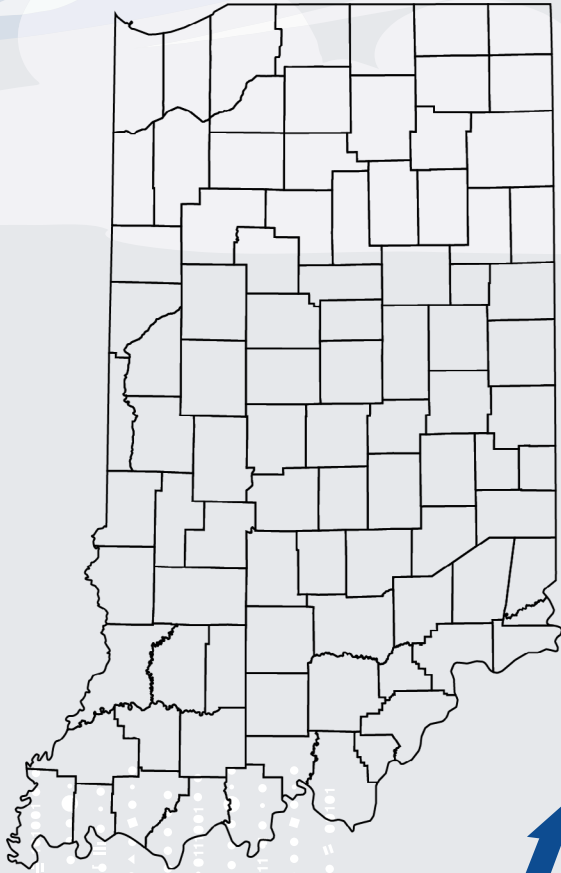




ESTIMATED ECONOMIC IMPACTS OF
READI LOCAL INVESTMENT
IN THE STATE OF INDIANA



Estimated local investment
\$11,782,000,000

Estimated economic output multiplier
1.85

Every
\$1,000,000
in local investment creates an estimated:

Additional economic output
\$850,533

Labor income
\$688,798

Jobs
11



Center for Regional Development



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Economic Development
Corporation

Economic impacts are shown in 2024 dollars.

Labor income is the sum of employee compensation and business-owner income from a business activity/project.

Jobs created include full-time, part-time, and seasonal employment.

Local investment can include private, philanthropic, federal government, and local government investment.

Estimates are based on a sample of 34 projects with committed local investment as of August 29, 2024.

LOCAL INVESTMENT IMPACTS

To receive a state-funded Regional Economic Acceleration and Development Initiative (READI) 1.0 grant, regions had to demonstrate that other public, private, and philanthropic funds would be invested to support their projects. The Indiana Economic Development Corporation (IEDC) approved 338 READI 1.0 projects across the state. The additional investments from these local sources totaled an estimated \$11,782,000,000 (\$11.8 billion). An analysis of spending data from a sample of projects—representing \$1.6 billion in local investments—results in an estimated economic impact multiplier of 1.85. This means that every \$1.00 of local funding invested into a READI project will generate an estimated total of \$1.85 in economic output. In other words, every \$1 million in local investments will produce an estimated \$850,000 in additional economic output. Also, for every \$1 million spent, 11 jobs are estimated to be created and approximately \$689,000 will be earned in labor income.

Economic outcomes among industries

Every \$1 million of local investment into each industry type creates an estimated:

INDUSTRY TYPE	ECONOMIC OUTPUT	JOBS CREATED	LABOR INCOME
Construction	\$1,849,347	11	\$730,712
Equipment	\$1,841,140	8	\$568,065
Services	\$1,892,005	13	\$665,443

The broader economic impacts of the local investment in READI projects depend on the specific industry in which an investment is made. Local investment spending was broadly categorized into three types of industries—construction, equipment, and services—based on an analysis of budget line items from the projects in the sample. Construction investments include funds devoted to infrastructure, such as buildings, sewage systems, roadway paving and renovation, and others. Equipment generally includes investments in fixtures, machinery, and software. Services include investments primarily in design services, environmental consulting, business support, and similar services.

Tax outputs

Local investments into READI generate a one-time contribution to government revenues in the form of state and local taxes. For every \$1 million spent in local investments, READI projects will generate an estimated \$49,608 in state tax payments. Likewise, READI projects will generate an estimated \$18,825 in local tax payments. Taxes generated include sales, property, and other miscellaneous taxes.

Every \$1 million in local investment in all industries sampled generates:

STATE TAX IMPACTS	
Sales tax	\$26,565
Income tax	\$19,516
Other taxes	\$3,527
Total	\$49,608
LOCAL TAX IMPACTS (ALL TAXING DISTRICTS)	
Property tax	\$14,876
Income tax	\$2,757
Other taxes	\$1,192
Total	\$18,825