

ABOUT THIS ECONOMIC IMPACT ANALYSIS

This impact analysis helps to provide an answer to the question: “What is the impact and return on investment for the Anytown USA program for the area and for me?” The analysis addresses interests of three constituents: Business community, Public entities, and Population at large. It is an input/output analysis that is driven by changes in employment, which are associated directly with the Anytown USA program. The analysis is incremental, so that impact is quantified regardless of the up/down variations in the local economy. Projections are for five years into the future.

Some Anytown USA programs where an impact analysis is appropriate include:

- Target recruiting of desirable industries or specific employers
- Existing local business expansion and retention
- Growing the local economy and the population at healthy levels
- Workforce sourcing and training
- Infrastructure improvement employment
- Balancing housing supplies with workforce demands
- Impacts of Incubators on the local economy and suppliers

To put the program impacts into perspective with the local economy, input data from the program as well as input data on local employment, unemployment, population, housing, bank deposits, government revenues, income levels, building costs, and other local factors are used to demonstrate relative impacts. Since much of these data are historical (1-10years in arrears), all input to the model is brought to a consistent base-year value (gast year). The historical data is then projected into the future five years with a simple growth rate calculated from whatever historical data elements exists from 1990 by means of a growth trend analysis. These future projections are expressed in Constant\$ (no inflation) to show income and revenue relationships consistent with changes in numbers of people, workers, housing and building units. The Constant\$ base is the current year, which is our present experience. The local economy is projected as described above to show a “normal” economic projection. Then the additional employment, population, investment from the program is added to show the change in growth and the incremental impacts relative to the “normal” projections.

ANYTOWN U.S.A. ECONOMIC IMPACT SUMMARY

(Constant US\$)

		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>SUMMARY</u>
<u>JOB RECRUITMENT TARGET</u>							
Primary Jobs		700	710	720	730	740	3,600
Total Job Impact (Cumulative)		1,960	3,948	5,964	8,008	10,080	10,080
<u>UNEMPLOYMENT</u>	2.7%	2.5%	2.5%	2.7%	2.9%	3.1%	
<u>WORKFORCE DEVELOPMENT PROGRAM</u>							
Participation Increase		710	1,451	2,224	3,029	3,868	3,868
In-Commuting		300	900	1,700	2,600	3,600	3,600
In-Migration		700	1,410	2,130	2,860	3,600	3,600
<u>POPULATION PROJECTION</u>							
	272,293	285,524	293,026	300,660	308,431	316,340	2.6%
<u>BANK DEPOSITS</u>							
Net Income Increment	1.25%	\$40,500,000 510,000	\$81,700,000 1,020,000	\$123,300,000 1,540,000	\$165,600,000 2,070,000	\$208,500,000 2,610,000	\$208,500,000 7,750,000
<u>HOUSING INCREMENT</u>							
Building Increase over normal projection		549	550	550	551	551	2,752
Total Housing Sales Increase over Normal		15%	14%	14%	14%	13%	
Residential Real Estate Investment		4%	3%	3%	3%	3%	
		\$64,800,000	\$64,900,000	\$65,000,000	\$65,000,000	\$65,100,000	\$324,800,000
<u>COMMERCIAL SPACE (@ 300 ft/Emp)</u>							
Commercial Real Estate Investment (@ \$70/sq ft)		588,000 \$41,160,000	596,400 \$41,748,000	604,800 \$42,336,000	613,200 \$42,924,000	621,600 \$43,512,000	3,024,000 \$211,680,000
<u>NEW BUSINESSES</u>							
		140	142	144	146	148	720
<u>EMPLOYEE INCOME FROM NEW JOBS</u>							
	100.0%	\$67,400,000	\$135,700,000	\$205,000,000	\$275,200,000	\$346,500,000	\$1,029,800,000
<u>NEW EMPLOYEE EXPENDITURES</u>							
	80.4%	\$54,100,000	\$109,100,000	\$164,800,000	\$221,200,000	\$278,500,000	\$278,500,000
Auto Payments		5,300,000	10,600,000	16,100,000	21,600,000	27,200,000	80,800,000
Clothing & Apparel Stores		3,100,000	6,300,000	9,500,000	12,700,000	16,000,000	47,600,000
Educational Institutions		900,000	1,700,000	2,600,000	3,500,000	4,400,000	13,100,000
Electric & Gas Utilities		2,100,000	4,200,000	6,300,000	8,500,000	10,700,000	31,800,000
Entertainment & Recreation Facilities		2,900,000	5,900,000	9,000,000	12,000,000	15,100,000	44,900,000
Furniture & Appliance Stores		2,600,000	5,100,000	7,800,000	10,400,000	13,100,000	39,000,000
Grocery Stores		5,100,000	10,300,000	15,600,000	20,900,000	26,300,000	78,200,000
Health Care Providers		1,600,000	3,200,000	4,800,000	6,500,000	8,200,000	24,300,000
Home Mortgage Holders (Interest only)		3,800,000	7,700,000	11,700,000	15,700,000	19,700,000	58,600,000
Insurance Agents (Home, Auto, Health, Life)		4,100,000	8,200,000	12,400,000	16,700,000	21,000,000	62,400,000
Professionals (Attys, Accts, Architects, etc)		200,000	400,000	700,000	900,000	1,100,000	3,300,000
Rental Housing		3,300,000	6,600,000	9,900,000	13,300,000	16,800,000	49,900,000
Restaurants		3,100,000	6,300,000	9,500,000	12,700,000	16,000,000	47,600,000
Telephone/Communication Providers		1,300,000	2,600,000	3,900,000	5,300,000	6,600,000	19,700,000
Water & Other		500,000	1,000,000	1,500,000	2,000,000	2,500,000	7,500,000
Misc Retail, Product & Service Providers		14,200,000	29,000,000	43,500,000	58,500,000	73,800,000	219,000,000
<u>LOCAL GOVERNMENT REVENUES</u>							
		\$1,200,000	\$2,300,000	\$3,500,000	\$4,700,000	\$5,900,000	\$17,600,000
<u>RETURN ON INVESTMENT - Summary Impact</u>							
Program Investment							\$2,620,100,000
TIMES INVESTMENT RETURNED							\$5,000,000 524

ANYTOWN U.S.A. ECONOMIC IMPACT SUMMARY

(Constant US\$)

PROGRAM IMPACT DETAILS	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Total Increment</u>	
PRIMARY JOB TARGET IMPACTS							
Primary Jobs Stimulated by Program	700	710	720	730	740	3,600	
Cumulative Primary Jobs	700	1,410	2,130	2,860	3,600		
Average Income Target Primary Job	\$44,468	\$44,468	\$44,468	\$44,468	\$44,468	\$44,468	
Total Income from Incremental Employment	\$31,127,872	\$62,700,428	\$94,717,668	\$127,179,592	\$160,086,199	\$475,811,759	
Average Sales/Employee Primary	\$74,926	\$74,926	\$74,926	\$74,926	\$74,926		
Business Sales (from Primary Employment)	\$52,448,048	\$105,645,355	\$159,591,919	\$214,287,741	\$269,732,820		
Average Assets/Employee Primary (RMA)	\$43,752	\$43,752	\$43,752	\$43,752	\$43,752		
Business Asset Utilization (from Primary Employment @ Cost)	\$30,626,598	\$61,690,718	\$93,192,361	\$125,131,527	\$157,508,216		
Average Primary-to-Total Job Multiplier (RIMS)	2.800	2.800	2.800	2.800	2.800		
SECONDARY JOBS GENERATED							
Secondary Jobs Stimulated by Program	1,260	1,278	1,296	1,314	1,332	6,480	
Cumulative Secondary Jobs	1,260	2,538	3,834	5,148	6,480		
Average Income Target Secondary Job	\$28,762	\$28,762	\$28,762	\$28,762	\$28,762	\$28,762	
Total Income from Incremental Employment	\$36,239,701	\$72,997,112	\$110,272,233	\$148,065,064	\$186,375,605	\$553,949,713	
Average Sales/Employee Secondary	\$66,512	\$66,512	\$66,512	\$66,512	\$66,512		
Business Sales (from Secondary Employment)	\$83,804,675	\$168,806,561	\$255,005,655	\$342,401,960	\$430,995,474		
Average Assets/Employee Secondary (RMA)	\$20,155	\$20,155	\$20,155	\$20,155	\$20,155		
Business Asset Utilization (from Secondary Employment @ Cost)	\$25,395,356	\$51,153,503	\$77,274,441	\$103,758,170	\$130,604,689		
TOTAL PROGRAM PRIMARY/SECONDARY JOB INCREMENT							
Number of Net New Employees/Year	1,960	1,988	2,016	2,044	2,072	10,080	
Cumulative Program Jobs	1,960	3,948	5,964	8,008	10,080		
Average Annual Income New Employees	\$34,371	\$34,371	\$34,371	\$34,371	\$34,371	\$34,371	
Total Income from Incremental Employment	\$67,367,573	\$135,697,540	\$204,989,901	\$275,244,655	\$346,461,804	\$1,029,761,472	
Total Business Sales from Incremental Employment	\$136,252,724	\$274,451,915	\$414,597,574	\$556,689,700	\$700,728,294		
Total Business Asset Utilization from Incremental Employment (@ Cost)	\$56,021,954	\$112,844,221	\$170,466,802	\$228,889,697	\$288,112,905		
EMPLOYMENT							
	<u>BASE 1997</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Growth</u>
Normal Projection							
Population	272,293	284,141	290,257	296,505	302,887	309,406	2.2%
Participation Rate (Labour/Total Population)	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	0.0%
Workforce (Resident)	141,979	146,379	149,530	152,748	156,036	159,395	2.0%
Unemployment	3,871	3,991	4,077	4,164	4,254	4,345	
% Unemployment	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	0.0%
Employment	138,108	142,388	145,453	148,584	151,782	155,049	2.2%
Projection with Program							
Participation Rate	51.5%	51.8%	52.0%	52.3%	52.5%	52.8%	0.4%
Participation Increment	0	710	1,451	2,224	3,029	3,868	3,868
In-Commuting of Employees Increment	0	300	900	1,700	2,600	3,600	3,600
Targeted Primary Jobs Increment	0	700	1,410	2,130	2,860	3,600	3,600
Total Program Addition to the Workforce	0	1,710	3,761	6,054	8,489	11,068	11,068
Workforce (Resident)	141,979	148,089	153,291	158,802	164,525	170,462	3.2%
Unemployment	4,186	3,741	3,890	4,254	4,735	5,333	9.5%
% Unemployment	2.7%	2.5%	2.5%	2.7%	2.9%	3.1%	0.4%
Employment	137,793	144,348	149,401	154,548	159,790	165,129	3.4%
Program Jobs Increment		1,960	3,948	5,964	8,008	10,080	

ANYTOWN U.S.A. ECONOMIC IMPACT SUMMARY

(Constant US\$)

LABOR INCOME

	<u>BASE 1997</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Growth</u>
Workforce Income							
Normal		\$4,095,326,487	\$4,183,475,593	\$4,273,522,047	\$4,365,506,691	\$4,459,471,240	2.2%
Projection With Program		<u>4,162,694,060</u>	<u>4,319,173,133</u>	<u>4,478,511,948</u>	<u>4,640,751,346</u>	<u>4,805,933,044</u>	3.7%
Program Increment		\$67,367,573	\$135,697,540	\$204,989,901	\$275,244,655	\$346,461,804	\$1,029,761,472
Average Workforce Pay (Both Employed & Unemployed)		27,978	27,978	27,978	27,978	27,978	
Average Workforce Pay with Program		28,109	28,176	28,202	28,207	28,194	0.8%
Employee Income							
Average Employee Income Normal (Real\$)		\$28,762	\$28,762	\$28,762	\$28,762	\$28,762	0.0%
With Program Increment		28,838	28,910	28,978	29,043	29,104	1.2%

POPULATION

	<u>BASE 1997</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Growth</u>
Normal Projection	272,293	284,141	290,257	296,505	302,887	309,406	2.2%
Increment Annual		5,987	6,116	6,248	6,382	6,519	37,113
Population with Program	272,293	285,524	293,026	300,660	308,431	316,340	2.6%
Increment with Program Cumulative		13,231	20,733	28,367	36,138	44,047	44,047
Program Increment Annual		1,383	1,385	1,387	1,389	1,390	6,934
Program Increment Cumulative		1,383	2,769	4,156	5,544	6,934	

AUTO & TRUCK MARKET EXPANSION

Incremental Population Purchases	17%	0	235	236	236	236	236	1,179
Purchases by Existing Population		<u>4,629</u>	<u>4,830</u>	<u>4,934</u>	<u>5,041</u>	<u>5,149</u>	<u>5,260</u>	<u>29,943</u>
Total Autos Purchased		4,629	5,066	5,170	5,276	5,385	5,496	31,122
Normal Sales Growth without Program			2.2%	2.2%	2.2%	2.2%	2.2%	10.8%
Increase in Sales with Program			7.1%	2.1%	2.1%	2.1%	2.1%	15.4%
Incremental Expenditures on Vehicles		\$15,000	\$3,527,342	\$3,532,789	\$3,537,279	\$3,540,814	\$3,543,392	\$17,681,615

HOUSING

	<u>BASE 1997</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Growth</u>
Normal Total Housing Unit Projection	113,973	118,932	121,492	124,107	126,779	129,507	15,534
New Housing Units Normal Increase (Annual)		2,506	2,560	2,615	2,671	2,729	2.2%
Replacement Housing (after years of use)	80	1,425	1,487	1,519	1,551	1,585	9,216
Total Normal Housing Unit Construction		3,993	4,079	4,166	4,256	4,348	24,750
Housing Unit Sales (New & Old)	11,397	15,635	15,972	16,316	16,667	17,026	96,921
Total Unit Projection With Program	113,973	119,511	122,651	125,847	129,099	132,410	18,437
New Housing Units with Program (Annual)		3,085	3,140	3,196	3,253	3,310	2.6%
Replacement Housing (after years of use)	80	1,425	1,487	1,551	1,585	1,619	9,216
Total New Housing Construction with Program		4,572	4,658	4,747	4,837	4,929	27,652
Housing Unit Sales (New & Old)	11,397	16,184	16,522	16,866	17,218	17,577	99,672
Incremental Housing Impacts of Program	Units	549	550	550	551	551	2,752
Single Residence	68%	373	374	374	375	375	1,871
Multiple Residence	32%	176	176	176	176	176	881
Rental Units	39%	214	214	215	215	215	1,073
Resident Owned Units	61%	335	335	336	336	336	1,678
Residential Building Increase over Normal Projection		15%	14%	14%	14%	13%	13%
Value of Construction from Program		\$64,772,227	\$64,872,247	\$64,954,707	\$65,019,608	\$65,066,949	\$324,685,738
Total Housing Sales increase over Normal Projection		4%	3%	3%	3%	3%	551

INVESTMENT BUSINESS RETURNS

Bank Assets Increment Cumulated		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Total Increment</u>
Bank Net Profit Increment on Deposits	1.25%	\$40,536,692	\$81,652,480	\$123,347,364	\$165,621,343	\$208,474,418	\$619,632,297
Commercial Space Increment (Sq Ft)		588,000	596,400	604,800	613,200	621,600	3,024,000
Business Real Estate Construction Value		\$41,160,000	\$41,748,000	\$42,336,000	\$42,924,000	\$43,512,000	\$211,680,000

PUBLIC REVENUES

Incremental Consolidated Local Government Revenues (Public)		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Total Increment</u>
		\$1,171,797	\$2,345,404	\$3,520,502	\$4,696,775	\$5,873,904	\$17,608,381

ANYTOWN U.S.A. ECONOMIC IMPACT SUMMARY

(Constant US\$)

EMPLOYEE EXPENDITURES

Total Income from New Employees	100.0%	67,367,573	135,697,540	204,989,901	275,244,655	346,461,804	1,029,761,472
Taxes, Etc	19.6%	13,220,599	26,630,063	40,228,393	54,015,589	67,991,651	202,086,296
Expenditures	80.4%	54,146,974	109,067,477	164,761,507	221,229,066	278,470,153	827,675,177
Food	12.2%	8,220,676	16,558,790	25,014,343	33,587,333	42,277,762	125,658,904
Stores	7.6%	5,114,885	10,302,839	15,563,863	20,897,957	26,305,120	78,184,663
Restaurants	4.6%	3,105,791	6,255,951	9,450,480	12,689,377	15,972,642	47,474,241
Shelter - Accomodations	28.3%	19,083,647	38,439,917	58,068,811	77,970,329	98,144,470	291,707,175
Rent	4.8%	3,262,723	6,572,057	9,928,001	13,330,555	16,779,720	49,873,057
Owned Living Quarters	10.2%	6,841,135	13,780,001	20,816,597	27,950,924	35,182,981	104,571,639
Maintenance	1.1%	765,783	1,542,507	2,330,169	3,128,772	3,938,314	11,705,546
Property Taxes	2.5%	1,697,054	3,418,352	5,163,893	6,933,678	8,727,707	25,940,684
Insurance Premiums	0.8%	538,941	1,085,580	1,639,919	2,201,957	2,771,694	8,238,092
Mortgage Interest	5.7%	3,839,357	7,733,562	11,682,614	15,686,515	19,745,263	58,687,311
Water, Fuel, Electricity	4.0%	2,720,761	5,480,390	8,278,887	11,116,252	13,992,485	41,588,774
Water	0.7%	489,044	985,073	1,488,090	1,998,092	2,515,081	7,475,380
Fuel Oil	0.2%	156,932	316,106	477,521	641,179	807,078	2,398,816
Gas	0.7%	489,044	985,073	1,488,090	1,998,092	2,515,081	7,475,380
Electricity	2.4%	1,585,742	3,194,137	4,825,186	6,478,888	8,155,244	24,239,198
Other	2.2%	1,458,335	2,937,504	4,437,506	5,958,341	7,500,009	22,291,694
Household Operations	3.3%	2,220,769	4,473,263	6,757,482	9,073,426	11,421,096	33,946,035
Telephone	1.9%	1,291,951	2,602,358	3,931,222	5,278,542	6,644,319	19,748,392
Other	1.4%	928,818	1,870,904	2,826,260	3,794,884	4,776,777	14,197,643
Household Furn & Equip	3.8%	2,556,530	5,149,582	7,779,155	10,445,251	13,147,868	39,078,385
Clothing	4.6%	3,109,441	6,263,303	9,461,585	12,704,288	15,991,411	47,530,027
Transportation	16.3%	10,974,283	22,105,342	33,393,176	44,837,785	56,439,170	167,749,756
Private	15.4%	10,374,015	20,896,230	31,566,646	42,385,261	53,352,077	158,574,229
Purchase Payments	7.8%	5,285,367	10,646,240	16,082,618	21,594,501	27,181,889	80,790,614
Operation	5.6%	3,789,398	7,632,930	11,530,596	15,482,396	19,488,331	57,923,650
Auto Insurance	1.9%	1,299,250	2,617,061	3,953,432	5,308,364	6,681,857	19,859,964
Public	1.0%	647,800	1,304,855	1,971,164	2,646,727	3,331,544	9,902,089
Health Care	4.7%	3,160,535	6,366,221	9,617,057	12,913,044	16,254,181	48,311,037
Direct Care	2.4%	1,591,209	3,205,149	4,841,820	6,501,224	8,183,359	24,322,760
Insurance Premiums	2.3%	1,569,319	3,161,057	4,775,213	6,411,788	8,070,783	23,988,159
Personal Care	1.1%	735,390	1,481,286	2,237,687	3,004,594	3,782,006	11,240,963
Recreation	4.4%	2,941,560	5,925,143	8,950,748	12,018,375	15,128,025	44,963,852
Reading Material	0.4%	295,616	595,455	899,517	1,207,802	1,520,310	4,518,700
Education	1.3%	859,476	1,731,230	2,615,262	3,511,572	4,420,161	13,137,701
Tobacco & Alcohol	1.5%	1,010,514	2,035,463	3,074,849	4,128,670	5,196,927	15,446,422
Miscellaneous	2.1%	1,397,789	2,815,546	4,253,271	5,710,965	7,188,627	21,366,198
Professional Services	0.3%	218,975	441,078	666,309	894,668	1,126,156	3,347,185
Other Misc	1.7%	1,178,814	2,374,468	3,586,962	4,816,297	6,062,472	18,019,013
Cash Contributions	2.5%	1,687,930	3,399,974	5,136,130	6,896,400	8,680,784	25,801,218
Personal Insurance	1.0%	680,646	1,371,016	2,071,110	2,780,927	3,500,467	10,404,167
TOTAL EXPENDITURES	80.4%	54,157,503	109,088,685	164,793,545	221,272,085	278,524,302	827,836,120

ANYTOWN U.S.A. ECONOMIC IMPACT SUMMARY

(Constant US\$)

		<u>1998</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>TOTAL</u>
1	INPUT DATA (1998-2002)							
2	x Primary Jobs Targeted By Program		700	710	720	730	740	3,600
3	x Secondary Jobs	P>S	1.800	1,260	1,278	1,296	1,314	6,480
4	x Total Jobs		1,960	1,988	2,016	2,044	2,072	10,080
5	x Worker In-Commuting Increment Net		0	300	600	800	900	3,600
6	x Participation Rate Change per Year		0	0.0025	0.0025	0.0025	0.0025	
7	x Workforce/Population Participation Rate		0.515	0.518	0.520	0.523	0.525	0.528
8	x Population/Jobs (Employment)		1.976	1.964	1.951	1.939	1.926	1.914
9	x Average Market Value Home/Condo		\$118,000	\$118,000	\$118,000	\$118,000	\$118,000	
10	x Average Years House Owned		10	10	10	10	10	
11	x Average Life of Housing		80	80	80	80	80	
12	Vacancy Rate		5%	5%	5%	5%	5%	
13	x Average Cost Commercial Space/Sq Ft	RH Means	\$70	\$70	\$70	\$70	\$70	
14	x Commercial Space per Employee	Mfg/Comm	300	300	300	300	300	
15	x Persons/Hshld	1990 Census	2.52	2.52	2.52	2.52	2.52	
16								
17	BASE DATA (1993-1997)		<u>1992</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>GROWTH RATES</u>
18	x CPI USA		140.3	148.2	152.4	156.9	160.5	3.000%
19	e Housing Units						113,973	2.152%
20	x Population Base (Any Town U.S.A. County AL)		247,044	264,370	268,609	270,061	272,293	2.152%
21	x Workforce (Resident)		131,172	133,998	134,807	136,312	141,979	1.185%
22	x Employment Base (Resident)		124,723	126,720	128,381	131,901	137,793	1.416%
23	x Unemployment	3.0%	4.9%	5.4%	4.8%	3.2%	2.9%	-5.086%
24	x Workforce Participation to Total Population		53.1%	50.7%	50.2%	50.5%	52.1%	-0.625%
25	x Total County General Revenues							51,574,453
26	x Cities - Any Town							184,055,368
27	x Consolidated Local Govt Revenues							\$235,629,821
28			<u>P>T Multiple</u>		<u>Sales/Empee</u>	<u>TA/Sales %</u>		<u>AVG PAY 1998</u>
29	x Average Wage+Salary							\$28,762
30	x Primary Jobs				\$74,926	58%		\$44,468
31	x Secondary Jobs	P>T	2.80		\$66,512	30%		\$28,762
32								
33	FACTORS							
34	Vehicle Ratios	1995 USA Vehicle Sales/Population (New & Used)=	17%		Avg Vehicle Price: \$15,000		Vehicle Life Yrs: 10	
35	x Housing Value	Avg						\$118,000
36	Housing		Single 68%		% Homes Owned: 61%			
37			Multiple 32%		% Homes Rental: 39%			
38	x Total Number of Businesses in County	CBP95	(1995) 6,584		Employees/Bus 9			
39								
40	Banking Stats			<u>Deposits 1997</u>	<u>Employees 1997</u>	<u>Dep/emp 1997</u>	<u>Adjustment for Cnty->Res Empl</u>	<u>Inflation</u>
41	x Bank Deposits 12/97	FDIC (in \$000)		\$2,992,101	137,793	\$21,714	-8%	3%
42	x Bank Net Income Return on Deposits			1.25%				
43	x Economic Development Program Investment (5 years)			\$5,000,000				=(In@19%-Out@3%)/2=8%

ANYTOWN U.S.A. ECONOMIC IMPACT SUMMARY

(Constant US\$)

ASSUMPTIONS

- 1 Projections are in Constant \$1998
- 2 Normal population, workforce and CPI growth rates are based on their growth trend since 1990.
- 3 CPI, Expenditure Patterns, Housing Ratios, Auto usage, Participation rates, and bank deposits are ratios which tend to be fairly universal and constant.
- 4 Housing Prices, Unemployment, Commuting, Construction Costs, Average earnings, Employment multipliers and Local Taxes tend to vary from area to area and are researched individually.
- 5 An average Primary-to-Secondary employment multiplier of 1.8 was calculated from RIMS data for AL adjusted for inflation, target wage variance from the mean, and local supplier deficits..
- 6 The pay rates averaged for all sector jobs in the County was used as the Secondary Job pay rate.
- 7 Workforce income is different from Employee income as Workforce income is total employed income divided by the workforce which includes the unemployed as well as the employed.
- 8 New jobs targeted by the Any Town/Any Town U.S.A. County CofC will be both from recruitment of new businesses and from expansion of existing employers through its workforce development programs.
- 9 The job target for primary jobs ramps up slightly reflecting a continuation of recruitment marketing and increasing effectiveness with the new industry targets over time.
- 10 The targeted unemployment rises from 2.7% to 3.1% to reflect the addition of workers to the workforce from both increased participation, in-commuting, and in-migration of employment.
- 11 Welfare-to-Work, High School, College, and Vocational training, and internships are expected to increase workforce participation growth by 1.3% to 52.8% or add 3,900 worker candidates over five years.
- 12 In-commuting of available workers from proximate Counties is expected to increase by 3,600 workers over the next five years as these workers are trained for existing business expansions.
- 13 Targeted recruitment of new businesses will result in the addition of 3,600 primary jobs plus 6,500 secondary jobs to the area.
- 14 The workforce and population are expected to increase by the number of primary jobs with their households. The workforce unemployment will be reduced by the number of secondary jobs generated.
- 15 This analysis shows impacts of the new employees generated by the recruiting program. Business impact of capital investment and commercial activity is substantial, but not detailed here.
- 16 Housing Growth assumes balanced supply & demand (5% vacancy and 90 days on Market). If housing on market less than 90 days, then build-rates would be higher than given here & vice versa with high inventory.
- 17 New businesses generated is based upon CBP 18 employees/business divided into the secondary employment generated by the program. Realistically, there would be more start-up businesses with fewer employees
- 18 The Boeing plant starting up in Nabor Town with 2,000 employees will decrease in-commuting and increase out-commuting for Any Town U.S.A. County estimated at 400 employees - this impact is included in the model.
- 19 Up to 800 of the relocated management for the Boeing plant are expected to move to and commute from Any Town U.S.A. County - this will increase the workforce and out commuting without impacting unemployment.
- 20 Housing would be favorably impacted by the Boeing plant; however, residential construction is already underway so impact on the 1999+ years in housing would be minimal, and is not accounted for in the model..
- 21 Increases in Consumption, Banking Deposits, Population and Taxes resulting from the impact of the any resident employees in Any Town U.S.A. County of the Boeing plant have not been included in this analysis.

ACKNOWLEDGEMENTS

Thanks for assistance in data sourcing and review to:

John Smith, Chamber of Commerce Any Town/Any Town U.S.A. County
Dr. Don Economics, University of State in Any Town

DOCUMENTS

Survey Current Business - Apr 1994 (IO Accts)
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CONSTRUCTED BY:

Economic Impact Model
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