

BUREAU OF BUSINESS RESEARCH & ECONOMIC DEVELOPMENT (BBRED)

Mission and Services

June 2009



A Bit of History...

- The College of Business Administration established BBRED in 1984.
- Original mission was to promote research opportunities for business faculty and serve as conduit for funding.
- Mission evolved over time to focus on economic development issues in local communities within the southeast Georgia region.
- Dr Phyllis Isley hired as director in 1998.



Early Accomplishments...

- Developed the first regional forecasting model for Georgia used until 1998.
- First definitive study of the economic cost of high-school non-completion.
- Awarded the pilot Regional ICAPP grant in 1996-1997.
- ICAPP stand for the Intellectual Capital Assistance Partnership Program.



Regional ICAPP

- The pilot program was to test the effectiveness of giving a university an unspecified grant to help the university engage resources to assist local communities with economic development.
- Projects included training assistance for Gulfstream (keeping jobs in Savannah), tourism incentives and impact and supported industry attraction efforts in local communities. (e.g. – “One-Georgia funds)
- Approximately \$7.7 million in economic development assistance came to the region via GSU’s Regional ICAPP between 1998-2009.



ICAPP as Funding Source

- ✓ Tourism brochures and websites
- ✓ Studies assessing the economic benefits of the expansion and the attraction of new businesses.
- ✓ Impact studies of transportation improvements (added rail capacity to the Port of Brunswick), new road corridor development (Effingham) and expansion of airport facilities
- ✓ Impact Analyses of changes in energy costs and resources as well as improvements in health and education



The Budget Crisis of 2009

- Sharp cutbacks in funding for all state agencies (including education) as state deals with revenue and budget shortfalls.
- Regional ICAPP funding will not be available in 2009.
- BBRED has been working to reevaluate allocation of resources and staffing to maintain services for existing clients and develop limited new opportunities to support local economic development.



Changes at BBRED...

- Dr. Isley will be leaving BBRED as of June 30, 2009, but will continue to work with GSU and local communities as a consultant for economic development issues.
- Mr. Edward H. Sibbald, the Director for the Center for Excellence in Financial Services has been appointed Interim Director of BBRED.
- Mr. Ben McKay will continue to provide some of the analytical services for which BBRED is known, REMI analyses and IMPLAN Impact Analyses.



BBRED's Continuing Commitment

- COBA is committed to the future of this region and will work with and support local communities in economic development.
- COBA fully intends to find funding sources to continue the types of support in the future that BBRED has provided to local communities in the past.



Tools that BBRED uses

- Regional Economic Modeling Incorporated (REMI)
- IMPLAN
- National Establishment Time-Series or NETS Data Base
- Woods and Pool Economic



Example of Past BBRED Projects

- SEDA Property Tax Abatement
- Pilgrim's Pride Closure Impact
- Holiday Shopping Polls
- Vidalia Onion Festival Market Analysis



SEDA Property Tax Abatements Between 1996 and 2007

- Abatements were given for a five year time frame and some major business received an additional five years
- The return on abatement for the first five years was \$1.31 for every \$1.00 of abated tax
- The return for those businesses receiving a second five year tax abatement was \$3.00 for every \$1.00 of abated tax



Pilgrim's Pride Plant Closure: Economic Impact on Coffee County

- Coffee County just lost 993 job growing, processing, and transporting chicken due to the closure of the Pilgrim's Pride Plant
- We found that the total job loss was 2,116 jobs in Coffee County
- This equals \$409.17 million in lost Total Gross County Output



COBA Poll-Holiday Shopping

- For the past several years BBRED has tracked holiday spending activities by conducting a holiday shopping poll for the Coastal and low country area.
 - The 2008 holiday poll indicated that consumers were intending to spend an average of \$101 per family member for the holidays. This was down from \$120 in 2007 and \$132 in 2006.



Vidalia Onion Festival

- BBRED was asked to complete a market analysis to investigate who attends the Vidalia Onion Festival and how the attendees learned about the festival.
 - 87% of attendees came in a group of family or friends.
 - 69% of attendees came to the festival for just the day, most planning to spend \$50 or less per person.
 - 37% of attendees heard about the festival from family or friends. Other advertising strategies that were successful include radio ads and television ads.



Prospective Project

- County level assessment of the real estate market
 - We are in a federally designated micropolitan statistical area
 - There is a need to develop an understanding of current inventories and an understanding of current housing needs



Housing Outreach and Education

- The housing outreach and education presentation can be customized to include any of the following:
 - How to buy a house
 - Credit worthiness and the credit process
 - Steps to improve credit
 - Explanations of the financial crisis
 - Current economic outlook

