



ACADEMY   HOOD CORPS   PUBLIC SCHOOLS   DEVELOPMENT COMPANY   40 ACRES ART GALLERY AND CULTURAL CENTER



# ECONOMIC IMPACT STUDY



# ST. HOPE

On a street corner once infested with gangs and violence, an extreme transformation has taken place that is affecting the entire Sacramento region. People who once struggled to put dinner on the table are now employed by local businesses. Neighborhood families are purchasing new homes around the region, spending money on entertainment, taking better care of their health and buying new cars. A community that was once avoided is now flourishing.

In January 2008, under the direction of new executive director Rick Maya, St. HOPE commissioned Tootelian & Associates to conduct an independent economic impact study on St. HOPE and its three main affiliates: St. HOPE Academy, St. HOPE Development Company, and St. HOPE Public Schools. The findings speak for themselves. This inner city neighborhood is monumentally reaching the Greater Sacramento Region with over \$34.4 million in overall business activity in 2006-07. With a grand commitment to revitalization that extends beyond Oak Park, St. HOPE's stunning makeover is rooted in a holistic approach that includes public education, civic leadership, economic development and the arts.

## CONCLUSIONS

- The overall business activity created by St. HOPE's three organizations is expected to total nearly \$34.4 million within the Greater Sacramento Area.
- Labor Income resulting from the additional people employed and current employees earning more is projected to be more than \$18.5 million.
- St. HOPE's three organizations spent nearly \$15.8 million.
- As a result of St. HOPE's direct and indirect spending, 587 people are expected to be employed.
- Nearly \$1.1 million in additional business taxes will be created from the increased business activity caused by St. HOPE's organizations.
- To provide some perspective on the impact \$1.1 million in business taxes can make in a community, 93.4% of people with no health care in Sacramento County could be covered.



## The big picture

In 1989, NBA All-Star and Oak Park native Kevin Johnson started St. HOPE Academy, an after school program in a portable classroom at Sacramento High School. Today, St. HOPE is a thriving nonprofit community development corporation working to revitalize inner-city communities through public education, civic leadership, economic development and the arts.

## St. HOPE Academy

Sustainable leadership is a resource lacking in most community development corporations and the inner-city communities which they serve. St. HOPE's "Hood Corps" is an inner-city volunteer program that educates, trains and empowers individuals of all ages to become civic leaders through community service. Specifically, Hood Corps offers a variety of short-term and long-term volunteer opportunities ranging from one-hour projects to one year fellowships.

## St. HOPE Development Company

Through real estate development and property management, St. HOPE Development Company strives to create an economy that brings jobs and businesses to Oak Park. St. HOPE's catalyst project is the 40 Acres Art Gallery and Cultural Center, a mixed-use retail complex located in the heart of the Oak Park commercial district that features the Guild Theater, underground books, Starbucks, Uncle Jed's Cut Hut, and the Upper Rooms loft apartments.

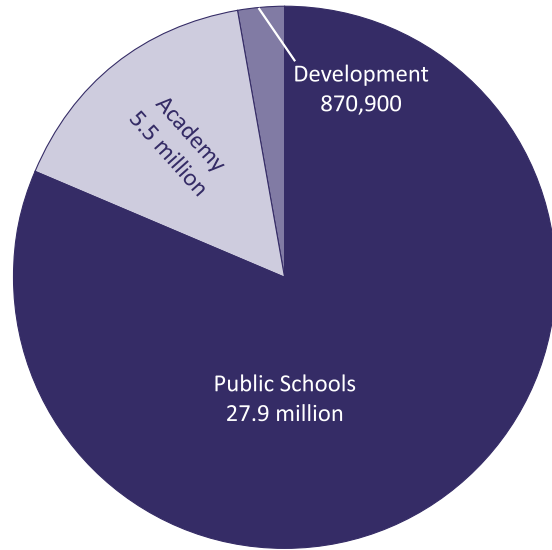
## St. HOPE Public Schools

Established in 2003, St. HOPE Public Schools (SHPS) provides high-quality education to nearly 1,500 students in grades pre-K-12. SHPS has an unwavering focus on an education that prepares students for success in a four-year college as well as instills within them a commitment to helping others. SHPS includes Triumph Center for Early Childhood Education, serving 60 children ages 3-5, PS7, currently serving 400 students in grades K-8, and Sacramento High School, serving nearly 1,000 students in grades 9-12.



## St. HOPE Impact

The overall Output, or the amount of overall business activity created, is expected to total nearly \$34.4 million within the Greater Sacramento Area. This includes the direct spending by St. HOPE's three organizations, the amount of additional business activity created by that spending, and the amount of additional business activity created by people's spending caused by the incremental labor income. As previously indicated, this is the best measure of economic impact.

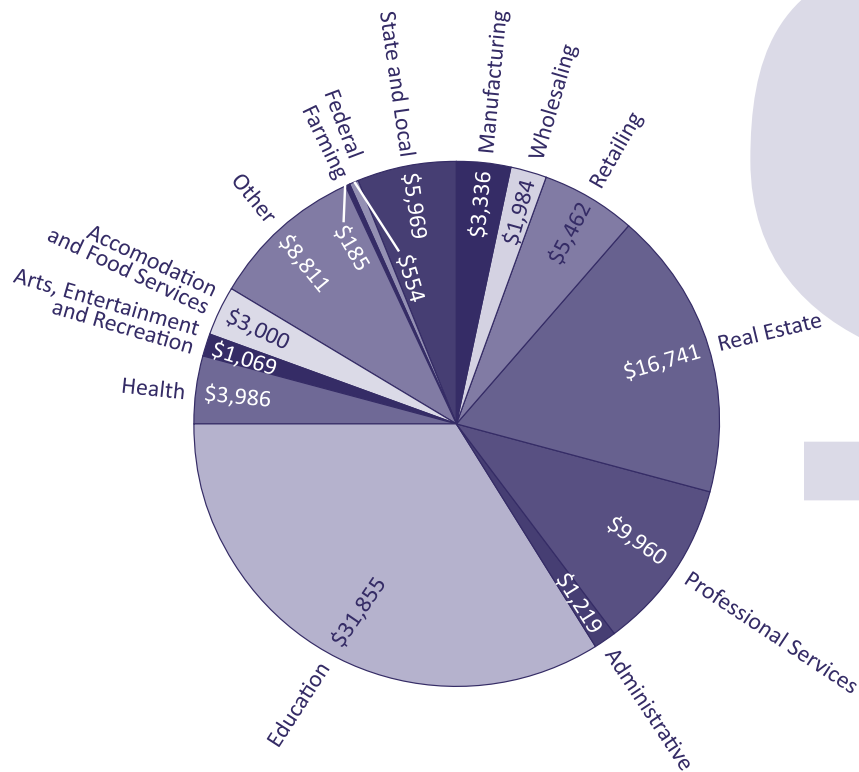


## St. HOPE Spending

According to St. Hope, nearly all of the \$15.8 million spent by the organization are paid to entities and individuals located within the Greater Sacramento Area (Sacramento, El Dorado, Placer and Yolo counties).

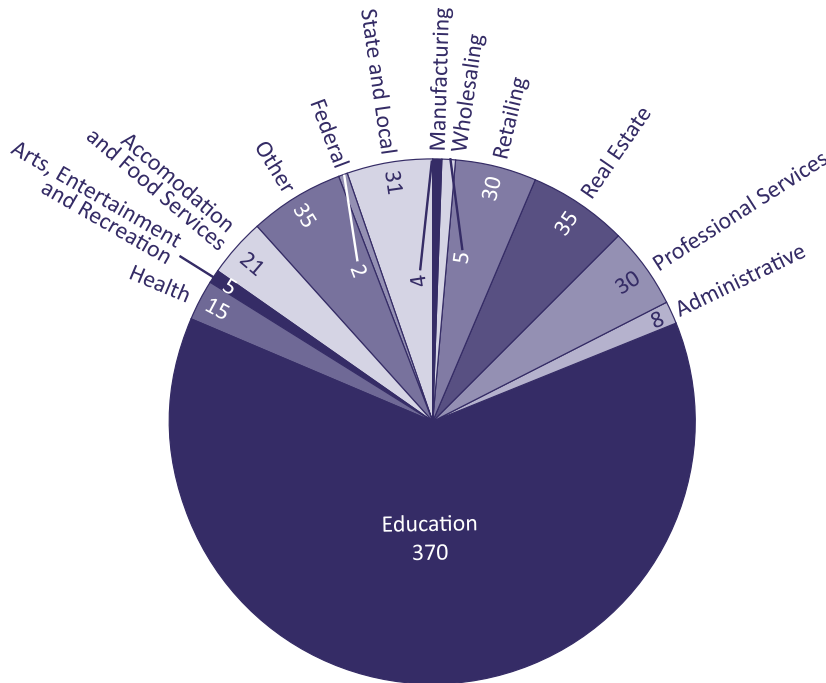
**The total economic impact in terms of business activity created by St. Hope's local expenditures is nearly \$34.4 million. This equates to \$94,734 per day for every day of the year.**

Shown below is the impact this has on each sector on an average daily basis:



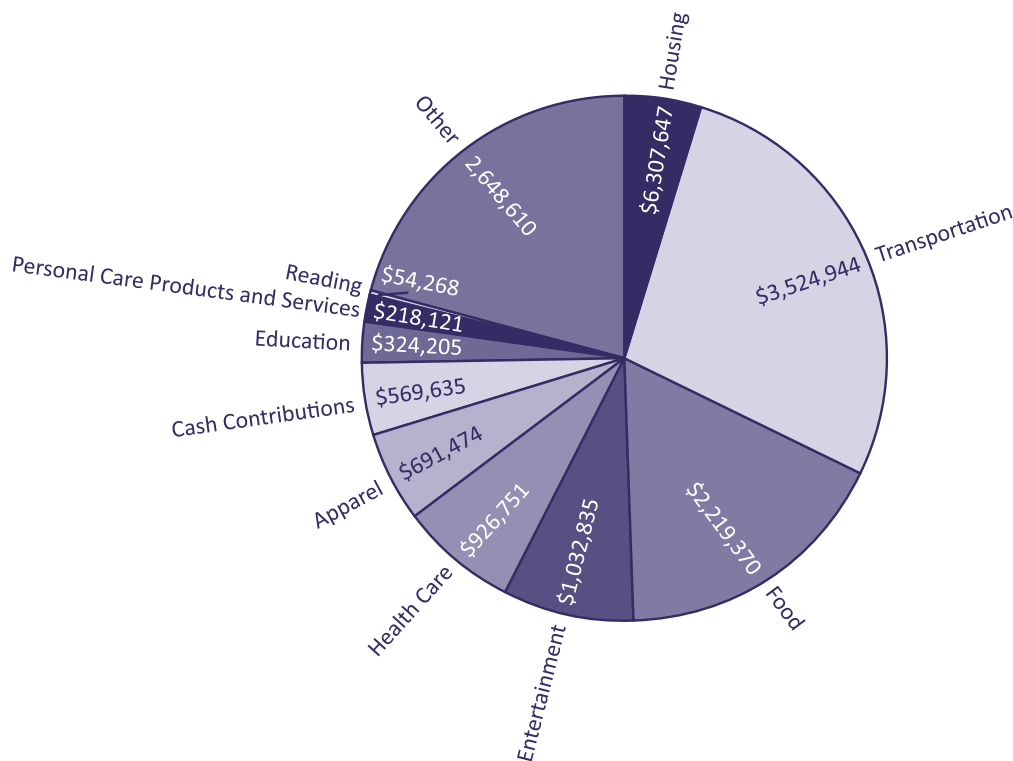
## Employment

587 people are expected to be employed as a result of St. HOPE's spending. Most of this (67.3%) is the direct result of St. HOPE's organizations expenditures, but 27.9% will be caused by spending resulting from increased labor income.



## Labor Impact

Labor Income resulting from the additional people employed and current employees earning more is projected to be more than \$18.5 million. How these funds are likely to be spent is based on consumer purchasing patterns:



## Business Taxes

Nearly \$1.1 million in additional business taxes will be created from the increased business activity caused by St. HOPE's organizations. These are tax dollars generated from businesses which benefit from the heightened economic activity and the increased employment.

### SAMPLE OF POSSIBLE USES FOR INDIRECT BUSINESS TAXES

Sacramento County--General Fund	2007-08 Budget	Percent Paid
Agricultural Commissioner	\$15,114,931	7.0%
Children Support Services	\$34,187,194	3.1%
Community Services	\$24,062,253	4.4%
County Library Operation	\$26,925,257	3.9%
Economic Development & Intergovt Affairs	\$35,763,080	3.0%
Emergency Services	\$6,287,445	16.9%
Environmental Management	\$16,704,063	6.4%
Health Care / Uninsured	\$1,136,000	93.4%
Juvenile Medical Services	\$11,594,527	9.2%
Neighborhood Services	\$1,939,944	54.7%
Park Construction	\$9,374,020	11.3%
Regional Parks	\$11,910,716	8.9%
Roadways	\$13,006,777	8.2%
Sheriff's Department	\$220,772,827	0.5%
Veteran's Facility	\$20,000	5307.5%
<b>Total of Above</b>	<b>\$428,799,034</b>	<b>0.2%</b>

## A Final Note

St. HOPE exists to develop possibilities in a community that for years struggled incessantly. Many people who live and work in Oak Park need assistance reaching their potential and we're here to provide that help—through strong educational opportunities, the emergence of new businesses, and an influx of jobs.

But our impact goes well beyond our neighborhood. We're creating opportunity and change all over the region through business activity, spending, and tax dollars that benefit the local economy. At St. HOPE, we're a part of the community, not apart from it.



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