



Legislation Text

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Report on the Impact of Human Service Non-Profits in Ann Arbor and Washtenaw County
Attached for your review is a report created by the Office of Community Development which details the positive economic impact of non-profits in Ann Arbor and Washtenaw County, including the significant returns on local public investment.

In short, the economic impact of private non-profits in Washtenaw County can be summarized into six major “return on investment” categories, including:

1. Stabilizing the Workforce and Community
2. Leveraging Millions of Dollars in Non-Local Funding
3. Providing Significant Private Employment Opportunities
4. Generating and Supporting For-Profit Jobs in Washtenaw County
5. Leveraging Civic Engagement and Community Investment
6. Supporting, Enhancing, and Increasing the Efficiency of Government

1. Stabilizing the Workforce and Community

Local human service non-profits prevent more costly problems, and specialize in providing affordable services that may not be available from the public or for-profit sectors; they also supplement those services that are provided but that may not be sufficient to meet the community’s need. In this way, non-profits strengthen the character of the community, make significant contributions to the City’s and County’s overall quality of life, and help to retain and recruit business and local investment.

2. Leveraging Millions of Dollars in Non-Local Funding

Washtenaw County’s eighty largest non-profits leverage more than \$100 million annually in non-local sources. The organizations funded by Washtenaw County and/or the City of Ann Arbor generate over \$41 million of non-local revenue.

3. Providing Significant Private Employment Opportunities

As a whole, the forty-five human service non-profit organizations funded by Washtenaw County and/or the City of Ann Arbor represent the fifth largest private employer in Washtenaw County. These non-profits employ more than 1,200 people; more than Toyota, Borders, or Domino’s Pizza.

4. Generating and Supporting For-Profit Jobs in Washtenaw County

Washtenaw County’s locally funded non-profits create positive economic impact through the purchase of goods and services directly, through employees spending their salaries, and through the job creation related to providing the goods and services purchased. The 1,200 employees of locally funded non-profits create more than 720 for-profit jobs.

5. Leveraging Civic Engagement and Community Investment

Non-profits engage community members through volunteering and philanthropy in a way that government does not. Because of their mission-driven services to the community, non-profits attract people who wish to do good works, connect to others, gain new skills and training, and preserve community character. This commitment of time and money to local non-profits engages the community and makes it stronger. Last year, the local non-profits funded by Washtenaw County and the City of Ann Arbor generated 400,000 hours of volunteer time, equivalent to 200 full-time employees, and more than \$7 million in wages.

6. Supporting, Enhancing, and Increasing the Efficiency of Government

In large part, non-profits serve as the community's safety net, filling gaps unaddressed by government, and do so more flexibly and at lower cost than government. They play a critical role in strengthening and extending the helping hands of government and assist in improving the quality of life for residents of Washtenaw County. The forty-five human service agencies funded by Washtenaw County and/or the City of Ann Arbor fill in gaps in public transportation, healthcare access, early childhood education, job training and literacy, shelter and food.

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