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By: Marlene Z. Asselta

President, SNJDC

Libraries and their impact on economic development

When one is asked to think about economic development, libraries are not the first thing that comes to mind. But maybe they should be.

Throughout its more than 55-years, the Southern New Jersey Development Council has been a strong supporter of libraries, recognizing early on the impact they can have on economic development. Recently, SNJDC has lobbied on behalf of the New Jersey State Library's New Jersey Knowledge Initiative, South Jersey Regional Library Cooperative and many other local library systems, and increased construction and rehabilitation funds for public libraries.

Libraries are beneficial to the community in two ways: The services they provide are of benefit to a community's economic development, and the goods and services they purchase directly benefit the local community. Recently reports have been published supporting the position that SNJDC has taken for quite some time.

In a recent research project, the Urban Libraries Council, in partnership with the Urban Institute, found that urban public libraries had great positive impact on local businesses and economies for a number of reasons. Community libraries tend to purchase most of their goods and services from local, community businesses, providing a direct economic benefit to local suppliers of various goods and services. The Online Computer Library Center reports that, "U.S. libraries purchase an estimated \$14 billion annually ... exceeding U.S. spending on videos and athletic footwear, and approaching the level spent by businesses on magazine advertising."

There is an indirect economic benefit to businesses due to increased foot traffic. If properly funneled, this foot traffic can maintain a healthy business district around the library or amplify the effects of an already healthy district, increasing tax revenue.

Finally, a well-funded and well-maintained library system, especially one providing “early literacy services” can have a long-lasting positive effect on a community’s economy and standard of living. This is key to responsible economic development, as the effect is both maintainable and beneficial throughout the library’s lifetime.

As technology has evolved, so have libraries. Libraries have embraced the technology revolution, thereby delivering expensive and broad technology to its members. This deliverance runs the gamut from being able to check out DVDs to Internet access to remote access to powerful databases and search engines.

At the simplest level, libraries offer computers with free Internet access. But recently, libraries have begun to offer expanded and technologically advanced services that cater directly toward the business community, namely various business databases. Many offer free and remote access to expensive subscription-based databases that are unaffordable to the average small business when purchased privately. However, these materials quickly become indispensable, as the value they provide to the business owner is fast realized. The lone entrepreneur is now given the same tools as the corporation. For example, The University of South Carolina found that 41% of business users said that not having access to a public library would have “some negative impact” and 33% said it would have a “major negative impact on their business.”

Though public libraries are funded through tax dollars, reports show that libraries often have positive returns on investment. Dollar for dollar, libraries have proven to offer a substantial return on investment, shown by some studies to be as high as a \$10 return on every \$1 invested.

Municipalities across South Jersey should be looking into ways to increase the services provided by their local libraries, not only as a means of supplementing their education program but also as a driving force behind their economic development initiatives. And those municipalities who support an institution of higher learning should be enhancing their partnership with the institution as a means of supplementing their own library system. Academic libraries can provide services to the community, augmenting the benefit of local public libraries.

While library construction and renovation may have many short-term benefits, such as increasing construction jobs, the long-term benefits of libraries is what makes them vital in promoting a municipality's economic well-being.

Libraries come in all shapes and sizes, and this versatility will allow them to fit into any community's plans for downtown revitalization and rehabilitation. Whether a community is creating a new downtown business district, a mixed-use housing complex, or engaging in a simple façade program, the community library should be at the forefront of those plans.