



THE CITY OF SAN DIEGO

January 29, 2009

Dr. Terry Grier, Superintendent
San Diego Unified School District
Eugene Brucker Education Center
4100 Normal St.
San Diego, CA 92103

Re: Secondary School and the San Diego Main Library

Superintendent Grier:

This letter is in response to your request via Jim Watts, Director of Planning and Asset Management, for a status update on the feasibility study for the incorporation of a district school into the proposed San Diego Main Library. In particular, he requested that the City address the following:

1. The current financial status of the project: The City of San Diego has \$80 Million of CCDC funding and a \$20 Million State Library Bond Act Grant available for this project. The balance of the project budget will come from private donations raised by the Library Foundation. So far, the Library Foundation has received \$33 Million in private donation pledges towards their commitment of \$85 Million total private donations.
2. The minimum amount of funding that would be expected from the school district to participate in the effort: As part of the School/Library Feasibility Study, our design and construction team will develop an updated construction cost estimate for the current library design, along with the cost impact of incorporating a high school on the 6th and 7th floors. With that information, we anticipate working with you and your staff to identify the value of the school's share of land, design and construction costs. As previously discussed with your staff, we also propose that the School District will be responsible for funding the 6th and 7th floor tenant improvements, project redesign to meet the requirements of the 2007 CBC and Field Act, and Division of State Architect plan checking and inspection fees.
3. The School/Library Feasibility Study cost, revised after receiving Jim Watt's input to reduce scope at our January 23, 2009 meeting is \$167,730 (Enclosure).



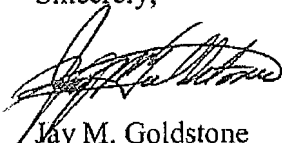
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4. Of that, the City will pay \$13,970 to provide an updated construction cost estimate based upon the current 100% construction documents to establish the project cost baseline.
5. The School/Library Feasibility Study will provide an updated cost estimate for the currently designed library project and a cost estimate for a project including a school on the 6th and 7th floors.

Upon receiving your support and concurrence, we are ready to begin working with your staff to develop a letter of agreement that will present the feasibility study scope, fee sharing arrangement, and study schedule to both the San Diego Unified School District Board and the San Diego City Council in order to seek commitments from both for the study. We hope that this agreement would receive legislative authorization by February 27, 2008 by both parties.

We look forward to working with you and your staff to continue exploring this exciting opportunity to incorporate a high school on the 6th and 7th floors of the proposed San Diego Main Library. If you have any questions, please contact me directly.

Sincerely,



Jay M. Goldstone
Chief Operating Officer

JG/cm/pr

cc: David Jarrell, Deputy Chief Operating Officer, City of San Diego
Deborah Barrow, Director of Libraries, City of San Diego
Jim Watts, Director of Planning and Asset Management, SDUSD

Enclosure:

- A. Feasibility Study Proposal

Chief Operating Officer
202 C Street, MS 11, 92101
619.236.7080



JERRY SANDERS
MAYOR

February 2, 2009

Ms. Susan Hildreth, State Librarian of California
California State Library
P.O Box 942837
Sacramento, CA 942837-0001

Re: San Diego Main Library, Project Number 2057

Dear Ms. Hildreth:

Thank you for your December 24, 2008 letter regarding the San Diego Main Library 2000 Library Bond Act Grant. We appreciate your consideration to pursue a partnership with the San Diego Unified School District for the incorporation of a high school on the 6th and 7th floors of the proposed San Diego Main Library.

The currently designed Main Library project was last estimated in 2004 to cost \$185 million to complete, \$150 million of which would be needed to initiate construction. The sources of funds available at this time for the project include: \$80 million in downtown San Diego redevelopment funds, \$20 million from a 2000 Library Bond Act grant, and \$35 million in private funds raised by the Library Foundation (Area of Concern #3). The concept of San Diego Unified School District providing the remaining funds needed in order to construct the project in exchange for use of two floors for a school has been pursued lately as a potential mutually beneficial partnership for the City and SDUSD. We remain cautiously optimistic that such an arrangement can be reached and have been working quickly to evaluate this concept.

We appreciated the opportunity for our staff to meet with Richard Hall and Curtis Purnell of your office on January 8, 2009 in order to explore this idea further and answer your office's questions in person. In the last month, we have taken several steps to explore this City/School partnership as outlined below:

1. The City and School District staff's have met to define the potential high school program and vision
2. The City, School District, City consultants and representatives from the Division of the State Architect have met to define DSA permit requirements and their potential impacts to the project schedule

3. The City, consultants, and School District have met to outline the scope of a feasibility study which would analyze the impacts to design, cost, and schedule of including a school in the project
4. State Library representatives, the City, consultants, and the School District have met to review the project proposal and address State Library questions
5. The City, School District, and consultants have met to refine the feasibility study scope and fees

The feasibility study, which would take 12 weeks to complete after it is authorized, would determine the viability of incorporating a school within the proposed Main Library building, and would define the structural, mechanical, electrical, fire alarm, and architectural impacts that would be caused by redesigning the project to meet both 2007 California Building Code and Division of State Architect (Field Act) requirements. The study would also obtain an updated construction cost estimate for the current library design and cost impacts for the incorporation of a high school on the 6th and 7th floors from our design and construction team (Area of Concern #1). With this information, we would be able to negotiate an agreement with the School District and submit a revised project budget and revised project timeline, per your request (Areas of Concern #2 and #4). Additionally we propose to submit to your office monthly progress updates beginning March 1, 2009 demonstrating our commitment and progress to moving this project forward.

The City has transmitted an offer to the District (Attachment A) outlining the feasibility study scope and schedule, and a cost sharing arrangement between the City and the District based on separating the costs attributable to the inclusion of a school from the costs which are logically related to the existing library project. The School District has responded by requesting that alternative options be explored that could avoid the additional cost and effort of the feasibility study (Attachment C), including 1) requesting a waiver of the Field Act from the California State Board of Education or State Allocation Board, which, according to the Superintendent, have authority to waive provisions of the education code under appropriate circumstances; or 2) ascertaining the viability of urgency legislation or if appropriate an Executive Order that would simultaneously ensure the safety of schoolchildren and facilitate timely construction of the project. These two options have the potential to save considerable time and expense if successful and we have been informed by the District that these avenues will be explored in the next 90 days.

We look forward to hearing from you and appreciate your continued support of San Diego's Main Library project.

Sincerely,

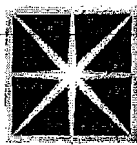

JERRY SANDERS
Mayor

JS/cm/pr

Attachments:

- A. January 29, 2009 letter from Jay Goldstone, Chief Operating Officer, City of San Diego to Dr. Terry Grier, Superintendent, SDUSD
- B. Feasibility Study proposal
- C. February 2, 2008 letter from Terry Grier, Superintendent, SDUSD to Mayor Sanders, City of San Diego

cc: Christine Kehoe, State Senator
City Council, City of San Diego
Board of Education, San Diego Unified School District
Dr. Terry Grier, Superintendent, SDUSD
Jim Watts, Director of Planning and Asset Management, SDUSD
Jay Goldstone, Chief Operating Officer, City of San Diego,
David Jarrell, Deputy Chief Operating Officer, City of San Diego
Deborah Barrow, Director of Libraries, City of San Diego



California
STATE LIBRARY
PRESERVING OUR HERITAGE. SHAPING OUR FUTURE

February 11, 2009

The Honorable Jerry Sanders
City of San Diego
City Administration Building
202 C St.
San Diego, CA 92101

Re: Project Name: San Diego Main Library
Project Number: 2057

Dear Mayor Sanders:

Based on your February 2, 2009 letter and the supporting documentation provided, I am willing to process an extension to your grant agreement to fund the San Diego Main Library under the Library Bond Act of 2000 until July 1, 2009. This should provide you with adequate time to complete the feasibility study and negotiate an agreement with the School District for the joint-use project as well as submit deliverables addressing the four areas of concern in my December 24, 2008 letter:

1. The cost impact on the library portion of the overall project, including cost increases for redesign, along with cost increases to meet Field Act requirements and any other changes required by code upgrades or modifications before the project is bid and construction is started,
2. A revised project budget (pages 27 & 28, lines 1 – 37 of the application form) reflecting the above based on the preliminary cost estimates from the feasibility study,
3. Specific detail regarding the composition of Supplemental Local Funds, (page 28, line 36 of the application form), and
4. A revised project timetable (page 29, lines 1 – 12 of the application form) which reflects the time required to make the necessary changes to the construction documents including any necessary Division of State Architect, State Library and local City of San Diego reviews of the revised plans and specifications as they are developed.

I continue to be concerned about the viability of local funds that are committed to this project. As part of the City's response to #2 above, please provide confirmation that the \$80 million in CCDC funding referred to in your February 2nd letter remains committed to this project. Also please provide donor agreement letters or similar documents that verify the availability of the \$33 million in private contributions as mentioned in the February 2nd letter.

I am pleased that you offered to provide monthly updates on the progress of the feasibility study for the project. These reports will be required to be submitted timely as a requirement of this extension. Please have your staff direct those updates at the first of each month to Richard B. Hall, Library Facilities Consultant.

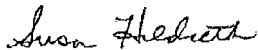
I understand that the San Diego Unified School District has taken action on this project recently. Please make sure that your staff sends Mr. Hall copies of any actions on the part of the City of San Diego, the San Diego Unified School District or any other parties that relate to this project as soon as they are taken.

Finally, I am assuming that the 90 days the School District will take to pursue the request for a waiver of the Field Act and/or urgency legislation/Executive Order will occur at roughly the same time (12 weeks) the feasibility study is being performed. While the State Library has no jurisdiction in this area, we are interested in seeing the main library project begin construction as soon as possible as long as the safety of school children as well as the general public can be assured.

Please contact Curtis Purnell, Library Bond Act Fiscal Officer, to process the required documents to execute this grant extension.

I wish you well in your continued pursuit of the San Diego Main Library project as well as the new high school in one combined facility.

Yours truly,



Susan Hildreth
State Librarian of California

Enclosures

Cc: Christine Kehoe, State Senator
California Public Library Construction and Renovation Bond Board
Stacey Aldrich, Deputy State Librarian
Curtis Purnell, Library Bond Act Fiscal Officer
Richard B. Hall, Library Facilities Consultant
Deborah Barrow, Director of Libraries, City of San Diego
Cynthia Meinhardt, Project Coordinator, City of San Diego