

THE ECONOMIC HALO EFFECT

of the Ray and Joan Kroc Corps Community Centers

A report to *The Salvation Army* • May 2015

Submitted by:



OVERVIEW

Kroc Centers provide facilities, programs, and services that encourage positive living, offer life-changing experiences for children and adults, strengthen families and enrich the lives of seniors, with the goal of uplifting individuals and benefiting communities in need. They serve hundreds of thousands of individuals each year, including members, visitors, employees and volunteers.

The centers contribute open space, recreation and needed services to the community, including fitness and wellness activities, social services, aquatics, childcare and other programs; and participants benefit from robust social networks. These centers contribute two main strands of financial benefits to the community: a one-time financial benefit catalyzed by their construction, and an annual economic benefit resulting from ongoing programming and services.

One-Time Economic Benefit from Construction

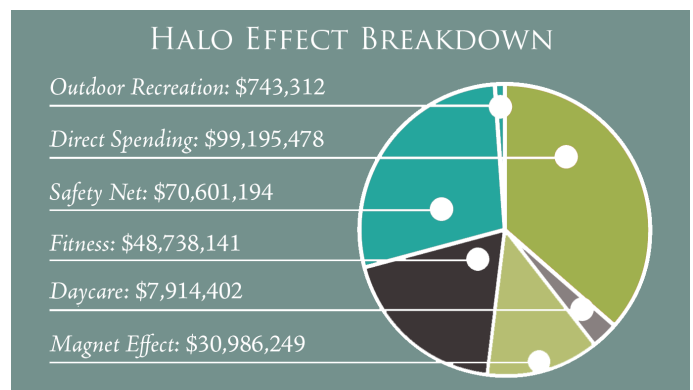
Thanks to significant donations from Joan Kroc to create spaces in underserved communities, 26 Kroc Centers were built between 2002 and 2014*. In total, more than \$1.7 billion of spending was catalyzed by their construction, including direct and induced spending and wages earned by laborers.



Annual Economic Benefit

Once built, the centers continue to benefit their communities economically and through programming, services, donations and support offered to individuals, businesses and other organizations. Across all of the Kroc Centers, the total annual economic impact – the “Economic Halo Effect” – exceeds \$258 million. The largest economic benefit is catalyzed by the centers’ spending.

The contributions the centers make to the community in terms of space, membership subsidy, volunteer work and in-kind donations – the “Safety Net” – also result in a significant economic benefit to the community in which each center is located. Kroc Centers are focused on fitness, health and well-being; the economic benefits of these services, based on savings to individuals, employers and government, comprise a significant portion of the centers’ financial value to communities, as does induced spending in the community by center visitors, members and employees – the “Magnet Effect”. Recreation space and childcare services also provide meaningful contributions.



To request the full report, please contact Jennifer Byrd at Jennifer_Byrd@usn.salvationarmy.org

*The Camden, NJ Kroc Center was not included in this report because it did not open until October 2014