



# **Funding and Managing Libraries and Parks in Tough Times**

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**A Presentation to IMFG, Munk School of Global Affairs  
Shared Spaces: Funding and Managing Libraries  
and Parks in Tough Times**

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# Philadelphia

- 5<sup>th</sup> largest city in US\*
- Population: 1,526,006\*
  - Percent Change 2000-2010: .6%
- City employment structure
  - 2 Municipal Unions
  - Civil Service

\*according to 2010 US Census data



## Demographic Profile of Philadelphia

- Average Per capita income 2006-2010: **\$21,117**
- Persons below poverty level 2006-2010: **25.1%**
- **40%** of the homes in Philadelphia do not have access to the internet

## Demographic Profile of Philadelphia: Workforce Literacy

- Almost one-fifth of the city's working age population (between 197,000 and 205,000 residents) has below basic levels of literacy.
- Over 50% of working age Philadelphians (550,000) lack necessary workforce literacy skills, compared to 37% statewide, which means they struggle to follow written instructions or complete a form, such as a job application.
- 25% of Philadelphia's population has less than a high school diploma.
- By 2015, nearly 120,000 vacancies will be created in higher-level managerial and professional jobs in the city, while by 2030 there will be 600,000 Philadelphians lacking the skills to compete in the economy.
- The number of workforce illiterate adults in Philadelphia could fill Citizens Bank Park more than 12 times.



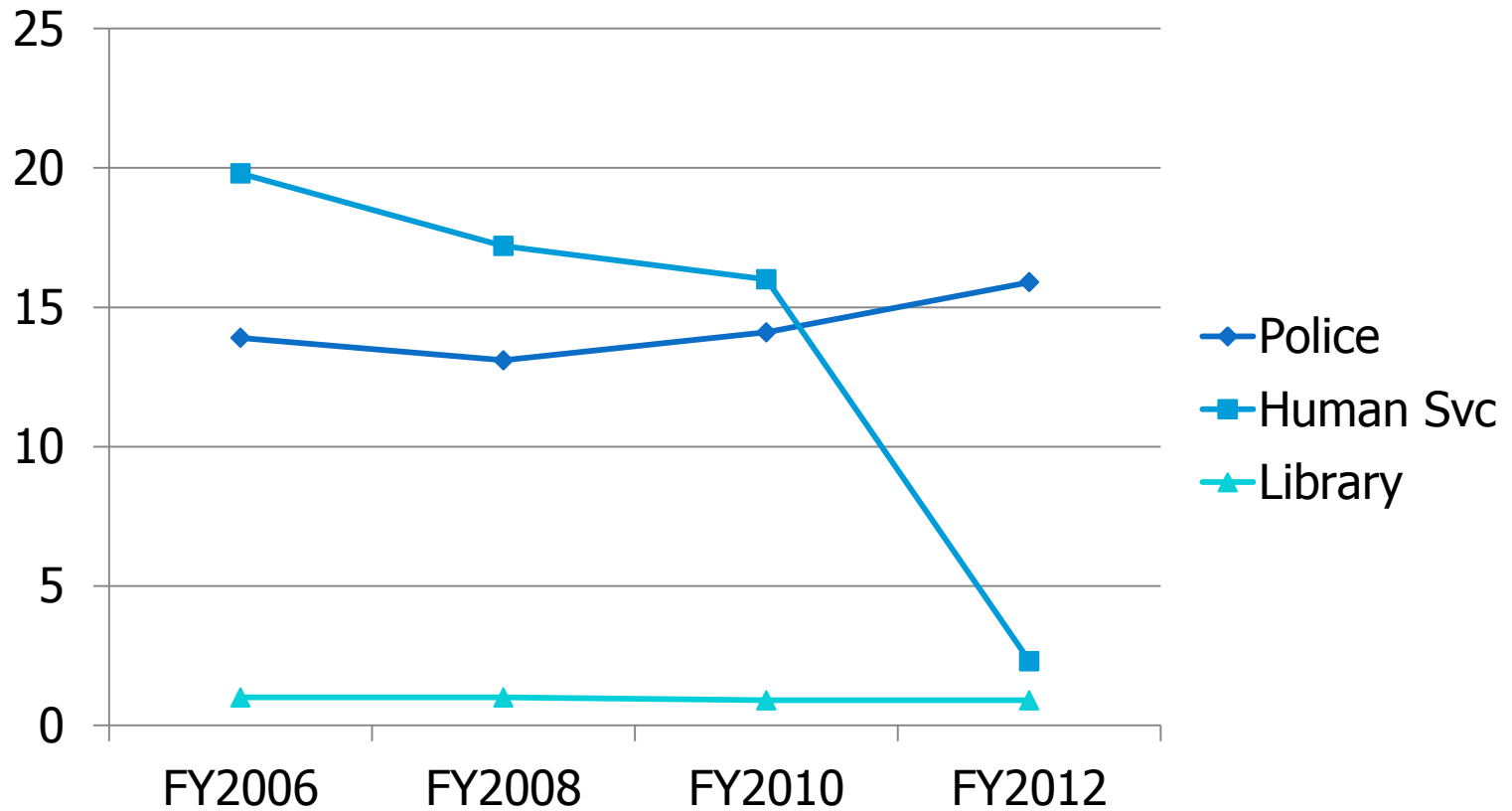
# The Free Library of Philadelphia

- 54 Physical Facilities
  - 685 Staff (General Fund); 40+ Foundation
  - 49 Neighborhood Branches
  - 3 Regional Libraries
  - Parkway Central Library
  - Library for the Blind and Physically Handicapped
  
- PLUS
  - 6 “Hot Spots”
  - Tech mobile (coming February 2012)

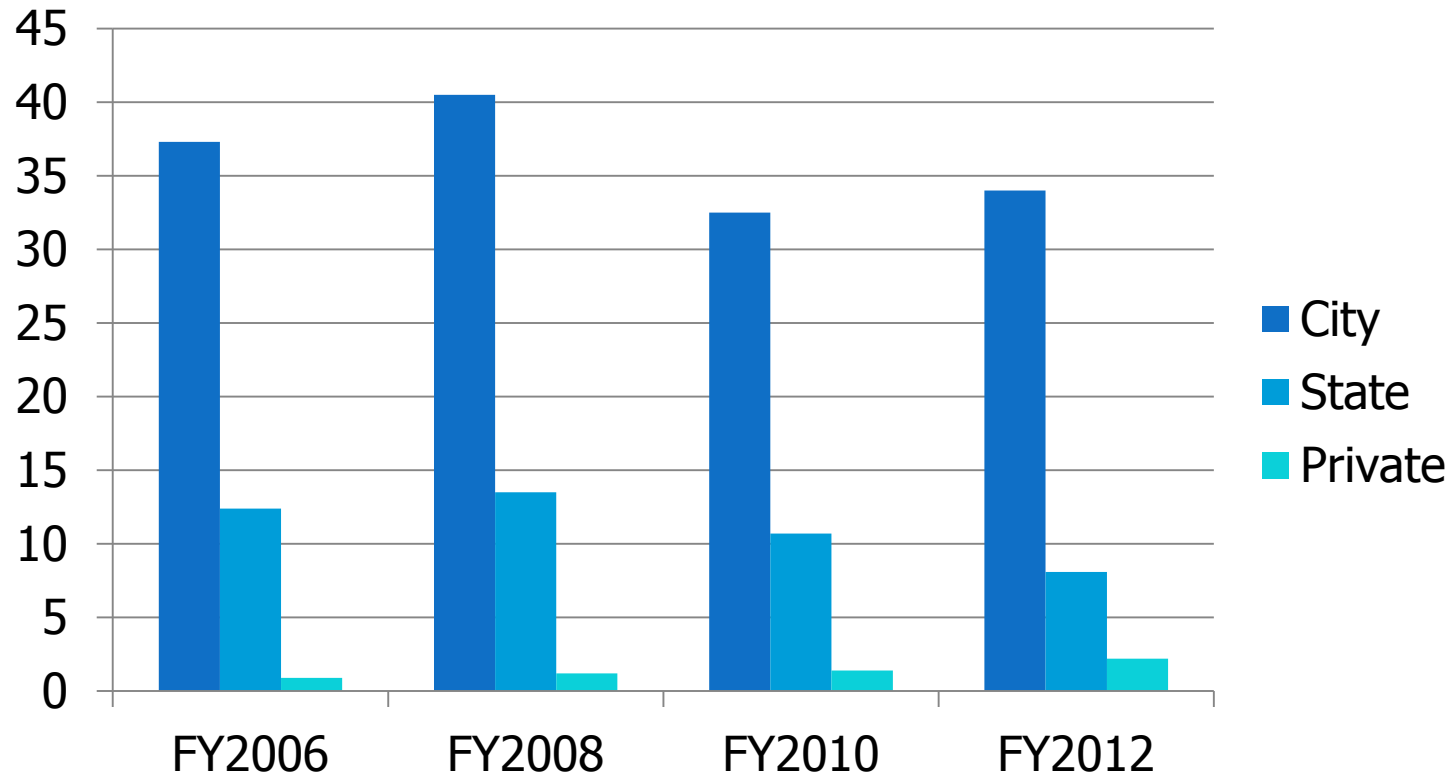
# The Free Library of Philadelphia: Governance

- Municipal Agency of the City of Philadelphia  
General Fund subsidy
- 22 Member Governing Board – Independent by City Charter (55% appointed by Mayor-45% Self-Sustaining)
- 40 Member Foundation Board (501c3)
- Funding:
  - City of Philadelphia 79.4%
  - Commonwealth of Pennsylvania 14.6%
  - Foundation Support 4.0%
  - Other (Fines, Fees etc.) 2.0%

# FLP % of Municipal Budget

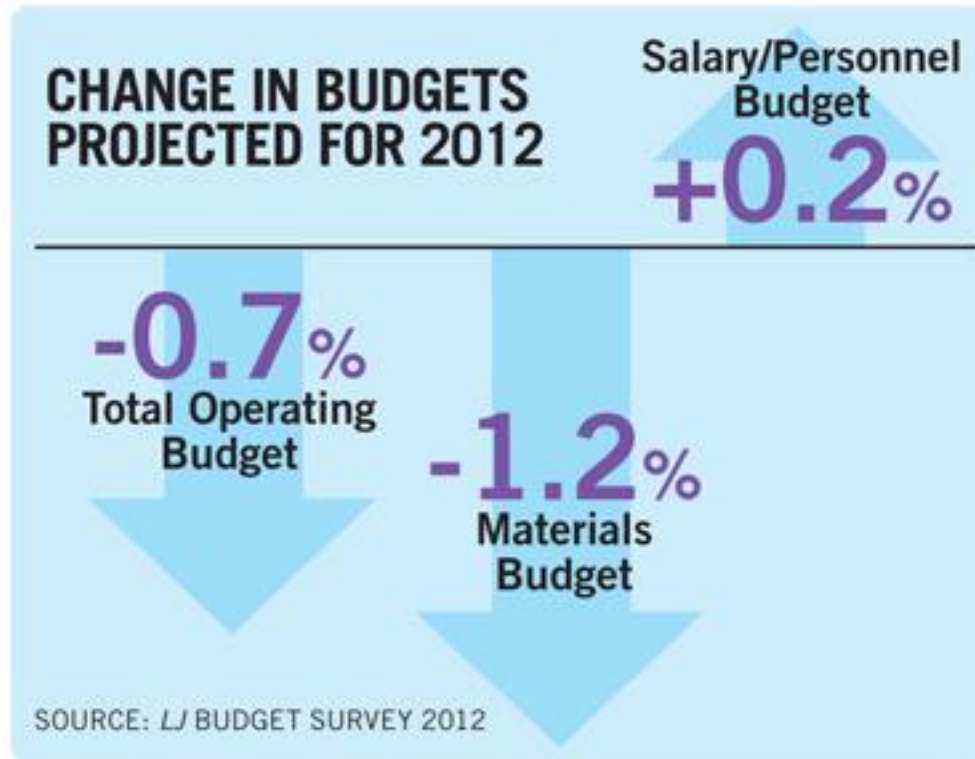


# FLP Funding 2006-2012



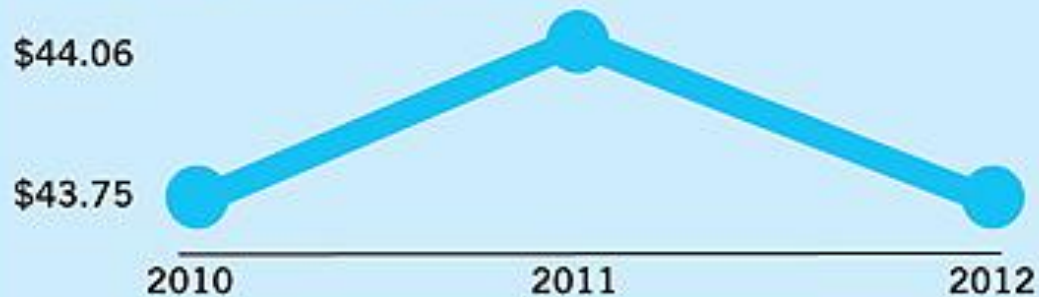


# Public Library Funding Challenges- Nationwide



# Public Library Funding Challenges – National Trends

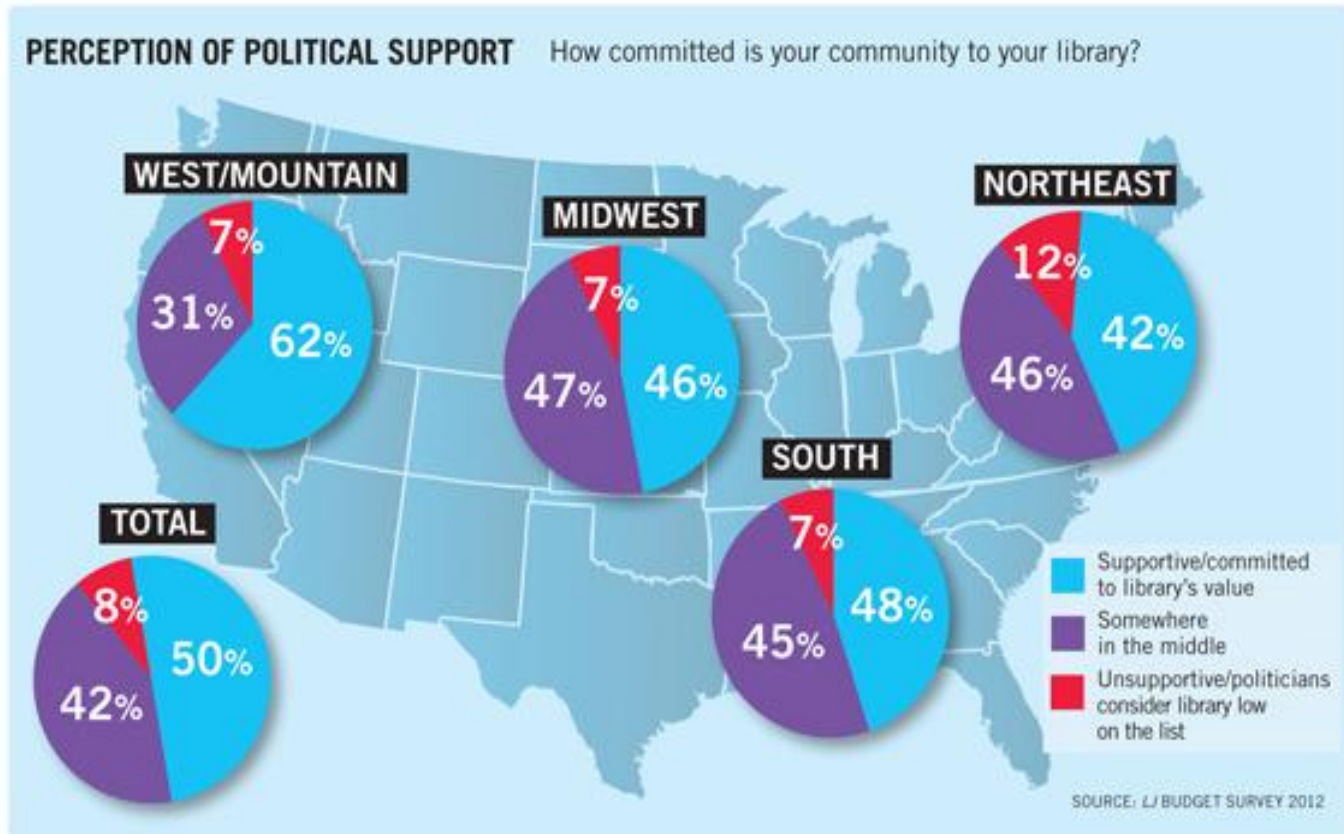
## PER CAPITA FUNDING



Per capita funding increased slightly from last year to this (+0.7%).  
A similar decrease (-0.7%) is expected for the next fiscal year,  
bringing per capita funding back to 2010 levels.

SOURCE: *LJ* BUDGET SURVEY 2012

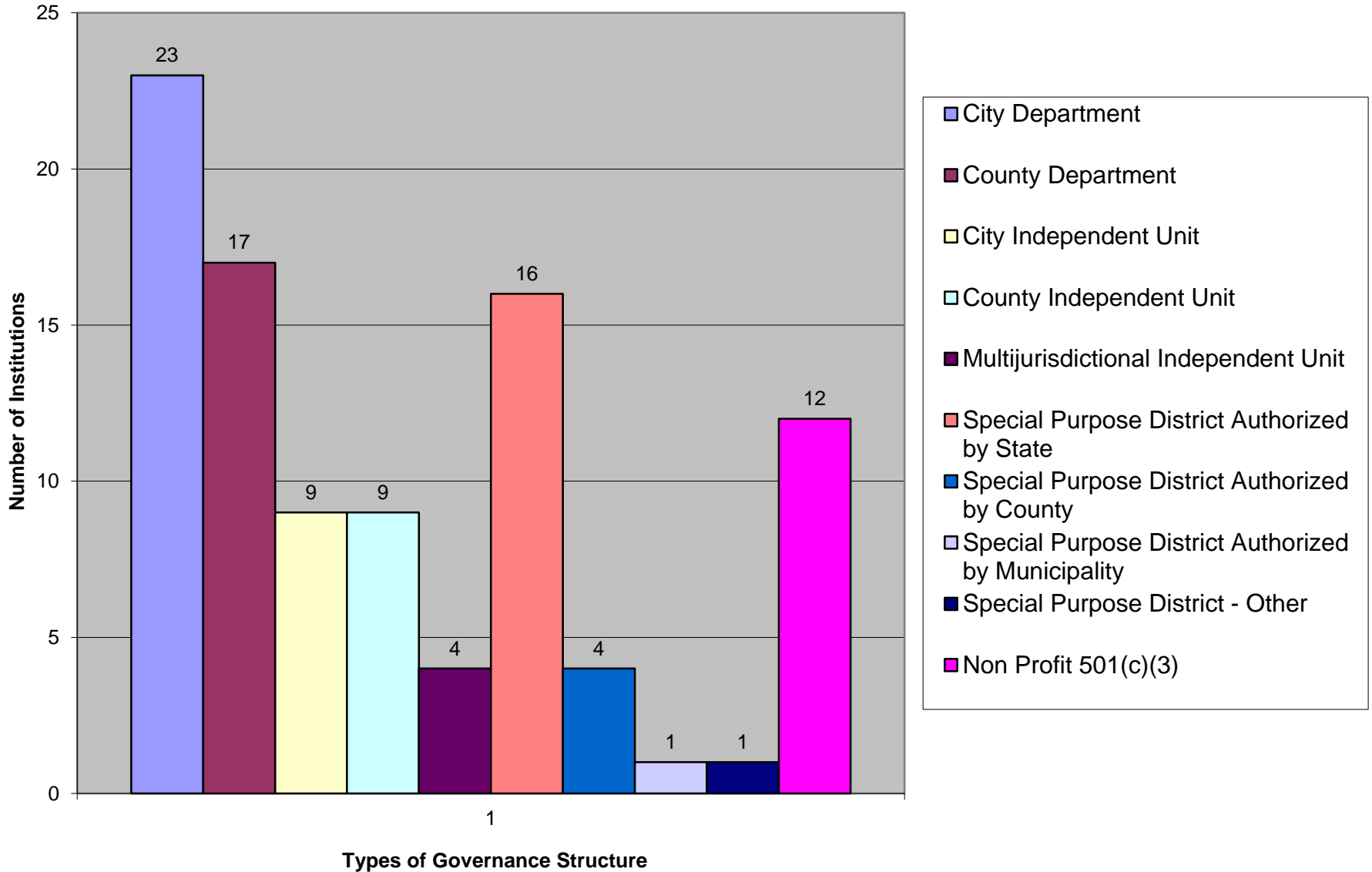
# Public Libraries & Community Support



## Funding Options - Pennsylvania

- Pennsylvania ranks very high in the dollar amount of state funding per capita, but this is offset by its ranking close to the bottom in the amount of local funding (\$15.25). The national average of local funding per capita is \$26.25.
- Some states allow for the formation of regional asset districts—special taxing districts whose purpose is to support and finance regional assets including libraries, museums, historical societies, parks, recreation, cultural, sports and civic facilities and programs. Allegheny County (PA) is such a district that funds various cultural institutions and programs with the proceeds of a 1% sales tax.

# Public Library Governance Structures



## Position Statement and Economic Impact Study

“The Free Library of Philadelphia will lead the City to economic recovery and ongoing prosperity ... and be recognized for it.”

Fels Institute of Government  
The Economic Value of the Free Library  
in Philadelphia

**What did it tell us?**

## Top-line Takeaways

- **Libraries prepare our workforce**, by teaching over **24,000 children and adults to read**.
- **Libraries connect people to jobs and careers**, serving as the vehicle for **979 Philadelphians finding jobs**, resulting in \$30 million in wages in one year and generating \$1.2 million annually in city wage tax.
- **Libraries grow businesses**, with **8,630 businesses** starting or improving because of help received at the Free Library.
- **Libraries enrich neighborhoods**, creating **\$698 million** in home values and generating \$18.5 million annually in property tax revenue for the city.

## Workforce Development

- **979 Philadelphians found jobs** directly as a result of the resources provided by the Library.
- 979 entry-level jobs translate into **\$30.4 million** in wages income in one year, generating **\$1.2 million** in wage tax revenue for the city



## Business Development

- **8,630 businesses started or grew** directly as a result of services provided by the Free Library
- The average annual salary of a small business employee in the three industry sectors most likely to be using the Library is \$18,524
- The average annual receipts of a small business in the three industry sectors most likely to be using the Library is \$32,809

## Home Values in Neighborhoods

- Libraries are responsible for **\$698 million in home values** in Philadelphia.
- Homes within 1/4 mile of a library are worth, on average, **\$9,630 more** than those further away. For homes within 1/4-1/2 mile, the additional value is only \$650.
- Proximity to a library produces home values that generate an additional **\$18.5 million in property taxes** to the City and School District each year. (Under a scenario of accurate and timely assessments, this is how much property tax revenue would be lost per year if all libraries were closed.)
- Groundbreaking work

## The Fels Study and the Free Library's Strategic Plan

- How did the Free Library use the Fels data to build a new strategic plan?
- What does the Library's landscape look like?
  - Use of technology
  - Economic times
  - Balance of fee-for-service vs. free

# Where We Started

In August 2010, The Free Library of Philadelphia embarked on a strategy development process that would provide them with a clear direction and innovative growth plan for the next five to ten years.

Starting with an outside in approach, we analyzed the external environment affecting the library system and developed diverse future scenarios public libraries may face. These scenarios enabled the FLP to build a robust, yet flexible strategic direction, that will weather the future and guide the Library to success.



**What is the future of public libraries?**

# Future of Public Libraries 2020

## Brand-New



Corporate Buyouts  
Save Libraries in a  
Recessionary  
Economy

## Community Refuge



Libraries Harbor  
Communities from  
Watchful Eye of Big  
Brother

## Wired, Wired World



Virtual Interaction  
Dominates and Hi-  
Tech Library Websites  
Replace Branches

## Techtopia



Thriving Economy and  
Booming Energy  
Industry Spur Hi-Tech,  
Innovative Libraries

# Strategy Path to Achieve Vision and Mission

Strategic Aspiration	Funding Mix	Customer Strategy	Physical vs. Virtual Focus	Emphasis on New Tech.	Type of Labor	Entrepreneurial Mindset	Community Engagement	Primary Audience	Board Structure	Geographic Scope
World-class / Tier 1 Institution	Only private	Pay for everything / Member fee	Only virtual	Focus on cutting edge lending	Specialized focus areas	Many experiments and pilots	Active partnerships – library driven	All things to all people	Two separate boards (status quo)	Philadelphia city-limits
Tier 2 (Top 10 player)	Primarily private with public supplement	Pay for premium (most services)	Primarily virtual with some physical presence	Focus on cutting edge access	IT-enabled	Moderate amount of experiments and pilots	Passive partnerships – community driven	5 target audiences	Two separate boards (one elected)	Greater Philadelphia region
Tier 3 (opportunistic player)	Equal balance	Pay for premium (some services)	Balanced with moderate virtual and physical presence	Focus on computer access	Traditional	Little experiments and pilots	No / little engagement	Active citizens	Single board	State
Status quo	Primarily public with private supplement	Free and equal for everything	Primarily physical with some virtual presence	Focus on only Internet access	Outsourced	No experiments and pilots		Donor groups		National / international

# Potential New Programs



## Team 1 – Empowerment Through Literacy

- Adult Literacy Programming
- Virtual Book Club
- World Language Classes



## Team 2 – Family-Based Literacy

- Family Literacy programs
- Instructional videos of Story times on FLP website



## Team 3 – Children under 5

- Read, Baby, Read
- Children's Section on Website
- Family Health and Literacy Program



## Team 4 – New Americans

- "Welcome to Philadelphia" Program
- Real-time Language Translation App

Classes

- World Language

Website

times on FLP

literacy program

Translation App

Language

# Potential New Programs



## Team 5 - Jobseekers

- **Digital marketing**
- **Programs and networking opportunities for Young Professionals**



## Team 6 – Small Businesses

- **Virtual Small Business Programming**
- **Work with vendors to digitize staff training materials for “train the trainer” programs**



## Team 7 – Special Needs

- **Increase accessibility of current library programs (furniture, space, interpreters)**
- **Education for the Disabled**
- **Partner with State Vocational Rehabilitation Agencies**

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[http://www.freelibrary.org/about/Fels\\_Report.pdf](http://www.freelibrary.org/about/Fels_Report.pdf)

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