

The Economic Impact of a proposed Residential Housing Development on a County Economy

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Socio-Economic Profile - Porter County, Indiana

Population 2013	166,557
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Labor Force 2013	83,291
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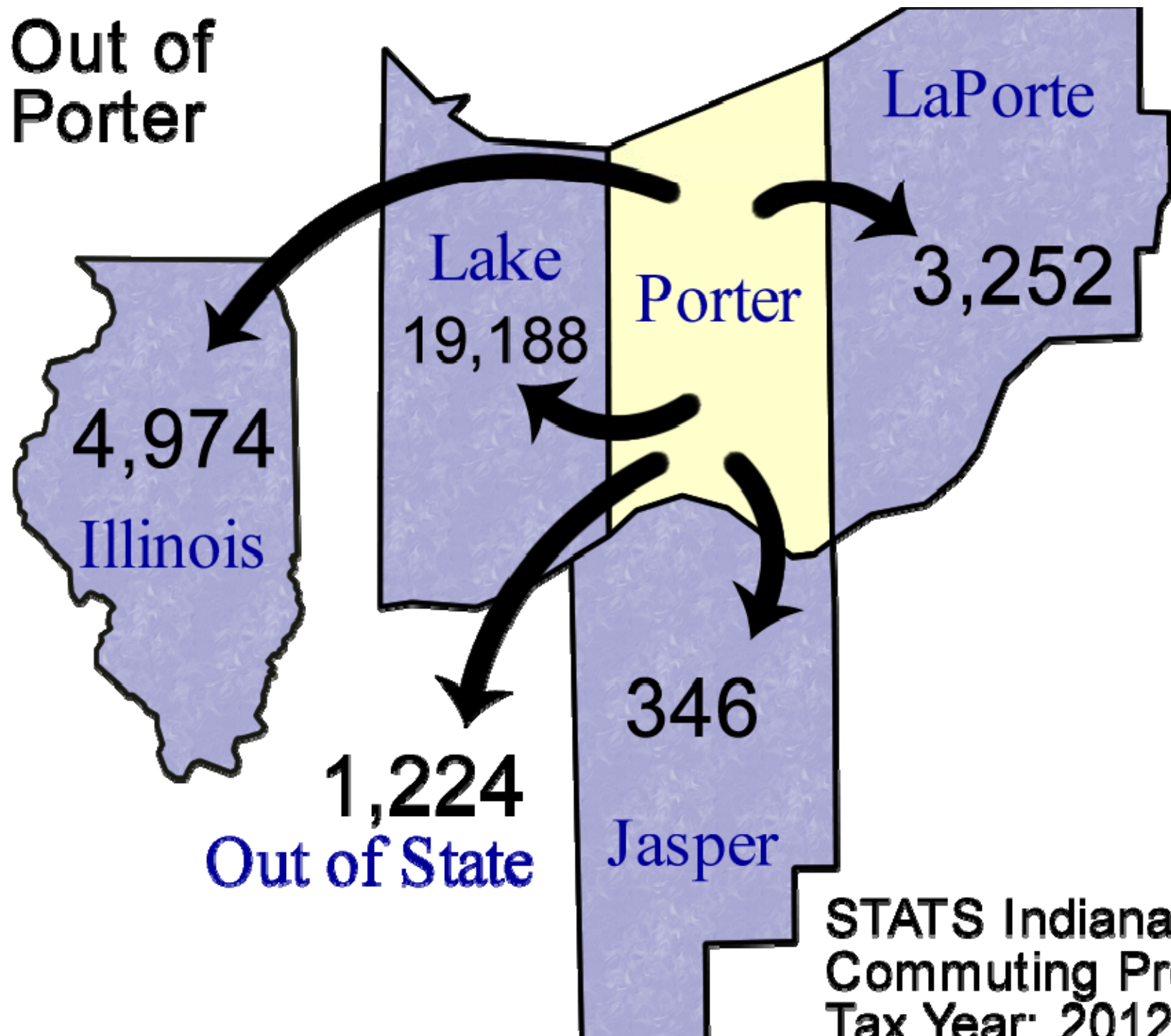
	Porter	Indiana	USA
Unemployment Rate (March 2014)	6.9%	5.9%	6.7%
Personal Per Capita Income (2012)	\$46,907	\$38,119	\$43,735
Median Household Income (2012)	\$63,879	\$46,954	\$51,371
Average Wage per job, manufacturing (2012)	\$66,201	\$56,312	\$60,563
Percent Adults, Bachelor's Degree or more (2012)	25.2%	23.2%	28.5%
Population Growth, 2000-2013	13.5%	8.1%	12.3%

Sources: Unemployment Rate, US Department of Labor, Bureau of Labor Statistics

Population Growth 2000-2013, US Department of Commerce, Census Bureau

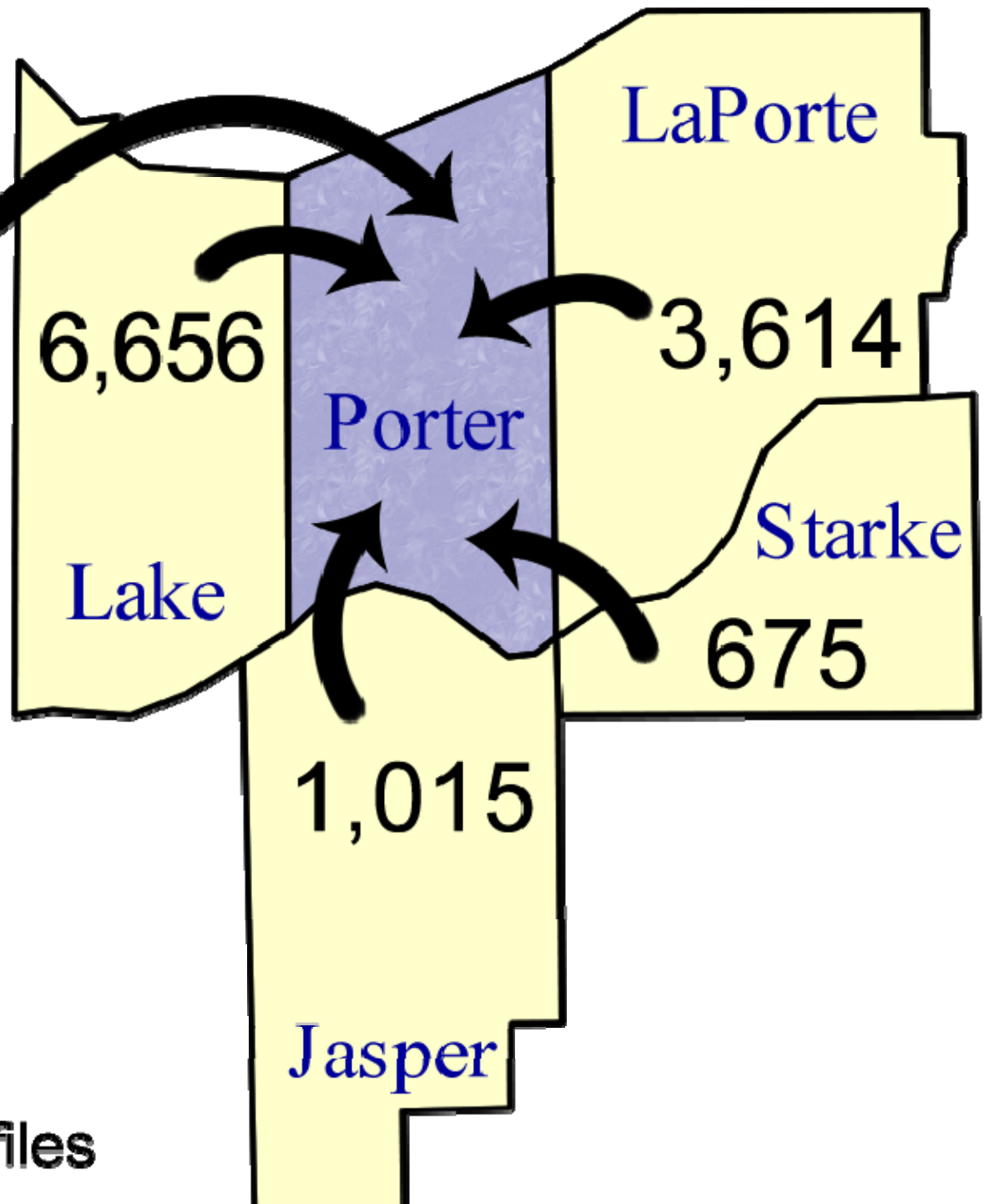
All other series: Stats Indiana

Out of
Porter



STATS Indiana
Commuting Profiles
Tax Year: 2012

Into
Porter



STATS Indiana
Commuting Profiles
Tax Year: 2007

Grand Oaks Project: Porter County, Indiana

- Build 460 single family homes over ten years

\$119,350,000

- Construct sewer, water, natural gas, street and sidewalk/trail infrastructure over ten years

\$10,000,000

Project area: 238 acres

Three hundred households are forecasted to move into Porter County during the ten year building phase.

Purpose: What is the direct, indirect, and induced impact of the project on the Porter County economy: during the building phase; and after completion long term?

Table 1	GRAND OAKS PROJECT: ECONOMIC IMPACT STUDY			
		Project Specifications		
			Units	Dollar
	Dollar Value		Occupied	Value
	New Home	Units	by Households	Infrastructure
Year	Construction	Built	Moving to County	Investment
1	8,750,000	34	22	2,400,000
2	10,465,000	40	26	1,900,000
3	11,935,000	46	30	1,500,000
4	11,935,000	46	30	1,200,000
5	12,390,000	48	31	1,000,000
6	12,390,000	48	31	400,000
7	12,390,000	48	31	400,000
8	12,950,000	50	33	400,000
9	12,950,000	50	33	400,000
10	13,195,000	50	33	400,000
Total	119,350,000	460	300	10,000,000

Drivers of the Impact Study			
<u>Construction Phase</u>	<u>Project Specifications</u>	<u>IMPLAN sector</u>	
Each year 1 to 10	Dollar Value of New Home Construction	Sector 37 - New Residential Construction	
Each year 1 to 10	Dollar Value of Infrastructure Investment	Sector 36 - Construction of other new non-residential structures	
Each year 1 to 10	Consumer Expenditures Households moving to the county	Column vector - household expenditures*	
<u>Long Term</u> , after year 10	Consumer Expenditures Households moving to the county	Column vector - household expenditures*	
* Average Expenditures per household times number of households Porter County IMPLAN Model, 2008.			
Use average household expenditures for existing households in 2008.			
Household Expenditures; \$5,591,043,000			
Divide by number of households: 63,101			
Equals Average Household expenditures: \$88,605			

Table 2A	GRAND OAKS PROJECT: ECONOMIC IMPACT STUDY - direct, indirect, induced, and total impacts							
		Summary over time						
	(output, labor income, and total income in 2008 dollars)							
	New Home Construction (direct only)				New Home Construction (direct, indirect, & induced)			
	Output	Employm.	LaborIncome	Total Income	Output	Employm.	LaborIncome	Total Income
Year 1	8,750,000	60	3,541,187	3,609,424	12,775,679	98	4,931,499	5,993,792
Year 2	10,465,000	72	4,235,260	4,316,871	15,279,712	118	5,898,073	7,168,575
Year 3	11,935,000	82	4,830,180	4,923,254	17,426,026	134	6,726,564	8,175,532
Year 4	11,935,000	82	4,830,180	4,923,254	17,426,026	134	6,726,564	8,175,532
Year 5	12,390,000	85	5,014,321	5,110,944	18,090,361	139	6,983,002	8,487,209
Year 6	12,390,000	85	5,014,321	5,110,944	18,090,361	139	6,983,002	8,487,209
Year 7	12,390,000	85	5,014,321	5,110,944	18,090,361	139	6,983,002	8,487,209
Year 8	12,950,000	89	5,240,957	5,341,948	18,908,005	145	7,298,618	8,870,812
Year 9	12,950,000	89	5,240,957	5,341,948	18,908,005	145	7,298,618	8,870,812
Year 10	13,195,000	90	5,340,111	5,443,011	19,265,724	148	7,436,700	9,038,638
TenYrTotal	119,350,000	818	48,301,796	49,232,543	174,260,262	1,340	67,265,644	81,755,323

Table 2B	GRAND OAKS PROJECT: ECONOMIC IMPACT STUDY - direct, indirect, induced, and total impacts							
		Summary over time						
	(output, labor income, and total income in 2008 dollars)							
	Infrastructure Support for				Infrastructure Support for			
	New Home Construction (direct only)				New Home Construction (direct, indirect, & induced)			
	Output	Employm.	LaborIncome	Total Income	Output	Employm.	LaborIncome	Total Income
Year 1	2,400,000	13	847,878	1,521,447	3,215,456	20	1,146,789	2,010,662
Year 2	1,900,000	9	638,018	1,161,031	2,509,852	15	860,038	1,526,176
Year 3	1,500,000	7	505,563	919,043	1,983,468	12	681,663	1,208,558
Year 4	1,200,000	6	397,364	725,965	1,579,155	9	535,125	952,852
Year 5	1,000,000	5	331,137	604,971	1,315,962	8	445,938	794,043
Year 6	400,000	2	132,455	241,988	526,385	3	178,375	317,617
Year 7	400,000	2	132,455	241,988	526,385	3	178,375	317,617
Year 8	400,000	2	132,455	241,988	526,385	3	178,375	317,617
Year 9	400,000	2	132,455	241,988	526,385	3	178,375	317,617
Year 10	400,000	2	132,455	241,988	526,385	3	178,375	317,617
TenYrTotal	10,000,000	49	3,382,232	6,142,399	13,235,815	78	4,561,428	8,080,378

**GRAND OAKS PROJECT: ECONOMIC IMPACT
STUDY**

Table 2C

direct, indirect, induced, and total impacts

Summary over time

(output, labor income, and total income in 2008 dollars)

New Household Expenditure

(direct, indirect, & induced)

	New Household Expenditure (direct only)	Output	Employment	Labor Income	Total Income
Year 1	1,949,310	1,088,642	10	337,935	666,472
Year 2	2,303,730	1,286,577	12	399,378	787,649
Year 3	2,658,150	1,484,512	14	460,821	908,826
Year 4	2,658,150	1,484,512	14	460,821	908,826
Year 5	2,746,755	1,533,996	14	476,181	939,120
Year 6	2,746,755	1,533,996	14	476,181	939,120
Year 7	2,746,755	1,533,996	14	476,181	939,120
Year 8	2,923,965	1,632,963	15	506,903	999,709
Year 9	2,923,965	1,632,963	15	506,903	999,709
Year 10	2,923,965	1,632,963	15	506,903	999,709
TenYrTotal	26,581,500	14,845,121	139	4,608,208	9,088,260
Ongoing	26,581,500	14,845,121	139	4,608,208	9,088,260

Table 2D GRAND OAKS PROJECT: ECONOMIC IMPACT STUDY**Grand Total Summary over time (2008 dollars)**

	Direct Impact: New Home Construction and Infrastructure				Direct, Indirect, and Induced Impact: New Home Construction, Infrastructure and New Household Spending			
	Output	Employ.	Labor Income	Total Income	Output	Employ.	Labor Income	Total Income
Year 1	11,150,000	73	4,389,065	5,130,871	17,079,777	128	6,416,223	8,670,926
Year 2	12,365,000	81	4,873,278	5,477,902	19,076,142	144	7,157,489	9,482,400
Year 3	13,435,000	89	5,335,743	5,842,297	20,894,006	160	7,869,048	10,292,917
Year 4	13,135,000	88	5,227,544	5,649,219	20,489,693	157	7,722,511	10,037,211
Year 5	13,390,000	90	5,345,458	5,715,915	20,940,319	161	7,905,121	10,220,373
Year 6	12,790,000	87	5,146,776	5,352,933	20,150,742	156	7,637,559	9,743,947
Year 7	12,790,000	87	5,146,776	5,352,933	20,150,742	156	7,637,559	9,743,947
Year 8	13,350,000	91	5,373,412	5,583,936	21,067,353	164	7,983,896	10,188,138
Year 9	13,350,000	91	5,373,412	5,583,936	21,067,353	164	7,983,896	10,188,138
Year 10	13,595,000	92	5,472,565	5,685,000	21,425,072	166	8,121,978	10,355,964
Ten Year Total	129,350,000	868	51,684,028	55,374,943	202,341,198	1,557	76,435,280	98,923,961
Ongoing	0	0	0	0	14,845,121	139	4,608,208	9,088,260

Table 3

**GRAND OAKS PROJECT: ECONOMIC IMPACT STUDY -
direct, indirect, induced, and total impacts
(2008 dollars)**

	New Homes Property Taxes	State&Local Taxes, new construction	State&Local Taxes, new infrastructure	State & Local Taxes, new households	Total State & Local Taxes
Year 1	110,000	579,560	198,221	87,319	975,100
Year 2	131,500	642,714	156,093	103,195	1,033,501
Year 3	150,000	698,331	123,278	119,071	1,090,680
Year 4	150,000	682,737	98,445	119,071	1,050,253
Year 5	155,750	695,992	82,037	123,040	1,056,819
Year 6	155,750	664,805	32,815	123,040	976,409
Year 7	155,750	664,805	32,815	123,040	976,409
Year 8	162,750	693,913	32,815	130,978	1,020,455
Year 9	162,750	693,913	32,815	130,978	1,020,455
Year 10	165,750	706,647	32,815	130,978	1,036,190
Ten Years	1,500,000	6,723,415	822,148	1,190,710	10,236,272
Annual Net Add. to Tax Rev.	978,260	0	0	1,190,710	2,168,970

**GRAND OAKS PROJECT: OVERALL PROJECT IMPACT UPON THE PORTER
COUNTY ECONOMY**

	<u>Millions of 2008 Dollars</u>					
	Annual Average Spending	Ten-year Total Spending	Ten-year Labor Income	Ten-year Total Income	Annual Jobs	Ten-Year Total Jobs
<u>Direct Project Impact</u>						
New Home Construction	11.9	119.4	48.3	49.2	82	820
Infrastructure (services)	1.0	10.0	3.4	6.1	5	50
<u>Total Direct Impact</u>	12.9	129.4	51.7	55.3	87	870
<u>Total Direct, Indirect, and</u>						
<u>Induced Impacts</u>	20.2	202.3	76.4	98.9	156	1,557
<u>Ongoing Economic Impacts</u>						
<u>after ten years (annual)</u>	14.9				139	
<u>Other important impacts (millions of dollars per year, after year 10)</u>						
State & Local taxes related to new households			1.2			
Local property taxes paid by new households			0.9			