Assignment 5
CRP 6290 – Fall 2015

Compiling Fiscal and Housing Estimates (10 Points)

Note: A spreadsheet to use for multipliers is on the class web site

Part 1. Strategic Technical Design Solutions (STDS), a plastics manufacturer in Dubuque (Dubuque County), is adding a new line of floor mats for Cadillacs to its existing line of luxury automobile plastic products (Implan industry 195). STDS plans to hire 105 more workers, and expected average total earnings per job are $38,500. You are a planner for Dubuque, and you have been asked to estimate the likely residential and fiscal impacts of this plant expansion.

In particular, you must estimate how much of all expected job gains would accumulate to the city of Dubuque and by how much regular own-source city revenues might increase. You will use IMPLAN multipliers for Dubuque County to calculate job and labor income impacts for the county and for the city. You will use On the Map data, BEA data, ACS data, and city expenditure information from the Iowa Department of Management. For this exercise, you will use Fiscal ’13 actual revenue data for the city to estimate own source revenues.

Please show all work estimating the relevant answers, and write a short summary of your findings.

Part 2. Regional Insurance Processing Offices (also known as RIPOFF), an insurance products support industry (Implan industry 438), has decided to build a new processing center in Marion, Iowa (Linn County). When completed and operating fully, it will have 270 employees earning an average of $39,200 each in 2015. Owing to recently strong job growth in the high-tech and consulting sectors of the regional economy, and owing to a large number of housing losses in the 2008 flood and slow new housing growth since, there is concern that there is a county-wide housing shortage that might make it difficult for the new workers to relocate to the county. You are the county housing planner, and you have been asked to assess the probable demand for housing in Linn County this new business will induce.

In particular, for the county, you must estimate how many of the expected job gains will accumulate to Linn County. Using reasonable procedures, demonstrate using the most recent data available, whether there are or not housing concerns given the expected new workers to the region.

Please show all work, and write a short summary of your findings.

Due in class the 10th of November.