

# POTENTIAL ECONOMIC IMPACTS OF THE PROPOSED ALACHUA COUNTY MEAT PROCESSING FACILITY

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April 4, 2023

# Study purpose

- 1. Estimate the potential economic impacts of the Alachua County meat processing facility**
  - Short-term construction impacts
  - Ongoing operation and maintenance impacts
- 2. Estimate impacts for both Alachua County and the State of Florida**
- 3. Inform decision-making with respect to proposed meat processing facility**

# Data sources and methods

- **Representatives of and Consultants for Alachua County**
  - Information on site usage and direct economic impacts
    - Building footprints and construction costs, potential throughput, number of sustained jobs when operational, etc.
- **IMPLAN regional input-output software and data**
  - Detailed data on economic structure (2021)
  - Captures the direct, indirect, and induced multiplier effects of industry activities in relevant economic sectors

# Direct Economic Impacts - Local Job Market

- **53 - 80 new jobs in Alachua County**
  - Diverse set of job types and required skill sets
  - Full-time jobs with benefits
- **Locally provided education and training will help fill jobs with individuals from within the County**

**...but it doesn't stop there.**

**Meat processing facility can support additional economic activity throughout Alachua County's economy as well as throughout the State of Florida – namely **indirect and induced impacts.****



# Another way to think about it...

**A portion of the purchases by the meat processing facility are redistributed throughout Alachua County.**



A dollar of meat processing demand occurs within Alachua County



A portion of that dollar is spent on inputs (goods, services, and employee wages) in Alachua County



A portion of what remains is re-spent on inputs (goods, services, and employee wages) in Alachua County



A portion of what remains is re-spent on inputs (goods, services, and employee wages) in Alachua County

● Rounds of spending continue until the portions remaining in Alachua County are negligible.

● Although direct contributions are annual values...there is no set time scale on the rounds of spending.

**Adding all local re-spending dollars gives us an output multiplier.**

# Construction phase impacts – Alachua County

- **Direct economic impacts**

- Construction of meat processing facility
  - \$5.25 million in construction expenditures
    - \$1.354 million associated with the building
    - \$3.896 million associated with equipment
  - 11 jobs

- **Total economic impacts**

- \$2.084 million in industry output
  - \$731,000 (indirect + induced impacts)
- \$1.018 million in total value added
  - \$766,000 in labor income
- 16 jobs

# Ongoing operations impacts – Alachua County

- **Direct economic impacts**

- Modeled as increased demand for the *Animal, except poultry, slaughtering* sector:
- 8 – 12 jobs
- \$690,000 – \$1.035 million in payroll
- \$5.556 – \$8.334 million in total industry output

- **Total economic impacts**

- \$10.793 – \$16.191 million in industry output
  - \$5.237 – \$7.857 million (indirect + induced impacts)
- \$3.434 – \$5.151 million in total value added
  - \$2.240 – \$3.360 million in labor income
- 53 – 80 jobs



# Construction phase impacts – Florida

- **Direct economic impacts**
  - Construction of meat processing facility
    - \$5.25 million in construction expenditures
      - \$1.354 million associated with the building
      - \$3.896 million associated with equipment
    - 23 jobs
- **Total economic impacts**
  - \$10.985 million in industry output
    - \$5.734 million (indirect + induced impacts)
  - \$5.451 million in total value added
    - \$3.906 million in labor income
  - 54 jobs

# Ongoing operations impacts – Florida

- **Direct economic impacts**
  - Modeled as increased demand for the *Animal, except poultry, slaughtering* sector:
  - 8 – 12 jobs
  - \$642,000 – \$963,000 in payroll
  - \$5.556 – \$8.334 million in total industry output
- **Total economic impacts**
  - \$13.671 – \$20.506 million in industry output
    - \$8.115 – \$12.172 million (indirect + induced impacts)
  - \$4.781 – \$7.171 million in total value added
    - \$3.219 – \$4.828 million in labor income
  - 56 – 83 jobs

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