



ECONOMIC IMPACT ANALYSIS

Garrison Boulevard Redevelopment Opportunities
Gastonia, NC

Overview

This report estimates the economic impacts of significant new commercial development along Garrison Boulevard in Gastonia, North Carolina, which can be enabled by significant transportation improvements to that corridor. City of Gastonia staff created a redevelopment scenario based on land use plans and zoning. A total of 30 parcels grouped into eight developments were assigned a range of commercial uses. The map on the preceding page shows the eight development areas shaded in blue.

The analysis considers the area immediately around Garrison Boulevard in zip code 28054 as well as in a larger market area of the combined zip codes 28052, 28054, and 28056. This larger area approximates the City of Gastonia, though it is larger than the city limits and has been labeled the Gastonia market area. The future redevelopment envisioned for this corridor in the eight development areas includes 711,600 square feet of retail, hotel, medical, and office facilities. Redevelopment of this magnitude would have an estimated construction value of \$255 million and could employ an estimated 2,405 people.

Operations Impacts

In the redevelopment scenario, new business operations along Garrison Boulevard will generate approximately 2,549 jobs in the local area. Of these jobs, 2,405 are expected to be direct jobs in the new businesses located in the corridor. Another 124 jobs will be supported in the supply chains of those new businesses and a further 20 jobs will be supported by the personal expenditures of the employees. In the larger Gastonia market area, There will be an additional 220 indirect jobs supported in the supply chains of the new businesses and 35 indirect jobs supported by the personal expenditures of the employees.

The jobs associated with these businesses are permanent and continuous jobs, therefore these impacts will continue on an annual basis.

These business operations will create a total of \$125 million in additional labor income in the Garrison Blvd. area and increase local output by \$340 million annually. Labor Income is the sum of employee compensation (wages and benefits) and proprietor income. In the larger Gastonia market area, the increased Labor Income will be more than \$130 million and the increased economic output will be more than \$361 million.

Operations Economic Impact: Garrison Blvd. Area in Gastonia, NC

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	2,405	\$118,869,379	\$195,885,494	\$316,657,285
Indirect Effect	124	\$5,223,353	\$8,446,026	\$18,358,286
Induced Effect	20	\$1,189,368	\$3,465,681	\$4,943,880
Total Effect	2,549	\$125,282,100	\$207,797,201	\$339,959,451

Operations Economic Impact: Gastonia Market Area, NC

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	2,405	\$118,869,379	\$195,885,494	\$316,657,285
Indirect Effect	220	\$9,460,910	\$16,703,217	\$35,250,919
Induced Effect	35	\$1,891,501	\$6,666,047	\$9,360,684
Total Effect	2,661	\$130,221,790	\$219,254,758	\$361,268,889

Construction Impacts

In the redevelopment scenario, the impact of the new building construction along Garrison Blvd. will support a total of 1,315 jobs in the Garrison Blvd. area of Gastonia, with 1,264 jobs directly needed for facility construction. In the larger Gastonia market area, there will be a total of 1,357 jobs supported by the construction of the new building. These construction activities are estimated to increase output in the Garrison Blvd. area by \$266 million and result in an additional \$102 million in labor income. In the larger Gastonia market area, the increase in output is estimated at \$278 million with an increase in labor income of \$104 million. It is important to recognize the jobs and increased economic outputs associated with construction are not permanent and continuous impacts; rather, when the construction of the new buildings is completed, the employment demands and economic output created by the construction activities will cease.

Construction Economic Impact: Garrison Blvd. Area in Gastonia, NC

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	1,264	\$98,809,071	\$121,769,824	\$255,047,286
Indirect Effect	21	\$1,074,429	\$1,686,318	\$3,534,925
Induced Effect	31	\$1,831,602	\$5,420,989	\$7,713,007
Total Effect	1,315	\$101,715,102	\$128,877,131	\$266,295,218

Construction Economic Impact: Gastonia Market Area, NC

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	1,264	\$98,809,071	\$121,769,824	\$255,047,286
Indirect Effect	53	\$3,231,839	\$5,677,476	\$11,971,584
Induced Effect	41	\$2,275,254	\$7,442,962	\$10,503,580
Total Effect	1,357	\$104,316,164	\$134,890,262	\$277,522,450

Total Economic Impact

Total Economic Impact is the sum of the temporary impacts of building construction and one year of new business operations impacts. In the redevelopment scenario, the total economic impact of the new businesses locating along the redeveloped Garrison Blvd. is 3,864 jobs and \$606 million in output. For the larger Gastonia market area, the total jobs supported is 4,018 with approximately \$639 million in increased output.

Total Economic Impact: Garrison Blvd. Area in Gastonia, NC

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	3,669	217,678,450	317,655,318	571,704,571
Indirect Effect	144	6,297,782	10,132,344	21,893,211
Induced Effect	51	3,020,969	8,886,669	12,656,887
Total Effect	3,864	226,997,201	336,674,332	606,254,669

Total Economic Impact: Gastonia Market Area, NC

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	3,669	\$217,678,450	\$317,655,318	\$571,704,571
Indirect Effect	273	\$12,692,749	\$22,380,693	\$47,222,503
Induced Effect	76	\$4,166,755	\$14,109,008	\$19,864,264
Total Effect	4,018	\$234,537,954	\$354,145,020	\$638,791,339

Methodology

Creative Economic Development Consulting uses IMPLAN software for economic impact modeling. IMPLAN develops local level input-output models to estimate the economic impact of new companies moving into an area, plant closures, and other development and economic activities. This model is widely used by local, state, and federal government agencies as well as private industry and universities. The following tables summarize data and assumptions used in developing the economic impact model for this project.

Garrison Boulevard Redevelopment Project

Project Location	Garrison Boulevard, Gastonia, NC
IMPLAN Sectors	IMPLAN Sector 50 - Construction of new commercial structures, including farm structures IMPLAN Sector 389-Food and Beverage Stores IMPLAN Sector 390-Retail-Health and Personal Care Stores IMPLAN Sector 394-Retail-General Merchandise IMPLAN Sector 395- Retail-Miscellaneous store retailers IMPLAN Sector 423-Monetary authorities and depository credit institutions IMPLAN Sector 438- Accounting, tax preparation, bookkeeping, and payroll services IMPLAN Sector 444-Management Consulting Services IMPLAN Sector 465-Offices of Physicians IMPLAN Sector 489-Hotels and motels, including casino hotels IMPLAN Sector 492-Limited Service Restaurant IMPLAN Sector 502- Other Personal Services
Employment Estimates	2,405 new jobs
Investment in Real Estate	\$255,047,286

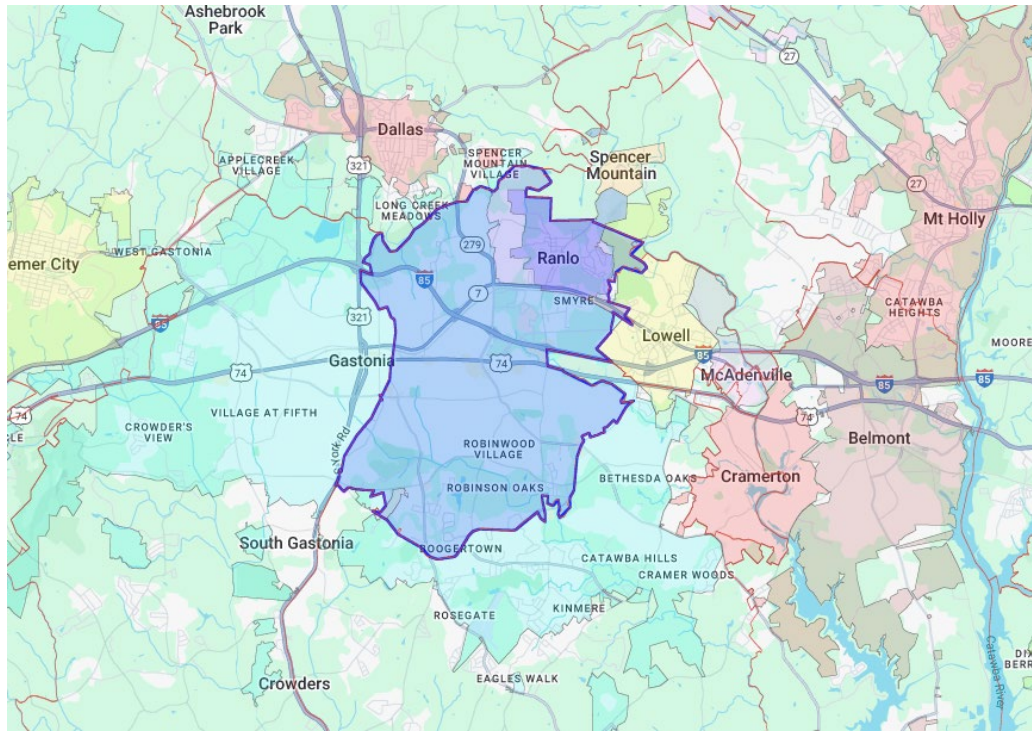
This economic impact analysis considers the economic impacts of a significant redevelopment along the Garrison Blvd. corridor in Gastonia, NC. Impact models for the construction of commercial real estate developments as well as the ongoing economic impacts of operations of a variety of retail, office and medical activities have been presented. For modeling purposes, retail operations activities include a mixture of general merchandise stores, clothing and clothing accessories stores, miscellaneous store retailers, and health and personal care stores as representatives of the many types of retail envisioned for the development. Likewise, office activities include management of companies, consulting services, banking and financial services, and physicians' offices as representatives of the many types of office activities the development could attract.

The construction values are modeled separately from the ongoing economic activities and their operations. Once construction and up-fit are complete, the economic impacts of these activities will cease. Facility operations will continue to provide economic impacts as long as the facilities are in operation. Industry standards of employment per square feet were used to estimate employment. Industry standards were also used to estimate construction investment. For simplicity of this analysis, all of the construction was modeled in the same year.

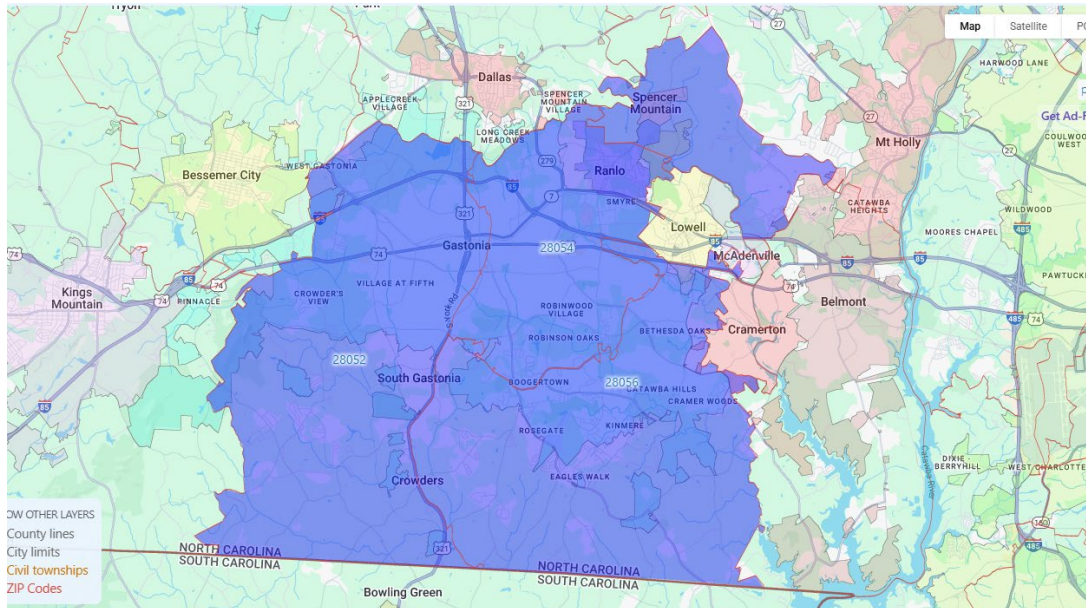
Geographic Definitions

IMPLAN modeling is available at the zip code level. For this analysis, the zip code 28054 was used to analyze the area around Garrison Boulevard in Gastonia. The combined zip codes of 28054, 28056 and 28052 were used to approximate the market area of the City of Gastonia.

Zip Code 28054 – Garrison Boulevard Area, Gastonia, NC



Zip Codes 28054, 28056 and 28052-Gastonia Market Area, NC



IMPLAN

This analysis models impacts associated with operations and new construction of commercial facilities. All impacts are presented as with monetary figures presented in 2026 dollars.

Key Economic Impact Definitions

Source: www.implan.com

- Direct Impacts: The known or predicted change in the economy that is being studied.
- Indirect Impact: Secondary impact caused to industries in the supply chain of the direct impact.
- Induced Impact: Direct and indirect employment (and increases in labor income) creates additional household spending on goods and services.
- Employment: The number of full-time and part-time jobs; measured by place of employment. Employees, sole proprietors, and active partners are included, but unpaid family workers and volunteers are not.
- Job-Years: IMPLAN measures employment impacts in job-years with each unit of employment equivalent to one job for one year. This is important when IMPLAN is used to measure construction or other non-permanent operations. For example, IMPLAN does not distinguish between ten units of employment (workers) employed over five years, and fifty workers employed in one year. Therefore, one construction worker may account for multiple units of employment if that person is employed over multiple years. Unlike construction impacts, operation employment and economic activity are illustrated as yearly impact estimates. That is, the impacts shown can be expected to occur every year.
- Output: The amount of production, including all intermediate goods purchased, as well as value added (compensation and profit). Output is equal to sales in service industries; to sales plus the change in inventory for manufacturing; and to gross margin for retail and wholesale trade.
- Labor Income: Labor Income is the sum of Employee Compensation (wages and benefits) and Proprietor Income.
- This analysis was produced using IMPLAN and model year 2024.

About IMPLAN

HISTORY

IMPLAN was founded in the early 1970's when the U.S. Government developed a new functional model of economic statistics for 'impact analysis planning' inside of the US Forestry Service. The intricate 'input/output' modeling at a variety of geographies became widely used and requested by other branches of government and local governments.

In 1985, the responsibility for developing the IMPLAN datasets was shifted to the University of Minnesota. As demand continued to grow, including from the private sector, the Minnesota IMPLAN Group (MIG) was established as an independent corporation to develop and sell all future iterations of the IMPLAN database and software.

As desktop software proliferated in the 1990s through the 2000s, the ability for other universities, agencies and consulting firms to use the IMPLAN models grew. In 2013, MIG formally changed its name to IMPLAN and relocated its headquarters to Huntersville, NC.

WHAT is IMPLAN?

IMPLAN is a platform that combines a set of extensive databases, economic factors, multipliers, and demographic statistics with a highly refined, customizable modeling system. The foundation upon which economic impact analyses are built is the input-output (I-O) model. Understanding I-O analysis and the assumptions they employ are crucial to properly performing and reporting an IMPLAN analysis

WHAT Datasets does it include?

In order to build regional economic models, IMPLAN knits together more than 90 sources of data from the US Bureau of Economic Analysis, the US Department of Agriculture, the US Bureau of Labor Statistics and the US Census Bureau. A comprehensive listing of data sources and functions can be found here:

<https://implan.com/wp-content/uploads/IMPLAN-Data-Overview-and-Sources.pdf>

WHO uses IMPLAN?

IMPLAN is one of the leading input/output modeling systems in the US and is widely used by higher education, the US Government, NC Department of Commerce, local and regional organizations to track economic performance and change in regional economies.

Disclaimer: Economic modeling provides general impact estimates for economic development projects. However, future results will be affected by political, social, and economic conditions. Economic modeling is most informative when used in conjunction with other forms of analysis, such as cost-benefit analysis and fiscal impact analysis, to estimate the overall impact of a project. The completion of this analysis is neither an endorsement for nor against this project. Additionally, the analysis is based on information provided by the client. If that information were to change for any reason, it would change the results of the analysis.

Prepared by



economic development consulting

www.CreativeEDC.com