



CITY OF OAKLAND

AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Jamie Turbak
Director of Library Services

SUBJECT: Lease of OUSD Property for
Development of New Piedmont
Avenue Public Library

DATE: October 11, 2022

City Administrator Approval

Date:

Oct 13, 2022

RECOMMENDATION

Staff Recommends That The City Council Adopt An Ordinance:

(A) Authorizing The City Administrator To Negotiate And Execute:

- (1) A 50-Year Joint Occupancy And Lease Agreement With Oakland Unified School District For Property Located At 86 Echo Avenue, With Two 5-Year Administrative Options To Extend And Rent Of \$4,000 Per Month Increasing 10 Percent Every 5 Years During The Term For Constructing And Operating A Public Library, Subject To Appropriation Of Funds Necessary For Construction; And**
- (2) A Joint Use Cooperative Agreement With The District For The New Library; And**
- (3) An Extension Of The Existing Joint-Use Lease Agreement With The District For The Existing Piedmont Avenue Branch Library Located At 80 Echo Avenue Until Completion Of The New Library; And**

(B) Adopting California Environmental Quality Act Findings

EXECUTIVE SUMMARY

The proposed Ordinance would allow the City to construct a new Piedmont Avenue Branch library on property owned by Oakland Unified School District (District) at 86 Echo Avenue (Property), adjacent to the Piedmont Avenue Elementary School. This would replace the existing Piedmont Avenue branch library, which currently operates in a very small, 1,920 square foot modular structure located on the school grounds, and would thereby substantially better serve the students and the community. The proposed Joint Occupancy and Lease Agreement

Life Enrichment Committee
October 24, 2022

(Lease) would give the City rights to plan for, construct and operate the new library on the Property. The City would conduct a feasibility study with funds already appropriated for this purpose by City Council and return to City Council by November 30, 2024 with the results and to request additional authorization to proceed with the Lease. The proposed Joint Use Cooperative Agreement would set forth how the City and the District may jointly use the new library. The City could continue to utilize the modular structure until the new branch library is complete. At no time would the City be obligated to pay rent under two separate lease agreements.

BACKGROUND / LEGISLATIVE HISTORY

Oakland Public Library (OPL) provides access to over a million books, tools, seeds, archives, Wi-Fi, printers, toys, hotspots and online tutoring. OPL also offers a multitude of resources available 24/7 in several languages, including e-books, downloadable audio books, digital magazines, and streaming movies, television shows, and music. All of OPL's collections, meeting rooms, reference and computer assistance, and programs are free of charge and accessible at locations dispersed throughout Oakland.

OPL hosts a variety of programs and services for children, teens, and adults. OPL's youngest patrons are served by early literacy programs – story times and play cafes – that also provide support for parents and caregivers in their roles as a child's first teacher. Art workshops, chess tournaments, science clubs, and other activities engage children after school and on weekends. Teen programming provides opportunities for creative expression and leadership. An example of this is OPL's Oakland Youth Poet Laureate program, which was launched in 2012 to celebrate literacy through poetry and to connect young writers to far-reaching opportunities. Adult programs and services span from recreational (writing, knitting, and cooking) to practical (tax preparation, computer classes, and job fairs) to critical (social workers, lawyers.)

Summer Reading and Winter Bingo are popular programs designed to engage children (ages 0-12) with reading and learning over summer and winter breaks. Older youth (ages 12-18) participate in the Teen Passport program each summer, and OPL's Lunch at the Library provides free, healthy lunches to all youth (ages 0-18) at libraries in high-needs neighborhoods over the summer break.

The first Main Library in Oakland was founded in 1878. Since then, it has grown to encompass 18 library facilities which include the African American Museum and Library at Oakland (AAMLO) and the Tool Lending Library (at the Temescal Branch).

One of 16 existing library branches, the original Piedmont Avenue Branch opened in 1912 at 3975 Piedmont Avenue in Oakland. In 1932, the Branch relocated several blocks away to 160 41st Street and was one of the smallest libraries in the system at 1,700 square feet. In 2009, this building was purchased by Goodhue Property Investments and OPL partnered with the community to search for a different location due to a dramatic rent increase.

In 2012, the Piedmont Avenue Branch moved into a 1,920 square foot modular structure located at 80 Echo Avenue on the grounds of Piedmont Avenue Elementary School at 4314 Piedmont

Avenue. The District and the City entered into a Joint Use Lease Agreement for this use under which the City pays \$2,500/month for use of the premises. This Joint Use Lease Agreement is modeled on the successful Joint Use partnership between the District and the City at the 81st Avenue branch library constructed on the Acorn Woodland and Encompass Elementary Schools campus in East Oakland.

The District also owns a 22,216 square foot parcel located at 86 Echo Avenue (Property), adjacent to the Piedmont Avenue Elementary School, which contains a 6,370 square foot structure in disrepair that was previously used by the District for the former Piedmont Avenue Early Childhood Development Center.

In 2019, an advisory committee appointed by the District recommended that the Piedmont Avenue Early Childhood Development Center, which had closed in 2010, be repurposed to be jointly used by the District and another entity as a library and educational space for District students.

In April 2021, the District issued a "Request for Proposals for Public Library Joint Occupancy Development for the Premises" (RFP) for the development and operation of a public library on the Property. The City submitted a proposal in response to the RFP and, in August 2021, the District's Board selected the City's proposal.

ANALYSIS AND POLICY ALTERNATIVES

The recommended actions would allow the City to construct a permanent, larger Piedmont Avenue branch library, replacing the existing modular library, that will operate as a Joint Use facility with the District, modeled on the successful partnership at the 81st Avenue branch library.

The recommended actions advance prior City Council action. City Council in its FY2021-23 Capital Improvement Plan (CIP) allocated \$750,000 for a feasibility study to include public outreach, facility analysis, design, cost estimate, financing plan and construction permit set completion for the new Piedmont Avenue library facility.

As part of the feasibility study, the City will engage the services of a design consultant to conduct a needs assessment through a robust public engagement process to understand the needs of the community and other stakeholders. The needs assessment will inform the proposed library's programs, square footage and site development. The feasibility study will explore funding mechanisms to construct and operate the new facility in this phase as well.

The essential terms of the Lease between the City and District are summarized below. These were proposed by the City in response to the District RFP and were the basis for the District Board selecting the City's proposal. The full would require final approval by the District board after City Council approval.

Joint Occupancy and Lease Agreement Essential Terms

- 50-year initial term with two (2) five (5) year options at fair market rental value

- \$4,000/month rent increasing 10% every 5 years
- City responsible for property taxes (if any), insurance, maintenance and utilities
- Milestones
 - Lease commencement by December 31, 2022
 - City to complete conceptual design for District approval by November 15, 2024
 - City and District to negotiate in good faith a Joint Use Cooperative Agreement similar to the agreement in use at the 81st Avenue branch library by November 30, 2024 (attached as **Exhibit A**)
 - Right to terminate until November 30, 2024
 - Rent commencement by the earlier of a) completion of construction or b) March 4, 2026

By this timeline the City would have approximately two years to complete the CIP-funded feasibility study and identify funding sources. During this period and prior to November 30, 2024, the City would not pay rent and the City could terminate the Lease for any reason. Staff would return to City Council with an update on the feasibility study and proposed funding plan and with a request for additional authorization to extend the Lease past November 30, 2024. Thereafter, the City would be subject to the Lease for the duration of the term.

The City would continue to lease the existing modular structure from the District for the existing library until the new library is constructed. At no time would the City pay rent under both leases.

Adoption of this ordinance advances Oakland's citywide priority of vibrant, sustainable infrastructure by creating a more robust facility that better serves students and the community and can support resiliency in times of emergency.

FISCAL IMPACT

Oakland City Council allocated \$750,000.00 in the FY2021-23 Capital Improvement Plan for public outreach, existing facility analysis, design, cost estimate, financing plan and construction permit set completion for the new library facility. The recommended actions would not cause the City to incur expenses beyond this CIP expenditure, as staff would return to Council with an update on the feasibility study and financing plan and a request for authorization to extend the lease before any rent becomes due. The allocation of \$750,000.00 is located in Measure KK Fund (5335), Infrastructure and Engineering Design Org (92270), Contract Contingency Account (54011), New Piedmont Library Project (1005858), Project Delivery Program (IN06). Existing lease payments of \$2,500/month for the modular facility are allocated in General Purpose Fund (1010), Piedmont Branch Org (61347), Rental Account (53211), Administration Project (1000013), Branch Library Services Program (NB17). There will be no increase in lease payments prior to a return to City Council for additional authorization to extend the Lease past November 30, 2024.

PUBLIC OUTREACH / INTEREST

A District-appointed advisory committee submitted a report to the District Board in January 2020 recommending that the Property not be declared surplus and instead be jointly used by the District and another entity as a library and educational space for District students. The Piedmont Avenue Elementary School PTA and the Friends of the Piedmont Avenue Library have expressed support for re-purposing this location for a branch library along with a Joint Use Cooperative Agreement with OUSD.

A recent Pew Research Center national study reports that 85% of the American public thinks that public libraries should coordinate more closely with local schools in providing resources to children. Similarly, the importance of public libraries in offering free early literacy programs to help young children prepare for school received 85% endorsement in the Pew study.

Should this recommendation be approved by City Council, the City will facilitate a community engagement process as part of the feasibility study to design the future library on this property.

COORDINATION

This report and legislation have been reviewed by the Office of the City Attorney and the Budget Bureau. In addition, the following departments coordinated to prepare the RFP submitted to the District and to review terms for the proposed Lease: Oakland Public Library, Oakland Public Works, and Economic and Workforce Development Department's Real Estate Division. The office of the District 1 Councilmember Dan Kalb has been engaged in and is supportive of this effort.

SUSTAINABLE OPPORTUNITIES

Economic: Oakland Public Library offers programs and services available to all Oakland residents to enhance their educational and economic opportunities. Libraries are destination points, drawing visitors from throughout the City and beyond. In many communities, it has been documented that branch libraries act as economic development anchors. A Community and Economic Benefits Study commissioned by the San Francisco Public Library system in 2015 found that for every dollar invested in branch library services, the city realized a return on investment between \$5.19 and \$9.11.

Environmental: Environmental considerations would be evaluated during the feasibility study and the future design phases of a new Piedmont Avenue Branch Library.

Race & Equity: The services of the Oakland Public Library are available at no charge to all residents of all ages to acquire knowledge and develop skills they need to assure equity in educational, employment, housing, and community opportunities. The programs and resources provided by Oakland Public Library decrease disparities in life outcomes of marginalized

communities and facilitate equity of opportunity throughout Oakland. Additionally, the Oakland Public Library realizes that for many of our children, the biggest obstacles and greatest inequalities often have roots early in life. In order to ensure positive educational and economic outcomes for young adults, OPL needs to help shape outcomes by ages 2 or 3 and assist families beginning in pregnancy. The Oakland Public Library places a focus on early childhood literacy programming based on a belief that higher wages and social mobility starts at birth, and that helping a child get ready to read early in life, as a toddler or baby, and then supporting their education during elementary years is critical to positive and equitable life outcomes.

Piedmont Avenue branch library is located on the campus of Piedmont Avenue Elementary and serves 310 K-5th graders who attend this school, in addition to the broader community. The modular facility is too small to host most class visits or youth programs and fails to support the educational needs of these students. According to the National Center for Educational Statistics, in 2020-21, 46% of the students at this Oakland school were Black, 19% Hispanic, 9% Asian and 8% white. Seventy-one percent of the students were eligible for free or reduced lunch. Only 17% of students scored at or above the proficient level for math and 22% scored at or above that level for reading. According to greatschools.org, in 2020, students were struggling to make progress because they are starting at a low point and are falling even further behind their peers at other schools. An equity rating from this site analyzes how well this school is serving disadvantaged students relative to all students, compared to other schools in the state, based on college readiness metrics, academic progress, and test scores provided from the state's Department of Education. The equity rating for Piedmont Avenue Elementary School is 2 out of 10, indicating underserved students at this school may be falling far behind and experiencing large achievement gaps.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

This recommended action will not result in a direct or indirect physical change in the environment and does not in and of itself constitute a "project" pursuant to CEQA Guidelines Section 15378. Alternatively, this action is exempt from CEQA pursuant to the following CEQA Guidelines sections: (1) section 15061(b)(3) (the common sense exemption) because there is no possibility the action could result in a physical change in the environment, and (2) section 15301 (existing facilities exemption) because the action involves the lease of existing facilities.

ACTION REQUESTED OF THE CITY COUNCIL

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The Existing Piedmont Avenue Branch Library Located At 80 Echo Avenue
Until Completion Of The New Library; And

(B) Adopting California Environmental Quality Act Findings

For questions regarding this report, please contact Jamie Turbak, Library Director, at (510) 238-6110.

Respectfully submitted,



Jamie Turbak, Director
Oakland Public Library

Reviewed by:
Brendan Moriarty, Real Property Asset
Manager, Economic & Workforce Development
Department

Reviewed by:
Calvin Hao, Project Manager
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Exhibit A: Joint Use Cooperative Agreement for 81st Avenue library