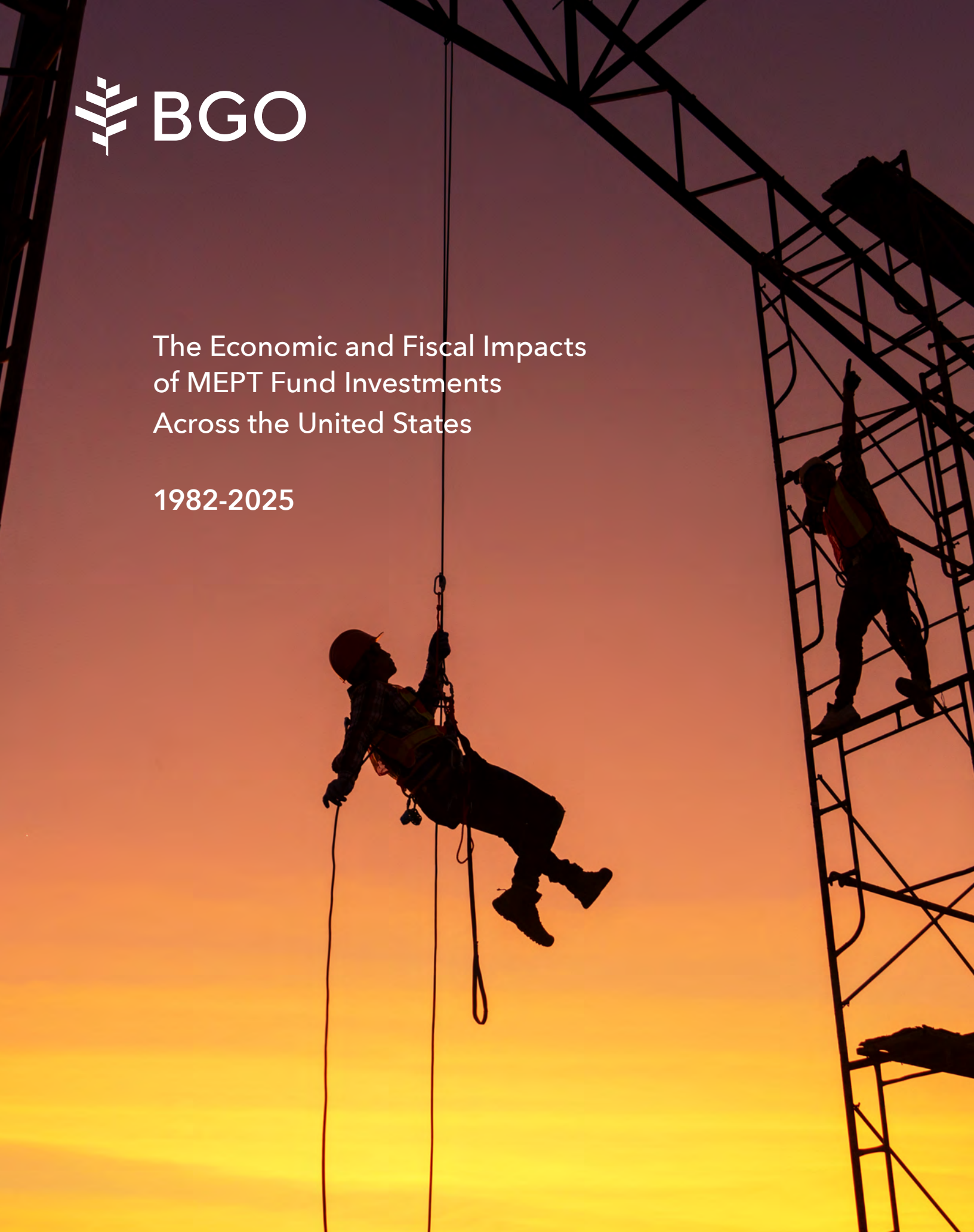
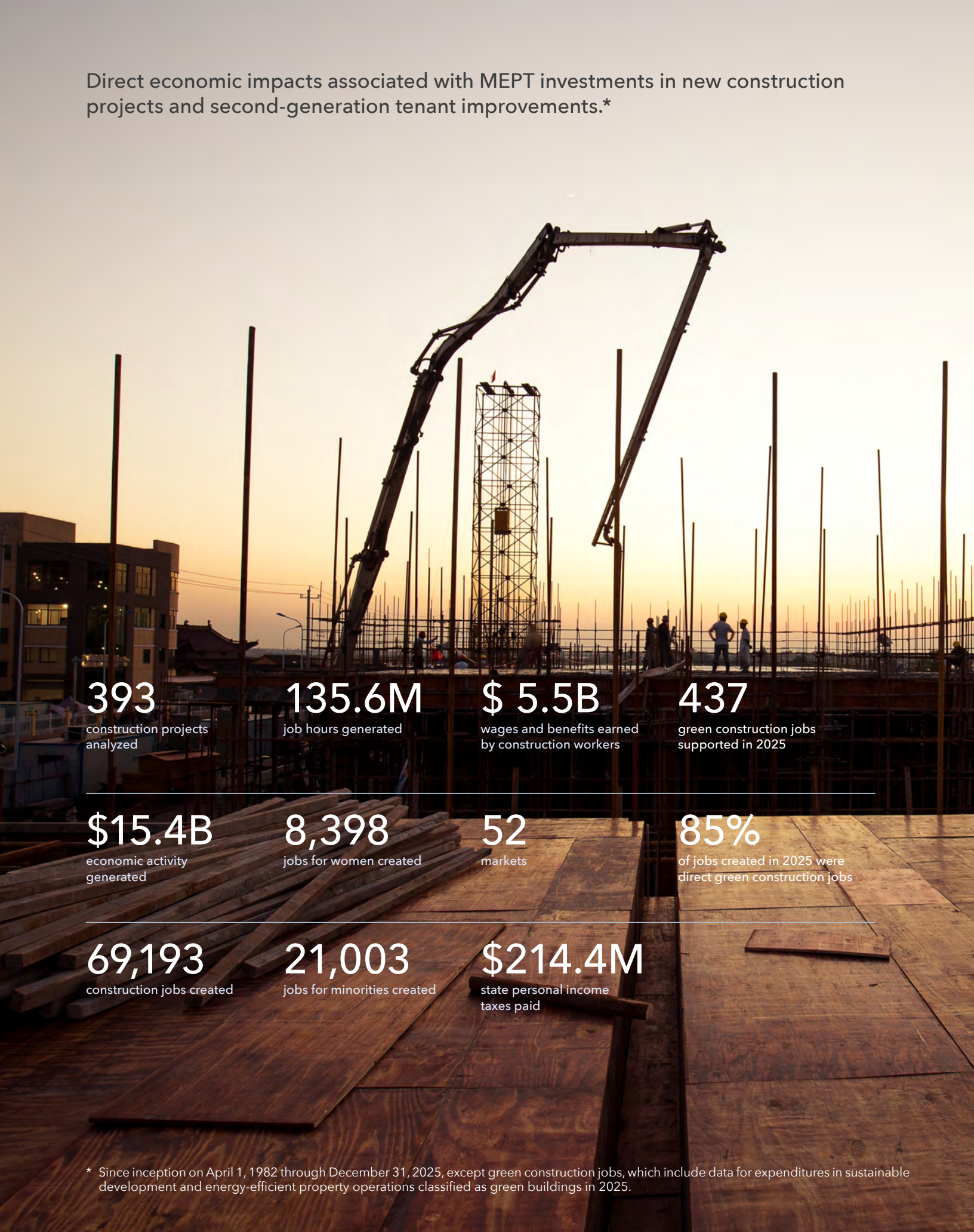


BGO

The Economic and Fiscal Impacts of MEPT Fund Investments Across the United States

1982-2025

Direct economic impacts associated with MEPT investments in new construction projects and second-generation tenant improvements.*



393
construction projects analyzed

135.6M
job hours generated

$ 5.5B
wages and benefits earned by construction workers

437
green construction jobs supported in 2025

$15.4B
economic activity generated

8,398
jobs for women created

52
markets

85%
of jobs created in 2025 were direct green construction jobs

69,193
construction jobs created

21,003
jobs for minorities created

$214.4M
state personal income taxes paid

* Since inception on April 1, 1982 through December 31, 2025, except green construction jobs, which include data for expenditures in sustainable development and energy-efficient property operations classified as green buildings in 2025.

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Section I Executive Summary

Pinnacle Economics, Inc., ("Pinnacle") analyzed 393 projects acquired, built or invested in by BGO Multi-Employer Property Trust ("MEPT") from its inception on April 1, 1982 through December 31, 2025. MEPT seeks to invest in projects that provide competitive returns and, as a secondary benefit, strengthen communities, provide work for a variety of industries, and create jobs for members of its pension plan investors.

This study estimates the economic and fiscal impacts associated with MEPT investments in new construction ("NC") projects and second-generation tenant improvements ("TI"). Both new construction and tenant improvement projects generate economic benefits for the communities in which they are located. Expenditures on skilled union construction labor, special trade contractors, architectural, engineering, pre-design, legal, insurance, and permitting services create jobs and lead to additional economic impacts for workers and business owners in other sectors of the economy.

The direct impacts associated with MEPT investment spending generate additional economic benefits that continue to ripple through the economy via indirect (supply-chain) and induced (consumption-driven) spending. The direct, indirect, and induced impacts on local economies are measured by changes in output or sales, personal income, jobs and hours worked. In addition, this study provides estimates of the fiscal impacts from MEPT investments as measured by changes in state personal income taxes and state and local sales taxes.

Economic, Fiscal and Demographic Impacts

Between 1982 and 2025, MEPT investment spending on project hard costs and soft costs has directly generated $15.4 billion in economic activity (output) in 52 markets and 30 states and the District of Columbia. A summary of the economic and fiscal impacts are reported in Table ES1. (All dollars are in 2025 dollars.)

Table ES1: MEPT Impacts, by Type of Impact, 1982-2025, (2025 dollars)

Type of Impact	Output	Personal Income	Jobs (Person-years)	Hours Worked	State Income Taxes
Direct - Hard Cost	$12,614,739,050	$5,505,539,757	69,193	135,572,152	$214,433,202
Direct - Soft Cost	$2,792,851,698	$1,529,280,140	15,118	27,710,171	$64,704,084
Indirect	$5,605,653,661	$2,222,687,397	30,187	55,284,565	$89,784,763
Induced	$10,157,271,083	$3,636,109,171	60,369	105,096,300	$153,746,101
Total	**$31,170,515,491**	**$12,893,616,464**	**174,867**	**323,663,188**	**$522,668,150**

Sales Tax: $395,347,314

The direct economic impacts attributed to MEPT investment spending are significant and consist of:

- Hard cost investments (spending on construction) that generated $12.6 billion in output, including $5.5 billion in income (wages and benefits), and 69,193 union construction jobs with 135.6 million hours of work. This construction activity directly generated $214.4 million in state income taxes.

- Soft cost investments that generated $2.8 billion in output, including $1.5 billion in income and 15,118 jobs in professional services and government. Soft cost investments directly generated or paid $64.7 million in state income taxes.

In addition to these direct impacts, MEPT investment spending has a multiplier effect on communities through additional supply-chain and consumption-driven spending. Between 1982 and 2025, the total economic impacts attributed to MEPT investment spending amount to:

- $31.2 billion in economic activity (output or sales),
- $12.9 billion in personal income, including wages, health care insurance, retirement, and other benefits,
- 174,867 jobs with 323.7 million hours of work, and
- $522.7 million in state income tax revenues and $395.3 million in state and local sales tax revenues.

Pinnacle measured the employment impacts by gender and race using detailed demographic data from the U.S. Equal Employment Opportunity Commission ("EEOC") that was mapped to the state-level IMPLAN models. (See Table ES2.) Between 1982 and 2025, MEPT investment spending:

- Directly generated almost 8,400 jobs and 16.4 million hours of work for women construction trades and just over 21,000 jobs and 41.1 million hours of work for minority construction trades.
- As spending and economic activity spreads to other industries, the impacts for women and minorities increase. MEPT investment spending is associated with a total of 53,119 jobs with 95.6 million hours of work for women and 60,663 jobs with 111.5 million hours of work for minority workers throughout the U.S.

Table ES2: Direct and Total Employment Impacts, by Gender and Race, 1982-2025

Demographic Group	Direct HC Jobs	Direct HC Hours of Work	Total Jobs	Total Hours of Work
Men	60,795	119,128,308	121,747	228,021,802
Women	8,398	16,443,843	53,119	95,641,386
Total All Genders	**69,193**	**135,572,152**	**174,867**	**323,663,188**
White	48,190	94,439,629	114,201	212,142,295
Black	3,859	7,553,413	15,636	28,281,153
Hispanic	14,305	28,004,361	31,332	58,080,677
Asian	1,196	2,346,667	8,835	16,216,036
All Other	1,643	3,228,083	4,861	8,943,025
Total All Races	**69,193**	**135,572,152**	**174,867**	**323,663,188**
Total Minority	**21,003**	**41,132,523**	**60,663**	**111,520,892**

Note: Columns may not add up exactly due to rounding.

MEPT has become an industry leader in "green building" and has made a meaningful commitment to incorporate sustainable development and energy-efficient property operations in its investment strategy:

- **Sustainable development and redevelopment.** MEPT seeks to achieve U.S. Green Building Council® (USGBC) Leadership in Energy & Environmental Design (LEED®) Silver certification or higher for all development and redevelopment projects, as well as seek LEED certification on tenant build outs, wherever possible.
- **High-performance, energy-efficient operations.** MEPT has long sought to improve the energy efficiency of its existing portfolio. MEPT participates in the U.S. Environmental Protection Agency's (EPA) ENERGY STAR Portfolio Manager Program with an aim to achieve the ENERGY STAR labels, whenever feasible for operating assets. Additionally, MEPT has certified assets through the USGBC's LEED-Existing Building Operations and Maintenance (EBO&M®) program and maintains a quality control and assurance program for all appropriate office buildings. Furthermore, MEPT benchmarks properties in EcoTracker, a proprietary Key Performance Indicator tracking tool.

In the context of this study, the project team, in cooperation with MEPT leadership, developed a methodology for identifying impacts from sustainable development and energy-efficient property operations. Expenditures on hard costs and soft costs for projects that were certified or were in the process of gaining certification for LEED, ENERGY STAR, or LEED-EBOM are classified as expenditures on green buildings with their resulting direct hard cost and direct soft cost impacts being counted as green. This green building classification extended to 54 of the 76 projects invested in by MEPT in 2025. As a result, MEPT spending directly supported 437 green construction jobs or 84.5 percent of direct construction employment in 2025, and 80 green jobs in professional services and government or 100.0 percent of direct soft cost employment in 2025.[1]

Table ES3: Direct Green Job Impacts, 2025

Type of Impact	Green Direct Jobs	All Direct Jobs	Green Direct Jobs as a % of All Direct Jobs
Direct - Hard Cost	437	517	84.5%
Direct - Soft Cost	80	80	100.0%
Total Direct Green Jobs	**517**	**597**	**86.6%**

According to MIT's Living Wage Calculator, a living wage is the wage needed to support a family's basic needs budget, to include food, childcare, health insurance, housing, transportation, and other basic necessities. The MIT Living Wage Calculator publishes living wages for twelve different family units across 384 metropolitan areas and all 50 states. Pinnacle used data from MIT's Living Wage Calculator to identify the average hourly "living wage" needed to support the following two types of families: one adult with two children, and two adults (one working) with two children. These thresholds were then compared to the average income, by MSA and by industry sector, to identify jobs that earn a living wage. In 2025, MEPT spending supported the following living wage jobs for:

- **A single adult with two children.** Living wage jobs include 21 direct construction jobs, 80 direct soft cost jobs, 21 indirect jobs, and 9 induced jobs. Under this definition of

[1] MEPT reports that all soft cost expenditures in 2025 occurred in projects that were classified as green.

living wages for the metropolitan areas in which MEPT project spending occurs, a total of 131 jobs or 11.3 percent of the total job impacts are classified as living wage jobs.

- **Two adults (one working) with two children.** Living wage jobs include 57 direct construction jobs, 80 direct soft cost jobs, 50 indirect jobs, and 28 induced jobs. Under this definition of living wages for the metropolitan areas in which MEPT project spending occurs, a total of 215 jobs or 18.6 percent of the total job impacts are classified as living wage jobs.[2]

Estimates of living wage jobs attributed to MEPT project spending are conservative for the following reasons: 1) They are geographic specific but based on a comparison of MIT Living Wages to the average income across IMPLAN's 546 industry sectors without regard to occupations within an industry sector. This is particularly important for the construction sector where a breakout of trade effort (jobs and hours) is provided but not trade income. This makes it impossible to identify and include trades that earn a living wage. Given that MEPT projects employ union construction workers that are paid prevailing wages, it is likely that many of these trades do, in fact, earn a living wage. 2) Many of MEPT's projects occur in MSA's with high costs of living, such as New York City, Chicago, and Los Angeles where reaching the living wage threshold is more difficult to achieve.

The following sections of the report provide greater details regarding the impact analysis of MEPT investment spending. Section II provides background information on the modeling approach used in this analysis. Section III reports the findings of the economic impact analysis. Appendices have been included to provide additional information regarding the economic impact modeling approach, the qualifications of Pinnacle Economics, and a brief Glossary of key terms.

[2] Under both living wage definitions, the percentage of jobs that classify as living wage jobs increased since 2024.

Section II: Methodology

Introduction

This study represents a follow-up to our previous study published in 2025.[3] The objective of this study is to update the findings from our previous analysis to include the economic and fiscal impacts of MEPT investments made between January 1 and December 31, 2025. This section of the report contains information on the methodology used to measure economic and fiscal impacts.

Modeling Framework

Economic impact analysis provides a framework for analyzing how some activity—such as the entry or exit of an industry, changes in government policies, or a business expansion project—affects regional economic activity. The most widely used modeling framework for economic impact analysis is known as input-output modeling.[4] Input-output models are mathematical representations of an economy and how different parts (or sectors) are linked to one another.
Input-output models generally are not available for state and regional economies. As a result, special data techniques have been developed to estimate the necessary empirical relationships from a combination of national technological relationships and county-level measures of economic activity. This non-survey approach means that input-output models can be economically constructed using commercially available modeling software that relies on secondary source data collected and vetted by government agencies.

The IMPLAN Model

The most commonly used input-output modeling software is called IMPLAN (for IMpact Analysis for PLANning).[5] This is the modeling software that Pinnacle relied upon for this analysis. In simple terms, the IMPLAN model works by tracing how and where money spent on MEPT investments circulates through the economy. The three types of impacts are discussed below within the context of this analysis.

- **Direct** impacts represent the output, income, jobs, hours of work, and sales and income taxes generated as a result of MEPT spending on the construction of new buildings or improvements to existing structures.[6] Specifically, in this analysis, direct impacts include construction services (hard costs), and professional services provided by architects and engineers, attorneys, insurers, and state and local governments (soft costs) necessary to construct or improve a building.

[3] This 2026 report represents a follow up to studies completed in 2025, 2024, 2023, 2022, 2019, 2016, 2013, 2009, and 2006, as well as previous analyses conducted by Scott Lindall of the Minnesota IMPLAN Group, Inc., and reported in *The Impact of Multi-Employer Property Trust Investments Across the United States*, 2000 and 2002.
[4] Input-output analysis was first put to practical use by Wassily Leontief in the late 1930's. While at Harvard, Leontief used his input-output system to construct an empirical model of the United States economy. This research gave rise to his 1941 classic, "Structure of American Industry, 1919-1929." For his research, Leontief was awarded the Nobel Prize in Economics in 1973.
[5] IMPLAN was initially developed as part of a joint effort by the USDA Forest Service, the Federal Emergency Management Agency, and the USDI Bureau of Land Management. IMPLAN is currently licensed and distributed by the IMPLAN Group, LLC. Huntersville, NC. IMPLAN.com.
[6] In this analysis, there is no new construction activity in 2025. All hard cost and soft cost expenditures in 2025 are associated with tenant improvements.

- **Indirect** impacts occur as businesses that are directly impacted by MEPT spending buy from other businesses. The construction contractor, for example, may purchase tools or lease construction equipment. The tool supplier will, in turn, purchase utilities, accounting, and landscaping services. These purchases of goods and services by businesses from other businesses indirectly generate sales, jobs, and income for others. Indirect impacts are often referred to as *supply-chain* impacts.
- **Induced** impacts result from the increased income and purchasing power of households who are either directly or indirectly affected by MEPT spending. The construction worker, for instance, will take their family to dinner or purchase health care services for their children. Employees at the tool supply business (discussed above) will spend their income in much the same way. This spending induces sales, income, jobs and hours of work for workers and businesses in other sectors of the economy. Induced impacts are often referred to as *consumption-driven* impacts.

Economic impact multipliers allow researchers to follow the initial change in economic activity as it "ripples" through each industry sector. The IMPLAN model produces multipliers for all impact measures that are specific to each of the 546 industry sectors in the model and the economy being studied. This analysis relies on the same Type SAM multipliers that were used in our previous reports.[7]

Report Tables

The economic impacts measured in this analysis will be reported in tables that show the direct effects (broken out by hard and soft costs), as well as the indirect and induced effects. Within these tables are six measures of the impacts attributed to MEPT investments, including: output, personal income, employment, hours worked, state personal income taxes, and state and local sales taxes. All economic and fiscal impacts are temporary in nature and occur as project spending unfolds. The impact measures are:

- **Output** is the broadest measure of economic activity. It represents the total value of production or, alternatively, business revenues. Output includes the purchase of intermediate goods and services plus the value added in production which includes personal income (discussed below), other income (profits), and indirect business taxes.
- **Personal income** consists of the wages and fringe benefits to workers, plus the income (sometimes called small business income) earned by self-employed workers and the working owners of small businesses.
- **Employment** represents the total number of full- and part-time employees. Given the temporal nature of construction spending, job impacts should be thought of as person-years of employment. For example, one person-year of employment would include a laborer working for three months, followed by a carpenter working for six months, and an electrician working for three months. In other words, one job lasting for twelve months is the same as two jobs lasting for six months each.
- **Hours worked** represents the total number of hours required to produce the output, and is calculated using the job estimates produced by IMPLAN, and job and full-time equivalents

[7] Type SAM multipliers include the direct, indirect, and induced impacts and, as a result, provide the most comprehensive measure of economic and fiscal impacts.

("FTE") data from the US Bureau of Economic Analysis ("BEA") National Income and Product Accounts ("NIPA") for each of the 546 industry sectors in the IMPLAN model.[8]

- **State income taxes** are personal income taxes paid by households on their income. Income taxes may also include taxes paid by corporations and individuals on other types of income, such as rental income, dividend income, interest income, capital gains, and retirement income.
- **State and local sales taxes** consist of state and local retail sales taxes, as well as a host of taxes related to the sale of specific goods and services, including alcohol, cigarettes, gasoline, lodging or occupancy, public utilities, and more. As such, states that do not have general retail sales taxes may still report some sales tax revenues.

Model Inputs

MEPT provided annual expenditure data for all hard and soft costs associated with the construction of new buildings and tenant improvements to existing structures.[9] Hard costs represent expenditures on actual construction. Soft costs represent expenditures on architectural and engineering services, as well as legal, insurance, financial, and permitting.

The IMPLAN model has 546 industry sectors, with several sectors that are closely aligned to the expenditure data provided by MEPT. Hard costs for New Construction ("NC") were allocated to IMPLAN sectors for the construction of new commercial buildings or new multi-family residential structures, depending on the type of project. Hard costs for Tenant Improvements ("TI") were assigned to IMPLAN sectors for maintenance and repair construction of nonresidential structures and multi-family residential structures. Soft costs were allocated as follows: 75 percent to architectural and engineering services, 5 percent to banking and finance, 5 percent to insurance, 5 percent to legal services, and 10 percent to permitting services provided by state and local governments.

MEPT provided expenditure data consisting of hard costs, soft costs, and land costs for projects built or committed to from 1982 through 2025. The current analysis models all incremental project activity in 2025. Importantly, MEPT's investment expenditures were modeled for the state and year in which they occurred, and then converted to current, 2025 dollars. All dollar amounts in the economic impact tables in this report are in 2025 dollars.

Changes Across Studies

This analysis reports cumulative impacts over the 1982 to 2025 time period by measuring the additional or incremental economic impacts that have occurred in 2025, and adding those impact results to the impacts measured in our previous analysis.

The original studies, conducted by MIG (IMPLAN) in 2000 and 2002, relied on 1999 IMPLAN data with a Standard Industrial Classification or SIC-based sectoring scheme. Pinnacle's previous and current analyses rely on IMPLAN data based on a North American Industry Classification

[8] U.S. BEA Tables 6.4D and 6.5D.
[9] MEPT also provided land costs for each project, where relevant. Since the purchase of land represents a transfer rather than the creation of new economic activity, these costs were excluded from the economic impact modeling.

System or NAICS-based sectoring scheme.[10] As a result, Pinnacle did not re-run project spending from the early MIG analysis through input-output models built with NAICS-based IMPLAN data. Instead, the economic impacts measured by MIG in 2000 and 2002 were converted to current dollars and added to the additional impacts measured in recent studies using more recent IMPLAN data.

Since the 2016 report, soft cost expenditures are allocated across the following sectors: architectural and engineering, banking, legal, insurance, and state and local governments. Although the overall effect of this adjustment on the resulting economic impacts is modest, it does enhance the accuracy of the economic impact results.

Starting with the 2019 report, additional details on the direct construction jobs and hours of work are broken out by construction trade. To do this, Pinnacle allocated the direct construction jobs and hours of work attributed to MEPT hard cost spending, as estimated by IMPLAN, across building trade matrices for commercial and multi-family new construction and tenant improvements developed using detailed occupational employment statistics from the U.S. Bureau of Labor Statistics.[11]

To measure the job impacts by race and gender, Pinnacle augmented the IMPLAN economic impact models of each state with detailed demographic data from the U.S. Equal Employment Opportunity Commission ("EEOC") using EEO-1 and EEO-4 reports. Through these reports, EEOC provides employment patterns and participation rates, by industry sector at a three-digit NAICS code level, for every state. These state participation rates were mapped to the 546 industry sectors in IMPLAN. Participation rates refer to the percent of total employment in a given industry that is occupied by a gender and/or racial group.

Lastly, to estimate green economic impacts, Pinnacle relied on MEPT's classification of green projects. Expenditures on hard costs and soft costs for projects that were certified or were in the process of gaining certification for LEED, ENERGY STAR, or LEED-EBOM are classified as expenditures on green buildings with their resulting direct hard cost and direct soft cost impacts being counted as green. For green projects, all economic impacts associated with direct hard costs and soft costs were counted as green. Pinnacle then mapped the U.S. Bureau of Labor Statistics' "Green Goods and Services Industries" to industry sectors in the IMPLAN model to identify secondary (indirect and induced) impacts that may occur in green industries.

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[10] According to the U.S. Census Bureau, "*On April 9, 1997, the Office of Management and Budget (OMB) announced its decision to adopt… NAICS as the industry classification system used by the statistical agencies of the United States. NAICS replaces the 1987 Standard Industrial Classification (SIC). NAICS is a unique, all-new system for classifying business establishments. It is the first economic classification system to be constructed based on a single economic concept. Economic units that use like processes to produce goods or services are grouped together. This "production-oriented" system means that statistical agencies in the United States will produce data that can be used for measuring productivity, unit labor costs, and the capital intensity of production; constructing input-output relationships; and estimating employment-output relationships and other such statistics that require that inputs and outputs be used together.*"

[11] See United States Department of Labor, Bureau of Labor Statistics, http://www.bls.gov/oes/tables.htm. Construction building trade matrices consists of national, occupational data for six construction NAICS codes (residential construction #2361; nonresidential construction #2362; foundation, structure, and building exterior contractors #2381; building equipment contractors #2382; building finishing contractors #2383; and other contractors #2389). BLS data was obtained for the 15-year, 2006 through 2020 period.

Section III: Impact Results

Introduction

Between April 1982 and December 2025, MEPT investment spending involves 393 assets in 52 markets located in 30 states and the District of Columbia.[12]

Cumulative MEPT project spending, as measured by changes in hard cost and soft cost direct output, increased from $14.9 billion in 2024 to $15.4 billion in 2025, or by 3.4 percent year-over-year. On a cumulative basis, the number of direct jobs (both hard costs and soft costs) increased from 83,714 jobs in 2024 to 84,311 jobs in 2025, or by 0.7 percent year-over-year. This section of the report provides a summary of the economic and fiscal impacts, and then detailed economic impacts by market and state, associated with MEPT investment spending.

Total MEPT Impacts

Table 1 shows the cumulative economic impacts resulting from MEPT spending on new construction, tenant improvements, and project soft costs since its inception in 1982.

Table 1: MEPT Impacts, by Type of Impact, 1982-2025, (2025 dollars)

Type of Impact	Output	Personal Income	Jobs	Hours Worked	State Income Taxes
Direct - Hard Cost	$12,614,739,050	$5,505,539,757	69,193	135,572,152	$214,433,202
Direct - Soft Cost	$2,792,851,698	$1,529,280,140	15,118	27,710,171	$64,704,084
Indirect	$5,605,653,661	$2,222,687,397	30,187	55,284,565	$89,784,763
Induced	$10,157,271,083	$3,636,109,171	60,369	105,096,300	$153,746,101
Total	**$31,170,515,491**	**$12,893,616,464**	**174,867**	**323,663,188**	**$522,668,150**

Sales Tax: $395,347,314

As shown in the first row of Table 1, MEPT spending on project hard costs directly generated $12.6 billion in output, including $5.5 billion in personal income, and 69,193 jobs (person-years of employment) with 135.6 million hours of work for union construction workers and special trade contractors over the 1982 to 2025 time period. Additionally, MEPT hard cost expenditures directly generated $214.4 million in state income taxes over this time period.

The total economic and fiscal impacts from MEPT spending between 1982 and 2025 are significant and include:

- $31.2 billion in economic activity (or output),
- $12.9 billion in personal income including wages and health and welfare, pension, and other benefits,
- 174,867 jobs with 323.7 million hours of work, and
- $522.7 million in state income taxes and $395.3 million in state and local sales taxes.

[12] There are no new assets in 2025. In addition, the asset count (394) in the previous report included one asset that was counted twice due to name changes over time.

Table 2 reports the direct jobs and hours of work for the building trades that benefit from MEPT hard cost expenditures on new construction and tenant improvements. This table details the direct construction jobs and hours of work attributed to MEPT hard cost spending, as estimated by the IMPLAN model, across various construction trades, as estimated by Pinnacle using detailed occupational employment statistics from the U.S. Bureau of Labor Statistics for the types of construction associated with MEPT investment spending.

Table 2: Direct MEPT Union Construction Job Impacts, by Building Trade, 1982-2025

Building Trade	Jobs	Hours Worked
Bricklayers (including tile setters)	2,389	4,683,022
Carpenters	10,994	21,510,367
Cement Masons	2,542	4,980,954
Electrical Workers	11,490	22,549,406
Elevator Installers and repairers	1,518	2,980,880
Insulation (including asbestos removal)	650	1,269,694
Ironworkers	1,040	2,029,845
Laborers	10,839	21,225,045
Operating Engineers	2,446	4,774,552
Other	4,997	9,754,368
Painters	6,423	12,608,739
Plumbers	8,267	16,230,477
Roofers	2,168	4,253,103
Sheet Metal Workers	2,482	4,869,749
Teamsters	949	1,851,950
Total All Construction Trades	69,193	135,572,152

As shown in Table 3, the linkages between MEPT hard cost spending and union construction can be assessed or quantified by calculating how much construction activity is supported by $1.0 million in MEPT hard cost spending. On average, between 1982 and 2025, every $1.0 million in MEPT hard cost spending is linked to $436,400 in personal income and 5.5 jobs with 10,747 hours of work for union construction trades. Every $1.0 million in MEPT hard cost spending is associated with, on average, nearly $17,000 in state income tax revenues. (Please recall that some states in which MEPT has assets do not tax income.)

Table 3: MEPT Hard Cost Spending and Direct Construction Impacts, 1982-2025 (2025 dollars)

Direct Construction Impact Measure	Per $1 Million in Hard Cost Spending
Personal Income	$436,437
Construction Jobs	5.5
Construction Hours of Work	10,747
State Income Taxes	$16,999

Table 4 shows how MEPT spending benefits every sector of impacted communities. Since much of MEPT spending consists of project hard costs, most of the direct impacts occur in the construction sector. The construction sector also receives additional economic benefits as spending "ripples" through other industry sectors and institutions that utilize construction services. Indeed,

the total economic impacts for the construction sector amount to $12.8 billion in output, $5.6 billion in personal income, and 70,316 jobs with 137.8 million hours of work.[13]

Table 4: Total MEPT Impacts, by Major Industry Sector, 1982-2025, (2025 dollars)

Major Industry Sector	Output	Personal Income	Jobs	Hours Worked
Agriculture	$88,982,938	$24,920,291	820	1,435,938
Mining	$81,470,231	$18,541,421	181	374,815
Construction	$12,817,880,902	$5,594,276,606	70,316	137,756,226
Manufacturing	$1,828,601,743	$362,860,897	4,364	8,711,085
TCPU	$1,308,316,778	$356,393,791	3,829	7,449,904
Trade	$2,709,870,119	$1,166,308,549	23,775	39,095,911
FIRE	$3,358,267,731	$604,624,899	7,659	14,570,365
Services	$8,599,047,628	$4,551,834,567	61,417	110,283,630
Other	$11,509,117	$11,490,307	571	684,968
Government	$366,568,304	$202,365,141	1,935	3,300,345
Total	**$31,170,515,491**	**$12,893,616,464**	**174,867**	**323,663,188**

Note: "FIRE" stands for Finance, Insurance and Real Estate. "TCPU" stands for Transportation, Communication, and Public Utilities.

Table 4 also shows significant economic impacts for the service and trade sectors. Economic impacts in the service sector begin with expenditures on soft costs, but continue with additional supply-chain and consumption-driven spending that reveal the potency or ripple effects associated with MEPT spending for the service and trade sectors, as well as for all other industry sectors.

All the impact measures described previously can be summarized across direct, indirect, and/or induced impact categories using mathematical formulae to measure and explain what economists refer to as the "multiplier effect." The economic and fiscal impact multipliers presented in this report are Type SAM multipliers and are calculated by dividing the total economic impacts by the direct economic impacts.[14] Multipliers are a shorthand way to better understand the linkages between an activity and other sectors of the economy, i.e., the larger the multipliers, the greater the interdependence between MEPT project spending and other sectors in state economies where the projects occur.

Table 5 reports the economic and fiscal impact multipliers associated with MEPT project spending. (These multipliers are calculated from state-level IMPLAN models and do not include additional potential spillover impacts—i.e., imports—from one state to another.) Over the years, the economic impact multipliers have stabilized and don't change very much from year to year, suggesting that they have become more reliable at summarizing the economic impacts associated with MEPT project spending.

Table 5: MEPT Economic Impact Multipliers, 1982-2025

Impact Measure	Multiplier
Output	2.02
Personal Income	1.83
Jobs	2.07
Hours Worked	1.98
Income Tax	1.87

[13] The total construction impacts reported in Table 4 include the construction impacts from hard cost spending, as well as the construction impacts from indirect and induced economic activity.
[14] These multiplier effects are based on MEPT's historical mix of hard cost and soft cost spending across states.

In aggregate, on average MEPT project spending (both hard costs and soft costs) between 1982 and 2025 has the following multiplier effects:

- **Output multiplier equals 2.02.** Thus, every $1.0 million in MEPT project spending is linked to another $1.02 million in output (sales) in other sectors of the economy.
- **Personal income multiplier equals 1.83.** This shows that every $1.0 million in direct personal income generated by MEPT project spending is linked to another $830,000 in personal income for workers and small business owners in other sectors of the economy.
- **Employment multiplier is 2.07.** Thus, every 10 direct jobs attributed to MEPT project spending is linked to another 10.7 jobs elsewhere in the economy.

MEPT Demographic Impacts – Employment Impacts for Women and Minorities

To measure the job impacts by race and gender, Pinnacle augmented the IMPLAN economic impact models of each state with detailed demographic data from the U.S. Equal Employment Opportunity Commission ("EEOC").[15] The EEOC requires employers to file reports on the composition of their work forces by sex and by race/ethnic category.[16] Key among these reports are the EEO-1, which is collected annually from private employers with 100 or more employees or federal contractors with 50 or more employees, and EEO-4, which is collected biannually from state and local governments with more than 100 employees.

Through these reports, EEOC provides employment patterns and participation rates, by industry sector at a three-digit NAICS code level, for every state. These state participation rates were mapped to the 546 industry sectors in IMPLAN models for each state. Participation rates refer to the percent of total employment in a given industry that is occupied by a gender and/or racial group.[17] Pinnacle used 2018 EEOC data to measure the demographic impacts for projects between 2019 and 2025, and 2014 EEOC data to measure the demographic impacts for project activities before 2019.

As shown in Table 6, between 1982 and 2025, MEPT project spending directly generated 69,193 jobs and 135.6 million hours of work for union construction trades, with almost 8,400 jobs and 16.4 million hours of work accruing to women and just over 21,000 jobs and 41.1 million hours of work accruing to minority construction workers.

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[15] See U.S. Equal Employment Opportunity Commission at https://www.eeoc.gov/statistics/employment/jobpatterns/eeo1.

[16] The terminology used by Pinnacle to describe races/ethnicities is identical to that employed by the EEOC. According to EEOC documentation, "*Race/ethnic designations as used by the Equal Employment Opportunity Commission do not denote scientific definitions of anthropological origins. For the purposes of this report (EEO-1), an employee may be included in the group to which he or she appears to belong, identifies with, or is regarded in the community as belonging. However, no person should be counted in more than one race/ethnic group. The race/ethnic categories for the EEO-1 survey are as defined in U.S. Department of Commerce, Office of Federal Statistical Policy and Standards' Directive No. 15. Accordingly, the race/ethnic categories reported in this analysis include (EEOC definitions): 1) White (all persons having origins in any of the original peoples of Europe, North Africa, or the Middle East (not of Hispanic origin)); 2) Black (all persons having origins in any of the Black racial groups of Africa (not of Hispanic origin)); 3) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race); 4) Asian (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and 5) All other races (includes American Indian or Alaskan Native, Hawaiian, or persons of two or more races.)*"

[17] For example, if an industry has 1,000 employees and a participation rate of 13.0 percent for Hispanic women, then Hispanic women account for 130 jobs in that industry.

As spending and economic activity spreads to other industries, the impacts for women and minorities increase. Between 1982 and 2025, MEPT project spending is associated with a total of 53,119 jobs with 95.6 million hours of work for women and 60,663 jobs with 111.5 million hours of work for minority workers throughout the U.S.

Table 6: Direct and Total Employment Impacts, by Gender and Race, 1982-2025

Demographic Group	Direct HC Jobs	Direct HC Hours of Work	Total Jobs	Total Hours of Work
Men	60,795	119,128,308	121,747	228,021,802
Women	8,398	16,443,843	53,119	95,641,386
Total All Genders	**69,193**	**135,572,152**	**174,867**	**323,663,188**
White	48,190	94,439,629	114,201	212,142,295
Black	3,859	7,553,413	15,636	28,281,153
Hispanic	14,305	28,004,361	31,332	58,080,677
Asian	1,196	2,346,667	8,835	16,216,036
All Other	1,643	3,228,083	4,861	8,943,025
Total All Races	**69,193**	**135,572,152**	**174,867**	**323,663,188**
Total Minority	**21,003**	**41,132,523**	**60,663**	**111,520,892**

Note: Numbers may not add up exactly due to rounding.

As discussed previously, MEPT has become an industry leader in "green building" and has made a meaningful commitment to incorporate sustainable development and energy-efficient property operations in its investment strategy. Pinnacle first started measuring green jobs for the 2022 project year using the following classifications: First, direct jobs associated with expenditures on hard costs and soft costs are classified as green jobs for new construction projects that achieve U.S. Green Building Council® (USGBC) Leadership in Energy & Environmental Design (LEED®) Silver certification or higher, or for tenant improvements that achieve LEED certification. Second, indirect and induced jobs represent jobs that occur in green industries as defined by the U.S. Bureau of Labor Statistics' *Green Goods and Services Industries* NAICS codes that are then mapped to the 546 industries in state-level IMPLAN models.[18]

Table 7: Direct and Secondary Jobs in Green Industries, 2025

Type of Impact	Green Jobs	All Jobs	Green Jobs as % of All Jobs
Direct - Hard Cost	437	517	84.5%
Direct - Soft Cost	80	80	100.0%
Indirect	147	254	57.7%
Induced	136	307	44.3%
Total Jobs	**800**	**1,158**	**69.0%**

[18] To estimate the indirect and induced jobs associated with MEPT project spending that occur in green industries, Pinnacle mapped the U.S. Bureau of Labor Statistics' Green Goods and Services Industries, by NAICS, to the IMPLAN model. Through this mapping, 273 of IMPLAN's 546 industries were identified as having some role in providing green goods and/or services. MEPT spending on green buildings in 2025 is linked to additional supply-chain and consumption-driven spending that supports 283 jobs for workers in green industry sectors. To be clear, these secondary jobs may or may not be green, but they occur in green industry sectors.

Table 7 reports the direct green jobs and potential secondary green jobs that are attributed to MEPT hard cost and soft cost expenditures in 2025. Key green job findings for 2025 include:

- MEPT spending on construction hard costs is linked to 437 green construction jobs or 84.5 percent of all direct construction jobs. In addition, 80 direct jobs in professional services and government are classified as green. This represents 100.0 percent of all direct soft cost jobs, i.e., MEPT reports all soft cost spending in 2025 occurred at assets classified as green.
- Secondary impacts include 147 indirect jobs and 136 induced jobs in green industries.

MEPT Economic Impacts by Market

Figure 1: Summary of Direct Hours of Work for Union Construction Trades from MEPT Hard Cost Spending, by Market, 1982-2025

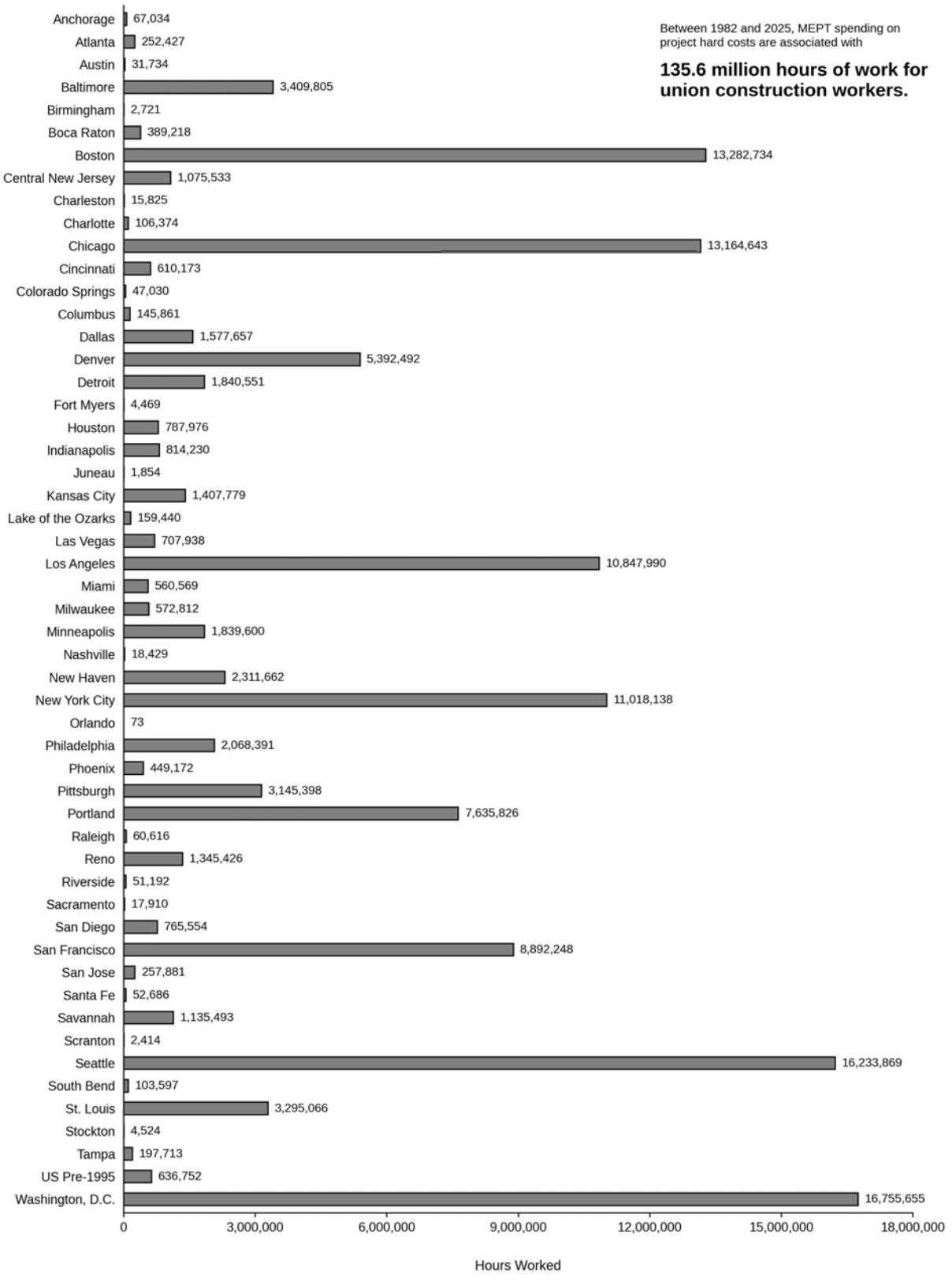


Table 8: Detailed Direct Hours of Work for Union Construction Trades from MEPT Hard Cost Spending, by Market, 1982-2025

Market	Bricklayers (including tile setters)	Carpenters	Cement Masons	Electrical Workers	Elevator Installers and repairers	Insulation (includes asbestos removal)	Iron-workers	Laborers
Anchorage	2,268	11,226	2,464	10,445	1,348	720	1,151	10,727
Atlanta	9,924	25,164	9,246	59,762	8,724	42	67	33,667
Austin	1,243	3,221	1,163	7,445	1,084	14	23	4,255
Baltimore	115,854	564,862	125,322	538,665	69,889	35,654	57,000	543,212
Birmingham	107	268	100	648	95	0	0	362
Boca Raton	13,167	65,181	14,306	60,646	7,827	4,180	6,682	62,283
Boston	453,518	2,173,013	488,133	2,131,039	278,085	134,620	215,215	2,105,294
Central New Jersey	36,579	177,727	39,529	170,437	22,139	11,177	17,869	171,168
Charleston	624	1,561	580	3,767	550	0	0	2,104
Charlotte	4,150	11,004	3,897	24,707	3,591	80	128	14,345
Chicago	458,942	2,036,850	483,575	2,251,621	300,520	115,197	184,165	2,040,639
Cincinnati	20,725	101,156	22,426	96,302	12,490	6,392	10,219	97,236
Colorado Springs	1,853	4,638	1,723	11,194	1,636	0	0	6,253
Columbus	4,934	24,427	5,361	22,727	2,933	1,566	2,504	23,341
Dallas	56,255	228,589	57,923	288,354	39,320	11,386	18,203	238,454
Denver	189,717	813,013	198,042	947,766	127,644	43,862	70,121	827,503
Detroit	62,271	308,172	67,652	286,857	37,028	19,756	31,583	294,502
Fort Myers	176	441	164	1,064	155	0	0	594
Houston	28,998	103,032	28,909	157,323	22,013	3,950	6,314	114,719
Indianapolis	27,546	136,357	29,928	126,868	16,375	8,744	13,979	130,293
Juneau	63	311	68	289	37	20	32	297
Kansas City	49,398	213,850	51,704	245,513	32,981	11,701	18,706	216,660
Lake of the Ozarks	5,394	26,701	5,860	24,843	3,206	1,712	2,737	25,514
Las Vegas	23,950	118,557	26,021	110,307	14,237	7,602	12,154	113,285
Los Angeles	371,750	1,757,866	398,626	1,760,514	230,699	107,318	171,569	1,712,774
Miami	19,721	84,527	20,587	98,510	13,267	4,561	7,292	86,026
Milwaukee	19,378	95,928	21,055	89,252	11,520	6,151	9,834	91,662
Minneapolis	62,416	305,820	67,613	289,328	37,476	19,403	31,020	293,487
Nashville	726	1,817	675	4,387	641	0	0	2,450
New Haven	78,793	379,856	84,955	368,875	48,039	23,690	37,873	367,054
New York City	388,661	1,648,516	404,623	1,951,631	263,505	87,645	140,117	1,685,807
Orlando	2	12	3	11	1	1	1	12
Philadelphia	70,224	343,297	76,021	325,976	42,256	21,730	34,739	329,769
Phoenix	15,366	73,115	16,506	72,503	9,482	4,495	7,186	71,048
Pittsburgh	108,015	506,918	115,577	513,784	67,484	30,684	49,054	495,530
Portland	262,202	1,230,800	280,578	1,247,036	163,784	74,519	119,133	1,203,034
Raleigh	2,388	5,978	2,220	14,428	2,109	0	0	8,059
Reno	49,999	169,920	49,350	275,786	38,866	5,808	9,285	193,517
Riverside	2,017	5,049	1,875	12,185	1,781	0	0	6,806
Sacramento	706	1,766	656	4,263	623	0	0	2,381
San Diego	26,394	122,086	28,128	126,592	16,700	7,267	11,617	120,098
San Francisco	308,000	1,400,523	326,684	1,491,391	197,725	81,665	130,557	1,388,091
San Jose	9,120	38,294	9,470	46,024	6,229	2,006	3,207	39,343
Santa Fe	1,782	8,823	1,937	8,209	1,060	566	905	8,431
Savannah	38,427	189,996	41,737	177,120	22,870	12,168	19,453	181,638
Scranton	95	238	88	575	84	0	0	321
Seattle	552,122	2,682,475	596,636	2,572,668	334,185	168,688	269,680	2,583,528
South Bend	3,505	17,349	3,808	16,142	2,083	1,112	1,779	16,578
St. Louis	112,787	535,576	121,085	532,813	69,728	32,851	52,519	520,893
Stockton	178	446	166	1,077	157	0	0	601
Tampa	7,774	19,693	7,242	46,829	6,836	30	48	26,363
US Pre-1995	21,541	106,636	23,405	99,215	12,805	6,838	10,932	101,893
Washington, D.C.	581,276	2,627,726	615,549	2,823,694	374,976	152,122	243,196	2,611,145
Total All Markets	**4,683,022**	**21,510,367**	**4,980,954**	**22,549,406**	**2,980,880**	**1,269,694**	**2,029,845**	**21,225,045**

Table 8 (Continued): Detailed Direct Hours of Work for Union Construction Trades from MEPT Hard Cost Spending, by Market, 1982-2025

Market	Operating Engineers	Other	Painters	Plumbers	Roofers	Sheet Metal Workers	Teamsters	**Total All Trades**
Anchorage	2,707	5,530	5,753	7,397	1,984	2,264	1,050	**67,034**
Atlanta	158	323	35,614	46,061	10,917	12,695	61	**252,427**
Austin	53	109	4,430	5,730	1,361	1,582	21	**31,734**
Baltimore	134,075	273,913	297,680	382,838	102,167	116,668	52,005	**3,409,805**
Birmingham	0	0	386	500	118	138	0	**2,721**
Boca Raton	15,717	32,110	33,405	42,950	11,520	13,146	6,096	**389,218**
Boston	506,223	1,034,208	1,181,922	1,520,461	403,503	461,148	196,353	**13,282,734**
Central New Jersey	42,030	85,867	94,257	121,228	32,315	36,908	16,303	**1,075,533**
Charleston	0	0	2,246	2,906	688	800	0	**15,825**
Charlotte	301	616	14,682	18,985	4,520	5,252	117	**106,374**
Chicago	433,188	884,999	1,266,678	1,631,276	423,447	485,521	168,025	**13,164,643**
Cincinnati	24,037	49,107	53,207	68,427	18,267	20,859	9,323	**610,173**
Colorado Springs	0	0	6,676	8,635	2,044	2,377	0	**47,030**
Columbus	5,890	12,033	12,519	16,096	4,317	4,926	2,285	**145,861**
Dallas	42,817	87,476	164,443	211,995	53,869	61,964	16,608	**1,577,657**
Denver	164,937	336,965	536,238	690,889	177,746	204,074	63,976	**5,392,492**
Detroit	74,289	151,772	158,016	203,169	54,490	62,179	28,815	**1,840,551**
Fort Myers	0	0	634	821	194	226	0	**4,469**
Houston	14,852	30,342	91,214	117,736	29,149	33,663	5,761	**787,976**
Indianapolis	32,880	67,174	69,882	89,850	24,100	27,500	12,754	**814,230**
Juneau	75	153	159	205	55	63	29	**1,854**
Kansas City	43,999	89,889	138,685	178,660	46,080	52,886	17,066	**1,407,779**
Lake of the Ozarks	6,438	13,154	13,684	17,594	4,719	5,385	2,497	**159,440**
Las Vegas	28,588	58,405	60,759	78,121	20,954	23,910	11,089	**707,938**
Los Angeles	403,559	824,469	978,996	1,259,667	332,930	380,720	156,532	**10,847,990**
Miami	17,152	35,042	55,735	71,808	18,475	21,211	6,653	**560,569**
Milwaukee	23,131	47,257	49,162	63,210	16,954	19,346	8,972	**572,812**
Minneapolis	72,964	149,065	159,723	205,398	54,903	62,681	28,301	**1,839,600**
Nashville	0	0	2,616	3,384	801	932	0	**18,429**
New Haven	89,083	181,996	204,330	262,831	69,886	79,848	34,553	**2,311,662**
New York City	329,579	673,327	1,105,984	1,425,122	365,727	420,057	127,837	**11,018,138**
Orlando	3	6	6	8	2	2	1	**73**
Philadelphia	81,712	166,937	180,042	231,536	61,844	70,612	31,694	**2,068,391**
Phoenix	16,903	34,532	40,268	51,808	13,719	15,684	6,556	**449,172**
Pittsburgh	115,383	235,726	286,128	368,201	97,093	111,068	44,755	**3,145,398**
Portland	280,221	572,489	694,449	893,641	235,666	269,582	108,692	**7,635,826**
Raleigh	0	0	8,605	11,130	2,635	3,064	0	**60,616**
Reno	21,839	44,617	160,636	207,413	50,979	58,940	8,471	**1,345,426**
Riverside	0	0	7,267	9,399	2,225	2,588	0	**51,192**
Sacramento	0	0	2,542	3,288	778	905	0	**17,910**
San Diego	27,325	55,825	70,693	90,990	23,892	27,347	10,599	**765,554**
San Francisco	307,093	627,387	835,455	1,075,583	281,048	321,932	119,115	**8,892,248**
San Jose	7,544	15,413	26,122	33,663	8,618	9,902	2,926	**257,881**
Santa Fe	2,128	4,347	4,522	5,814	1,559	1,779	825	**52,686**
Savannah	45,758	93,483	97,587	125,475	33,642	38,390	17,749	**1,135,493**
Scranton	0	0	343	443	105	122	0	**2,414**
Seattle	634,335	1,295,940	1,422,779	1,829,900	487,782	557,107	246,045	**16,233,869**
South Bend	4,183	8,547	8,891	11,432	3,066	3,499	1,623	**103,597**
St. Louis	123,534	252,380	296,043	380,893	100,800	115,247	47,916	**3,295,066**
Stockton	0	0	642	831	197	229	0	**4,524**
Tampa	114	233	27,908	36,095	8,554	9,947	44	**197,713**
US Pre-1995	25,713	52,532	54,650	70,265	18,847	21,506	9,974	**636,752**
Washington, D.C.	572,039	1,168,671	1,583,442	2,038,720	531,851	609,365	221,882	**16,755,655**
Total All Markets	**4,774,552**	**9,754,368**	**12,608,739**	**16,230,477**	**4,253,103**	**4,869,749**	**1,851,950**	**135,572,152**

Table 9: Direct Hard Cost and Total Economic Impacts Attributed to MEPT Project Spending, by Market, 1982-2025 (2025 dollars)

Market	Direct Hard Cost Output	Direct HC Labor Income	Direct HC Jobs	Total Output	Total Labor Income	Total Jobs
Anchorage	$8,175,750	$3,180,110	35	$19,492,417	$7,782,572	109
Atlanta	$27,218,614	$7,353,969	126	$56,821,936	$17,509,565	311
Austin	$3,118,729	$1,252,575	16	$10,258,620	$4,180,491	56
Baltimore	$303,742,517	$135,809,406	1,768	$845,604,343	$354,217,352	5,154
Birmingham	$247,483	$79,677	1	$458,751	$146,024	3
Boca Raton	$38,932,607	$12,879,393	202	$95,930,294	$35,350,807	596
Boston	$1,115,795,282	$573,480,398	6,651	$2,408,269,935	$1,106,950,578	13,627
Central New Jersey	$115,735,927	$49,548,031	557	$385,558,842	$165,058,576	1,978
Charleston	$1,489,948	$540,146	8	$4,416,172	$1,813,663	25
Charlotte	$9,578,254	$3,253,717	53	$48,892,865	$20,068,424	313
Chicago	$1,285,681,510	$545,579,093	6,715	$3,253,846,629	$1,317,114,203	17,742
Cincinnati	$54,011,091	$21,168,210	316	$136,279,100	$52,743,461	876
Colorado Springs	$4,782,819	$1,703,479	23	$13,555,436	$5,245,181	75
Columbus	$15,766,506	$5,368,497	75	$44,177,485	$16,564,170	274
Dallas	$138,833,737	$60,145,065	785	$343,683,204	$137,053,574	1,891
Denver	$476,768,836	$200,335,617	2,770	$1,185,040,157	$473,662,630	6,952
Detroit	$197,497,576	$74,344,759	953	$507,302,580	$198,653,657	2,938
Fort Myers	$402,458	$129,347	2	$752,005	$238,807	4
Houston	$83,478,312	$30,035,311	399	$204,150,890	$75,290,911	1,107
Indianapolis	$83,675,692	$29,029,645	422	$220,148,468	$80,003,454	1,376
Juneau	$226,183	$87,978	1	$400,541	$156,322	2
Kansas City	$122,074,303	$44,990,882	728	$287,452,334	$105,971,650	1,827
Lake of the Ozarks	$17,113,017	$5,775,681	83	$37,101,790	$13,334,839	223
Las Vegas	$61,745,974	$29,891,435	368	$137,113,140	$60,673,576	836
Los Angeles	$1,019,656,962	$475,126,427	5,574	$2,941,785,430	$1,242,727,869	15,949
Miami	$44,032,760	$15,877,321	278	$108,468,752	$39,360,271	666
Milwaukee	$62,088,897	$22,474,866	297	$169,624,929	$64,089,715	1,071
Minneapolis	$199,107,285	$71,202,656	928	$447,834,116	$165,554,081	2,362
Nashville	$2,167,203	$657,400	9	$3,728,035	$1,164,637	19
New Haven	$183,414,341	$95,089,419	1,199	$367,135,068	$173,048,881	2,221
New York City	$1,050,644,149	$455,011,591	5,615	$2,498,292,178	$1,046,479,877	13,230
Orlando	$4,870	$2,311	0	$104,867	$46,852	1
Philadelphia	$228,151,136	$86,236,600	1,070	$770,309,800	$311,881,171	4,312
Phoenix	$41,307,812	$16,050,935	232	$99,278,434	$38,931,931	618
Pittsburgh	$285,443,678	$121,483,201	1,594	$756,867,978	$303,244,249	4,358
Portland	$710,002,550	$275,308,193	3,925	$1,775,008,226	$675,395,656	10,917
Raleigh	$5,248,520	$1,849,765	30	$12,134,097	$4,366,308	73
Reno	$148,988,444	$54,073,907	679	$279,523,850	$102,808,678	1,493
Riverside	$6,952,292	$2,208,336	25	$13,147,718	$4,185,920	52
Sacramento	$2,430,669	$772,081	9	$5,684,802	$1,980,678	24
San Diego	$86,524,229	$34,008,111	395	$268,304,933	$109,883,373	1,415
San Francisco	$864,290,944	$380,552,660	4,514	$2,398,062,529	$990,243,448	12,538
San Jose	$21,718,171	$9,787,667	128	$91,307,446	$39,958,309	480
Santa Fe	$5,158,456	$1,527,751	27	$14,878,610	$5,279,708	102
Savannah	$96,039,427	$33,063,020	563	$198,896,189	$69,736,296	1,121
Scranton	$306,236	$96,757	1	$569,449	$183,920	2
Seattle	$1,480,656,859	$676,942,349	8,209	$3,300,478,729	$1,349,029,289	18,376
South Bend	$10,308,602	$3,668,297	54	$26,189,883	$9,563,453	166
St. Louis	$304,362,926	$125,790,782	1,705	$818,614,816	$324,117,067	4,905
Stockton	$615,058	$195,368	2	$1,163,158	$370,322	5
Tampa	$17,063,909	$5,673,108	98	$35,244,991	$11,788,544	208
US Pre-1995	$69,545,095	$23,985,356	330	$345,911,180	$122,775,010	1,896
Washington, D.C.	$1,502,414,447	$680,861,100	8,645	$3,175,257,365	$1,435,636,464	17,996
Total All Markets	**$12,614,739,05**	**$5,505,539,757**	**69,193**	**$31,170,515,49**	**$12,893,616,464**	**174,867**

Table 10: Total Fiscal Impacts Attributed to MEPT Project Spending, by Market, 1982-2025 (2025 dollars)

Market	Sales Taxes	Income Taxes
Anchorage	$214,148	$0
Atlanta	$739,015	$353,298
Austin	$131,417	$0
Baltimore	$10,561,958	$28,288,759
Birmingham	$6,523	$378
Boca Raton	$1,546,437	$0
Boston	$18,725,819	$42,044,494
Central New Jersey	$4,430,772	$6,360,190
Charleston	$40,965	$42,490
Charlotte	$610,755	$1,119,881
Chicago	$42,822,059	$39,049,603
Cincinnati	$1,840,572	$3,474,656
Colorado Springs	$157,961	$96,587
Columbus	$632,518	$1,105,825
Dallas	$4,399,101	$0
Denver	$15,484,158	$16,882,349
Detroit	$6,955,040	$9,269,586
Fort Myers	$11,029	$0
Houston	$2,741,039	$0
Indianapolis	$2,955,399	$4,525,975
Juneau	$4,429	$0
Kansas City	$4,028,563	$4,233,189
Lake of the Ozarks	$537,640	$654,417
Las Vegas	$1,934,654	$0
Los Angeles	$43,371,777	$55,888,211
Miami	$1,640,187	$4,276
Milwaukee	$2,224,309	$4,222,661
Minneapolis	$7,306,171	$5,881,349
Nashville	$37,198	$5,493
New Haven	$3,914,924	$8,464,257
New York City	$31,366,682	$64,384,898
Orlando	$813	$0
Philadelphia	$10,912,329	$14,569,863
Phoenix	$1,472,243	$1,100,434
Pittsburgh	$10,333,285	$12,300,304
Portland	$4,061,503	$45,182,351
Raleigh	$146,797	$101,760
Reno	$3,436,941	$210,895
Riverside	$402,844	$211,357
Sacramento	$152,003	$89,252
San Diego	$4,246,097	$5,176,830
San Francisco	$34,416,016	$38,813,565
San Jose	$1,053,524	$1,224,093
Santa Fe	$218,540	$223,589
Savannah	$2,395,482	$1,330,292
Scranton	$7,507	$4,195
Seattle	$61,291,898	$0
South Bend	$360,980	$541,026
St. Louis	$11,058,319	$13,430,396
Stockton	$35,639	$18,699
Tampa	$529,364	$0
US Pre-1995	$5,741,185	$5,350,463
Washington, D.C.	$31,700,787	$86,435,965
Total All Markets	**$395,347,314**	**$522,668,150**

MEPT Economic Impacts by State

Figure 2: Summary of Direct Hours of Work for Union Construction Trades from MEPT Hard Cost Spending, by State, 1982-2025

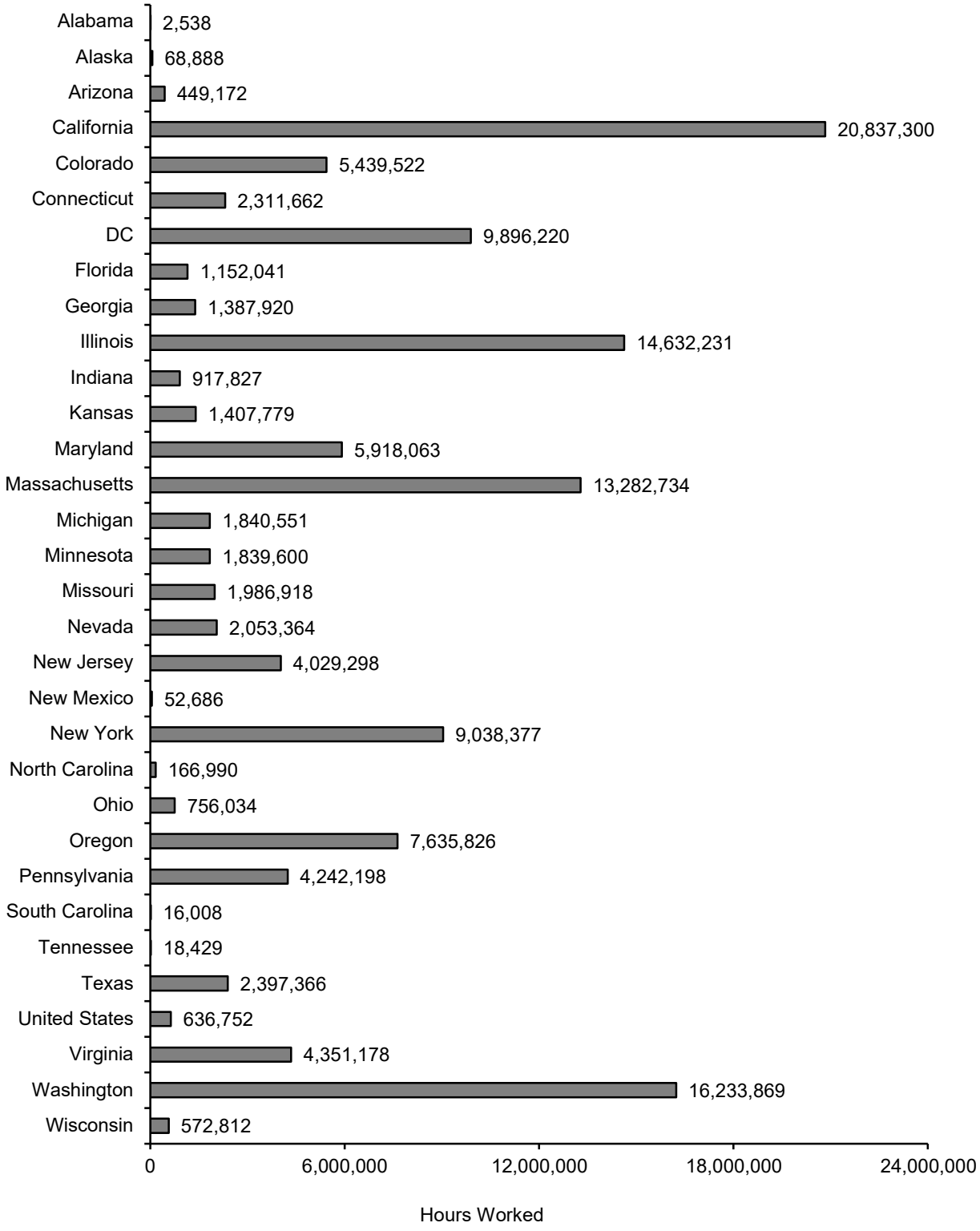


Table 11: Detailed Direct Hours of Work for Union Construction Trades from MEPT Hard Cost Spending, by State, 1982-2025

State	Bricklayers (including tile setters)	Carpenters	Cement Masons	Electrical Workers	Elevator Installers and repairers	Insulation (including asbestos removal)	Iron-workers	Laborers
Alabama	100	250	93	604	88	0	0	337
Alaska	2,331	11,537	2,532	10,734	1,385	740	1,183	11,024
Arizona	15,366	73,115	16,506	72,503	9,482	4,495	7,186	71,048
California	718,164	3,326,031	765,605	3,442,046	453,914	198,256	316,950	3,270,095
Colorado	191,570	817,651	199,765	958,961	129,280	43,862	70,121	833,756
Connecticut	78,793	379,856	84,955	368,875	48,039	23,690	37,873	367,054
DC	340,267	1,589,631	363,626	1,622,776	213,444	95,718	153,023	1,556,994
Florida	40,841	169,854	42,302	207,060	28,087	8,772	14,024	175,278
Georgia	48,351	215,160	50,983	236,883	31,594	12,210	19,521	215,305
Illinois	509,575	2,270,456	537,496	2,494,822	332,628	129,060	206,326	2,270,700
Indiana	31,050	153,707	33,736	143,010	18,458	9,856	15,757	146,871
Kansas	49,398	213,850	51,704	245,513	32,981	11,701	18,706	216,660
Maryland	205,665	923,665	217,402	1,002,627	133,388	53,036	84,789	920,505
Massachusetts	453,518	2,173,013	488,133	2,131,039	278,085	134,620	215,215	2,105,294
Michigan	62,271	308,172	67,652	286,857	37,028	19,756	31,583	294,502
Minnesota	62,416	305,820	67,613	289,328	37,476	19,403	31,020	293,487
Missouri	67,547	328,671	73,025	314,455	40,827	20,701	33,095	316,346
Nevada	73,949	288,477	75,371	386,093	53,103	13,410	21,438	306,801
New Jersey	144,951	568,023	147,904	755,302	103,788	26,618	42,554	602,799
New Mexico	1,782	8,823	1,937	8,209	1,060	566	905	8,431
New York	313,490	1,418,243	332,043	1,522,222	202,103	82,181	131,382	1,408,820
North Carolina	6,538	16,982	6,117	39,135	5,700	80	128	22,404
Ohio	25,660	125,583	27,787	119,029	15,424	7,958	12,723	120,577
Oregon	262,202	1,230,800	280,578	1,247,036	163,784	74,519	119,133	1,203,034
Pennsylvania	145,133	690,431	155,892	684,879	89,577	42,436	67,842	670,975
South Carolina	631	1,579	586	3,810	557	0	0	2,128
Tennessee	726	1,817	675	4,387	641	0	0	2,450
Texas	86,496	334,842	87,995	453,121	62,418	15,350	24,540	357,428
United States	21,541	106,636	23,405	99,215	12,805	6,838	10,932	101,893
Virginia	151,198	679,291	159,843	736,955	98,034	39,022	62,384	676,859
Washington	552,122	2,682,475	596,636	2,572,668	334,185	168,688	269,680	2,583,528
Wisconsin	19,378	95,928	21,055	89,252	11,520	6,151	9,834	91,662
Total All States	**4,683,022**	**21,510,367**	**4,980,954**	**22,549,406**	**2,980,880**	**1,269,694**	**2,029,845**	**21,225,045**

Table 11 (continued): Detailed Direct Hours of Work for Union Construction Trades from MEPT Hard Cost Spending, by State, 1982-2025

State	Operating Engineers	Other	Painters	Plumbers	Roofers	Sheet Metal Workers	Teamsters	**Total All Trades**
Alabama	0	0	360	466	110	128	0	**2,538**
Alaska	2,782	5,683	5,912	7,602	2,039	2,327	1,079	**68,888**
Arizona	16,903	34,532	40,268	51,808	13,719	15,684	6,556	**449,172**
California	745,521	1,523,094	1,921,718	2,473,422	649,688	743,624	289,172	**20,837,300**
Colorado	164,937	336,965	542,914	699,524	179,790	206,452	63,976	**5,439,522**
Connecticut	89,083	181,996	204,330	262,831	69,886	79,848	34,553	**2,311,662**
DC	359,938	735,350	904,520	1,164,051	306,540	350,730	139,612	**9,896,220**
Florida	32,987	67,391	117,689	151,682	38,746	44,533	12,795	**1,152,041**
Georgia	45,916	93,806	133,201	171,536	44,559	51,085	17,810	**1,387,920**
Illinois	485,315	991,495	1,402,555	1,806,172	469,336	538,053	188,244	**14,632,231**
Indiana	37,064	75,721	78,773	101,282	27,166	30,999	14,376	**917,827**
Kansas	43,999	89,889	138,685	178,660	46,080	52,886	17,066	**1,407,779**
Maryland	199,438	407,449	562,890	724,798	188,743	216,309	77,358	**5,918,063**
Massachusetts	506,223	1,034,208	1,181,922	1,520,461	403,503	461,148	196,353	**13,282,734**
Michigan	74,289	151,772	158,016	203,169	54,490	62,179	28,815	**1,840,551**
Minnesota	72,964	149,065	159,723	205,398	54,903	62,681	28,301	**1,839,600**
Missouri	77,846	159,038	173,850	223,591	59,630	68,100	30,195	**1,986,918**
Nevada	50,427	103,022	221,396	285,534	71,933	82,850	19,560	**2,053,364**
New Jersey	100,094	204,492	432,855	558,229	140,761	162,102	38,825	**4,029,298**
New Mexico	2,128	4,347	4,522	5,814	1,559	1,779	825	**52,686**
New York	309,033	631,353	853,501	1,098,892	286,733	328,513	119,868	**9,038,377**
North Carolina	301	616	23,287	30,114	7,155	8,316	117	**166,990**
Ohio	29,927	61,140	65,726	84,522	22,584	25,785	11,608	**756,034**
Oregon	280,221	572,489	694,449	893,641	235,666	269,582	108,692	**7,635,826**
Pennsylvania	159,576	326,013	380,397	489,409	129,590	148,152	61,896	**4,242,198**
South Carolina	0	0	2,272	2,939	696	809	0	**16,008**
Tennessee	0	0	2,616	3,384	801	932	0	**18,429**
Texas	57,723	117,927	260,088	335,460	84,379	97,209	22,389	**2,397,366**
United States	25,713	52,532	54,650	70,265	18,847	21,506	9,974	**636,752**
Virginia	146,739	299,786	413,712	532,709	138,735	158,995	56,917	**4,351,178**
Washington	634,335	1,295,940	1,422,779	1,829,900	487,782	557,107	246,045	**16,233,869**
Wisconsin	23,131	47,257	49,162	63,210	16,954	19,346	8,972	**572,812**
Total All States	**4,774,552**	**9,754,368**	**12,608,739**	**16,230,477**	**4,253,103**	**4,869,749**	**1,851,950**	**135,572,152**

Table 12: Direct Hard Cost and Total Economic Impacts from MEPT Project Spending, by State, 1982-2025 (2025 dollars)

State	Direct HC Output	Direct HC Labor Income	Direct HC Jobs	Total Output	Total Labor Income	Total Jobs
Alabama	$230,364	$73,471	1	$430,448	$136,190	2
Alaska	$8,401,933	$3,268,088	36	$19,892,958	$7,938,894	111
Arizona	$41,307,812	$16,050,935	232	$99,278,434	$38,931,931	618
California	$2,002,188,325	$902,650,650	10,648	$5,719,456,016	$2,389,349,918	30,461
Colorado	$481,551,655	$202,039,096	2,794	$1,198,595,593	$478,907,811	7,028
Connecticut	$183,414,341	$95,089,419	1,199	$367,135,068	$173,048,881	2,221
DC	$850,350,375	$424,196,188	5,120	$1,552,027,602	$785,427,566	8,402
Florida	$100,436,604	$34,561,480	580	$240,500,909	$86,785,282	1,475
Georgia	$123,258,041	$40,416,989	689	$255,718,125	$87,245,861	1,433
Illinois	$1,410,422,583	$606,834,509	7,474	$3,588,068,865	$1,457,625,588	19,617
Indiana	$93,984,294	$32,697,942	475	$246,338,352	$89,566,907	1,542
Kansas	$122,074,303	$44,990,882	728	$287,452,334	$105,971,650	1,827
Maryland	$551,983,985	$240,290,467	3,050	$1,413,413,289	$587,992,695	8,359
Massachusetts	$1,115,795,282	$573,480,398	6,651	$2,408,269,935	$1,106,950,578	13,627
Michigan	$197,497,576	$74,344,759	953	$507,302,580	$198,653,657	2,938
Minnesota	$199,107,285	$71,202,656	928	$447,834,116	$165,554,081	2,362
Missouri	$196,734,871	$70,311,047	1,028	$521,494,369	$196,940,521	3,253
Nevada	$210,734,418	$83,965,342	1,047	$416,636,990	$163,482,254	2,329
New Jersey	$421,268,421	$178,292,249	2,048	$1,156,200,103	$492,402,911	6,011
New Mexico	$5,158,456	$1,527,751	27	$14,878,610	$5,279,708	102
New York	$857,757,632	$371,000,262	4,628	$2,029,669,476	$844,655,167	10,738
North Carolina	$14,826,774	$5,103,482	83	$61,026,962	$24,434,732	386
Ohio	$69,777,597	$26,536,707	392	$180,456,585	$69,307,631	1,150
Oregon	$710,002,550	$275,308,193	3,925	$1,775,008,226	$675,395,656	10,917
Pennsylvania	$401,255,072	$163,083,669	2,162	$1,225,728,668	$489,789,716	7,131
South Carolina	$1,507,067	$546,352	8	$4,444,474	$1,823,496	25
Tennessee	$2,167,203	$657,400	9	$3,728,035	$1,164,637	19
Texas	$225,430,778	$91,432,951	1,199	$558,092,713	$216,524,976	3,054
United States	$69,545,095	$23,985,356	330	$345,911,180	$122,775,010	1,896
Virginia	$403,822,603	$152,183,852	2,243	$1,055,420,818	$416,433,555	6,389
Washington	$1,480,656,859	$676,942,349	8,209	$3,300,478,729	$1,349,029,289	18,376
Wisconsin	$62,088,897	$22,474,866	297	$169,624,929	$64,089,715	1,071
Total All States	**$12,614,739,050**	**$5,505,539,757**	**69,193**	**$31,170,515,491**	**$12,893,616,464**	**174,867**

Table 13: Total State and Local Fiscal Impacts from MEPT Project Spending, by State, 1982-2025 (2025 dollars)

State	Sales Taxes	Income Taxes
Alabama	$6,266	$147
Alaska	$218,578	$0
Arizona	$1,472,243	$1,100,433
California	$83,677,898	$101,422,007
Colorado	$15,642,119	$16,978,935
Connecticut	$3,914,924	$8,464,258
DC	$11,698,972	$52,322,522
Florida	$3,727,830	$4,277
Georgia	$3,134,497	$1,683,590
Illinois	$46,938,646	$43,635,724
Indiana	$3,316,379	$5,067,001
Kansas	$4,028,563	$4,233,188
Maryland	$17,653,414	$44,095,390
Massachusetts	$18,725,819	$42,044,494
Michigan	$6,955,040	$9,269,586
Minnesota	$7,306,171	$5,881,348
Missouri	$7,479,372	$9,498,692
Nevada	$11,099,500	$210,894
New Jersey	$13,364,771	$16,022,364
New Mexico	$218,540	$223,590
New York	$20,159,684	$59,580,594
North Carolina	$1,371,263	$1,221,641
Ohio	$2,473,090	$4,580,481
Oregon	$4,061,503	$45,182,351
Pennsylvania	$17,184,502	$22,016,491
South Carolina	$41,222	$42,722
Tennessee	$37,198	$5,493
Texas	$7,271,557	$0
United States	$5,741,185	$5,350,463
Virginia	$12,910,357	$18,306,811
Washington	$61,291,898	$0
Wisconsin	$2,224,309	$4,222,661
Total All States	**$395,347,314**	**$522,668,150**

Table 14: Direct Hard Cost and Total Economic Impacts for Women and Minorities from MEPT Project Spending, by State, 1982-2025

	Women				Minorities			
State	Direct HC Jobs	Direct HC Hours	Total Jobs	Total Hours	Direct HC Jobs	Direct HC Hours	Total Jobs	Total Hours
Alabama	0	356	1	1,463	0	0	0	0
Alaska	5	8,955	32	59,442	11	20,667	40	73,790
Arizona	28	53,890	188	333,191	125	240,630	311	567,811
California	1,078	2,110,033	9,367	16,874,393	5,799	11,347,420	17,163	31,643,921
Colorado	442	861,438	2,393	4,299,016	1,106	2,154,433	2,347	4,330,411
Connecticut	173	333,449	685	1,217,699	148	286,380	496	885,777
DC	778	1,503,454	2,350	4,257,026	2,230	4,315,305	3,611	6,691,090
Florida	109	217,528	527	978,218	173	346,312	559	1,044,970
Georgia	89	180,045	460	877,327	297	597,703	688	1,332,012
Illinois	757	1,482,441	6,145	10,983,534	1,582	3,096,159	5,793	10,528,311
Indiana	48	92,497	481	843,504	99	192,017	452	805,250
Kansas	63	121,814	572	1,005,510	157	302,771	412	745,399
Maryland	459	890,931	2,445	4,321,397	1,160	2,239,856	3,349	6,018,820
Massachusetts	738	1,475,218	4,029	7,451,397	1,131	2,260,409	3,187	6,003,523
Michigan	101	195,863	868	1,524,161	135	260,936	615	1,093,007
Minnesota	150	297,758	780	1,440,042	120	238,836	371	695,860
Missouri	145	280,811	1,042	1,837,696	93	180,247	503	892,337
Nevada	151	294,671	781	1,416,002	347	673,744	814	1,488,873
New Jersey	402	788,504	2,214	4,031,293	380	748,908	2,011	3,670,879
New Mexico	3	6,321	31	54,984	14	27,822	50	91,319
New York	495	966,016	3,054	5,478,078	1,211	2,376,742	3,681	6,749,003
North Carolina	9	17,724	125	223,022	57	114,796	177	326,998
Ohio	39	76,192	359	629,735	82	158,169	337	601,176
Oregon	401	779,403	3,269	5,796,273	612	1,190,552	2,089	3,788,005
Pennsylvania	247	482,934	2,153	3,861,243	269	527,822	1,353	2,452,535
South Carolina	0	1,978	10	17,475	2	4,718	9	16,575
Tennessee	1	2,136	6	11,660	6	13,968	26	48,303
Texas	154	308,458	991	1,840,029	611	1,224,923	1,565	2,968,053
United States	46	88,608	597	1,052,542	93	179,726	618	1,108,906
Virginia	342	661,306	1,695	3,012,772	1,007	1,956,887	2,919	5,323,061
Washington	893	1,770,397	5,118	9,287,182	1,676	3,317,721	4,625	8,600,105
Wisconsin	48	92,716	354	624,079	39	74,368	168	301,569
Total All States	**8,398**	**16,443,843**	**53,119**	**95,641,386**	**21,003**	**41,132,523**	**60,663**	**111,520,892**

Appendix 1: Modeling Economic Impacts

This appendix begins with a discussion of what economic impacts are and how they can be measured using an input-output modeling framework. It then discusses the limitations of input-output analysis, with recommendations on when an input-output model should be used. This appendix concludes with a discussion of the IMPLAN modeling software and how it was used to measure the economic impacts associated with MEPT investment spending.

Economic and Fiscal Impact Analysis

Simply put, *economic impacts* are changes in economic activity as a result of some initial change in the economy. Although the initial stimuli can vary, economic impacts are typically measured as changes in output (or sales), income (a component of value added), and jobs. Economic impacts often lead to changes in government revenues and expenditures. These *fiscal impacts* occur as changes in output, income, and jobs, lead to changes in the regional tax base and demand for government services. These fiscal impacts represent an additional dimension or measure of economic impacts.

Input-Output Modeling for Impact Analysis

To conduct an economic impact analysis, a mathematical model is developed that accounts for exchanges between local industries, as well as with households as suppliers of the factors of production, with industries outside of the region, and with final users of goods and services. The most widely used modeling framework for economic impact analysis is known as input-output modeling.[19] The most accurate regional input-output models are constructed from survey data acquired from local businesses. The survey helps to determine what goods and services are being purchased, and whether local or non-local sources are being used. Conducting these surveys is expensive and time consuming. Indeed, survey based input-output models place significant demands on data and are uneconomical to use in most situations.

Fortunately, special data techniques have been developed to estimate the necessary empirical relationships and regional measures of economic activity using secondary source data. This non-survey approach means that input-output models can be economically constructed using commercially available economic impact modeling software that relies on secondary source data collected by government agencies.

Several important points about input-output models:

- An input-output model provides a reasonably comprehensive picture of the economic activities within a region and can be constructed for almost any region or study area.
- Input-output models use a simple, rectangular accounting framework called double-entry accounting. This results in a model structure that is well ordered, symmetric, and where, by definition, inputs must be equal to outputs. This important aspect of the input-output

[19] Although initially inspired by Quesnay's "Tableau Economique," and the Marxian and Walrasian analysis of general equilibrium, input-output analysis was first put to practical use by Wassily Leontief in the late 1930's. While at Harvard, Leontief used his input-output system to construct an empirical model of the United States economy. This research gave rise to his 1941 classic, "Structure of American Industry, 1919-1929." For his research, Leontief was awarded the Nobel Prize in Economics in 1973.

modeling framework allows the analyst to "shock" an economy and trace the impacts from one sector to another as the economy goes from one equilibrium to another.

- In order to provide a common unit of measure, all transaction flows in an input-output model are stated in dollars.

Input-output models serve two general purposes. First, the input-output framework is useful for organizing information about the structure of a regional economy. Using standard accounting conventions, the transactions table in input-output models describe the flow of commodities between producing and consuming sectors, the flow of income between businesses and institutions, and the trade in commodities between regions. In this manner, the input-output modeling framework can be used for *descriptive* purposes. For instance, researchers can evaluate the relative importance of various industry sectors to the local economy, e.g., the number of jobs or purchases from other local industries.

Once the information on the various transactions within an economy has been gathered and organized using the input-output framework, the data can be manipulated using a special field of mathematics called matrix algebra. This phase of input-output modeling produces "multipliers" and allows researchers to use the input-output model for *prescriptive* purposes. The first step to calculating multipliers is to convert the inter-industry transactions into direct purchase coefficients. This is accomplished by dividing each inter-industry purchase by the total inputs purchased by that industry.[20] The columns in the table of direct purchase coefficients represent the "production function" of each industry. Calculating the inverse matrix of the direct purchase coefficients yields a table of multipliers. Mathematically, the inverse matrix is $[(1-A)^{-1}]$, where A represents the matrix of direct purchase coefficients. Wassily Leontief is credited with this matrix procedure, hence, the name the Leontief Inverse Matrix.

The multipliers allow a researcher to trace the economic impacts associated with a change in final demand through all the sectors of the economy. That is, economic impact multipliers allow researchers to follow the initial change in economic activity as it "ripples" through each industry sector. For any given type of change in economic activity, the impacts on the economy can be reported on one of three levels.

- Direct impacts represent the initial change in final demand for the industry sector(s) in question. Direct impacts describe the changes in economic activity for sectors that first experience a change in demand because of a project, policy decision, or some other stimuli.
- Indirect impacts represent the response as supplying industries increase output in order to accommodate the initial change in final demand. These indirect beneficiaries will then spend money on supplies and services, which results in another round of indirect spending, and so on.
- Induced impacts are generated by the spending of households who benefit from the additional wages and business income they earn through all of the direct and indirect activity. The increase in income, in effect, increases the purchasing power of households.

[20] The table of direct purchase coefficients is often called the "A matrix".

Limitations of Input-Output Modeling

The input-output modeling framework for economic impact analysis has grown in popularity. Much of this growth is due to significant improvements in computer technology that now make it possible to quickly perform the complex matrix operations. Some of this growth is due to improvements in government data collection efforts. Lastly, the growth in input-output modeling has been fueled by the desire of policy-makers, industry officials, and others to obtain information that will help them to better understand and respond to economic change.

Like many quantitative tools, input-output models rely on a set of assumptions. Indeed, without simplifying assumptions it would be impossible for researchers to model something as complex and dynamic as a regional economy. The use of simplifying assumptions, however, also imposes certain limitations on the use of input-output modeling. These limitations should be fully understood and guide its use.

Static Models

Input-output models are static models in that they measure the flow of inputs and outputs in an economy at a point in time. With this information and the balanced accounting structure of an input-output model, an analyst can: 1) describe an economy at one time period, 2) introduce a change to the economy, and then 3) evaluate the economy after it has fully accommodated that change. This type of analysis is called "partial equilibrium" analysis. Measurement in this sense is really a before and after comparison. Partial equilibrium analysis permits comparison of the economy at two points in time but yields little information about how the economy actually moves from one equilibrium to the next. In fact, in partial equilibrium analysis, other than the initial economic stimulus, the researcher assumes that all other relationships in the economy remain the same. The assumptions and their implications for input-output modeling are discussed below.

1. **Fixed Production Relationships.** Input-output models are a representation—as reported in the transactions table—of economic relationships that exist at a moment in time. For industries, this means that input-output models are based on production relationships that are fixed. This assumption results in:
    a. Constant Returns to Scale means that an industry's production function is linear, and an increase in output requires all inputs to increase proportionately. If the demand for milk doubled, for instance, then the demand for all of the inputs used to produce milk would also double. In the long run, production processes exhibit economies and diseconomies of scale that vary with the level of output. An industry with scale economies would be able to double production without necessarily doubling all inputs.
    b. Fixed Commodity Input Structure means that input-output models do not allow changing input prices to affect the production decisions of businesses. Input-output models assume that changes in an economy will affect the output of industries but not the mix of inputs that they use. Using the previous example, dairies respond to the increased demand for milk by simply increasing production of milk. Input-output models, in effect, ignore possible changes in the prices of inputs used to produce milk.

2. **No Supply Constraints.** Input-output models show how local industries respond to some initial change in final demand but assume that supplies of raw materials and intermediate goods are unlimited, i.e., perfectly elastic. Under the assumption of no supply constraints, an industry simply responds to a change in final demand by increasing output, and it increases output by acquiring inputs that are readily available at current prices.
3. **Sector Homogeneity.** An industry consists of businesses producing goods and services—these are called commodities in input-output modeling. Businesses can produce more than one type of commodity, i.e., they produce a primary commodity but can also produce secondary commodities or by-products. In input-output modeling, industry sectors are assumed to be homogenous. That is, all businesses within an industry sector produce commodities in fixed proportions and produce identical commodities that are perfectly substitutable.

Input-Output Modeling—Practical Considerations

Apart from the limitations imposed by the static nature of input-output models, there are also some very practical considerations that should also guide their use. These practical considerations are discussed below.

1. **Lag Between Data Collection and Modeling.** Input-output models can be constructed for almost any geographic region. Typically, their structure is based on a national input-output model[21] that is then combined with national and regional economic data to tailor the model to a specific study area. However, there is often a lag between actual data collection and incorporation of that data into the modeling software. With this implementation lag, changes in the structure of an economy—such as improvements in technology, changes in demand, and changes in regional trade patterns—will affect the multipliers and make the results less reliable.
2. **Time.** Economic impacts occur over time. The implications for impact analysis are two-fold. First, sometimes the effects of a large project can span several years. The direct hires and payment of wages and benefits will also span that period of time. In this context, the researcher must fully describe the temporal nature of project spending and the implications for reported impacts, and consider the fact that inflation erodes purchasing power over time. If economic impacts are to be reported accurately, each dollar needs to be presented in terms of its economic value today. Second, the indirect and induced impacts take time to filter through the economy. Researchers use economic multipliers calculated in input-output analysis as a mathematical short cut for providing an estimate of final impacts. These final impacts are generated as spending cycles between businesses, consumers, governments and foreigners. This multiplier process takes time.
3. **Scale.** From a modeling perspective, the input-output framework is suitable for analysis of economic changes that do not threaten the underlying assumptions embedded in the model. This suggests that the economic change being evaluated should be short-run in duration and of modest size relative to the economy under consideration. A large project,

[21] The U.S. Bureau of Economic Analysis constructs national benchmark input-output accounts every five years. The most current version available is the 1997 benchmark accounts. BEA estimates that the 2002 benchmark accounts will be completed by the summer of 2007.

for instance, may affect an economy's production possibilities or involve supply constraints. This, in turn, may cause equilibrium prices to change resulting in substitutions in production and/or imports.

The IMPLAN Input-Output Modeling Software

Perhaps the most common software package used to conduct input-output analyses is IMPLAN (IMpact analysis for PLANning). IMPLAN was originally developed by the Minnesota IMPLAN Group, Inc. ("MIG") and the US Forest Service in cooperation with the Federal Emergency Management Agency and the Bureau of Land Management to assist federal agencies in their land and resource management planning.[22] Currently there are over 1,500 public and private users of the IMPLAN modeling software.

IMPLAN Structure and Data

IMPLAN relies on a commodity/industry accounting framework that corresponds closely to that used in the Bureau of Economic Analysis "Input-Output Study of the U.S. Economy" and those recommended by the United Nations. IMPLAN uses a large database of regional and national data to forecast economic activity. The main sources of data are:

- US Bureau of Economic Analysis Benchmark I/O Accounts
- US Bureau of Economic Analysis Output Estimates
- US Bureau of Economic Analysis REIS Program
- US Bureau of Labor Statistics Covered Employment and Wages or ES202 data
- US Bureau of Labor Statistics Consumer Expenditure Survey
- US Census Bureau County Business
- US Census Bureau Decennial Census and Population Surveys
- US Census Bureau Economic Censuses and surveys
- US Department of Agriculture Crop and Livestock Statistics
- US Geological Survey

IMPLAN breaks an economy down to 546 separate industry sectors based on the North American Industrial Classification System ("NAICS").[23] A sector consists of industries that produce similar products or services. Final demand is the sum of all purchases of goods and services for final consumption within an economy. In the IMPLAN model, final demands are allocated among industry sectors. In addition, final demands are adjusted or "margined" to reflect the transportation, wholesale, and retail costs of getting products from industries to consumers.

The IMPLAN model has the following major categories of final demand:

- Personal Consumption Expenditures. The largest component of final demand comes from household spending. Households consume a wide variety of goods and services, including food, energy, housing, and transportation. They also use some of their personal income to pay taxes, save for the future, pay debts, or purchase new housing. In

[22] IMPLAN is currently licensed and distributed by the IMPLAN Group, LLC. Huntersville, NC. IMPLAN.com.
[23] The version of the IMPLAN model used in earliest analyses consisted of 440 industry sectors.

IMPLAN, households are disaggregated by income levels to account for different spending patterns across income levels.

- Federal Government Purchases. Government purchases are broken down into two categories: military and non-military. Military expenditures include any purchases made in the interest of national defense. Non-military expenditures include all other purchases made by the federal government for the remaining services it provides.
- State and Local Government Purchases. State and local government purchases are also broken down into two categories: education and non-education. Spending on public education goes primarily to compensate teachers but also includes things like textbooks and supplies. Non-education spending includes anything not spent on public education such as police, fire and emergency services, and state-sponsored healthcare.
- Inventory Purchases. Inventories accumulate anytime an industry fails to sell all of its output in a given year. Goods can be sold out of inventory any time sales exceed production. Industries rarely sell exactly what they produce each year, so this category is a widely used tool for reconciling economic activities.
- Capital Formation. A large component of productive capability is capital. Industries use varying quantities of capital depending on the nature of goods and services they provide. The manufacturing sector, for example, tends to require large investments in property, plant, and equipment for the goods it produces. This category of final demand contains all spending on capital equipment.
- Foreign Exports. Just as some economies must import goods and services from outside their borders, other economies sell a significant portion of their output overseas. Demand for final goods and services that come from beyond a region's borders falls into this category. Although the consumption happens elsewhere, input-output analysis is concerned with where the goods and services are produced.

Impact Measures

IMPLAN reports economic impacts as measured by changes in output, incomes (value added), jobs and taxes. The value added or income measure is broken out into four categories. These measures of economic impacts consist of:

- Output: The total value of the production of a sector is its output. For most sectors, output is approximately equal to sales. The notable exceptions are government and the trade sectors. The output of government sectors is approximately equal to revenues. For the trade sector, which consists of firms that buy goods and re-sell them, output is roughly the difference between what they sell goods for and what they paid to procure them. The trade sector consists of wholesalers and retailers.
- Value Added: This is a measure of the value added to the economy by a sector. It equals the sum of the wages, proprietor income, other income, and indirect business taxes.
    - Wages represent the total cash and non-cash compensation of workers on payroll. This includes the value of benefits.
    - Proprietor Income, sometimes called small business income, is the amount earned by self-employed workers and the working owners of small businesses.

- Other Income counts all other sources of income. The largest source of income is usually rents, but it may also include royalties, dividends, and corporate profits.
- Indirect business taxes are the excise and sales taxes paid by individuals to businesses.

- Employment: The number of payroll employees, including part time workers.
- Taxes: Federal, state, and local tax revenues.

Modeling

The process of modeling in IMPLAN involves three steps: creation of study area database; customization of IMPLAN coefficients; and estimating the impact of an activity on the model of the study area economy. The IMPLAN model allows substitution and incorporation of primary data at each stage of the model-building process, greatly increasing the model's accuracy and flexibility. In addition to being able to directly modify the IMPLAN database statistics, the user can alter import and export relationships, utilize modified input-output functions, and change industry groupings. IMPLAN allows the creation of aggregate models consisting of industries grouped together for a specific purpose.

The IMPLAN program uses an ordered series of steps to build the model. We describe them here to provide the interested reader with a view of the sequence of steps employed, and the types of data needed to model the impacts. The first step is the definition of the study area or study areas. Study area databases are created corresponding to these areas. These databases contain the representation of the behavior of the study area economies, but do not contain any information about the specific project under study.

The process of customizing the IMPLAN model does not stop with the development of the study area databases. Part of the expertise of input-output practitioners is in the customization of the model coefficients. Depending on the type of analysis, this enables the analyst to:

- Vary structural, technological, and/or trade factors within the model.
- Exclude expenditures that do not generate current economic activity, such as the purchase of real estate, depreciation and amortization.
- Exclude expenditures that are known to occur outside the local economy. The IMPLAN model contains purchasing assumptions[24] for each industry sector that are specific to the study area. Instead of relying entirely on these purchasing assumptions, the analyst can identify and remove spending that is known to occur outside of local economy.
- The IMPLAN system permits a sector-by-sector breakout of transportation, wholesale, and retail margins, and allows the user to over-ride these margin assumptions using primary source data if available. For instance, instead of the estimated retail margin embedded in the IMPLAN model, the analyst can use actual retail margins for the activity.

[24] These purchasing assumptions are called "Regional Purchase Coefficients." They specify the ability of local suppliers to meet or satisfy a change in demand for a good or service.

Appendix 2: Firm Qualifications

Formed in 2013, Pinnacle Economics, Inc., ("Pinnacle") is nationally recognized for our theoretically sound, data-driven, state-of-the art approaches for measuring economic and fiscal impacts using the IMPLAN economic impact modeling software. In 2015, after a survey and review of impact methodologies in the United States and Canada, the American Council for an Energy-Efficient Economy ("ACEEE") identified the hybrid modeling approach developed by Pinnacle Economics for the *ex-post* verification of energy efficiency and renewable energy job creation as the gold standard in this type of analysis.[25]

Alec Josephson is a senior economist and President of Pinnacle Economics. He has over 30 years of experience as a consulting economist. Josephson has conducted, directed, and/or authored well over 1,500 economic impact studies, and has presented advanced economic impact modeling techniques at classes and conferences, and economic impact modeling results to governments, councils, and commissions. In addition to conducting economic impact analyses for MEPT since 2006, Josephson has worked on similar projects for the AFL-CIO's Housing Investment Trust, National Electrical Benefit Fund and National Electrical Annuity Plan, National Real Estate Advisors, and ULLICO Real Estate Investment Group's "J for Jobs" and Infrastructure funds.

Josephson has extensive experience developing economic, fiscal, and socioeconomic models for a wide variety of projects, policies, and programs. His clients are both private (Facebook, Intel, Nike) and public (Oregon Department of Energy, Portland Public Schools, City of Portland). Our clients include businesses, nonprofit organizations, and government agencies. Our project history includes economic, fiscal, and socioeconomic impact analyses across a wide range of topics, including:

- Local, state, and federal government programs and policies in natural resources, education, health care, transportation, land use, economic development, pollution control, climate change, green industries, and local food production.
- The full range of both renewable and conventional energy resources and technologies such as wind, solar, wave, geothermal, hydroelectric, bio-refineries, energy efficiency programs, green industries and building practices, combined-cycle power plants, natural gas pipelines, power transmission lines, and more.
- Colleges, universities, and other educational institutions such as medical research, charter schools, and state educational systems.
- Tourism, cultural, and recreational projects and activities such as convention centers, hotels, museums, boardwalks, major and minor league sports, ski resorts, recreational fishing, whitewater rafting, and more.
- Construction and operation of large and complex infrastructure projects, as well as a broad range of commercial and industrial projects such as highway expansion and tolling

[25] Bell, McNerney, and Barrett, "Verifying Energy Efficiency Job Creation: Current Practices and Recommendations," American Council for an Energy-Efficient Economy, 529 14th Street NW, Suite 600, Washington, DC, 20045, September 2015.

projects, data centers, downtown revitalization programs, multi-family construction projects, bond-financed school modernization programs, multi-use commercial developments, and more.

- Corporate operations and capital spending plans for Nike, Intel, Cambia Health Solutions, The Standard Insurance Company, ESCO, and more.
- Nonprofit organizations in biosciences, software and technology, arts and culture, hospitals and health systems, senior care, drug and alcohol abuse, rivers, parks, and recreational areas.
- Regional quantitative and/or cluster analyses of Portland and Gresham, Oregon; New York City and its constituent boroughs; the City of Detroit; Massachusetts and four regional economies; and the City of Pittsburgh.
- Grant programs including the New Market Tax Credit ("NMTC") program, the USCIS Immigrant Investor (or "EB-5") program, American Recovery and Reinvestment Act ("ARRA"), Transportation Investment Generating Economic Recovery ("TIGER") competitive grant program, and numerous other federal, state, and local grant programs.

Appendix 3: Glossary

Direct impacts – Changes in economic activity as a result of MEPT project spending on the construction of new buildings or improvements to existing structures. This analysis uses a project-centric approach that classifies project hard and soft costs as direct spending.

Economic impacts – Changes in economic activity initiated by changes in final demand (sales to final consumers). In this analysis, all economic impacts are temporary in nature and occur as spending on new construction or tenant improvements unfold.

Fiscal impacts – Changes in state, local, and federal tax and fee revenues that are initiated by changes in economic activity. Similar to economic impacts, all fiscal impacts are temporary in nature and occur as spending on new construction or tenant improvements unfold.

Hours of work – Hours of work have been estimated based on the number of jobs and estimated annual hours worked for each industry sector.

Indirect Impacts – Supply-chain impacts initiated by the direct changes in spending. Supply-chain impacts capture the backward-linked purchases between businesses.

Induced impacts – Consumption-driven impacts generated by direct and indirect changes in income.

Jobs – Job impacts represent a mix of full- and part-time jobs. These jobs are temporary in nature, and a job in one year may accrue to the same individual in subsequent years.

New construction – The development of a new building structure. Expenditures related to construction are tracked beginning with the acquisition of land, through the planning and design stage and the building of the structure to initial occupancy of the building and first-generation space.

Nominal dollars – All MEPT spending reported in the appendices to this report are in nominal dollars, i.e., actual spending that occurred in each year without adjustments for inflation.

Personal income – Wages and benefits to workers, plus the income (sometimes called proprietor income) earned by self-employed workers and working owners of small businesses.

Personal income taxes – State income taxes paid by workers whose jobs were generated by (direct jobs), or subsequently linked to (indirect and induced jobs), MEPT investment spending.

Real dollars – All MEPT impacts reported in the main body of this report are in 2025 dollars, i.e., they have been adjusted for inflation.

Second-generation tenant improvements (TI) - TI are the customized alterations a building owner makes to rental space (previously occupied), in order to configure the space for the needs of that particular tenant. Per the lease agreement, these include changes to walls, floors, ceilings, and lighting, among others.

Total direct, indirect, and induced economic impacts attributed to MEPT investment spending.*

$31.2B
total economic activity generated (output or sales)

323.7M
total jobs hours generated

174,867
total jobs created

$522.7M
total state personal income tax revenues generated

$395.3M
in state and local sales tax revenues

$12.9B
total personal income and benefits generated



* Since inception on April 1, 1982 through December 31, 2025.

The Economic and Fiscal Impacts of MEPT Fund Investments Across the United States

1982-2025



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