



Memorandum

TO: ALL CHILDREN ACHIEVE
COMMITTEE

FROM: Jane Light

**SUBJECT: REPORT ON LIBRARY USAGE
FY 2004-05**

DATE: 09-29-05

Approved

Date

RECOMMENDATION

That the Commission accepts the Fiscal Year 2004-2005 Report on Library Usage, which is intended to update the City Council on the level of activity at the San José Public Library.

BACKGROUND

This report covers Fiscal Year 2004-2005 and reviews the activities of the Library Department. The report is prepared annually for presentation to the Library Commission and the City Council.

ANALYSIS

San José Public Library had another remarkable year in Fiscal Year 2004-05. Circulation of materials steadily climbed upwards; several new branch libraries funded by the 2000 Library bond measure successfully opened; the Dr. Martin Luther King, Jr. Library received major awards; the innovative Libraries ~ San José Way promoted customer-centered service delivery through consultation and conference workshops for libraries across the national, the Early Care and Education Unit moved from PRNS to the Library and merged with its Literacy and Lifelong Learning Unit; and most significantly; the Library Parcel Tax was passed by voters in November 2004, replacing the sunseting Benefit Assessment District.

The Library Parcel Tax commits dedicated funding of more than \$6,000,000 annually for the next ten years and will supplement the library's General Fund and Construction & Conveyance (capital) fund budgets for materials acquisition, automation purchases and improvements, staffing and the development of education programs to meet the needs of the community.

Statistics for the year, once again, include San José State University student, faculty and staff circulation, gate count, and reference questions. San José Public Library materials are responsible for over 96% of the circulation at the King Library and branches. (See Attachment A: Annual Service Levels and Usage.) In Fiscal Year 2004-05, circulation rose 2% over the previous year even though three libraries were closed for all or part of the year (Rose Garden, Evergreen and Cambrian).

In the past four fiscal years alone, circulation has increased by 54%. System-wide, circulation has more than tripled since 1994-95, the year prior to Benefit Assessment District funding. (See Attachment B: System Circulation.) Visitor count this year reached 6,930,551, more than the combined attendance at home games of the San Francisco Giants, Oakland A's, San Francisco 49ers and the Oakland Raiders (6,384,587 visitors). (See Attachment C: Visitor Comparison.)

Overall circulation for the year totaled an outstanding 14,449,984 items borrowed, making San José Public Library one of the busiest libraries in the country. Seven library facilities loaned more than one million items for the second year in a row and the Library Department is proud to report that 14 of the branch libraries had more than 90% of their materials checked out by the borrower themselves through self service check-out options. No other large public library system in the United States has adopted self service check-out as successfully. (See Attachment D: Self Check-out.)

The skyrocketing growth in library usage over the years is largely due to the improved collection of new books and media purchased with Benefit Assessment District funds and to the way in which these materials are displayed in the libraries. Approximately two thirds of the Library's materials budget in Fiscal Year 2004-05 came from the Benefit Assessment District funds. A total of 246,988 new items were purchased in Fiscal Year 2004-05. Since 1995, almost \$23 million has been spent acquiring new materials with Assessment District funds. (See Attachment E: Number of New Items Received.) The Library Parcel Tax will replace the Benefit Assessment District in fiscal year 2005-06 and will provide funding for library materials and the staff to handle them. This past year, funding from the Benefit Assessment District constituted 9% of the total Library Department operating budget.

While the Library has seen a 200% increase in items borrowed over the last ten years, staffing has only increased by 15% during this time and has actually decreased in both the past two fiscal years. The Fiscal Year 2004-05 staffing level was reduced by more than 20 FTE positions (the equivalent of two medium sized branch staffs). Benefit Assessment District funding has been the primary source for additional staffing over the past decade and without this vital funding source, San Jose Public Library would not have been able to meet and maintain the current level of service. Fortunately for the Library Department and the community, the Library Parcel Tax was passed in November 2004 and will replace the Benefit Assessment District in Fiscal Year 2005-2006. (See Attachment F: Circulation and Staffing Increases.)

The Internet has revolutionized how the library does business. Residents now have 24/7 access to the online catalog and other online services through the library website. Customers can place a request for an item located anywhere in the San José Public Library system, including materials owned by San José State University, and have that item delivered to the branch of one's choice. In Fiscal Year 2004-05, the Library Department stopped the placement of holds on entertainment media as an element of its budget reduction strategy. This cost saving measure reduced the number of holds placed on media by 50%, saving valuable staff time.

A key component of the library's strategy is to use technology to improve customer service while at the same time improving staff efficiencies. This year, the Library Department introduced several promising features using newly available technology. Pay-for-Print was successfully implemented in all branch libraries and at the end of the year, on-line library card registration and on-line credit card

payment of fines were offered to the borrower. In the first month of the new "e-commerce" option, over \$20,000 in fines was collected through payment over the library website, roughly 20% of the total fine payments for the month. This convenient method of payment for customers also reduces staff time spent collecting and accounting for cash and check payments.

Online renewals have increased from 774,018 in Fiscal Year 2000-2001 to 2,865,290 in Fiscal Year 2004-05, a 270% increase since the end of Fiscal Year 2000-2001. Library users can also download an electronic book to PC's and PDA's, ask for and receive a librarian's information expertise or run a subject search of a database containing thousands of articles published in magazines and newspapers over the past 15 years all from any Internet connected computer. Fulfillment of information needs is no longer restricted by library hours.

The number of visits to the library website has continued to climb with a Fiscal Year 2004-05 year-end total of 3,805,982 visits to the site. This is a 944% increase over the Fiscal Year 2000-2001 total of 364,467.

Library Building Program

Grand opening celebrations for two bond-funded library projects were held in 2004-2005, Tully Community's on January 22 and Berryessa's on March 12. After the Tully Community branch opened, it became the second busiest in the system, averaging over 120,000 items checked out per month. Construction of the Dr. Roberto Cruz Alum Rock branch was substantially completed by June 30 and the grand opening was held on July 9. All three projects were completed significantly under budget. Groundbreaking ceremonies heralded the start of construction of three more libraries: Evergreen branch on January 15, followed by Cambrian on February 12, and Hillview on April 2. Construction of the Rose Garden branch continued with an anticipated completion date of December 2005.

Design continued on the new Edenvale and replacement Joyce Ellington branches. Edenvale is completing construction documents and the contract is expected to be awarded early in 2006. This project has experienced some delays due to scope changes resulting from soaring construction costs. The schematic design phase for the replacement Joyce Ellington branch has begun. The need for multiple community meetings to explore and discuss parking options delayed this project by several months. We are also currently negotiating with the school district for additional land for this project.

Design of the Pearl Avenue and Willow Glen branches has just begun. These two libraries mark the 12th and 13th library bond-funded projects of 20 total, and we are only 4½ years into our decade of investment.

The administration proposed through the Capital Budget process that design and construction of the West Side branch be accelerated by one year in order to co-locate the proposed branch with the District 6 Multi-Service Center (which will be deferred by one year). Combining these projects will potentially reduce design and construction costs as well as long-term operating costs while enhancing public

visibility and access. The schedule for the Calabazas branch was also accelerated by six months to allow the staff from Calabazas to move into the Willow Glen branch once that branch is completed.

While the original phased schedule ensured that increased operating and maintenance needs were gradually distributed over the duration of the building program, the Library Department has since incorporated schedule change and cost reduction strategies to further minimize impacts in response to the current budget deficit. The schedule changes included the acceleration of the West Side and Calabazas branches described above.

Operating and maintenance needs for projects anticipated to be operational in Fiscal Year 2005-2006 are included in the 2005-2006 Adopted Operating Budget. However, funding for projects in later years still needs to be addressed. Also, a significant amount of funding will be necessary to purchase fixtures, furnishings, and equipment for the new facilities. Because these costs are not eligible for bond funding, alternative funding sources need to be identified.

West Valley Branch, a major new facility not part of the Bond program, received the 2004 Governor's Environmental and Economic Leadership Award for being the first green library building in the United States.

**Continued Implementation of Innovative Services:
"Libraries: the San José Way"**

This highly successful service model continues to be the fundamental driving force behind San José Public Library's current improvement, success, and development for the future. Working in conjunction with the Library Building team to define specifications and standards with goals of improved workload efficiencies and customer service, all new libraries are designed with this model in mind. San José Way staff are also integral members of task force groups that involve merchandising, training, backroom duties, staffing levels, and interviewing.

San José Public Library has been so successful in promoting this innovative model to the library field, many libraries have inquired about how to do the same. Based on the many requests to learn more, staff developed a package of presentations and consultations to offer to other libraries for a fee. This year libraries from Sacramento, Long Beach, San Luis Obispo, and Minneapolis were introduced to the concepts through consulting modules that included:

- Self-Service Strategies for Customer Empowerment
- Customer Service for 21st Century Libraries
- From Drab to Dynamo: Remodeling on a Budget
- Evaluation: How to Use Information for Ongoing Improvement
- Staff Buy-in and How to Make that Happen
- Leadership and Supervision for the "New" Library

One of the highlights of the year was bringing a café to the Vineland branch library. This service is the first of what the Library Department hopes will be a successful venture with the private sector at select new libraries as they open in the next few years. Catch-A-Cup, a private espresso service opened its

doors in April and serves a hot cup of coffee, smoothies, sandwiches, and other snack items to customers throughout the daily operating hours of the library. Request for proposals are in process for the Berryessa, Tully, and Alum Rock libraries and the goal is to have a local vendor in place for each of these branches by the end of the new fiscal year.

In Fiscal Year 2004-2005, the Pearl Avenue branch was reconfigured in January using the San José Way principles and guidelines, resulting in a number of positive service changes. Also, during the year, community input was welcomed as the Alviso branch was remodeled. In May, this project was completed, and with the improvements, has improved customer service points to enable staff to handle the tripling of use since the building was opened in 1999, with greater efficiency.

Looking forward into Fiscal Year 2005-2006, a federal Library Services and Technology grant funded through the Silicon Valley Library System will allow the library to explore and pilot an automated sorting and check-in unit at the Vineland branch to meet the continuing challenge of efficient materials movement.

New King Library

Having completed its second year of operation, King Library still finds itself in the limelight and the center of attention. Many interested groups, including one from Japan, have visited in the past year to see this wonderful building that successfully meets the needs of both the public and academic communities.

The California Library Association conference, held in San José November 2004, brought librarians throughout the State to see the award-winning library. Assistant Director Ned Himmel was the Conference Chair and King Library played host to a lively reception for conference attendees as well.

In Fiscal Year 2004-2005, over 2,500,000 items were borrowed from King Library, a 5% increase from the previous year, and over 2,600,000 customers visited the building, also a 5% increase from Fiscal Year 2003-2004. Roughly 20% of the total circulation at King Library is from university materials and public customers borrow more than fifty percent of those materials. Interestingly, academic users checkout substantially more public library materials than members of the public check out materials owned by the University.

A few interesting trends have been identified when comparing the first two years. October, March, and April are the most heavily used months during the year when analyzing circulation and gate count data. Approximately 1,400 questions are asked of staff each and every day, ranging from non-resourced base (how do I print my search results) to intensive consultation (I'm researching grant sources for services for youth leaving the foster care system) and over 165,000 questions were asked during the year. These are very high numbers when considering the service point reductions that were part of the 2004-2005 budget reduction strategy.

King Library was the grand prizewinner of the 2004 California Cities Helen Putnam Award of Excellence for Intergovernmental Relations and Regional Cooperation bestowed by the League of California Cities. The Library Department competed against 166 entries in nine categories to receive

this prestigious award recognizing outstanding achievements and innovative solutions to improve the quality of life in local communities, implement efficiencies in service delivery and operations, and provide services responsive to the local community.

King Library also received a grant of thirteen films entitled the "Human Rights Video Project" and began free public screenings. Additional sets were obtained for 4 branches. The films are the basis for a series of programs commemorating September 11, which will be held in 2005.

Early Care and Lifelong Literacy

A new unit called Early Care and Lifelong Literacy was established as a result of the integration of the Office on Early Care and Education from PRNS into the Library Department. Staff in this unit provides a range of programs of services that support children in preschool settings, families learning together, adults who are improving their own English language literacy skills, and pre-school educators.

The work of this unit has logical programmatic connections with the ongoing traditional activities of librarians such as story time and homework help as well as reference and readers' advisory services. During the unit's first year the integration of its programs with those traditionally offered at branches and the King Library Children's Room got off to a good start. In order to ensure these new programs are integrated as well as possible into traditional library service, an all-staff in-service event in September 2004 focused on the programs, services and staff in the unit. Further integration subsequently took place at specific branches such as the Tully Community Branch and the Dr. Roberto Cruz-Alum Rock Branch, where newly-developed family learning centers are located to highlight community-based literacy programs.

This new library unit is made up of the Partners in Reading Program, which offers adult and family literacy programs, and the Early Care and Education Services Program. The Early Care and Education Services staff supports the Mayor's Smart Start San José initiative for the expansion of quality, affordable childcare. During the year new and upgraded childcare spaces were brought under the Smart Start umbrella, bringing the total to over 1,800. Working with the San José Redevelopment Agency and other partners, staff is on track to reach the goal of 2,100 by June 2006 as well as the new goal of 4,100 by 2010, set in the March 2005 State of the City Speech. Professional development for preschool educators expanded this past year, with 26 graduates, an increase of 50% from the previous year. Month of the Young Child Activities, held during April included the City-wide Children's Faire that attracted 2,500 participants. Throughout the year staff worked closely with the thirteen members of the Early Care and Education Commission as they advocated in support the childcare and educational needs for young children and their families in San José.

Complementary activities at branch libraries and the King Library's Children's Room supported these early learning initiatives. Some 2,240 story times were held at San José libraries, drawing 72,888 attendees. Library volunteers undertook reading to children sessions, reaching 2,855 children. The Books for Little Hands program served 6,480 children in 350 preschool and childcare settings. During the summer of 2005 approximately 24,376 people participated in the annual Summer Reading

Celebration, an increase of over 800 from the previous year. This year's theme for younger children was "Kids are Super Readers, Super Heroes" and for teenagers it was 'Unleash Your Power to Read'.

Partners in Reading continued to expand its services to adults and families and to redesign its program model. Literacy tutoring in small groups was added to the existing one-on-one program. 161 adult learners were assisted by 133 volunteer tutors. 24 families with a total of 209 individuals were served at family literacy events throughout the year. Closer collaboration with staff at the Tully Community and Dr. Roberto Cruz-Alum Rock branches, resulted in more referrals and better customer service to those adults and families seeking to improve their English language literacy skills.

With funding from the Silicon Valley Social Venture Fund (SV2) a fund development and a marketing plan were completed. Implementation of the strategies in these plans is under way and has already resulted in new posters, radio interviews with the Partners in Reading program manager, and the development of a television program about the Library's adult and family literacy services by the City's Civic Center Television unit.

Benefit Assessment District

San José Public Library staff and the residents of San José enjoy the positive benefits and contributions from Assessment District funding each and every day. Improved facilities, enhanced library technology, additional computers for public use, and an ample supply of new materials for circulation are visible reminders of the Library's effective and efficient use of these funds. Approximately two-thirds of the book and other materials budget and one out of eight FTE library positions are paid for from these supplemental funds. In addition, about 50% of the public and staff PC's and supporting software and networks have been paid for by Assessment District funds.

The 2004-05 fiscal year began with Library staff and Commission members concerned, as the Benefit Assessment District was set to expire. The future of this supplemental funding, upon which the Library has relied for many years, was unclear. In August 2004, the City Council, in collaboration with the Library Department, Finance Department, and Attorney's Office, placed Measure S, a Library Parcel Tax, on the November 2004 ballot. Fortunately for the Library Department and the community as a whole, San José voters approved the measure by the two thirds required vote. The Parcel Tax commits funding for ten more years to maintain and enhance Library service and facilities. The initial tax rate remains unchanged from the Benefit Assessment District rate of \$25 per residential parcel with various adjustments for multi-family residential, commercial and other uses. Beginning in year two, the tax rate will be adjusted for inflation, capped at 3% annually.

This year, 40.8 FTE library positions and 165,000(two-thirds) of the 246,988 items purchased for the library were paid for by the Assessment District. A number of programs established with Assessment District funds still continue to bring education and enrichment to the community. Among them: Teens Reach has over 400 teen volunteers in 16 branch libraries; Books for Little Hands is now in approximately 350 childcare sites serving over 6,400 children and 700 caregivers.

Over the life of the Benefit Assessment District, San José Public Library has effectively utilized this supplemental funding to improve the quality of materials and services available to the public. As the

Assessment District has expired, we look back and see that it provided the stimulus the Library so desperately needed to become a major presence in the community and Library field.

Comparison to Other Libraries

Compared to the other large California municipal libraries and to the Santa Clara County Library (serving most of the smaller cities surrounding San José), San José has high use but low per capita budget and low staffing levels. San José has an operating income per capita of only \$32.80 but a circulation per capita of 15.30. With 17 total outlets and a total FTE (full time equivalent) staff of 351.73 the San José population has one FTE staff for every 2,633 residents. Therefore, as San José’s circulation continues to climb, budget expenditures and staffing remain below that of the other large California municipal libraries. (See chart: Library Comparison, data from 2005 California Library Statistics based on 2003-2004 data).

<i>Library Comparison</i>							
	Population	Operating Budget Expended Per Cap	Library Holdings Per Capita	Circulation Per Capita	Population Served/ FTE Staff	Total FTE	Total Outlets
Oakland	430,300	\$42.56	2.77	4.14	1,888	227.74	18
San Diego	1,294,000	\$28.84	2.74	5.60	2,879	449.48	35
San Francisco	792,700	\$61.83	2.92	8.58	1,309	605.46	30
San José	926,200	\$32.80	2.18	15.30	2,633	351.73	17
Santa Clara Co.	405,750	\$60.63	4.21	24.61	1,705	238.0	11

Conclusion

Based on a review of the above information, the San José Public libraries services and facilities continue to improve. System-wide circulation has increased 200% since 1994-95 to an amazing 14,449,984 items borrowed in 2004-05. The King Library is a focal point in the community and in the library world. New branches are opening or under construction, and customer satisfaction remains very positive; 85% of library customers surveyed in April rated library services excellent or very good. The organization and staff continue to excel, winning awards, grants and publishing articles. Library Director Jane Light was awarded the Public Library Association’s prestigious Charlie Robinson Award for her innovative and successful effort to develop library services that meet the needs of 21st century users. Supervising Librarian Mary Nacu was a graduate of the City’s first Art and Practice of Leadership class.

The Library Parcel Tax was passed by San José voters in November 2004 replacing the sunseting Benefit Assessment District. With assistance from the Finance Department and Attorney's Office staff who helped draft Measure S, a solid funding source was secured for the next ten years. Also, the Library Department acknowledges City Council involvement and support during the difficult budget process and the nominal cuts in staff and library service for Fiscal Year 2005-2006. Though Monday hours have been reduced at all branches, those hours will be supplemented with the implementation of Sunday hours at seven locations.

Still, San José does continue to lag behind other large municipal libraries in California in terms of staffing levels and operating expenditures per capita. The efforts of the library's dedicated staff have maintained a high level of services and customer satisfaction during this long period of rapid growth in use of the library but it must be stated and recognized that the Department is reaching a breaking point.

Although the department staff is proud of its innovations and creativity in becoming more efficient, they cannot continue to provide the same level of excellent services to the community year after year with declining General Fund resources. Budget reductions the past several years have severely impacted an already lean staffing level, yet expectations remain much the same. Continued annual increases in service provided while having to reduce staffing levels have stretched resources to the breaking point and reduced staff morale. The Library Department has been amazingly resourceful in figuring out how to provide a full panoply of library services with shrinking budgets, but can no longer sustain reductions without a resultant reduction in hours or services. Further reductions in staff caused by reduced General Fund support, will result in reduced open hours and/or days of service. As the number of branches increase when bond funded projects come on line and the size of rebuilt existing libraries doubles or triples, additional staff resources will be necessary.

This is an exciting time in San José Public Library history; many new Bond funded branches are scheduled to open in the near future and the Branch Facilities Master Plan keeps moving forward. But difficult decisions lie ahead as Library staff address growing community demands, opening new facilities with adequate staffing, FF&E and materials, and providing services and hours that residents are accustomed to and expect.

Jane Light
Library Director, Library Department

Attachments

Attachment A

Eleven Year Comparison of Annual Service Levels and Usage

(Fiscal Year 1994-95 to 2003-04)

2003-04 Circulation, Reference, and Gate Count include San Jose State University

	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
TOTAL ITEMS ADDED TO COLLECTION	146,174	190,192	261,582	261,934	260,267	269,469	284,185	303,728	316,674	188,890	230,326
% of increase/decrease from previous year	3.1%	30.1%	37.5%	0.0%	-0.6%	3.5%	5.5%	6.9%	4.0%	-40.0%	22.0%
ITEMS BORROWED AND OTHER SERVICES											
<u>Items Checked Out</u>	4,816,079	5,000,199	6,034,303	6,477,930	7,066,715	7,886,647	9,368,248	11,635,848	13,491,412	14,170,776*	14,449,984*
% increase/decrease from previous year	0.5%	3.8%	20.7%	7.4%	9.1%	11.6%	18.8%	24.2%	15.9%	5.0%	2.0%
PerCapita	5.69	5.89	6.91	7.25	7.77	8.54	10.20	12.68	14.59	15.30	15.30
<u>Reference/ Information Questions</u>	644,464	692,513	670,636	643,515	582,736	561,052	412,080	500,345	536,073	529,641*	489,292
% increase/decrease from previous year	2.7%	7.5%	-3.2%	-4.0%	-9.4%	-3.7%	-26.4%	21.1%	7.0%	-1.0%	-8.0%
Per Capita	0.76	0.82	0.77	0.72	0.64	0.61	0.45	0.55	0.58	0.57	0.52
<u>Gate Count</u>							5,092,364	5,355,674	5,455,164	6,986,125*	6,930,551*
% increase/decrease from previous year							n/a	5.2%	1.8%	28%	-1%
Per Capita							5.54	5.83	5.90	7.54	7.33
<u>Programs</u>											
<u>Inside Library (including group visits)</u>											
<u>No. of Programs</u>	2,999	3,093	3,499	3,503	2,909	3,068	3,813	5,114	3,625	4,203	5,850
% increase/decrease from previous year	9.1%	3.1%	13.1%	0.1%	-17.0%	5.5%	24.3%	34.1%	-29.0%	16.0%	40.0%
<u>Attendance</u>	86,535	98,796	110,573	99,272	89,878	99,127	124,842	112,813	122,875	118,050	132,778
% increase/decrease from previous year	5.2%	14.2%	11.9%	-10.2%	-9.5%	10.3%	25.9%	-9.6%	8.9%	-4.0%	12.0%
<u>Outside Library</u>											
<u>No. of Programs</u>	127	324	563	333	947	584	714	526	555	366	306
% increase/decrease from previous year	-5.9%	155.1%	73.8%	-40.9%	184.4%	-38.3%	22.3%	-26.3%	6.0%	-34.0%	-16.0%
<u>Attendance</u>	8,020	24,228	39,692	27,695	25,627	40,775	40,311	30,443	21,648	26,863	18,325
% increase/decrease from previous year	8.7%	202.1%	63.8%	-30.2%	7.5%	59.1%	-1.1%	-24.5%	-29.0%	24.0%	-32.0%
SAN JOSE POPULATION -January 1											
	845,991	849,363	873,286	893,969	909,062	923,600	918,800	917,971	925,000	926,200	945,000
% increase/decrease from previous year	1.3%	0.4%	2.8%	2.4%	1.7%	1.6%	-0.5%	-0.1%	0.8%	0.1%	2.0%
HOURS OPEN PER WEEK											
	991	991	991	991	991	1,005	1,005	1,005	1,005	956	846
TOTAL BUDGETED STAFF (FTE)											
	288.00	318.10	318.10	318.43	338.98	342.48	345.63	359.63	360.13	351.73	330.22