



THE ECONOMIC HALO EFFECT OF SACRED PLACES

First Presbyterian Church
Stamford, CT



AT THE INTERSECTION
OF HERITAGE, FAITH,
& COMMUNITY

Partners for Sacred Places

METHODOLOGY

The *Economic Halo Effect of Historic Sacred Places* is a 2016 study by Partners for Sacred Places that quantified the economic impact of congregations stewarding older and historic properties.

The study, conducted by Partners for Sacred Places with Dr. Ram A. Cnaan, Director of the University of Pennsylvania's School of Social Policy and Practice, found that the average urban historic sacred place generates over \$1.7 million in economic impact annually.

In addition, this research affirms that:

- Congregations employ, on average, 5 full-time and 6 part-time staff
- Each sacred place is a magnet for visitors, attracting 780 visits each week with only 11% of visits for worship and 89% of visits for other purposes
- 87% of the beneficiaries of the community programs and events housed in sacred places are not members of the religious congregation

History

In 1996, with the support of the Lilly Endowment and other funders, Partners for Sacred Places conducted the first scientific study in which the contributions of congregations housed in historic and older buildings were quantified. Conducted in Partnership with Dr. Cnaan and the University of Pennsylvania's School of Social Policy and Practice, this study, *Sacred Places at Risk*, found that an average urban congregation creates over \$140,000 per year in value through the contribution of volunteer time; space at below market rates; and cash and in-kind donations to community-serving programs. The study also found that four of five individuals who visit a given sacred place are beneficiaries of the sacred place's programming rather than members of the congregation.

Sacred Places at Risk established a new methodology for documenting the public value of congregations and led to a new course of study, which was inaugurated by Dr. Cnaan's book, *The Newer Deal: Social Work and Religion in Partnership*, and further validated with the publication of *The Invisible Caring Hand: American Congregations and the Provision of Welfare* and *The Other Philadelphia Story: How Local Congregations Support Quality of Life in Urban America*.

Though groundbreaking, *Sacred Places at Risk* and subsequent works did not attempt to quantify all of the ways that congregations impact their communities. *The Economic Halo Effect of Historic Sacred Places* does.

In 2010, Partners was funded by the William Penn Foundation to test the concept of an expanded methodology. Partners again collaborated with Dr. Cnaan and the University of Pennsylvania's School of Social Policy and Practice to craft a comprehensive approach to quantifying the public value of congregations. The pilot, conducted in Philadelphia, sought to take into consideration factors such as area spending and support for local businesses;

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building maintenance costs; visitor spending; activities that promote community economic development; the impact on individuals' lives; and values inherent to religious properties (green space and recreation space).

Based on an extensive review of available, academically vetted methodologies, the team identified nearly two-dozen quantifiable measures of economic impact relevant to congregations stewarding historic and older sacred places, and assembled a singular methodology to pilot in Philadelphia. The results of this pilot were published in 2013 in the scholarly, peer-reviewed Journal of Management, Spirituality and Religion.

With funding from the Lilly Endowment and the McCormick Foundation, Partners built upon the pilot by undertaking a larger study. This study differed from the first in that it included a greater number of congregations (ninety), and congregations were selected at random from three large cities (Chicago, Philadelphia, and Fort Worth). The results were published in November of 2016.

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SUMMARY OF FINDINGS

The *Economic Halo Effect of Sacred Places* takes into account dozens of factors. These factors are summarized into thematic categories below, with First Presbyterian's totals in each category.

Benefit Type	Description	Calculation
Direct Spending	Spending on operations and building maintenance is funneled into the local economy	\$1,828,000
Education	Providing preschool and K through 12 schooling saves school districts money and enables parents to work	N/A
Open Space	Green space and recreation space improve our environment and lower energy costs	\$15,233.40
Magnet Effect	Hosting events and operating programs catalyzes visitor spending	\$427,017.38
Individual Impact	Intervening in individuals' lives enables people to work and reduces governmental spending	\$245,657
Invisible Safety Net	Operating and hosting community-oriented programs supplements the activity of the local government and social service agencies, adding value to the community	\$343,317.72
TOTAL		\$2,859,225.50

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Direct Spending

Sacred places drive their local and regional economies through purchasing goods and services and by employing area residents. In fact, studies have demonstrated that upwards of 80% of a given congregation's budget is spent in the region – oftentimes with small, locally owned businesses and vendors.

In Partners' three-city study, we found that on average, a historic sacred place spends \$549,073 in its community and employs a total of 11.76 employees. First Presbyterian (between the church and friends' group, Highland Green Foundation) surpasses this. In an average year, First Presbyterian spends at least **\$1,828,000** in the region and employs 11 people (including both full-time and part-time employees).

\$1,828,000 in spending represents First Presbyterian's annual operating budget and non-routine capital spending. Capital spending is a significant portion of this mix as the church has invested nearly \$1 million in the building annually since 2014.

Because First Presbyterian is in the midst of a capital campaign to restore its architecturally significant mid-century building, capital spending will represent a significant portion of the mix in the future as well.

Education

Sacred places support their local economies through operating affordable, high quality early childhood education and K through 12 schooling. The former enables at least one parent per participating student to work while the latter provides cost savings to the public school system.

In Partners' three-city study, Education accounted for a very significant portion of the total impact made by historic sacred places: 39.8%. Because First Presbyterian does not *operate* a school or early childhood education program nor does it share space these types of institutions, Education accounts for 0% of its total.

Please note that First Presbyterian's other programs – especially Creative Learning, the church's afterschool program – have educational value, but they are not monetized under Education (because of the particular way that Education is calculated).

Open Space

In urban neighborhoods especially, churches may maintain the only green space or recreation space. Access to green space or recreation space can be monetized on a per use basis, depending on the quality and characteristics of the space. In the case of First Presbyterian, Open Space accounted for **\$15,223.40** or 0.5% of its total impact of \$2,859,225.50. This surpasses the national average of \$2,425.

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“The bowl,” located prominently at Bedford and Oak Streets, attracts about 50 users a day (or 18,000 users annually) and an additional 1 500 users during the summer months, when the church hosts a series of outdoor, family friendly concerts.

Magnet Effect

Urban congregations attract visitors for the purposes of worship, education, programming, and special events – and First Presbyterian is no exception. In addition to regular worshippers, First Presbyterian draws thousands of visitors each year through events (hosted by First Presbyterian and hosted by others) and observation of rites of passage. These visitors – whether a tourist enjoying a tour of the building while in town on business or the families of a couple who are being married at First Presbyterian – spend in the vicinity of the building; on food and drink, gasoline or public transportation (including rideshare), entertainment, and sometimes, lodging.

In total, visitors to First Presbyterian spent at least **\$427,017.38** in the region last year, which accounts for 15% of its total impact of \$2,859,225.50. This is higher than the national average of \$375,944 per congregation – and not at all surprising given the congregation’s proximity to Stamford’s Downtown, which offers numerous dining, entertainment, and shopping options, and congregation’s willingness to opens its doors – especially those of its newly renovated fellowship hall – to community.

Individual Impact

Partners recognizes that, outside of the larger programs hosted or run by congregations, clergy, program staff, and professional and lay volunteers often provide one-on-one counseling, make referrals to social service agencies, help find jobs, etc. Much of this outreach is “under the radar” because of the sensitive nature of the assistance given. This research project documented a wide array of outreach with an Individual Impact including counseling to suicidal individuals; counseling to strengthen marriages; assisting people suffering abuse; helping people obtain citizenship; referring people to drug or alcohol counseling (or providing it directly); working with people at-risk of committing crimes/going to prison; teaching youth pro-social values; helping people form new friendships; and enabling people to work by caring for senior family members.

Individual Impact was monetized in the *Economic Halo Effect of Sacred Places* pilot (published in the Journal of Management, Spirituality & Religion in 2013), but not in Partners’ more recent three-city study (self-published in November of 2016). However, because it is a tremendously important part of each congregation’s narrative, and especially First Presbyterian’s narrative, it was monetized as a part of this assessment of First Presbyterian’s economic impact.

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At **\$245,657**, Individual Impact accounts for 9% of First Presbyterian's total impact.

For more detail on how this was calculated, please see "If you do not count it, it does not count: A pilot study of valuing urban congregations," which was published in the scholarly, peer-reviewed Journal of Management, Spirituality and Religion.

Invisible Safety Net

Congregations create a 'safety net' for those most at risk within their communities - and this is not always visible to public at large. Congregations do this by operating and hosting community-serving programming and sharing space with others at affordable, below market rates.

Historic sacred places are uniquely able to accommodate a variety of uses and users because they typically include spaces that range in size and purpose - from sanctuaries designed to accommodate large gatherings or performances to education wings designed to accommodate robust Sunday School programs. First Presbyterian encompasses both a historic church building with a park-like cemetery and a purpose-built community center.

In Partners' three-city study, Invisible Safety Net accounted for just 6.6% of the total. In the case of First Presbyterian, it accounted for a very impressive 12% (**\$343,317.72**) of its total impact of \$2,859,225.50. Volunteer time, financial and in-kind resources, and space contributed by the congregation are factored into this measure - regardless of whether the program occurs on site or elsewhere in the community (except in the case of the replacement value of space).

Space provided to organizations for regular programming and one offs add up over the course of a year. In the past year, it accounted for \$124,050 of First Presbyterian's Invisible Safety Net total of \$343,317.72. First Presbyterian shares space with nearly a dozen organizations across Stamford including The Drozdoff Society, Vajra Light Buddhist Center, Just Wee Too Toddler Programs, Senior Men's' Association of Stamford, and local support groups such as AA and Al Anon.

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HOW TO USE THIS INFORMATION

We at Partners hope that you will make the most of this data in the coming years by incorporating it into your congregation's materials and incorporating it into your shared narrative. It can be used to:

- Tell your story in a way that appeals to civic leaders and community stakeholders that don't speak the language of faith
- Communicate the value of a given program (for example, a food pantry) or programmatic emphasis (for example, arts programming)
- Bolster annual stewardship campaigns and larger capital fundraising efforts
- To make projections that can strengthen grant applications
- Do sacred places advocacy in the face of threats (for example, tax assessments)
- Suggest ways for to living out your mission in new ways and increasing you Halo impact
- Raise your profile in the community

In the case of a congregation as significant as First Presbyterian, Partners recommends that the congregation consider issuing a press release summarizing the findings and/or utilizing press contacts to garner media coverage. First Presbyterian is a major economic force in the Stamford region, and it merits recognition as such. Partners' staff can help you determine when to do this given that your congregation is in the midst of planning for a capital campaign that will need to be rolled out carefully and strategically.

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ABOUT PARTNERS FOR SACRED PLACES

Partners for Sacred Places, founded in 1989, is the only national, non-sectarian, nonprofit organization focused on building the capacity of congregations of historic sacred places so that they can better serve their communities as anchor institutions, nurture transformation, and shape vibrant, creative communities.

Partners for Sacred Places brings together a national network of expert professionals who understand the value of a congregation's architectural assets, its worth as a faith community, and the significance of its service to the community at large. With a national presence and offices in Philadelphia, Chicago, and Dallas/Fort Worth, Partners fosters the active community use of historic, sacred places - churches, synagogues, temples, and mosques - and builds the capability of their congregations through training programs and fundraising assistance. Partners has served thousands of congregations and related organizations over the past twenty-five years, and represents the needs and concerns of over 100,000 older, community-serving sacred places across America.

For more information about our work, please visit us on the web at www.sacredplaces.org.