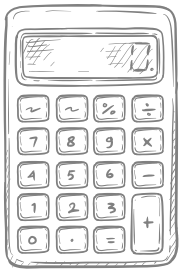

TALEM CONSULTING

RESTORATION ROI CALCULATOR

Restoring the Ecosystem: Quantifying the Cost of Systemic Blight

Step 1: Calculate the cost of systemic blight (status quo)

Expense	Annual Cost Per Person/Case	Total Annual Community Cost
Reactive Costs (e.g., incarceration, ER visits, policing, crisis shelters)	$	$
Administrative Overhead (e.g., legal fees, administrative processing, repeated intakes)	$	$
Lost Opportunity (e.g., unrealized tax revenue, lost wages, future earnings)	$	$
TOTAL COST OF FAILURE	**$**	**$**

Step 2: Calculate the cost of restoration (intervention)

Expense	Initial Launch Cost	Ongoing Annual Cost
Program (e.g., staff, facilities, specialized materials)	$	$
Administrative Overhead (e.g., implementation, oversight, evaluation, reporting)	$	$
Preventative Services (e.g., counseling, housing, preventative health)	$	$
TOTAL RESTORATION COST	$	$

Step 3: Determine the break-even point

Net Savings: (Total Cost of Failure) – (Total Restoration Cost) = $ _____

Efficiency Ratio: (Total Cost of Failure) / (Total Restoration Cost) = _____ : 1

Example: An efficiency ratio of 4:1 means that for every $1 spent on restoration, the community saves $4 previously wasted on reactive, failure-based costs.

Ready to turn community needs into community-led solutions?

Explore Talem Consulting's Strategic Planning, Board Development, and Leadership Coaching.

We help leaders navigate the geography of power and translate grassroots impact into the financial language of the boardroom.