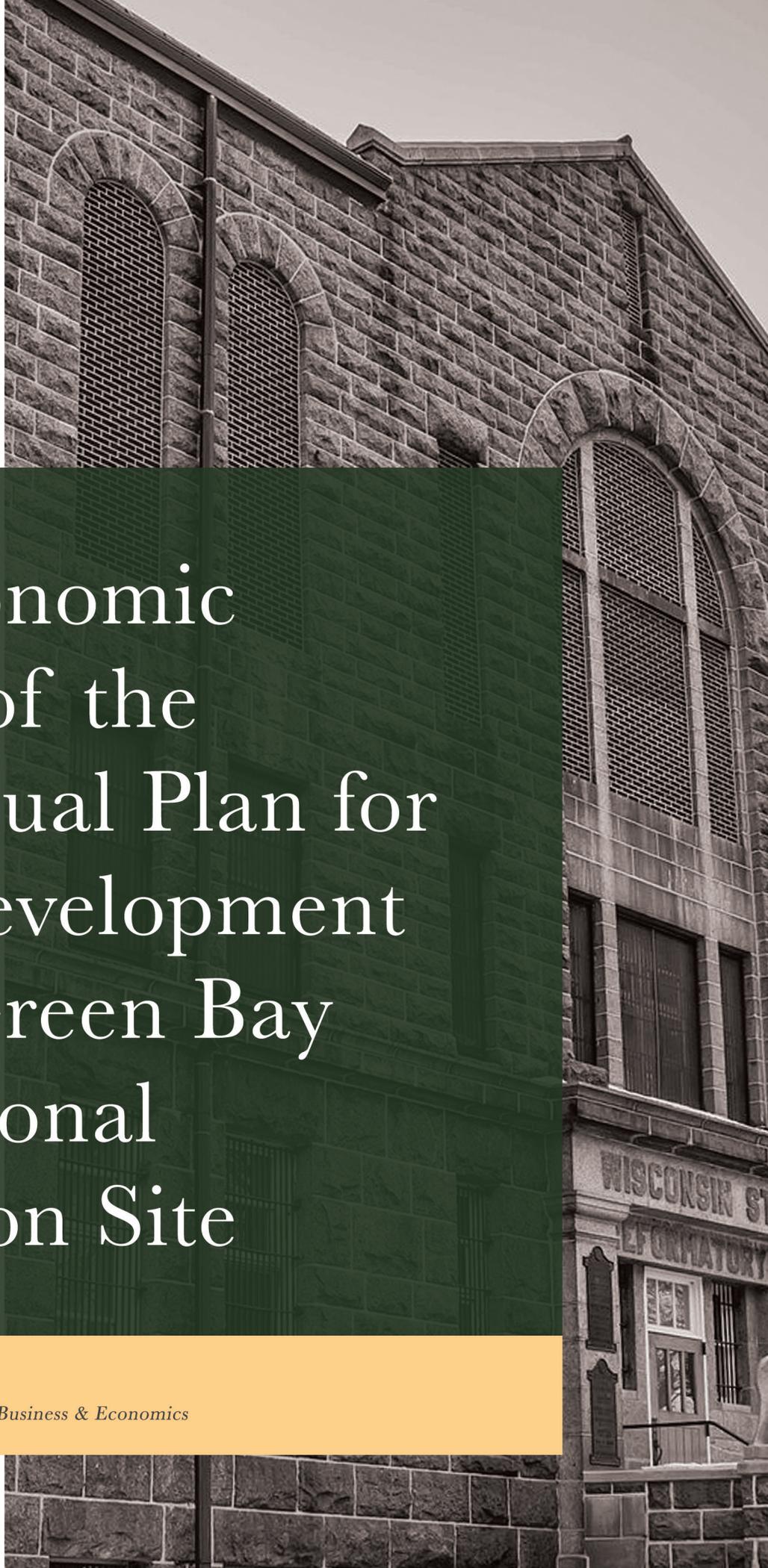




CENTER FOR  
BUSINESS &  
ECONOMIC  
ANALYSIS

# The Economic Impact of the Conceptual Plan for the Redevelopment of the Green Bay Correctional Institution Site

*St. Norbert College  
The Donald J. Schneider School of Business & Economics*



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## About the Center for Business & Economic Analysis (CBEA)

The Center for Business and Economic Analysis of the Donald J. Schneider School of Business & Economics was created to foster the relationships between the faculty and staff of St. Norbert College and the local business community. The CBEA is designed to embody the spirit of *communio* by working hand in hand with leaders in the local business and nonprofit community to serve as a source for information, a source of networking and collaboration, and a source of problem solving. The CBEA is comprised of several SNC faculty members and a team of our top students in business and economics. The CBEA works with the greater northeast WI region to provide community-partner research, community-based research, speaking engagements, and consulting services.

## CBEA Researchers

Sandra Odorzynski, Ph.D., Professor Emerita of Economics, St. Norbert College

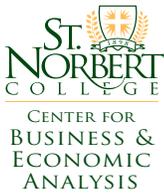
- Dr. Odorzynski earned a BS in mathematics from University of Dayton, Ohio and a PhD in economics from Purdue University, with a field concentration in Public Finance. She is the first woman to achieve the rank of full professor (1997) at St. Norbert College. A sabbatical leave in 2012 renewed Sandy's interest in conducting economic impact studies. To date, these analyses have been completed for Ft. Howard Corporation, SNC, the Oneida Nation of Wisconsin, an Indiana corporation, the Green Bay Botanical Garden, and the CP Center. Recently retired from St. Norbert after forty years of service, she remains active as an analyst for the CBEA.

Marc Schaffer, Ph.D., Associate Professor of Economics, CBEA Director, St. Norbert College

- Dr. Schaffer completed his undergraduate work at Augustana College in Rock Island, IL., and received a Ph.D. in applied economics from Western Michigan University. Dr. Schaffer's graduate studies specifically concentrated in monetary economics and econometrics. Aside from teaching courses in macroeconomics, international finance and money & banking, Marc conducts research on the behavior of financial intermediaries and their impact on economic activity. Dr. Schaffer has served as the Director of the CBEA since 2014 and has completed projects in the community for the Oneida Nation of Wisconsin, The Farmory, Harley Davidson of Appleton, Foth, and Shoreline Credit Union to name a few.

Alexa Schulze, CBEA Research Analyst

- Alexa Schulze is a graduate of St. Norbert College who pursued a double major in Economics and Sociology. Alexa served as the co-president of the economic honor society Omicron Delta Epsilon, participated in the Navigate program and contributed to the Agape Latte committee on campus along with CBEA work. Alexa has served as a research analyst for the CBEA and has previously completed CBEA food insecurity research for the Farmory and the Oneida Nation of Wisconsin. Alexa plans to pursue careers around analyst consulting.



## The Economic Impact of the Conceptual Plan for the Redevelopment of the Green Bay Correctional Institution Site: *Executive Summary*

The Green Bay Correctional Institution (GBCI), located in the Village of Allouez (Brown County, WI), was opened as a maximum security prison in 1898. The facility is in need of significant renovations in order for it to meet current security standards. The decision to modernize or build new in a different location is outside the scope of this study. Local leaders are exploring potential mixed-use development opportunities for the current GBCI location just south of Hwy 172 near the Riverside/Webster exit. GBCI sits on a 50 acre parcel, and when combined with an adjacent 14 acre undeveloped parcel owned by the Wisconsin DNR, the potential redevelopment site covers 64 acres.

The purpose of this study is to provide estimates of economic impact, in terms of jobs, labor income, output, and tax revenues for one conceptual plan created by local leaders and citizens in the Village of Allouez. This conceptual plan is NOT a final version of redevelopment under consideration, nor has it been officially endorsed by local leaders and constituents. It merely serves to offer estimates of potential economic activity for the redeveloped GBCI site. The plan contains a mix of economic

*“The potential annual total impacts in Brown County resulting from the operations of the entities include: 1,463 jobs, \$59.3 million in labor income, and \$138.5 million in economic output to the region.”*

enterprises, ranging from residential housing, commercial office space, retail establishments, hospitality venues, to community-focused parks and public spaces. The scope of the study does not include the pre-construction (site preparation) and construction phases of redevelopment. It captures annual impacts from the economic entities when fully operational.

The Center for Business and Economic Analysis (CBEA) of St. Norbert College was commissioned to conduct the study by the Village of Allouez. The input-output model that forms the basis of this analysis uses the IMPLAN platform, a highly regarded software favored by many private and public consultants in the field. Data were obtained from a variety of published and unpublished private/public sources.

Based upon a conceptual plan for repurposing the GBCI site into a mixed-use development, this study concludes that conservatively, the potential annual total impacts in Brown County resulting from the operations of the entities include: 1,463 jobs, \$59.3 million in labor income, and \$138.5 million in economic output to the region.

In addition to the broad economic impacts of the Redeveloped GBCI site, the Village of Allouez and

### The Total Economic Impact of the Redeveloped GBCI Site

Impact Type	Employee	Labor Income	Output
Direct Effect	1,040 jobs	\$39,643,647	\$79,999,134
Indirect Effect	159 jobs	\$8,408,901	\$24,139,423
Induced Effect	263 jobs	\$11,201,218	\$34,354,392
<b>Grand Total</b>	<b>1,463 jobs</b>	<b>\$59,253,765</b>	<b>\$138,492,948</b>

Brown County will benefit from increases in residential housing, retail space, commercial office space, as well as public amenities to drive visitor attendance. Specifically, the conceptual plan for the Redeveloped GBCI site analyzed in this study called for 152 new residential housing units totaling 203,900 sq. ft., 105,970 sq. ft. of new retail space, and 107,950 sq. ft. of new office space.

While there are many findings in this study, the key takeaways are as follows:

- The conceptual plan for the Redeveloped GBCI site can potentially employ 1,040 people, generate \$39.6 million in income, and \$80 million in output.
- These direct effects along with their respective multiplier effects suggest a total economic impact of 1,463 jobs, \$59.3 million in income, and \$138.5 million in output on Brown County.
- The conceptual plan suggests a possible new taxable property valuation of \$46.7 million on the low end and \$71 million on the high end. The median property value estimate of the conceptual plan is \$58.9 million.
- Using the median property valuation estimates, this Redeveloped GBCI site could create \$1.1-\$1.4 million in new tax revenue for the local government and public entities. Roughly 46% of that amount flows to the local school district, while the shares to the Village of Allouez, Brown County, and the local technical college are 30%, 20%, and 4% respectively. The table above displays the potential range of property tax revenue for each local government/public stakeholder under the median property value estimate.
- Retail sector entities are estimated to generate more than \$49.8 million in total economic output, and hospitality sector entities generate almost \$4.2 million in additional sales. Sales tax revenue increases are estimated to be nearly \$3.0 million.

### Potential Annual Property Tax Revenues by Local Government & Public Entities

Local Government	Gross Property Tax Rate Mill Rate (2017)	Property Tax Revenue Low End Range	Property Tax Revenue High End Range
Local Technical College	0.92	\$43,826	\$54,614
Brown County	4.83	\$230,086	\$286,724
Village of Allouez	7.21	\$343,462	\$428,009
Local School District	11.06	\$526,864	\$656,557
<b>Grand Total</b>	<b>24.02</b>	<b>\$1,144,238</b>	<b>\$1,425,904</b>

- The results of this study are subject to the layout and configuration of the conceptual plan. Slight modifications to the conceptual plan such as adding floors to several buildings along with a riverfront luxury condo unit suggest potential low end property valuations around \$66.9 million and \$100.6 million on the high end. The true economic impact and property valuation are contingent upon the actual mixed-use development.
- The results of this study are presented in current dollars. However, if we assume 2% annual inflation and a ten year horizon to make this conceptual plan operational, then the total economic impact of this development in 2028 dollars would be 1,463 jobs, \$72.2 million in compensation and \$168.8 million output. The original conceptual plan property valuation in 2028 dollars would range from \$56.9 million to \$86.6 million, while the second alternative conceptual plan (with additional residential space) would be valued between \$81.6 and \$122.6 million.

As a final note, these results suggest that the potential redevelopment of the GBCI site stands to generate a sizeable impact on the Brown County economy.

## *I. Introduction & Objective*

The Green Bay Correctional Institution (GBCI) is located in the Village of Allouez in Brown County, Wisconsin. The facility was first opened in August of 1898 and is currently the second oldest correctional institution in the state. According to the Wisconsin Department of Corrections, this maximum security prison is in need of significant renovations to modernize the facility to current security standards. This raises the question of whether money should be reinvested into this aging facility for modernization or if a new facility should be constructed elsewhere. The answer to that question, which is beyond the scope of this study, should carefully assess the costs and benefits of renovating and operating the existing facility on a regular basis against the costs and benefits of building and operating a new facility. However, the objective of this analysis is to provide information to assist the relevant policy makers with that decision. Specifically, if the prison were to be decommissioned, what would be the annual economic impact to the local economy of redeveloping the current GBCI site? Effectively, this study serves to provide information about one potential benefit of decommissioning the prison and releasing that property for economic development. It does not offer a policy recommendation in any way to the decision-makers.

In order to derive these estimated economic impacts, the Village of Allouez worked with a local community expert to develop a conceptual plan for a mixed-use development that could reside on the current GBCI parcel of land. This conceptual plan was partially created to assist this study in assessing the potential economic impacts of redevelopment. The plan calls for a variety of economic enterprises ranging from residential housing, commercial office space, and retail establishments to community-

focused park and public spaces. Using the conceptual plan layout and square footage estimates provided to the CBEA by the Village of Allouez, the direct effect of this development on jobs, labor income, and output is estimated followed by an assessment of the subsequent multiplier effects via an input-output modeling approach. After analyzing the annual economic impact of these operations, this study estimates the property value of this new establishment along with the potential tax revenues that could be generated.

The analysis is structured as follows: a discussion of the full scope of the project, the methodology, an overview of the conceptual redevelopment plan, followed by the economic impact of the enterprises and the potential tax revenue generated.

## *II. Project Scope*

It is important to clearly state the role that this study plays in the decision to decommission the current Green Bay Correctional Institution and redevelop that site into a mixed-use development. The purpose of this analysis is to provide information to decision-makers about the potential economic impact to Brown County, WI of the annual ongoing economic operations of a redeveloped GBCI site. Specifically, if the mixed-use development comes to fruition what is the economic contribution to Brown County as measured in jobs, employment compensation, and output, as well as the potential tax revenues that could be generated.

In order to assess the economic impact, the Village of Allouez along with an experienced community member completed a series of focus groups and drafted a conceptual plan for redeveloping the GBCI site that included residential, commercial, and retail amenities in addition to providing community and public goods. The economic impact analysis in

this report pertains to the conceptual plan that was provided to the CBEA. It is important to note that this is one possible plan for redeveloping this property that was created for this economic impact analysis study. This is not a formal plan, it is merely conceptual and should this development proceed there will be a very thorough, public process for the formal development phase.

While the outcome of this analysis provides estimates of jobs, labor income, output, and tax revenues based on the conceptual plan, we must be clear what this study does not do. This study is neither an endorsement for or against the decision to decommission the prison, nor is it a cost-benefit analysis of closing the current prison, building a new prison at a different location, and redeveloping the site. The study functions to provide information about the potential benefits of a new mixed-use development in Brown County. This information should be subsequently factored into the cost-benefit analysis of the decision-makers, but it is not a cost-benefit analysis in and of itself.

Additionally, given time and resource constraints, this study only presents the economic impact of annual economic operations in the new mixed-use development. With any new development project there is an economic impact on the local economy from both the construction of the development and the on-going operations. Given the size and scope of the conceptual plan, along with the uniqueness of renovating a structure with a National Registry of Historic Places status, this study does not focus on the economic impact of the construction.

Given the infancy of this redeveloped GBCI site process and the hypothetical nature of the plan, this study should not be interpreted as the net benefit of this mixed-use development on Brown County. In other words, the resulting effects on jobs, labor

income, and output, should not be interpreted as new jobs, new income or new output in Brown County. There is no doubt that a portion of these economic impacts will be “new” economic impacts to the region, but a portion of this activity will serve as a substitute to existing economic activity in Brown County. In the absence of more detailed information, it is difficult to predict a priori, how consumers, businesses, and the public will react to the creation of the new mixed-use development in terms of their spending behavior in Brown County.

Lastly, this study is not an assessment of the market demand for new housing, retail, and commercial space in Brown County. It is an assessment of the potential economic impact of the mixed-use development entities, assuming they have typical output, labor income, and employment for their respective size and industry.

### *III. Methodology*

Various methods can be used to measure the economic impact of an organization, firm, or entity on the economy. One of the most common approaches used in economic impact studies is input-output analysis. It serves as the basis of this study.

Input-output (I-O) analysis involves a very large matrix, which captures the interactions of industries with other industries, households, and the government sector, as economic activities trigger the purchase of inputs to generate outputs in any given industry. These relationships are built through empirical data from numerous sources, including the federal government. The model captures impacts in three ways: direct, indirect, and induced.

**Direct effects** measure the changes in economic activity created by a given event – e.g., a new restaurant operating in town.

**Indirect effects** measure changes through backward linkages, sometimes referred to as supply chain effects. The new restaurant's operations (measured as the direct effect) will cause increased economic activity in businesses that supply the restaurant – e.g., table linen and uniform laundry services, food supply companies, delivery trucks, cleaning services, and extra labor to perform those functions. To the extent that these supply chain impacts are experienced locally (in the region being studied), they are captured as indirect effects.

**Induced effects** measure changes attributable to households that earn wages and salaries as employees of the directly affected industry (the restaurant) and the indirectly affected industries (through backward linkages to suppliers). For example, the chefs and bartenders at the new restaurant and additional food supply and laundry service workers earn labor income, some of which is spent locally in a variety of sectors, such as groceries, professional services, and entertainment. To the extent that the spending occurs locally, it is captured as induced effects.

Mathematically, total impacts are measured as the sum of direct, indirect, and induced effects.

Since the total impact is larger than the initial (direct) change in economic activity (due to indirect and induced effects), results of the I-O model are often used to estimate local industry multipliers. For example, suppose the restaurant generates labor income of \$500,000, indirect effect labor income of \$180,000 and induced effect labor income of \$60,000. The total labor income impact = \$740,000 and the labor income multiplier is 1.48

(740,000/500,000). For every \$1 of direct labor income created by the restaurant, an additional \$0.48 of labor income is generated in the study region as a result of indirect and induced effects from the restaurant's activity.

Direct, indirect, and induced effects can be measured for employment (jobs), labor income, value added, and output. This study provides these measurements for employment, labor income, and output.

The input-output analysis as applied in this study seeks to explain how the existence of the Redeveloped GBCI generates direct effects in the economy that multiply through the indirect and induced effects to create its total economic impact on the region. The economic impact is measured across three key variables: the number of jobs, the employee compensation, and the economic output.

The input-output analysis was conducted utilizing the IMPLAN platform. IMPLAN is a widely accepted economic modeling system that is used throughout the country by both public, private, and nonprofit enterprises to conduct economic impact studies. IMPLAN leverages the data collected by the U.S. Bureau of Economic Analysis (BEA) and the Bureau of Labor Statistics (BLS) to construct the unique regional data matrix that is used for the input-output analysis.

An important component to any economic impact study is defining the geographic region of impact. Given that the Redeveloped GBCI site is physically located in Brown County, WI, this study region was a natural fit for analysis. Thus, the results of this study should be interpreted as the economic impact on Brown County, Wisconsin.

Unlike typical economic impact studies, this analysis faces the challenge of estimating the direct effects of the economic enterprises in the conceptual Redeveloped GBCI site as opposed to having actual data on output, employment, and labor income. To that end, different estimation approaches were used throughout this study, depending on the type of economic enterprise being analyzed to generate the initial direct effects based on physical size.

#### IV. Potential Site Development: Conceptual Redeveloped GBCI Plan

In order to assess the potential impact of the Redeveloped GBCI site, it is essential that a plan for development is drafted as a basis for the economic impact study. The Village of Allouez tapped the expertise of one of its citizens to conduct small focus group sessions and develop a possible plan for the development. To be clear, the plan was drafted for the purpose of offering some idea of what could be done with the property as well as provide a starting point for this economic impact study. This plan is by no means the actual plan for the property; it is simply one possible plan. This section will provide an overview and motivation for this

conceptual plan as well as set up the potential space available for various economic enterprises.

##### A. GBCI Site Background

The Green Bay Correctional Institution is located in the Village of Allouez in Brown County, WI. This maximum security prison was first opened on August 31st, 1898 and it is currently listed on the National Registry of Historic Places. The current prison complex rests on a roughly 50 acre parcel of land located between Highway 172, Riverside Dr., Webster Ave, and Coolidge St. in Allouez. There is an undeveloped adjacent 14 acre parcel of land located between the Fox River and Riverside Dr. that is also considered part of this redevelopment plan. This land is currently not owned by the Wisconsin Department of Corrections but rather the Wisconsin Department of Natural Resources. Figure 1 provides a geographical context of the prison's broad location, as well as a layout of the current facility and acreage. The Redeveloped GBCI is roughly comprised of this 64 acre parcel of land.

##### B. The Conceptual Plan Intuition

For the purposes of the conceptual plan layout, this plot of land can be divided into 4 distinct parcels given the structural divisions of Riverside Dr., the

Figure 1: GBCI Layout and Acreage



Figure 2: GBCI Parcels



Figure 3: GBCI Conceptual Plan Intuition



primary GBCI historical building, and the proximity to Webster Ave. The four parcels utilized for the purpose of this study, starting from west to east are the labeled as follows: Fox River Parcel, Riverside Dr. Park Parcel, Existing GBCI parcel, and the Webster Ave. Village Parcel. Figure 2 provides an overview of this layout.

The primary motivation behind the conceptual plan was to create a mixed-use development that blends a variety of uses while combining the physical and functional integration of the space for people to connect. In short, this should be a place where people want to live, work, eat, shop, and play. In order to achieve that objective the right mix of retail, commercial, residential and community space needs to be integrated in the site with a deliberate flow and spatial relationships. The intuition behind this conceptual plan was premised on utilizing the existing historical GBCI building as an anchor in the redevelopment, given its central location. From that

T-shaped anchor the entire site can be split up the middle with a “central spine” of park and foot traffic activity that is surrounded by economic enterprises on both sides. Figure 3 provides a visual depiction of this intuition.

### C. The Conceptual Plan

Based on the aforementioned intuition, a conceptual plan for the redevelopment of the GBCI site was created. As an overview this plan calls for a combination of retail shopping, commercial office space, residential apartments, condos and luxury duplexes, and a wide variety of community-oriented parks and recreational spaces. In essence, this plan serves as a highly functional representation of a mixed-use development. To provide a more detail understanding of the entities that comprise this conceptual plan, the following describes the components in each of the four parcels as displayed in Figure 4.

Figure 4: The Conceptual Plan for the Redevelopment of GBCI



The Fox River parcel is designed as a hub for public activities, combining the Fox River Trail with a performance amphitheater with seating for roughly 1000 people, an oversized gazebo on the river, and an event and restaurant facility for hosting weddings, corporate events, etc., right along with river. The remaining entities on this parcel consist of two luxury duplexes totaling four units.

Pedestrians can move from this parcel by crossing over Riverside Dr. into the Riverside Dr. Park parcel which is comprised mostly of public “green space” amenities that will serve to draw people to the site. This site will contain a number of park-oriented features such as pavilions, a skate park, tennis and volleyball courts, an exercise park, a dog park a sculpture garden, rock-climbing wall, and even a zip line. One notable feature in this parcel is the high-end boutique hotel and breakfast cafe that

is located right on the corner of Highway 172 and Riverside Dr. As you move towards the existing GBCI building, the last component of the Riverside Dr. Park parcel is the outdoor event plaza that will run the length of the building and be home to a wide variety of public events such as farmer’s markets, art shows, car shows, etc.

The Existing GBCI parcel transitions into a variety of retail and commercial office space. The renovation and modernization of this historical building not only serves as the focal point of this development but will house various economic enterprises. The north wing of this building will contain both commercial office space and a prison museum to maintain the historical heritage of this site. The south wing will be a combination of retail and restaurant space as well as artist lofts and office space. As we move along the spine of this building,

there will be several lobby common areas, more office space, a performance and event rotunda for hosting weddings, corporate events, etc., and lastly a health club. The final component of the existing GBCI building will be a large brewery or distillery with outdoor seating that will serve as the focal point of the Webster Village parcel retail area. The brewery/distillery is flanked on both sides by retail shopping space and has plans for a small grocery store/market and a coffee shop in the circular structures that frame this neighborhood shopping center.

The Webster Village parcel is split through the middle with a walkable park and water feature complete with seasonal pop-up eateries (denoted in yellow). The bottom of this parcel contains the highest density of residential space complete with four condo/townhouse buildings and a two-building apartment complex. Lastly the upper right corner of this parcel contains a grouping of three multi-use buildings, each of which contains three floors. For the purposes of this study, one building will contain entirely commercial office space, while the other two will be evenly split across commercial, retail, and apartment lofts.

#### D. Economic Enterprise Summary

While the previous section explains the overview of the potential amenities of the site, more specifics are needed to construct economic impact estimates. Specifically, the physical size of the various economic-activity generating entities must be estimated across various categories for their usage. For the simplicity of this study, all of the economic operations in this site plan were grouped in seven categories as shown in Figure 5. In total, the plan provided to the CBEA comprises roughly 514,000 sq. ft. of leasable space for economic activity. When the category sq. ft. space is further analyzed by parcel, it is not surprising that the Webster Village

Figure 5: Square Footage of Economic Enterprises by Category

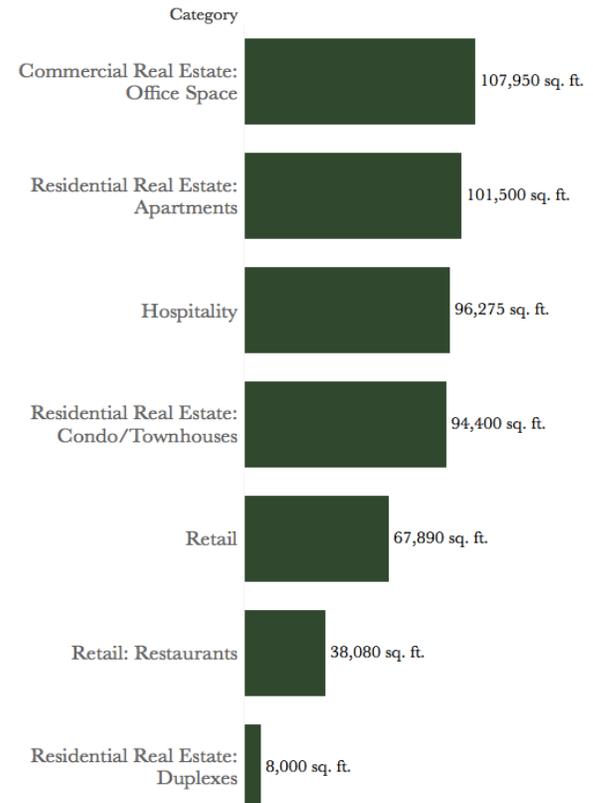


Table 1: Square Footage of Economic Enterprises by Parcel & Category

Parcel	Category	Total SqFt
Existing GBCI Parcel	Commercial Real Estate: Office Space	46,200 sq. ft.
	Hospitality	6,000 sq. ft.
	Retail	31,000 sq. ft.
	Retail: Restaurants	3,600 sq. ft.
	Total	86,800 sq. ft.
Fox River Parcel	Hospitality	34,200 sq. ft.
	Residential Real Estate: Duplexes	8,000 sq. ft.
	Total	42,200 sq. ft.
Riverside Dr. Park Parcel	Hospitality	56,075 sq. ft.
	Retail: Restaurants	3,450 sq. ft.
	Total	59,525 sq. ft.
Webster Ave. Village Center Parcel	Commercial Real Estate: Office Space	61,750 sq. ft.
	Residential Real Estate: Apartments	101,500 sq. ft.
	Residential Real Estate: Condo/Townhouses	94,400 sq. ft.
	Retail	36,890 sq. ft.
	Retail: Restaurants	31,030 sq. ft.
	Total	325,570 sq. ft.
<b>Grand Total</b>		<b>514,095 sq. ft.</b>

parcel has the potential to generate the largest economic impact, given its layout as indicated in Table 1. The Webster Village parcel alone is responsible for more than 60% of the physical sq. ft. available in this development. These data are used to construct sales and employment estimates to generate the direct effects for later use in this analysis.

## *V. Annual Economic Impact*

The goal of this section is to assess the economic impact of the operations of all the economic enterprises contained within the Redeveloped GBCI site plan. In order to simplify the analysis the economic entities have been grouped into four distinct categories: Retail Operations, Commercial Operations, Real Estate Operations, and Hospitality Operations. The following sections will highlight the individual impacts on employment, labor income, and output of each sector on Brown County, and the last section will discuss the total estimated economic impact of the entire Redeveloped GBCI site.

### *A. Retail Operations*

At the heart of this mixed-use development plan is a vibrant retail sector that will help to drive community members and visitors to the site on a regular basis. The conceptual plan calls for 105,970 sq. ft. of retail space spread throughout the Existing GBCI and Webster Ave. Village Center parcels. The inherent challenge of this economic impact study is that there are no current data on the economic enterprises being analyzed, since the redevelopment of the GBCI site has not yet occurred. However, the general approach to creating an estimated economic impact of this hypothetical development is to collect data on current retail and restaurant operations pertaining to their sales per sq. ft. These data can then be applied to the square footage estimates in the conceptual

plan to generate the estimated revenue or economic output of the retail operations.

Using IMPLAN input-output modeling software and Brown County economic data, the sales data approximations are used to estimate the number of employees and their respective compensation that is necessary to sustain the economic activity in that industry. These data represent the direct effects of the respective economic operation, which are then used to predict the subsequent multiplier effects on the local economy.

Prior to creating a sales estimate for analysis, a number of assumptions must be made to more clearly define what is meant by the term retail in this case. For purposes of this analysis, the retail operations are divided into two distinct categories: general retail and restaurants. The former category refers to general retail stores as well as service-oriented retail entities with the exception of food and beverage service.

From the original conceptual plan, a number of entities were specifically listed that fall under these categories. For the general retail sector, this includes the museum space, the grocery store, and (for simplicity) the zip line and rock climbing operations. For the retail restaurant category, the plan also indicates the existence of a coffee shop, a brewery/distillery, a series of pop up eateries, and a breakfast cafe. After accounting for the specified entities, this leaves roughly 60,700 sq. ft. of the 105,970 sq. ft. available for a variety of general retail stores and restaurants.

According to data collected by Esri (the geographic information services company) and the Infogroup, 30.22% of the consumer spending in the retail trade sector in 2017, as denoted by the standard industry

Table 2: Retail Operations Data Sources

Category	Entity	Comparable(s)	Source
Retail: General	Corp/Retail/Loft Apts.: 2 Floors Retail	Neighborhood Center: Wisconsin Congressional District 8	International Council of Shopping Centers
	GBCI Retail (South Wing)	Neighborhood Center: Wisconsin Congressional District 8	International Council of Shopping Centers
	Grocery Store	SuperValu	eMarketer
	Gym/Health Center	National Average	Association for Fitness Studios
	Museum (North Wing)	Neville Museum, National Railroad Museum, & Children's Museum of Green Bay	ProPublica, CBEA Primary Research
	Webster Retail Strip (20 Stores)	Neighborhood Center: Wisconsin Congressional District 8	International Council of Shopping Centers
Retail: Restaurants	Breakfast Café	Denny's, IHOP	eMarketer
	Coffee Shop	Dunkin' Donuts & Starbucks	eMarketer
	Corp/Retail/Loft Apts.: 2 Floors Retail: Restaurants	Applebee's, Buffalo Wild Wings, Olive Garden, & Red Robin	eMarketer
	Distillery/Beer Garden	Granite City Food & Brewery	eMarketer
	GBCI Retail (South Wing)	Applebee's, Buffalo Wild Wings, Olive Garden, & Red Robin	eMarketer
	PopUp Eateries (5 pavilions)	Baskin' Robbins & Jamba Juice, Seasonal	eMarketer
	Webster Retail Strip (20 Stores)	Noodles & Company, Potbelly's, & Qdoba	eMarketer

classification (SIC) codes for Brown County, Wisconsin, was spent at “Food & Drinking Places”. Thus, this study assumes that of the remaining general retail space, 30.22% should be allocated to both full service and limited service restaurant space.

The aforementioned assumptions suggest that the retail operations can be simplified to 15 individual entities for analysis. For a majority of these economic enterprises, the next step is to estimate the sales per sq. ft. of comparable entities. As a matter of reference Table 2 lists the entities contained within the retail sector along with the data source and comparable economic entity used for this study. This table contain 13 of the 15 entities in the retail operations sector, and it omits the zip line and rock climbing facilities given they have limited comparables and unique physical footprints<sup>1</sup>.

According to the International Council of Shopping Centers (ICSC), any retail establishment ranging in size from 30,000-125,000 sq. ft. is classified as a “Neighborhood” general purpose shopping center. The conceptual plan for the Redeveloped GBCI site falls squarely within that range. A typical retail establishment, according to 2017 ICSC data, located in a Neighborhood Center in Wisconsin’s 8th Congressional District (mostly Northeast Wisconsin) yields an average of \$326.03 in sales/sq. ft.. Using that average, the estimated sales revenue for all the general retail operations is estimated.

Table 3 presents the total square footage of each entity and the estimated sales per square foot used to determine the estimated sales for each retail economic enterprise listed in the conceptual plan for the Redeveloped GBCI site.

<sup>1</sup> Fermi estimation was used in the case of the zip line and the rock climbing due to lack of good comparable data and seasonality. Each of these was estimated to produce roughly

\$40,000 per year in revenue based on \$5 per ride/climb with 10 rides/climbs per hour at 8 hours a day for 100 days (roughly the time between Memorial Day and Labor Day).

Table 3: Estimated Sales for Retail Operations

Category	Parcel	Entity	Total SqFt	Sales/SqFt	Estimated Sales	
<b>Retail: General</b>	Existing GBCI Parcel	GBCI Retail (South Wing)	8,400 sq.ft.	\$326.03	\$2,552,760	
		Gym/Health Center	6,600 sq.ft.	\$75.56	\$498,696	
		Museum (North Wing)	16,000 sq.ft.	\$11.72	\$187,520	
	Webster Ave. Village Center Parcel	Corp/Retail/Loft Apts.: 2 Floors Retail	17,290 sq.ft.	\$326.03	\$5,254,431	
		Grocery Store	2,800 sq.ft.	\$248.00	\$694,400	
		Webster Retail Strip (20 Stores)	16,800 sq.ft.	\$326.03	\$5,105,520	
<b>Retail: Restaurants</b>	Existing GBCI Parcel	GBCI Retail (South Wing)	3,600 sq.ft.	\$496.00	\$1,664,352	
	Riverside Dr. Park Parcel	Breakfast Café	3,450 sq.ft.	\$394.00	\$1,359,300	
		Webster Ave. Village Center Parcel	Coffee Shop	1,500 sq.ft.	\$620.00	\$930,000
		Corp/Retail/Loft Apts.: 2 Floors Retail: Restaurants	7,410 sq.ft.	\$496.00	\$3,425,791	
		Distillery/Beer Garden	8,800 sq.ft.	\$382.00	\$3,361,600	
		PopUp Eateries (5 pavilions)	6,120 sq.ft.	\$423.50	\$1,207,904	
		Webster Retail Strip (20 Stores)	7,200 sq.ft.	\$440.67	\$2,957,400	

For any economic enterprise in this sector that was specifically named, comparable stores/restaurants were selected for comparison to gauge the sales per sq. ft. The marketing research firm eMarketer provides store productivity data, including sales/sq. ft., for publicly traded companies. These data are used for over half of the components in this sector.

For economic enterprises with multiple comparable firms, the average sales/sq. ft. was calculated. For example, the Webster Retail Strip is assumed to have 7,200 sq. ft. of limited service restaurant space available, and using 2017 data on Noodles & Co. (\$414/sq. ft.), Potbelly’s (\$433/sq. ft.), and Qdoba (\$475/sq. ft.), we estimate that the average sales per sq. ft. for a limited service restaurant to be \$440.67/sq. ft. This approach allows us to ballpark potential sales revenues for our establishments in the retail sector. A similar approach was used for the health center with the data being provided by the Association for Fitness Studios. In order to assess an estimate for the Prison Museum, program service revenue was collected on three local museums along with their physical size to derive this valuation.

Prior to using these data to construct the sales estimates, retail occupancy rates are applied to the sales/sq. ft. data to control for vacancies in the retail space. Neighborhood shopping centers in Wisconsin’s 8th Congressional District in 2017 had occupancy rates of 93.21% according to ICSC. The projected sales for each of the economic enterprises in Table 3 are calculated by multiplying the total square footage by the sales/sq. ft. by the 93.22% occupancy rate.

Using these estimated sales numbers, input-output analysis is used via the IMPLAN software to generate the potential economic impact of these sectors. For the sake of brevity, Table 4 presents the total economic impact of the retail and restaurant operations by category and as a whole.<sup>2</sup>

These results suggest that the retail sector as a whole will directly employ 468 workers in Brown County with 251 workers in the restaurant service industry alone. The entire sector will also generate \$29.3 million in revenue per year as a result of redeveloping the GBCI site under the conceptual plan.

<sup>2</sup> See the Appendix Table A1 for a detailed listing of the direct, indirect, induced, and total effects of each individual entity.

Table 4: The Economic Impact of Retail Operations

Entity	Impact Type	Employee	Labor Income	Output
Total Retail General	Direct Effect	216 jobs	\$5,993,763	\$14,373,327
	Indirect Effect	33 jobs	\$1,900,879	\$5,436,552
	Induced Effect	43 jobs	\$1,836,237	\$5,634,125
Grand Total		293 jobs	\$9,730,880	\$25,444,004

The Economic Impact of Retail Restaurant Operations

Entity	Impact Type	Employee	Labor Income	Output
Total Retail Restaurant	Direct Effect	251 jobs	\$4,574,135	\$14,906,361
	Indirect Effect	29 jobs	\$1,633,074	\$5,005,624
	Induced Effect	34 jobs	\$1,444,480	\$4,432,266
Grand Total		314 jobs	\$7,651,690	\$24,344,250

The Economic Impact of All Retail Operations

Impact Type	Employee	Labor Income	Output
Direct Effect	468 jobs	\$10,567,899	\$29,279,688
Indirect Effect	62 jobs	\$3,533,953	\$10,442,176
Induced Effect	77 jobs	\$3,280,718	\$10,066,391
Grand Total	607 jobs	\$17,382,569	\$49,788,254

When combined with the multiplier effects the retail sector stands to contribute a total of 607 jobs, \$17.4 million in labor income, and \$49.8 million in output.

*B. Office Tenant Commercial Operations*

In addition to the retail, residential, and entertainment-based operations in the conceptual plan for the Redeveloped GBCI site, an important component is the creation of commercial office space. Based on the plan, the redevelopment of the GBCI site would create 107,950 sq. ft. of new office space in the Village of Allouez spread across the Webster Village and Existing GBCI parcels.

In the Webster Village parcel, the commercial office space will be located inside of the three

commercial/retail/loft apartment building structures. The plan calls for these structures to each have three floors with an estimate of 12,350 sq. ft. per floor. For the purposes of this analysis, of the nine floors of commercial, retail, and apartment lofts, it is assumed that five floors will be commercial office space, two floors will be retail, and two floors will be apartment lofts.

Therefore, the Webster Village parcel will house five floors of office space with 12,350 sq. ft. per floor, which will generate 61,750 sq. ft. of commercial office space.

In the Existing GBCI parcel, the conceptual plan contains several segments of commercial office space spread throughout the facility. The North Wing of the building will contain roughly 16,000 sq. ft., while the South Wing will contain 20,000 sq. ft. including artist loft space. The Central Spine of the GBCI structure will contain an additional 10,200 sq. ft. of space across the Wing Lobby and near the health center. In total, the Existing GBCI parcel will add 46,200 sq. ft. of office space, which combined with the 61,750 sq. ft. from the Webster Village parcel yields a total of 107,950 sq. ft. for the entire site.

In order to assess the annual economic impact of the office tenant commercial operations, the sq. ft. estimate is converted into an estimated number of jobs that can physically occupy that office space. According to CoStar Portfolio Strategy, the 2017 US national estimate of office space per worker was 181 sq. ft. per office worker. Based on this statistic, it is estimated that 596 office-oriented employees could work in the 107,950 sq. ft. of commercial office space located in the Redeveloped GBCI site.

Table 5: Office Workers in Green Bay, Projected Office Space, & Estimated Employment

Occupation	Percent of Office Workers	Projected Office Space (sq. ft.)	Projected Occupied Office Space ..	Est. Number of Employees
Office and Administrative Support Occupations	30.3%	32,663	28,482	157 jobs
Sales and Related Occupations	17.5%	18,892	16,474	91 jobs
Healthcare Practitioners and Technical Occupations	11.0%	11,860	10,342	57 jobs
Education, Training, and Library Occupations	10.2%	10,981	9,576	53 jobs
Business and Financial Operations Occupations	8.8%	9,516	8,298	46 jobs
Management Occupations	8.1%	8,790	7,665	42 jobs
Computer and Mathematical Occupations	4.9%	5,297	4,619	26 jobs
Architecture and Engineering Occupations	3.1%	3,364	2,933	16 jobs
Arts, Design, Entertainment, Sports, and Media Occupations	2.5%	2,672	2,330	13 jobs
Community and Social Service Occupations	2.2%	2,344	2,044	11 jobs
Life, Physical, and Social Science Occupations	1.0%	1,055	920	5 jobs
Legal Occupations	0.5%	516	450	2 jobs
Grand Total	100.0%	107,950	94,132	520 jobs

However, this estimate assumes that the commercial office vacancy rate is 0%. To gain a more accurate assessment we apply a more realistic vacancy rate to derive a projected occupied office space for this site. According to the National Realtors Association’s Commercial Real Estate Outlook 2018Q1, the national estimate for commercial office vacancy rate was 12.8% for 2017 (or an 87.2% occupancy rate). This suggests that roughly 94,132 sq. ft. of the 107,950 sq. ft. of commercial office space is likely to be occupied. Thus, at any given time this site is likely to employ 520 workers (94,132 sq. ft./181 sq. ft. per worker).

While the site can create the space to directly employ 520 office workers, the economic impact of these jobs depends upon the type of industry and occupation of these workers, as labor income and output will vary across sectors. In order to produce an estimate of the economic impact of the commercial operations, it is assumed that the office tenants will mirror the current office-occupation breakdown in the Green Bay Metropolitan Statistical Area (MSA).

Using the Standard Occupation Classification (SOC) employment data from the Bureau of Labor Statistics, the percent of office workers by occupation is calculated for the Green Bay MSA and this employment distribution is utilized to allocate the 94,132 sq. ft. of occupied office space to different industries for analysis.

The SOC coding scheme details 867 different types of occupations for workers in the U.S. and it aggregates these occupations into 23 major groups. These 23 major groups can be further combined into a six-group aggregation scheme. Under this approach, two of these six categories largely comprise office-oriented occupations: the Management, Business, Science, and Arts Occupations, and the Sales and Office Occupations. These two categories contain 11 of the 23 major groups and are outlined in Table 5. The second column in this table converts the 92,110 office jobs in the Green Bay MSA in 2017 into the percent of workers in each of these categories. Using this percentage breakdown across occupations, the third column estimates the amount of sq. ft. that could be

allocated to each occupation and industry type. Using the 181 sq. ft. per office worker estimate, the estimated 520 office jobs are allocated across these different industries in the last column in Table 5. Not surprisingly, the major group categories of Office and Administrative Support Occupations and Sales and Related Occupations comprise the largest portion of these potential office jobs or roughly 48% of these positions.

The estimated jobs and industry information was analyzed in IMPLAN to generate output and labor income for each sector along with the indirect and induced effects. The results in Table 6 indicate that the direct effect of the new office space would contribute 520 jobs, \$27.9 million in labor income, and \$47.2 million in economic output to Brown County. After accounting for the multiplier effects as this income and output cycles through the local economy, the total estimated impact of the office tenant commercial operations to Brown County is 787 jobs, about \$40.0 million in labor income, and \$82.9 million in output.<sup>3</sup>

Table 6: The Economic Impact of Commercial Operations

Impact Type	Employee	Labor Income	Output
Direct Effect	520 jobs	\$27,907,957	\$47,198,337
Indirect Effect	89 jobs	\$4,486,780	\$12,534,583
Induced Effect	177 jobs	\$7,556,204	\$23,170,595
Grand Total	787 jobs	\$39,950,941	\$82,903,515

### C. Real Estate (Residential) Operations

According to the mixed-use plan for the Redeveloped GBCI, residential housing units are proposed in two of the four parcels: Webster

Village and Fox River. Webster Village is the site for two apartment buildings, four townhouse buildings, and loft apartments on the top floors of two buildings with corporate and retail tenants. The Fox River site will include two luxury waterfront duplex buildings, each housing two units. Details regarding number of units and square footage estimates are show in Table 7.

Table 7: Proposed Residential Housing In Redeveloped GBCI

Parcel	Type of Housing	# Buildings	Total Sqft.	# Units
Fox River	Luxury Duplexes	2	8,000	4
Webster Ave. Village Center	Apartment Buildings	2	76,800	56
	Condo/Townhouses	4	94,400	72
	Loft Apartments (top floor)	2	24,700	20
Grand Total		10	203,900	152

For purposes of capturing the impact of economic activity that flows from these entities, it is assumed that the apartments generate rental income in the real estate sector of the economy and the townhouses and duplexes are owner-occupied, generating economic activity via the administrative, operating expenses, repair/maintenance, and insurance sectors of the economy. The rental properties noted in the table are assumed to contain a mix of one and two bedroom units.

Rental income was estimated by the use of local comparable properties. These include Old Chapel Hill in Allouez, Hobart Crossing in Hobart, and Howard Commons in Howard. Rents for one and two bedroom units were obtained through online searches, and the mid-ranges of these data were used for estimating one bedroom rents and two bedroom rents. These figures are: \$950/mo. for one bedroom units and \$1,250/mo. for two bedroom units. According to U.S. Census data, the

<sup>3</sup> See the Appendix Table A1 for a detailed listing of the direct, indirect, induced, and total effects of each individual entity.

median gross rent in the Village of Allouez is \$861 (all rentals). The higher estimates used in this study are defensible, given the location, newness, and amenity factors associated with the units.

According to the Comprehensive Market Analysis of Green Bay WI Housing Market Area (HMA, which includes Brown, Kewaunee, and Oconto Counties), the rental unit vacancy rate is currently 5%. This factor will be built into the analysis to avoid overestimating rental income.

Regional data obtained from the Institute of Real Estate Management (IREM) were used to estimate the owner-occupied expenses associated with the 72 townhouses and 4 duplexes.

Table 8 summarizes the direct, indirect, induced, and total impact data for the four residential real estate entities.<sup>4</sup> It should be noted that a majority of this impact comes via property management companies as well as maintenance-type services.

Table 8: The Economic Impact of Residential Real Estate Operations

Impact Type	Employee	Labor Income	Output
Direct Effect	6 jobs	\$168,457	\$1,145,133
Indirect Effect	2 jobs	\$95,429	\$298,449
Induced Effect	2 jobs	\$62,620	\$192,268
<b>Grand Total</b>	<b>10 jobs</b>	<b>\$326,506</b>	<b>\$1,635,850</b>

#### D. Hospitality Operations

Another important aspect of the conceptual plan of the Redeveloped GBCI site is an emphasis on hospitality and event space spread throughout the

parcels. These hospitality and event facilities operations range from both private to public entities and have a stronger presence in the conceptual plan on the parcels located closer to the river where community gathering and public use space are more prevalent. The economic enterprises in the section vary a great deal in nature ranging from a boutique hotel, to two event facilities, a performance amphitheater, public park rental facilities, and an outdoor community event plaza. This operational variety prohibited a single approach to estimating sales for these various entities and often required the use of primary sources for data collection efforts.

Table 9 provides an overview of the components captured in the hospitality section, along with their respective comparable local entity, data source, and the estimated annual sales for this analysis.

The public park rental entities were the most straight forward components to estimate, given the data provided by the Village of Allouez. The most recent estimate from their parks department suggests that the annual rental income from pavilions and community event space is approximately \$6.06/sq. ft. This statistic was applied to the square footage estimates for the gazebo and pavilions in the conceptual plan to generate a combined \$56,813 in revenue.

The Outdoor Event Plaza refers to the manicured public event space that spans the length of the existing GBCI structure on the Riverside Dr. Park parcel. This space is ideal for hosting a wide variety of events including farmers' markets, car shows, or any other type of event focused on community gathering. The uniqueness of this type of public

<sup>4</sup> See the Appendix Table A1 for a detailed listing of the direct, indirect, induced, and total effects of each individual entity.

Table 9: Estimated Sales for Hospitality Operations

Parcel	Entity	Comparable(s)	Data Source	Estimated..
Existing GBCI Parcel	GBCI Event Rotunda	Local Event-Based Venue	CBEA Primary Research, Confidential	\$292,140
Fox River Parcel	Performance Amphitheatre	Local Event-Based Venue	CBEA Primary Research, Confidential	\$33,333
	Gazebo	Village of Allouez Pavilions	Village of Allouez	\$47,268
	Riverside Event & Banquet Facility	Local Event-Based Venue	CBEA Primary Research, Confidential	\$555,066
Riverside Parcel	Picnic Shelters/Pavilions	Village of Allouez Pavilions	Village of Allouez	\$9,545
	Outdoor Event Plaza	New Leaf Winter Farmer's Market, Fond Du Lac Farmer's Market	New Leaf Cooperative, InWisconsin	\$261,683
	Hotel	Mid-Level Hotel in Green Bay	CBEA Primary Research, Confidential	\$1,164,999

space presents a challenge based on a lack of empirical event activity. As a proxy, the analysis takes a conservative approach to estimating the potential economic activity from this event space by assuming a single season farmers’ market takes place in this public venue.

According to a 2012 report, the New Leaf Farmer’s Market in Green Bay was responsible for directly generating \$247,128 in sales for farmers for the season. Similarly in 2016, InWisconsin conducted an economic impact study for Fond Du Lac’s downtown farmer’s market and concluded that \$254,070 in economic output occurred. To determine an estimated sales number for the Outdoor Event Plaza, both of these figures were adjusted to 2017 dollars and averaged to yield an estimated annual economic output of \$261,683.

A Green Bay event-based venue served as a solid reference point for the performance amphitheater, the GBCI Event Rotunda, and the Riverside Event and Banquet Facility. This venue has a performance space as well as hosts a variety of weddings and corporate events. Based on the confidential primary

sources, the projected seasonal revenues for the performance venue is approximately \$66.67 per seat. Using this as a basis, the performance amphitheater in the Fox River parcel will hold roughly 1000 seats, yielding a seasonal estimated sales revenue of \$66,667. However, we assume that half of the events at this venue will be free and open to the public, leading to an adjusted \$33,333 estimate. The two event facilities that will be home to weddings, corporate events and community events are also benchmarked to the sales behavior of this local venue which earns roughly \$64.49/sq. ft. of event space. Applying this information to the GBCI Event Rotunda and Riverside Event and Banquet Facility square footage a sales estimate can be projected. Given the addition of two new event-style venues that will be competitors in the Redeveloped GBCI site, we further reduce the estimated revenues by 25% to make them more conservative.

The cornerstone of the hospitality operations in the conceptual plan is the boutique hotel that is slated to sit on the corner of Riverside Dr. and Highway 172. Using data from a primary source, an estimate

for a mid-range hotel located in Brown County yields \$19,416/room. Assuming the 20,500 square footage of the boutique hotel with an estimated 60 rooms at 300 sq. ft. per room (with additional common area space), we estimate the potential revenue of this site to be roughly \$1.2 million per year.

Using these projected sales as a starting point, the respective employment and labor figures and multiplier effects are estimated. Table 10 presents the total estimated impact of the hospitality operations in the conceptual plan for the Redeveloped GBCI site.<sup>5</sup>

Table 10: The Economic Impact of Hospitality Operations

Impact Type	Employee	Labor Income	Output
Direct Effect	46 jobs	\$999,334	\$2,375,976
Indirect Effect	6 jobs	\$292,739	\$864,215
Induced Effect	7 jobs	\$301,676	\$925,138
<b>Grand Total</b>	<b>59 jobs</b>	<b>\$1,593,749</b>	<b>\$4,165,329</b>

Based on the estimates, these seven hospitality and event-oriented activities are poised to directly employ 46 full-time and part-time workers, pay nearly \$1M in labor income, and contribute \$2.4 million in output to Brown County. When accounting for the respective multiplier effects, this segment of the Redeveloped GBCI site will have a total economic impact of 59 jobs, \$1.6 million in employee compensation, and \$4.2 million in economic output.

<sup>5</sup> See the Appendix Table A1 for a detailed listing of the direct, indirect, induced, and total effects of each individual entity.

### E. Overall Economic Impact

Based on the assumptions and estimates made in this study, the conceptual Redeveloped GBCI site plan has the potential to directly contribute 1,040 jobs, \$39.6 million in labor income, and \$80 million in economic output to the local economy. As shown in Table 11, these direct effects will trigger multiplier effects throughout the region (measured as indirect and induced) leading to a total impact of 1,463 jobs, \$59.3 million in labor income, and \$138.5 million in output to the Brown County economy.

Table 11: The Total Economic Impact of the Redeveloped GBCI Site

Impact Type	Employee	Labor Income	Output
Direct Effect	1,040 jobs	\$39,643,647	\$79,999,134
Indirect Effect	159 jobs	\$8,408,901	\$24,139,423
Induced Effect	263 jobs	\$11,201,218	\$34,354,392
<b>Grand Total</b>	<b>1,463 jobs</b>	<b>\$59,253,765</b>	<b>\$138,492,948</b>

To provide further clarity, Table 12 presents the breakdown of the economic activity by category, where it becomes clear that the biggest driver of this economic activity is the commercial office space in the facility.

The commercial office tenants are responsible for about 54% of the total jobs in the Redeveloped GBCI site, followed next by the retail restaurants and general retail space. Not surprisingly, given its strong correlation with the commercial operations,

Table 12: The Economic Impact of the Redeveloped GBCI Site by Category

Category	Impact Type	Employee	Labor Income	Output
Total Comm	Direct Effect	520 jobs	\$27,907,957	\$47,198,337
	Indirect Effect	89 jobs	\$4,486,780	\$12,534,583
	Induced Effect	177 jobs	\$7,556,204	\$23,170,595
	Total	787 jobs	\$39,950,941	\$82,903,515
Total Hospitality	Direct Effect	46 jobs	\$999,334	\$2,375,976
	Indirect Effect	6 jobs	\$292,739	\$864,215
	Induced Effect	7 jobs	\$301,676	\$925,138
	Total	59 jobs	\$1,593,749	\$4,165,329
Total Real Estate	Direct Effect	6 jobs	\$168,457	\$1,145,133
	Indirect Effect	2 jobs	\$95,429	\$298,449
	Induced Effect	2 jobs	\$62,620	\$192,268
	Total	10 jobs	\$326,506	\$1,635,850
Total Retail General	Direct Effect	216 jobs	\$5,993,763	\$14,373,327
	Indirect Effect	33 jobs	\$1,900,879	\$5,436,552
	Induced Effect	43 jobs	\$1,836,237	\$5,634,125
	Total	293 jobs	\$9,730,880	\$25,444,004
Total Retail Restaurant	Direct Effect	251 jobs	\$4,574,135	\$14,906,361
	Indirect Effect	29 jobs	\$1,633,074	\$5,005,624
	Induced Effect	34 jobs	\$1,444,480	\$4,432,266
	Total	314 jobs	\$7,651,690	\$24,344,250
Grand Total		1,463 jobs	\$59,253,765	\$138,492,948

Table 13: The Economic Impact of the Redeveloped GBCI Site by Category

Parcel	Impact Type	Employee	Labor Income	Output
Existing GBCI	Direct Effect	312 jobs	\$15,370,607	\$30,287,780
	Indirect Effect	64 jobs	\$3,387,575	\$9,374,749
	Induced Effect	102 jobs	\$4,370,165	\$13,401,151
	Total	479 jobs	\$23,128,347	\$53,063,679
Fox River	Direct Effect	17 jobs	\$361,638	\$648,108
	Indirect Effect	1 jobs	\$70,748	\$223,050
	Induced Effect	2 jobs	\$100,871	\$309,318
	Total	21 jobs	\$533,257	\$1,180,476
Riverside Dr. Park	Direct Effect	53 jobs	\$1,043,301	\$2,881,182
	Indirect Effect	7 jobs	\$360,312	\$1,059,638
	Induced Effect	8 jobs	\$327,228	\$1,003,826
	Total	67 jobs	\$1,730,841	\$4,944,645
Webster Ave. Village Center	Direct Effect	659 jobs	\$22,868,103	\$46,182,064
	Indirect Effect	87 jobs	\$4,590,265	\$13,481,986
	Induced Effect	150 jobs	\$6,402,950	\$19,640,100
	Total	896 jobs	\$33,861,318	\$79,304,150
Grand Total		1,462 jobs	\$59,253,762	\$138,492,950

Note: Any differences in the grand totals across tables 11, 12, and 13 are associated with rounding variations across the analysis.

the Webster Ave. Village Center parcel also houses the bulk of the economic activity of the four parcels, as indicated in Table 13. Ideally, if the key decision-makers decide to move forward with redeveloping this site in line with the aforementioned conceptual, this information should be considered in the planning of the construction phases.

## VI. Property Valuation & Tax Revenues

### A. Property Valuation Approach & Assessment

There are a number of approaches that can be used to estimate commercial property values, and each method has its merits and weaknesses due to the quantity of variables and complexity of interaction in determining price in commercial real estate markets. This study uses *cap rates*, a well-known method frequently used by real estate investors. A capitalization (cap) rate essentially identifies the return on an investment, assuming a debt-free transaction by the real estate investor. Cap rates are found in these formulas:

$$[1] \text{ Capitalization Rate} = \frac{\text{Net Operating Income}}{\text{Property Value}}$$

$$[2] \text{ Property Value} = \frac{\text{Net Operating Income}}{\text{Capitalization Rate}}$$

Business districts in large metro areas tend to generate low cap rates, since the competitive nature of that environment raises property values significantly. But that is an oversimplification, since cap rates in mid-level metro regions depend as well on proximity to large retail establishments, type of business, transportation access, the reputation strength of the business, and many other factors. For example, in a medium sized metro area, the cap rate for a well-known chain coffee shop will be higher in a less trafficked location and lower when located inside or near a big box retailer. The higher cap of the former is explained by a risk premium

needed to compensate for a less certain investment return. The lower cap of the latter situation is explained by the more desirable location and competition from other investors, which drives up property value.

For a given net operating income (NOI) value, a 7% cap rate generates a lower property value estimate than a 5% cap rate. Using the second formula above and NOI = 100,000 for example, a 7% cap rate generates a property value estimate of \$1.429 million whereas a 5% cap rate generates a property value estimate of \$2 million. Thus, higher cap rates are considered more conservative in estimating property value, since they generate lower estimates. For this study, a conservative approach was used, determining property values with cap rates of 7-8 % for most of the estimates.

It should be noted that the property value approach used in this study via NOI and cap rates assumes that the land beneath the structures and within a reasonable fringe distance are included in the property value estimate. Thus, a significant portion of the 64-acre land parcel is accounted for in this approach. However, there is still a significant amount of public or green space that is not accounted for in this analysis. Given that the goal of this analysis is to determine property valuation for the purpose of understanding the potential tax revenues, the public space was excluded as it is assumed to be non-tax revenue generating. This further suggests that these estimates will be conservative in nature.

NOI estimates on the various property types were obtained from a variety of sources, including the Institute for Real Estate Management (IREM) and International Council of Shopping Centers (ICSC). Several cap rates were also chosen to create a range of property valuation. The IREM NOI data

represent region 5, which includes Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. These survey-generated figures were reported as low, median, and high estimates. Combined with conservative cap rates, these data generated estimates for residential housing, retail, and office property valuations.

In addition, NOI and cap rate estimates for retail were found in the Quick Stats platform of the ICSC. The series suggested that cap rates for Neighborhood Shopping Centers in the Midwest were estimated at 5.2%. One set of estimated property valuation figures incorporates this lower 5.2% cap rate for retail entities, while using cap rates of 7% for the non-retail entities.

Detailed results for median IREM values and three cap rate scenarios can be found in the appendix.<sup>6</sup> Summary findings for all properties of the redeveloped GBCI project combined are shown in Table 14.

Table 14: Comparison of Property Valuation Under Various Assumptions

Scenario Assumptions	0.08 CAP, All Categories	0.07 CAP, All Categories	0.07 CAP, except .052 for Retail
Using Low IREMs	\$46,702,291	\$52,603,203	\$58,663,501
Using Median IREMs	\$52,176,235	\$58,859,138	\$65,019,920
Using High IREMs	\$57,316,978	\$64,734,274	\$71,049,342

Given the assumptions noted above, the table provides a range of estimates for the total property valuation of the redeveloped GBCI project. This table suggests that a low-end estimate for the assessed property value is \$46.7 million, while \$71.0

<sup>6</sup> See Appendix Table A2 for a detailed breakdown of property valuation by entity for the median valuation scenario.

would be a high-end estimate and \$58.9 would be the median estimate for this valuation.

Several additional comments should be made at this point. According to local real estate and commercial property investment professionals, the Brown County market for urban residential property is currently heated. This suggests that the figures shown above might understate the project's property valuation by a significant sum. In addition, some experts in the field who provided insights for this study suggested that the proposed plan does not maximize the full property tax potential of the site. The proposed redevelopment does not approach current zoning density limitations for residential and commercial buildings. Thus, the upper range of values shown above should not be interpreted as upper limits when considering the full potential development valuation of the site, from a purely property tax generation point of view. To provide a better understanding of these limitations, section VI.D. will provide alternative property value estimates assuming modifications to the original conceptual plan analyzed for this study.

In fact, based upon the green space and site plan currently being analyzed, there appears to be room for significant increases in total valuation with alternative configurations of the 64 acre parcel of land under review.

### B. Property Taxes

The results of property valuation are used to estimate property tax revenues for Brown County, the Village of Allouez, the local school district, and the local technical college. Using the previous table for property valuation estimates and 2017 gross property tax rates for the Village of Allouez, Table

15 provides estimates of potential annual property tax revenues, assuming the redeveloped GBCI plan under consideration.

Table 15: Comparison of Property Taxes Under Various Assumptions

Scenario Assumptions	0.08 CAP, All Categories	0.07 CAP, All Categories	0.07 CAP, except .052 for Retail
Using Low IREMs	\$1,024,193	\$1,153,602	\$1,286,506
Using Median IREMs	\$1,144,238	\$1,290,796	\$1,425,904
Using High IREMs	\$1,256,976	\$1,419,639	\$1,558,131

Note: This table assumes a total gross property tax mill rate (2017) on assessed values = 24.02.

Note that figures in Table 14 were assumed to represent market value, and these were adjusted, using the Village of Allouez equalized rate of 0.913 to convert those figures to assessed value before calculating estimated property taxes.

Once again, it should be noted that these values are conservative in nature, given the conservative approach to property valuation and other issues discussed above. Using 2017 gross property tax

Table 16: Potential Property Tax Revenues by Local Government & Public Entities

Local Government	Gross Property Tax Rate Mill Rate (2017)	Property Tax Revenue Low End Range	Property Tax Revenue High End Range
Local Technical College	0.92	\$43,826	\$54,614
Brown County	4.83	\$230,086	\$286,724
Village of Allouez	7.21	\$343,462	\$428,009
Local School District	11.06	\$526,864	\$656,557
Grand Total	24.02	\$1,144,238	\$1,425,904

rates, Table 16 shows the ranges of property tax revenue flows to various local government entities, assuming median IREM values.

Summarizing these findings, property taxes to local governments and public entities are estimated to increase by \$1.14 - \$1.43 million annually. Roughly 46% of that amount flows to the local school district, while the shares to the Village of Allouez, Brown County, and the local technical college are 30%, 20%, and 4% respectively. The same cautions apply regarding interpreting these figures as maximum limits.

### C. Sales Taxes

Table 4 from Section V-A provides estimated output (sales) for retail operations of the proposed Redeveloped GBCI. Total direct effect retail sales reported in that Table are approximately \$29.3 million. Applying the Brown County sales tax rate of 5.5% to that figure, new sales taxes of \$1.6 million would be generated. However, indirect and induced effects in the retail sector must also be taken into account. When considering direct, indirect, and induced effects combined, there is an increase in retail sector activity of \$49,788,254, resulting in additional sales taxes revenues of \$2,738,354 annually.

It must be noted that sales tax revenues are generated from sources other than the retail sector entities found in Table 4. For example, the proposed Redeveloped GBCI plan includes a boutique hotel, amphitheater, rentable venues, and entertainment facilities, all of which might be sources of additional sales tax revenue. Using the estimated hospitality total output of \$4,165,329 from Table 10, additional sales taxes of \$229,093 are obtained. Taking into account all economic activity associated with the Redeveloped GBCI, the entities will generate nearly \$3.0 million in additional sales

taxes per year. For simplicity, no adjustment was made to these estimates to account for economic activities in these sectors which are sales tax-exempt.

*D. Considerations & Alternatives to the Conceptual Plan*

The analysis conducted throughout this study is based exclusively on the conceptual plan that was provided to the CBEA by the Village of Allouez. It must be emphasized that this is one possible plan and configuration for a mixed-use development on the Redeveloped GBCI site. However, the true economic impact of such a mixed-use development as well as the subsequent property valuation are entirely dependent upon the configuration and use of the parcel.

To highlight the sensitivity of this analysis to the layout and configuration of the site plan, this section will present two alternatives to the conceptual plan and demonstrate the impact these variations will have on the property valuation. The purpose is to demonstrate the sensitivity of the results, along with providing alternative property valuations to highlight greater potential for tax revenue generation.

In speaking with local property developers, several commented that while the existing conceptual plan provided a healthy mix of retail, residential, commercial, and community opportunities, it was a lower density mixed-use development given the size of the property. In other words, if slight changes were made to increase the number of people that could live, work, and shop in this area, this could greatly impact the property valuation, and ultimately the potential tax revenues.

In an effort to highlight this point, Table 17 presents the property valuation estimates following Section

VI.A. with some adjustments to the conceptual plan. This table assumes the original conceptual plan as a basis and adds greater density to the plan by adding additional square footage through increasing building heights. Specifically, if we assume that the three corporate/retail/loft apartment buildings each have four floors instead of three, and the two apartment buildings also add a floor along with the hotel adding 20 rooms with a new floor, the property valuations see significant changes as seen in Table 17.

Table 17: Comparison of Alternative Property Valuation 1 Under Various Assumptions

Scenario Assumptions	0.07 CAP, All Categories	0.08 CAP, All Categories	0.07 CAP, except .052 for Retail
Using Low IREMs	\$58,506,927	\$52,026,213	\$64,567,226
Using Median IREMs	\$67,220,799	\$59,650,850	\$73,381,580
Using High IREMs	\$75,891,699	\$67,237,888	\$82,206,766

Under this first alternative specification, the property value estimate on the low end is \$58.5 with the high end estimate hitting \$82.2 million. This is an sizeable increase from the \$46.7 and the \$71.0 million estimates from the original conceptual plan specification.

To further accentuate the possibility of this property valuation, we assume additional alternatives to the conceptual plan, where we build off of the previous case and add a 5-story luxury condo unit on the Fox River parcel in place of the two duplex buildings.

The impetus for this change was driven by a riverfront development project that was recently presented to the Village of Allouez. This project calls for a five-floor living structure with 30 units and indoor parking on a site similar to the Fox River parcel. This development boasts unit prices ranging

from as low as \$450,000 per unit to \$1.1 million per unit depending on the square footage. A recent valuation estimate for this development was roughly \$17 million. Under the original conceptual plan, the Fox River called for two duplex buildings (a total of four individual living units) that had a valuation of roughly \$800,000 each or \$1.6 million total. If we assume that those duplexes were replaced with a luxury condo building similar to the current riverfront development project this will have a significant change on the property valuation.

Table 18 presents the property valuation estimates assuming the previous additional high density (additional floors) changes along with the addition of the luxury condo unit in place of the duplexes. Given the hypothetical nature of the development in this case of this study, we assume that such a development could be valued at \$10 million on the low end, \$15 million as a mid-range estimate, and \$20 million on the high end.

Table 18: Comparison of Alternative Property Valuation 2 Under Various Assumptions

Scenario Assumptions	0.07 CAP, All Categories	0.08 CAP, All Categories	0.07 CAP, except .052 for Retail
Using Low IREMs	\$66,906,927	\$60,426,213	\$72,967,226
Using Median IREMs	\$80,620,799	\$73,050,850	\$86,781,580
Using High IREMs	\$94,291,699	\$85,637,888	\$100,606,766

The results of this second alternative to the conceptual plan suggest additional increases in the property valuation with \$66.9 million on the low end, and \$100.6 million on the high end, and \$73.0 as a median estimate.

In short, while this study focused on the initial conceptual plan, it must be stressed that the results

of this study are contingent upon the final site plan. However, these results suggest that property valuations stretching as high as \$100 million are entirely plausible and within reason.

### VII. Inflation Adjustment

Given the hypothetical nature of this conceptual plan it is easier to discuss the results in current 2018 dollars. Thus, this report is illustrating the potential economic impact and property valuation assuming the mixed-use development in the conceptual plan currently existed. However, the clear reality is that a tremendous amount of planning and construction must occur prior to any proposed project coming to fruition and thus current dollar specifications would not be entirely accurate for the economic impacts and property valuations. To address this issue, we provided inflation adjusted estimates for the previous analysis assuming that this mixed-use site could be fully operational for the year of 2028.

Table 19: The Total Economic Impact of the Redeveloped GBCI Site in 2028 Dollars

Impact Type	Employee	Labor Income	Output
Direct Effect	1,040 jobs	\$48,325,384	\$97,518,498
Indirect Effect	159 jobs	\$10,250,403	\$29,425,822
Induced Effect	263 jobs	\$13,654,222	\$41,877,812
Grand Total	1,462 jobs	\$72,230,009	\$168,822,132

Taking the original conceptual plan and core property value results, the inflation adjustments for this development would result in \$72.2 million compensation dollars and \$168.8 million output dollars for a fully operational year as noted in Table 19. This is assuming a standard 2% compounded inflation rate from the results in Table 11 which are in current 2018 dollars. Labor income increases a gross estimate of \$12 million and output increases

by \$30 million dollars from inflation adjustments. There is no change in the number of employees given that the work is not changing only the value of the dollar. In this context they will be making more to pay for the higher priced goods and services.

The property valuations results in 2028 dollars were calculated by the same approach of taking the original results from Table 14 and compounding a standard 2% inflation rate for 10 years. A low-end estimate for the property valuations in 2028 would be \$56.9 million while the high end estimate would be \$86.6 million and the median estimate would be \$71.7 million as demonstrated in Table 20.

Table 20: Comparison of Property Valuation Under Various Assumptions in 2028 Dollars

Scenario Assumptions	.07 CAP, All Categories	.08 CAP, All Categories	.07 CAP, except .052 for Retail
Using Low IREMs	\$64,123,011	\$56,929,832	\$71,510,480
Using Median IREMs	\$71,748,961	\$63,602,539	\$79,258,920
Using High REMs	\$78,910,719	\$69,869,076	\$86,608,751

The above table presents the potential property valuations of the original conceptual plan estimated in 2028 dollars. If we assume the second alternative conceptual plan presented in section VI.D. with the additional floors added to the buildings and a luxury condo unit, the low end estimated property valuation in 2028 dollars based on the data in Table 18 would be \$81.6 million, while the high end estimate would value this project at \$122.6 million.

Given the scope and variation of this project, as well as the uncertain economic forecast for ten years, this result is merely a reference for what the results today translate to at the time of fully operational.

### VIII. Concluding Remarks

The goal of this study was to estimate the potential economic impact on Brown County, Wisconsin of redeveloping the GBCI site into a mixed-use development. Using the conceptual plan provided to the CBEA from the Village of Allouez pertaining to the size and scope of economic enterprises contained in the plan, the potential jobs, labor income, output, and tax revenues were estimated.

While there are many findings in this study, the key takeaways are as follows:

1. The conceptual plan for the Redeveloped GBCI site can potentially employ 1,040 people, generate \$39.6 million in income, and \$80 million in output.
2. These direct effects along with their respective multiplier effects suggest a total economic impact of 1,463 jobs, \$59.3 million in income, and \$138.5 million in output on Brown County.
3. The conceptual plan suggests a possible new taxable property valuation of \$46.7 million on the low end and \$71 million on the high end. The median property value estimate of the conceptual plan is \$58.9 million. Using the median property valuation estimates, this Redeveloped GBCI site could create \$1.1-\$1.4 million in new tax revenue for the local government and public entities.
4. Retail sector entities are estimated to generate more than \$49.8 in total economic output, and hospitality sector entities generate almost \$4.2 million in additional sales. Sales tax revenue increases are estimated to be nearly \$3.0 million, with the entities in the retail sector contributing \$2,738,354 and the hospitality sector adding \$229,093 in annual revenues.

5. It must be stressed that the results of this study are subject to the layout and configuration of the conceptual plan. Small adjustments to the plan will alter these results. Slight modifications to the conceptual plan such as adding floors to several of the buildings along with the addition of a riverfront luxury condo unit suggest potential low end property valuations around \$66.9 million and \$100.6 million on the high end. The true economic impact and property valuation are contingent upon the actual mixed-use development.
  
6. As a matter of context, the results of this study are presented in current dollars given the hypothetical nature of this development at this point. However, if we were to assume that it takes ten years to make this specific conceptual plan fully operational, then the total economic impact of this development in 2028 dollars would be 1,463 jobs, \$72.2 million in compensation and \$168.8 million output. The original conceptual plan property valuation in 2028 dollars would be a range from \$56.9 million to \$86.6 million, while the second

alternative conceptual plan (with additional residential space) would be valued between \$81.6 and \$122.6 million.

As a final note, these results suggest that the potential redevelopment of the GBCI site stands to generate a sizeable impact on the Brown County economy.

## Appendix A1: Direct, Indirect, and Induced Effects by Individual Economic Entity

Industry Category	Parcel	Entity	Impact Type	Employee	Labor Income	Output
Commercial Operations	Existing GBCI	GBCI_Comm_Architecture_Engineering	Direct Effect	16.20 jobs	\$1,325,272	\$2,571,341
			Indirect Effect	8.20 jobs	\$423,974	\$998,139
			Induced Effect	9.50 jobs	\$407,195	\$1,248,445
			Total	33.90 jobs	\$2,156,441	\$4,817,925
		GBCI_Comm_Arts_Design_Entertain	Direct Effect	12.90 jobs	\$484,007	\$979,996
			Indirect Effect	2.30 jobs	\$107,536	\$308,372
			Induced Effect	3.30 jobs	\$141,264	\$433,944
			Total	18.50 jobs	\$732,807	\$1,722,312
		GBCI_Comm_Business_Financial	Direct Effect	45.80 jobs	\$3,278,153	\$5,154,221
			Indirect Effect	5.50 jobs	\$264,853	\$741,698
			Induced Effect	19.40 jobs	\$827,267	\$2,536,956
			Total	70.70 jobs	\$4,370,273	\$8,432,875
		GBCI_Comm_Community_Social_Service	Direct Effect	11.30 jobs	\$284,931	\$383,556
			Indirect Effect	0.70 jobs	\$31,497	\$106,639
			Induced Effect	1.70 jobs	\$73,884	\$226,580
			Total	13.70 jobs	\$390,312	\$716,775
		GBCI_Comm_Computer_Math	Direct Effect	25.50 jobs	\$2,776,426	\$4,271,250
			Indirect Effect	7.50 jobs	\$348,613	\$928,813
			Induced Effect	17.00 jobs	\$726,746	\$2,228,010
			Total	50.00 jobs	\$3,851,785	\$7,428,073
		GBCI_Comm_Education_Training	Direct Effect	52.90 jobs	\$664,306	\$1,440,195
			Indirect Effect	3.60 jobs	\$169,247	\$524,744
			Induced Effect	4.60 jobs	\$195,672	\$600,306
			Total	61.10 jobs	\$1,029,225	\$2,565,245
		GBCI_Comm_Legal	Direct Effect	2.50 jobs	\$208,215	\$463,425
			Indirect Effect	0.70 jobs	\$31,959	\$99,875
			Induced Effect	1.30 jobs	\$55,990	\$171,684
			Total	4.50 jobs	\$296,164	\$734,984
GBCI_Comm_Life_Physical_Science	Direct Effect	5.10 jobs	\$315,459	\$1,051,129		
	Indirect Effect	3.60 jobs	\$192,318	\$518,272		
	Induced Effect	2.80 jobs	\$118,193	\$362,374		
	Total	11.50 jobs	\$625,970	\$1,931,775		
GBCI_Comm_Management	Direct Effect	42.30 jobs	\$3,840,558	\$8,775,032		
	Indirect Effect	20.90 jobs	\$1,174,088	\$3,224,903		
	Induced Effect	27.30 jobs	\$1,164,009	\$3,568,032		
	Total	90.50 jobs	\$6,178,655	\$15,567,967		
Webster Ave. Village Center	Webster_Comm_Healthcare_Prac_Tech	Direct Effect	57.10 jobs	\$2,516,065	\$4,763,853	
		Indirect Effect	8.30 jobs	\$379,820	\$1,196,986	
		Induced Effect	16.00 jobs	\$683,248	\$2,096,946	

Employee, Labor Income and Output broken down by Industry Category, Parcel, Entity and Impact Type.

## Appendix A1: Direct, Indirect, and Induced Effects by Individual Economic Entity

Industry Category	Parcel	Entity	Impact Type	Employee	Labor Income	Output	
Commercial Operations	Webster Ave. Village Center	Webster_Comm_Healthcare_Prac_Tech	Total	81.40 jobs	\$3,579,133	\$8,057,785	
			Direct Effect	157.40 jobs	\$8,298,165	\$11,771,408	
				Indirect Effect	17.30 jobs	\$838,639	\$2,417,437
				Induced Effect	49.90 jobs	\$2,128,469	\$6,526,173
				Total	224.60 jobs	\$11,265,273	\$20,715,018
		Webster_Comm_Sales		Direct Effect	91.00 jobs	\$3,916,403	\$5,572,931
			Indirect Effect	10.70 jobs	\$524,236	\$1,468,704	
			Induced Effect	24.20 jobs	\$1,034,265	\$3,171,146	
			Total	125.90 jobs	\$5,474,904	\$10,212,781	
	Hospitality	Existing GBCI	GBCI_Hospitality_EventRotunda	Direct Effect	8.50 jobs	\$175,408	\$294,307
Indirect Effect				0.50 jobs	\$29,042	\$90,331	
Induced Effect				1.10 jobs	\$47,687	\$146,229	
Total				10.10 jobs	\$252,137	\$530,867	
Fox River		Fox_Hospitality_Gazebo	Direct Effect	0.50 jobs	\$23,839	\$46,951	
			Indirect Effect	0.10 jobs	\$6,252	\$22,247	
			Induced Effect	0.20 jobs	\$6,999	\$21,457	
			Total	0.80 jobs	\$37,090	\$90,655	
		Fox_Hospitality_PerfAmphitheatre	Direct Effect	0.40 jobs	\$3,660	\$33,653	
			Indirect Effect	0.30 jobs	\$8,352	\$26,367	
			Induced Effect	0.10 jobs	\$2,840	\$8,717	
			Total	0.80 jobs	\$14,852	\$68,737	
		Fox_Hospitality_VillageEventFacility	Direct Effect	16.10 jobs	\$333,276	\$559,183	
			Indirect Effect	1.00 jobs	\$55,180	\$171,630	
			Induced Effect	2.10 jobs	\$90,605	\$277,835	
			Total	19.20 jobs	\$479,061	\$1,008,648	
Riverside Dr. Park		River_Hospitality_EventPlaza	Direct Effect	7.60 jobs	\$157,121	\$263,624	
			Indirect Effect	0.50 jobs	\$26,014	\$80,914	
			Induced Effect	1.00 jobs	\$42,715	\$130,984	
			Total	9.10 jobs	\$225,850	\$475,522	
	River_Hospitality_Hotel	Direct Effect	13.00 jobs	\$301,215	\$1,168,778		
		Indirect Effect	3.40 jobs	\$166,636	\$468,235		
		Induced Effect	2.60 jobs	\$109,416	\$335,584		
		Total	19.00 jobs	\$577,267	\$1,972,597		
	River_Hospitality_Pavilions	Direct Effect	0.10 jobs	\$4,814	\$9,480		
		Indirect Effect	0.00 jobs	\$1,262	\$4,492		
		Induced Effect	0.00 jobs	\$1,413	\$4,333		
		Total	0.10 jobs	\$7,489	\$18,305		
Residential Real Estate	Fox River	Fox_CondoDuplex	Direct Effect	0.00 jobs	\$863	\$8,321	
			Indirect Effect	0.00 jobs	\$964	\$2,806	

Employee, Labor Income and Output broken down by Industry Category, Parcel, Entity and Impact Type.

## Appendix A1: Direct, Indirect, and Induced Effects by Individual Economic Entity

Industry Category	Parcel	Entity	Impact Type	Employee	Labor Income	Output	
Residential Real Estate	Fox River	Fox_CondoDuplex	Induced Effect	0.00 jobs	\$427	\$1,309	
			Total	0.00 jobs	\$2,254	\$12,436	
	Webster Ave. Village Center	Webster_CommBuildLoftApt	Direct Effect	1.30 jobs	\$30,588	\$252,902	
			Indirect Effect	0.50 jobs	\$19,722	\$62,563	
			Induced Effect	0.30 jobs	\$11,998	\$36,853	
			Total	2.10 jobs	\$62,308	\$352,318	
		Webster_Condo_townhouse	Direct Effect	1.20 jobs	\$48,022	\$148,196	
			Indirect Effect	0.40 jobs	\$17,369	\$51,079	
			Induced Effect	0.40 jobs	\$15,291	\$46,899	
			Total	2.00 jobs	\$80,682	\$246,174	
	Webster_ResidentialBuildA&B	Direct Effect	3.70 jobs	\$88,984	\$735,714		
		Indirect Effect	1.30 jobs	\$57,374	\$182,001		
		Induced Effect	0.80 jobs	\$34,903	\$107,207		
		Total	5.80 jobs	\$181,261	\$1,024,922		
	Retail: General	Existing GBCI	GBCI_Health_Gym	Direct Effect	11.36 jobs	\$159,474	\$498,696
				Indirect Effect	1.11 jobs	\$51,568	\$185,024
Induced Effect				1.16 jobs	\$49,040	\$150,459	
Total				13.62 jobs	\$260,082	\$834,179	
GBCI_Retail_Museum		Direct Effect	2.17 jobs	\$93,986	\$187,520		
		Indirect Effect	0.53 jobs	\$24,647	\$87,591		
		Induced Effect	0.65 jobs	\$27,593	\$84,665		
		Total	3.34 jobs	\$146,226	\$359,776		
GBCI_Retail_ShoppingCenter		Direct Effect	37.51 jobs	\$1,074,353	\$2,552,760		
		Indirect Effect	5.85 jobs	\$343,989	\$968,716		
		Induced Effect	7.78 jobs	\$329,880	\$1,012,165		
		Total	51.14 jobs	\$1,748,221	\$4,533,641		
Riverside Dr. Park		River_Amusement_Rock Climbing	Direct Effect	0.72 jobs	\$8,285	\$40,000	
			Indirect Effect	0.07 jobs	\$3,879	\$11,401	
			Induced Effect	0.07 jobs	\$2,825	\$8,666	
			Total	0.86 jobs	\$14,989	\$60,067	
		River_Amusement_Zip	Direct Effect	0.72 jobs	\$8,285	\$40,000	
			Indirect Effect	0.07 jobs	\$3,879	\$11,401	
	Induced Effect		0.07 jobs	\$2,825	\$8,666		
	Total		0.86 jobs	\$14,989	\$60,067		
Webster Ave. Village Center	Webster_Retail_Grocery	Direct Effect	11.76 jobs	\$289,299	\$694,400		
		Indirect Effect	1.53 jobs	\$76,893	\$241,047		
		Induced Effect	2.01 jobs	\$85,314	\$261,800		
		Total	15.29 jobs	\$451,506	\$1,197,247		
	Webster_Retail_ShoppingCenter	Direct Effect	75.02 jobs	\$2,148,706	\$5,105,520		

Employee, Labor Income and Output broken down by Industry Category, Parcel, Entity and Impact Type.

## Appendix A1: Direct, Indirect, and Induced Effects by Individual Economic Entity

Industry Category	Parcel	Entity	Impact Type	Employee	Labor Income	Output				
Retail: General	Webster Ave. Village Center	Webster_Retail_ShoppingCenter	Indirect Effect	11.71 jobs	\$687,978	\$1,937,432				
			Induced Effect	15.55 jobs	\$659,759	\$2,024,331				
			Total	102.28 jobs	\$3,496,443	\$9,067,283				
			Webster_Retail_ShoppingCenter_3Build	Direct Effect	77.21 jobs	\$2,211,376	\$5,254,431			
				Indirect Effect	12.05 jobs	\$708,044	\$1,993,940			
				Induced Effect	16.01 jobs	\$679,002	\$2,083,374			
				Total	105.26 jobs	\$3,598,423	\$9,331,745			
				Retail: Restaurant	Existing GBCI Park	GBCI_Retail_ShoppingCenterRestaurants	Direct Effect	37.61 jobs	\$690,059	\$1,664,352
							Indirect Effect	3.44 jobs	\$194,243	\$591,632
Induced Effect	4.85 jobs	\$205,745	\$631,301							
Total	45.91 jobs	\$1,090,047	\$2,887,286							
Riverside Dr. Park	River_Retail_Cafe	Direct Effect	30.72 jobs		\$563,581	\$1,359,300				
		Indirect Effect	2.81 jobs		\$158,641	\$483,195				
		Induced Effect	3.96 jobs		\$168,035	\$515,593				
		Total	37.49 jobs		\$890,257	\$2,358,087				
Webster Ave. Village Center	Webster_Retail_Brewery	Direct Effect	41.19 jobs		\$807,592	\$3,361,600				
		Indirect Effect	6.56 jobs		\$402,531	\$1,173,852				
		Induced Effect	6.64 jobs		\$281,530	\$863,832				
		Total	54.38 jobs		\$1,491,652	\$5,399,284				
	Webster_Retail_Coffee	Direct Effect	11.74 jobs	\$199,409	\$930,000					
		Indirect Effect	1.66 jobs	\$87,216	\$280,930					
		Induced Effect	1.57 jobs	\$66,744	\$204,808					
		Total	14.98 jobs	\$353,369	\$1,415,738					
	Webster_Retail_PopUp	Direct Effect	15.25 jobs	\$259,000	\$1,207,918					
		Indirect Effect	2.16 jobs	\$113,279	\$364,882					
		Induced Effect	2.04 jobs	\$86,690	\$266,013					
		Total	19.45 jobs	\$458,969	\$1,838,812					
Webster_Retail_ShoppingCenter3BuildRestaurant	Direct Effect	77.42 jobs	\$1,420,372	\$3,425,791						
	Indirect Effect	7.09 jobs	\$399,817	\$1,217,777						
	Induced Effect	9.98 jobs	\$423,492	\$1,299,429						
	Total	94.50 jobs	\$2,243,680	\$5,942,996						
Webster_Retail_ShoppingCenterRestaurant	Direct Effect	37.35 jobs	\$634,122	\$2,957,400						
	Indirect Effect	5.28 jobs	\$277,346	\$893,357						
	Induced Effect	5.00 jobs	\$212,246	\$651,291						
	Total	47.63 jobs	\$1,123,714	\$4,502,047						

Employee, Labor Income and Output broken down by Industry Category, Parcel, Entity and Impact Type.

Appendix A2: Median IREM Property Valuation by Entity

Parcel	Property Description	Master Plan SqFt	Income/SqFt	Expenses/SqFt	NOI/SqFt	Net Operating Income (NOI)	Property Value w/ Cap Rate (0.08 All)	Property Value w/ Cap Rate (0.07 All)	Property Value w/ Cap Rate 0.07 Non-Retail, 0.052 Retail)
Existing GBCI	Artist lofts, kiosks, retail (south wing)	16,000	\$14.89	\$6.63	\$8.26	\$132,160	\$1,652,000	\$1,888,000	\$2,541,538
	Gym/health center	6,600	\$24.75	\$9.69	\$15.06	\$99,396	\$1,242,450	\$1,419,943	\$1,419,943
	Gym/health office space	6,600	\$14.89	\$6.63	\$8.26	\$54,516	\$681,450	\$778,800	\$778,800
	Museum (north wing)	16,000	\$24.75	\$9.69	\$15.06	\$240,960	\$3,012,000	\$3,442,286	\$4,633,846
	Office space (north wing)	16,000	\$14.89	\$6.63	\$8.26	\$132,160	\$1,652,000	\$1,888,000	\$1,888,000
	Office space (south wing)	16,000	\$14.89	\$6.63	\$8.26	\$132,160	\$1,652,000	\$1,888,000	\$1,888,000
	Performance/event/rotunda	6,000	\$24.75	\$9.69	\$15.06	\$90,360	\$1,129,500	\$1,290,857	\$1,737,692
	Wing lobby office	3,600	\$14.89	\$6.63	\$8.26	\$29,736	\$371,700	\$424,800	\$424,800
	Total						\$11,393,100	\$13,020,686	\$15,312,620
Fox River	Multi-family duplex A	4,000	**Estimated premium riverfront valuation: \$200/sq.ft.				\$800,000	\$800,000	\$800,000
	Multi-family duplex B	4,000					\$800,000	\$800,000	\$800,000
	village/public event facility	11,400	\$24.75	\$9.69	\$15.06	\$171,684	\$2,146,050	\$2,452,629	\$3,301,615
	Total						\$3,746,050	\$4,052,629	\$4,901,615
Riverside Dr. Park	Breakfast café	3,450	\$24.75	\$9.69	\$15.06	\$51,957	\$649,463	\$742,243	\$999,173
	Specialty hotel (60 rooms)	20,500	**Hotel based on an estimated \$63,265.17/room				\$3,795,910	\$3,795,910	\$3,795,910
	Total						\$4,445,372	\$4,538,153	\$4,795,083
Webster Ave. Village Center	Apartment Building A (over 24 units)	38,400	\$10.29	\$4.77	\$5.52	\$211,968	\$2,649,600	\$3,028,114	\$3,028,114
	Apartment Building B (over 24 units)	38,400	\$10.29	\$4.77	\$5.52	\$211,968	\$2,649,600	\$3,028,114	\$3,028,114
	Coffee shop	1,500	\$24.75	\$9.69	\$15.06	\$22,590	\$282,375	\$322,714	\$434,423
	Condo/Townhouses Bldg A (28-1B..)	28,000	\$10.29	\$4.77	\$5.52	\$154,560	\$1,932,000	\$2,208,000	\$2,208,000
	Condo/Townhouses Bldg B (16-2B..)	22,400	\$10.37	\$5.33	\$5.04	\$112,896	\$1,411,200	\$1,612,800	\$1,612,800
	Condo/Townhouses Bldg C (16-2B..)	22,400	\$10.37	\$5.33	\$5.04	\$112,896	\$1,411,200	\$1,612,800	\$1,612,800
	Condo/Townhouses Bldg D (12-1B..)	21,600	\$10.37	\$5.33	\$5.04	\$108,864	\$1,360,800	\$1,555,200	\$1,555,200
	Coprorate Building A (3 floors corp..)	37,050	\$14.89	\$6.63	\$8.26	\$306,033	\$3,825,413	\$4,371,900	\$4,371,900
	Corporate Building B (1 floor corpor..)	12,350	\$14.89	\$6.63	\$8.26	\$102,011	\$1,275,138	\$1,457,300	\$1,457,300
	Corporate Building B (1 floor reside..)	12,350	\$17.85	\$7.59	\$10.26	\$126,711	\$1,583,888	\$1,810,157	\$1,810,157
	Corporate Building B (1 floor retail)	12,350	\$24.75	\$9.69	\$15.06	\$185,991	\$2,324,888	\$2,657,014	\$2,657,014
	Corporate Building C (1 floor corpo..)	12,350	\$14.89	\$6.63	\$8.26	\$102,011	\$1,275,138	\$1,457,300	\$1,457,300
	Corporate Building C (1 floor reside..)	12,350	\$17.85	\$7.59	\$10.26	\$126,711	\$1,583,888	\$1,810,157	\$1,810,157
	Corporate Building C (1 floor retail)	12,350	\$24.75	\$9.69	\$15.06	\$185,991	\$2,324,888	\$2,657,014	\$2,657,014
	Distillery/beer garden	8,800	\$24.75	\$9.69	\$15.06	\$132,528	\$1,656,600	\$1,893,257	\$2,548,615
	Grocery store	2,800	\$24.75	\$9.69	\$15.06	\$42,168	\$527,100	\$602,400	\$810,923
Retail shops/strip mall	24,000	\$24.75	\$9.69	\$15.06	\$361,440	\$4,518,000	\$5,163,429	\$6,950,769	
Total						\$32,591,713	\$37,247,671	\$40,010,602	
Grand Total						\$52,176,235	\$58,859,138	\$65,019,920	

Master Plan SqFt, Income/SqFt, Expenses/SqFt, NOI/SqFt, Net Operating Income (NOI), Property Value w/ Cap Rate (0.08 All), Property Value w/ Cap Rate (0.07 All) and Property Value w/ Cap Rate 0.07 Non-Retail, 0.052 Retail) broken down by Parcel and Property Description.