

THE ECONOMIC IMPACT OF HOPE COLLEGE

A Greater Hope
FOR A GREATER COMMUNITY

EXECUTIVE SUMMARY

KEY FINDINGS

\$213 million

The total amount that Hope College contributed in economic impact to the Holland region during 2010.

80.5%

The percentage of Hope College revenue that comes from outside of the region.



1 in 40

\$1 in every \$40 in the region is spent because of Hope and 1 in every 40 people in the region is here because of Hope.

1,000

The number of jobs created because of Hope College.

\$92 million

The amount of money that Hope has pumped directly into the local economy in the last decade through building projects.

In a year, Hope employees and students spend more than

127,000

hours in service to the local community, the equivalent of one person working around the clock for over 14 years.



HOPE AND THE SURROUNDING COMMUNITY ARE INEXTRICABLY CONNECTED.

It is hard to think of Holland without Hope College. From their founding, Hope and Holland have been intertwined. Hope enjoys a great "town/gown" relationship that provides a welcoming environment and enhances the rare educational combination of rigorous academics and relevant, vibrant Christian faith which the college provides.

At the same time, the surrounding community benefits from the many intellectual, social, and cultural opportunities the college offers and the people it brings into the community. Hope College also generates new money to stimulate the local economy as 80.5% of the college revenue comes from out of the region.

This report was created to demonstrate these tangible benefits by quantifying that impact on Ottawa and Allegan counties from July 1, 2009 to June 30, 2010.*



In one year, Hope College contributes \$213 million in economic impact to the surrounding community.

SPENDING

Direct spending from Hope, its employees, students, and visitors, as well as secondary spending by businesses and governments, contributed over \$89 million in economic impact.

KNOWLEDGE AND SERVICE

Hope alumni contributed over \$76 million in increased earnings and \$43 million in social benefits. In addition, Hope had a positive impact of \$4 million in cultural and community service benefits.

LOCAL GOVERNMENT

Taking into account state revenue, property tax, public safety and street use, the City of Holland treasury received a \$359,000 net benefit due to the presence of Hope.

*See page six for additional study information.

SPENDING IMPACT



HOPE'S PRESENCE GENERATES REVENUES.

Hope College spent \$23.4 million in the region during 2010 in addition to its \$32.3 million payroll. Because most of Hope's revenues (80.5%) are derived from students who reside outside the area, \$44.8 million of Hope's spending and payroll is included in the total economic impact as it can be attributed to out-of-area revenue.

Students from outside the Holland region also stimulate the regional economy. Parents of Hope students were surveyed regarding student spending habits. Data from this study showed that:

A typical Hope student spends an average of \$1,391 per year in the region at businesses other than the college.

This amount was applied to the 2,483 Hope students who come from outside the area to yield the total of approximately \$3.5 million in Hope student spending.

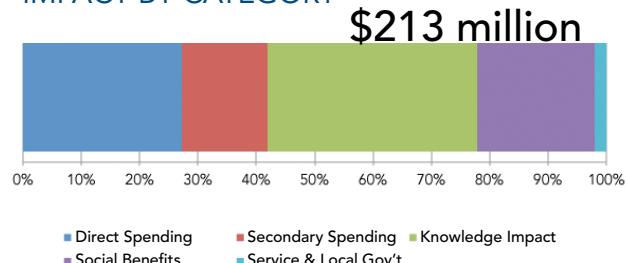
Each year, nearly 75,000 visitors come to Hope, including parents of students, alumni, prospective students, and those who come to campus for athletic contests, the arts, and conferences.

CATEGORY	2009-2010
College Spending	\$ 18,862,046
Faculty & Staff Spending	25,966,514
Student Spending	3,453,623
Visitor Spending	9,679,250
Secondary Spending	31,310,766
Total	\$ 89,272,199

The study shows these visitors spent almost \$9.7 million in the region during their visits to the college.

All of this spending has a direct and indirect economic impact. The US Department of Commerce assigns regional multipliers to determine this impact. In 2010, for every \$1 of Hope spending there was an additional \$0.54 spent in the region. This secondary spending by businesses and governments, the beneficiaries of the initial direct spending, accounts for over \$31 million of economic impact.

PERCENT OF ECONOMIC IMPACT BY CATEGORY



KNOWLEDGE IMPACT



A VALUABLE WORKFORCE IN WEST MICHIGAN

Hope College alumni are vital to many West Michigan businesses and organizations, including:

Haworth, Inc.	Herrick District Library
Herman Miller	GMB, Inc.
Public Schools	Innotec
Gentex	Tulip Time Festival
Howard Miller	Perrigo
Trans-Matic	Request Foods
Johnson Controls	Trendway
Holland Hospital	Downtown Businesses

OUTSTANDING EMPLOYER

For the sixth consecutive year, Hope College has been named one of the "101 Best and Brightest Companies to Work For" in West Michigan.

SUSTAINABLE HOPE

Hope is serious about reducing waste headed to local landfills. There are over 1000 recycle bins in residence halls and academic buildings. Additionally, the college is taking biodegradable waste and cooking oil and turning them into compost for use on campus grounds and into fuel for campus vehicles.



THERE ARE 5,756 HOPE COLLEGE ALUMNI LIVING IN THE HOLLAND REGION TODAY.

These alumni have an impact on the region through their outstanding work in serving society. Through hard work and expertise, alumni influence is felt in the arts, manufacturing, education, health care, science, and many other fields. The value of their increased earnings impact, calculated by comparing earnings data for those without a college degree, is substantial.

Having almost 6,000 Hope alumni in the area amounts to an economic impact of \$76 million per year.

Statistically, college graduates incur lower costs to society. This is due to the lower rates of adverse social behaviors (absenteeism, alcoholism, crime, etc.) that place heavy costs on governments and businesses. The total value of these reduced social costs is \$43 million.



HOPE PLAYS A MAJOR CULTURAL ROLE IN THE REGION.

Musical concerts, plays and other events contributed over \$1.4 million in value to Holland region residents.

This contribution is the sum of the travel expense saved for local residents that chose to experience the arts at Hope and the amount the college subsidizes these programs to reduce ticket prices.

SERVICE IMPACT

HOPE STUDENTS, FACULTY AND STAFF ARE COMMITTED TO LIVING LIVES OF SERVICE TO SOCIETY.

Service is in the fabric of the culture of Hope. In fact, the Hope College community contributed almost \$2.5 million in community service activities in 2010. This includes \$1.4 million in the City of Holland and more than \$1.1 million in the rest of Ottawa and Allegan Counties.

Hope College employees spent more than 27,000 hours in community service in the region, which was valued at more than \$700,000.

They volunteer with churches, in youth programs, at schools and many other organizations. They serve on boards of churches, clubs, civic organizations, and schools for such causes as the United Way, Michigan Special Olympics, the Holland Downtown Development Board, and many others.

Community service activities of Hope students are quite varied and range from tutoring at risk children to serving on campaigns for political candidates.

In 2010, Hope students contributed over 102,000 hours of service valued at over \$1 million.

This includes the many Hope students who spend a significant amount of time in internships, professional placements, practicums, and other similar activities. These professional opportunities contributed almost \$1.2 million in value to the Holland region.

KNOWLEDGE & SERVICE IMPACT		2009-2010
CATEGORY		
Increased Alumni Earnings	\$ 76,369,152	
Social Benefit	43,042,741	
Cultural Benefit	1,442,734	
Community Service	2,477,546	
Total	\$ 123,332,173	



LOCAL GOVERNMENT IMPACT

A TRUE TOWN/GOWN RELATIONSHIP

Community Day celebrates the long-standing relationship between Holland and Hope College. The event debuted in October of 1966 as a Community Ox Roast, held in conjunction with the Hope College centennial celebration.



“Hope provides a sizable number of graduates - from teachers, to business leaders, to engineers - that power our talented local workforce. Hope plays an important role in our economic development efforts. I can tell you first hand that the presence of Hope in our community is an important factor that helped attract some of our largest economic investments.”

- Kurt Dykstra, City of Holland Mayor



Hope faculty, staff and students were responsible for over \$909,000 in revenues to the City of Holland treasury in 2010. Their presence led to community expenditures of \$550,000. Thus, in total, the Hope community provided a net benefit of almost \$360,000 to the City of Holland in 2010. These figures take into account the following elements:

STATE SHARED REVENUE

Hope College was responsible for 8.8% of the state shared revenue received from the State of Michigan. These revenues are paid based on the population at the time of the 2000 Census. About \$237,000 was received because of the Hope students, faculty and staff who lived in Holland in 2000 and were counted as city residents.

PROPERTY TAXES

The city government would have received about \$233,000 in property taxes if the college campus had been developed into housing. However, this foregone tax revenue is more than made up by over \$274,000 in property taxes paid by the college for its nonexempt properties and the \$399,000 paid in property taxes by college employees.

PUBLIC SAFETY AND STREETS

The City of Holland spent approximately \$135,000 to provide emergency services to the college in 2010. In addition, the City of Holland spent almost \$183,000 to maintain the streets fronting land belonging to the college.

LOCAL GOVERNMENT IMPACT

2009-2010

CATEGORY

Total Benefit to Holland City Government	\$ 909,383
Total Cost to Holland City Government	(550,511)
Total	\$ 358,872

Hope College contributes 2.8% of City of Holland revenues and generates 1.7% of expenditures, resulting in a 1.1% net benefit to the City of Holland budget.

FUTURE IMPACT: *A Greater Hope*

AN INVESTMENT IN HOPE COLLEGE IS AN INVESTMENT IN THE GREATER HOLLAND COMMUNITY.

During the fall of 2011 Hope launched the public phase of a \$175 million comprehensive campaign.



A Greater Hope

THE HOPE COLLEGE CAMPAIGN

A Greater Hope, the Hope

College Campaign, aims to increase the college's endowment and construct several key facilities, both to secure the long-term future of Hope and Holland and to improve the ability to serve students and the community today.

A Greater Hope will raise: \$59 million for construction of new facilities, \$93 million for endowment of programs, scholarships, faculty support, and facility maintenance, and \$23 million for support of ongoing programs.

Greater affordability and opportunities *for students.*

Greater support and recognition *for faculty.*

Greater performance and learning facilities *for everyone.*

Learn more about the initiatives of A Greater Hope and how you can get involved at:

www.hope.edu/agreaterhope



Concert Hall & Music Facility, concept only



Art Museum, concept only



Student Center, concept only

ABOUT THIS STUDY

The data for this publication comes from a report titled "The Economic Impact of Hope College on the Holland Region," completed on August 7, 2011 by Kevin B. Stokes of Indiana-based EconIMPACT.

Stokes is one of the leading providers of economic impact studies for private colleges. His clients have included Biola University, DePauw University, Franklin College, Concordia University of Chicago, Andrews University, Northwood University, Mount Union University and Wisconsin Lutheran College. He has taught economics at Walla Walla College, Southeast Asia Union College and statistics at the Webster University School of Business. Kevin received an MA in Economics from Washington State University and an MBA from the University of Bridgeport.

BEYOND THE ECONOMICS

Hope is grateful to be located in a welcoming and supportive community.

Together we share things like these:

- The Hope Academy of Senior Professionals (HASP) includes a membership of over 550 retired professionals.
- The Children's After School Achievement Program received the 2010 Outstanding Mentoring Program Award from Michigan's Governor.
- Hundreds of lectures and performances are open to the public, including theatre, visiting writers and performers, faculty and guest lecturers, and student performances.
- Each summer, the college welcomes a community of over 12,000 learners at conferences and camps.
- Nearly 400 Hope freshmen work on over 30 different service projects in the community as part of "Time to Serve."
- Dance Marathon, just one of Hope's student-led organizations, has contributed over \$920,000 during the past 12 years to the Children's Miracle Network.
- In cooperation with the Holland Visitors and Convention Bureau, Hope regularly hosts NCAA Division III championships as well as MHSAA high school contests.
- Hope was awarded the 2009 Corporate Leadership Award by the Holland Area Chamber of Commerce.
- There are four worship services held in Dimment Chapel each week, all open to community members.
- Hope and Holland partner on events like Tulip Time, Tulipanes, and the sister city relationship with Santiago de Queretaro, Mexico.
- Thanks to outstanding community support, Hope led the nation's Division III colleges in attendance for volleyball, men's and women's basketball, and was second in men's soccer.

HOPE BY THE NUMBERS

78%

Hope's six-year graduation rate, 2nd in the state only to U of M.

4

Hope is the only liberal arts college in the nation with accreditation in all four areas of the arts.

25

The number of books published by Hope faculty last year, in addition to nearly 200 articles.

13.5%

The decline in Hope's energy usage over the past two years.

\$5.4 million

The amount of National Science Foundation grants Hope received for undergraduate research last year, more than any other college or university in West Michigan.

96%

of recent graduates are employed, in graduate school, or not seeking employment within eight months of graduation.



3/4

of Hope alumni attend their first-choice graduate school.

42%

The national average of tuition increase over the past two years at private colleges has been 42% higher than Hope's.



HOPE COLLEGE

Office of College Advancement

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