No more room at S.C. City Hall City to spend \$6M to buy new downtown building The city has hired space planner Eric Schmidt to help decide how the space planner benefit to help decide how the space p

By SHANNA McCORD

SENTINEL STAFF WRITER

City leaders are ready to borrow more than \$6 million as City Hall is apparently busting at the seams and the city-county library system is seeking a new location for its headquarters.

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The money, which will come from a bond, will be used to purchase the former Georgiana Bruce Kir-

by School on Locust and Union streets. The 21,000-square-foot building — empty since the high school moved to the Harvey West area earlier this year — will be shared between the city Water Department and library system.

The former high school is currently owned by Barry Swenson Builder. The purchase price and building upgrades will cost at least \$6.2 million.

"You could say City Hall is outgrowing itself," Councilman Mike Rotkin said.

"Why are we growing when the economy is still hurting? We're responding to the increased cost of government and costs that are beyond our control by adding staff in certain areas."

The library system has been searching for a replacement for its Pacific Avenue headquarters since a critical civil grand jury report in 2005 said the downtown location was too expensive and the library could save taxpayers money by moving out of downtown.

Library officials contend their headquarters need to be located within walking distance of the central branch on Church Street as some employees split their time between the two sites.

The library pays about \$264,000 each year to rent the Pacific Avenue office it began leasing in 1998. The Locust Street building will cost the library nearly \$300,000 a year, but as part of the deal, payments will stop when the bond is paid off. The library will then pay \$1 a year to rent the space. Assis-

tant City Manager Martin Bernal said.

The library administration, which has roughly 40 employees, will occupy about two-thirds of the former high school.

"This move stabilizes the amount of money we've been spending to rent space. Rent is always going up downtown," Library Director Anne Turner said. "It's far better that we get in space either we own or the city owns."

The Water Department, with about 30 employees, needs additional space to house its growing staff. Three new workers will be hired in the next year to help implement the department's long-term capital improvement program, including a proposed \$40 million desalination plant, reconstruction of the Bay Street reservoir and upgrading both water treatment plants.

The Water Department will pay rent to the city with rates paid by its 25,000 customers, which is the same deal it has now for its portion of the City Hall annex. The city has hired space planner Eric Schmidt to help decide how the space vacated by the Water Department at the annex should be used. It's likely the purchasing and finance departments, both tight on space, will be included in the space reconfiguration, Bernal said.

The City Council is expected to approve a budget adjustment of \$30,000 at its meeting Tuesday for Schmidt's planning services.

A competitive sale of the bonds to purchase and upgrade the former high school will take place Dec. 4. The closing date is Dec. 19 and city officials say they take the lowest cost bid.

The Water Department and library are expected to move next summer into the building city leaders plan to call the Union Locust Building.

The city owns dozens of buildings in the heart of Santa Cruz, including City Hall, the Redevelopment Agency office, the Parks and Recreation office on Church Street and Police Department on Center Street.

Contact Shanna McCord at smccord@santacruzsentinel.com.