



# Wisconsin Historic Tax Credit Analysis

Impact Analysis  
Calendar Years 2014-2016

April 2017



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# Historic Tax Credit Process

Since 1989 the State of Wisconsin (WI) has offered a historic tax credit (HTC) on qualified historic expenditures for certified buildings across the state. Across the nation, 32 states currently offer similar programs and WI is one of 14 that have no aggregate annual cap on the credit's use. While details vary for each state's program, 22 states exceed WI relative to the percentage allowed for the credit, with a 25% being most commonly allowed. Wisconsin is one of seven states offering a 20% credit. In 2014 WI modified its program to expand to this percentage. In the 3 years prior to the expansion 39 projects received their Part II approvals. This report assesses 118 projects (with owner occupied and projects that are known to have withdrawn being excluded) from the assessment. **The relative increase in activity appears to suggest that the change from a 5% credit to a 20% credit significantly changed owner/developer interest (a 67% increase in development over a similar 3 year period).** The purpose of this report is to estimate the economic and fiscal impact of this growth in activity, and assess the change in WI's HTC program. The approach looks at the benefits in terms of overall economic impact, jobs generated and tax revenues anticipated for the income generating project's receiving Part II approvals in calendar years 2014-2016.

A brief introduction to the process of obtaining historic certification and a WI State HTC contract follows to better enable the reader in understanding the general flow of the assessment and of the program as a whole.

## Process Steps

1. Building Owner expresses interest in a historic rehabilitation project
2. Owner files Part I (HTC application) to establish eligibility for National Register (NR) listing and tax credits
  - a. Owner obtains documentation of Historic relevance (architectural or cultural or both)
  - b. State Historic Preservation Office (SHPO) reviews Part I, sends recommendation to NPS
  - c. National Park Service (NPS) issues approval, qualifying owner to apply for credits
  - d. Owner begins NR nomination process in parallel with tax credit application
3. Owner files Part II, which details renovation plans and include comprehensive photos, complete working drawings, plans and specifications (details on specific elements to be used in the rehab process).
  - a. SHPO reviews Part II and works with owner to resolve any concerns with the historic renovation. Upon acceptance, sends recommendation to NPS
  - b. NPS issue approval, verifying that work meets preservation standards
  - c. SHPO sends approval notification and application materials to WI Economic Development Corporation (WEDC) to start state tax credit allocation process
4. Owner works with WEDC to execute contract for state credits
5. Upon completion of work, owner files Part III documenting that work was completed as planned and meets preservation standards
  - a. SHPO reviews Part III, sends recommendation to NPS
  - b. NPS issues approval allowing owner to claim credit
  - c. Tax credit owner may now claim credit. **Project is complete.**





**1. Initial Historic Concept**



**2. Research and Validation**



**3. Comprehensive Plans and Approvals**



**4. State Contract Execution**



**5. Project Completion and Credits Available**

# Wisconsin Historic Tax Credits 2014-2016

Using tax credit application material submitted to the state agencies, property renovation and tenancy information and tax assessment histories that were provided, Baker Tilly has analyzed 118 projects that filed tax credit applications (Part II) between 2014 and 2016 and are expected to proceed through project completion and final HTC approval process (Part III). These projects received contracts for roughly \$171 million in Wisconsin historic tax credits. Based upon the information provided, Baker Tilly was able to develop an analysis and account for likely impacts on employment, economic output, and tax revenues for the projects.



2014	Historic Tax Credits	Number of Projects	% of Projects
Cities & Towns <100k	\$6,568,741	13	39.4%
Cities & Towns >100k	\$3,075,233	6	18.2%
City of Milwaukee	\$33,795,185	14	42.4%
<b>Total</b>	<b>\$43,439,159</b>	<b>33</b>	

2015	Historic Tax Credits	Number of Projects	% of Projects
Cities & Towns <100k	\$12,029,289	22	45.8%
Cities & Towns >100k	\$13,924,415	6	12.5%
City of Milwaukee	\$48,581,973	20	41.7%
<b>Total</b>	<b>\$74,535,677</b>	<b>48</b>	

2016	Historic Tax Credits	Number of Projects	% of Projects
Cities & Towns <100k	\$32,024,051	25	67.6%
Cities & Towns >100k	\$5,118,912	4	10.8%
City of Milwaukee	\$15,977,362	8	21.6%
<b>Total</b>	<b>\$53,120,325</b>	<b>37</b>	

## Program History

In 2014 the State of Wisconsin expanded its Historic Tax Credit (tax credit) from an existing 5% credit to a 20% credit for Qualified Rehabilitation Expenditures (QREs). The Wisconsin State Historic Preservation Office oversees processes through all phases of review to ensure they meet program historic preservation requirements. Contracts for the allocation of tax credits are then executed and administered by the Wisconsin Economic Development Corporation.

Initially after the tax credit increased to a 20% credit in 2014, the program saw heavy usage in 2014 and 2015, especially from projects located within the City of Milwaukee, and overall tax credit requests peaked in 2015. By 2016, tax credits had leveled off and \$45.6 million in tax credits was requested from 37 projects. Milwaukee saw tax credit requests drop in 2016 to a low of \$15.9 million in applications for credits.

As the program has matured, the credits are being used in significantly greater amounts within cities and towns with populations less than 100,000 people. In 2016, more than 2/3 of all projects were in such places, and more than half of all state historic tax credits went to these communities.

# Executive Summary

As noted, 118 projects were reviewed for this impact assessment spanning the years 2014 through 2016. These projects received Part II approvals for an estimated \$171,095,000 in historic tax credits. An analysis of these projects provided the following summary highlights:

- The projects span across the state with an increasing emphasis on communities with populations of under 100,000 over time (69.4% in 2016).
- Repayment of taxpayer funds **in full** by the beginning of 5 of operations.
  - ✓ Based solely on values subsequent to this repayment, the state receives 110% over its initial investment through year 10 of the projected assessment period based on a 3% annual trending rate.
- During the construction period these projects are anticipated to generate over **\$683 million in direct economic output** (\$719 million overall).
  - ✓ Direct new construction jobs of 9,882 based on 1,820 hours per job/year; (10,950 total).
  - ✓ Total tax impact of \$50.5 million in direct WI based construction activity - with overall tax impact of \$92.4 million
- Once placed in service the projects are projected to provide for roughly **\$149 million in direct economic output** (\$162 million overall).
  - ✓ Direct permanent full-time equivalent (FTE) positions of 4,376 based on 1,820 hours per year; (4,700 total).
  - ✓ Total tax impact of \$25.9 million in direct operations activity with overall impact of \$35.2 million annually.
- Cumulative increase in property tax payments of **633%** post completion is anticipated (\$19 million versus \$3 million).
  - ✓ Increases in school tax payments of \$5.39 million or 592%.
  - ✓ Increases in WI Technical College receipts of roughly 532%.

2014		2015		2016	
City	Requested HTC Credits	City	Requested HTC Credits	City	Requested HTC Credits
Ashland	\$14,100	Appleton	\$1,860,000	Beloit	\$7,500,939
Baraboo	\$635,000	Berlin	\$1,332,614	Darlington	\$150,823
De Pere	\$13,000	Cassville	\$160,000	De Pere	\$27,669
Dodgeville	\$100,772	East Troy	\$240,000	Evansville	\$240,400
Eau Claire	\$782,353	Frederic	\$200,000	Fond du Lac	\$3,390,615
Green Bay	\$406,200	Green Bay	\$8,347,021	Kaukauna	\$1,410,855
La Crosse	\$90,000	Janesville	\$476,211	Kenosha	\$2,215,912
Madison	\$2,669,033	Kaukauna	\$300,000	La Crosse	\$11,013,279
Mayville	\$17,200	Kenosha	\$1,994,000	Madison	\$2,903,000
Milwaukee	\$33,795,185	La Crosse	\$2,303,232	Manitowoc	\$1,000,000
Oconomowoc	\$2,180,000	Madison	\$3,583,394	Milwaukee	\$15,977,362
Oshkosh	\$1,396,000	Manitowoc	\$1,616,400	Neenah	\$24,400
Schofield	\$784,210	Milwaukee	\$48,581,973	Oshkosh	\$2,703,139
Shawano	\$556,106	Oshkosh	\$360,000	Platteville	\$49,000
		Platteville	\$87,847	Plymouth	\$1,100,000
		Racine	\$356,177	Prairie du Chien	\$1,480,000
		Rice Lake	\$381,831	Racine	\$89,611
		Sauk City	\$140,000	Superior	\$719,520
		Sheboygan	\$1,569,977	Watertown	\$307,801
		Stevens Point	\$145,000	Wausau	\$816,000
		Watertown	\$500,000		

# Construction Period

During the construction period for the projects studied, more than \$719.1 million in economic output is estimated with more than **\$683 million** in spending from the projects directly, and more than **\$36 million** in additional supply chain-based economic output.

More than **10,950** new full-time equivalent (FTE) construction jobs are estimated to be created from construction activities, with 9,882 direct on-site jobs, and an estimated **1,073** FTE jobs through supply chain activity. Labor income from construction wages is estimated at more than **\$1.049 billion**, with more than \$630.5 million in wages from direct construction activities and more than \$418.4 million from indirect and induced construction sources.

Total tax impacts from all construction-period activities are estimated at more than \$92.4 million. Taxes on Productions and Imports from construction activity is estimated to create more than \$20.7 million from all vendors, with more than \$15.4 million in taxes created from local and Wisconsin-based construction vendors, and \$5.2 million from national vendors.

Additionally, more than **\$65.7 million** is estimated for Wisconsin income tax revenues from construction activity, more than \$39.5 million of which originates from direct construction labor.

Total Construction Tax Impacts	
"Local & State Taxes on Production & Imports"	\$15,498,694
National Vendor Taxes on Production & Imports	\$5,244,914
Total Property & Sales Taxes	\$20,743,608
Direct Payroll Income Tax	\$39,535,960
Indirect & Induced Payroll Income Tax	\$26,237,629
Total Payroll Tax	\$65,773,589
Corporate Tax from Project Spending	\$5,665,725
Corporate Tax from Supply Chain	\$299,409
Total Corporate Tax	\$5,965,133
<b>Total Construction Taxes</b>	<b>\$92,482,331</b>

Total Construction FTE Jobs	
Direct	9,882
Direct Supply Chain	669
Indirect Supply Chain	42
Induced	362
<b>Total</b>	<b>10,955</b>

Total Construction Economic Output	
Direct	\$683,028,918
Direct Supply Chain	\$21,924,642
Indirect Supply Chain	\$1,954,423
Induced	\$12,215,994
<b>Total</b>	<b>\$719,123,977</b>

Total Construction Labor Income	
Direct	\$630,557,579
Indirect	\$176,366,300
Induced	\$242,096,686
<b>Total</b>	<b>\$1,049,020,565</b>



# Project Operations

Based upon tenancy and use information provided for each project, operational impact on economic output, jobs, and taxes were estimated for each project evaluated. Annual operations for the projects that received tax credits by the State of Wisconsin are estimated to create more than **\$161.9 million** in economic output spending, with more than \$149.0 million from direct project sites, and more than \$12.8 million in supply chain-based economic output.

More than 4,700 new permanent, full-time equivalent jobs are estimated to be created from operations at the project sites, with **4,376 direct jobs** estimated at project sites, and an estimated 349 full-time jobs through supply chain activity. Annual labor income from all sources is estimated at more than \$303.6 million, with wages from the project sites estimated at more than \$190.0 million annually, and wages from indirect and induced sources is estimated at more than \$113.5 million annually.

Total operational tax impacts are estimated at more than \$35.2 million annually. Taxes on Productions and Imports from operational activity is estimated to create more than \$14.8 million from all vendors, with more than \$12.7 million in taxes created from local and Wisconsin-based construction vendors.

Additionally, more than \$18.7 million annually is estimated from Wisconsin income tax revenues from operations employment, more than \$11.9 million of which is from direct project site employment.

Total Operations FTE Jobs		Total Operations Tax Impacts	
Direct	4,376	"Local & State Taxes on Production & Imports"	\$12,740,004
Direct Supply Chain	219	National Vendor Taxes on Production & Imports	\$2,085,758
Indirect Supply Chain	13	Total Property & Sales Taxes	\$14,825,762
Induced	117	Direct Payroll Income Tax	\$11,915,192
<b>Total</b>	<b>4,725</b>	Indirect & Induced Payroll Income Tax	\$7,122,406
		Total Payroll Tax	\$19,037,598
Total Operations Economic Output		Corporate Tax from Project Spending	\$1,236,559
Direct	\$149,072,834	Corporate Tax from Supply Chain	\$106,445
Direct Supply Chain	\$7,486,941	Total Corporate Tax	\$1,343,004
Indirect Supply Chain	\$780,649	<b>Total Operations Taxes</b>	<b>\$35,206,364</b>
Induced	\$4,564,829		
<b>Total</b>	<b>\$161,905,253</b>		
Total Operations Labor Income			
Direct	\$190,034,961		
Indirect	\$43,014,995		
Induced	\$70,580,001		
<b>Total</b>	<b>\$303,629,957</b>		

# Property Taxes

Reviewing actual tax records and mill rates for each project, properties that received Part II tax credit approvals were paying more than \$3 million in various state and local property taxes at the time they started the redevelopment process, with a property assessment total of more than \$113.1 million in value. After projects are completed, it is estimated that they will have a new cumulative property tax assessment value of approximately **\$687,142,000 – an increase of 607%**, and will pay more than \$19.1 million in Wisconsin state and local property taxes annually, an estimated increase of more than \$16.0 million.

Of the projects reviewed: 21 properties had been tax exempt and without property assessments at the time construction started, requesting more than \$34.1 million in tax credits. After construction, 16 of these projects are planned to be taxable entities and start contributing to the tax base, with a new total estimated assessed value of more than \$42.8 million and more than \$1.07 million in new state and local property taxes.

Wisconsin school districts overall are estimated to receive more than \$6.48 million annually in tax revenue from the projects evaluated, an increase of more than \$5.39 million (or 592%) annually having received slightly more than \$1.09 million annually from the properties prior to construction. Wisconsin technical college authorities are estimated to receive more than \$870,400 annually from the properties, an increase more than \$732,600 (or 532%) from approximately \$137,800 they had received prior to construction. Trending these assessments for growth in valuation would likely produce an increasing value to the school tax revenues on an upward and forward moving scale. Notably, the analysis does not provide for specific reductions in tax base where agreements exist between the projects and the taxing authority for payments in lieu or other arrangements which might modify the projected outcomes.

The State of Wisconsin is estimated to receive more than \$121,100 in annual property tax revenue once projects are operational, an increase of \$86,000 annually, having received approximately \$35,100 annually from the projects prior to construction.

Local municipalities are estimated to receive more than \$8.1 million in property tax revenue from the projects reviewed, an increase of more than \$6.9 million annually from the approximate \$1.29 million being collected prior to construction.

County taxes are estimated at more than \$3.4 million annually, an annual increase of more than \$2.9 million in tax revenue, having previously been receiving approximately \$524,600 in annual tax revenue.

Property Taxes						
	State	County	City	Schools	Tech College	Total
Taxes Before HTCs	\$35,087	\$523,355	\$1,287,119	\$1,093,072	\$137,288	\$3,041,065
Taxes After HTCs	\$120,887	\$3,461,767	\$8,173,247	\$6,470,923	\$867,970	\$19,094,793
<b>Net Gain in Taxes</b>	<b>\$85,799</b>	<b>\$2,938,411</b>	<b>\$6,886,128</b>	<b>\$5,377,850</b>	<b>\$730,682</b>	<b>\$16,053,727</b>

Property Assessments	
Value Before HTCs	\$112,829,353
Est. Value After HTCs	\$685,642,123
<b>Net Gain in Assessments</b>	<b>\$572,812,770</b>

# Repayment Timeline

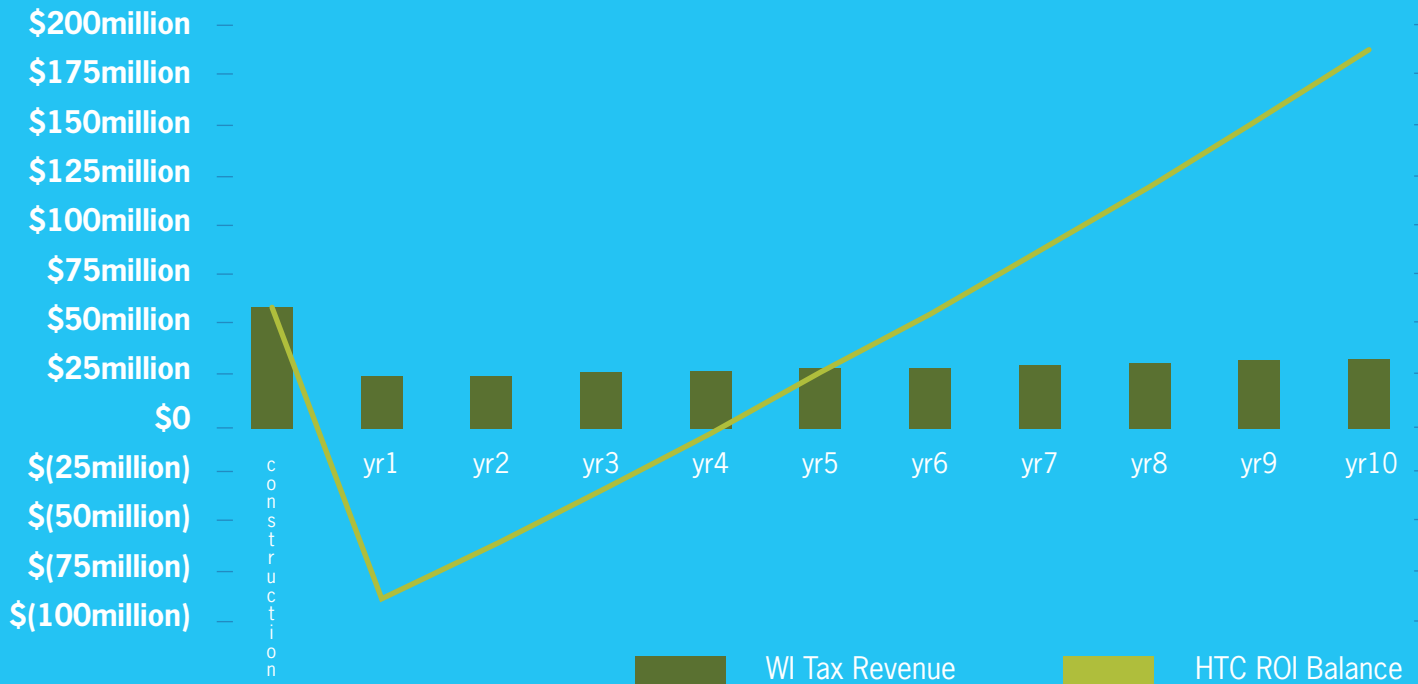
Utilizing estimated direct State of Wisconsin tax revenues from all sources, it is estimated that the roughly \$171 million in authorized tax credits will be fully repaid given all assumptions by the end of year 4.

Roughly \$61 million of state tax revenue is estimated from direct construction activity. The historic tax credits are not an expense to taxpayers until construction is complete and the projects are placed into service. This initial layer of tax benefit is received prior to any expense and accelerates value to the State. Years 1-4 of project operations are estimated to generate roughly \$110 million in direct State of Wisconsin tax revenue based on Year 1 operations and annual trending at 3% (rounded). Hence the projects are anticipated to repay the projected expense by the end of year four once credits have been taken by the projects.

Accounting for all likely indirect and induced taxes, the program will generate enough tax-base to cover the credit by Year 2 of operations. Based on an anticipated direct economic output, it is anticipated that these projects will pay back the tax credit investment in less than one year.

Project operations are anticipated to support ongoing surplus value to the State. By Year 10 of operations, the State of Wisconsin is estimated to have received more than \$187.7 million in additional tax revenue as a result of the tax credits with Part II approvals from 2014-2016.

## 2014-2016 Part II Tax Credit Outlook: Year 10 Operations for State of Wisconsin Tax Revenue



# Summary

For the projects studied that requested more than \$171 million in tax credits, these same projects yielded more than \$92.4 million in construction taxes, more than \$35.2 million annually in taxes from operations, and created more than \$16 million in new property taxes. Additionally, 15,680 full-time equivalent jobs were estimated to be created through construction and operations, and more than \$881 million in project output is estimated from construction and annual operations. The tax credits contracted from 2014-2016 are estimated to be fully paid back to the State of Wisconsin in the form of taxes by end of year 4 of operations.

## HTC Lexicon

**SHPO** - State Historic Preservation Office: The WI SHPO is located in the Wisconsin Historical Society building in Madison WI. The SHPO has responsibility for working with owners on project development, review, and approval.

**WEDC** - Wisconsin Economic Development Corporation:- The state's lead economic development organization with responsibility of allocating the state historic tax credit and developing contract with owner.

**QRE** - Qualified Rehabilitation Expenses: Only certain work on the building itself qualifies for the historic tax credit. In the application, the owner must separate those expenses which qualify for the credit from non-allowable expenses. In very simple terms, allowable expenses are generally attributable directly to the building proper while those excluded are costs that cannot be directly connected to the "hard" aspects of preservation activity.

**HTC** - Historic Tax Credits: Income tax credits that are available upon completion of pre-approved rehabilitation work for properties that are certified as historic structures.

**NPS** – National Park Service: The National Park Service is the approval authority for all listings in the National Register of Historic Places and all federal historic tax credits.

**Part I** – Part I of the HTC application process establishes that the building is eligible for listing in the State Register of Historic Places and the National Register of Historic Places and is a certified historic building for purposes of the historic tax credit program.

**Part II** – A Part II describes all work activities proposed for the building. All work must meet the federal Secretary of the Interior's Standards for Rehabilitation. Non-eligible work such as new construction and landscaping must also be reviewed and meet work standards. An approved Part II demonstrates that the project proposal meets all project requirements and the applicant is eligible to apply for the historic credits.

**Part III** – A Part III documents that the owner has met all requirements and conditions for the work approved in the Part II and the project is finished. The project must be fully completed before the historic credit may be claimed and may not be claimed without this approval.

**NR** – National Register: Listing the building in the National Register of Historic Places is required. Building nominations must be submitted via the Part I application to the SHPO and approved by a governor-appointed State Historic Preservation Review Board and signed by the State Historic Preservation Officer to be listed on the State Register. All properties must meet the National Register listing criteria. National Register listing is approved by the Keeper of the Register at the National Park Service.

**HTC contract** - State historic tax credits are allocated by the Wisconsin Economic Development Corporation. The formal application process begins after approval of a Part II application by the SHPO and NPS and results in the issuance of a formal contract for the credits. The project must be finished and a Part III application approved before the credits may be issued.

# Assumptions

Cities in Wisconsin other than Milwaukee with populations considered more than 100,000 people include Madison (247,207), Green Bay (105,079), and Kenosha (99,489), population data estimated as of 1/1/2016. Source:

Wisconsin Department of Administration, "Demographic Services Center's 2016 Population Estimates: Wisconsin Continues Its Moderate Growth."

[http://www.doa.wi.gov/Documents/DIR/Demographic%20Services%20Center/Estimates/OfficialFinalEsts\\_2016\\_summ.pdf](http://www.doa.wi.gov/Documents/DIR/Demographic%20Services%20Center/Estimates/OfficialFinalEsts_2016_summ.pdf)

Property tax and assessment records were provided for each property for the most recent billing cycle available, and predominantly either 2015 or 2016 mill rates for each community were utilized to calculate future taxes at stabilization.

Future assessed values and tenancy were assumed based on information by the client and data available on program applications filed with State of Wisconsin agencies.

Wisconsin corporate taxes were assumed at 7.9% for 10.5% of total output.

Wisconsin income taxes were assumed at 6.27% of labor income.

Any projects that had initially applied for state-based historic tax credits in Wisconsin during 2014-2016, but subsequently failed to be developed or did not have authorizing contracts signed with State of Wisconsin agencies were not included in this report.



# Appendix A: IMPLAN Input-Output Methodology

## About IMPLAN

This study utilizes IMPLAN, an economic modeling software that creates a model of the local economy and estimates the impact of a change in local spending on output, employment, and wages. Using total development cost data provided by the Developer and the identified area of impact, we quantified the economic impacts for Wisconsin's Historic Tax Credit using IMPLAN (with the exception of property taxes which were calculated outside of IMPLAN). Purchases for final use (final demand) drive the IMPLAN input-output model.

## Definitions

**Direct Impacts:** Direct impacts are those impacts occurring in the impacted sector and related industries as a direct result of the activity generated by the project. This includes output, income, and employment generated from direct investments in the project.

**Indirect Impacts:** Indirect impacts are those created based on the local expenditures generated from the changes in inter-industry purchases (supplier to supplier) as they respond to the demands of the directly affected industries. This includes output, income, and employment effects arising from local spending for goods and services.

**Induced Impacts:** Induced impacts are estimated based on the increase in local incomes attributable to the project. This includes output, income, and employment effects on all local industries caused by the expenditures of household income generated by the direct and indirect impacts.

**Output:** Output estimates represent the estimated increase in total production for all industries in the region supported by the project - a measure of overall economic activity. Output can also be thought of as the increase in the value of total sales as "Gross Local Product".

**Employment:** Employment estimates represent the estimated total jobs created and supported by the project, on both a temporary and ongoing basis.

Construction impacts of the project arise from the activity of building the project, and occur only while the project is being built. When the project is complete, these construction impacts end.

Ongoing impacts such as the impact of the operations of the built facility are presumed to be "on-going" and are described on an annual basis.

## Data Sources

Data used for IMPLAN software analysis includes the market area determined by the client. Data sources include North American Industrial Classification System (NAICS) codes; Regional Economic Information System Sectoring (REIS); Bureau of Labor Statistics Sectoring; Bureau of Economic Analysis Input-Output Sectoring; and, County Business Patterns; BLS CEW (Covered Employment and Wages program). The description of IMPLAN Methodology was adapted from the IMPLAN Version 2 Users Manual, 3rd edition, 2007.

# Appendix B: Emsi Input-Output Methodology

## About the Emsi Social Accounting Matrix

This study utilizes the Emsi Social Accounting Matrix. Emsi's multi-regional social accounting matrix (MR-SAM) modeling system is a "comparative static" type model in the same general class as RIMS II (Bureau of Economic Analysis). It relies on a matrix representation of industry-to-industry purchasing patterns originally based on national data which are regionalized with the use of local data and mathematical manipulation (i.e., non-survey methods). Models of this type estimate the ripple effects of changes in jobs, earnings, or sales in one or more industries upon other industries in a region. The Emsi model shows final equilibrium impacts – that is, the user enters a change that perturbs the economy and the model shows the changes required to establish a new equilibrium. As such, it is not a "dynamic" type model that shows year-by-year changes over time.

## Definitions

**Initial Impact:** This number represents the initial change in jobs, earnings, or wages as input by the user, and therefore does not include ripple effects. If a user has made the input terms of jobs, this figure will match exactly what the user entered. If in terms of earnings or sales, this number will represent the conversion to jobs from those other terms.

**Direct Impact:** The effect of new input purchases by the initially changed industries. This is the first round of impacts. This change is due to inter-industry effects.

**Indirect Impact:** The subsequent ripple effect in further supply chains resulting from the direct change. In more awkward terms, this shows the sales change in the supply chains of the supply chain, as a result of direct change. This is the second round of impacts. This change is due to inter-industry effects.

**Induced Impact:** This change is due to the impact of new earnings created by the initial, direct, and indirect changes. These earnings enter the economy as employees spend their paychecks in the region on food, clothing, and other goods and services. In other words, this figure represents the income effects on inter-industry trade.

## Important Assumptions

Construction impacts are usually brief. When a new bridge or building is built in a region, the construction change in the region is not permanent. Changes in Emsi's model assume that the jobs added represent a permanent change to the regional economy. For this reason, it's important to look primarily at the impact to the supply chain in the region, rather than looking at the full impact of the construction project.

Other impacts, however, will continue past the construction. Operation of a new building represents a real change in the economy, but shouldn't be equated to the change in the construction industry.

## About The Historic Preservation Institute

The Historic Preservation Institute (HPI) at UW-Milwaukee was founded in 1994 by funds from local foundations and individuals concerned about the preservation of Wisconsin's historic buildings and landmarks and the education of historic preservation architects. Housed within the UW-Milwaukee's School of Architecture and Urban Planning, HPI is devoted primarily to establishing significant historic preservation research and outreach efforts in Wisconsin. In addition to original research projects, HPI provides communities and local and state preservation organizations with design planning and evaluation services and educational programming and materials. The institute also provides historic preservation researchers and graduate students with an opportunity to work with private and public organizations interested in historic preservation and adaptive reuse.

## About Baker Tilly

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