

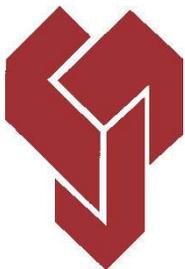
# Occasional Paper 10

## What makes a church a good neighbor? Findings from two studies on religious congregations and community livability

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What is the likelihood that congregations will undertake efforts to address social problems? Are they sufficiently equipped to do so?



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### Introduction

Religious congregations are important actors in community well-being and development. Churches, mosques, synagogues, temples and other houses of worship are often the site of programs and services that contribute to the quality of life. Research has shown that religious congregations in the U.S. provide about \$2 billion a year to people in need, either directly or through charitable organizations (Hodgkinson 1999).

No wonder, then, that policy decision-makers have turned their attention toward religious congregations and tried to increase the involvement of houses of faith in addressing important social problems. In particular, a policy innovation known as charitable choice has now made it possible for government to direct funding to religious groups, including churches. With more than 300,000 religious congregations in the U.S., public officials at all levels of government are looking to faith-based organizations like churches to get more involved in maintaining and strengthening the social safety net.

Many of us grew up under the influence of a religious community of faith and readily acknowledge the good intentions of faith-inspired charity. Despite such familiarity, however, there is little empirical evidence that substantiates the “social potency” of congregations; that is, the will and capacity of these institutions to help resolve social problems (Farnsley 2003). To be sure, we have a good deal of anecdotal information and some ethnographic studies. In an effort to fill gaps in our knowledge, researchers have conducted inventories of programs provided by churches and some have examined the effectiveness of faith-based groups more generally (not just churches). However, a deeper set of issues remain unanswered. What is the likelihood that congregations will undertake efforts to address social problems? Furthermore, are they sufficiently equipped to do so?

Two recent studies at the University of Missouri—St. Louis were undertaken to help bridge this gap in our knowledge about the pro-social activities of religious

congregations. Both studies involve dimensions of housing-related concerns, a key issue for many urban neighborhoods. The two studies involve very different dimensions of the social potency of religious congregations. The first study, *Religious Meetinghouses and Neighborhood Stability*, involved an impact analysis of the relationship between the presence of houses of worship in high poverty neighborhoods and specific measures of neighborhood stability. The second study, *Congregational Spin-off Organizations and Housing Insecurity: Findings from Three U.S. Cities*, took an in-depth look at the efforts of religious congregations to get involved in the direct provision of housing-related services. Together, these two studies provide new and additional insight into the extent that churches impact their neighborhoods for the better. Perhaps more importantly, the findings raise new and potentially more productive questions about the capacity of religious congregations to be good neighbors.



Bethlehem Lutheran Church in North St. Louis City

### **Study 1: Religious Meetinghouses and Neighborhood Stability**

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Will Winter, *Public Policy Research Center*

#### **Summary**

A study of residential characteristics in three high poverty neighborhoods showed that the physical presence of religious congregations has a discernible but only slight impact on certain measures of neighborhood well-being.

#### **Purpose**

Neighborhood stability can be defined in many ways, depending upon the specific issues that threaten to compromise a neighborhood's capacity to function collectively in positive ways. Research has been previously conducted on economic stability and racial stability, for example. This study examined the impact of religious houses of worship (churches, mosques, synagogues, temples, etc.) on residential stability: that is, retaining a neighborhood's population base and thereby stemming the loss of institutions like businesses and schools. The study also asked whether there is a relationship between the presence of a religious meetinghouse and certain factors that may encourage residents to stay in or relocate to a neighborhood. Since this problem hits low-income communities particularly hard, the study focused on three "high poverty" neighborhoods: Fairgrounds, College Hill and Hyde Park in the City of St. Louis. These are areas where more than 40 percent of households are at or below the official poverty threshold. Many older urban neighborhoods in the U.S. are faced with similar problems of population decline and disinvestment, often exhibited by aging and deteriorated housing stock and other problems associated with urban blight.



Grace Baptist Church in St. Louis City

#### **Methodology**

The research was designed to assess the relationship that an environmental element has with quality of life measures in a community. Through the use of GIS (Geographic Information System) software, the locations of religious meetinghouses were plotted on a map of the three neighborhoods and a circular impact area was drawn around each church\*, creating a set of thirty-three "clusters." All types of churches were included in the sample, regardless of faith tradition or building prominence.

Both “free-standing” churches (buildings constructed specifically as religious meetinghouses or substantively remodeled as such) and “storefront” churches (commercial properties leased to religious groups) were included. Census and city tax assessor data were drawn from these clusters and then compared to a set of similar non-church clusters in the same three neighborhoods.

The study compared the location of religious meetinghouses with three categories of variables related to residential stability: *structural permanence* (which indicated the condition of property in the neighborhoods, a factor in neighborhood attractiveness); *residential tenure* (how long residents live and/or invest in the neighborhoods); and *property valuation* (the impact of investment by property owners).

## Findings

Perhaps surprisingly, there were few significant differences between church and non-church clusters, except for the finding that church clusters lost residents at a slower average rate (a loss of 28.3 percent between 1990 and 2000, compared to 31.1 percent in non-church clusters). Although any reduction in the loss of population might be considered an improvement, the type of cluster had only a weak association with the measure of population decline and explained a very small part of the variance (only about 1 percent). However, when the type of church structure (free-standing or storefront) was used in the comparison to non-church clusters, other significant findings emerged from the analysis.

In particular, the storefront church clusters were significantly associated with several potentially positive measures of structural permanence and property valuation. For example, storefront church clusters had significantly less vacant or undeveloped land in them when compared either to non-church or free-standing church clusters. In terms of property valuation, the storefront church clusters had significantly lower median rents than either of the other two types of clusters.

Findings from the comparisons about free-standing church clusters, on the other hand, were less positive since these clusters were associated with the longer periods of time where vacant buildings remain unoccupied (about 6.7 years on average). In contrast, vacant buildings in non-church clusters remain unoccupied about one year less (5.8 years) and almost two years less (4.8 years) in storefront church clusters.

## Interpreting the results

Perhaps the most important (although possibly not surprising) finding was that the mere presence of these churches had so little impact on the measures of residential stability selected for the study. While the measures used were extremely limited, the evidence supports the idea that the existence alone of these churches in poverty areas has little or no impact on the inclination of residents to remain or invest in their neighborhoods. Although the areas immediately surrounding churches (of any type) may retain residents for slightly longer time than non-church areas, the physical presence of a religious congregation cannot be attributed with any extraordinary impact on residential stability.

This may seem like a harsh criticism of religious congregations in areas already afflicted with many difficulties. However, the findings should help clarify and improve policy solutions that aim to utilize the innate resources of poverty neighborhoods, in particular. Most of all, the findings should highlight the fact that churches are, first and foremost, houses of worship and that the lion’s share of their resources are understandably directed toward the practice and celebration of a particular faith tradition. It is perhaps fool-hardy to assume that congregations possess the slack resources, whether human or financial, to undertake projects that will resolve the many pressing social problems related to poverty.

These neighborhoods have undergone tremendous change since many of the churches were built in them almost one hundred years ago. At one time, the neighborhood church served as the social center of communities inhabited by large numbers of immigrants. Today, the houses of worship in these neighborhoods—like others throughout the U.S.—probably draw their members from a wide area, members who may feel less connected to community life surrounding a church’s geographic

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Is there a relationship between the presence of religious meetinghouses and a neighborhood’s ability to retain residents?

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location. Recent research by Mark Chaves (2004) indicates that only 20 percent of churchgoers in the U.S. live within a short walk's distance of their chosen house of worship. In order for churches in high poverty neighborhoods to increase their involvement in addressing local issues, obstacles much more challenging than a lack of funding may need to be overcome. In many instances (and not just in poverty neighborhoods), religious congregations become dissociated from the needs and issues—as well as strengths—of the community where a house of worship is located. Although the results of this present study cannot be directly attributed to church-community dissociation, the minimal impact of religious meetinghouses on residential stability seems to reflect one facet of this social phenomenon.

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Storefront church clusters were significantly associated with several potentially positive measures of structural permanence and property value

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## Credits

Support for this research was provided by the Public Policy Research Center at the University of Missouri-St. Louis.

## ***Study 2: Congregational Spin-off Organizations and Housing Insecurity: Findings from Three U.S. Cities***

Nancy T. Kinney, Ph.D., *Assistant Professor, Political Science and Public Policy Administration*

## Summary

Information was collected about the processes that formed twenty-three congregational “spinoff” organizations in three cities. Three types of housing-related services were offered by these organizations: emergency shelter, transitional housing and low-income, permanent housing. Although very few congregations start housing-related organizations, those that undertake such services were found to 1) emerge as a result of clergy influence; 2) rely on small sub-groups of church members to carry out the work; and 3) provide only very limited and specific skills to the spinoff organization.

## Background

Many grassroots and other community-serving organizations start out as the initiative of a church, synagogue, mosque, temple or other house of worship. While the study described in the preceding section (“Religious meetinghouses and neighborhood stability”) focused on the barest impact a religious congregation might have on the community in which it is located, this study zeroed in on the process undertaken by a house of worship to form a new and separate organization to provide needed services. In particular, the study examined the efforts of religious congregations to create spin-off organizations that address housing insecurity, either by providing emergency shelter, transitional housing or homes for low-income residents. These programs require some of the most formalized and costly efforts undertaken by religious congregations, presenting quite an extreme from the first study described in this paper.

## Purpose

The purpose of the study was to examine the congregational spin-off process and to identify and describe the extent to which congregations serve as “incubators” for new organizations. In other words, to what extent do congregations provide the resources, skills and expertise needed to start a community program or service? By looking closely at the efforts of religious congregations to intervene in some of the most serious problems of their immediate neighborhoods, the design and implementation of public policies to support such faith-based groups might be improved.

## Methodology

The spin-off experiences of twenty-three religious congregations were investigated in three U.S. cities: St. Louis, MO; Cleveland, OH; and Pittsburgh, PA. In addition to being similar in size, the three cities have faced many of the same problems that are

common to urban areas in the post-industrial era: population loss, economic disinvestment and unemployment, to name a few. Urban areas in cities such as these are particularly susceptible to the problem of concentrated poverty and, as a consequence, the social institutions (like religious congregations) in such areas are confronted by a higher incidence among residents of extreme material hardship. How these groups respond to such pressures is a matter of obvious interest to researchers.

In addition to personal interviews with key actors in the formation of the spin-offs, the study collected a wide array of data about the emergence and development of each organization. For example, information was gathered about the incidence and timing of state incorporation, the pursuit of tax-exempt status from the IRS, and the location of service facilities over time. Also, details about the evolution of a governing board also provided insight about the strength of ties between the founding church\* and the board of the spin-off organization. Newspaper accounts, organizational histories and the perspectives of local observers were also utilized in the study.

The primary service activity for ten of the twenty-three congregational spin-off organizations was providing emergency shelter. Seven of the organizations were engaged in housing development for people with low-incomes, either through the construction of new homes or the rehabilitation of existing properties. The remaining six organizations provided transitional housing for single men as well as women and their children, with one of the six focused on the needs of women who have been the victims of domestic abuse. Thirteen of the twenty-three total organizations were started through the efforts of a single congregation. Third, the congregations provided limited assistance with transfer of skills.

### Findings:

Several broad similarities existed among the congregational spin-offs. First, even if a congregation's ordained clergy does not have direct personal involvement in the eventual development of the spin-off, the minister, priest or pastor is an instrumental force in helping to initiate the new organization. Second, those who serve as "founders" or "innovators" attached profound personal meaning to their role in the start-up of the new service organization. Their commitment to the spin-off was often intense, even life-changing. These subgroups of the congregation—rather than the congregation as a whole—were more likely to undertake formation of the spin-off organization.

Taken together, these three broad findings differ substantively from characteristics found in spin-off organizations started by profit firms. The business literature indicates that top-level managers in a commercial firm, unlike clergy, are often disconnected from the specialized work that launches a new project start (and an eventual spin-off). The research also indicates that the innovators of business spin-offs are, unlike the typical church volunteer/innovator, paid employees with an obvious self-interest in financial advancement. The congregational spin-offs also deviated from the business models in the amount of oversight or control exercised by the "parent" entity: profit-oriented firms manage control of the new division or project with an eye on future revenue generation.



St. Patrick Roman Catholic Church,  
Cleveland, Ohio



Meditation Temple Church of God, St. Louis

In terms of a congregation's role as an "incubator," several important findings emerged from the research. Probably the most significant finding was how few congregations undertook the difficult challenge of addressing housing-related issues. Although congregations have an obvious interest in the livability of the communities where they are located, the types of activity involved in providing emergency shelter, transitional or permanent housing to low-income or destitute persons are demanding financially and materially. Such demands may prevent most religious congregations from venturing into housing efforts.

Not surprisingly, perhaps, religious congregations in the study exhibited a good measure of ingenuity and resourcefulness in their efforts as incubators. Some provided financial support to a significant, perhaps sacrificial, degree. For example, the congregations that started emergency shelters utilized their own facilities. As a result, they provided a level of market protection for the spin-off, since they could avoid the added expense of leasing or buying property elsewhere.

However, there was little evidence of congregational activity that could be considered as "skills transfer," a very important aspect of incubation by organizations in the profit sector. Although religious congregations have relatively formalized, often hierarchical, organizational structures, there were few instances when the skills employed by church members to sustain the congregation (communication, financial management, fundraising, volunteer training and utilization, for example) were extended directly to the benefit of the spin-off service entity.

### **Credits**

This study was funded by an Urban Scholars Fellowship from the U.S. Department of Housing and Urban Development (HUD) through the National Academies, Washington DC.

Mary Carver, a doctoral student in Political Science at the University of Missouri-St. Louis, served as research assistant for the project.

### **Conclusions of the Two Studies**

Although religious congregations have a vested interest in the neighborhoods where they are located, they face some rather daunting financial, material and organizational hurdles to improve the conditions for housing and shelter for their neighbors. The second study suggests that financial constraints, in particular, keep religious congregations from investing in shelter- or housing-related projects. Decisions about funding for shelter or housing projects may be linked to the fact that most members of urban congregations live outside the neighborhood where the church, synagogue or mosque is located. The findings also indicate that even if funds are made available (from government or foundations, for example), religious congregations are not well-prepared to transfer organizational skills employed internally to a new, potentially autonomous service entity. Congregations seem best-equipped to provide support in terms of board governance and limited, mostly low-skill volunteer duties. The day-to-day operation of the service spin-offs was ordinarily left to hired, specialized personnel, many with little or no direct connection to the religious congregation.

Taken together, these two studies provide new insight on organizations that may be familiar neighborhood landmarks but that remain largely unexamined in terms of their impact on community well-being. A great deal of recent research has focused on faith-based organizations more generally (such as parachurch groups, social service agencies, and rescue missions) rather than religious congregations. And yet, the houses of worship in poor communities are the social institutions that are more likely to endure and stay rooted there. How will the loosening of government restrictions on funding to religious groups help organizations like churches that are already "on the ground" in such places?

The "faith-friendly" policies of the past few years have enjoyed great popularity with politicians and policy decision-makers. However, if these public policies are intended to support the social systems and institutions already in place—especially in high

poverty neighborhoods—then we need to understand much more about the dynamics of a congregation’s relationship to its immediate surroundings. Here are a few examples of lingering questions about these issues:

1. What are religious congregations doing to encourage residents to stay and improve the conditions of local neighborhoods? Can they be more effective in attracting new residents?
2. Must a congregation be “neighborhood based” to be effective in community development? Conversely, can a “commuter” congregation have a significant impact?
3. Is there a role for religious congregations to play in recapturing a sense of neighborhoods as places where people live as well as work, play and (possibly) pray?

Religious congregations do not exist in a vacuum, however, but in an environment of other organizations, institutions and groups. The following questions point to the issues of congregational relationships with other factors in the community beyond the church doors:

4. What can be done to encourage religious congregations to work better together, to pool their resources and coordinate their efforts for community development? Are religious congregations good “team players”?
5. Ecumenical and interfaith groups seem to collaborate effectively on larger-scale social issues. However, can religious congregations work together effectively at the neighborhood level? If so, how can this potential be positively exploited? What models are working and how can these be demonstrated for the benefit of other groups?
6. What resources would be required to increase congregational involvement in local development activities? How can the diverse strengths of congregations, large and small, be facilitated? Who (or what entity) will provide that facilitation? Is there a role that religious judicatories are willing to play?

Churches, mosques, temples and other houses of worship are appropriately regarded as an important part of a community’s asset base. As urban neighborhoods undergo change and transition, however, our conceptions of social institutions (like religious congregations) in those places need to change as well. Perhaps most importantly, public policies that seek to utilize the strengths of religious congregations should take such changes into account.

## Further reading

### Congregations and community development and redevelopment

Fullilove, M. T., Green, L. & Fullilove, R. E. (1999). Building momentum: An ethnographic study of inner-city redevelopment. *American Journal of Public Health*, 89:6, pp. 840-844.

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Vidal, A. C. (2001). *Faith-based organizations in community development: A report prepared for the U. S. Department of Housing and Urban Development, Office of Development and Research*. Washington, D.C.: The Urban Institute.

### The impact of congregations on physical surroundings

Wedam, E. (2003). The 'religious district' of elite congregations: Reproducing spatial centrality and redefining mission. *Sociology of Religion*, 64:1, pp. 47-64.

### A case study for group discussion

Coffin, B. (2003). *Models of collaboration: Churches, City Hall and community change*. Hauser Center for Nonprofit Organizations, John F. Kennedy School of Government. <http://www.innovations.harvard.edu/showdoc.html?id=5036>

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Chaves, M. *Congregations in America*. Cambridge: Harvard University Press, 2004.

Farnsley, A. E. I. *Rising expectations: Urban congregations, welfare reform, and civic life*. Bloomington: Indiana University Press, 2003.

Hodgkinson, V. . Financing religious congregations: a national view. In M. Chaves & S. L. Miller (Eds.), *Financing American religion* (pp. 79-86). Walnut Creek: Alta Mira Press, 1999.

## Footnotes

\* All of the religious congregations identified in these neighborhoods were Christian churches



**LIVABLE** COMMUNITIES DON'T JUST **HAPPEN**.  
THEY ARE **CREATED** BY THE **PEOPLE** WHO **LIVE** IN THEM.

