



The Economic Impact of
Blackhawk Technical College's
Public Safety Transportation Center

EXECUTIVE SUMMARY



IMPACTS CREATED BY
BTC'S PUBLIC SAFETY
TRANSPORTATION CENTER

Present value impacts, FY 2021 to FY 2030	Long-run annual impacts
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Short-run capital
spending impact

\$16.2 MILLION	N/A
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Long-run operations
spending impact

\$13.1 MILLION	\$2 MILLION
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Long-run student
spending impact

\$6.8 MILLION	\$900.1 THOUSAND
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Long-run alumni impact

\$47.2 MILLION	\$12.5 MILLION
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TOTAL IMPACT

\$83.3 MILLION	\$15.4 MILLION
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JOBS SUPPORTED

N/A	234
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THIS analysis quantifies the economic impacts from Blackhawk Technical College's (BTC's) Public Safety Transportation Center (PSTC). Short-run capital spending for the PSTC will amount to \$32 million from FY 2021 to FY 2023. The center will enhance student activities and provide valuable services that will improve the college's amenities, ultimately improving student experience, and through those students, the economy at large.

The initial capital investments will create short-run spending impacts through the construction of state-of-the-art facilities. These new capacities will allow BTC to better serve its existing student population. Utilizing these new services and opportunities and other added capacities will create a new wave of economic activity that will include payroll for faculty and staff who transition to the PSTC and added spending on their associated day-to-day operational expenditures. The center will enhance student activities and provide valuable services to improve the training in public safety and transportation programs such as Automotive Technician, CDL/Truck Driver Training, EMS/EMT, Fire Protection Technician, and Law Enforcement and Correction Officers. The students in these programs will provide a steady stream of long-run spending impacts year after year. Lastly, as students who train at the center enter the district's workforce, they will generate long-run benefits within the BTC District.* Four types of impacts are estimated:

- **Short-run capital spending impacts**
- **Long-run operations spending impacts**
- **Long-run student spending impacts**
- **Long-run alumni impacts**

This analysis spans from FY 2021, when capital spending will begin, to FY 2030, the final year of this analysis. We estimate the total impacts that will be created by FY 2030, as well as the annual impacts that will occur long after FY 2030.

* For the purposes of this study, the BTC District is comprised of Rock and Green Counties.

Short-run capital spending impacts



As the \$32 million is spent on the construction of the PSTC, it will create a significant amount of new economic activity that will ripple throughout the BTC District economy. These impacts span from FY 2021, when capital spending will begin, until FY 2023, when capital spending is expected to be completed. From FY 2021 to FY 2023, the capital spending will create a present value of **\$16.2 million** in total added income for the BTC District economy.

Long-run operations spending impacts



As the PSTC is completed, BTC will begin to utilize the newly added capacities. The center will enhance student activities and provide valuable services to improve the college's amenities. Utilizing these and other added capacities will create a new wave of economic activity that will include payroll for faculty and staff who transition from current BTC facilities to the PSTC and the spending on their associated day-to-day operational expenditures.

These operations spending impacts will begin in FY 2022. From FY 2022 to FY 2030, the final year of analysis, the increased operations spending resulting from the PSTC will create a present value of **\$13.1 million** in total added income for the district economy.

Long-run student spending impacts



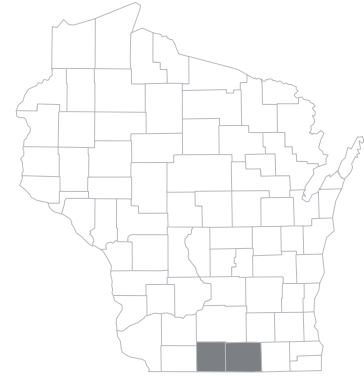
The PSTC will house the Automotive Technician, Diesel & Heavy Equipment Technician, and EMS/EMT programs, as well as other public safety and transportation programs BTC currently offers. The center will enhance student activities and provide valuable services to improve the training in these programs. It is estimated that 87% of students are from the district, and some of these students will remain in the BTC District because of the education the center will provide. In addition, some students from outside the district will relocate to the district to train at the center. By retaining and attracting these students to the district, these students spend money on living expenses in the district, ultimately growing the district's economy as a whole.

The student spending impacts are expected to start in FY 2022, when the first students will be trained at the center. From FY 2022 to FY 2030, the student spending will create a present value of **\$6.8 million** in total added income for the BTC District economy.

Long-run alumni impacts



The added capacities created by the PSTC will help BTC respond to the demands of a growing economy and student population. The alumni trained at the center will be more skilled, knowledgeable,



THE BTC DISTRICT

As long as the additional capacities created by the PSTC are utilized, there will be recurring operations spending impacts. After FY 2030, when annual operations spending will stabilize, the long-run operations spending impact will benefit the BTC District economy with **\$2 million** in added income annually, which is equivalent to supporting **28 jobs** per year.

There will be recurring annual student spending impacts as long as students train at the PSTC. By FY 2026, when the annual students served at the center per year stabilizes, the long-run student spending impact will benefit the BTC District economy with **\$900.1 thousand** in added income annually, which is equivalent to supporting **23 jobs** per year.

and thus more employable because of the real-life simulations and invaluable training the center will offer. They will begin to positively impact the district's economy in FY 2022, when the first alumni trained at the PSTC become active in the district's workforce. The added earnings and increased productivity of these alumni will create long-run impacts across the district's economy.

Accounting for a ramp-up period, by FY 2030, around 7,100 alumni will have trained at the PSTC, half of whom are expected to remain in the district. From FY 2022 to FY 2030, the additional alumni will add a present value of **\$47.2 million** in total added income for the BTC District economy.

Total impact

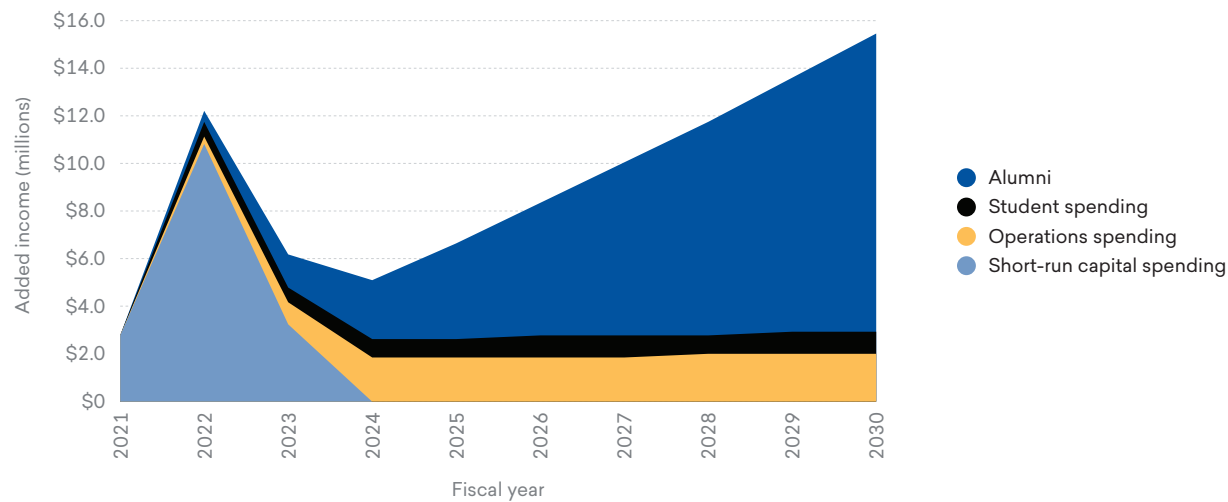
From FY 2021 to FY 2030, the present value of short-run and long-run impacts created by the PSTC will provide a total economic impact on the BTC District economy of **\$83.3 million** in added income. Beyond the timeframe of this analysis, the total annual impact from the PSTC will be at least **\$15.4 million** in added income. This is equivalent to supporting **234 jobs** every year.

The implicit multiplier is the present value of added income divided by initial spending on the PSTC. From FY 2021 to FY 2030, for every dollar of the \$32 million in funding of the PSTC's initial capital investment, the PSTC will create a present value of **\$2.61** in added income throughout the BTC District.

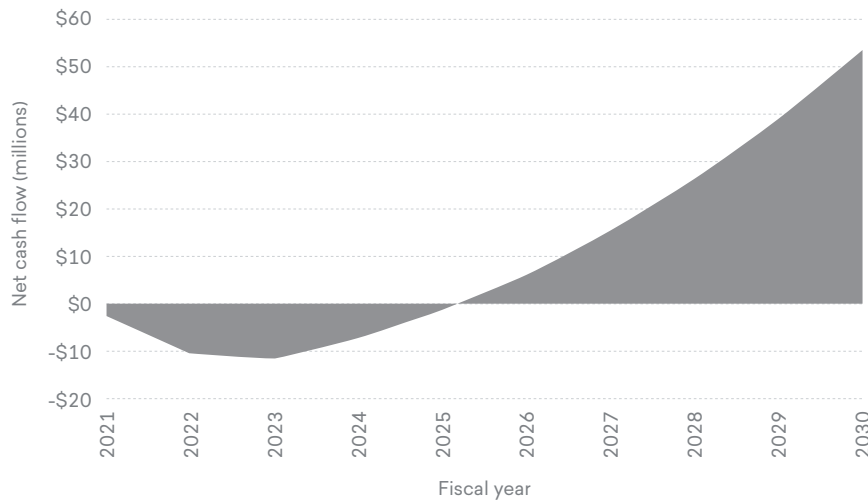
By FY 2026, **5.2 years** after construction begins, it is expected that the impacts generated by the PSTC will have grown significantly enough to recover the costs of not only the initial capital investment, but the annual costs of keeping the PSTC operational.

By FY 2030, the last year of this analysis, alumni are estimated to add **\$12.5 million** in income to the economy per year, or support **183 jobs**. This annual impact is expected to increase every year for several years as more students are trained at the center and they enter the district's workforce.

TOTAL IMPACT FROM FY 2021 TO FY 2030, UNDISCOUNTED



NET CASH FLOW FROM FY 2021 TO FY 2030



Conclusion

The results of this study demonstrate that the PSTC will create value for the BTC District economy through many avenues. From the very beginning, its construction phase, the PSTC will positively impact the district's economy. Once the PSTC is operational, it will bring money into the district, generating additional spending impacts. The center will enhance student activities and provide valuable services that will improve the college's amenities, ultimately improving student experience, and through those students, the economy at large. These students' daily spending will grow the district's economy. Finally, as these students from BTC enter the district's workforce, they will help meet the needs of the district's economy and add to the productivity of the district's workforce.

ABOUT THE STUDY

Data and assumptions used in the study are based on several sources, including data from BTC, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact. For a full description of the data and approach used in the study, please contact BTC for a copy of the main report.



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