

*The Economic Impact of Military Personnel
Realignments in Okaloosa County*

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Final

Prepared for:
Economic Development Council
Okaloosa County, Florida

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The University of West Florida

Economic Impact of Military Personnel Realignment in Okaloosa County

Final Report

Commissioned by: Economic Development Council
Okaloosa County, Florida

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Submitted: Final Report submitted August 2007

Executive Summary

The purpose of this report is to provide an updated analysis of the economic impact of the changes in military spending in the Okaloosa County economy that can be expected as a result of the Base Realignment and Closure (BRAC) 2005 process and the phase out of the F-15 fighter operations of the 33rd Fighter Wing. The findings are as follows:

- When considered along with other proposed staffing changes, BRAC realignments will result in population growth in the three county area of 6,300 persons in 2013 and 8,860 persons in 2015.
- The rapid proposed phase-out of the 33rd Fighter Wing means that overall county population and GRP will be below trend in 2010 before the influx of additional personnel brings them back above trend growth levels.
- At build-out in 2015, the staffing changes and BRAC realignments will result in increased total employment of 6,241 jobs throughout the three-county area of Okaloosa, Santa Rosa and Walton Counties.
- At build-out in 2015, the staffing changes and BRAC realignments will result in increased economic activity (Gross Regional Product) of \$451.3 million and increased sales (Output) of \$287.7 million fixed 2000 dollars.

The table on the following page outlines these changes in further detail.

Estimated Economic Impact of BRAC 2005 on Okaloosa, Santa Rosa, and Walton Counties					
Estimated Impact of Military Construction and Personnel Realignment	2007	2010	2013	2015	2020
Population	1	-1,078	6,300	8,860	10,690
Total GRP (Millions Fixed 2000\$)	0.3	-13.7	355.4	451.3	468.8
Output (Millions Fixed 2000\$)	0.4	35.8	245.4	287.7	280.0
Total Employment	7	303	5,224	6,241	5,995
Private Non-Farm Employment	7	669	2,825	3,073	2,754
Pers Inc (Millions \$)	0.2	-14.7	379.6	512.5	613.5
Source: REMI Policy Insight Version 9.0					

It is important to note that these calculations are based on changes that are proposed, but have not yet been implemented. There is still some uncertainty regarding the magnitude of changes. The exact timing of the personnel transfers, the magnitude of support service spending, and the future spending path of programs that may well expand substantially (e.g., training activities for the Joint Strike Fighter aircraft), are all less than completely documented at this time. One element that is not yet completely documented is the magnitude of local contracting expenditures, including operations and maintenance of the capital assets to be constructed, that will be called for to support the base missions. Thus, actual impacts may differ from those reported here if additional changes are proposed and adopted, and as operating details are more fully described. Because these as of yet undocumented issues all imply additional expenditures, the estimates presented here, which are based entirely on documented expenditures, are likely to be conservative.

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Introduction

The purpose of this report is to provide an updated analysis of the economic impact of the increased military spending in the local economy that is expected to result from the changes proposed by Base Realignment and Closure (BRAC) 2005 and from the reduction in operations of the 33rd Fighter Wing. This study identifies those spending activities that would not occur in the region were it not for the proposed BRAC 2005 and other changes, and clarifies the impact that these changes in military activities will have on the other industry sectors in the region.

Military activity has a direct quantifiable impact that includes wages paid to service members, pension checks, defense contracts awarded, and the like; however, the total economic impact is much greater. Servicemen and civilians working at Eglin and Hurlburt AFB spend much of their military pay in surrounding local economies. These installations spend millions with local businesses for construction, maintenance, utilities, food, and supplies. Local defense-related businesses also serve as prime contractors on federally generated projects, and buy their inputs and spend their military-induced incomes throughout the region. Spending of wages by these servicemen, businesses, and retirees who have chosen to live in Okaloosa County ends up in the pockets of employees of grocery stores, car dealerships, hospitals, law firms, banks, insurance companies, and construction firms, all of whom in turn re-spend the dollars.

As noted in previous studies conducted by the Haas Center, military installations provide a strong engine for growth of technology-based businesses in Okaloosa County. Okaloosa County is the technology leader in Northwest Florida; this

leadership is the direct result of military spending; and policy makers should work to preserve the mission of these military facilities and the critical contracting relationships that go along with them. The rapidly increasing national defense budget, and the ongoing military need for state-of-the-art technology, point to even greater military technology-based economic opportunities for businesses in Okaloosa County.

Military Personnel in Okaloosa County

Okaloosa County is home to three military installations, Eglin Air Force Base, Hurlburt Field, and Duke Field. Eglin Air Force Base is the worlds largest Air Force Base, covering 724 square miles as well as 97,963 square miles of water test ranges. Eglin belongs to the Air Force Materiel Command, and the Air Armament Center is the host unit. The Air Armament Center is responsible for development, acquisition, testing, deployment, and sustainment of all air-delivered weapons. Eglin has been a major employer in the area from the 1930's to the present day. Hurlburt Field occupies 6,000 acres in Okaloosa County, and is the headquarters of the Air Force Special Operations Command. Its mission is to support the training and execution of special air operations that are conducted worldwide. The 919th Special Operations Wing uses Duke Field, located within the Eglin reservation. The 919th Special Operations Wing is the only special operations unit in the Air Force Reserve. The missions of each of these installations give them a leadership role in the current transformation of the military into a force prepared to meet the threats that defense analysts anticipate.

Approximately 27 percent of federal military and civilian personnel stationed in Florida live in Okaloosa County. See Table 1.

Table 1 - Where Military and Federal Civilian Personnel are Stationed in Florida

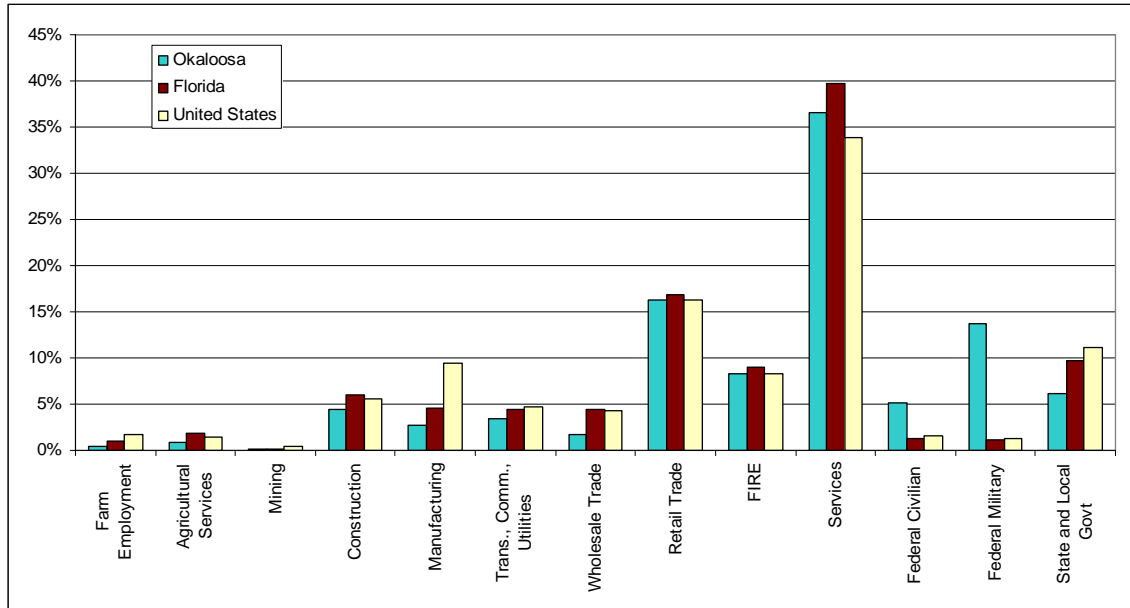
DoD Military and Civilian Personnel by State - September 30, 2005											
INST./CITY	AR MIL	NV MIL	MC MIL	AF MIL	SUB MIL	AR CIV	N/M CIV	AF CIV	ODA CIV	SUB CIV	TOT DoD
Camp Blanding	74	0	0	2	76	152	0	10	0	162	238
Cape Canaveral	0	92	0	0	92	11	64	8	2	85	177
Cape Canaveral AFS	0	0	0	248	248	0	10	217	0	227	475
Cecil Field NAS	0	412	31	0	443	0	2	0	0	2	445
Crestview	0	0	0	1	1	1	0	306	14	321	322
Eglin AFB	281	227	118	7,406	8,032	19	36	3,580	128	3,763	11,795
Fort Lauderdale	0	0	95	1	96	4	9	1	22	36	132
Gainesville	9	35	58	20	122	11	1	1	0	13	135
Homestead AFB	0	0	0	1	1	25	0	631	8	664	665
Hurlburt Field	0	3	0	7,185	7,188	11	1	828	70	910	8,098
Jacksonville	247	5,852	286	22	6,407	878	5,184	292	233	6,587	12,994
Key West	0	789	13	76	878	104	294	0	23	421	1,299
MacDill AFB	997	374	639	3,590	5,600	26	2	1,206	160	1,394	6,994
Mayport Nav Station	1	10,159	0	0	10,160	0	799	0	69	868	11,028
Melbourne	14	0	0	83	97	10	1	8	84	103	200
Miami	80	304	113	191	688	501	11	1	10	523	1,211
Milton	0	920	0	0	920	2	136	0	27	165	1,085
Orlando	112	69	143	36	360	620	967	17	467	2,071	2,431
Panama City	0	382	12	16	410	40	132	0	4	176	586
Patrick AFB	78	28	7	1,664	1,777	17	1	1,259	120	1,397	3,174
Pensacola	69	7,030	2,501	582	10,182	21	2,415	29	667	3,132	13,314
Saint Augustine	2	10	0	0	12	217	0	6	64	287	299
Saint Petersburg	3	3	0	14	20	19	1	0	128	148	168
Tallahassee	65	19	111	25	220	27	2	1	2	32	252
Tampa	283	28	64	27	402	143	55	1	19	218	620
Tyndall AFB	3	3	0	3,882	3,888	6	0	663	62	731	4,619
West Palm Beach	0	4	19	145	168	54	35	0	33	122	290
Other	157	14	9	182	362	375	1,278	145	193	1,991	2,353
State Total	2,475	26,757	4,219	25,399	58,850	3,294	11,436	9,210	2,609	26,549	85,399

Source: Department of Defense Statistical Information Analysis Division

It is clear that the military and civilians working for the Department of Defense are very important contributors to the Okaloosa County economy, directly employing nearly twenty-one thousand area residents, or approximately 14 percent of the Okaloosa County workforce. Air Force bases at Hurlburt and Eglin ensure the area's continued military presence. In FY 2005, Eglin Air Force Base employed 8,032 military personnel and an additional 3,763 civilians. There were an additional 7,188 military and 910 civilians at Hurlburt Field during the same time period.

Military employment is a much larger share of the area workforce, and therefore a more important element of the Okaloosa County economy, than it is for the State of Florida or the nation as a whole.

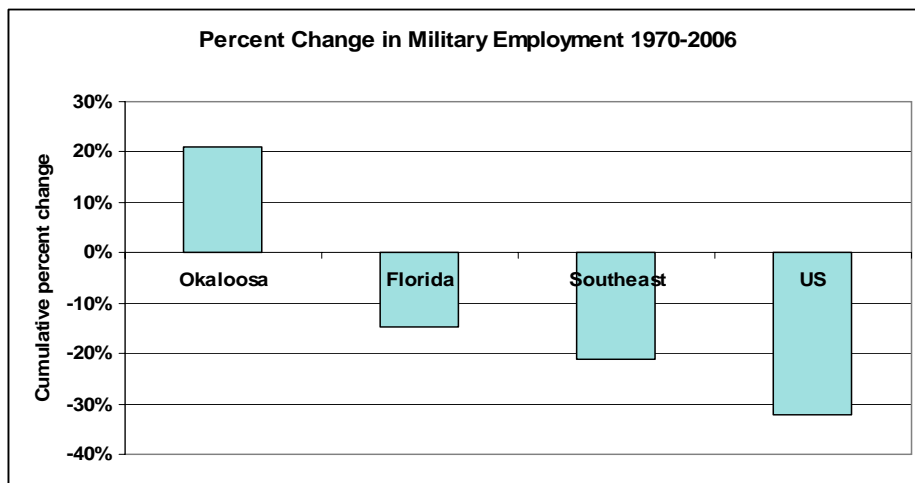
Figure 1 - Percent of Workforce Employed in Each Industry Sector for Okaloosa, FL, US



Source: Woods and Poole Economics, data for 2006

While the size of the total military force nationally has declined by 32 percent from 1970 to 2006, the percentage change in Okaloosa County has actually been an increase of over 21 percent. The loss in employment share in Florida at -21 percent has been less than the national change but of course higher than Okaloosa County.

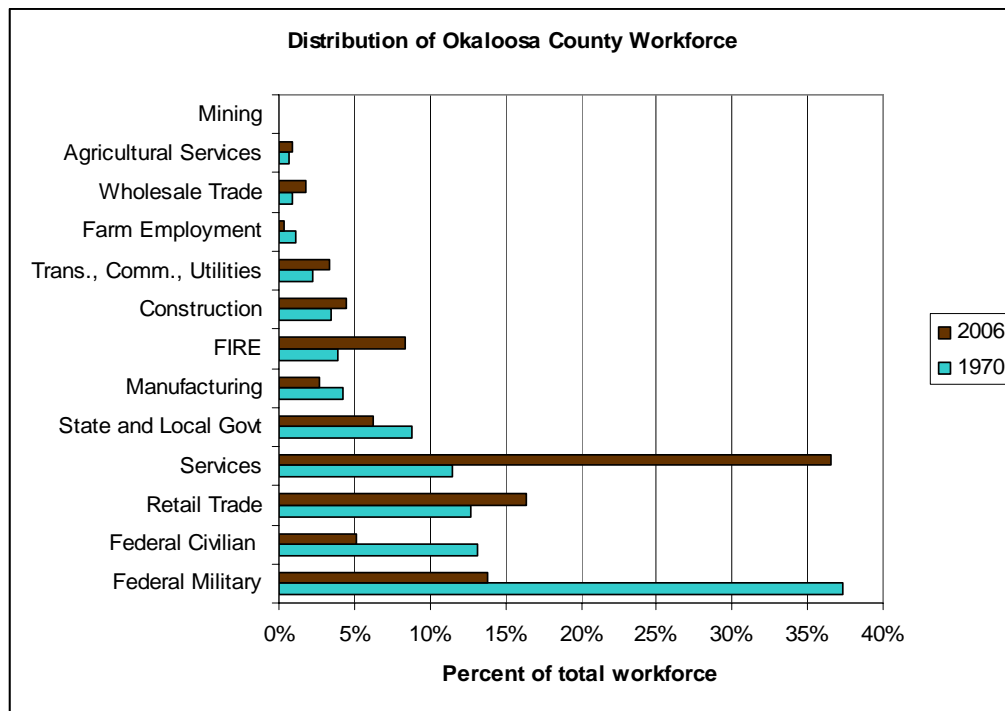
Figure 2 – Comparison of Percent Change in Military Employment



Source: Woods and Poole Economics

Due in part to the military's privatization of expenditures for construction, services, and materials, combined with the spending of wages by military and federal civilian households, Okaloosa County has seen its economy become more diversified in the past three decades. In 1970, military and federal civilian employees accounted for almost half of the county workforce. In Figure 3, which shows changes in the distribution of the Okaloosa County workforce between 1970-2006, we see that Okaloosa County has experienced strong employment growth in industry sectors that benefit from the local military presence. Growth as a percent of the workforce has been especially strong in the services; retail trade; finance, insurance, and real estate (FIRE); and construction industry sectors over the past three decades.

Figure 3 - Distribution of Okaloosa County Workforce



Source: Woods and Poole Economics

2005 BRAC Recommendations

According to the U.S. Army Base Realignment and Closing Division, the purpose of the BRAC process is to “reconfigure the military infrastructure into one where operational capacity is optimized for both war-fighting capability and efficiency, and joint activity opportunities are aggressively pursued.” In order to achieve this purpose, the Department of Defense (DOD) performs a comprehensive review of its installation inventory, physical capacity and base structure in order to maximize joint utilization of defense resources and reallocate military personnel from supporting unnecessary and underutilized infrastructure. The ultimate goals are efficiency and cost savings. The following recommendations were made and approved regarding Eglin AFB in the 2005 BRAC process:

- ❖ DoD recommended relocation of the Armed Forces Reserve Center Expeditionary Combat Support manpower following units from Willow Grove to Eglin AFB.

- ❖ DoD recommended establishing Eglin AFB as an Initial Joint Training Site that would teach entry-level aviators and maintenance technicians how to safely operate and maintain the new Joint Strike Fighter (JSF) (F-35) aircraft. In order to accomplish this, DoD recommended the following realignments: realign Luke AFB, AZ, by relocating to Eglin AFB a sufficient number of instructor pilots and operations support personnel to stand up the Air Force’s portion of the Joint Strike Fighter (JSF) Initial Joint Training Site, hereby established at Eglin AFB; realign Marine Corps Air Station Miramar, CA, by relocating to Eglin AFB a sufficient number of instructor pilots and operations support personnel to stand up the Marine Corps’ portion of the Joint Strike Fighter Initial Joint Training Site, hereby established at Eglin Air Force Base; realign NAS Oceana, VA, by relocating to Eglin AFB a sufficient number of instructor pilots, operations, and maintenance support personnel to stand up

the Navy's portion of the Joint Strike Fighter Initial Joint Training Site, hereby established at Eglin AFB; realign Sheppard AFB, TX, by relocating to Eglin AFB a sufficient number of front-line and instructor-qualified maintenance technicians and logistics support personnel to stand up the Air Force's portion of the Joint Strike Fighter Initial Joint Training Site, hereby established at Eglin AFB; realign NAS Pensacola, FL, by relocating to Eglin AFB a sufficient number of front-line and instructor-qualified maintenance technicians and logistics support personnel to stand up the Department of the Navy's portion of the Joint Strike Fighter Initial Joint Training Site hereby established at Eglin AFB, FL.

- ❖ DoD recommended realigning Hill AFB, UT, by relocating Weapons and Armaments In-Service Engineering Research, Development & Acquisition, and Test and Evaluation to Eglin AFB, FL. It would also realign Fort Belvoir, VA, by relocating Defense Threat Reduction Agency National Command Region conventional armament Research to Eglin Air Force Base, FL.
- ❖ DOD recommended relocating the 7th Special Forces Group from Fort Bragg, NC to Eglin AFB, FL to enhance joint training and deployment.

Currently, Eglin AFB is still anticipating the arrival of the Joint Strike Fighter, the 7th Special Forces Group, and the Defense Threat Reduction Agency. Additional personnel changes will occur as a result of and the phase out of the F-15 fighter operations of the 33rd Fighter Wing. The resulting construction expenditures and net personnel realignments presently estimated from these recommendations are outlined in Table 2.

Economic Impact of the Military in Okaloosa County

The military has long been an important economic engine for Okaloosa County. The purpose of this section is to present calculations of the magnitude of changes in economic activity arising from increased military-related spending in Okaloosa County due to proposed BRAC 2005 changes. The analysis describes the magnitude of the economic impact in Okaloosa, and the neighboring counties of Santa Rosa and Walton, that is attributable to the increased number of military and civilian employees occurring to missions being relocated to Eglin AFB and clarifies the impact that military activities have on the other industry sectors in the region.

Several measures of military-related economic activity are estimated, including total spending, income, tax revenues, and employment. *Total spending* is the value of production by industry related to military activities for one annual calendar year of production. Total spending includes the total value of purchases by intermediate (business to business) and final consumers (households). The *income* figures that are reported are the sum of proprietor's income and wages and salaries accruing to workers in these businesses. *Employment* figures represent the number of jobs supported by sales of goods and services to consumers and by the increased level of inter-industry transactions resulting from military activities. The job estimates given include full time, part time, and seasonal jobs.

For these economic impact calculations the region of interest is the three- county area of Santa Rosa, Okaloosa, and Walton counties. The selection of a particular geographic region influences both the amount of spending by local businesses that is captured and the size of the multiplier effects. In these calculations, spending that takes place as a result of the BRAC changes within Okaloosa

County is included as stimulating the changes in economic activity and all measures of impacts pertain to businesses and households located in the three-county region

Each of the measures of economic impact reflects the value generated by industry for one annual calendar year of production. In actuality, most of the local economic impact associated with local spending changes will have occurred within this one-year time frame.

This report does not attempt to quantify quality of life issues, whether positive or negative, that may result from the increased presence of military personnel and installations, such as increased real estate development, growing populations, or increased traffic. This report estimates only the gross impact of financial (spending) flows, ignoring ancillary non-financial costs (e.g. traffic congestion, crime, noise or pollution) and benefits (additional civic or cultural activities) that may be associated with the military. The impacts are conservative estimates that are subject to change as better data becomes available.

The REMI economic simulation model (from Regional Economic Models, Inc.) was used to evaluate the economic impact of these direct and indirect spending flows. A regional baseline forecast extending through the year 2020 for Okaloosa County was constructed. The differences between the baseline forecast and a forecast where military spending has been increased comprise the results. The resulting change in gross regional product (GRP) resulting from the absence of defense-related spending flows is the measure of economic impact reported.

The measure of economic impact used throughout the report is change in Gross Regional Product (GRP). While results could be reported in terms of total sales, or as personal income, or other measures, GRP is the local analogue to the

widely understood national level concept of Gross Domestic Product (GDP). GRP reporting follows the structure of the National Income and Product Accounts (NIPA), which are used to construct the primary measures used for tracking economic growth. This conceptual framework for organizing economic activity recognizes that the dollar value of all final goods and services produced (the GDP) can be measured as the sum of the following items:

- consumption spending by individuals on goods and services,
- gross private domestic investment spending by individuals and businesses (on newly produced capital goods, including spending on new residences plus non-residential real estate plus capital equipment),
- spending by government,
- spending on exports,
- minus spending on imports.

The results reported, which is the change in GRP attributable to military-related spending, are composed of the same elements as would be found in the national-level GDP. The economic inputs that were entered into the REMI model for this study are summarized in Table 2 on the following page.

Table 2 - Economic Inputs Used in Calculations

Economic Input	2007	2008	2009	2010	2011	2012	2013	2014	2015
Military Construction - 7th Special Forces			\$125 M	\$126 M	\$126 M				
Military Construction - Joint Strike Fighter			\$73.2 M	\$73.2 M	\$73.2 M	\$73.2 M	\$73.2 M		
Military Construction - Defense Threat Reduction Agency	\$1 M	\$1 M							
Military Personnel - 7th Special Forces Group 33 rd Fighter Wing Joint Strike Fighter		-175 Military Personnel	-867 Military Personnel	537 Military Personnel	1,575 Military Personnel	824 Military Personnel	-113 Military Personnel	212 Military Personnel	446 Military Personnel
Contractor Manpower Equivalents		15 Non-Military Personnel	13 Non-Military Personnel	47 Non-Military Personnel	68 Non-Military Personnel	75 Non-Military Personnel	17 Non-Military Personnel		
Civilians		43 Non-Military Personnel	43 Non-Military Personnel	24 Non-Military Personnel	5 Non-Military Personnel				

Data Source for Inputs

Kay Rasmussen, Director of Defense & Economic Initiatives, EDC Okaloosa County, 850-651-7374, Current Estimates Obtained 6/20/2007

The numbers on the previous page in Table 2 represent estimates of the quantity and types of personnel that are expected in the area as well as preliminary estimates on construction costs. Specific payroll and wage rate information was not available at this time. It should also be noted that the spending patterns of the reassigned personnel will likely be very different than those of the present military households as the new personnel represent groups, such as the 7th Special Forces Group, that will be deployed outside of the area more frequently and that require less outsourcing spending in the local community than the present contingent.

Military Spending Impacts

According to a 2003 Haas Center study, military and defense spending activities in Okaloosa County, including wages paid to service men and women, pay and benefits paid to retirees, and defense contracts awarded to local businesses, represents a total impact of \$4.1 billion in the county. About 69,380 jobs are directly or indirectly supported by military spending in the regional economy.

The additional spending anticipated from the 2005 BRAC relocations will inject an additional \$745 million due to one-time construction spending and add approximately 2,789 military and non-military defense personnel due to relocations into the three-county economy. It is also estimated that construction spending and personnel realignments will support a peak of permanent jobs in 2015 of 6,241 and increase GRP by \$451.3 million in the same time period.

Table 3 - Estimated Economic Impact of the Military on Okaloosa, Santa Rosa, and Walton Counties

Estimated Economic Impact of BRAC 2005 on Okaloosa, Santa Rosa, and Walton Counties					
Estimated Impact of Military Construction and Personnel Realignment	2007	2010	2013	2015	2020
Population	1	-1,078	6,300	8,860	10,690
Total GRP (Millions Fixed 2000\$)	0.3	-13.7	355.4	451.3	468.8
Output (Millions Fixed 2000\$)	0.4	35.8	245.4	287.7	280.0
Total Employment	7	303	5,224	6,241	5,995
Private Non-Farm Employment	7	669	2,825	3,073	2,754
Pers Inc (Millions \$)	0.2	-14.7	379.6	512.5	613.5

Source: REMI Policy Insight Version 9.0

Table 4 - Estimated Annual Economic Impact on Okaloosa, Santa Rosa, and Walton Counties

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Population	1	-453	-2,614	-1,078	3,453	6,102	6,300	7,251	8,860	9,292	9,688	10,050	10,380	10,690
Total GRP (Millions Fixed 2000\$)	0.3	-19.3	-108.6	-13.7	248.1	369.4	355.4	375.7	451.3	454.8	458.4	461.7	465.2	468.8
Output (Millions Fixed 2000\$)	0.4	-11.9	-22.3	35.8	200.7	253.1	245.4	242.0	287.7	286.4	284.9	283.2	281.5	280.0
Total Employment	7	-280	-1,036	303	4,027	5,440	5,224	5,290	6,241	6,200	6,153	6,100	6,047	5,995
Private Non-Farm Employment	7	-143	3	669	2,552	2,953	2,825	2,637	3,073	3,014	2,951	2,884	2,817	2,754
Pers Inc (Millions \$)	0.2	-17.9	-100.0	-14.7	241.0	376.0	379.6	417.8	512.5	533.0	553.2	573.2	593.2	613.5

Source: REMI Policy Insight Version 9.0

Military-related spending impacts are seen primarily in construction, real estate, retail trade, professional and technical services, and administration and waste services. Other industry sectors that see a large economic impact due to military-related spending include information and accommodation and food services. Tables 5 and 6 show the impacts at industry levels for both the construction and personnel realignment.

Table 5 - Estimated Annual Economic Impact on Output (Millions of Fixed 2000\$) in Okaloosa, Santa Rosa, and Walton Counties

Industry Sector	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Forestry, Fishing, Other	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mining	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utilities	0.0	-0.2	-0.9	-0.1	1.9	2.9	2.8	3.0	3.5	3.5	3.5	3.5	3.5	3.5
Construction	0.3	-0.8	36.8	39.5	55.0	42.1	45.6	32.5	37.0	37.8	37.3	36.2	34.9	33.5
Manufacturing	0.0	-0.3	-1.4	0.1	4.2	5.6	5.0	4.9	5.9	5.7	5.5	5.4	5.3	5.3
Wholesale Trade	0.0	-0.3	-1.3	0.2	4.4	6.3	6.1	6.4	7.8	7.9	8.0	8.1	8.2	8.4
Retail Trade	0.0	-1.8	-8.0	1.5	27.8	38.8	38.2	40.0	48.4	49.2	50.0	50.7	51.4	52.0
Transp, Warehousing	0.0	0.0	-0.2	0.0	0.5	0.8	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8
Information	0.0	-0.7	-4.3	-0.6	9.4	14.2	13.6	14.6	17.6	17.7	17.8	18.0	18.1	18.3
Finance, Insurance	0.0	-0.6	-3.3	0.0	8.5	11.6	10.4	10.4	12.4	12.0	11.7	11.5	11.3	11.2
Real Estate, Rental, Leasing	0.0	-2.5	-13.8	-1.8	28.0	40.3	36.1	36.9	43.1	40.4	38.3	36.3	34.6	33.1
Profess, Tech Services	0.0	-1.7	-10.5	-2.0	22.4	34.8	34.0	36.9	44.5	45.1	45.7	46.3	46.9	47.5
Mngmt of Co, Enter	0.0	-0.1	-0.5	0.0	1.1	1.6	1.6	1.6	2.0	2.0	2.0	2.0	2.0	2.0
Admin, Waste Services	0.0	-0.8	-4.5	-0.6	10.0	14.9	14.3	15.1	18.1	18.2	18.2	18.3	18.4	18.5
Educational Services	0.0	0.0	-0.3	-0.1	0.6	0.9	0.8	0.9	1.1	1.1	1.1	1.1	1.1	1.1
Health Care, Social Asst	0.0	-0.4	-2.4	0.0	6.4	9.4	9.1	9.7	11.4	11.3	11.2	11.2	11.2	11.1
Arts, Enter, Rec	0.0	-0.1	-0.8	0.0	1.9	2.8	2.6	2.8	3.4	3.4	3.4	3.4	3.4	3.4
Accom, Food Services	0.0	-0.8	-4.2	-0.2	10.1	14.3	13.2	13.7	16.3	16.0	15.9	15.7	15.6	15.6
Other Services (excl Gov)	0.0	-0.6	-2.9	0.1	8.3	11.8	11.3	11.9	14.3	14.4	14.5	14.6	14.7	14.8
Total	0.4	-11.9	-22.3	35.8	200.7	253.1	245.4	242.0	287.7	286.4	284.9	283.2	281.5	280.0

Source: REMI Policy Insight Version 9.0

Table 6 - Estimated Annual Economic Impact on Employment in Okaloosa, Santa Rosa, and Walton Counties

Industry Sector	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Nat Res, Mining, Util, Const	5	-16	666	698	953	706	744	509	574	577	561	536	509	481
Forestry, Fishing, Other	0	0	-1	0	3	3	3	2	3	2	2	2	2	1
Mining	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	0	-1	-3	0	6	9	9	9	11	11	11	11	10	10
Construction	5	-15	670	699	944	693	732	497	561	564	549	524	497	469
Manufacturing	0	-1	-4	0	10	12	10	9	11	10	9	9	8	8
Trade	1	-31	-133	20	414	556	523	525	614	600	589	577	565	554
Wholesale Trade	0	-2	-9	1	28	37	34	34	40	38	37	36	35	35
Retail Trade	1	-29	-124	19	386	519	489	491	574	562	551	541	530	519
Transp, Inform, Fin Act	0	-17	-93	-11	191	267	237	238	277	263	252	242	234	227
Transp, Warehousing	0	-1	-3	0	6	8	7	7	8	8	7	7	7	7
Information	0	-3	-17	-3	33	49	45	46	54	52	51	50	49	48
Finance, Insurance	0	-6	-29	0	70	93	80	78	91	85	81	78	75	72
Real Estate, Rental, Leasing	0	-8	-44	-8	81	117	105	107	124	118	112	107	103	100
Services	1	-78	-433	-38	985	1,412	1,311	1,356	1,598	1,565	1,541	1,520	1,501	1,484
Profess, Tech Services	0	-17	-100	-19	198	298	281	295	346	340	336	331	326	322
Mngmt of Co, Enter	0	-1	-3	0	6	8	7	7	9	8	8	8	7	7
Admin, Waste Services	0	-16	-89	-13	187	271	252	259	305	299	293	289	284	281
Educational Services	0	-1	-9	-2	17	25	23	24	29	29	29	29	30	30
Health Care, Social Asst	0	-7	-39	0	101	146	137	142	166	161	157	155	153	149
Arts, Enter, Rec	0	-5	-26	-2	60	86	79	82	97	95	93	92	91	90
Accom, Food Services	0	-18	-98	-5	229	319	291	298	353	344	339	334	330	327
Other Services (excl Gov)	0	-14	-70	2	187	259	241	248	293	289	286	283	280	278
Public Admin	0	-136	-1,039	-366	1,475	2,487	2,400	2,653	3,167	3,186	3,202	3,216	3,230	3,241
State & Local Gov	0	-19	-111	-46	147	260	269	310	378	397	413	427	441	453
State Gov	0	-3	-15	-6	20	36	38	44	55	58	61	64	66	68
Local Gov	0	-17	-96	-39	127	224	231	265	324	339	352	364	374	384
Federal Civilian	0	58	114	185	258	333	350	350	350	350	350	350	350	350
Federal Military	0	-175	-1,042	-505	1,070	1,894	1,781	1,993	2,439	2,439	2,439	2,439	2,439	2,439
Farm	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	7	-280	-1,036	303	4,027	5,440	5,224	5,290	6,241	6,200	6,153	6,100	6,047	5,995

Source: REMI Policy Insight Version 9.0

Impact on Education

A large federal installation, while adding a great deal to the economic growth of an area, also has a tremendous impact upon a local community in terms of increased costs. When an installation the size of Eglin is housed in a locality, a great deal of property and activity is removed from the local tax rolls which support public education. Additional troops add to this burden.

Using Department of Defense formulas (see Appendix C), Table 7 provides estimates for the number of school-age children expected to be added to or removed from regional schools as a result of the BRAC relocations and draw downs.

Table 7 - Estimated Number of School-age Children

Economic Input	2008	2009	2010	2011	2012	2013	2014	2015
Military Personnel -	-175	-867	537	1575	824	-113	212	446
Contractor Manpower Equivalents	15	13	47	68	75	17		
Civilians	43	43	24	5				
Estimated number of family members	-199	-1449	1109	2981	1633	-169	382	803
Estimated number of school- age children	-32	-369	324	828	466	-39	103	216

Each additional student will impact the local school districts in terms of annual costs and potentially additional capital costs. Currently, the regional average annual per pupil expenditures is approximately \$6,605. See Table 8.

Table 8 - Per Pupil Expenditures

FY05 Per Pupil Expenditures				
Student Type	Okaloosa	Santa Rosa	Walton	3-County Avg.
Exceptional	\$ 8,224	\$ 7,933	\$ 8,928	\$ 8,362
Regular	\$ 5,394	\$ 4,710	\$ 5,402	\$ 5,169
At-Risk	\$ 5,569	\$ 8,344	\$ 5,311	\$ 6,408
Vocational	\$ 5,139	\$ 5,730	\$ 8,574	\$ 6,481
			Region average	\$ 6,605

Source: FLDOE School Indicators Report

Thus, in current dollars the anticipated personnel relocations will generate estimated net additional operating costs of up to \$9.8 million for the school districts during the period of 2007 and 2015, with the bulk of the expenditures commencing in 2011. This analysis does not include the number of school-age that may accompany the additional projected non-military movement population growth as sufficient data is not available to estimate that number, nor does it assess demand for private schooling.

It should be noted that since 1950, Congress has provided financial assistance to local school districts through the Impact Aid Program. Impact Aid was designed to assist local school districts that have lost property tax revenue due to the presence of tax-exempt Federal property, or that have experienced increased expenditures due to the enrollment of federally connected children, including children living on Indian lands. The Impact Aid law (now Title VIII of the Elementary and Secondary Education Act of 1965 (ESEA)) provides assistance to local school districts with concentrations of children residing on Indian lands, military bases, low-rent housing properties, or other Federal properties and, to a lesser extent, concentrations of children who have parents in the uniformed services or employed on eligible Federal properties who do not live on Federal property. In 2004 alone, the three-county region received \$8,172,801 in Impact Aid, with Okaloosa County receiving the bulk of the monies (\$7,452,614). These

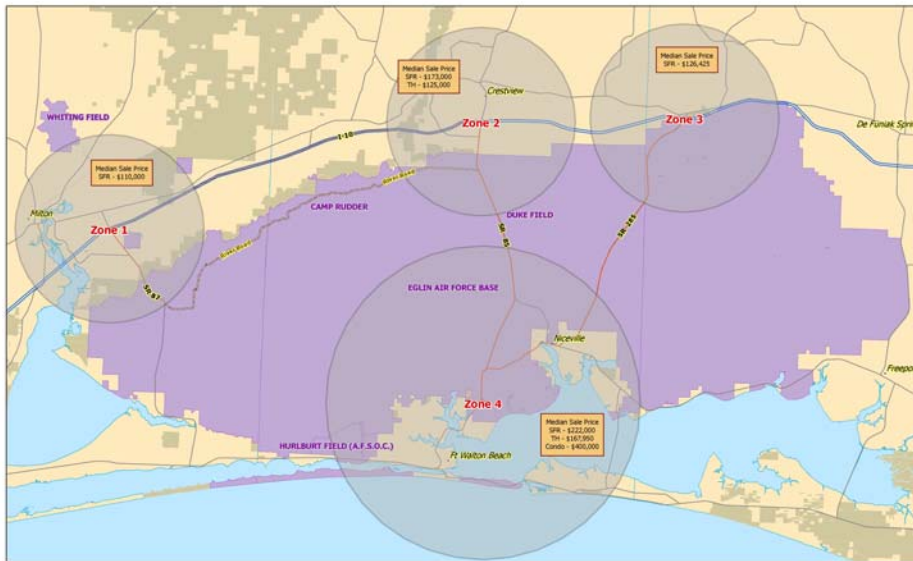
monies will be reduced initially due to the reduction in military children, but should increase again in conjunction with the new students.

Impact on Affordable Housing

The BRAC realignments will result in additional housing demand in Okaloosa County and, to a lesser extent, in Santa Rosa and Walton counties. The incoming military personnel will face three primary challenges in their search for “off-base” housing: availability, affordability, and proximity to their specific work area(s) on the base. Proximity is a serious consideration when considering Eglin - the worlds largest Air Force Base, because transportation routes are limited through and around the base, and lengthy commuting times can be a major factor in selecting a place to live.

An initial review on affordability of housing performed by the Haas Center in late 2005 examined several areas that would be likely targets for off base residences based on proximity. These results were based on a sample of sales occurring within the areas.

Figure 4 - Affordability Adjacent to Eglin



Data from the 2000 Census shows 156,795 housing units in the three- county area, with slightly over 19 percent of the units vacant. Building permit data from 2000 to June 2006 shows the addition of 34,785 single family and multi-family units, although some of these would be replacements for properties destroyed by Hurricanes Ivan and Dennis.

A September 2006 study by the Shimberg Center for Affordable Housing at the University of Florida found that the median home price in 2005 for single family home properties that were homesteaded the following year – i.e. properties purchased for residences rather than as rental or investment properties – was \$213,900 in Okaloosa, \$214,150 in Santa Rosa County and \$320,000 in Walton County. The study also found a significant drop in affordability in all three counties since 2003. For example in 2003, sixty-six percent of home sales in Okaloosa County were affordable to families making less than 80 percent of the county median income. By 2006, this number stood at twenty-two percent. Both Santa Rosa and Walton counties saw similar declines, with Walton being the

least affordable with sales affordable to families making less than 80 percent of the median income at just fourteen percent of total sales in 2006.

Nearly 2,700 of the new households expected to be generated in 2015 from the BRAC relocations will be very low to moderate income households – in 2006 dollars, these represent household incomes of less than \$28,900 for very low income households; between \$28,900 and \$46,240 for low income households and between \$46,240 and \$70,930 for moderate income households. Worker household projections were derived using the East Central Florida Regional Planning Council Affordable Housing Impact Methodology for Developments of Regional Impact. This methodology uses a formula to estimate additional households based upon the number of workers in a development project. In this case, the additional direct impacts (military and associated civilian jobs) and indirect impacts estimated using the REMI model was used as input into the ECFRPC spreadsheets. The projected worker households resulting from the base realignments requiring home prices of \$252,503 or less or monthly rents of \$1,723 or less for housing to be considered affordable for the family is shown in Table 9.

Table 9 - Affordable Housing Households

Number of Households	Income	Affordable...				
		Rent	Monthly Payment	Payment Less Taxes and Insurance	7.0% Mortgage	Home Price
42	\$13,900	\$297	\$347	\$313	\$47,007	\$49,481
56	\$16,250	\$356	\$406	\$366	\$54,955	\$57,847
80	\$18,750	\$419	\$469	\$422	\$63,409	\$66,747
117	\$21,250	\$481	\$531	\$478	\$71,864	\$75,646
26	\$22,253	\$506	\$556	\$501	\$75,258	\$79,219
136	\$23,750	\$544	\$594	\$534	\$80,319	\$84,546
35	\$26,015	\$600	\$650	\$585	\$87,982	\$92,613
125	\$26,250	\$606	\$656	\$591	\$88,774	\$93,446
156	\$28,200	\$655	\$705	\$634	\$95,368	\$100,388
49	\$30,018	\$700	\$750	\$675	\$101,518	\$106,861
4	\$30,454	\$711	\$761	\$685	\$102,992	\$108,413
110	\$30,700	\$717	\$767	\$691	\$103,823	\$109,288
116	\$33,750	\$794	\$844	\$759	\$114,138	\$120,145
73	\$34,020	\$801	\$851	\$765	\$115,054	\$121,110
6	\$35,603	\$840	\$890	\$801	\$120,405	\$126,742
88	\$36,250	\$856	\$906	\$816	\$122,593	\$129,045
84	\$38,023	\$901	\$951	\$856	\$128,591	\$135,359
83	\$38,750	\$919	\$969	\$872	\$131,048	\$137,945
8	\$41,080	\$977	\$1,027	\$924	\$138,930	\$146,242
67	\$41,250	\$981	\$1,031	\$928	\$139,503	\$146,845
78	\$42,025	\$1,001	\$1,051	\$946	\$142,127	\$149,607
48	\$43,750	\$1,044	\$1,094	\$984	\$147,957	\$155,745
97	\$45,147	\$1,079	\$1,129	\$1,016	\$152,685	\$160,721
44	\$45,620	\$1,090	\$1,140	\$1,026	\$154,282	\$162,402
12	\$46,558	\$1,114	\$1,164	\$1,048	\$157,454	\$165,741
53	\$48,120	\$1,153	\$1,203	\$1,083	\$162,736	\$171,301
135	\$49,150	\$1,179	\$1,229	\$1,106	\$166,221	\$174,970
76	\$51,250	\$1,231	\$1,281	\$1,153	\$173,322	\$182,444
14	\$52,035	\$1,251	\$1,301	\$1,171	\$175,979	\$185,241
50	\$53,750	\$1,294	\$1,344	\$1,209	\$181,777	\$191,344
144	\$54,033	\$1,301	\$1,351	\$1,216	\$182,735	\$192,353
34	\$56,250	\$1,356	\$1,406	\$1,266	\$190,231	\$200,243
13	\$57,513	\$1,388	\$1,438	\$1,294	\$194,503	\$204,740
108	\$58,035	\$1,401	\$1,451	\$1,306	\$196,271	\$206,601
17	\$58,750	\$1,419	\$1,469	\$1,322	\$198,686	\$209,143
13	\$61,250	\$1,481	\$1,531	\$1,378	\$207,141	\$218,043
16	\$61,785	\$1,495	\$1,545	\$1,390	\$208,952	\$219,950
102	\$62,038	\$1,501	\$1,551	\$1,396	\$209,807	\$220,850
10	\$63,750	\$1,544	\$1,594	\$1,434	\$215,596	\$226,943
83	\$66,040	\$1,601	\$1,651	\$1,486	\$223,344	\$235,098
6	\$66,250	\$1,606	\$1,656	\$1,491	\$224,051	\$235,843
27	\$67,263	\$1,632	\$1,682	\$1,513	\$227,477	\$239,449
5	\$68,430	\$1,661	\$1,711	\$1,540	\$231,423	\$243,603
59	\$70,043	\$1,701	\$1,751	\$1,576	\$236,880	\$249,347
4	\$70,930	\$1,723	\$1,773	\$1,596	\$239,878	\$252,503

Source: ECFRPC and REMI

Consequently, demand for affordable housing units will increase significantly by 2015 within commuting distance of Eglin and in surrounding communities.

Impact on Transportation

Transportation is already an issue of critical concern in the three-county region. Traffic has been steadily increasing and many roadway segments are already considered inadequate for the amount of traffic they carry. See Table 10.

Table 10 - Traffic Counts

Santa Rosa AADT		1970	1980	1990	2000	2005
0019	US 90 at SR 87	2,481	n/a	6,619	8,800	12,100
0027	US 90 causeway	7,343	14,860	25,277	34,500	40,000
0028	US 98 one mile east of Pensacola Bay Bridge	6,282	14,758	30,649	50,500	47,500
0029	SR 87 at US 98	2,080	2,897	6,953	13,300	13,700
0031	US 98 at Garcon Point Rd.	n/a	n/a	n/a	29,500	40,000
0105	US 90 at West Spencer Field Rd.	7,907	13,932	22,633	28,000	36,500
0128	US 90 at Avalon Blvd.	7,264	14,647	19,314	26,000	33,500
0214	Woodbine Rd. at US 90	1,367	2,366	8,127	15,800	17,500
0215	Avalon Blvd south of US 90	1,805	7,062	13,014	17,000	18,500
2001	I-10 west of Avalon Blvd	n/a	16,101	25,458	43,000	36,500
Okaloosa AADT		1970	1980	1990	2000	2005
0018	US 98 in Destin	6,660	12,705	24,156	41,000	50,000
0088	SR 85 at Shoal River south of Crestview	3,930	6,920	15,378	25,000	35,000
0110	SR 20 at Walton County line	1,613	3,134	7,531	7,900	10,500
0122	US 90 2 miles west of SR 85 in Crestview	n/a	6,126	8,388	10,540	13,000
0260	SR 85 at Lewis Turner Blvd.	6,782	10,606	24,053	31,000	32,000
0296	Mid-Bay Bridge	n/a	n/a	n/a	15,100	21,500
0298	SR 20 at Rocky Bayou in Niceville	n/a	5,765	18,901	32,000	42,500
1603	SR 85 at Third Ave. in Crestview	5,367	8,608	12,025	19,600	25,000
1701	Beal Pkwy in Mary Esther	9,708	17,971	20,974	28,500	33,000
1705	US 98 at Mary Esther Blvd	13,714	17,894	31,184	37,000	43,401
1707	Eglin Pkwy at Garnier Bayou	n/a	30,279	40,006	45,500	51,000
1708	Mary Esther Blvd at Lovejoy Rd.	4,924	19,087	30,244	28,000	32,500
Walton AADT		1970	1980	1990	2000	2005
0141	US 98 at US 331	2,871	2,767	6,974	11,900	21,500
0168	US 98 at Okaloosa County line	n/a	n/a	14,115	37,190	47,368
0246	US 331 in Freeport	1,815	2,017	4,492	7,800	11,000
0253	US 98 at Sandestin	n/a	n/a	20,276	34,000	43,500
1502	US 90 east of SR 83 in DeFuniak	9,497	8,323	11,083	10,800	12,300
1503	US 331 south of Bob Sikes Rd	2,402	5,760	10,682	15,300	19,700

AADT = Average Annual Daily Traffic
Source: Florida Department of Transportation
Numbers based on actual counts and estimates

Using standard trip generation statistics from the 7th edition of the ITE Trip Generation Report, Table 11 provides estimates on the numbers of additional trips generated as a result of the additional population growth created by the BRAC personnel realignments. Since it is unknown which types of households will be generated by the personnel realignments, the estimates are based on average trip generation statistics for all types of households (single family, apartments, and mobile homes.)

Table 11 - Trip Generation Estimates

Year	Population	Estimated # households	Total Daily Trips Generated
2007	1	0	3
2008	-453	-165	-1,170
2009	-2,614	-951	-6,749
2010	-1,078	-392	-2,783
2011	3,453	1,256	8,915
2012	6,102	2,219	15,754
2013	6,300	2,291	16,265
2014	7,251	2,637	18,721
2015	8,860	3,222	22,875
2016	9,292	3,379	23,990
2017	9,688	3,523	25,013
2018	10,050	3,655	25,947
2019	10,380	3,775	26,799
2020	10,690	3,887	27,600

Estimates are based on 2007 average trip generation statistics by all household types of 7.1 trips per day

Source: REMI and FDOT

The BRAC and other personnel relocations will occur over time, with new residents choosing to locate in adjoining jurisdictions and workers deciding to commute rather than move. During the transition period, impacts to roadways and transit service may not be realized for many years, and in some cases facilities impacts occur in unexpected areas. Therefore, it's important for transportation planners to periodically evaluate travel patterns and levels of service after a BRAC move to identify whether there are new infrastructure needs

or adjustments that can be made to the local system such as signal timings. Consultation with the local jurisdiction involved will be important since they can assist in identifying potential areas of concern.

Impact on Law Enforcement, Healthcare and Utilities

For many industries and local government, a major effect of the BRAC realignment will be the additional population generated not only by the actual troops and their families, but also by the additional employment demanded by their demands for goods and services. Three major areas impacted by these population changes are local government, particularly in law enforcement, and the healthcare and utilities industries.

Employment costs in all three of these areas are anticipated to increase significantly as the population grows. See Table 12.

Table 12 - Growth in Employment for Utilities, Healthcare and Local Government

Year	Utilities	Healthcare	Local Govt.
2007	0	0	0
2008	-1	-7	-17
2009	-3	-39	-96
2010	0	0	-39
2011	6	101	127
2012	9	146	224
2013	9	137	231
2014	9	142	265
2015	11	166	324
2016	11	161	339
2017	11	157	352
2018	11	155	364
2019	10	153	374
2020	10	149	384

Source: REMI

The current fiscal year budgets for Okaloosa, Santa Rosa and Walton Counties show total per capita law enforcement costs (including sheriff's offices and

courts) of nearly \$240 in 2006 dollars. Given the projected population increases generated by BRAC changes, additional costs will reach over \$1.8 million in 2011.

Table 13 - Projected Law Enforcement Costs

Year	Population Growth	Annual Law Enforcement Costs(2006\$)
2007	1	\$239
2008	-453	-\$108,453
2009	-2,614	-\$625,819
2010	-1,078	-\$258,084
2011	3,453	\$826,684
2012	6,102	\$1,460,882
2013	6,300	\$1,508,286
2014	7,251	\$1,735,965
2015	8,860	\$2,121,176
2016	9,292	\$2,224,602
2017	9,688	\$2,319,408
2018	10,050	\$2,406,075
2019	10,380	\$2,485,080
2020	10,690	\$2,559,297

Source: REMI and county FY07 budgets

According to statistics from the Florida Agency for Health Care Administration, the three-county region already has fewer dentists, physicians, and hospital beds per 100,000 of population than the state as a whole. See Table 14.

Table 14 - Healthcare Statistics for the Three-county Region

	Okaloosa County		Santa Rosa County		Walton County		Florida
	Number 2005	Rate per 100,000	Number 2005	Rate per 100,000	Number 2005	Rate per 100,000	Rate per 100,000
Providers*							
Total Licensed Dentists (Fiscal Year)	101	53.2	39	28.4	15	27.7	61.4
Total Licensed Physicians (Fiscal Year)	355	187.1	215	156.7	37	68.2	279.7
Total Licensed Family Practice Physicians (Fiscal Year)	38	20.0	38	27.7	3	5.5	16.6
Total Licensed Internists (Fiscal Year)	52	27.4	29	21.1	4	7.4	45.2
Total Licensed OB/GYN (Fiscal Year)	16	8.4	9	6.6	1	1.8	9.5
Total Licensed Pediatricians (Fiscal Year)	16	8.4	16	11.7	1	1.8	17.1
Facilities							
Total Hospital Beds	446	235.0	244	177.8	100	184.4	320.4
Total Acute Care Beds	354	186.5	244	177.8	100	184.4	266.5
Total Specialty Beds	92	48.5	0	0.0	0	0.0	53.9
Total Nursing Home Beds	899	473.7	410	298.7	217	400.2	459.6
County Health Department							
County Public Health Department Full-Time Employees	121	64.0	79	57.7	42	78.0	61.0
County Public Health Department Expenditures	7,014,986	3,696,650.8	4,610,120	3,359,044.3	2,692,485	4,966,035.5	3,849,945.9
Data Sources: Division of Medical Quality Assurance and Office of Planning, Evaluation and Data Analysis, Florida Dept. of Health; Florida Agency for Health Care Administration							
*Data for providers are for a fiscal year, not a calendar year							

The new military personnel and their dependents as well as the additional population generated by their desire for goods and services will generate an increased demand on the region's healthcare providers.

Electricity and water providers will also see increased demand. Based on the estimated population growth generated by the personnel relocations, the area will see increases in electricity demand of over 68 million kWh by 2020 and increased annual residential water demand of over 183 million gallons during that year as well.

Table 15 - Utilities Demand Estimates

Year	Population	Est. New Households	Est. Annual Electricity Demand (KwH)	Est. Annual Water Demand (Gallons)
2007	1	0	4,982	13,273
2008	(453)	(165)	(2,256,764)	(6,012,545)
2009	(2,614)	(951)	(13,022,473)	(34,694,909)
2010	(1,078)	(392)	(5,370,400)	(14,308,000)
2011	3,453	1,256	17,202,218	45,830,727
2012	6,102	2,219	30,399,055	80,990,182
2013	6,300	2,291	31,385,455	83,618,182
2014	7,251	2,637	36,123,164	96,240,545
2015	8,860	3,222	44,138,909	117,596,364
2016	9,292	3,379	46,291,055	123,330,182
2017	9,688	3,523	48,263,855	128,586,182
2018	10,050	3,655	50,067,273	133,390,909
2019	10,380	3,775	51,711,273	137,770,909
2020	10,690	3,887	53,255,636	141,885,455

Estimates based on 2.75 persons per household; annual electricity usage of 13,700 KwH per household and per capita daily residential water usage of 100 gallons.

Sources: Energy Information Administration, Southern Atlantic Region; United States Geological Survey; SRC, LLC.

Summary and Conclusions

In its final report to Congress, the Department of Defense recommended personnel and mission realignments to Eglin Air Force Base that will result in an additional 6,241 jobs during 2015 and an increase in the gross regional product of \$451.3 million during the same time period. The additional population growth accompanying these personnel changes will have significant impacts on local school systems, transportation infrastructure, affordable housing, government services, healthcare and utilities.

Appendix A – The REMI Model

The Regional Economic Models Inc. (REMI) Policy Insight® model was used to generate this analysis. The model contains baseline projections for Okaloosa County that incorporates a wide variety of variables. When changes are entered into the model such as the changes resulting from the base realignments, the model produces an alternative forecast, which can then be compared to the baseline forecast. The results in this report are from the alternative forecast – they represent changes from the baseline, or no-change, scenario.

A major feature of REMI is that it is a dynamic model that forecasts how changes in the economy and adjustments to those changes will occur on a year-by-year basis. The model is sensitive to a very wide range of policy and project alternatives and to interactions between the regional and national economies. REMI Policy Insight models are built specifically for each region. The model-building system uses hundreds of programs developed over the past two decades to build customized models for each area using data from the Bureau of Economic Analysis, the Bureau of Labor Statistics, the Department of Energy, the Census Bureau and other public sources.

The REMI model is a structural model, meaning that it clearly includes cause-and-effect relationships. The model shares two key underlying assumptions with mainstream economic theory: households maximize utility and producers maximize profits. Since these assumptions make sense to most people, the model can be understood by intelligent lay people as well as trained economists. In the model, businesses produce goods to sell to other firms, consumers, investors, governments and purchasers outside the region. The output is produced using labor, capital, fuel and intermediate inputs. The demand for labor, capital and fuel per unit of output depends on their relative costs, since an

increase in the price of any one of these inputs leads to substitution away from that input to other inputs. The supply of labor in the model depends on the number of people in the population and the proportion of those people who participate in the labor force. Economic migration affects the population size. More people will move into an area if the real after-tax wage rates or the likelihood of being employed increases in a region. Supply and demand for labor in the model determine the wage rates. These wage rates, along with other prices and productivity, determine the cost of doing business for every industry in the model. An increase in the cost of doing business causes either an increase in price or a cut in profits, depending on the market for the product. In either case, an increase in cost would decrease the share of the local and U.S. market supplied by local firms. This market share combined with the demand described above determines the amount of local output. Of course, the model has many other feedbacks. For example, changes in wages and employment impact income and consumption, while economic expansion changes investment and population growth impacts government spending.

Appendix B – REMI Inputs

Variable	Detail	Units	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Federal Military Government Employment (number)	Military	Units	0	-175	-1042	-505	1070	1894	1781	1993	2439	2439	2439	2439	2439	2439
Federal Civilian Government Employment (number)	Federal Civilian	Units	0	43	86	110	115	115	115	115	115	115	115	115	115	115
Federal Civilian Government Employment (number)	Federal Civilian	Units	0	15	28	75	143	218	235	235	235	235	235	235	235	235
Firm Sales (amount)	Construction	Nominal \$ (M)	0	0	125	126	126	0	0	0	0	0	0	0	0	0
Firm Sales (amount)	Construction	Nominal \$ (M)	0	0	73.2	73.2	73.2	73.2	73.2	0	0	0	0	0	0	0
Firm Sales (amount)	Construction	Nominal \$ (M)	1	1	0	0	0	0	0	0	0	0	0	0	0	0

Source: REMI Policy Insight Version 9.0

Appendix C – Department of Defense Formulas

Formulas For Calculations

Number of Soldiers

Number of Family Members

Number of Soldiers with Children

Number of Children

Number of School-Age Children

Number of Civilians

Number of Family Members

Number of Civilians with Children

Number of Children

Number of School-Age Children

Data

Number of Soldiers x 1.8

Number of Soldiers x 0.48

Number of Soldiers with Children x 1.6

Number of Children x 0.63

Data

Number of Civilians x 2.0

Number of Civilians x 0.80

Number of Civilians with Children x 1.5

Number of Children x 0.75