



Economic Impact Report

MRCOG Policy & Information Sheet

The Mid-Region Council of Governments (MRCOG) operates TranSight, an economic modeling software package from Regional Economic Models, Inc. (REMI). TranSight contains information that assists MRCOG with the development of employment forecasts by industry for the purpose of long range transportation planning. In addition, TranSight integrates with MRCOG's travel demand model in order to better understand the relationship between major transportation improvements, changes in travel behavior, and the economy. Given the robust capacity of the REMI model to perform economic impact analysis, MRCOG also offers economic impact reports for its member governments upon request.

Geography

MRCOG's TranSight model includes eight "economic regions":

- 1) Albuquerque: west of the Rio Grande
- 2) Albuquerque: east of the Rio Grande
- 3) Rest of Bernalillo County
- 4) Rio Rancho
- 5) Rest of Sandoval County
- 6) Valencia County
- 7) Tarrant County / Greater Edgewood
- 8) Rest of New Mexico

These economic regions allow for the examination of the localized impacts of specific investments as well as the ripple effects on other regions.

Analysis

MRCOG's economic impact reports can address the following questions:

Economic Forecast: What are the expected impacts of new jobs, new spending, or new construction on the region? What is the contribution of an existing employer or industry on the regional economy?

Indirect impacts: How many additional jobs will be created as a result of a new employer? How do changes in one employment sector impact other sectors? How will consumer spending be affected?

Short v. long term impacts: What is the immediate benefit of constructing buildings and buying equipment? What are the long lasting benefits of new jobs?

Inter-jurisdictional impacts: What impact will economic activity in one area have on another?

TranSight has the flexibility to report long range economic impacts out to the year 2060 across 70 industrial sectors. MRCOG will compile a brief summary that may include the following information:

- direct job creation
- indirect and induced job creation
- personal income
- gross regional product
- wage and salary disbursements
- personal consumption
- output

TranSight also contains a demographic component and is able to forecast changes in population growth, economic migration and labor force participation rates.

Limitations

MRCOG is not able to offer the following types of economic analysis as a service:

- Tax revenue forecasting
- Return on investment
- Cost - benefit analysis
- Economic impacts of area planning, land use decisions, or zoning
- Economic impacts of large-scale master planned developments

MRCOG is available to assist with identifying firms in the region that can perform such analysis.

In addition, projects suitable for an economic impact analysis should be currently in the planning phase or under development such that jobs, spending and construction is known or can reasonably be estimated.

Requirements

To apply for an Economic Impact Report a member government must comply with the following criteria:

- The requesting agent represents an entity that serves on a MRCOG board;
- The project will support the economic vitality of the region, especially by enabling regional competitiveness, productivity, and efficiency;
- The requesting agent provides a representative who is available for an initial meeting prior to the analysis and is available for questions during the analysis phase;
- The requesting agent supplies all model inputs and assumptions including number of direct jobs or expected sales, industry sectors, average wages, and direct construction and equipment spending;
- The requesting agent allows for a 3 week timeframe between submittal of the request and the delivery of draft data;
- The requesting agency is responsible for the use and interpretation of the data and report. MRCOG shall not be responsible for the misuse of the data or any unanticipated consequences, economic or otherwise, generated by the data or report.

Contact

For more information on the application process for an Economic Impact Report, please contact Kendra Montanari, Socioeconomic Program Manager (724-3601).