



## Truman Medical Center

2301 Holmes Street,  
Kansas City, MO 64108

**Type of Project:** Business (Financing)

**Qualified Equity Investment (QEI):** \$15,000,000

Central Bank of Kansas City (CBKC): \$5,000,000

City of Kansas City (KCMO): \$10,000,000

**Date Closed:** 4/19/2010

### **Project Summary:**

Through two hospital campuses in north Kansas City, Truman Medical Center (“TMC”) provides medical care to a low-income, medically underserved community. In 2009, TMC provided more than \$84,000,000 in uncompensated medical care, and its level one trauma center is one of the busiest in Kansas City. TMC is the primary teaching hospital for the University of Missouri-Kansas City Schools of Medicine, Nursing, Dentistry and Pharmacy.

TMC has recently undertaken several expansion and modernization projects to effectively deliver medical services, increased bed capacity. TMC has added pre-procedure preparation, recovery and clinic rooms; modernized and expanded patient and educational spaces; and purchased millions of dollars in new medical equipment.

### **Estimated Impacts:**

Roughly 84% of TMC procedures rendered will be within low income communities (LICs), and 90% of the tangible property financed will be employed in LICs. Modernization and expansion of TMC facilities will increase capacity to provide additional medical services to this under-served area, and addition of modern equipment will provide better and more efficient treatment.

The expansion and increased capacity of the Division will result in an additional 36.3 full time employees (FTE). 9.5 of these FTE’s come from the expansion of the GI clinic and will have an average salary of \$45,000. Two of these FTE’s are a result of the expansion of the Diabetes Clinic and will have an average salary of \$61,500 and an estimated 19 of these FTE’s will be from residents of low income communities.

The impact will further be felt from an educational standpoint as students will have better and larger facilities to learn in. These large and modern facilities will attract more medical students resulting in the state receiving additional tuition and increasing community access to higher quality medical services.

Additionally, the construction associated with facility renovation and expansion will project employment for hundreds of construction workers.

### **NMTC Financing:**

New Markets Tax Credit investments provided through CBKC, KCMO, and US Bank, in the capacity of New Markets Tax Credit Investor. CBKC provided a \$5,000,000 QEI and KCMO provided \$10,000,000. CBKC’s loans to TMC consisted of \$4.9 million of 30-year notes with a fixed interest rate of 1.948% (more than 50% below market). At date of closing, 30-year treasury notes sold to yield 4.78%.

### **New Markets Tax Credit Project Summary**

#### **Purpose of Financing - \$15,000,000**

Hospital modernization and expansion - Renovation of inpatient units, diabetes clinic, and gastro-intestinal clinic; equipment additions; and other needed improvements.

#### **Distress Criteria**

NMTC Qualified Census Tract: 29095004300

Designated Medically Underserved Area (MUPA)

Median Income of less than 60%

#### **Community Impacts**

Creates 36 full-time positions

Increase service capacity to Low-Income residents

Increased educational benefit for state medical students