

OPERATING BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:

3/8/12

CONTACT DEPARTMENT(S):

Library

FUND(S):

General Fund

SUBJECT: Approve an ordinance waiving up to \$11,010 in Library Department photo/digital scan reproduction and publication fees for Arcadia Press, Inc., in exchange for agreements by Arcadia to pay the City of Austin royalty payments for use of certain Austin History Center historical photos in three books to be published by Arcadia.

CURRENT YEAR IMPACT:

Unrealized Revenue (Library):

\$5,505	Digital Image Fee
\$5,505	Publication/Display Book Fee (1-5,000 copies)
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\$11,010	Total Unrealized Revenue

ANALYSIS / ADDITIONAL INFORMATION: The total amount of fees waived for this item are estimated at \$11,010, with a maximum amount of fee waivers set at \$11,010. Though the waiver of these fees reduces potential revenues in FY 2012, the Austin History Center will receive over the life of the publications a royalty payment ranging from 2% to 4% directly from Arcadia Press.

Over a five year period, the Austin History Center expects to receive no less than \$6,500 (based on each publication having low to average sales figures based on the average sales of Arcadia titles). The estimated royalties for FY 2013-2016 are conservative estimates to reflect what the department expects to receive each year as part of this agreement. Arcadia Press keeps its titles in print for at least five years, and sales figures average 2,500 to 10,000 for each title. If these agreements are not approved, the books will not be published and the Austin History Center will not receive any fee revenue from these projects.