

An Executive Summary of the Economic Impact of
Higher Learning Center at the College of Santa Fe
on
Santa Fe, New Mexico

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**Executive Summary of an Economic Impact Analysis of
Higher Learning Center at the College of Santa Fe**

About the Center and Its Operations

A 50,000 square foot Higher Learning Center is planned at Santa Fe Community College. An estimated \$16,470,000 will be spent on the facility -- \$1.5 million for land, \$13,770,000 for a building and \$1.2 million for equipment.

The \$13.7 million construction services contract will be subject to gross receipts taxes.

The Center's operating expenses in the first year will be \$604,111 and \$734,769 by the fifth year.

The facility will have 9.5 full-time equivalent non-teaching staff and an estimated five adjunct faculty members by the fifth year.

The Center's Projected Payroll

The Center expects to have the following payroll expenses:

Projected Total Payroll Expenses	
Year 1	\$397,485
Year 2	\$405,435
Year 3	\$452,421
Year 4	\$460,692
Year 5	\$600,126

The Center's Projected Operating Expenses

The Center expects to have the following operating expenses, including payroll expenses:

Projected Total Operating Expenses	
Year 1	\$604,111
Year 2	\$621,593
Year 3	\$634,025
Year 4	\$648,215
Year 5	\$734,769

Economic Impacts During Construction of the Center

The construction of the facility will generate \$13.7 million in direct revenues for local constructing companies, architects, engineers, and others in the construction industry. In addition, an estimated 105 direct construction and related workers will be continually employed on the project. The estimated direct construction payroll will be \$5.5 million.

This construction activity and direct construction jobs and salaries will, in turn, create and support revenues in other businesses in the area and indirect jobs and salaries during the time that the projects are being constructed. In total, the project may support an estimated \$25.7 million in gross area product or economic activity in area during its construction, an estimated 177 total jobs each year during construction of the project and total salaries estimated to be \$9 million.

Economic Impact Over the First Ten Years of the Center's Operations

The following are some of the economic impacts that state and community can expect from the Center and new or supported jobs over the next ten years:

Economic Impact of the Center over the Next Ten Years	
Total number of jobs created and supported by the Center:	
Direct jobs	16
Indirect jobs	25
Total jobs	41
Total salaries to be paid to direct and indirect workers	\$15,606,718
Taxable value of new residential property to be added to local tax rolls over the next ten years	\$119,509

Additional Revenues for the State of New Mexico over the First Ten Years

The State of New Mexico can expect to receive the following additional revenues from the center and its workers over the first ten years:

Additional Revenues for the State of New Mexico over the Next Ten Years	
Gross receipts taxes collections	\$974,653
Property tax collections on new residential property	\$452
State personal and corporate income taxes	\$503,930
Total revenues	\$1,479,034

Costs and Benefits for the City of Santa Fe over Next Ten Years

City of Santa Fe can expect to receive the following costs and benefits from the Center and direct and indirect workers over the next ten years:

Costs and Benefits for the City of Santa Fe over the Next Ten Years	
Benefits:	
Gross receipts taxes collections	\$707,115
Lodgers' tax	\$5,791
Property tax collections on new residential property	\$548
Utility revenues and utility franchise fee collections	\$239,876
Collections of other taxes and user fees from new residents	\$4,380
Total revenues	\$957,710
Costs:	
Costs of providing municipal services to new residents	\$13,140
Costs of providing utility services to the Center and new residents	\$196,116
Total costs	\$209,255
Net benefits over the next ten years	\$748,455

Summary of Jobs to be Created

Construction Jobs

During construction of the center, the following number of construction and related indirect jobs will be created and supported in the community:

Jobs to be Created During Construction			
	Direct Jobs	Indirect jobs	Total Jobs
Year 1	105	72	177
Year 2	105	72	177

Salaries During Construction			
	Direct	Indirect	Total
Year 1	\$3,671,963	\$2,369,927	\$6,041,890
Year 2	\$1,836,037	\$1,184,964	\$3,021,000
Total	\$5,508,000	\$3,554,891	\$9,062,891

Estimated average annual salaries for construction workers will be about \$35,000.

Permanent Jobs to be Created at the Center

The center will create the following number of permanent jobs:

Permanent Jobs to be Created			
	Direct Jobs	Indirect jobs	Total Jobs
Year 1	9.5	14	24
Year 2	0	0	0
Year 3	1	2	3
Year 4	0	0	0
Year 5	2	3	5
Year 6	0	0	0
Year 7	1	2	3
Year 8	0	0	0
Year 9	1	2	3
Year 10	1	2	3
Total	16	25	41

Permanent Salaries				
	Direct Salaries	Indirect Salaries	Total	Average Annual Direct Salaries
Year 1	\$397,485	\$648,298	\$1,045,783	\$41,841
Year 2	\$409,410	\$667,747	\$1,077,157	\$43,096
Year 3	\$466,080	\$760,177	\$1,226,258	\$44,389
Year 4	\$480,063	\$782,983	\$1,263,045	\$45,720
Year 5	\$588,649	\$960,086	\$1,548,734	\$47,092
Year 6	\$606,308	\$988,888	\$1,595,196	\$48,505
Year 7	\$674,457	\$1,100,039	\$1,774,496	\$49,960
Year 8	\$694,691	\$1,133,041	\$1,827,731	\$51,459
Year 9	\$768,534	\$1,253,479	\$2,022,012	\$53,002
Year 10	\$846,182	\$1,380,123	\$2,226,305	\$54,592
Total	\$5,931,858	\$9,674,860	\$15,606,718	

Total Jobs to be Created the Construction and from the Center's Operations

Total construction jobs and permanent jobs to be created from the center's operation are shown below:

Total Jobs to be Created and Saved by the Construction and Operations of the Center			
	Direct Jobs	Indirect jobs	Total Jobs
Jobs to be created during construction:			
Year 1	105	72	177
Year 2	105	72	177
Permanent jobs to be created from the center's operations:			
Year 1	9.5	14.0	23.5
Year 2	0.0	0.0	0.0
Year 3	1.0	2.0	3.0
Year 4	0.0	0.0	0.0
Year 5	2.0	3.0	5.0
Year 6	0.0	0.0	0.0
Year 7	1.0	2.0	3.0
Year 8	0.0	0.0	0.0
Year 9	1.0	2.0	3.0
Year 10	1.0	2.0	3.0
Total permanent jobs	15.5	25.0	40.5
Total jobs created by the center during construction and over the first ten years:			
Year 1	114	86	201
Year 2	105	72	177
Year 3	1	2	3
Year 4	-	-	-
Year 5	2	3	5
Year 6	-	-	-
Year 7	1	2	3
Year 8	-	-	-
Year 9	1	2	3
Year 10	1	2	3
Total	225	169	395