

# Capital Project Value & Impact

## XYZ Health Center

As health centers like **XYZ Health Center** embark on a capital project, significant **economic revitalization** occurs in their communities in the form of **TEMPORARY IMPACTS** during construction and **ONGOING IMPACTS** post construction due to the increase in capacity.

### TEMPORARY IMPACTS

*during construction*

### ONGOING IMPACTS

*from expanded operations*

#### ECONOMIC IMPACT



Direct Spending	\$52M
Community Spending	\$45M
<b>Total Project Spending</b>	<b>\$97M</b>



Direct Spending	\$23M
Community Spending	\$26M
<b>Total Annual Spending</b>	<b>\$49M</b>

#### EMPLOYMENT



Direct Jobs	329
Community Jobs	212
<b>Total Project - Related Jobs</b>	<b>540</b>



Direct Jobs	270
Community Jobs	132
<b>Total Permanent Jobs</b>	<b>402</b>

#### TAX REVENUE



State & Local Tax Revenue	\$2M
Federal Tax Revenue	\$9M
<b>Total One-Time Tax Revenue</b>	<b>\$11M</b>



State & Local Tax Revenue	\$1M
Federal Tax Revenue	\$6M
<b>Total Permanent Tax Revenue</b>	<b>\$6M</b>

Capital Link prepared this Value & Impact report using 2020 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2020 IMPLAN Online.



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### IMPACT FROM CAPITAL PROJECTS

XYZ Health Center intends to construct new clinical space to meet increased demand for primary care in its community. The table to the right summarizes the projected economic impact, employment, and tax impact during the design and construction of the new facility.

		STIMULATED BY PROJECT DESIGN & CONSTRUCTION			
		Economic	Employment (# of FTEs)	State	Federal
Direct		\$52,300,000	329	\$-53,090	\$6,719,888
Community		\$18,517,943	76	\$689,302	\$892,941
Induced		\$26,460,097	136	\$1,143,061	\$1,217,810
<b>Total</b>		<b>\$97,278,040</b>	<b>540</b>	<b>\$1,779,274</b>	<b>\$8,830,640</b>
				<b>\$10,609,914</b>	

### IMPACT FROM CURRENT OPERATIONS

In 2022, XYZ Health Center contributed \$9 million in operating expenditures into the local economy. The table to the right summarizes the current economic impact, employment, and tax impact.

		STIMULATED BY 2022 OPERATIONS			
		Economic	Employment (# of FTEs)	State	Federal
Direct		\$4,000,000	70	\$-22,813	\$778,158
Community		\$1,791,836	10	\$42,743	\$129,141
Induced		\$3,186,608	16	\$137,708	\$146,535
<b>Total</b>		<b>\$8,978,444</b>	<b>96</b>	<b>\$157,638</b>	<b>\$1,053,835</b>
				<b>\$1,211,473</b>	

### IMPACT AFTER PROJECT COMPLETION

As XYZ Health Center expands, its expenditures and corresponding economic impact grows. XYZ Health Center is projected to have an annual impact of about \$49 million dollars by 2025, an increase of \$40 million. The table to the right summarizes the economic impact, employment, and tax impact following the completion of the capital project, when the health center is operating at an increased capacity.

		STIMULATED BY 2025 PROJECTED OPERATIONS			
		Economic	Employment (# of FTEs)	State	Federal
Direct		\$23,000,000	270	\$-119,649	\$4,081,184
Community		\$9,326,842	50	\$224,175	\$677,305
Induced		\$16,730,947	82	\$722,233	\$768,529
<b>Total</b>		<b>\$49,057,790</b>	<b>402</b>	<b>\$826,760</b>	<b>\$5,527,018</b>
				<b>\$6,353,778</b>	

## REFERENCES AND DATA SOURCES

- Economic impact was measured using 2020 IMPLAN Online from IMPLAN Group LLC, IMPLAN System (data and software), 16905 Northcross Dr., Suite 120, Huntersville, NC 28078, [www.IMPLAN.com](http://www.IMPLAN.com). Learn more at [www.caplink.org/how-economic-impact-is-measured](http://www.caplink.org/how-economic-impact-is-measured).
- Full-Time Equivalent (FTE) of 1.0 is equivalent to one full-time employee. In an organization that has a 40-hour work week, an employee who works 20 hours per week (i.e., 50 percent of full time) is reported as "0.5 FTE." FTE is also based on the number of months the employee works. An employee who works full time for four months out of the year would be reported as "0.33 FTE" (4 months/12 months).