

Health Center Stories:

Mountain Park Health Center, AZ

The following summary describes how Mountain Park Health Center planned and financed the construction of a brand new health center to replace an existing facility in Tempe, AZ as part of the Healthy Futures Fund 2.0 initiative.

About Mountain Park

For 35 years, Mountain Park, a Federally Qualified Health Center, has provided a range of health care services to the residents of the Phoenix, AZ metropolitan area. Mountain Park currently operates eight health center facilities, including two school-based health centers and a YMCA-based facility, and has over 760 employees. Its core services include family medicine, pediatric services, women's healthcare, pharmacy, dental care and the Women, Infants, and Children (WIC) program.

Mountain Park is committed to the mission of working with the communities it serves to sustain and improve health by providing affordable primary care. The majority of the patients served by Mountain Park are classified as low-income. In 2015, Mountain Park served 69,068 patients, 98 percent of which earned less than 200 percent of the Federal Poverty Level (FPL). Eighteen percent of Mountain Park patients were uninsured and 61 percent were Medicaid recipients.



Artistic rendering of Mountain Park Health Center's new Tempe, AZ health center facility.

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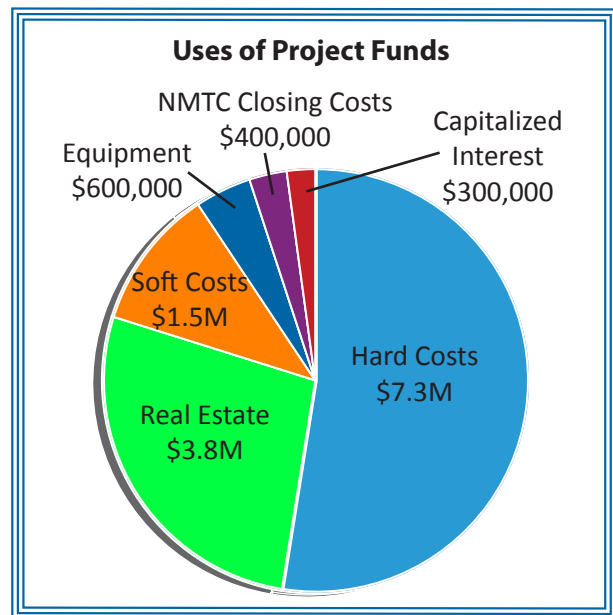
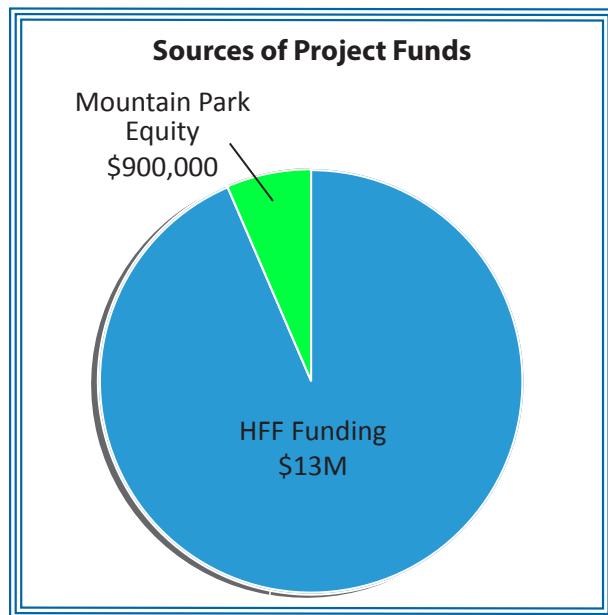
Capital Project Description

Mountain Park's new health center facility is located in the northern section of Tempe, AZ and is replacing an existing, much smaller clinic currently located a few blocks away at St. Luke's Hospital. Mountain Park is expanding its capacity in order to fulfill the need for low-cost, high-quality healthcare in north Tempe, which is a designated Federal Medically Underserved Area with 50 percent of residents earning less than 200 percent of the FPL.*

The new 32,000-square-foot building, a former boat yard and showroom, will be Mountain Park's second-largest clinic. Upon completion of the full renovation in mid-2017, the facility will be nearly four times as large as the current Tempe clinic, allowing Mountain Park to care for over three times the number of patients it currently serves at that site. The new health center will feature several dozen exam rooms, a children's nook, family-size exam rooms, a community room, a covered outdoor walking track, as well as environmentally-friendly features such as shade trees, storm water reuse, and natural light throughout the building.

Project Financing

Mountain Park's \$13.9 million project was financed through the Healthy Futures Fund 2.0 (HFF). Formed by the Local Initiatives Support Corporation (LISC), Morgan Stanley, and The Kresge Foundation, HFF is an initiative to improve community health by connecting health care and affordable housing for low-income residents. HFF funding for this project consisted of a leveraged loan from LISC, a leverage loan and New Market Tax Credit (NMTC) equity investment from Morgan Stanley, and a leveraged loan from Capital Link's lending affiliate, Community Health Center Capital Fund, guaranteed by the The Kresge Foundation. Mountain Park also utilized its own equity investment for the project. Sources and uses of funds for this capital project are illustrated in the charts below.



*Arizona Department of Health Services Bureau of Women's and Children's Health, *Tempe North Primary Care Area Statistical Profile 2016* (<http://www.azdhs.gov/documents/prevention/health-systems-development/data-reports-maps/reports/primary-care-needs-assessment.pdf>)

Health Center Stories:

Family Health Center, Inc., MI

Impact

Capital Link uses an integrated economic modeling and planning tool called IMPLAN (IMpact analysis for PLANning) to assess the multiplier effect of each health center’s business operations, job creation, and likely future growth. Economic activity can be calculated in terms of direct, indirect, and induced impact. Direct benefits flow from expanded operations, new facilities, and hiring. Indirect benefits come from local purchases. Induced benefits occur from spending resulting from new household income as all local industries grow.

As illustrated in the charts below, Mountain Park’s overall economic contribution to the local economy in 2015 was approximately \$135 million annually. By 2023, the total economic impact is projected to be \$161 million. Additionally, with the expansion of services being offered, the project is also anticipated to create 135 direct, indirect, and induced permanent full-time equivalent (FTE) jobs in the local community by 2023.

2015 Operations			2023 Operations		
	Economic Impact	Employment (# of FTEs)		Economic Impact	Employment (# of FTEs)
Direct	\$60,395,289	570	Direct	\$72,186,033	603
Indirect & Induced	\$74,384,146	523	Indirect & Induced	\$88,905,882	625
Total	\$134,779,435	1,093	Total	\$161,091,915	1,228

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