

**Growing Minds and Strengthening Communities:  
An Economic Valuation Study of the Anchorage Public Library**

Summer, 2008

Anchorage Public Library  
University of Alaska Anchorage's Institute of Social and Economic Research

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## **I. Introduction:**

As one of the oldest educational and research institutions in the community, the Anchorage Public Library has been an important resource for enriching the daily lives and empowering the future of the people of Anchorage for many generations. While it has long been recognized that the Anchorage Public Library is an important part of the community, this study is the first to provide an economic valuation for the many benefits offered by APL.

This report was commissioned by the Anchorage Public Library to determine the benefits of the library, and where possible, assign a dollar value to those benefits. The report proves that not only is APL still an irreplaceable resource for education and research, it contributes many substantial benefits that are not replicated anywhere else in the community. The report found that the Anchorage Public Library:

- ***Strengthens communities***- libraries are community hubs that bring neighbors together, increase community pride, and improve the quality of life of residents.
- ***Fosters economic growth***- APL helps job-seekers prepare for and apply for jobs, helps small businesses conduct research and attracts new business development through an improved quality of life in neighborhoods.
- ***Serves as a center for humanities***- APL programs celebrate the different cultures of Anchorage, offer continuing educational opportunities, and provide an outlet for creativity.
- ***Increases literacy and knowledge*** levels among our youth- some of the most frequent visitors to APL are children who attend reading programs and teens who visit to do homework and check-out materials. APL provides the resources to give our young people the tools they need to succeed in life.

In addition to the qualitative benefits, calculations by University of Alaska Anchorage's Institute for Social and Economic Research reveal that APL contributes between \$10,797,426.00 to \$18,679,410.00 in benefits to the community each year. That means that for every \$1 in municipal operating support, the library gives back between \$1.42 and \$2.46 in benefits. This amounts to \$105.57 to \$182.64 a year for each household in Anchorage, Eagle River-Chugiak and Girdwood.

Across the country, economic valuations are being used as a reliable method for calculating the benefits of public libraries. One of the most comprehensive studies to date is a 2007 study of the San Francisco Public Library, by Seattle's Berk and Associates, which served as the inspiration for this report. For the APL report, the Institute of Social and Economic Research's Kelcie Ralph studied baseline data from library valuations across the country and re-calculated values based on Anchorage's economy and available resources to determine the financial benefits of the Anchorage Public Library. APL published an addendum to the original report, which added updated values for volunteer output and reference services.

## **II. Qualitative Study:**

### *Anchorage Public Library- Institutional Fact Summary*

**History:** Anchorage Public Library was established in 1917, shortly after the founding of Anchorage. The Library was operated and funded by private citizens until 1936 when it moved into City Hall. In 1945 the library moved into a temporary building, where it remained until a stand-alone library was opened in 1955. The library was largely built through a private philanthropic foundation founded by Zachary Joshua Loussac. In the 1960s and 70s several libraries opened in outlying areas and were aligned as the Anchorage Municipal Libraries when the city and borough merged in 1975. In 2007, the system became the Anchorage Public Library, consisting of the Z.J. Loussac Central Library and five branches.

**Governance and Administration:** APL falls under the Office of Economic and Community Development within the Municipality of Anchorage and is managed by the Library Director.

**Mission:** APL's mission is to *provide the people of our diverse community with resources to enrich their daily lives and empower their futures, while preserving the past for generations to come.*

**Physical Facilities:** APL consists of one central library and five branch libraries that span from the Chugiak-Eagle River branch, located 15 miles north of downtown Anchorage, to the Gerrish-Girdwood branch, located 40 miles south of the city. The branch facilities range between 1,500 and 15,000 square-feet. The Z.J.Loussac Public Library is a 140,000 square foot facility.

**Board of Trustees:** Nine members serve with staggering two-year terms. Members are appointed by the Mayor and can serve up to two terms.

**Collection:** APL has the largest humanities collection among public libraries in the state. Thirty-one percent (31%) of the holdings are in the humanities, including: History/Biography – 47,350, Literature – 30,800, Language/Linguistics – 46,700, Religion – 8,050, Philosophy – 2,100, Fiction 214,245. APL also holds subscriptions to over 1,550 periodicals, with thousands more available through 45 online databases.

**Staffing:** 100 full and part-time staff, including 25 professional librarians and a development director. Seventy percent of the staff work in the humanities. In addition, APL works with approximately 400 volunteers to assist with library operations, programming and events.

### **Programming:**

APL hosts programs that bring in more than 33,000 patrons a year. APL's youth services programs include twice-a-week story time sessions for infants, toddlers and older children, and special events throughout the year. More than 80 percent of adult programming involves the humanities, with the highlight being our NEA Big Read program. All APL programs are free to participants and attract a diverse cross-section of Anchorage residents by ethnicity and age. New partnerships with community and ethnic groups have helped to expand the number and diversity of participants. APL invites comments from participants to help evaluate all of its programming.

### *Anchorage Public Library- History*

Anchorage has always had a strong tie to its libraries, and its people are avid readers and supporters of the humanities. The first public library in Anchorage opened in 1917, shortly after Anchorage became a city. It was located in the All Saints Episcopal Church, located in what is now downtown Anchorage. The library was staffed by volunteers from the Anchorage Women's Club and funded through donations gathered at local businesses. The hours were erratic and collection sparse. In 1922, a group of citizens formed the Anchorage Public Library Association. The Association secured free library space in the back of a hardware store and fundraising began in earnest for collection development. The Anchorage Public Library opened in December 1922 with 820 books on the shelves and an average circulation of 50 books per day, a significant number for a town of around 2,000 residents.

In 1936 Anchorage finally built a City Hall and the library was assigned space on the top floor, next to the Mayor, City Council, police chief and three jail cells. In 1955 the first Z.J Loussac Public Library opened in downtown Anchorage. The new Loussac Library was the result of Anchorage's first private, philanthropic foundation created by three-term Anchorage mayor and businessman Zachary Joshua Loussac. The opening ceremony of the Loussac Library was hailed as "a significant milestone in the modern development of Alaska" by the *Anchorage Daily News*.

At the same time, the Alaska Collection got its start with the donation of pioneer banker Warren Cuddy's collection. Smaller libraries started in outlying areas in 1960s and a bookmobile was started in 1971. The Anchorage borough and city became a unified municipality in 1975 and the smaller libraries were merged into the Anchorage Municipal Libraries. By 1979 the Loussac Library was crowded beyond comprehension and a group of dedicated citizens organized a capital campaign to build a new Loussac Library. The new library, part of Anchorage's "Project '80s" construction boom opened in midtown Anchorage in 1986. The new Z. J. Loussac Central Library covered 140,000 square feet, spread over four levels. The Alaska Collection got its own 3-story wing.

Unfortunately, the reality of Anchorage's economic recession hit home in the late 1980s. Five branch libraries were closed and funding for library maintenance was scaled down dramatically. The concentration of the library system added an additional strain to the Loussac Central Library. That, coupled with the funding cuts, has left the library with a considerable backlog of maintenance and upkeep.

#### *Anchorage Libraries Today:*

The vision of Anchorage's early pioneers has expanded far beyond anything they could have imagined. The tiny subscription library has become Alaska's largest free public library that is a critical asset to Anchorage, and Alaska, residents and visitors alike. Today, APL serves over 850,000 people a year. More than 150,000 Anchorage residents have library cards, more than 33,000 children and adults participated in library programs last year, there are over 700,000 items in the collection and circulation is over 1.5 million. Library services are delivered to the public through a central library and five branches staffed by 100 employees and overseen by a nine-member Library Advisory Board. The five branches span across Anchorage, from the

Chugiak-Eagle River branch located 15 miles north of downtown Anchorage to the Gerrish-Girdwood branch located 40 miles south of the city.

### *Anchorage Public Library- Anchorage Library Renewal Initiative*

In July 2006, Mayor Mark Begich established the Anchorage Library Renewal Task Force to help revitalize Anchorage Public Library. The Task Force is charged with looking at the operations, profile, and facilities of APL. Its nine members represent APL staff, Friends of the Library, Anchorage Library Foundation, the Alaska State Library, and the Library Advisory Board.

When creating the Task Force, the Mayor wanted the group to “look at how our facilities, technology, and library programs need to be improved to provide 21st century library service and inspire lifelong learning for all sectors of our community.” Through the Renewal Initiative, Mayor Begich wants to build on the great asset the libraries currently play in the Anchorage community, ensuring that the libraries reflect the growing diversity of Anchorage and help meet future challenges of the city.

The Renewal Initiative has three key goals: 1) to create 21<sup>st</sup> century facilities that reflect Anchorage’s neighborhoods and diversity, 2) to enhance the profile of Anchorage libraries, to draw more residents to the APL collections and programming, and 3) to improve library operations to better serve Anchorage, and Alaska, residents.

### *Anchorage Public Library- Special Collections*

In addition to its general holdings, APL also has developed several special collections to serve the residents of Anchorage. Notable collections include:

- Alaska Collection: The Alaska Collection got its start with the donation of pioneer banker Warren Cuddy’s books to the library in 1950. Since then, APL has built the Alaska Collection to more than 30,000 items including books on Alaska and the North, rare books, maps and manuscripts, Alaskan newspapers on microfilm dating back to 1885, periodicals, newsletters, local, state, and federal documents, maps and nautical charts, and movies. Highlights of the collection include Anchorage high school yearbooks back to 1917, the original Anchorage City Council minutes dating from 1920, and an extensive collection of illustrated books on Alaska Native art.
- World Languages Collection: the APL World Languages Collection includes over 3,000 books in 17 languages with the emphasis on Russian and Spanish language items for both adults and children. The World Language Collection contains classic literature, contemporary popular reading and translated English best-sellers, as well as materials on life skills, history and culture.
- Genealogy Collection: Over 2,200 books, magazines, newsletters, and microfilm of family and local histories available for genealogists and historians.

- Martin Luther King Jr Collection: the Martin Luther King Jr Collection houses about 500 books relating to social change in the 20<sup>th</sup> century and the people, events, and movements which brought it about. Emphasis is on the pursuit of social justice through non-violence with the aim to increase understanding of the forces which have shaped our past and present, and thereby provide a foundation for positive social change, which was the dream of Martin Luther King, Jr.
- Online Collections: APL cardholders have access to over forty online research databases to look up information on everything from health care to book recommendations. Popular sites include Consumer Health Complete, Morningstar investment guide, CollegeSource catalogs and profiles, Motor auto repair manuals and Price It! Antiques and Collectables.

### *Anchorage Public Library- Program Highlights*

APL offers a number of programs to promote discussion and education on the humanities. More than 33,000 children and adults participated in library programs last year. Below is a description of some of the highlights of the programs recently conducted by APL.

- The Big Read: APL has participated in the National Endowment for the Arts program, the Big Read for the past two years and is the only Big Read participant in the nation that operates a statewide program. The 2007 program distributed thousands of copies of Ray Bradbury's *Fahrenheit 451* in book group discussion kits to over twenty public schools and communities from Hydaburg to Point Hope. APL also sponsored programs in Nome and Juneau and engaged the services of professionals around the state. The 2008 program focused on Harper Lee's *To Kill a Mockingbird* and reached over 40 communities, with book discussions, book readings, a court scene reenactment and partnerships with relevant programs at the Anchorage Concert Association and Alaska State Court Law Library.
- APL's Youth Programming is top-notch and is known for its creative approaches to introducing children to the humanities experience. The *Read It* story packets (used in rural communities for children's programs) and our newly launched *Ready to Read Resource Center* distribute books and other learning materials to child care centers, libraries and parents throughout the state to promote early literacy to children from birth to three years. Youth services also host story times for young children throughout the week and special events for older children and teens like the *Harry and the Potters* concert and Global Youth Services Day.
- We the People: APL partnered with local diversity groups to sponsor a series of book and panel discussions on "becoming American." Discussions were held at Loussac and all the branch libraries. APL also held a reading incentive component and created book displays featuring books around the theme "Becoming American."
- Live @ the Library: Live @ the Library is held every week during the summer and brings musicians from diverse cultural backgrounds to perform.

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- Hispanic Film Night: Hispanic Film Night was held for the first time in 2006 with great success. It brought Anchorage residents from various backgrounds together to celebrate Hispanic Heritage Month.
- UAA/ADN Creative Writing Competition 25<sup>th</sup> Anniversary Celebration: this special event recognized some of the best writers in our state and also aspiring writers.
- Authors Fair: APL partnered with UAA Consortium Library and Northwest Publishing for this event which featured 43 authors last year. This was the first such event ever held at the library.
- Genealogy Sessions: On a weekly basis Anchorage Genealogical Society volunteers assist participants researching their family heritage.
- Lunch and Learn & Brown Bag Opera: in partnership with the Anchorage Symphony and the Anchorage Opera, APL sponsors events that bring in featured musicians from the Anchorage Symphony and Anchorage Opera for lunchtime discussions.
- Reading Rendezvous: Reading Rendezvous launches the summer adult and youth reading programs each year. A partnership with Alaska Center for the Book, this one-day fair draws thousands of Anchorage residents and library patrons. It brings together community groups working to increase literacy within the Municipality.

*Anchorage Public Library- Testimonials from interviews and internal surveys*

“Very interested in story-packets. Love Bilingual CDs/Cassette book sets! We think you guys do a great job.”

*- Response to Loussac Library Children’s Programs Survey, Spring 2008*

“We love coming to the library for lapsit and mother goose programs. The librarians do an incredible job and make it fun. It seems like more and more families are coming too which makes it more fun! However, too bad we can’t have a bigger “room” for lapsit/mother goose. It does become crowded but that’s a testament to how popular it is and is becoming.”

*- Response to Loussac Library Children’s Programs Survey, Spring 2008*

“As a child growing up in a rural Kentucky town (population 6,600), I was always looking for an escape from boredom. The first day I pedaled my bike up to the front doors of our modest public library, my world changed. Inside this cool retreat from the midday sun (I actually went in just to use the water fountain!), I found two wonderful librarians who were so helpful and caring, eager to show new books to me. From then on, I devoured entire sections on art, history and science fiction - I can still vividly recall curling up with a book in a chair beside the library’s front window and feeling utterly transported beyond the borders of my dusty little town. I truly believe the impact my public library had on me led me to go beyond college and on to law school (the first of my family to go to graduate school). Certainly I’m not alone in owing a big debt of gratitude to our terrific public library system.”

*-LB Gregory, Anchorage Library Foundation Trustee*

“Currently I am writing two books on my families' histories; so, your genealogy software and books on hand are immensely useful. The computer labs are great for research as well as a quick check on my emails. The Samson-Diamond Branch Library personnel are most helpful and pleasantly courteous. The upfront and handy display of new releases in fiction and nonfiction serve me well. I wish additional funding could be secured so that open hours for the public could be extended with sufficient staff - - this also means additional days at the branches.”

*-Bill Holden, Samson-Diamond Branch Patron*

“I have used and loved libraries my entire life. My mother used to take us regularly and I followed her lead when my children came along. My first job, age 12, was re-shelving the returned books at my school library. Today's libraries are more than shelves and stacks...they are the heart of our community.”

*-Debbie Ossiander, Anchorage Assembly Member and Chugiak-Eagle River Patron*

“As a home school mother we use the library as our main resource for research, literature, and entertainment. Staff at the Gerrish Branch library is always eager to help with selecting, referring, and finding materials that I am searching for. It's one of my favorite places in Girdwood.”

*-Amy Stone and family, Gerrish-Girdwood Branch Patrons*

“I cannot imagine life without having access to libraries. Lots of knowledge and entertainment in one always-exciting place.”

*-Larry Teague, Chugiak- Eagle River Patron*

“Anchorage's public libraries are important because they are a window and door to the past, present and future, to what the world, nation, state, community, family and we ourselves as individuals have been, are, and can become. Without public libraries, the quality of our lives would be seriously diminished.

*-Sallie and Norman Hogg, Muldoon Branch Patrons*

“I want vibrant libraries that are the heart of our community - libraries that bring people together, give people the power of information, connect them to their government, and nurture the minds and creativity of our youth.”

*- Mayor Mark Begich*

### *American Library Association, 2008 State of America's Libraries Report*

View the Full Report at:

<http://www.ala.org/ala/pio/presscentera/piopresskits/2008statereport/2008statehome.cfm>

“Millions of Americans rely on their public library to find jobs, further their education, learn English, get e-government information, and more. Our nation must continue to support public libraries and ensure they are able to provide information and opportunities for all people.”

- Allan Golston, president of the Bill & Melinda Gates Foundation's U.S. Program, September 12, 2007, American Library Association press release.

**From the Executive Summary:**

New studies provide solid evidence that the nation's public libraries are engines of economic growth, contributing to local development through programming in early literacy, employment services and small-business development. Other studies show that libraries provide an excellent return on investment, have a measurable positive impact on the local economy and contribute to the stability, safety and quality of life of their neighborhoods.

- American Library Association's 2008 *State of America's Libraries Report*

**From the Public Library Section:**

**Youth use school and public libraries regularly, study shows**

More than 90 percent of youth age 8-18 nationwide have both a public library and a school library in their community, and 78 percent of them have a library card. (Girls age 10-15 are the head of the class in this regard — more than 80 percent have a card.) Regionally, youngsters who live in the East are more likely to have a library card than those who live in the South (82 percent vs. 73 percent), according to a Harris Youth Poll survey conducted in June 2007. The study was conducted by the Young Adult Library Services Association, an ALA division, and underwritten by the ALA Office for Research & Statistics.

Nor do the cards go unused. More than 80 percent of youth age 8-18 say they have been to the library in the past year, and 18 percent say they have been more than 20 times. Visits were about evenly divided between the public library or its Web site and the school library or its Web site. Among youth who visited a public library, 57 percent did so at least monthly. School libraries were used more often: 78 percent of the youth interviewed said they visited at least monthly.

<b>Frequency of library visits by youth 8-18 years old</b>	<b>Public library</b>	<b>School library</b>
More than once a day	1%	2%
Daily	1%	7%
A couple of times a week	14%	31%
A couple of times a month	28%	29%
Once a month	12%	9%
A few times a year	32%	14%
Once a year or not sure	10%	7%

And why do they visit? Borrowing books for both personal and school assignments are the top two reasons. More than three-fourths (78 percent) visit public libraries for personal use and two-thirds for school assignments; with school libraries, the proportions are reversed, with three-fourths visiting in connection with school assignments and three in five for personal use.

<b>How youth 8-18 use the library</b>	<b>Public library</b>	<b>School library</b>
To borrow books and other materials for my own personal use	78%	60%
To borrow books and other materials for school assignments	67%	75%
To read books there	34%	38%
To use the library Web site for information and research	34%	46%
To study there	26%	42%
To use the library computers for fun	25%	26%
For events (e.g., a poetry slam, open mic night, book club, writers' works)	20%	17%
To hang out with friends	18%	21%
Other	12%	9%

### *The Heyns Study on Children's Summer Reading*

**The Heyns Study:** In her **definitive and classic** study, "*Summer Learning and the Effects of Schooling*" (Academic Press, 1978), Barbara Heyns followed sixth and seventh graders in the Atlanta public schools through two school years and the intervening summer. Among the findings of her research:

- The number of books read during the summer is consistently related to academic gains.
- Children in every income group who read six or more books over the summer gained more in reading achievement than children who did not.
- The use of the public library during the summer is more predictive of vocabulary gains than attending summer school is.
- The major factors determining whether a child read over that summer were: 1) whether the child used the public library; 2) the child's sex (girls read more than boys but also watched more TV); 3) socioeconomic status; and 4) the distance from home to a library.
- "More than any other public institution, including the schools, the public library contributed to the intellectual growth of children during the summer. Moreover, unlike summer school programs, the library was used by over half the sample and attracted children from diverse backgrounds." (p.77)

Summary from: <http://statelibrary.dcr.state.nc.us/ld/youth/case.htm>

### **III. Quantitative Study:**

#### **Anchorage Public Library Addendum to: A Benefit Study of the Anchorage Public Library**

**May 5, 2008**

#### *Volunteer Hours*

*Estimated Annual Value: \$158,221.00*

Volunteer hours for 2007 were reported after the completion of this report, and therefore were not included in the original findings. The hourly value of volunteers varies by the education and skill level of the volunteer and the type of tasks completed. However, APL does not track volunteer hours by duty, so the value of volunteers was calculated using the 2007 value of a volunteer hour of \$19.51, provided by the Independent Sector, a coalition of non-profit organizations which has tracked the value of volunteers since 1980. The Anchorage Public Library would be limited in its ability to offer services and programs without this significant support from volunteers. From sorting through book donations and assisting with programs and special events, volunteers are a critical piece of library operations.

In 2007, Anchorage Public Library volunteers completed 8,109.74 hours of service, adding an additional \$158,221.00 value to library services and programs.

#### *Revised Reference Services*

*Estimated Annual Value: \$974,000.00 to \$2,922,000.00*

For the purpose of the report, Growing Minds and Strengthening Communities, APL wanted to calculate the value of benefits for 2007. The original ISER report used an average of three years to calculate the reference service value, so this addendum includes only the 2007 figures.

Additionally, APL internal calculations found that 15 is a more accurate measure for the high end of minutes per question.

Market value of these services was determined from the hourly price for similar services offered by “information brokers.” These individuals are very similar to reference librarians in that they offer assistance in locating and collecting data and information. The national average hourly price of these services is \$100, but for the purposes of this study a more conservative figure of \$60 per hour was used. This translates into a value of \$1.00 per minute.

#### **Estimated Value of Reference Services**

Year	Number of Reference Questions	Minutes per Question (Low)	Total Minutes (Low)	Total Value (Low)	Minutes per Question (High)	Total Minutes (High)	Total Value (High)
2007	194,800	5	974,000	\$974,000.00	15	2,922,000	\$2,922,000.00

***Revised Conclusion with Reference Service and Volunteer Hour Revisions Included***

The Estimated Annual Value of Benefits of the Anchorage Public Library is **\$10,797,426.00 to 18,679,410.00\***

**Estimated Annual Benefits**

Category	Subtotals (Low)	Subtotals (High)
Circulation	\$8,238,721.00	\$13,495,513.50
Room Rentals	\$249,650.00	\$361,300.00
Database Downloads	\$492,325.00	\$600,837.50
Adult Programs	\$24,600.00	\$49,200.00
Youth Programs	\$338,340.00	\$482,895.00
Reference Services*	\$974,000.00	\$2,922,000.00
Computer Usage	\$479,790.00	\$767,664.00
Volunteer hours*	\$158,221.00	\$158,221.00
<b>Totals*</b>	<b>\$10,797,426.00</b>	<b>\$18,679,410.00</b>

\* The original value given by ISER was 10,751,911.00 to \$17,614,380. APL revised these number to include volunteer hours (using the 2007 value of the volunteer hour calculated by Independent Sector, a coalition of non-profit organizations), the 2007 numbers for reference services and a value of 15 minutes per question for the high measure of reference services.

***Return on Investment***

***Estimated Annual Value of library services per \$1 of tax-payer support: \$1.42 to \$2.46***

Anchorage Population and Anchorage Public Library Cardholder Figures (using the most recent data available):

- Number of Anchorage residents as of 2006: 282,813 (Alaska Department of Labor, Demographic Unit)
- Number of households in Anchorage in 2005: 102,277 (U.S. Census)
- Number of APL cardholders in December 2007: 153,520 (APL statistics)

Library Operations Budget:

- 2007 APL operations budget: \$7,712,390
- Municipality of Anchorage (Tax-payer) contribution to 2007 APL operations budget: \$7,605,390
- Estimated annual value of APL benefits: \$10,797,426.00 (low) to \$18,679,410.00 (high)

Return on investment:

- For every local tax-payer dollar invested in the annual operations budget, the library gives back between \$1.42 and \$2.46.

The Anchorage Public Library provides a yearly value of:

- \$38.12 to \$66.04 per each Anchorage resident
- \$105.57 to \$182.64 per each Anchorage household
- \$70.33 to \$121.67 per each APL cardholder

## **A Benefit Study of the Anchorage Public Library**

April 21, 2008

Kelcie Ralph

Institute of Social and Economic Research

### ***Introduction***

The Public Library offers important services and benefits to the Anchorage community. It is possible to assign a dollar value to many of the benefits. Quantifiable values can be determined based on the library's direct services to the community. These direct services include the Circulation of Materials, Adult and Youth Programming, Room Rentals, Database Downloads and Reference Services. The library tracks usage data for all of these services. Furthermore, it is possible to determine market prices for comparable services by looking at local alternatives and national library studies.

### ***Conclusion***

The Estimated Annual Value of Benefits of the Anchorage Public Library is **\$10,751,911.00 to 17,614,380.00**

**Estimated Annual Benefits**

Category	Subtotals (Low)	Subtotals (High)
Circulation	\$8,238,721.00	\$13,495,513.50
Room Rentals	\$249,650.00	\$361,300.00
Database Downloads	\$492,325.00	\$600,837.50
Adult Programs	\$24,600.00	\$49,200.00
Youth Programs	\$338,340.00	\$482,895.00
Reference Services	\$928,485.00	\$1,856,970.00
Computer Usage	\$479,790.00	\$767,664.00
<b>Totals</b>	<b>\$10,751,911.00</b>	<b>\$17,614,380.00</b>

### ***Methodology***

This study followed the standard methodology for library valuation studies used nationwide. Direct services quantified in this study were identified based on the availability of usage data and on the defensibility of assigning market values for those services. Each service was assigned a high and low market value and that figure was multiplied by annual usage data to determine a total annual value. This general principle varies slightly by type of service. Therefore, a brief explanation of methodology accompanies each of the following tables.

### ***Services Not Included***

The actual benefit of the library is substantially higher when non-tangible and non-quantifiable services are included. The following services were not included in the study, but contribute significantly to the community.

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- Any indirect benefits of library programs or services. This includes the benefit of a more educated and informed citizenry, as well as the impact of local business from workplace and business services.
- The benefit of the library as a Third Place for citizens. Ray Oldenburg defines Third Places as “informal gathering places where people in a particular community or neighborhood meet to develop friendships, discuss issues, and interact with others.” These places are essential for developing social networks and fostering a sense of community.
- Any benefits from services not tracked by the library. Such services include use of reference materials including newspapers, magazines, encyclopedias and government documents, and access to local and national art exhibits on display in the library.

### *Circulation of Materials*

*Annual Value \$8,238,721.00 to \$13,495,513.50*

One of the largest benefits provided by the Anchorage Public Library comes from the circulation of library materials. The library circulates just over 100,000 materials annually in the form of books, DVDs and CDs.

The value of material circulation was calculated in one of two ways. For books and CDs, we determined the market price of a used copy of the item. This value is too high for the purposes of the study because a library patron does not own the item, they must return it after a brief period of use. The value, then, is lower than the market price. This is accounted for by discounting a portion of the value. For example, let's say a library patron checks out A Tale of Two Cities. The estimated value of the book is \$9.00, but the patron does not get the full \$9.00 benefit because he must return the book. We subtract 25% of the value so that the actual benefit is \$6.75. The amount of the discount is 25% for all books and is 50% for CDs. CDs have a higher discount rate because a patron would presumably continue to listen to a purchased CD longer than the library check out time.

The value of DVDs was determined by the market value of renting a DVD from a local DVD and Video Rental Store. There is no discount for this type of material because the market value already accounts for the limited use of the item.

The estimated value of each type of material was multiplied by annual circulation statistics to determine the total annual value.

The values in this section are conservative because they do not account for the actual knowledge gained by using library materials. A book on small business planning, for example, is valued the same as a novel. The business-planning book may provide important information for the library patron that may advance the person's career or contribute to the economic growth of Anchorage. These benefits are unquantifiable, but certainly exist.

This calculation does not include use of reference materials in the library. These materials cannot be checked out, making it difficult to estimate annual use. Reference materials include special collections, dictionaries, encyclopedias, newspapers, magazines, government documents, investment guides, stock reports, and business, industry and insurance directories and evaluations. The value of these materials, although not quantified in this study, is likely substantial.

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**Estimated Value of Circulation**

Circulation	Estimated Annual	Estimated Market Price (Low)	Discount Rate	Estimated Value (Low)	Total Annual Benefit (Low)	Estimated Market Price (High)	Discount Rate	Estimated Value (High)	Total Annual Benefit (High)
Adult Books	428569	\$ 10.00	25%	\$ 7.50	\$ 3,214,267.50	\$ 15.00	25%	\$ 11.25	\$ 4,821,401.25
Leased Books	81601	\$ 10.00	25%	\$ 7.50	\$ 612,007.50	\$ 15.00	25%	\$ 11.25	\$ 918,011.25
Juvenile Books	230674	\$ 10.00	25%	\$ 7.50	\$ 1,730,055.00	\$ 15.00	25%	\$ 11.25	\$ 2,595,082.50
Easy Books	214352	\$ 10.00	25%	\$ 7.50	\$ 1,607,640.00	\$ 15.00	25%	\$ 11.25	\$ 2,411,460.00
Film/Video	176417	\$ 1.00	0%	\$ 1.00	\$ 176,417.00	\$ 4.00	0%	\$ 4.00	\$ 705,668.00
DVD	259432	\$ 1.00	0%	\$ 1.00	\$ 259,432.00	\$ 4.00	0%	\$ 4.00	\$ 1,037,728.00
Leased DVD	15198	\$ 1.00	0%	\$ 1.00	\$ 15,198.00	\$ 4.00	0%	\$ 4.00	\$ 60,792.00
Audio Tape	18216	\$ 6.00	50%	\$ 3.00	\$ 54,648.00	\$ 10.00	50%	\$ 5.00	\$ 91,080.00
Audio CD	102977	\$ 10.00	50%	\$ 5.00	\$ 514,885.00	\$ 15.00	50%	\$ 7.50	\$ 772,327.50
Sheet Music	628	\$ 1.00	25%	\$ 0.75	\$ 471.00	\$ 3.00	25%	\$ 2.25	\$ 1,413.00
CD ROM	3069	\$ 30.00	50%	\$ 15.00	\$ 46,035.00	\$ 45.00	50%	\$ 22.50	\$ 69,052.50
Misc.	1022	\$ 10.00	25%	\$ 7.50	\$ 7,665.00	\$ 15.00	25%	\$ 11.25	\$ 11,497.50
<b>Total</b>	<b>1532155</b>				<b>\$8,238,721.00</b>				<b>\$13,495,513.50</b>

**Electronic Databases**

**Estimated Annual Value: \$492,325.00 to \$600,837.50**

Electronic Database services are an important value of the Library. The Anchorage Public Library offers access to numerous online databases covering a wide variety of topics. Library patrons can access these databases from home as well as from the library. Without access to these databases individuals must pay a fee to view journal articles. Database services allow library patrons to browse articles freely.

The value of Database services was determined by assigning a high and low value for each type of download. This figure was not difficult to determine because there is an explicit fee for downloading a journal article from most online journals. This value typically ranges from \$25.00 to \$30.00. These values were multiplied by the annual number of downloads to determine the Estimated Total Value.

**Estimated Value of Database Downloads**

Type	Total Number of Downloads	Estimated Value (Low)	Estimated Total Value (Low)	Estimated Value (High)	Estimated Total Value (High)
Total Full Text	18324	\$ 25.00	\$ 458,100.00	\$ 30.00	\$ 549,720.00
Image/Video	1374	\$ 10.00	\$ 13,740.00	\$ 15.00	\$ 20,610.00
Smart Link	440	\$ 2.00	\$ 880.00	\$ 2.50	\$ 1,100.00
Abstract	19605	\$ 1.00	\$ 19,605.00	\$ 1.50	\$ 29,407.50
<b>Total</b>	<b>39,743</b>		<b>\$ 492,325.00</b>		<b>\$ 600,837.50</b>

**Adult Programming**

**Estimated Annual Value: \$24,600.00 to \$49,200.00**

The Public Library offers a wide variety of Adult Programming. Programs are extremely valuable to patrons because they offer a chance to meet like-minded community members and learn something new. Some programs, such as the Genealogy and Investment Classes, are instructional. Others aim to broaden experiences and develop partnerships with community organizations, such as the Opera Brown Bag and Wildlife Wednesdays. In addition, the library offers traditional programming including Book Clubs, Adult Summer Reading Programs and Reading Rendezvous.

The value of programs was determined by assigning an estimated low and high market value for similar services. These figures were multiplied by annual attendance to determine the Total Estimated Value.

**Estimated Value of Adult Programming**

	Annual	Estimated	Total	Estimated	Total
Adult Programs	Attendance	Value (Low)	Estimated	Value (High)	Estimated
			Value (Low)	Value (High)	Value (High)
Catalog	0	\$10.00	\$0.00	\$20.00	\$0.00
Genealogy	73	\$10.00	\$730.00	\$20.00	\$1,460.00
Book club	93	\$10.00	\$930.00	\$20.00	\$1,860.00
Investment	10	\$10.00	\$100.00	\$20.00	\$200.00
Lunch & Learn	294	\$10.00	\$2,940.00	\$20.00	\$5,880.00
Opera Brown Bag	27	\$10.00	\$270.00	\$20.00	\$540.00
Holiday/Cultural	147	\$10.00	\$1,470.00	\$20.00	\$2,940.00
Group classes	0	\$10.00	\$0.00	\$20.00	\$0.00
Open houses/receptions	0	\$10.00	\$0.00	\$20.00	\$0.00
Wildlife Wednesdays	643	\$10.00	\$6,430.00	\$20.00	\$12,860.00
Adult Summer Reading/RR	246	\$10.00	\$2,460.00	\$20.00	\$4,920.00
Pioneer Home Outreach	174	\$10.00	\$1,740.00	\$20.00	\$3,480.00
The Big Read	668	\$10.00	\$6,680.00	\$20.00	\$13,360.00
Other	85	\$10.00	\$850.00	\$20.00	\$1,700.00
<b>Totals</b>	<b>2460</b>		<b>\$24,600.00</b>		<b>\$49,200.00</b>

**Youth Programming**

**Estimated Annual Value: \$338,340.00 to \$482,895.00**

Youth programming at the Library offers many unique services to local families. Programs include storytelling for various ages, school age and teen activities and Group Tours. These services are offered in several of the branch libraries so they are convenient for families.

The value of youth programs was determined using the same method as adult programming. Each program was assigned an estimated low and high market value for similar services. These figures were multiplied by annual attendance to determine the Total Estimated Value.

**Estimated Value of Youth Programming**

Youth Programs	Annual Attendance	Estimated Value (Low)	Total Estimated Value (Low)	Estimated Value (High)	Total Estimated Value (High)
Mother Goose	2026	\$10.00	\$20,260.00	\$15.00	\$30,390.00
Lapsit	9517	\$10.00	\$95,170.00	\$15.00	\$142,755.00
Preschool Storytime	7461	\$10.00	\$74,610.00	\$15.00	\$111,915.00
School-age Audience	2952	\$10.00	\$29,520.00	\$15.00	\$44,280.00
Teen Audience	208	\$10.00	\$2,080.00	\$15.00	\$3,120.00
Family Audience	3603	\$10.00	\$36,030.00	\$15.00	\$54,045.00
Group Tours	564	\$10.00	\$5,640.00	\$15.00	\$8,460.00
Reading Rendezvous	1500	\$10.00	\$15,000.00	\$15.00	\$22,500.00
Summer Reading Program	4923	\$10.00	\$49,230.00	\$10.00	\$49,230.00
The Big Read	208	\$10.00	\$2,080.00	\$15.00	\$3,120.00
Other	872	\$10.00	\$8,720.00	\$15.00	\$13,080.00
<b>Total</b>	<b>33834</b>		<b>\$338,340.00</b>		<b>\$482,895.00</b>

**Room Rentals**

**Estimated Annual Value: \$249,650.00 to \$361,300.00**

Community organizations and residents can utilize library conference rooms and theaters for private and public events. The Library offers four rooms for rent with capacities ranging between 50 and 232. Depending on the client, the rooms are either offered free of charge or for an hourly fee. The value of each type of rental had to be calculated separately.

When patrons pay to rent a room they are still receiving a discount in price compared to alternatives in town. To calculate the benefit, we determine the value of the discount and multiply that figure by the annual hourly use. For example, if a patron wanted to use the Wilda Martson Theater, they would pay \$65.00 for each hour. The market value of the room is \$100.00 so the patron is receiving a \$35.00 benefit.

**Estimated Value of Paid Room Rentals (Low)**

Room	Annual Hours Paid	Library Price	Market Value (Low)	Value of Library Discount (Low)	Value of Paid Rooms (Low)
Public Conference Room	1066	\$40.00	\$50.00	\$10.00	\$10,660.00
Wilda Marston Theatre	964	\$65.00	\$100.00	\$35.00	\$33,740.00
Assembly Chambers	210	\$65.00	\$100.00	\$35.00	\$7,350.00
Ann Stevens Room/ Galleria	17	\$100.00	\$100.00	\$0.00	\$0.00
<b>Total</b>					<b>\$51,750.00</b>

**Estimated Value of Paid Room Rentals (High)**

Room	Annual Hours Paid	Library Price	Market Value (High)	Value of Library Discount (High)	Value of Paid Rooms (High)
Public Conference Room	1066	\$40.00	\$75.00	\$35.00	\$37,310.00
Wilda Marston Theatre	964	\$65.00	\$125.00	\$60.00	\$57,840.00
Assembly Chambers	210	\$65.00	\$125.00	\$60.00	\$12,600.00
Ann Stevens Room/ Galleria	17	\$100.00	\$125.00	\$25.00	\$425.00
<b>Total</b>					<b>\$108,175.00</b>

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To determine the benefit for free rentals, we simply multiply the annual hours of use by the high and low estimated market value of similar rooms in Anchorage.

### Estimated Value of Free Room Rentals

Room	Annual Hours Free	Market Value (Low)	Value of Free Rooms (Low)	Market Value (High)	Value of Free Rooms (High)
Public Conference Room	460	\$50.00	\$23,000.00	\$75.00	\$34,500.00
Wilda Marston Theatre	484	\$100.00	\$48,400.00	\$125.00	\$60,500.00
Assembly Chambers	1247	\$100.00	\$124,700.00	\$125.00	\$155,875.00
Ann Stevens Room/ Galleria	18	\$100.00	\$1,800.00	\$125.00	\$2,250.00
<b>Total</b>			<b>\$197,900.00</b>		<b>\$253,125.00</b>

### Estimated Value of Room Rentals

Type of Rental	Subtotal (Low)	Subtotal (High)
Value of Free Rooms	\$197,900.00	\$253,125.00
Value of Paid Rooms	\$51,750.00	\$108,175.00
<b>Total</b>	<b>\$249,650.00</b>	<b>\$361,300.00</b>

**Reference Services**

**Estimated Annual Value: \$928,485.00 to \$1,856,970.00**

The library offers reference assistance to patrons through the reference stations. Reference librarians are highly qualified and are excellent at locating needed information for patrons. In addition, several reference librarians have expertise in their subject and are therefore an exceptional asset. The market value of these services was determined from the hourly price for similar services offered by “information brokers.” These individuals are very similar to reference librarians in that they offer assistance in locating and collecting data and information. The national average hourly price of these services is \$100, but for the purposes of this study a more conservative figure of \$60 per hour was used. This translates into a value of \$1.00 per minute.

The Library collects data on the number of questions fielded each year by reference librarians. High and low time estimates were assigned to determine the annual time spent answering reference questions. This figure was multiplied by the value per minute of reference services to determine the Estimated Annual Value.

**Estimated Value of Reference Services**

Year	Number of Reference Questions	Minutes per Question (Low)	Total		Minutes per Question		Total Value (High)
			Minutes (Low)	Total Value (Low)	(High)	Total Minutes (High)	
2005	180,877	5	904,385	\$904,385.00	10	1,808,770	\$1,808,770.00
2006	181,414	5	907,070	\$907,070.00	10	1,814,140	\$1,814,140.00
2007	194,800	5	974,000	\$974,000.00	10	1,948,000	\$1,948,000.00
<b>Average</b>	185,697		928,485	<b>\$928,485.00</b>		1,856,970	<b>\$1,856,970.00</b>

**Computer Use**

**Estimated Annual Value: \$479,790.00 to \$767,644.00**

The library offers free Internet and word processing services to library patrons. The library tracks annual use hours at library locations, but data was not available for the Samson-Diamond or Girdwood branches. The figures for those branches are likely similar to the Muldoon and Chugiak- Eagle River branches, but they are not included in the study. The data for Loussac is an average of the past three years.

The market price of computer usage was determined by the cost of using a computer at local Internet cafés. The price of an hour ranges from \$5.00 to \$8.00. This price was multiplied by annual use to determine the Estimated Annual Value.

**Estimated Value of Computer Usage at the Anchorage Public Library**

Branch	Total Annual Hours	Estimated Value	
		(Low)	(High)
Loussac	77216	\$5.00	\$8.00
Muldoon	8376	\$5.00	\$8.00
Chugiak	10366	\$5.00	\$8.00
<b>Total</b>	<b>95958</b>	<b>\$479,790.00</b>	<b>\$767,664.00</b>

2006/2007 Proposed General Government Operating Budget

**Office of Economic & Community Development --  
Library Division**

The Anchorage Municipal Libraries (AML) serves the informational and recreational reading needs of the public. AML manages collection holdings, administers online resources, offers programs for readers, manages the circulation of books and other media, and offers reference services.

<b>Cost Categories</b>	<b>2005 Revised</b>	<b>2006 Proposed</b>	<b>2007 Proposed</b>
Personal Services	\$ 5,276,520	\$ 5,682,900	\$ 6,184,780
Supplies	67,770	67,970	67,970
Other Services	1,130,940	1,287,670	1,199,480
Capital Outlay	306,900	153,160	153,160
<b>Total Direct Cost</b>	<b>\$ 6,782,130</b>	<b>\$ 7,191,700</b>	<b>\$ 7,605,390</b>

<b>Personnel Summary</b>	<b>FT</b>	<b>PT</b>	<b>T</b>	<b>FT</b>	<b>PT</b>	<b>T</b>	<b>FT</b>	<b>PT</b>	<b>T</b>
Administration	6	2	-	6	2	-	6	2	-
Branch Libraries	17	10	-	17	10	-	17	10	-
Library Adult Services	15	6	-	15	6	-	15	6	-
Library Youth Services	6	3	-	6	3	-	6	3	-
Library Circulation	12	14	-	12	14	-	12	14	-
Library Collection Management	9	1	-	9	1	-	9	1	-
Library Automation Support	2	-	-	2	-	-	2	-	-
<b>Division Total</b>	<b>67</b>	<b>36</b>	<b>-</b>	<b>67</b>	<b>36</b>	<b>-</b>	<b>67</b>	<b>36</b>	<b>-</b>

<b>Services/Program Components</b>	<b>2005 Revised</b>	<b>2006 Proposed</b>	<b>2007 Proposed</b>
<b>Administration</b> -- provides overall management of library system	\$ 644,220	\$ 666,200	\$ 706,700
<b>Branch Libraries</b> -- provides library materials and programs at branch libraries	1,465,120	1,534,280	1,648,770
<b>Library Adult Services</b> -- helps patrons use library resources	1,207,610	1,338,330	1,434,720
<b>Library Youth Services</b> -- provides reading programs for preschool and school age children	582,530	571,990	617,970
<b>Library Circulation</b> -- checks out and receives library materials from patrons	1,023,210	985,010	1,059,420
<b>Library Collection Management</b> -- acquires, catalogs and processes library materials	1,543,410	1,727,060	1,782,130
<b>Library Automation Support</b> -- operates and maintains the library's automated systems	316,030	368,830	355,680
<b>Division Total</b>	<b>\$ 6,782,130</b>	<b>\$ 7,191,700</b>	<b>\$ 7,605,390</b>

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