

**Economic Impacts of the World Golf Village Development  
for Northeast Florida and St. Johns County**

by

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October 17, 2006

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### **Executive Summary**

The World Golf Village is a 6,300 acre mixed-use development located in St. Johns County in northeast Florida. The site is located approximately 25 miles south of Jacksonville and 15 miles north of St Augustine. It features the World Golf Hall of Fame, the Renaissance Resort at World Golf Village and adjoining St. Johns County Convention Center; the Grande Villas at World Golf Village; the Laterra Resort and Spa; two championship golf courses; the PGA Tour Golf Academy; a retail center that includes multiple restaurants; an IMAX theater; and a variety of commercial and residential real estate. Construction in the development began in 1995 and is expected to continue through 2010. The primary objective of this analysis was to estimate the economic impacts generated by construction and ongoing business operations associated with the development on the economies of St. Johns County, and the five county region consisting of St. Johns and surrounding counties (Clay, Duval, Flagler and Putnam) in Florida, from 1995 through 2005.

From 1995 through 2005, the World Golf Village development has generated an estimated total output impact of over \$3.25 billion (B) dollars on the five-county region of Clay, Duval, Flagler, Putnam and St. Johns counties in Florida.<sup>1</sup> Other impacts attributable to the development during this 11 year period include over \$1.77B dollars in value-added, nearly \$1.25B in labor income, and \$117.2 million (M) in indirect business taxes. The total number of part-time, full-

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<sup>1</sup> All values are reported in 2005 equivalent dollars, except as otherwise noted.

time, and seasonal job-years attributable to the project approaches 34,000. All indications are that business activity, and the economic impacts associated with the development have accelerated since 2002. In 2005 alone, the output impact of the development for the five county area was estimated to total over \$778.3M. This includes \$422.3M in value-added impacts, \$288.9M in labor income impacts, \$28.7M in indirect business taxes and 7,715 jobs. These last two statistics represent about 1.14 percent of the total personal income for the five county area in 2004, and about 1.01 percent of its total employment in 2004.

For St. Johns County alone, the total output impacts of the development from 1995 to 2005 were calculated to be approximately \$2.46B. Other county-level impacts from the development during this period include an estimated \$1.27B in value-added, \$890.3M in labor income, \$85.0M in indirect business taxes, and over 26,000 job-years. For 2005, the World Golf Village development is estimated to have generated output impacts of \$583.2M for St. Johns County. Other estimated impacts for the County in 2005 include 297.6M in value-added, \$199.2M in labor income, \$21.0M indirect business taxes, and 5,931 jobs. Compared to Bureau of Economic Analysis statistics for the County in 2004, these impacts represent about 6.4 percent of the County's total personal income, and 9.5 percent of its total employment. If the expenditures and revenues are calculated to only represent new dollars brought into St. Johns County as a result of the attraction aspects of the World Golf Village, separate from local residential development, then the total economic impacts for the 1995–2005 study period are reduced by slightly over 30 percent; to \$1.70B in output, \$882.3M in value-added, \$621.0M in labor income, \$59.2M in indirect business taxes, and 18,251 jobs-years.

The estimation of these economic impacts was based on reported and estimated expenditures and/or employment for infrastructure, building construction and ongoing business operations at the development during the study period. Yearly expenditures on infrastructure were obtained from the primary developer. Annual expenditures on building construction at the development were derived from data obtained from local and State government agencies. Data provided by the World Golf Village clients and their business affiliates at the development, in addition to statistics published by the Urban Land Institute, were used to estimate operational revenues or expenditures at the development for ongoing business activities. Economic (input-output) models of St. Johns County and the five county region of Clay, Duval, Flagler, Putnam, and St Johns were constructed using the IMPLAN Pro® economic impact assessment software

and databases. Estimated expenditures and revenues associated with the development were allocated to their appropriate industry sectors and applied to these models in order to estimate the total economic impacts of the development.

Total reported expenditures on infrastructure at the development were slightly over \$128.0M for the study period, with \$9.6M reported spent in 2005. Residential and commercial building construction expenditures for the development, including landscaping and furnishings, were estimated to total \$688.6M for the study period and equal to \$243.2M for 2005. Ongoing business revenues and expenditures from 1995 through 2005 were estimated to total \$674.4M, and were estimated at \$100.1M for 2005 alone. A review of these expenditures or revenues over the study period indicates that residential construction expenditures have increased substantially since 2002.

The types of economic impacts estimated with the input-output models include output, value-added, labor income, indirect business taxes and employment. These impacts can occur through direct, indirect, or induced effects. Total economic impacts of an event or activity equal the sum of these direct, indirect and induced impacts. Output impacts represent the total value of revenues or expenditures associated with an activity. Value-added measures the labor income, property income, and indirect business taxes generated from these revenues. Labor income represents earnings by employees and proprietors of impacted businesses. Indirect business taxes include excise, property, and sales taxes, as well as licenses and fees paid by businesses, but not taxes on profits or income. The number of annual full-time, part-time and seasonal jobs resulting from the development are represented by estimated employment. Each of these measures represents a different way of assessing the size or contribution of an economic activity on a region.

For the World Golf Village, direct impacts result from expenditures, revenues or jobs generated as an immediate result of the construction, tourism, retail spending and grant distribution activities associated with the development. Impacts from indirect effects capture the additional economic activity that is generated when construction firms, retail business and tourist attractions at the development purchase inputs from their business suppliers within the study area. Further indirect impacts occur as these input suppliers purchase their own inputs from other businesses. Impacts from induced effects occur as the households of business owners and employees spend their earnings from these enterprises to purchase consumer goods and services from businesses within the region. Direct impacts result from all forms of business activity within

a region. Impacts from indirect and induced effects are only generated when “new” or non-local dollars are introduced into the local economy. This may occur through sales to entities outside the local economy, through spending by outside visitors to the local economy, or from financing that originates from outside the local economy.

By estimating how businesses use revenues to pay employees and purchase inputs, and then estimating how employee and proprietor households spend their earnings at other businesses, economic impact analysis looks beyond the immediate effects of an economic event or activity within a regional economy. Output, value added, income and jobs are basic units for measuring economic activity. Estimating the size of these economic indicators makes it possible to evaluate and compare the impact of the World Golf Village development to other activities or sectors in the regional economy, or to that economy as a whole.

The following caveats should be kept in mind in considering these findings. This analysis only considers the positive economic value, in terms of dollars or jobs, resulting from business activities that occur at the development. It does not account for any costs, direct or indirect, to the government or surrounding community that may result from it. Possible effects on regional prices for goods, services, or real estate were also not evaluated. Estimates of indirect and induced impacts calculated by these economic models are largely based on national averages, and their accuracy rests on the assumption that the economic relationships between businesses and institutions in the study area are similar to those of the nation as a whole. A substantial portion of retail sales revenues for the development were also estimated from national averages. As with any empirical analysis, the accuracy of the output is directly dependent on the accuracy of the input. While substantial efforts were made to obtain the most current and accurate data available to conduct this analysis, it was not the responsibility of the investigators to verify the authenticity and accuracy of that data. The estimated impacts for both the five county region and St. Johns County may be conservative to the extent that they do not completely account for all household expenditures of non-local retirees or part-time residents at the development, and because it was not possible to verify that all construction activities at the development were counted. The estimated impacts for St Johns County may be over-stated to some extent because both regional and county models included the assumption that all employment and expenditures associated with the development took place within the study area. In general, the smaller the study area, the less likely it is that such an assumption is appropriate.

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### **Introduction**

The World Golf Village is a 6,300 acre mixed-use development located in St. Johns County, Florida, approximately 25 miles south of Jacksonville and 15 miles north of St Augustine (Figure 1). It features the World Golf Hall of Fame, the Renaissance Resort at World Golf Village and adjoining St. Johns County Convention Center; the Grande Villas at World Golf Village; the Laterra Resort and Spa; two championship golf courses; the PGA Tour Golf Academy; a retail center that includes multiple restaurants; an IMAX theater; and, a variety of commercial and residential real estate. The development is located adjacent to Interstate 95 at International Golf Parkway. International Golf Parkway connects to US 1 and to State Road 16 (Figure 2). Construction in the development began in 1995 and is expected to continue through 2010. In late 2005, executives with the World Golf Hall of Fame requested the Food and Resource Economics Department at the University of Florida to evaluate the economic impacts of business activities and construction at the development on the regional economy of northeast Florida. Economic impact analysis can provide a more comprehensive assessment of how specific events or business activities affect other businesses and institutions within a regional economy.

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<sup>1</sup> The authors are: Post Doctoral Associate, Assistant In, and Professor and Associate Chair, in the Food and Resource Economics Department, Institute of Food and Agricultural Sciences, at the University of Florida.

## **Objectives and Scope**

### **Objectives**

The objectives for this impact analysis of the World Golf Village development are to:

1. Estimate tourism expenditures or operational revenues for affiliated tourist, convention, sports, and recreational activities at the development for the most recent year (2005), and since inception.
2. Estimate expenditures on infrastructure, commercial and residential construction for the development for 2005 and since inception.
3. Construct input-output models for St. Johns County and the relevant regional economy of Northeast Florida.
4. Use the estimated expenditures and/or revenues and input-output model multipliers, to estimate specific and total economic impacts of the development on the regional economy.
5. Estimate the impacts of the development on government tax revenues.

### **Scope**

The time period covered by this analysis runs from the start of construction activities at the development in 1995 through 2005. Business activities incorporated into this analysis include: construction costs for infrastructure, residential, commercial and industrial facilities for the development; reported and estimated revenues from visitor spending in the development; and, expenditures and distributions by the World Golf Foundation. The World Golf Foundation is a 501(c)(3) non-profit corporation whose purpose is to further the public's interest in and knowledge of golf. It operates the World Golf Hall of Fame and an IMAX theater at the Village. Cumulative dollar amounts for total impacts over this period are reported in 2005 equivalent dollars. Job numbers reported represent combined full-time, part-time and seasonal jobs on an annual basis.

This analysis only considers the positive economic value, in terms of dollars or jobs, resulting from business activities that occur at the development. It does not account for any costs to the government or surrounding community resulting from the development. Input-Output (I-O) modeling is static in nature. It does not evaluate the speed with which one economic activity

will affect others. Indirect and induced impacts may take weeks, months or years to conclude. Possible effects on regional prices for goods, services or real estate are not factored into, or predicted by, standard I-O analysis. Estimates of indirect and induced impacts calculated by the model are largely based on national averages and their accuracy rests on the assumption that the economic relationships between businesses and institutions in the study area are similar to those of the national economy. The same assumption applies when retail sales revenues are estimated from national averages. As with any empirical analysis, the accuracy of the output is directly dependent on the accuracy of the input. Verifying or validating data provided by clients, affiliated businesses and local government agencies was beyond the scope of this study.

**Figure 1. Map of Study Area in North East Florida: Clay, Duval, Flagler, Putnam and St. Johns Counties.**

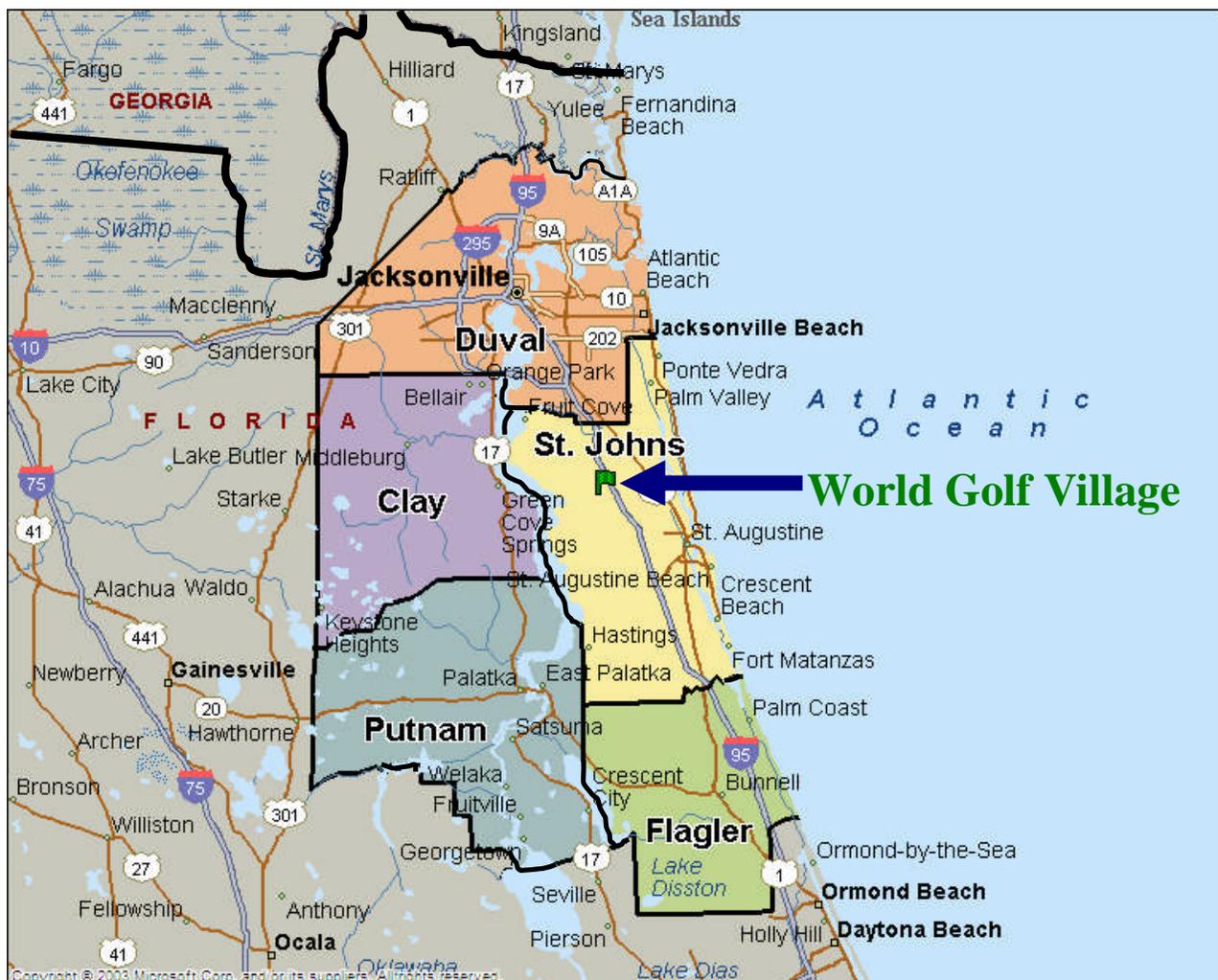


Figure 2. Map of World Golf Village Development.

Northwest to Jacksonville



Source: <http://www.sjdevelopment.com/WGVmasterplan.pdf>

## **Procedures**

Data collection efforts began during initial consultations with executives at the World Golf Hall of Fame and the World Golf Foundation. Subsequently, a list of affiliated businesses was provided as potential data sources for development related expenditures, revenues or employment. Local and State government agencies were also utilized to acquire data on building construction expenditures, property taxes and sales taxes associated with the development. These agencies included the St. Johns County Property Appraisers Office, Tax Collectors Office, and the Building Services Division, and the State of Florida Department of Revenue. Supporting facts and figures on the development and regional economy were also found in local news publications such as the St. Augustine Record and the Jacksonville Business Journal.

Telephone interviews were conducted with some of the affiliated businesses within the development. In some cases, where unresponsive affiliated businesses fit a conventional profile, revenues were estimated based on average sales per square foot statistics published by the Urban Land Institute. Because of the unique nature of other businesses at the development, it was not possible to estimate revenues for all unresponsive affiliates. Commercial and residential construction expenditures in the development were estimated from St. Johns County Property Appraiser and Building Permit databases.

A brief review of the regional economy of St. Johns and surrounding counties was conducted for the purposes of determining the most appropriate study area for the analysis. This was carried out by identifying existing economic area designations by the U.S. Department of Commerce, Bureau of Economic Analysis, and by examining the economies of individual counties in northeast Florida.

Once data collection efforts were exhausted and the study area defined, revenue, expenditure, and employment data were compiled in computer spreadsheets and allocated to appropriate time periods, industry and institutional sectors, and as local or non-local dollars. Input-output models were then constructed for St Johns County alone, and a larger five county study area consisting of St Johns and its four adjoining counties. These models were then used to calculate sector specific economic multipliers, which were then applied to the estimated revenues, expenditures or employment data to calculate economic impacts. Estimated impacts for output,

value-added, income, employment and business taxes were reported by two digit North American Industry Classification System (NAICS) <sup>2</sup> aggregate sectors.

## **Study Area Definition and Review.**

The study area chosen for an impact analysis can have a significant effect on its results. To adequately capture the economic impacts of an event or business activity it is important to include the geographic areas where workers and business owners live and spend their earnings. Generally the smaller the study area, the smaller the economic impacts. This is because, in general, more material inputs and labor will have to be “imported” into the smaller study area to carry out the activity and will result in dollars flowing out of the area. St. Johns County, Florida is part of the Bureau of Economic Analysis’ (BEA) Jacksonville Economic Area (number 79), consisting of the six most northeastern counties in Florida and the thirteen most southeastern counties in Georgia. BEA economic areas are determined primarily through the analysis of labor commuting patterns. After considering the nature of the economies of northeast Florida compared to southeast Georgia, in addition to the fact that St. Johns County is located in near the southern boundary of the economic area, it was decided to use a smaller study area, limited to St Johns County and those Florida counties that are contiguous to it. It was considered unlikely that many workers or proprietors would be commuting from north of Jacksonville to provide services to the development in St. Johns County. Thus the study area was defined as Clay, Duval, Flagler, Putnam and St. Johns Counties in northeast Florida (Figure 1).

The economy of northeast Florida and the study area is dominated by Duval County, where Jacksonville is located (Table 1, Figure 3). In 2004, Duval County accounted for 64 percent of the study area’s population. It was responsible for 79 percent of the area’s jobs and 69 percent of its personal income in 2004 (Table 1). Jacksonville has a substantial transportation sector due to the intersection of I-95 and I-10, major port facilities, which provide both cargo and passenger services, and the Jacksonville International Airport. It also has a significant financial services sector and several major military bases. St. Johns County is the second largest in the study area

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<sup>2</sup> The North American Industry Classification System (NAICS, pronounced Nakes) was developed as the standard for use by Federal statistical agencies in classifying business establishments for the collection, analysis, and publication of statistical data related to the economy of the U.S. See: [www.census.gov/epcd/www/naics.html](http://www.census.gov/epcd/www/naics.html)

with respect to employment and personal income, but the third largest in terms of population. It accounts for around 12 percent of the study area's population and personal income, and about 8 percent of the area's employment (Table 1). St. Johns County is the most tourism oriented county in the study area, with a relatively larger proportion of its jobs occurring in the arts, entertainment and recreation, and, accommodations and food services sectors, compared to the other four counties in the study area (Figure 4).

**Table 1. Population, Employment and Personal Income in the Northeast Florida Study Area, 2004.**

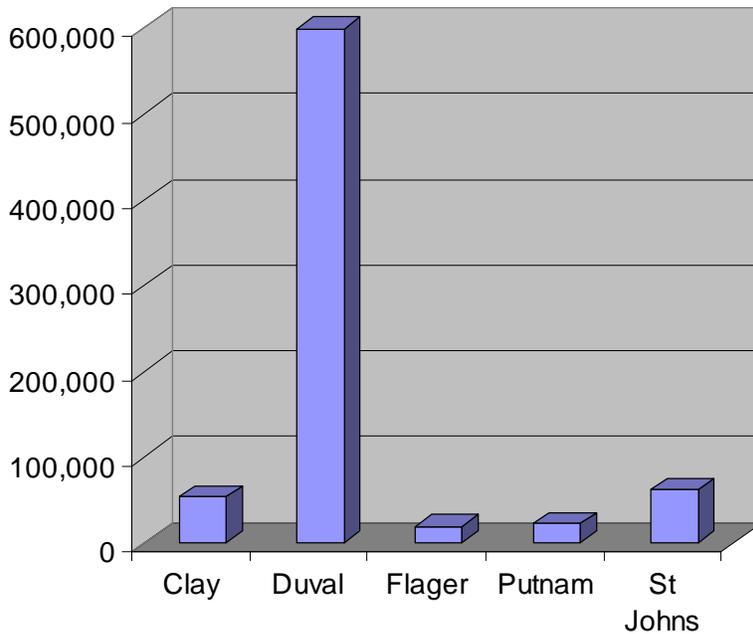
County	Estimated 2004		2004		2004	
	Population	Percent of Area	Employment	Percent of Area	Personal Income (\$1,000)	Percent of Area
Clay	164,394	12.85%	55,474	7.28%	2,840,871	11.21%
Duval	821,338	64.18%	600,519	78.77%	17,428,690	68.80%
Flagler	69,005	5.39%	21,370	2.80%	862,360	3.40%
Putnam	72,511	5.67%	22,567	2.96%	1,080,755	4.27%
St. Johns.	152,473	11.91%	62,407	8.19%	3,118,634	12.31%
<b>Total</b>	<b>1,279,721</b>	<b>100.00%</b>	<b>762,337</b>	<b>100.00%</b>	<b>25,331,310</b>	<b>100.00%</b>

Sources:

US Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Accounts,  
<http://www.bea.gov/bea/regional/reis/default.cfm#a>

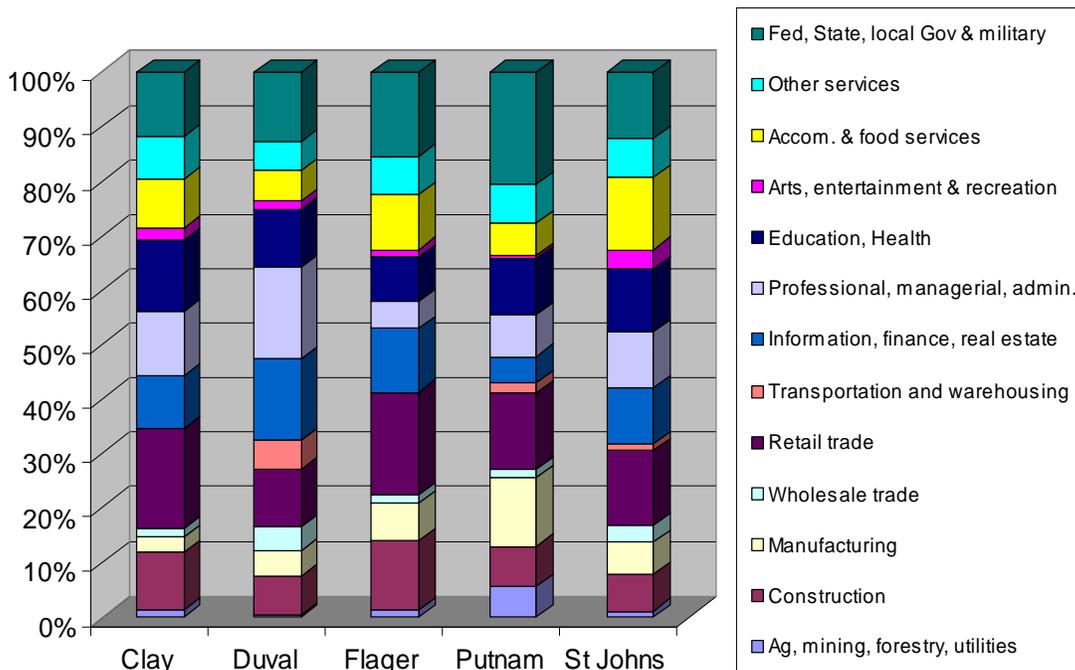
US Dept. of Commerce, Census Bureau, Population Division  
<http://www.census.gov/popest/counties/files/CO-EST2004-ALLDATA.csv>

**Figure 3. Distribution of Jobs for Individual Counties in the Northeast Florida Study Area, 2004.**



Source: US Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Accounts.

**Figure 4 Relative Distribution of Jobs by Aggregate Sectors for Individual Counties in the Study Area, 2004.**



Source: US Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Accounts.

Between 1930 and 1970, St. Johns County did not keep pace with the overall population growth of northeast Florida or the State as a whole (Figure 5). This was likely the case because it didn't develop the port facilities or military operations like Duval County, and the fact that the region as a whole didn't have the attraction for tourists and retirees like the central and southern regions of the State. As Jacksonville and other developed areas of central and south Florida became more intensely urbanized and congested in the 1960s and 1970s, satellite counties to major urban centers like Jacksonville, Tampa and Miami began to experience an upsurge in growth and tourism. Prior to 1960, northeast Florida grew in step with the State as a whole, although St. Johns County lagged behind the region. After 1970, however, this relationship reversed. The rate of growth in northeast Florida began to lag behind the State, but growth in St. Johns County accelerated. Since 1990, the study area has kept pace with the overall growth for the state, but St Johns County has grown nearly 2.5 times faster than both the State and area (Figure 6). St. Johns County retains much of the natural recreational amenities that retirees and visitors appreciate, while benefiting from the extensive infrastructure and economic activity centered in Jacksonville.

Figure 5. St. Johns County and Florida Decennial Population Growth, 1930 – 2000.

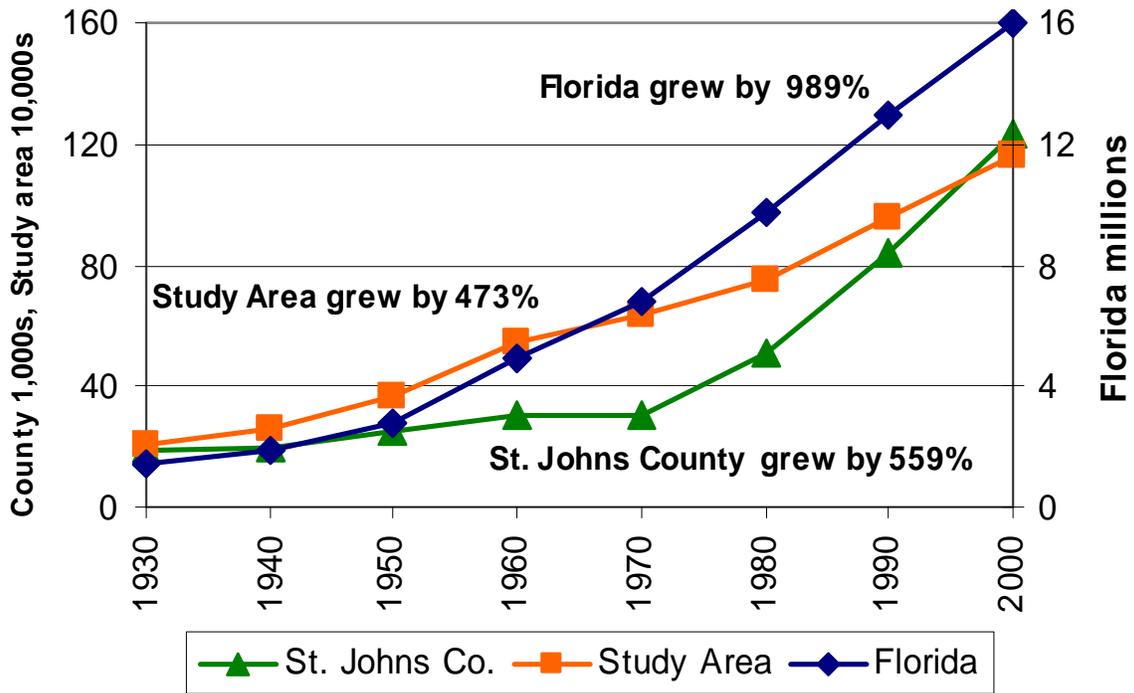
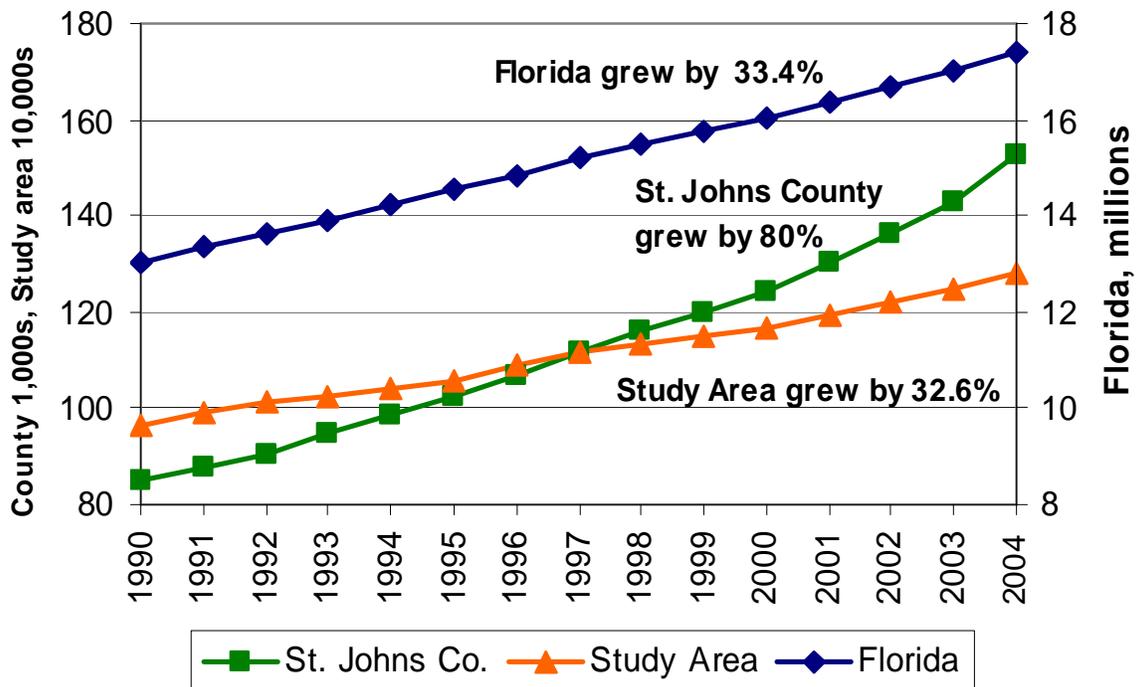


Figure 6. St. Johns County and Florida Annual Population Growth, 1990 – 2004.



The choice of study area is also important in terms of identifying revenues used in the analysis as either local or non-local. Local revenues represent simple transfers between individuals or businesses within a regional economy and do not generate economic spin-off or multiplier effects. When “new” or non-local revenues flow into an economy from sources outside the region, additional economic repercussions occur through multiplier (indirect and induced) effects. These new dollars may be generated through sales (exports) of locally produced goods and services to entities outside the local economy, through spending by outside visitors to the local economy, or from financing that originates from outside the local economy. Indirect effects occur when businesses use revenues originating from outside the region to purchase goods and services from local suppliers. This secondary, or indirect business, generates additional revenues, income, jobs and taxes for the area economy. Induced effects from non-local revenues occur when the households of employees, managers and owners of local businesses (and their local suppliers) spend their earnings or profits at other businesses in the area for personal consumption purposes. Again, additional revenues, income, jobs and taxes for the regional economy result from this activity.

The determination of whether and to what degree revenues or expenditures at the World Golf Village development were local or not was based on both the type of business activity and the estimated proportion of revenues attributable to local dollars. For the majority of the analysis, all estimated expenditures for infrastructure, commercial and residential construction in the development were treated as new expenditures to the study area and were thus classified as non-local. Since the hotels, motels, and convention center at the development cater to non-local visitors or tourists, all their revenues and employment were considered non-local. All expenditures or distributions made by the World Golf Foundation were also classified as non-local for purposes of this analysis, since the Foundation’s revenues originate from contributors across the nation and globe, and from ticket sales to the Hall of Fame and associated tourist attractions. The revenues and employment associated with the retail establishments at the development were split between local and non-local, based on the proportion of homestead-exempt residences at the development. Residences lacking homestead exemption were assumed to be owned and inhabited by non-local visitors. This split was 49.1 percent non-local and 50.9 percent local. All household expenditures by part-time residents and retirees could have been viewed as new dollars to the study area, and thus contributing to the economic impact of the development. Unfortunately,

there was not any data available on these expenditures, nor was there sufficient information to estimate these numbers.

## **Regional Impact Analysis**

The economic impacts for this analysis were calculated with input-output models, which mathematically describe and quantify the economic resources and interactions of a specified economy. Once constructed, such models can be used to generate multipliers that estimate how revenues or employment for one or more particular businesses or events impact all businesses and institutions in that economy. The Food and Resource Economics Department is a licensed user of the IMPLAN Pro<sup>4</sup> economic impact modeling system, which includes computational input-output software and detailed county-level databases of economic activity in the U.S. The databases include statistics for 531 different sectors<sup>5</sup> of the economy, representing industry, government and households. The current and latest available model year for IMPLAN Pro is 2003.

The major types of economic impacts estimated with I-O models include output, value-added, labor income, indirect business taxes and employment. These impacts may occur directly, indirectly, or be induced. Total economic impacts of an event or activity equal the sum of these direct, indirect and induced effects. Output impacts represent the total value of revenues or expenditures associated with the activity under investigation. Value-added impacts measure labor income, property income, and indirect business taxes resulting from these revenues. The labor income component of value-added represents earnings by employees and proprietors of impacted businesses. Indirect business taxes include excise, property, and sales taxes, as well as licenses and fees paid by businesses, but do not include taxes on profits or income. Employment impacts approximate the number of full-time, part-time and seasonal jobs created by an economic activity on an annual basis. Each of these measures represents a different way of assessing the size or contribution of a particular activity.

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<sup>4</sup> Minnesota IMPLAN Group (MIG), 2004. IMPLAN, Economic Impact and Social Accounting Software, and data for Florida. Stillwater, MN. [www.implan.com](http://www.implan.com). The most current release of the IMPLAN software package, which was used at the time of this analysis, was based on 2003 data.

<sup>5</sup> IMPLAN Pro uses a sectoring scheme similar to North American Industry Classification System: see [http://www.implan.com/library/pdf\\_files/implan\\_sectoring\\_2001.pdf](http://www.implan.com/library/pdf_files/implan_sectoring_2001.pdf) for details.

The direct impacts of economic activity at the World Golf Village are the immediate output, value-added, income, and jobs generated by construction, tourism, retail spending and grant distribution activities within the study area. As discussed in the previous section, indirect and induced effects are only generated when “new” or non-local dollars are introduced into a local economy. Indirect impacts measure the quantity of secondary economic activities that occur when construction firms, retail business and tourist attractions in the development purchase inputs from other businesses inside the study area. Further indirect impacts occur as these input suppliers purchase their own inputs from other local businesses. Induced impacts are another set of secondary impacts that occur when households of business owners and employees spend their earnings from these enterprises to purchase consumer goods and services from other businesses within the region. Indirect economic impacts indicate how important non-local revenues or expenditures are to area businesses that primarily serve other businesses. Induced impacts point to how significant outside revenues or expenditures are for area businesses that primarily serve consumers.

### **Estimated Expenditures and Revenues for World Golf Village**

The collection and compilation of expenditure and revenue estimates for the World Golf Village development were broken out into three segments: infrastructure, construction, and ongoing business activities. Infrastructure expenditures were provided by the primary developer for each year since the development’s inception. Construction expenditures for residential, commercial and industrial buildings were acquired from the St. Johns County Building Permits database. Ongoing business expenditures and revenues at the development were either obtained directly through personal contact with affiliated businesses managers or owners, or estimated, based on the business’s physical size (in terms of square feet of operating area multiplied by average annual sales per square foot statistics published by the Urban Land Institute <sup>6</sup>). For reporting purposes, all expenditure and revenue estimates given below are in 2005 equivalent dollars.

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<sup>6</sup> Urban Land Institute, “Dollars and Cents of Shopping Centers: 2004”, Washington, D.C.

## Infrastructure Expenditures

Expenditures for site preparation and the installation of streets and utilities at the development were provided as a lump sum for each year from 1997 to 2005.<sup>7</sup> IMPLAN Pro provides three industry sectors that encompass these activities: highway, street, bridge, and tunnel construction; water, sewer, and pipeline construction; and other new construction. “Other new construction” includes the installation of electricity and gas, and activities related to land subdivision. After searching the literature and consulting with the School of Building Construction at the University of Florida, it was found that there are no general guidelines for the allocation of infrastructure costs for mixed use developments over these three relevant industry sectors. Without such guidelines it was decided to allocate the nominal reported expenditures evenly over these three sectors with 33.3 percent of the total to each sector. The final allocation of these expenditures in 2005 dollar equivalents are presented in Table 2. Total infrastructure expenditures up to and including 2005 were \$128 million (M), with 2005 expenditures accounting for \$9.65M. Some expenditures in Table 2 differ across sectors because sector specific deflators were used to transform the values to 2005 dollars. All infrastructure expenditures for the main analysis were assumed to originate from non-local financing, thus representing new dollars entering the local economy.

**Table 2. Estimated Infrastructure Expenditures for the World Golf Village Development: 1997 – 2005, and 2005. <sup>a</sup>**

Sector Name	IMPLAN Sector Number	Total (1997-2005) Expenditures	2005 Expenditures
		Million 2005\$	Million 2005\$
Highway, street, bridge, and tunnel construction	39	42.9	3.2
Water, sewer, and pipeline construction	40	42.7	3.2
Other new construction	41	42.8	3.2
<b>Total</b>		<b>128.4</b>	<b>9.7</b>

a. There were no reported expenditures on infrastructure at the development in 1995 and 1996

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<sup>7</sup> There were no reported expenditures on infrastructure at the development in 1995 and 1996.

## Construction Expenditures

Construction expenditures in the development were estimated using building values extracted from the St. Johns County Building Permits Database.<sup>8</sup> The total values for each class of construction derived from this database are presented in Table 3 in 2005 dollars. Since the values in the permits database only represent the estimated cost of the building construction itself, it was necessary to estimate the additional costs associated with site preparation and landscaping. Based on a review of information available on the internet, an additional five percent of building construction expenditures were allocated to IMPLAN sector 458 (Services to buildings and dwellings) to represent landscaping activities (Table 3). It is also appropriate to account for expenditures made to furnish new buildings in the development. For this purpose, another five percent of total building costs were added to expenditures and allocated to IMPLAN sector 402 (Furniture and home furnishings stores). Estimated construction expenditures for the development, including landscaping and furnishings, totaled \$688.6M for years 1995 through 2005. For 2005, these expenditures were estimated to equal \$243.2M. As with infrastructure, all financing of construction expenditures was assumed to originate from outside the study area, so that these expenditures were treated as new dollars entering the local economy.

**Table 3. Estimated Construction Expenditures for the World Golf Village Development: 1995 – 2005, and 2005.**

<b>IMPLAN Sector Name</b>	<b>IMPLAN Sector Number</b>	<b>Total (1995-2005) Expenditures</b>	<b>Year 2005 Expenditures</b>
		Million 2005 dollars	Million 2005 dollars
New residential 1-unit structures, non-farm	33	\$461.9	\$193.8
New multifamily housing structures, non-farm	34	67.9	16.6
New residential additions & alterations, non-farm	35	9.0	3.0
Manufacturing and industrial buildings	37	7.6	0.2
Commercial and institutional buildings	38	80.7	7.5
<b>Total Construction</b>		<b>\$627.1</b>	<b>\$221.1</b>
Furniture and home furnishings stores	402	30.7	11.1
Services to buildings and dwellings	458	30.8	11.1
<b>Total Construction &amp; Related</b>		<b>\$688.6</b>	<b>\$243.2</b>

Source: St. Johns County Growth Management Services, Building Services Division, St. Augustine, Florida

<sup>8</sup> St. Johns County Growth Management Services, Building Services Division, St. Augustine, Florida.

### Ongoing Business Activities.

Revenues, expenditures, or employment are the most commonly used measures of ongoing business activity for purposes of estimating economic impacts. Due to concerns over confidentiality, estimating impacts for ongoing business activities at the World Golf Village was complicated by the reluctance by some businesses in the development to disclose such data. Some businesses felt more at ease disclosing employment levels than revenues. In these cases, national output per worker statistics available within IMPLAN databases could be used to derive estimates of business revenues. Revenues were estimated for a substantial number of businesses using Urban Land Institute statistics (average sales per square foot of building area) along with news stories that revealed the nature of new businesses and their startup dates. For the World Golf Foundation, a non-profit 501(c)(3) organization, it was determined that expenditures were a better indicator of the true business activity generated by this entity. Summary estimates of business revenues, from local and non-local sources, for 1996 to 2005 and for 2005 alone are presented in Table 4.<sup>9</sup> Again, all values were adjusted to 2005 equivalent dollars.

Ongoing business revenues and expenditures were estimated to total \$674M between 1996 and 2005. For 2005 alone, estimated revenues and expenditures totaled \$100M. As mentioned previously, a significant portion of these revenue estimates had to be derived from national averages. It was also necessary to aggregate much of the reported revenues to avoid disclosing confidential information on individual businesses. Disclosure is not an issue for the nonprofit foundation, because their tax returns are public information as required by law.

Unlike infrastructure and construction expenditures, it was assumed that some of the revenues or estimated revenues of ongoing businesses represent local transactions between local residents and businesses. These expenditures would likely be made regardless of whether World Golf Village existed or not. Consequently it was necessary to deduct the local portion of these revenues before estimating indirect and induced economic impacts. As noted earlier, this was based on the proportion of homestead exempt residences at the development where 49.1 percent were non-local and 50.9 percent were local. The estimated non-local portion of ongoing business revenues (a subset of total business revenues presented in Table 4), which will be used to estimate the indirect and induced economic impacts, is shown in Table 5.

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<sup>9</sup> There were no ongoing business revenues reported for the development prior to 1996.

**Table 4. Estimated Local and Non-local Business Revenues or Expenditures for the World Golf Village Development; Total for 1996 – 2005, and 2005 <sup>a</sup>.**

IMPLAN Sector name	IMPLAN	Total (1996-2005)	2005
	Sector Number	Revenues/ Expenditures Million 2005 dollars	Revenues/ Expenditures Million 2005 dollars
Food and beverage stores *	405	\$49.4	\$10.7
Gasoline Stations *	407	29.4	5.2
Sporting goods, hobby, book and music stores *	409	31.3	5.7
Miscellaneous store retailers *	411	2.9	0.5
Insurance agencies, brokerages, and related *	428	0.4	0.2
Real Estate *	431	10.6	1.8
Veterinary services *	449	1.3	0.9
Offices of physicians, dentists, health practitioners *	465	0.2	0.2
Video production, recreation, hotels & motels, and food services <sup>b</sup>	418, 478, 479, 481	281.2	44.8
Personal Services *	487	0.6	0.5
Dry-cleaning and laundry services *	489	0.4	0.2
Grant making and social advocacy organizations <sup>c</sup>	492	266.6	29.2
<b>Total</b>		<b>\$674.4</b>	<b>\$100.1</b>

\* Revenues for these sectors were estimated on the basis of Urban Land Institute average sales statistics.

a. There were no ongoing business revenues reported for the development prior to 1996.

b. Revenues for Sectors 418, 478, 479, and 481 were combined to avoid disclosure of confidential information.

c. This sector represents the costs of operations and program services for the non-profit World Golf Foundation. It does not include grants made to entities outside the study area.

**Table 5. Estimated Non-local Business Revenues or Expenditures for the World Golf Village Development; Total for 1996 – 2005, and 2005 a.**

IMPLAN Sector name	IMPLAN	Total (1996-2005)	2005
	Sector Number	Revenues/ Expenditures Million 2005 dollars	Revenues/ Expenditures Million 2005 dollars
Food and beverage stores *	405	\$24.3	\$5.3
Gasoline Stations *	407	14.5	2.6
Sporting goods, hobby, book and music stores *	409	15.3	2.8
Miscellaneous store retailers *	411	2.0	0.3
Insurance agencies, brokerages, and related *	428	0.2	0.1
Real Estate *	431	8.0	1.3
Veterinary services *	449	0.6	0.5
Offices of physicians, dentists, & health related *	465	0.1	0.1
Video industries, recreation industries, hotels & motels, and food services <sup>b</sup>	418, 478, 479, 481	248.3	38.5
Personal Services *	487	0.3	0.2
Dry-cleaning and laundry services *	489	0.2	0.1
Grant making and social advocacy organizations <sup>c</sup>	492	266.6	29.2
<b>Total</b>		<b>\$580.4</b>	<b>\$81.0</b>

\* Revenues for these sectors were estimated on the basis of Urban Land Institute average sales statistics.

a. There were no ongoing business revenues reported for the development prior to 1996.

b. Revenues for Sectors 418, 478, 479, and 481 were combined to avoid disclosure of confidential information.

c. This sector represents the costs of operations and program services for the non-profit World Golf Foundation. It does not include grants made to entities located outside the study area.

### IMPLAN Modeling Parameters and Assumptions

IMPLAN allows for several adjustments to revenue and expenditure inputs to the models in order to more accurately represent the economic activity occurring in a study area. One of these adjustments is to deflate or inflate revenues or expenditures to equivalent dollars for a single year. This adjustment is necessary so that the dollar values of the economic activity at the time they took place, correspond to the dollar values of goods and services on which the models are based. At the time of this analysis, IMPLAN models were based on prices for the year 2003. If unadjusted revenues for the year 2000 were entered into these models, the physical quantity of goods or services represented by those revenues would be low, because under conditions of general price inflation, the prices for most goods and services would be higher in 2003 than in 2000. To more accurately estimate the economic impacts of revenues and expenditures that occurred during the study period (1995-2005), all revenues and expenditures for those years were

inflated or deflated to 2003 dollar equivalents before entering them into the models. Once the models are run, the estimated impacts will be converted (in this case, inflated) to 2005 dollar equivalent values, in order to make the estimates more comparable to current prices and values.

For many types of goods typically sold at retail stores, it is assumed that little or no physical transformation to the product takes place inside the study area. In such cases, it is necessary to “margin” these sales or revenues, so that the appropriate share of revenues are allocated to the local retail store, transportation, wholesale trade, and usually non-local manufacturing sectors. This was done for estimated revenues from food and beverage stores (sector 405), gasoline stations (sector 407), sporting goods, hobby, book and music stores (sector 409), and miscellaneous store retailers (sector 411). Margins were also applied to expenditures at furniture and home furnishings stores (sector 402) as part of the construction impact of the analysis. Again, the IMPLAN package provides statistical estimates of these margins within the software and these were incorporated into the model parameters before impacts were estimated.

Finally, the IMPLAN software allows the proportion of revenues, expenditures or employment that occur locally (within the study area) to be specified by sector. For this analysis it was assumed that all expenditures, revenues and employment occurred within the respective study areas. This assumption is easier to support for a larger study area. With this assumption applied for both models, the probability of overestimating the economic impacts for St. Johns County alone is some what greater than it is for the five county region.

## **Results**

### **Five County Study Area Results**

#### Estimated Impacts for Complete Study Period, 1995 – 2005

Summary results of the economic impact analysis for World Golf Village development are shown in Table 6. Output, value-added, labor income, indirect business taxes and employment impacts are shown in individual table rows. The direct, indirect, induced effects and total economic impacts are reported in separate table columns. Direct impacts are those directly attributable to the revenues or expenditures generated by businesses that serve visitors or construct infrastructure or buildings. Direct output impacts basically measure the value of goods and services sold or produced as a result of this activity, or in this case the development. Direct

impacts result from both local and non-local revenues or expenditures, but only non-local expenditures or revenues produce indirect and induced impacts. As previously described, indirect impacts occur when directly impacted businesses use revenues originating from outside the region to purchase inputs (goods and services) from local suppliers and in turn, when those suppliers purchase from other local suppliers. Induced impacts from non-local revenues occur when the households of employees and business proprietors (and their local suppliers) spend their income or profits for personal consumption at other businesses in the area. Total impacts are the sum of these direct, indirect and induced effects and measure the complete impact of an activity as it ripples through a regional economy. All results in Table 6 are stated in current (2005) dollars.

**Table 6. Estimated Economic Impacts of the World Golf Village Development from 1995 – 2005 for Five County Study Area. <sup>a</sup>**

Impact Type/Level	Units	Impacts from Local Revenues	Impacts from Non-Local Revenues			Impacts from All Revenues
		Direct	Direct	Indirect	Induced	Total
<b>Output</b>	Million 2005\$	53.4	1,340.4	534.2	1,329.3	3,257.4
<b>Value Added</b>		34.3	578.0	314.8	844.1	1,771.2
<b>Labor Income</b>		20.6	452.9	208.2	563.8	1,245.6
<b>Indirect Bus. Taxes</b>		5.0	21.3	26.4	64.4	117.2
<b>Employment</b>	Jobs	935	13,277	5,353	14,224	33,789

<sup>a</sup>Total impacts equal the sum of direct, indirect and induced impacts. Output, value added, labor income, indirect taxes and employment represent different measures of economic activity and cannot be added together.

Output impacts represent the total value of sales and revenues for goods and services generated by the region’s businesses. The total output impacts generated by the development since its inception are estimated at \$3.26B, including \$53.4M from local expenditures, plus \$3.20B from non-local revenues or expenditures. The estimated total output impact from non-local sources was comprised of \$1.34B in direct impacts, \$534M in indirect impacts, and \$1.33B from the induced impacts by these expenditures and revenues from the development.

Value-added impacts represent labor and management income, business profits, other property related income, in addition to indirect business taxes generated from business activities at the development. The estimated value-added impact of the World Golf Village on the five county study area of northeast Florida was estimated to total over \$1.77B between 1995 and 2005. The labor income component of the value-added impact was estimated at \$1.25B. Indirect business taxes represent excise, property, and sales taxes, as well as business and licensing fees generated

as a result of the development. This does not include taxes on income or profits. It is estimated that the World Golf Village resulted in an increase of over \$117.2M in indirect business tax revenues for all forms of government between 1995 and 2005. Employment impacts estimate the number of full and part-time jobs per year created by an economic activity based on industry-average output per worker statistics. A total of 33,789 job-years were estimated to be created in the study area through the direct, indirect and induced effects of the development since its inception. This would be roughly equivalent to 3,072 full and part-time jobs existing continuously over the eleven year period.

More detailed breakouts of these impacts by two-digit aggregate NAICS sectors are provided in Appendix A, Tables A1 through A5, for output, value added, labor income, indirect business taxes and employment respectively. The aggregate NAICS industry sectors with the largest output impacts from the development were Construction, Other Services, Government, Retail Trade, and Information (Table A1). Not surprisingly, the output impacts for the construction sector were by far the largest, at nearly \$935M, or 29 percent of the total output impacts, since the beginning of development. The sector having the next largest impact was “Other Services” at \$336M or 10.3 percent of the total. This aggregate sector includes businesses that provide parts, and perform repairs and maintenance, for automotive and commercial machinery, along with firms that provide personal and household services. Government agencies garnered the next largest impact for the study area, through taxes, fees and licenses paid by construction, businesses and households associated with the development. Retail trade was the fourth largest impacted sector. Fifth ranked was Information Services, which includes businesses involved in the creation and distribution of entertainment as well as news and information, whether through print, film, video, broadcast or the internet.

The distribution of impacts for value-added (Table A2) and labor income (Table A3) are similar to output, except that “Information Services” is replaced by Professional, Scientific and Technical Services as the fifth largest impacted aggregate sector. For indirect business taxes (Table A4), the Retail Trade sector was responsible for over 27 percent, or \$32M, of this type of impact. Wholesale Trade follows at about half that amount, or 13 percent. Third, fourth and fifth in ranked sectors for indirect business tax impacts were Real Estate and Rental Property, Government, and Accommodations and Food Services respectively.

Employment impacts (Table A5) were distributed in a pattern similar to output impacts. An estimated 22 percent, or 7,434 job-years, of employment took place in the construction sector of the regional economy due to the World Golf Village development. Like output, the other four sectors receiving the largest employment impacts included, Other Services, Retail Trade, Government, and, Accommodations and Food Services.

### Estimated Impacts for 2005

Summary economic impact estimates of the World Golf Village development on the five county region in northeast Florida for 2005 are presented in Table 7. All results are stated in 2005 dollars. The output impacts generated by the development in 2005 were estimated to total slightly over \$778M. These impacts resulted from \$11M in local expenditures, and \$326M from non-local revenues or expenditures. This impact for 2005 is almost 24 percent of the total estimated cumulative impacts of the development since 1995 (Table 6). The estimated total output impact from non-local sources was comprised of \$326M in direct impacts, about \$124M in indirect impacts, and almost \$317M from the induced impacts of economic activity associated with the development. Business activity, particularly residential construction, at the World Golf Village has accelerated rapidly during the 4 years from 2002 to 2005.

Value-added impacts for the five county study area in 2005 were estimated to total over \$422M. Again, this represents about 24 percent of the cumulative value-added impact (Table 6 and 7). The labor income component of the value-added impact was estimated to be nearly \$289M for 2005. The estimated impact on indirect business taxes approached \$29M for all forms of government for that year (excluding taxes on profits and income). This figure is nearly 25 percent of the total estimated indirect business taxes generated by the development since its inception. An estimated 7,715 jobs were created in the study area for 2005, almost 23 percent of the estimated cumulative jobs resulting from the development.

**Table 7. Estimated Economic Impacts of the World Golf Village Development for 2005 for Five County Study Area.**

Impact Type/Level	Units	Impacts from Local Revenues	Impacts from Non-Local Revenues			Impacts from All Revenues
		Direct	Direct	Indirect	Induced	Total
<b>Output</b>	Million 2005\$	11.1	326.1	124.2	316.9	778.3
<b>Value Added</b>		7.0	140.3	73.8	201.2	422.3
<b>Labor Income</b>		4.3	101.1	48.5	134.9	288.9
<b>Indirect Bus. Taxes</b>		1.0	5.6	6.9	15.2	28.7
<b>Employment</b>	Jobs	197	2,876	1,249	3,393	7,715

More detailed distributions of year 2005 impacts over two-digit aggregate NAICS sectors are presented in Appendix B, Tables B1 through B5. The five largest impacted sectors with respect to output were Construction, Retail Trade, Government, Other Services, and Professional, Scientific, and Technical Services (Table B1). The share of the output impacts belonging to the construction sector (35 percent or nearly \$275M) was even larger than was the case for the whole study period. The next largest share of output impacts in 2005 went to the Retail Trade sector, at nearly \$65M, or 8.3 percent of the total. Government came in a close third with 8.3 percent of the total output impacts, followed by Other Services and Professional Services at around 6 and 5 percent respectively.

Looking at differences in the distribution of the other types of impacts for 2005: Accommodations and Food Services pushed out Other Services to be the sector with the fifth largest value-added impact in Table B2. Health and Social Services broke into the top five impacted sectors with respect to Labor Income (Table B3). Retail Trade contributed over 32 percent of the indirect business tax impacts for 2005 in Table B4, followed by Wholesale Trade, Government, Real Estate, and, Accommodations and Food Services. Employment impacts for 2005 were dominated by Construction, which was followed by Retail Trade, Accommodations and Food Services, Government and Other Services.

### Estimated Tax Impacts

More detailed estimated tax impacts for the World Golf Village are presented in Tables 8 and 9 for years 1995-2005, and 2005 respectively. These estimates do not include taxes collected from local revenues. Tax revenues for all levels of government from 1995 through 2005 are

estimated to total \$298M in 2005 dollars (Table 8). Taxes collected for Federal Government Non-defense purposes are estimated to equal \$169M or nearly 57 percent of the total. Estimated tax revenues for State and Local Government Non-educational purposes between 1995 and 2005 totaled \$129M in 2005 dollars, or slightly over 43 percent of the total for that period (Table 8). Sales tax collections associated with the development are estimated to total \$50M for the 1995-2005 period.

In 2005 alone, nearly \$71M in tax revenues were paid as a result of the development (Table 9). For federal non-defense purposes, an estimated total of \$40.1M was paid due to the development, or about 56.5 percent of the total. Tax revenues in 2005 for state and local government non-educational purposes that were attributable to the development were estimated at \$30.1M, or 43.5 percent of the total. Sales tax revenues associated with the World Golf Village development were estimated to total \$11.9M for the year 2005.

**Table 8. Estimated Tax Impacts for World Golf Village Development from Non-local Revenues from 1995 to 2005 for Five County Study Area (2005 dollars)**

<b>Level of Government / Type of tax</b>	<b>Tax Million \$s</b>	<b>Percent of Total</b>
<b>Federal Government – Non-defense</b>		
Corporate Profits Tax	24.46	8.2%
Indirect Bus Tax: Custom Duty	2.54	0.9%
Indirect Bus Tax: Excise Taxes	8.11	2.7%
Indirect Bus Tax: Fed NonTaxes	2.75	0.9%
Personal Tax: Income Tax	2.76	0.9%
Social Ins Tax- Employee Contribution	65.44	21.9%
Social Ins Tax- Employer Contribution	63.13	21.2%
<b>Total</b>	<b>169.19</b>	<b>56.7%</b>
<b>State and Local Government - Non-education</b>		
Corporate Profits Tax	3.54	1.2%
Dividends	10.80	3.6%
Indirect Bus Tax: Motor Vehicle Lic.	0.97	0.3%
Indirect Bus Tax: Other Taxes	9.16	3.1%
Indirect Bus Tax: Property Tax	39.51	13.2%
Indirect Bus Tax: S/L NonTaxes	5.10	1.7%
Indirect Bus Tax: Sales Tax	50.02	16.8%
Indirect Bus Tax: Severance Tax	0.10	0.0%
Personal Tax: Motor Vehicle License	1.85	0.6%
Personal Tax: NonTaxes (Fines- Fees	5.86	2.0%
Personal Tax: Other Tax (Fish/Hunt)	0.10	0.0%
Personal Tax: Property Taxes	0.79	0.3%
Social Ins Tax- Employee Contribution	0.31	0.1%
Social Ins Tax- Employer Contribution	1.00	0.3%
<b>Total</b>	<b>129.12</b>	<b>43.3%</b>
<b>Grand Total</b>	<b>298.31</b>	<b>100.0%</b>

**Table 9. Estimated Tax Impacts for World Golf Village Development from Non-local Expenditures for 2005 for Five County Study Area (2005 dollars).**

<b>Level of Government / Type of tax</b>	<b>Tax Million \$s</b>	<b>Percent of Total</b>
<b>Federal Government - Non-defense</b>		
Corporate Profits Tax	6.16	8.68%
Indirect Bus Tax: Custom Duty	0.60	0.85%
Indirect Bus Tax: Excise Taxes	1.93	2.72%
Indirect Bus Tax: Fed NonTaxes	0.66	0.92%
Personal Tax: Income Tax	0.65	0.91%
Social Ins Tax - Employee Contribution	15.32	21.60%
Social Ins Tax - Employer Contribution	14.75	20.80%
<b>Total</b>	<b>40.07</b>	<b>56.48%</b>
<b>State and Local Government - Non-education</b>		
Corporate Profits Tax	0.89	1.26%
Dividends	2.72	3.83%
Indirect Bus Tax: Motor Vehicle Lic.	0.23	0.33%
Indirect Bus Tax: Other Taxes	2.18	3.07%
Indirect Bus Tax: Property Tax	9.39	13.24%
Indirect Bus Tax: S/L NonTaxes	1.21	1.71%
Indirect Bus Tax: Sales Tax	11.90	16.77%
Indirect Bus Tax: Severance Tax	0.02	0.03%
Personal Tax: Motor Vehicle License	0.43	0.61%
Personal Tax: NonTaxes (Fines- Fees	1.37	1.94%
Personal Tax: Other Tax (Fish/Hunt)	0.02	0.03%
Personal Tax: Property Taxes	0.19	0.26%
Social Ins Tax - Employee Contribution	0.07	0.10%
Social Ins Tax - Employer Contribution	0.23	0.33%
<b>Total</b>	<b>30.87</b>	<b>43.52%</b>
<b>Grand Total</b>	<b>70.94</b>	<b>100.00%</b>

## St. Johns County Impact Results

### Estimated Impacts for Complete Study Period, 1995 – 2005

Summary results of the economic impact analysis of the World Golf Village development on St. Johns County, Florida from 1995 through 2005 are shown in Table 10. All results are stated in 2005 dollars. Economic impact analysis is specific to the study region defined. Generally, impacts of the same activity or event will be smaller for smaller regions as a larger proportion of dollars and jobs “leak” outside the defined economy.

**Table 10. Estimated Economic Impacts of the World Golf Village Development on St. Johns County from 1995 – 2005. <sup>a</sup>**

Impact Type/Level	Units	Impacts from Local Revenues	Impacts from Non-Local Revenues			Impacts from All Revenues
		Direct	Direct	Indirect	Induced	Total
Output	Million 2005\$	53.4	1,340.4	377.3	691.1	2,462.3
Value Added		34.4	573.1	221.5	442.3	1,271.3
Labor Income		20.7	451.5	145.1	273.1	890.3
Indirect Bus. Taxes		5.1	21.3	20.2	38.5	85.0
Employment		Jobs	948	13,339	4,001	7,957

<sup>a</sup>Total impacts equal the sum of direct, indirect and induced impacts. Output, value added, labor income, indirect taxes and employment represent different measures of economic activity and cannot be added together.

For St. Johns County, the total output impacts generated by the development since its inception were estimated to be \$2.46B. This was comprised of \$53M in local expenditures, plus \$2.41B resulting from non-local revenues or expenditures. The estimated total output impact from non-local sources was comprised of over \$1.34B in direct impacts, more than \$377M in indirect impacts, and about \$691M from the induced impacts of the development. Cumulative total output impacts generated within St Johns County accounted for about 76 percent of the total impacts for the five county study area. This difference is due to lower indirect and induced impacts as a result of dollars leaving the county when directly impacted businesses purchase inputs from outside the county and when households of employees and proprietors spend earnings outside the county.

The value-added economic impacts of the development for St. Johns County were estimated to total over \$1.27B for 1995 through 2005. The total labor income component of the value-added impacts was estimated to be slightly more than \$890M. Estimated indirect business taxes, which include excise, property, and sales taxes, as well as business and licensing fees, were

\$85M between 1995 and 2005. A total of 26,245 job-years were estimated to be created in St. Johns County through the direct, indirect and induced effects of the development since its inception.

It is important to keep in mind that the input-output models used for these analyses included the assumption that all employment and expenditures took place within the study area (in this case, St. Johns County). Due to the smaller size of this study area, there is a greater probability for some over-estimation of the results.

Estimated Impacts for 2005

Summary economic impact estimates of the World Golf Village development for St. Johns County in 2005 are presented in Table 11. All results are stated in 2005 dollars. The output impacts generated by the development for the County in 2005 were estimated to total \$583M. Direct impacts included \$11M from local expenditures plus \$324M from non-local revenues or expenditures. The remainder of the total output impact was comprised of \$86M in indirect impacts and \$162M from the induced impacts from non-local expenditures or revenues associated with the development.

Value-added impacts resulting from the development for St. Johns County in 2005 were estimated to total \$298M. The labor income component of the value-added impact was estimated to equal \$199M. The impact on indirect business taxes was estimated at \$21M. An estimated 5,931 jobs were created in the County for 2005.

**Table 11. Estimated Economic Impacts of Spending and Revenues at the World Golf Village Development on St. Johns County for 2005.**

Impact Type/Level	Units	Impacts from Local Revenues	Impacts from Non-Local Revenues			Impacts from All Revenues
		Direct	Direct	Indirect	Induced	Total
Output	\$ Million	11.1	324.2	86.2	161.7	583.2
Value Added		7.0	135.3	51.9	103.5	297.6
Labor Income		4.3	96.9	33.7	64.3	199.2
Indirect Bus. Taxes		1.0	5.8	5.4	8.9	21.0
Employment		Jobs	198	2,925	942	1,866

## Estimated Impacts of Non-local Activities for Complete Study Period, 1995 – 2005

The economic impacts reported in the previous sections were based on standard procedures for impact analysis that treat expenditures for new construction as new or outside dollars entering the local economy. In addition, on-going operating expenditures and/or revenues were allocated to local or non-local categories based on markets served and secondary impacts were estimated for the non-local portion of those expenditures. In brief, the intent was to distinguish between those activities that generate new local dollars as opposed to those that serve to circulate existing dollars within the local economy. Estimated total output impacts on St. Johns County using this approach were just over \$2.46B for the 1995-2005 period.

In this section, economic impacts are estimated for the World Golf Village as an attraction that brings new dollars to the County in ways that differ from its role as a mixed-use real estate development. As a result the impact estimates reported here differ from those in the previous section in that they are based exclusively on the estimated expenditures of non-locals affiliated with the World Golf Village, and the portion of construction expenditures for facilities that serve non-local markets. This reallocation of construction expenditures is based on the proportion of residences at the development without homestead exemption. This criteria rests on the assumption that residences with homestead exemptions represent permanent local residents in the development. For 2005, this proportion was just over forty-nine percent. Details of the re-allocation of infrastructure and construction expenditures are shown in Table 12, in 2005 dollars.

For this alternative analysis, infrastructure expenditures allocated to outside or non-local dollars totaled \$63.0M from 1997 through 2005.<sup>10</sup> This is about 51 percent less than the \$128M used for the previous analysis. Reallocated non-local construction and construction-related expenditures totaled \$338.1M from 1995 through 2005. Again, this is nearly 51 percent less than for the original analysis. The estimated non-local revenues or expenditures for ongoing business operations at the development used in this section of the analysis were identical to those given in Table 5, which does not include approximately \$94M in expenditures that went to local direct effects in the initial analysis. One hundred percent of revenues or expenditures for businesses involved in the conventions, lodging, video production, and grant making or social advocacy were

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<sup>10</sup> There were no reported expenditures on infrastructure in the development in 1995 or 1996.

classified as non-local. Forty-nine percent of revenues of the other on-going business operations were classified as non-local.

**Table 12. Estimated Non-local Infrastructure and Construction Expenditures for the World Golf Village Development: 1995 – 2005.**

Expenditure Category and Sector Name	IMPLAN Sector Number	Total Expenditures	Non-local <sup>a</sup> Expenditures
		Million 2005\$	Million 2005\$
<b>Infrastructure</b>			
Highway, street, bridge, and tunnel construction	39	42.9	21.0
Water, sewer, and pipeline construction	40	42.7	21.0
Other new construction	41	42.8	21.0
<b>Total Infrastructure</b>		<b>\$128.4</b>	<b>\$63.0</b>
<b>Construction &amp; Related</b>			
New residential 1-unit structures	33	\$461.9	\$226.8
New multifamily housing structures	34	67.9	33.4
New residential additions and alterations	35	9.0	4.4
Manufacturing and industrial buildings	37	7.6	3.7
Commercial and institutional buildings	38	80.7	39.6
Furniture and home furnishings stores	402	30.7	15.1
Services to buildings and dwellings	458	30.8	15.1
<b>Total Construction &amp; Related</b>		<b>\$688.6</b>	<b>\$338.1</b>

<sup>a</sup> Equals 49.1 percent of total expenditures, based on the proportion of residences in the development without homestead exemption.

With this alternative allocation, total output impacts resulting from outside or non-local dollars drawn into the County by the World Golf Village development were estimated at \$1.70B in 2005 equivalent dollars (Table 13). This total output impact consists of \$934M in direct effects, nearly \$276M in indirect effects, and \$493M from induced effects (Table 13). From 1995 through 2005, the total value-added impacts of these development-related activities for the County are estimated at over \$882.3M. An estimated \$621M of these value-added impacts consisted of labor-income. Indirect business taxes derived from activities by non-locals at the development were estimated to at \$59.2M between 1995 and 2005. Finally, a total of 18,251 job-years were estimated to be created in St. Johns County through the direct, indirect and induced effects of outside dollars coming through the development since its inception (Table 13). In general, when expenditures and revenues are adjusted to represent new dollars brought into St. Johns County as a result of nonresident aspects of the development, the total economic impacts are reduced by slightly over 30 percent.

Again, it is important to note that the previous section provides an estimate of the total impact of the World Golf Village using a standard approach to impact analysis. In comparison, this section attempts to quantify the impacts of the World Golf Village as an attraction that brings in new (non-local) dollars to the region, separate from its impact as a local residential development. The smaller number reported in Table 13, thus excludes those construction impacts and on-going activities that serve local residents.

**Table 13. Estimated Economic Impacts of Non-local Revenues and Expenditures at the World Golf Village Development on St. Johns County from 1995 – 2005. <sup>a</sup>**

Impact Type/Level	Units	Impacts from Non-Local Revenues			
		Direct	Indirect	Induced	Total
Output	Million 2005\$	934.0	275.7	493.0	1,702.6
Value Added		407.0	159.5	315.9	882.3
Labor Income		321.9	103.6	195.4	621.0
Indirect Bus. Taxes		18.2	13.6	27.4	59.2
Employment	Jobs	9,709	2,856	5,687	18,251

<sup>a</sup>Total impacts equal the sum of direct, indirect and induced impacts. Output, value added, labor income, indirect taxes and employment represent different measures of economic activity and cannot be added together.

## Summary

By estimating how businesses use their revenues to pay employees and purchase inputs, and then estimating how employee and proprietor households spend their earnings at other businesses, economic impact analysis looks beyond the immediate effects (expenditures, revenues, or jobs) of an economic event or activity in a regional economy. Output, value added, income and jobs are basic units for measuring economic activity. Estimating the size of these economic indicators makes it possible to evaluate and compare the impact of the World Golf Village development to other activities or sectors in the regional economy or to that economy as a whole.

With estimated total output impacts of over \$3.25B since 1995 on the five-county area of Clay, Duval, Flagler, Putnam and St. Johns counties in Florida, the World Golf Village development factors as a significant economic driver for the northeast region of the State. Other estimated impacts attributable to the development from 1995 through 2005 include over \$1.77B in value-added, nearly \$1.25B in labor income and \$117.2M in indirect business taxes. Sales taxes are estimated to comprise slightly more than \$50M of indirect business tax impacts. The

estimated total number of part-time, full-time, and seasonal job-years attributable to the project is 33,789. All indications are that business activity and economic impacts associated with the development have accelerated since 2002. In 2005 alone, the output impact of the development for the five county area is estimated to total over \$778M. This includes \$422M in value-added impacts, \$289M in labor income impacts, \$28.7M in indirect business taxes and 7,715 jobs. These last two statistics represent about 1.14 percent of the total personal income for the five county area in 2004 (Table 1), and about 1.01 percent of its total employment in 2004. This is the latest available data for these statistics from the Bureau of Economic Analysis.

For St. Johns County alone, the estimated total output impacts of the World Golf Village were \$2.46B from 1995 to 2005. Other county level impacts include an estimated \$1.27B in value-added, \$890.3M in labor income, \$85.0M in indirect business taxes, and over 26,000 job-years since the development's inception. For 2005, the World Golf Village development is estimated to have generated output impacts of \$583.2M, value-added and labor income impacts of \$297.6M and \$199.2M respectively, \$21.0M in indirect business taxes, and 5,931 jobs. If compared to Bureau of Economic Analysis statistics for the County in 2004 (Table 1), these impacts would represent about 6.4 percent of the County's total personal income, and 9.5 percent of its total employment. If the expenditures and revenues for this analysis are calculated to only represent new dollars brought into St. Johns County as a result of the attraction aspects of the World Golf Village, separate from local residential development, then the total economic impacts from 1995–2005 are reduced by slightly over 30 percent to \$1.70B in output, \$882.3M in value-added, \$621.0M in labor income, \$59.2M in indirect business taxes, and 18,251 jobs-years.

In interpreting these findings, it is important to keep in mind the following qualifications. The estimated impacts for both the five county region and St. Johns County may be conservative to the extent that they do not completely account for all household expenditures of non-local retirees or part-time residents at the development, and because it was impossible to verify that all construction activities at the development were counted. The estimated impacts for St Johns County alone may be over-stated to some extent because both regional and county models included the assumption that all employment and expenditures associated with the development took place within the study area. In general, the smaller the study area, the less likely it is that such an assumption is entirely valid.

## Appendix A: Supplemental Tables for 1995 – 2005 Impacts

**Table A1. Estimated Output Impacts from Local and Non-local Revenues or Expenditures at the World Golf Village Development for Five County Study Area, 1995 – 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0.00	755.50	7.40	171.88	934.78	28.70%	1
81	Other services	0.49	267.04	14.04	54.53	336.11	10.32%	2
92	Government & non NAICs	0.05	0.10	5.80	264.31	270.26	8.30%	3
44-45	Retail trade	16.38	29.75	51.47	124.79	222.39	6.83%	4
51	Information	0.00	118.27	41.97	36.59	196.82	6.04%	5
72	Accommodation & food services	10.78	108.61	7.26	60.48	187.13	5.74%	6
54	Professional- scientific & tech. svcs.	0.66	0.63	103.68	73.45	178.42	5.48%	7
62	Health & social services	0.12	0.12	0.24	146.10	146.58	4.50%	8
53	Real estate & rental	2.56	8.02	54.17	65.49	130.24	4.00%	9
52	Finance & insurance	0.22	0.21	36.16	91.57	128.17	3.93%	10
56	Administrative & waste services	0.00	30.75	63.87	32.37	126.99	3.90%	11
31-33	Manufacturing	0.00	0.00	48.83	62.00	110.83	3.40%	12
42	Wholesale Trade	0.00	0.00	37.24	55.83	93.07	2.86%	13
48-49	Transportation & Warehousing	0.00	0.00	33.55	32.60	66.16	2.03%	14
71	Arts- entertainment & recreation	22.18	21.40	3.71	13.24	60.52	1.86%	15
22	Utilities	0.00	0.00	7.59	19.56	27.15	0.83%	16
55	Management of companies	0.00	0.00	12.85	11.21	24.06	0.74%	17
61	Educational svcs	0.00	0.00	1.18	10.10	11.28	0.35%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	3.09	2.88	5.97	0.18%	19
21	Mining	0.00	0.00	0.15	0.35	0.49	0.02%	20
	<b>Total</b>	<b>53.44</b>	<b>1,340.41</b>	<b>534.23</b>	<b>1,329.34</b>	<b>3,257.42</b>	<b>100.00%</b>	

\* 2005 dollars

**Table A2. Estimated Value-Added from Local and Non-local Revenues or Expenditures at The World Golf Village Development for Five County Study Area, from 1995 to 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0.00	322.44	3.61	74.45	400.50	22.61%	1
92	Government & non NAICs	0.04	0.06	2.18	236.23	238.51	13.47%	2
44-45	Retail trade	12.55	22.56	38.41	93.20	166.73	9.41%	3
81	Other services	0.29	99.89	6.67	29.90	136.75	7.72%	4
54	Professional- scientific & tech. svcs.	0.31	0.30	59.30	45.46	105.37	5.95%	5
72	Accommodation & food services	5.06	66.08	3.94	30.10	105.19	5.94%	6
62	Health & social services	0.09	0.09	0.09	89.20	89.48	5.05%	7
53	Real estate & rental	1.76	5.51	36.84	44.06	88.17	4.98%	8
56	Administrative & waste services	0.00	16.15	42.06	19.95	78.16	4.41%	9
52	Finance & insurance	0.21	0.20	22.33	50.16	72.90	4.12%	10
42	Wholesale Trade	0.00	0.00	28.33	42.46	70.79	4.00%	11
51	Information Services	0.00	31.18	15.60	15.40	62.18	3.51%	12
48-49	Transportation & Warehousing	0.00	0.00	20.76	18.90	39.66	2.24%	13
71	Arts- entertainment & recreation	14.00	13.51	2.56	8.46	38.53	2.18%	14
31-33	Manufacturing	0.00	0.00	16.91	18.34	35.24	1.99%	15
22	Utilities	0.00	0.00	5.39	13.82	19.20	1.08%	16
55	Management of companies	0.00	0.00	7.70	6.72	14.42	0.81%	17
61	Educational svcs	0.00	0.00	0.50	5.48	5.99	0.34%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	1.60	1.71	3.31	0.19%	19
21	Mining	0.00	0.00	0.04	0.10	0.14	0.01%	20
	<b>Total</b>	<b>34.32</b>	<b>577.98</b>	<b>314.83</b>	<b>844.10</b>	<b>1,771.23</b>	<b>100%</b>	<b>Total</b>

\* 2005 dollars

**Table A3. Estimated Labor Income Impacts from Local and Non-local Revenues or Expenditures at The World Golf Village Development for Five County Study Area, 1995 – 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0.00	253.31	3.22	60.31	316.84	25.44%	1
92	Government & non NAICs	0.02	0.04	2.10	147.15	149.31	11.99%	2
81	Other services	0.21	99.28	4.80	23.28	127.58	10.24%	3
44-45	Retail trade	8.10	14.05	23.99	58.18	104.31	8.37%	4
54	Professional- scientific & tech. svcs.	0.29	0.28	49.77	39.88	90.21	7.24%	5
62	Health & social services	0.08	0.08	0.08	78.33	78.57	6.31%	6
72	Accommodation & food services	3.61	40.67	2.58	20.63	67.49	5.42%	7
56	Administrative & waste services	0.00	12.85	34.85	16.41	64.11	5.15%	8
52	Finance & insurance	0.10	0.09	12.50	29.08	41.77	3.35%	9
51	Information	0.00	23.51	9.81	7.32	40.64	3.26%	10
42	Wholesale Trade	0.00	0.00	15.88	23.81	39.70	3.19%	11
48-49	Transportation & Warehousing	0.00	0.00	15.91	14.00	29.91	2.40%	12
31-33	Manufacturing	0.00	0.00	12.20	12.18	24.38	1.96%	13
71	Arts- entertainment & recreation	7.79	7.52	1.98	5.94	23.23	1.87%	14
53	Real estate & rental	0.41	1.27	9.65	11.58	22.91	1.84%	15
55	Management of companies	0.00	0.00	5.92	5.17	11.08	0.89%	16
22	Utilities	0.00	0.00	1.71	4.50	6.22	0.50%	17
61	Educational svcs	0.00	0.00	0.46	5.34	5.80	0.47%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	0.76	0.69	1.45	0.12%	19
21	Mining	0.00	0.00	0.02	0.05	0.07	0.01%	20
	<b>Total</b>	<b>20.60</b>	<b>452.95</b>	<b>208.19</b>	<b>563.83</b>	<b>1,245.57</b>	<b>100%</b>	

\* 2005 dollars

**Table A4. Estimated Indirect Business Tax Impacts from Local and Non-local Revenues or Expenditures at The World Golf Village Development for Five County Study Area, 1995 – 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
44-45	Retail trade	2.44	4.44	7.33	17.75	31.97	27.29%	1
42	Wholesale Trade	0.00	0.00	6.12	9.17	15.29	13.05%	2
53	Real estate & rental	0.32	0.99	6.06	7.21	14.59	12.45%	3
92	Government & non NAICs	0.00	0.00	0.01	13.43	13.44	11.47%	4
72	Accommodation & food services	0.52	8.46	0.46	3.27	12.72	10.86%	5
23	Construction	0.00	3.75	0.05	0.88	4.69	4.00%	6
71	Arts- entertainment & recreation	1.72	1.66	0.23	0.89	4.49	3.84%	7
81	Other services	0.02	0.55	0.61	2.38	3.57	3.05%	8
51	Information Services	0.00	0.87	0.99	1.56	3.42	2.92%	9
52	Finance & insurance	0.00	0.00	0.90	2.25	3.16	2.69%	10
22	Utilities	0.00	0.00	0.75	1.92	2.67	2.28%	11
56	Administrative & waste services	0.00	0.55	0.97	0.51	2.03	1.73%	12
54	Professional- scientific & tech. svcs.	0.02	0.01	0.81	0.76	1.60	1.37%	13
48-49	Transportation & Warehousing	0.00	0.00	0.65	0.82	1.47	1.25%	14
62	Health & social services	0.00	0.00	0.00	0.98	0.98	0.84%	15
31-33	Manufacturing	0.00	0.00	0.28	0.35	0.62	0.53%	16
55	Management of companies	0.00	0.00	0.13	0.11	0.24	0.20%	17
61	Educational svcs	0.00	0.00	0.03	0.10	0.13	0.11%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	0.04	0.04	0.08	0.07%	19
21	Mining	0.00	0.00	0.00	0.01	0.01	0.01%	20
	<b>Total</b>	<b>5.04</b>	<b>21.30</b>	<b>26.41</b>	<b>64.40</b>	<b>117.15</b>	<b>100%</b>	

\* 2005 dollars

**Table A5. Estimated Employment Impacts from Local and Non-local Revenues or Expenditures at The World Golf Village Development for Five County Study Area, 1995 – 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0	5,938	76	1,419	7,434	22.00%	1
81	Other services	11	3,091	161	1,031	4,294	12.71%	2
44-45	Retail trade	380	574	939	2,279	4,172	12.35%	3
72	Accommodation & food services	227	1,928	140	1,219	3,513	10.40%	4
92	Government & non NAICS	1	1	34	2,588	2,624	7.77%	5
56	Administrative & waste services	0	554	1,250	590	2,393	7.08%	6
62	Health & social services	1	1	2	1,812	1,816	5.37%	7
54	Professional- scientific & tech. svcs.	10	10	929	700	1,650	4.88%	8
51	Information Services	0	861	226	137	1,224	3.62%	9
52	Finance & insurance	2	2	280	621	906	2.68%	10
71	Arts- entertainment & recreation	291	281	61	223	856	2.53%	11
53	Real estate & rental	12	37	263	340	651	1.93%	12
48-49	Transportation & Warehousing	0	0	352	296	648	1.92%	13
42	Wholesale Trade	0	0	253	379	632	1.87%	14
31-33	Manufacturing	0	0	257	232	489	1.45%	15
61	Educational svcs	0	0	22	230	252	0.75%	16
55	Management of companies	0	0	73	64	137	0.41%	17
11	Ag, Forestry, Fish & Hunting	0	0	24	32	55	0.16%	18
22	Utilities	0	0	12	32	44	0.13%	19
21	Mining	0	0	1	2	2	0.01%	20
	<b>Total</b>	<b>935</b>	<b>13,277</b>	<b>5,353</b>	<b>14,224</b>	<b>33,790</b>	<b>100%</b>	

\* 2005 dollars

## Appendix B: Supplemental Tables for 2005 Impacts

**Table B1. Estimated Output Impacts from Local and Non-local Revenues or Expenditures at the World Golf Village Development for Five County Study Area, for 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0.00	230.77	1.50	42.38	274.64	35.29%	1
44-45	Retail trade	3.21	14.22	17.91	29.44	64.78	8.32%	2
92	Government & non NAICs	0.01	0.01	1.25	63.42	64.69	8.31%	3
81	Other services	0.35	29.58	3.23	12.86	46.02	5.91%	4
54	Professional- scientific & tech. svcs.	0.48	0.46	21.61	17.61	40.15	5.16%	5
72	Accommodation & food services	2.53	20.24	1.60	14.21	38.58	4.96%	6
62	Health & social services	0.12	0.12	0.03	34.29	34.56	4.44%	7
51	Information Services	0.00	14.56	7.30	8.63	30.49	3.92%	8
52	Finance & insurance	0.11	0.11	8.37	21.55	30.14	3.87%	9
31-33	Manufacturing	0.00	0.00	14.92	14.80	29.72	3.82%	10
56	Administrative & waste services	0.00	11.06	10.71	7.71	29.48	3.79%	11
53	Real estate & rental	0.44	1.33	9.48	15.50	26.76	3.44%	12
42	Wholesale Trade	0.00	0.00	11.27	13.20	24.48	3.15%	13
48-49	Transportation & Warehousing	0.00	0.00	8.28	7.77	16.05	2.06%	14
71	Arts- entertainment & recreation	3.82	3.68	0.64	3.11	11.25	1.45%	15
22	Utilities	0.00	0.00	1.73	4.62	6.34	0.81%	16
55	Management of companies	0.00	0.00	3.08	2.65	5.73	0.74%	17
61	Educational svcs	0.00	0.00	0.16	2.37	2.53	0.33%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	1.08	0.68	1.76	0.23%	19
21	Mining	0.00	0.00	0.03	0.08	0.12	0.02%	20
	<b>Total</b>	<b>11.07</b>	<b>326.13</b>	<b>124.19</b>	<b>316.90</b>	<b>778.28</b>	<b>100.00%</b>	

\* 2005 dollars

**Table B2. Estimated Value-Added from Local and Non-local Revenues or Expenditures at the World Golf Village Development for Five County Study Area, for 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0.00	93.01	0.73	18.35	112.10	26.54%	1
92	Government & non NAICS	0.01	0.01	0.48	56.83	57.32	13.57%	2
44-45	Retail trade	2.44	10.70	13.37	21.99	48.49	11.48%	3
54	Professional- scientific & tech. svcs.	0.22	0.22	12.57	10.91	23.91	5.66%	4
72	Accommodation & food services	1.19	12.19	0.87	7.07	21.32	5.05%	5
62	Health & social services	0.09	0.09	0.01	20.93	21.13	5.00%	6
81	Other services	0.20	11.12	1.53	7.05	19.90	4.71%	7
42	Wholesale Trade	0.00	0.00	8.58	10.04	18.62	4.41%	8
53	Real estate & rental	0.31	0.91	6.44	10.43	18.09	4.28%	9
56	Administrative & waste services	0.00	5.81	7.01	4.75	17.57	4.16%	10
52	Finance & insurance	0.10	0.10	5.24	11.81	17.26	4.09%	11
51	Information Services	0.00	3.84	2.86	3.64	10.33	2.45%	12
48-49	Transportation & Warehousing	0.00	0.00	4.96	4.50	9.46	2.24%	13
31-33	Manufacturing	0.00	0.00	5.01	4.38	9.38	2.22%	14
71	Arts- entertainment & recreation	2.41	2.32	0.45	1.99	7.17	1.70%	15
22	Utilities	0.00	0.00	1.23	3.26	4.49	1.06%	16
55	Management of companies	0.00	0.00	1.84	1.59	3.43	0.81%	17
61	Educational svcs	0.00	0.00	0.07	1.29	1.36	0.32%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	0.55	0.40	0.96	0.23%	19
21	Mining	0.00	0.00	0.01	0.02	0.04	0.01%	20
	<b>Total</b>	<b>6.98</b>	<b>140.33</b>	<b>73.78</b>	<b>201.24</b>	<b>422.33</b>	<b>100.00%</b>	<b>Total</b>

\* 2005 dollars

**Table B3. Estimated Labor Income from Local and Non-local Revenues or Expenditures at the World Golf Village Development for Five County Study Area, for 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0.00	66.77	0.66	14.86	82.29	28.48%	1
92	Government & non NAICS	0.00	0.00	0.41	35.83	36.24	12.54%	2
44-45	Retail trade	1.57	6.47	8.35	13.73	30.12	10.42%	3
54	Professional- scientific & tech. svcs.	0.21	0.20	10.74	9.59	20.74	7.18%	4
62	Health & social services	0.08	0.08	0.01	18.39	18.55	6.42%	5
81	Other services	0.15	11.01	1.11	5.48	17.75	6.14%	6
56	Administrative & waste services	0.00	4.62	5.83	3.91	14.37	4.97%	7
72	Accommodation & food services	0.85	7.55	0.57	4.85	13.81	4.78%	8
42	Wholesale Trade	0.00	0.00	4.81	5.63	10.44	3.61%	9
52	Finance & insurance	0.05	0.05	2.85	6.85	9.79	3.39%	10
48-49	Transportation & Warehousing	0.00	0.00	3.70	3.33	7.04	2.44%	11
31-33	Manufacturing	0.00	0.00	3.58	2.91	6.49	2.25%	12
51	Information Services	0.00	2.89	1.71	1.73	6.33	2.19%	13
53	Real estate & rental	0.07	0.21	1.72	2.74	4.75	1.64%	14
71	Arts- entertainment & recreation	1.34	1.29	0.35	1.39	4.38	1.52%	15
55	Management of companies	0.00	0.00	1.42	1.22	2.64	0.91%	16
22	Utilities	0.00	0.00	0.39	1.06	1.45	0.50%	17
61	Educational svcs	0.00	0.00	0.06	1.25	1.32	0.46%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	0.26	0.16	0.43	0.15%	19
21	Mining	0.00	0.00	0.01	0.01	0.02	0.01%	20
	<b>Total</b>	<b>4.31</b>	<b>101.14</b>	<b>48.53</b>	<b>134.93</b>	<b>288.92</b>	<b>100.00%</b>	

\* 2005 dollars

**Table B4. Estimated Indirect Business Tax from Local and Non-local Revenues or Expenditures at the World Golf Village Development for Five County Study Area, for 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
44-45	Retail trade	0.47	2.12	2.55	4.19	9.33	32.47%	1
42	Wholesale Trade	0.00	0.00	1.85	2.17	4.02	13.99%	2
92	Government & non NAICs	0.00	0.00	0.00	3.15	3.15	10.96%	3
53	Real estate & rental	0.06	0.16	1.04	1.71	2.97	10.33%	4
72	Accommodation & food services	0.12	1.55	0.10	0.77	2.54	8.85%	5
23	Construction	0.00	1.12	0.01	0.22	1.35	4.70%	6
71	Arts- entertainment & recreation	0.30	0.29	0.04	0.21	0.83	2.89%	7
81	Other services	0.01	0.07	0.14	0.56	0.79	2.74%	8
52	Finance & insurance	0.00	0.00	0.21	0.53	0.74	2.56%	9
51	Information Services	0.00	0.11	0.21	0.37	0.68	2.38%	10
22	Utilities	0.00	0.00	0.17	0.45	0.62	2.17%	11
56	Administrative & waste services	0.00	0.20	0.16	0.12	0.48	1.67%	12
54	Professional- scientific & tech. svcs.	0.01	0.01	0.17	0.18	0.37	1.30%	13
48-49	Transportation & Warehousing	0.00	0.00	0.16	0.20	0.36	1.24%	14
62	Health & social services	0.00	0.00	0.00	0.23	0.23	0.80%	15
31-33	Manufacturing	0.00	0.00	0.08	0.08	0.16	0.57%	16
55	Management of companies	0.00	0.00	0.03	0.03	0.06	0.20%	17
61	Educational svcs	0.00	0.00	0.00	0.02	0.03	0.09%	18
11	Ag, Forestry, Fish & Hunting	0.00	0.00	0.01	0.01	0.02	0.08%	19
21	Mining	0.00	0.00	0.00	0.00	0.00	0.01%	20
	<b>Total</b>	<b>0.97</b>	<b>5.63</b>	<b>6.94</b>	<b>15.19</b>	<b>28.74</b>	<b>100.00%</b>	

\* 2005 dollars

**Table B5. Estimated Employment Impacts from Local and Non-local Revenues or Expenditures at the World Golf Village Development for Five County Study Area, for 2005, by Aggregate NAICS Sectors.**

<b>NAICS Sector</b>	<b>Industry</b>	<b>Local Direct</b>	<b>Non-local Direct</b>	<b>Non-local Indirect</b>	<b>Non-local Induced</b>	<b>Total</b>	<b>Relative Share</b>	<b>Size Rank</b>
<b>number</b>	<b>Name</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>million\$*</b>	<b>%</b>	<b>order</b>
23	Construction	0	1,568	16	350	1,933	25.06%	1
44-45	Retail trade	74	232	327	538	1,170	15.17%	2
72	Accommodation & food services	53	362	31	286	733	9.50%	3
92	Government & non NAICS	0	0	7	631	638	8.27%	4
81	Other services	8	345	37	243	633	8.20%	5
56	Administrative & waste services	0	199	212	141	552	7.16%	6
62	Health & social services	1	1	0	425	428	5.55%	7
54	Professional- scientific & tech. svcs.	8	7	197	168	380	4.93%	8
52	Finance & insurance	1	1	63	146	211	2.74%	9
51	Information Services	0	106	37	32	176	2.28%	10
42	Wholesale Trade	0	0	77	90	166	2.16%	11
71	Arts- entertainment & recreation	50	48	11	52	162	2.09%	12
48-49	Transportation & Warehousing	0	0	82	70	152	1.97%	13
53	Real estate & rental	2	6	46	80	135	1.75%	14
31-33	Manufacturing	0	0	76	56	132	1.71%	15
61	Educational svcs	0	0	3	54	57	0.74%	16
55	Management of companies	0	0	18	15	33	0.42%	17
11	Ag, Forestry, Fish & Hunting	0	0	8	8	15	0.20%	18
22	Utilities	0	0	3	8	10	0.13%	19
21	Mining	0	0	0	0	1	0.01%	20
	<b>Total</b>	<b>197</b>	<b>2,876</b>	<b>1,249</b>	<b>3,393</b>	<b>7,715</b>	<b>100.00%</b>	

\* 2005 dollars

## Appendix C: Glossary

**Direct effects/impacts:** Direct impacts, represent the revenues, value-added, income, or jobs that result directly from an economic activity within a regional economy.

**Employment or Jobs:** Represents the total numbers of wage and salaried employees as well as self-employed jobs. This includes full-time, part-time and seasonal workers measured in annual average jobs.

**Indirect Business Taxes:** Include sales, excise, and property taxes as well as fees and licenses paid by businesses during normal operations. It does not include taxes on profits or income.

**Indirect effects/impacts:** Indirect effects occur when businesses use revenues originating from outside the region to purchase inputs (goods and services) from local suppliers. This secondary, or indirect business, generates additional revenues, income, jobs and taxes for the area economy.

**Induced effects/impacts:** Induced effects or impacts only occur when new or outside dollars are introduced into a local economy. Induced economic impacts occur as the households of business owners and employees spend their earnings from these enterprises to purchase consumer goods and services from other businesses within the region. This induced effect generates additional revenues, income, jobs and taxes for the area economy.

**Input-Output Analysis:** The use of input-output models to estimate how revenues or employment for one or more particular industries, businesses or events in a regional economy will impact other businesses and institutions in that region, and the regional as a whole.

**Input-Output Models:** A mathematical representation of economic activity within a defined region using inter-industry transaction tables or matrices where the outputs of various industries are used as inputs by those same industries and other industries as well.

**Labor Income:** All forms of employment compensation, including employee wages and salaries, and proprietor income or profits.

**Local revenues/expenditures:** Local revenues or spending represent simple transfers between individuals or businesses within a regional economy. These transactions do not generate economic spin-off or multiplier (indirect and induced) effects.

**Margins:** Represent the differences between retail, wholesale, distributor and producers prices.

**Non-local revenues/expenditures:** When outside or new revenues flow into a local economy either from the sale of locally produced goods and services to points outside the study area, or from expenditures by non-local visitors to the study area, additional economic repercussions occur through indirect and induced effects.

**Output:** Revenues or sales associated with an industry or economic activity.

**Total Impacts:** The sum of direct, indirect and induced effects or economic impacts.

**Value-added:** Includes wages and salaries, interest, rent, profits, and indirect taxes paid by businesses.