommodate approximately 53% of new jobs, Manufacturing Park can accommodate 29% and Light Manufacturing can accommodate 18%.



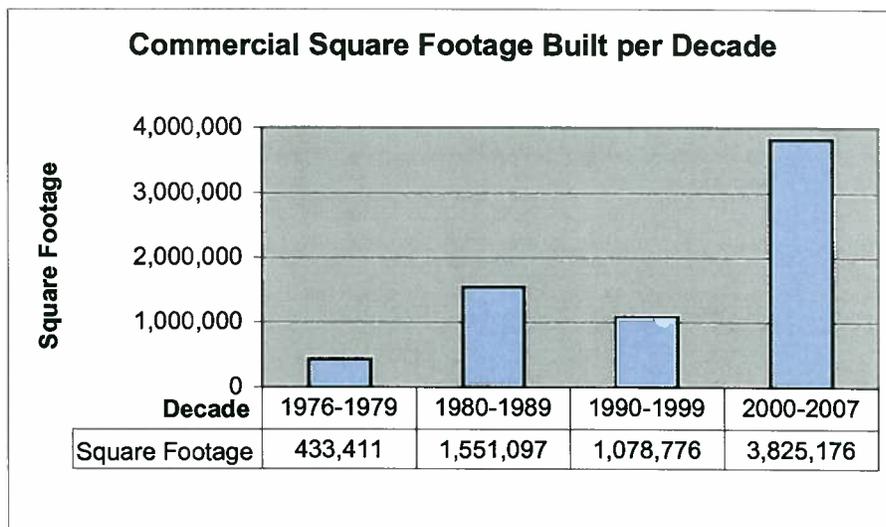
According to preliminary GIS analysis work there are approximately 408 acres of vacant land in industrial planning districts. Vacant land was derived by applying a net acre definition, which is essentially a layer of constraints to vacant land identified through Metro's available data. Total jobs are based on jobs per acre derived from analysis of number of employees reported on city business licenses. The numbers of employees reported by business licenses are traditionally lower than what employers report to the state. Thus the number of future jobs based on our current knowledge is lower than what the land can support. Currently, long range planning is working with the State of Oregon to obtain the number of employees in the City that will provide for a more accurate job per acre ratio. An additional constraint is land that is already committed to landowners but is currently undeveloped. There are several large industrial complexes such as JAE and Novellus that have "land banks" meaning they are not available to the general market for development and thus employment. This means it is difficult to estimate when the approximately 5,823 jobs can be accommodated. Staff is currently working to determine how many acres of industrial land are "land banked". Two categories of land that were not explored here and will need further analysis are redevelopable lots and infill lots.



Commercial Land

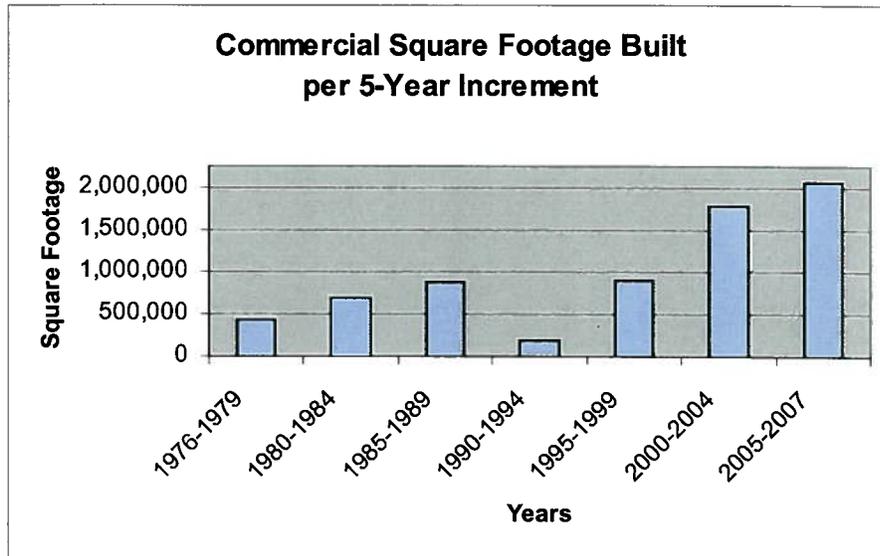
Commercial (retail and office) building land use decisions over the last 30 years have been entered into the same database as the industrial building and, again, square footage numbers in land use files are approximates but present a fairly clear picture of how much has been built over the last 30 years. The earliest Architectural Review for a commercial building was in 1976. Although there are Architectural Reviews for commercial buildings in 2008, that data is not included because not all land use decisions issued that year have associated building permits. Therefore, it is not clear how much square footage will be built from 2008 land use decisions. As of December 31, 2007 a approximately 6,903,160 gross square feet of commercial building space exists in Tualatin. This does not include square footage built prior to 1976. Staff is currently working to gather that information. Additionally, square footage built in the Medical Center Planning District has not been included in the analysis of commercial lands, but rather broken out into a separate section. Building square footage in the Central Commercial district, generally the Town Center area is included in this analysis.

Only three years worth of data exists in the 1970s resulting in the lowest number of square feet built in comparison to the other two full decades. The greatest amount of commercial square footage was built from 2000-2007 even though a full decade has not been captured.



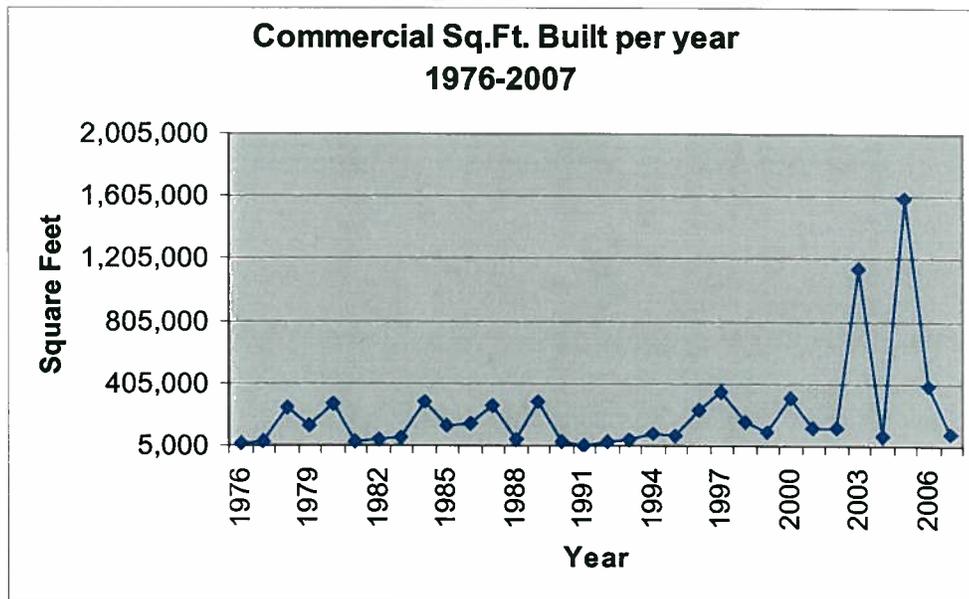
Community Development January 2009

When broken into five-year increments 2005-2007 stands out as having the most commercial square footage built despite the time frame being only two years versus a full five years. The average amount of commercial square footage built per five-year increment over the last 30 years is 984,066. The least amount, 181,208, was built between the years 1990 and 1994.



Community Development January 2009

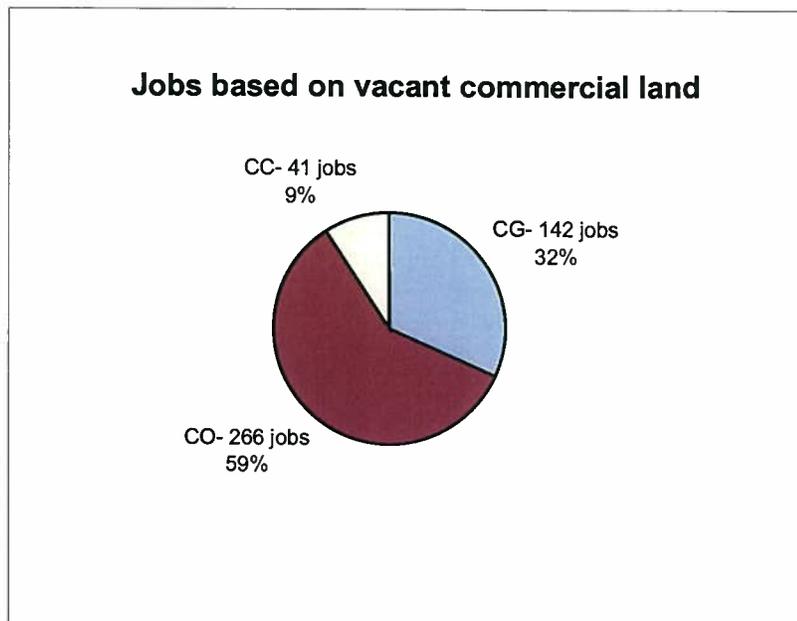
Based on the data from the last 30 years an average of 215,724 square feet were built per year. The least amount of square footage was built in 1991 at 8,868 square feet and the greatest amount was built in 2005 at 1,589,892 square feet.



Community Development January 2009

Vacant commercial land in the City and the Planning Area can support 448 jobs. This does not include redevelopable land analyzed in the Town Center section. According to preliminary GIS work there are 19 acres of vacant commercial land in the City and the

Planning Area. Commercial land includes Office Commercial, General Commercial, and Central Commercial planning districts. Vacant land and jobs were derived in a similar process as was done for the industrial analysis. Because employment data from business licenses are traditionally lower, it can be expected that vacant commercial land can support more jobs than this initial estimate. Two categories of land that were not explored here and will need analysis are redevelopable lots and infill lots.



### Medical Center

Building square footage in the Medical Center Planning District was separated out of the commercial lands analysis. As of December 31, 2007 there is approximately 639,260 square feet of building square footage in the Medical Center planning district. The primary use in this area is Meridian Park hospital. There are medical offices in commercial districts in other parts of the city which are accounted for in commercial lands analysis. Based on GIS work there are approximately 7.98 acres of vacant land in Medical Center that could yield about 199 additional jobs. Currently, there are 1,145 employees based on business license data who work in the Medical Center Planning District.

### Residential Capacity Analysis inside the existing Planning Area boundary

As of July 2007 there are 10,691 dwelling units, single family and multifamily, in the City boundaries. Since 1997 total dwelling units increased by 2,517 units from 8,174 dwelling units according to fiscal year budget information *Tualatin At A Glance 1997*. Residential land available for development consists of four categories: vacant land, specific redevelopable parcels, land in the planning area and low-density residential (RL) redevelopable parcels. Vacant land is defined as tax lots that have no building, improvements or identifiable land use. There are 102.65 acres of vacant residential land. Second, specific redevelopable parcels were identified by staff in the Planning Division based on our knowledge of certain tax lots that could be redeveloped. Redevelopable sites are defined as those that are not built to the allowed minimum density or any parcel developed with a use that is less intense than what the planning district allows. Based on staff discussions specific parcels were identified and collected using our internal TualMap GIS. This process rendered 113.04 acres of redevelopable land. However, the majority of this acreage comes from one single parcel, a privately owned golf course that is 101.44 acres. Staff does not expect this site to redevelop in the near term but felt it was worth considering for long term, 40 to 50 year analysis.

Third, the Planning Area acreage, land that is currently outside of Tualatin's jurisdictional boundary, was collected by the GIS group who gathered data on two areas one north of Hazelbrook Road and the other west of Highway 99 between 124<sup>th</sup> Avenue and Pacific Drive. In both instances only acreage not in the 100 year floodplain were retrieved. Additionally, the area along Highway 99 between 124<sup>th</sup> Avenue and Pacific Drive include some area that is within the City boundaries. A third source of data completes the Planning Area Vacant & Redevelopable lands. The Planning staff used TualMap to extract lot sizes of parcels not annexed into the City but bounded by Tualatin's jurisdiction and that are in a residential Planning District. Planning Area acreage consists of both vacant parcels and redevelopable parcels that make up 61.16 acres. Finally, RL redevelopable parcels are those that are 13,000 square feet or greater. The minimum lot size for an RL parcel is 6,500 square feet and any lot that is greater than 13,000 square feet can be divided to create additional RL lots. Our GIS division collected this data in September 2008. The total acreage of RL redevelopable land in the City is 126.1 acres. The four sources of available land combine for a total of 301.51 vacant and redevelopable acres or 402.95 acres when the golf course parcel is included.

MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 25 of 36

<b>Category of Land</b>	<b>Acres</b>	
Vacant Land:	102.65	
Specific Redevelopable Parcels:	11.55	113.04 (Tualatin Country Club)
Planning Area Vacant & Redevelopable:	61.16	
RL Redevelopable Parcels	126.1	
<b>Total Acres:</b>	<b>301.51</b>	<b>402.95 (Tualatin Country Club)</b>

*Community Development January 2009*

MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 26 of 36

Vacant and redevelopable acreage is broken down by Planning District below. The greatest amount of available land is located in the Low-Density (RL) residential district at 69 percent. Followed by land in the Medium-Low Density (RML) district at 20 percent of the total available land. The types of dwelling units allowed in the RL district are primarily single-family residences. Housing types allowed in RML consist of multifamily dwellings including duplexes and triplexes as well as townhouses and condominium units. The table below includes all categories of land described above however the parcel consisting of the Tualatin Country Club is not included in this analysis.

Planning District	Acres	Percent of Total
RL (low density)*	230.8	69%
RML (medium-low density)	45.59	20%
RMH (medium-high density)	1.03	0%
RH (high density)	23.08	10%
RH/HR (high density/ high rise)	1.43	1%
Total	301.51	
* RL with the Tualatin Country Club	331.82	

*Community Development January 2009*

The dwelling unit ranges listed below indicate that single-family residences could contribute the greatest amount of new dwelling units if developed at the maximum allowable density. Land in the High Density (RH) planning district could contribute the second greatest amount of new dwelling units at both the low end and high end of the range.

Planning District: Density Range	Range of Potential Units
RL: 1-6.4 d.u./acre	230-1,474 d.u.
RML: 6-10 d.u./ acre	274-456 d.u.
RMH: 11-15 d.u./acre	11-15 d.u.
RH: 16-25 d.u./acre	369-577 d.u.
RH/HR: 26-30 d.u./acre	37-43 d.u.
Total	922-2,566 d.u.

*Community Development January 2009*

According to the 2000 U.S. Census, Tualatin has 2.62 persons per occupied unit, 2.81 persons per owner occupied unit and 2.38 persons per renter occupied unit. Using the figure for persons per occupied unit and the number of potential dwelling units Tualatin's vacant and redevelopable land can support an additional 2,680 people at the minimum densities. Based on our current population of 26,040 as of July 2008 that represents a 9 percent growth increase. Residential units constructed in the Medium Low Density

planning districts will most likely accommodate the greatest amount of population increase. This type of housing includes townhouses, duplexes, triplexes, condominiums and single-family dwellings in small lot subdivisions.

<b>Dwelling Unit Capacity in Terms of Population Growth</b>		
Estimated Population of Tualatin as of July 2008	26,040	
US 2000 Census 2.62 persons per household	2.62	
	<b>Range:</b>	<b>Low High</b>
Potential Dwelling Units	922	2,243
Population of Potential Dwelling Units	2,416	5,877
Population Increase	9%	23%
Total population at build out:	28,456	31,917

*Community Development January 2009*

#### Analysis of Land Brought into the UGB in 2002 and 2004

Two areas outside the city were brought into the UGB by Metro in 2002 and 2004 one is known as the Southwest Concept Plan and the second area south of Tualatin is known as South Tualatin (Study Area 47).

The **Southwest Tualatin Concept Plan** area is just outside the city's southwesterly boundary it is bounded by Tualatin-Sherwood Road to the north, Tonquin Road to the south, what is currently unincorporated Washington County but will be 124<sup>th</sup> Avenue to the west and the city's western border to the east. The area was brought into the UGB by Metro through a series of decisions in 2002 and 2004. The Concept Plan is made up of 431 gross acres of which 352 acres is considered buildable taking into account planned public arterial and collector street right-of-way, wetlands and floodways. Additionally there are two public utility easements, BPA and PGE, that transect the concept plan area where development cannot occur. These areas are proposed to have pedestrian trails.

Metro designated the land to be Regionally Significant Industrial Area (RSIA) and Industrial land. When the land is annexed into the City it could have a designation of Business Park for several reasons. As a new district within the City of Tualatin, it allows more focused types of light industrial, high-tech and campus employment users, with strict limitations on commercial development. This will help meet Metro's goals regarding regionally significant industrial and other industrial development. The new planning district designation concept is intended to be a good transition zone between residential areas to the east and industrial areas. The new designation concept requires high quality landscaping, buffering, and design standards intended to alleviate and or mitigate potential impacts on adjacent Residential Districts, while promoting industrial activities within a campus-like setting. Metro requires that within the RSIA designated land at least one parcel be 100 acres and a one parcel be 50 acres. The Concept Plan has established a minimum lot size of 20 acres for all remaining parcels. Assumed future uses in the area include a mix of light industrial (printing, material testing, and assembly of data processing equipment) and business park uses (flex-type space for technology

MEMORANDUM: Local Aspirations

Date February 4, 2009

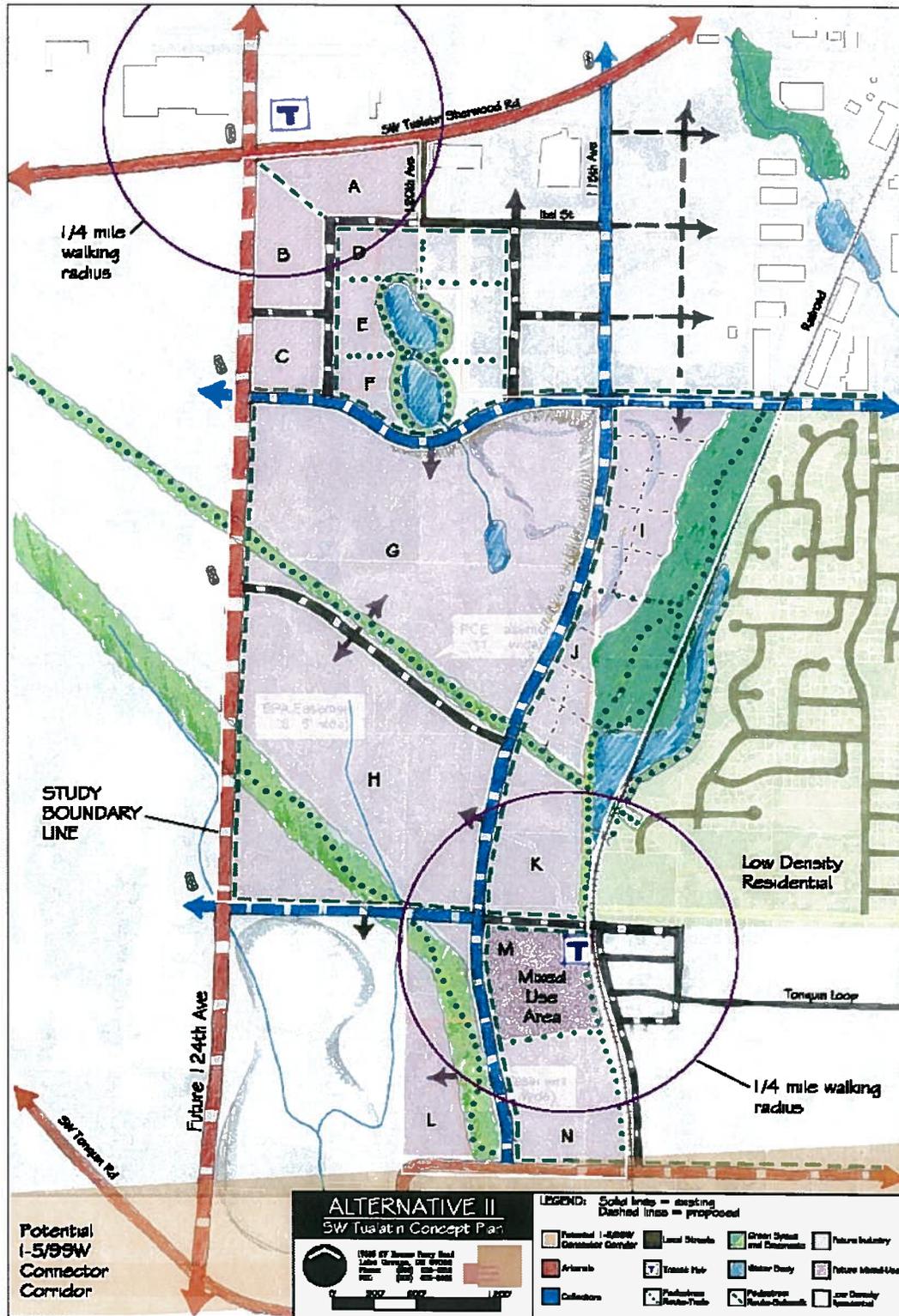
Page 28 of 36

companies). In total the area could support 5,500 to 5,700 jobs by the year 2025 and possibly 12,000 new jobs on the high end. In addition to the industrial jobs a node of commercial that will serve the industrial uses will generate new jobs. Existing transportation plans in the city, county and region assumed 1,800 jobs in 2005 at the time the Concept Plan was completed and the plan addressed the additional 3,700 to 3,900 jobs in the area. The transportation system in the year 2025 will not be the same as it was in 2005 or as it is today. The transportation plans existing in 2005 called for projects to be constructed by 2025 that provide extra roadway capacity. These projects include a new roadway connecting I-5 and Highway 99W that the Concept Plan work assumed to be a four lane arterial along the UGB that joins Tualatin-Sherwood Road northeast of Sherwood. A second project is widening Tualatin-Sherwood Road to 5 lanes from Tualatin to Sherwood, and finally a new bridge across the Tualatin River either as an extension of Hall Boulevard or a connection between Lower Boones Ferry Road and Tualatin Road.

Summary Statistics of Southwest Concept Plan:

Gross Acres	431 acres
Net Buildable Acres	352 acres
Projected jobs	5,500-5,700 (low) – 12,000 (high) jobs
Jobs per acre	15.6-16 jobs/acre

*2005 Southwest Concept Plan*



**South Tualatin/ North Wilsonville** is located between the cities of Tualatin and Wilsonville. Unlike the Southwest Concept Plan area, South Tualatin does not have a concept plan and has not been studied or discussed by a technical advisory committee. The information in this summary is based on a fiscal impact analysis conducted in 2003. The area abuts residential lands to the north in Tualatin and industrial lands and the Coffee Creek Correctional Facility in Wilsonville to the south. The area is also the potential site of the future I-5 /99W Connector. With the residential land uses to the north and the industrial land uses to the south, South Tualatin could be a mix of uses with the Connector acting as a buffer between them. South Tualatin has a gross acreage of 650 acres of which approximately 420 acres could be concept planned by the City and eventually annexed. The 420 acres is gross acreage and includes wetlands, other sensitive lands and their buffers, public right-of-ways and floodways. Net buildable lands are approximately 311 acres the majority of that being for residential land. There are an additional 300 acres to the west of the rail road and south of Tonquin Road that was brought into the UGB in 2004 but was not included in the Fiscal Impact Analysis conducted in 2003.

Land Use Allocation:

Land Use	Acres	Percent of Total
Office	0	0%
Retail	9.6	2.3%
Tech Flex/R&D/ High Tech	11.2	2.6 %
Warehouse/Distribution	60.3	14%
General Industrial	14.6	3.5%
Public/ Church	46.8	11%
Residential	168	40%
Park	20	4.8%
Stream Buffer	55	13%
Streets, Right-of-Way	34	8.1%
<b>Total</b>	<b>419.5</b>	<b>100%</b>

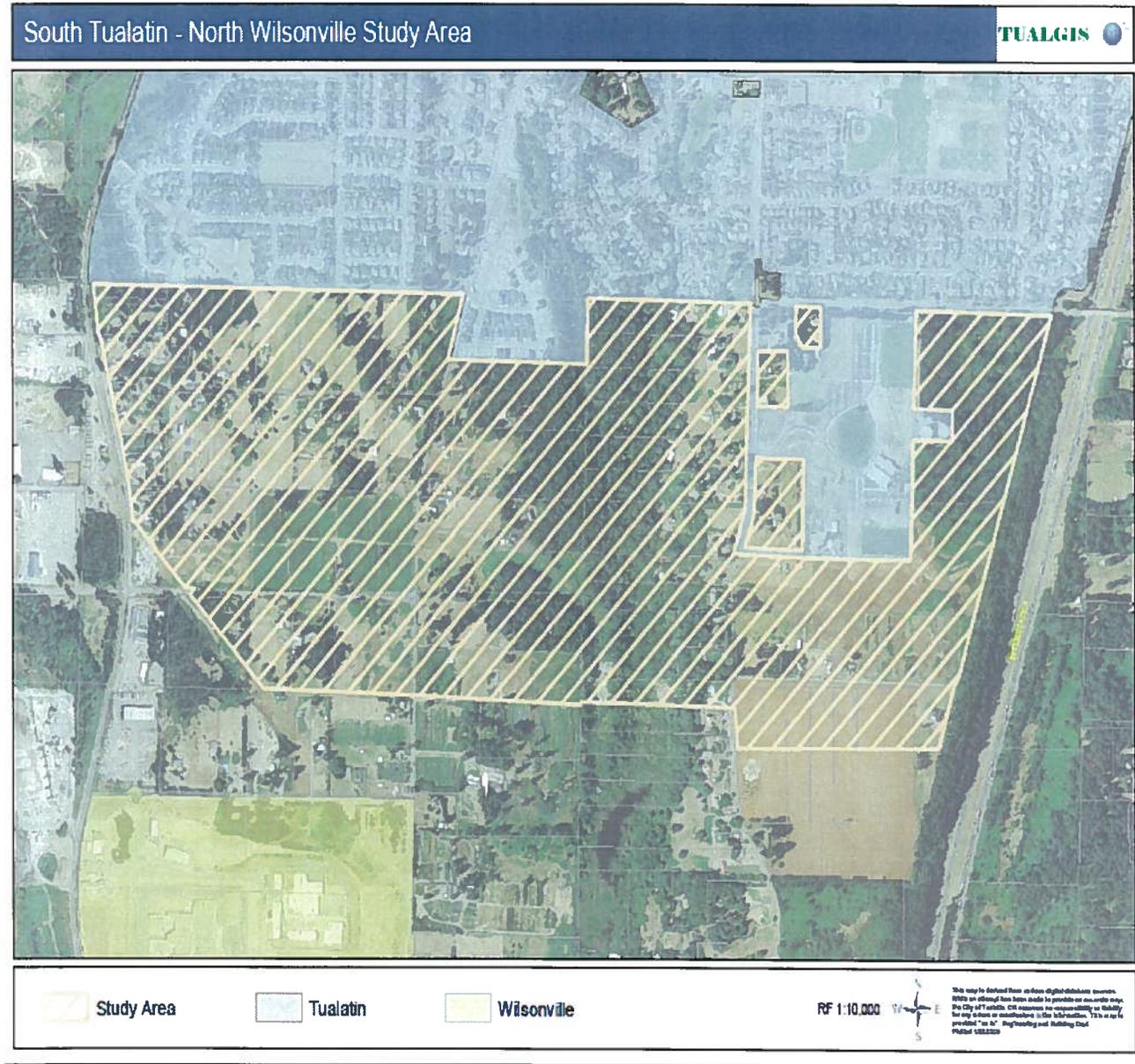
*Study Area 47 Fiscal Impact Analysis August 22, 2003*

Total employment for this area is estimated at 1,840 jobs based on employment densities published by Metro in 2002-2022 Urban Growth Report. At the time of this fiscal impact analysis there was a population projection of 2,209 based on 5 dwellings per acre and the 2000 census average persons per household number of 2.62. Under current conditions, assuming all 168 acres of residential area is Low Density (RL) with a density range of 1-6.4 dwelling units per acre the area can support a range of 168 to 1,075 dwelling units. Again, using the 2000 census average of 2.62 persons per household we can assume a population range of 440-2,187 people and a range of 168-1,075 dwelling units.

Summary Statistics of South Tualatin (Study Area 47):

Residential land	168 acres
Dwelling units per acre	1-6.4 d.u./ acre
Total dwelling units	168-1,075 dwelling units
Potential population growth	440-2,187 people
Employment land	96 acres
Total potential jobs	1,840 jobs

Study Area 47 Fiscal Impact Analysis August 22, 2003



Analysis of Land in our "Sphere of Influence" Potential Reserve Candidates:

There are two areas in our "Sphere of Influence" for consideration as Reserve Candidates. One area can be described as the Knife River/ Morse Brothers site. This area is generally located outside of the City's southwesterly border west of Waldo Way and on the northerly and southerly sides of Tonquin Road. This area is of interest primarily for transportation connectivity as it would serve to extend 124<sup>th</sup> Avenue to any future east west arterial roads. Land not utilized for transportation would be used for industrial development. Staff is currently in the process of determining net redevelopable acres and the possible jobs numbers in this area.

The second area is located outside of the City's southeasterly boundaries. It is part of the Stafford Basin and is generally bounded by the Tualatin River to the north, Frobese Road to the south, approximately Stafford Road to the east and the City's border to the west. A portion of this area is located in the Stafford Hamlet and was previously studied in a Fiscal Impact Analysis by EcoNorthwest for the City in 2000. At that time, Metro was considering adding land to the UGB including land known then as Urban Reserve Area 34 and later as Study Area 42. This area is located east of the City's easterly border bounded by the Tualatin River to the north and east and I-205 to the south.

The Fiscal Impact Analysis was based on preliminary land use assumptions that were made in order to study the fiscal effects on the City if the land was brought into the UGB and subsequently annexed to the City. Gross acreage in the area is 567.0 acres and that includes streams buffers, streets and public right-of-ways. Net buildable land acreage is approximately 326.1 acres. In combination, stream buffers, streets and right-of-way occupy the highest percentage of land; however, in terms of land use the highest percentage of land has been designated for office uses.

Land Use Allocations:

Land Use	Acres	Percent of Total
Office	107.9	19%
Retail	39.7	7%
R&D/ High Tech	79.7	14%
Public/ Church	76.1	13%
Residential	22.7	4%
Stream Buffer	159.3	28%
Streets, Right-of-Way	81.6	14%
<b>Total</b>	<b>567</b>	<b>100%</b>

*Urban Reserve Area 34 Fiscal Impact Analysis  
 by EcoNorthwest November 2000*

Based on the above land use assumptions and employment density estimates published by Metro in 1999 a total of 11,323 employees were estimated at full build out. At the time in 2000 there were 16,971 people employed in the city which would have been a 67% increase in employees. For residential land, the Fiscal Impact Analysis assumed a low density designation with five single family homes per acre this results in 114 homes in the study area. The population was estimated to be 307 people using the average household

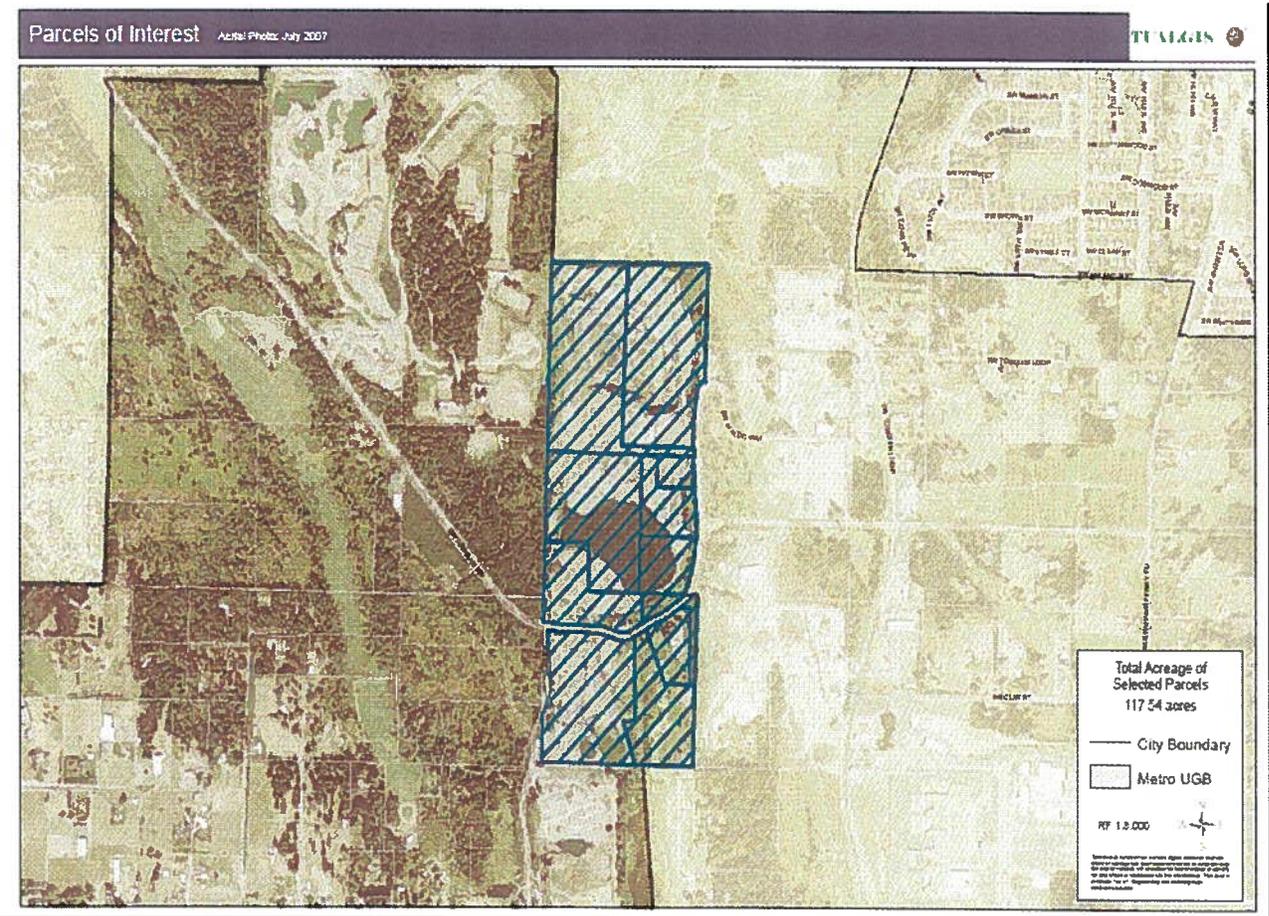
size in Clackamas County at the time. Under current conditions, assuming all residential land is low density (RL) with a range of 1-6.4 units per acre residential land can support 23-145 single family residences. Using the 2000 Census average household size of 2.62 persons per household in Tualatin a population range of 60-380 people could live in the area.

Summary Statistics of Study Area 42:

Residential Land	22.7 acres
Dwelling Units per acre	1-6.4 d.u./ acre
Total dwelling units	23-145
Potential Population Growth	60-380
Employment Land	227.3
Total potential jobs	11,323

*Urban Reserve Area 34 Fiscal Impact Analysis  
 by EcoNorthwest November 2000*

Knife River/ Morse Brothers





MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 35 of 36

Based on GIS analysis conducted in January 2009 there are 1,680 acres net developable vacant land out of 2,900 gross acres in the Stafford Basin, north and south of I-205. Vacant land was determined by comparing Metro vacant land data to our net acres definition and extracting the remaining land. Constraints in the net acres definition includes public right-of-way, wetlands, flood plains, floodways, slopes greater than 25%, designated open space, a 125 foot buffer around the Tualatin River, 50 foot buffers around wetlands and 35 foot buffers from the top of bank of sensitive areas adjacent to steep slopes. The Stafford Basin can be broken into two parts for discussion purposes North Stafford, Study Area 42, and South Stafford, south of I-205. Net acreage in the Stafford Basin does not include existing public right-of-way; however, future development will require an additional 20% (336 acres) of land for public right-of-ways. Therefore, future developable acreage is 1,344 acres in the Stafford Basin, with 180 acres in North Stafford and 1,164 acres in South Stafford.

Stafford Basin Net Acres:

Net Developable Vacant Acres:	1,680 acres
Future Public Right-of-Way 20%:	336 acres
Future Developable Acreage:	1,344 acres
North Stafford:	180 acres
South Stafford:	1,164 acres

*Community Development January 2009*

There are several development scenarios for the entire Basin. One scenario could be that North Stafford is developed according to the land use allocations discussed in the 2000 Fiscal Impact Analysis above. While the South Stafford area is developed as entirely low density residential according to Metro's requirement of 12 dwelling units per acre. In this scenario a possible 14,220 dwelling units could be built and 11,323 jobs created. The tables below describe this scenario.

Stafford Basin with a mix of uses in the North and all residential with some commercial in the South (Scenario 1):

Land Use	Acres
<b>North Stafford:</b>	
Employment Land	164
Residential Land	16
<b>South Stafford:</b>	
Residential Land	1159-1,161
Commercial Land	3-5
<b>Stafford Basin:</b>	
Residential Land	1,175-1,177 acres
Metro Outer Neighborhood 12 dwelling units per acre:	14,100-14,124 d.u.
Employment Land	167-169 acres
Total potential jobs	8,322-8,406 jobs

*Community Development January 2009*

MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 36 of 36

A second future development scenario is all the Stafford Basin developed as low density residential with some neighborhood commercial to serve the areas. Staff approximated 6-10 acres for commercial services would be necessary to serve the area. There would likely be two sites of 3-5 acres each. This development scenario could result in 252-420 employees based on 42 employees per acre.<sup>3</sup> Future residential acreage may range from 1,344 –1,338 acres and single-family dwelling units could range from 1,334 – 8,563 units. As result, population could range from 3,495-22,435 people in the Stafford Basin. The table below describes this scenario.

Stafford Basin all residential development  
with nodes of commercial (Scenario 2):

Future Developable Acreage:	1,344 acres
Commercial Acreage:	6-10 acres
Employees (42 employees/ac)	252-420 employees
Residential Acreage:	1,334-1,338 acres
Dwelling Units (1-6.4 d.u./acres)	1,334-8,563 d.u.
Population (2.62. person/d.u. 2000 Census):	3,495-22,435 pop.

---

<sup>3</sup> Staff used tax lot 21E18BC01104 where Safeway is located as an example to determine employees per acre. This lot is 3.27 acres in size, it has a total of 158 employees in several types of business including a grocery store, a site down restaurant, two fast food restaurants with seating and a dry cleaners. This mix of business is a good example of what may locate in the Stafford Basin. The number of employees was derived from individual business licenses, which typically undercount the number of employees.

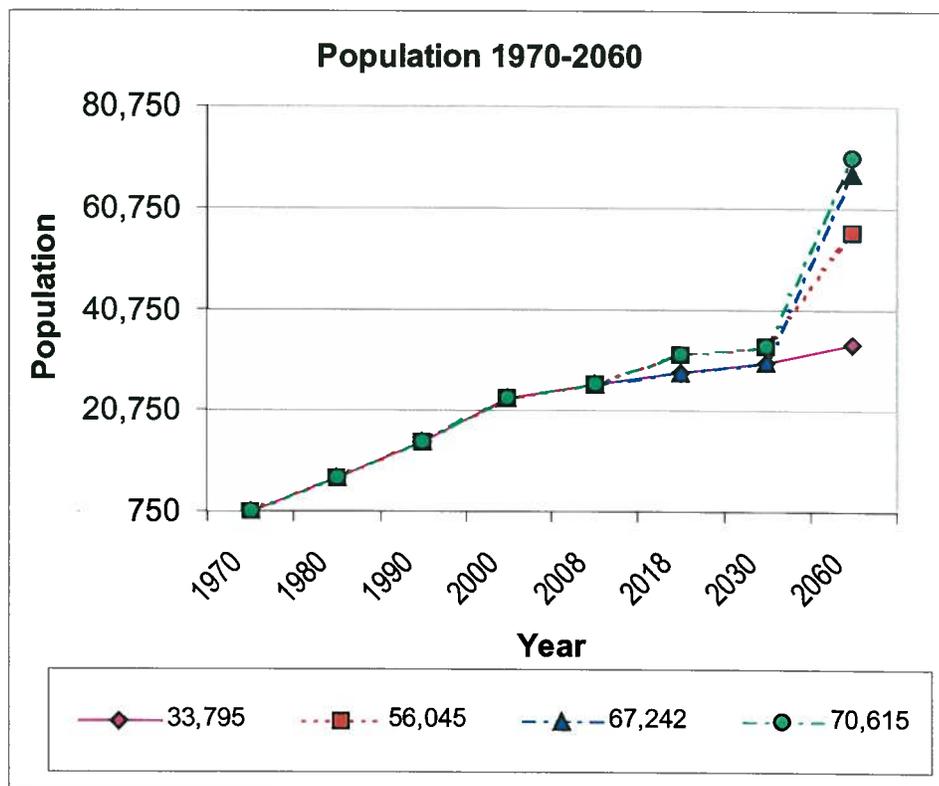
MEMORANDUM: Local Aspirations

Date February 4, 2009

Page 37 of 36

The following chart displays Tualatin's population growth from 1970, 750 people, to our estimated population in 2008, 26,040 people. It also demonstrates what our population could look like in 2060 based on the assumptions made in this analysis. All four series have the same base years of information from 1970 through 2008. When the lines separate it is due to differences in the population ranges that come from assumptions made about residential land, Town Center, South Tualatin and the Stafford Basin.

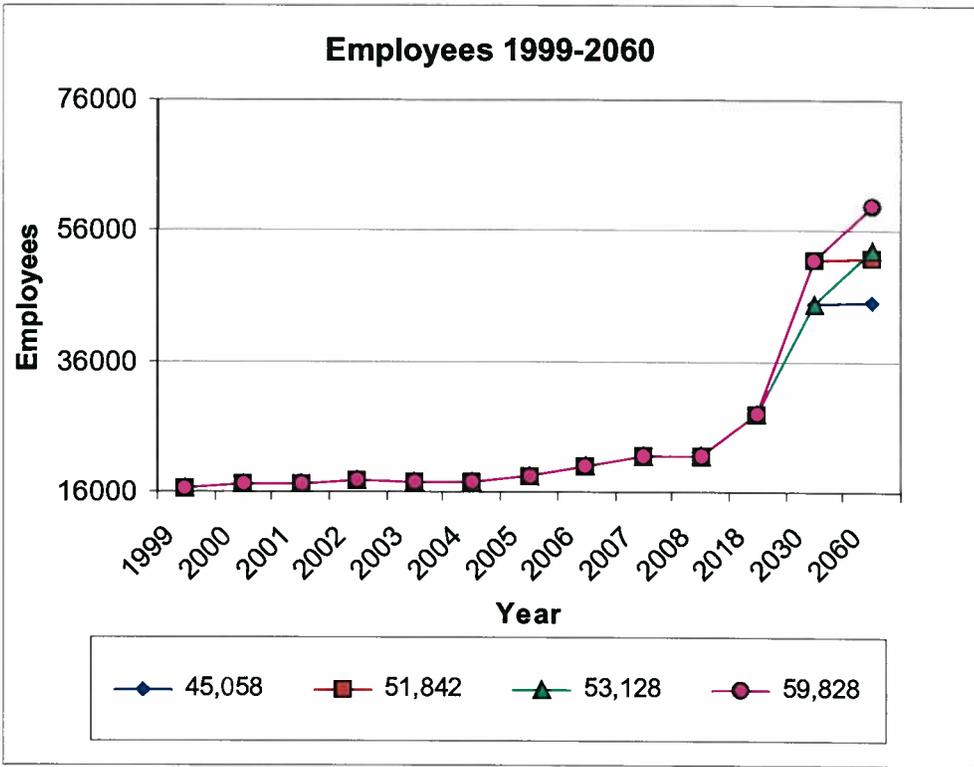
- 33,795- represents the low end of Stafford Basin Scenario 2.
- 50,045- represents the high end of Stafford Basin Scenario 2.
- 67,242- is the low end of Stafford Basin Scenario 1.
- 70,615- is the high end of Stafford Basin Scenario 1.



Community Development January 2009

The following chart displays Tualatin's employment growth from 1999, 16, 588 employees, to estimated employment in 2008, 21,430 employees. It also demonstrates what employment could look like in 2060 based on the assumptions made in this analysis. All four series have the same base years of information from 1999 through 2008. When the lines separate it is due to differences in employment ranges that come from assumptions made about land in our existing industrial, commercial and medical center areas, Town Center, Southwest Concept Plan, South Tualatin and the Stafford Basin.

- 45,058- represents the low end of Stafford Basin Scenario 2.
- 51,842- represents the high end of Stafford Basin Scenario 2.
- 53,128- is the low end of Stafford Basin Scenario 1.
- 59,828- is the high end of Stafford Basin Scenario 1.



*Business Licenses 2008, Community Development January 2009*