



2012-2013

ECONOMIC IMPACT STATEMENT

AN IMPACT OF \$32 MILLION

TAP's annual economic impact in the communities it serves is \$5.6 million per year for the five highlighted programs investigated. TAP operates 30 separate programs, each of which generates additional returns to the area. When added to TAP's base income generation of \$17.9 million, and its multiplier impact of over \$11 million, these program-induced savings in remedial expenditure bring TAP's baseline economic impact estimate to nearly \$32 million.

It is the economic equivalent of a local company exporting goods sufficient to cover \$17.9 million in local salaries and expenditures.



TAP's funding stream represents recaptured tax dollars that would be spent elsewhere were it not for TAP's competitive efforts to bring this money home and put it to use for Southwest Virginia.

THE MULTIPLIER EFFECT

The extent to which new, outside income like TAP's reverberates through a local economy like Roanoke's is captured by its "multiplier effect." Because TAP spends most of its budget locally on wages, salaries and local purchases, its OVERALL impact is quite significant. Using a standard computer model called IMPLAN, the Roanoke Alleghany Planning Commission estimates TAP's multiplier to be 1.6, meaning that TAP's \$17.9 non-local funding stream translates into nearly \$29 million in economic activity.



For every \$1 million in outside funding that TAP captures and spends, an additional \$600,000 accrues to the local economy.

THE RIPPLE EFFECT

This is not the whole story, because TAP is not the typical company analysts consider when they estimate economic impacts. TAP invests its resources in the most vulnerable and disadvantaged among us. These investments bring tangible, long-term benefits not only to its clients, but to the rest of society. TAP's impacts extend far deeper and further than a simple expenditure multiplier would suggest.

Across the nation, non-profits and policy experts are taking a hard look at the long-term benefits agencies like TAP provide for their communities, particularly in terms of how the interventions they provide produce savings to the public over time. TAP invests in the community, and these investments pay off.

CONSIDER:



A four-year-old from an impoverished family attends a Head Start program, where he is brought up to date on his physicals receives a dental exam and is taught using a research-based curriculum. He demonstrates, along with many of his classmates, developmental delays. Within the year, he shows marked improvements in learning skills, self-regulation, problem-solving ability and phonological awareness. He's ready for kindergarten.



A recently released prisoner is sent through the gate with nowhere to go. He has known many on the inside who are there for their second, third or fourth time. He's heard of TAP's Virginia CARES program and that it can help him adjust. The program has a zero percent recidivism rate.



A middle-aged woman with a small child and no job becomes a Certified Nurse Aide through TAP's job training program. She receives her first real paycheck in years and calls the Department of Social Services to cancel her SNAP and TANF benefits.



An elderly person whose substandard home TAP repaired or weatherized spends her first winter in long time without that recurring pulmonary infection that put her in the emergency room last year. She no longer uses that second-hand kerosene heater, and she can afford better food because her gas bill is so much less now.



A man who had been amongst the chronically homeless settles into his Permanent Supportive Housing apartment, anticipating tomorrow's visit from his service coordinator. Last year, an ambulance took him to the hospital where he spent a week recovering from pneumonia. He also committed petty crimes that had him in jail for months at a time. He's looking forward to finally leading a healthy life off the streets.

It does not take much to understand how TAP's expenditures represent investments in people and in its community. And a little bit of math demonstrates how these investments pay off for everyone.

IMPACT BY PROGRAM

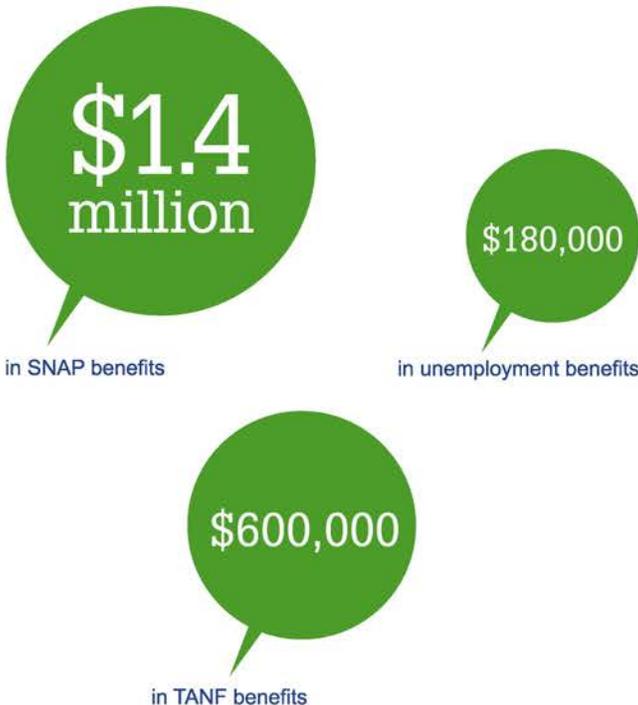
THIS VALLEY WORKS

TAP's This Valley Works' job training programs help those who are un- and under-employed end the low-wage/low-skill/low-job security trap that results in frequent and often prolonged reliance on public support. Many of the program's clients have little more than SNAP and TANF benefits to keep them afloat; nearly all have exhausted what unemployment benefits they may have had and a significant proportion have no income whatsoever and are effectively homeless.

Of the 773 clients enrolled in This Valley Works last year...



this is a potential savings of:



VIRGINIA CARES

TAP's Virginia CARES definitively reduces re-offending rates among recently released prisoners. The economic impact of this preventive intervention is compelling because recidivism is an endemic and costly feature of the penal system. Virginia's Department of Corrections estimates a three-year recidivism rate of 23.4% for recent-release cohorts. TAP's Virginia CARES program boasts a zero percent rate of recidivism.

\$13 MILLION IN TAXPAYER SAVINGS



Virginia CARES works by providing newly released ex-offenders with a variety of supportive services, including job training and placement. Last year, TAP served 427 ex-offenders. If these ex-prisoners had shown the same one-year recidivism rate as the recently released population as a whole, we would expect 27 of them to be behind bars by now at an average cost of \$60 per day with an average sentence of 4.5 years. This translates into over \$13 million in taxpayer savings in incarceration costs alone.

PERMANENT SUPPORTIVE HOUSING

Homelessness taxes society in ways most people never consider. The chronically homeless can cost tens of thousands dollars each year in emergency medical services and short-term incarcerations.

Permanent supportive housing provides permanent shelter to this high-risk population along with a set of supportive services that drastically lower and often eliminate these costs.



A net savings of \$14K in avoided emergency & incarceration costs per client per year. That's \$420K for each cohort of 30 high-risk clients TAP is able to serve.

WEATHERIZATION

TAP's weatherization program helps low-income people weatherize their homes and performs limited emergency home repairs necessary for occupant health and safety.

WEATHERIZATION REDUCES



Housing is an important determinant of public health; substandard housing is a major public health issue. Deteriorating homes create higher heating and cooling costs for those least able to afford them and translate into increased vulnerability to pulmonary and other infections, as well as pest infestation.

TAP'S HOME UPGRADES TACKLE MOISTURE, HEAT RETENTION, & REDUCE RISKS OF PULMONARY INFECTIONS.

THE DEPARTMENT OF ENERGY ESTIMATES:



LOWER FUEL BILLS MEAN MORE AFFORDABLE HOUSING

TAP's 347 weatherizations last year saved an estimated:

\$150,000 in energy expenditures
\$600,000 in avoided illnesses

HEAD START

TAP's Head Start generates immediate cost savings for the public educational system by mitigating development delays that disproportionately affect low-income children and lead to costly special education assignments in grade school and beyond. These estimates cover a class of over 1,200 Head Start preschoolers from localities in and around Roanoke, in the Alleghany Highlands, and in the Rockbridge Area.



\$600,000 – \$1.3 MILLION
savings for kindergarteners alone



\$3.9 MILLION – \$8 MILLION
over the life of a typical Head Start cohort

TAX CLINIC

TAP's Tax Clinic program directly secures nearly \$1 million in tax credits for low-income working people in Roanoke in a typical year, nearly all of which is probably spent locally.

\$1 MILLION



in tax credits for low-income workers

CONCLUSION

These program impacts were selected for this analysis because they are indicative of the over thirty program elements TAP provides. TAP will continue to estimate, as rigorously as possible, the crucial differences it makes in the lives of its clients and in the welfare of all who live in its service area.

This type of impact accounting, which values the cost savings of prevention, and reduced need for expensive, late-stage emergency remediation, is both gratifying and challenging. When 97% of the victims serviced through TAP's domestic violence programs report no further violence, the impact is effectively priceless. When a parenting program like Fathers First succeeds in helping men raise their children, the results simply defy easy quantification but are myriad and real.

When TAP helps those less fortunate, it does so by investing in their futures and championing their independence. These are good things to be able to measure in dollars and cents, not to mention the right things to do.