

Business Plan



Anchorage Downtown Library

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Municipality of Anchorage • Anchorage Public Library • Anchorage Library Foundation
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Cover photo: Historic 'Old City Hall,' constructed 1935, 550 W 4th Avenue, Anchorage, Alaska.

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DOWNTOWN LIBRARY VISION

The Municipality of Anchorage and the Anchorage Library Foundation have agreed upon the site of the Historic Old City Hall as the future downtown library. A downtown library has the potential to play an important role in the revitalization of the downtown area. The goal of the library is to meet the following needs:

- Serve as a **welcoming, customer-focused** space that delivers a positive experience for residents and visitors alike. A place to meet, exchange ideas, interact, connect visitors to the history of Anchorage, and **fuel a passion for reading**.
- Provide resources for downtown workers: a quiet space for breaks, convenient materials pick-up and drop-offs, **Maker Space**, access to technology, and **workforce development** services.
- Serve as a **community connector** by partnering with local groups to host cultural and educational events and classes, provide space for meetings or events, and serve as **the people's university**.
- Serve as a catalyst for downtown revitalization and a resource for activating downtown.
A thriving library fuels a thriving downtown.

The downtown library will be a 21st century library model with flexible workspace, a community meeting room, access to technology and wifi, a small business center for tourists and job seekers, cultural activities, a small collection of books with access to a larger collection, space for children and teens, small study rooms, and a **welcoming staff** that support the patrons in discovery of knowledge.

The location of the downtown library within the Historic Old City Hall is a natural location to include history of the city of Anchorage and the indigenous Dena'ina people. Cultural and historical programs that tell the story of Anchorage and its people will be encouraged and attract visitors, school children, and residents alike.

This downtown library project was made possible by a generous bequest from Janet Goetz. Janet and John Goetz were long-time downtown residents, who had a **vision to establish a walkable library to serve the diverse needs of downtown residents, workers and visitors**. The stipulations of Janet's gift require the library to be located in the **Original Anchorage Townsite**, between Cordova Street and the water and 1st and 9th Avenues. Until her passing, Janet Goetz wished to remain anonymous, so it is the feeling of the Library Foundation that Janet would not want excessive recognition although the Foundation would like to recognize the Goetz with a piece in the library **that shares their story and inspires visitors to think about leaving their own legacy to their community**.

COMMUNITY OVERVIEW

Downtown is the heart of Anchorage's commerce, tourism, retail, arts, and civic activity, and the Historic Old City Hall is **the heart of downtown**. The development of a downtown library will align with the 2007 Downtown Comprehensive Plan that outlines a vision for a vibrant Northern city center that serves all of

Alaska and welcomes the world—an active, walkable, mixed-use cultural and economic urban hub that is an exciting and livable place for residents, workers and visitors alike.

Since the creation of the comprehensive plan, there have been several projects—the Dena’ina Convention Center, Anchorage Museum expansion, housing developments, several private investments, and anticipated Town Square Park enhancements as well as upgrades to Anchorage Community Development Authority properties that have pushed the needle forward on the plan. **An active, thriving downtown library supports the Comprehensive Plan and will enhance the opportunities to Live, Work and Play in downtown Anchorage.**

Need for a Downtown Library

The 2010 Anchorage Public Library Community Plan recommended a standard of 35,000 residents per location to determine that Anchorage should have 8-9 locations to serve a community of our size. A downtown library would serve a population of 35,000 workers and 18,000 residents in surrounding neighborhoods, as well as the tourist population, which would be in line with the Plan’s recommendations.

In spring 2018, the Library (with help from partners at Anchorage Downtown Partnership and Anchorage Economic Development Corporation) conducted an online public opinion survey. Key findings:

- 76% of respondents currently visit a Library in person at least monthly; of those: 86% use it to check out materials, 68% to pick up an item they put on hold; and 51% to attend an event.
- 73% of respondents said they would visit a downtown library at least monthly. The top things they would do at the library: check out materials (77%), attend a class or workshop (63%), pick up an item they put on hold (54%).
- Weekends, weekday nights and weekday lunch hours were the favored times for visits.
- The free-form comments were overall very favorable toward opening a downtown library; concerns were concentrated on funding, possible security incidents, and a fear that the library would become a de facto homeless shelter.

Potential User Groups

With a small footprint (4,000sf+/-) and a modest budget, the Downtown Library will not take the place of the anchor Loussac Library. **Flexibility, connectivity, state-of-the-art technology, and world-class customer service**, will be the hallmarks to serve the downtown community.

Primary Audiences:

- **Downtown employees:** In 2018 (pre-COVID) there were approximately 35,000 employees in the downtown core.
- **Nonprofit and business organizations** will use the library for meetings and workforce development and innovation space.
- **Convention visitors and tourists** will use the library to connect with Anchorage culture.
- **Downtown, South Addition, Fairview and Government Hill residents:** There are ~18,000 residents in the 99501 zip code. The library will serve as a walkable/bikeable destination.
- **Senior citizens:** The Anchorage Pioneer’s Home is ten blocks from the downtown library site and there are current plans for more senior housing.

FACILITY CONSIDERATIONS

Interior

- **Restrooms are resource-intensive for libraries and downtown establishments. A shared restroom outside of the library in a multi-use facility would be ideal.** Otherwise, consideration will need to go into addressing the single use restrooms to prevent any vandalism or illicit activities.
- The entire facility needs **adequate electrical/Internet outlets** along walls and in the floors to allow users to power their personal devices and access the Library's public computers; the library will need adequate broadband delivery as well.
- **Security cameras** throughout the space are necessary to keep the integrity of the historical building while utilizing the space and adhering to staff limitations.
- 2 small meeting rooms for small group study or Maker Space.
- The basement can serve as a **staff workroom** and additional storage space, with a kitchenette/small break area. A private staff restroom is available.
- The remaining space should be as **open as the historic building plan allows.** The library can fill it with reading chairs, partitions and tables on wheels that can be moved into different configurations depending on needs. Within that space:
 - Shelving will be limited to a small collection of popular books and DVDs, as well as a shelf for patron holds. Ideally, shelving would go along the walls, to keep the floor space open.
 - **A children's/youth area** to help foster a love of reading and ignite intellectual curiosity in Anchorage youth.
- **Art displays** featuring local artists will be incorporated.
- Ideally, the library would like an **after-hours vending kiosk** such as the DTX at the Dimond Transit Center for patrons to pick up materials.
- The library will be co-located with another operating entity and the layout needs to accommodate all parties.
- Potentially, a small **book/gift store** operated by Friends of the Library or an outside vendor will be incorporated.

Square Footage Suggestions

AREA	SF
Open floor area for shelving, computer stations and public seating	1,400
2 study rooms @ 120 sf each (w/potential to merge into one room)	240
1 large program room	800
Staff work area	300
Storage area	150
Shipping and receiving space for courier and holds transfers	160
Restrooms	150
Children's/youth area	500
Non-assignable square footage	295
GROSS square footage	3,995

LIBRARY FEATURES

Services Offered

- A small collection of popular books for check-out; a browsing collection of Alaskana materials, magazines and newspapers
- Book/DVD holds pick-up and returns
- Free Wi-Fi
- Laptops and devices for check-out for in-library use
- Business services—printing, copying, scanning, 15 minute express computer stations
- Classes and Story hour
- Meeting room spaces
- Small collection of Alaska books for sale to visitors and patrons

Partnership Opportunities

We seek to make the Downtown Library a community-driven, partnership-based entity that acts as a hub for multiple community projects, businesses, and constituencies. Potential partners may include:

- Neighboring schools
- Workforce and small business development entities
- Alaska Native arts & cultural groups
- Convention center and tourism groups
- Higher educational institutions
- Arts & cultural organizations, theaters and galleries
- Book and/or retail store
- Coffee/tea revenue producing shop

LEGAL AUTHORITY AND ISSUES

Permitting

If the library stays under 4,000 square feet, a municipal site selection process is not required, and the library will simply need building permits for tenant improvements. Old City Hall falls under **B2A zoning** and is regulated by the former code, prior to the Title 21 update. One example of a former code difference is that there is no requirement for the library to provide parking for staff or visitors.

The selected Old City Hall is an historic building and comes with specific constraints. The Municipal Historic Preservation Officer will be contacted and the National Historic Park Secretary of Interior's Standards will be met.

Per the language of the original Goetz will, the library site is located in the Anchorage Original Townsite, which is between Cordova Street and the water and 1st and 9th Avenues. **Mrs. Goetz's first choice was Old City Hall.**

MANAGEMENT STRUCTURE

Hours

A downtown branch could be open 30-40 hours a week, depending on staffing. An ideal beginning schedule would be 40 hours, 11am – 7pm, Tuesday through Saturday or Wednesday through Sunday. The schedule will need to accommodate workers using the library on their breaks, as well as potential evening classes and events. Ideally, an after-hours vending machine/kiosk will be available for patrons. **Current funding will limit operations to the lower range of hours of operation.**

Organizational Chart

Ideal staffing for downtown would be 3.5 FTEs: a Professional Librarian as supervisor, a Library Assistant III, a Library Assistant II and a 24 hr/week Library Assistant I. On site security will be required during peak hours, as well as in the evenings.

Minimum staffing of 2.5FTEs might be feasible if the library is open 35 hours/week or less. **Staffing of 2.75 FTEs is adequate and sustainable with the funding plan.**

Duties:

Library Supervisor: oversee the Library's outreach and coordination with community groups for programs and services, serve as lead reference librarian, supervise staff and manage branch administration.

Library Assistant III (Grade 9,1): serve as point of contact for setting-up library programs, staff the front desk to answer questions and help check-in/out materials, help with computer reservations, shelve materials.

Library Assistant II (Grade 8,1): staff the front desk to answer questions and help check-in/out materials, help with computer reservations, shelve materials.

Library Assistant I (Grade 7,1): provide extra coverage at peak hours to staff the front desk to answer questions and help check-in/out materials, help with computer reservations, shelve materials.

FINANCIAL DATA

In December 2010, long-time community leader and library supporter, Janet Goetz, passed away and left the majority of her estate to the Anchorage Library Foundation (through a Trust managed by Wells Fargo) for the purpose of funding the maintenance and operations of a downtown library. Janet and her husband John had always lived downtown and as they aged, their primary mode of transportation was by foot. When the downtown library closed in the 1980s, the Goetzs felt that a major downtown asset was lost and dedicated their estate to getting it back. The estate was settled in 2015. The will (available by request) is lengthy and specific, but some overall details are:

- \$7M from the estate was placed in a Trust managed by Wells Fargo.
- As an IRS-regulated charitable trust, the Trust must make annual distributions to ALF for the applicable tax year.
- In addition to maintaining a fund from the annual Trust distributions, the Anchorage Library Foundation may submit additional funding requests to the Wells Fargo Trustees.
- **Funds from the Trust can be used for operations, rent, construction, and/or materials acquisition.**

Estimated Capital Costs

Tenant Improvements/Building Costs

Item	Estimated Cost
Capital improvements	\$1,173,000
Tenant Improvements:3,995 GSF space@\$248/SF	\$ 989,500
TOTAL Tenant Improvements/Building	\$2,162,500

Library FFE

Item	Estimated Cost
New Materials	\$40,000
Furniture	\$65,000
Fixtures (signage, circ desk, shelves)	\$55,000
Self-check station, RFID, security gates	\$30,000
Copier/Scanner/Printer Unit	\$5,000
Office & Library supplies	\$5,000
IT (staff, public computers + accessories)	\$60,000
Screen, phone for conference room	\$3,500
Security (cameras, key card door locks, bike rack)	\$50,000
1% for Art (1.1% of construction)	\$24,000
TOTAL Library FFE	\$337,500

Total Capital Costs

Item	Estimated Cost
Building	\$2,162,500
FFE	\$ 337,500
TOTAL Capital Costs	\$2,500,000

Estimated Operating Costs

Personnel Expenses – Ideal Model (updated to 2022 costs)

Personnel Expense Detail	Hrs/ Wk	Annual Wages	Emp Benefits + taxes	Annual Cost
Library Supervisor (Prof. Librarian, Grade 13,1)	40	\$61,544	\$49,230	\$110,773
Library Assistant III (Grade 9,1)	40	\$37,927	\$40,363	\$78,290
Library Assistant II (Grade 8,1)	40	\$34,302	\$39,184	\$73,486
Library Assistant I (Grade 7,1)	24	\$18,724	\$22,907	\$41,631
TOTAL Personnel Expenses				\$304,180

Personnel Expenses – Reduced Model, Reduced Hours of Operation

Personnel Expense Detail	Hrs/ Wk	Annual Wages	Emp Benefits + taxes	Annual Cost
Library Supervisor (Prof. Librarian, Grade 13,1)	40	\$61,544	\$49,230	\$110,773
Library Assistant III (Grade 9,1)	40	\$37,927	\$40,363	\$78,290
Library Assistant III (Grade 7,1)	18	\$14,043	\$4,565	\$18,608
Library Assistant III (Grade 7,1)	18	\$14,043	\$4,565	\$18,608
TOTAL Personnel Expenses				\$226,279

Annual Operating Costs – Does not include rent

Item	Annual Estimated Cost
Personnel	\$226,279
Technology (Phone, Broadband/Wi-Fi)	\$15,000
Library Collection (periodicals + paperbacks)	\$30,000
Operating supplies (includes courier)	\$15,000
Security guard PT at \$33/hr	\$60,000
Intra-Government Charges from other MOA Depts. (purchasing, accounting, human relations, reprographics, insurance)	\$20,000
TOTAL LIBRARY Operating Expenses	\$ 366,279
CAM + utilities (\$10 SF or \$14 SF w/ janitorial)	\$45,000
TOTAL Operating Expenses	\$411,279

Estimated Revenues

As of December 2021, the funds available for the downtown library are as follows:

- \$9,170,872 in the Goetz Trust at Wells Fargo:
 - \$300-360K from Trust income is distributed to ALF annually for the downtown library.
 - ALF may petition Wells Fargo for additional funds for capital or operating expenses.
- \$4,330,786 in the ALF Downtown fund, available for capital or operational expenses.

The Anchorage Library Foundation's financial advisor, Wells Fargo, performed a Monte Carlo analysis of the funding requirements to fully fund %100 of library operations in perpetuity. At the ideal staffing level, this would require an endowment of \$17.1million. Prorating the operating costs for the reduced staffing levels anticipated at start-up would reduce the capital requirements to \$13,546,000 which equates to the funds available at the end of 2021.

- Other options for revenue include sponsorships of programs and services, naming rights to rooms, and rental income for meeting rooms, potential coffee/tea shop and bookstore.

SUSTAINABILITY

The Anchorage Library Foundation is fortunate to have a significant level of funding to make this project a reality with **minimal burden upon the Municipality of Anchorage** and its taxpayers. However there is still a funding gap for capital costs. A state grant has been requested, and if awarded, would fund the capital requirements. Generally, funding is awarded by May, approved by the governor in June and funds would be available in FY22 starting July 1, 2022. If the full funding is not available, the business plan will be updated.

TIMELINE

- In 2004 a feasibility study was commissioned by the Municipality of Anchorage, and completed by Koonce, Pfeffer and Bettis. The feasibility study concluded: **“It is our determination based on this preliminary analysis that the proposed branch library is feasible in this location.”**
- Between February and August 2017, the Anchorage Public Library conducted **community outreach** and input-gathering, to develop a community-supported vision for the purpose, location and audience for the Downtown Library.
- The Library internal working group used the outreach information to create a business plan in December 2017.
- The plan was reviewed by the community Downtown Library Exploratory Committee and the plan was updated based on their recommendations in January 2018.
- The business plan was updated in July, 2021
- The Library Foundation unanimously passed a resolution in January of 2022 supporting the Old City Hall as their desired downtown library site.
- The business plan was updated in March 2022 to reflect the adopted site.
- Input and support has been sought from:
 - The Mayor’s office
 - Anchorage Library Foundation
 - Library Advisory Board
 - Friends of the Library
 - Anchorage Public Library administration
 - Visit Anchorage
 - Downtown, South Addition, Government Hill and Fairview Community Councils
 - Anchorage Chamber of Commerce
 - Downtown Partnership
 - Anchorage Community Development Association
 - 3rd Avenue Radicals
 - Anchorage Economic Development Council
 - Local state senator
 - Local state representative
 - Local assembly representative

Upon receipt of the state grant, design will be initiated and the design completed by Nov. 2022. Construction will be completed and the library will be opened late 2023.

PROJECT INPUT

Downtown Library Committee 2022

Blythe Marston
Cecelia Donelson
George Felder
Larry Baker
Rayette Sterling
Roe Sturgelewski
Sheila Barrett

Sami Graham, Downtown Library project liaison

Initial Business plan

Clare Ross, former Library Assistant Director
Jacob Cole, Library Assistant Director
Sarah Preskitt, Librarian at Loussac
Roe Sturgulewski, Anchorage Library Foundation
Jerry Pollock former Anchorage Library Foundation board member
Lucy Flynn O'Quinn, former Library Advisory Board
David Levy former Library Advisory Board

APPENDIX

