


Our River... Our Riverfront

Economic Benefits Analysis Columbus, IN

November 2023
James Lima Planning + Development





***Capital follows people.
People follow place.
Place needs investment.***

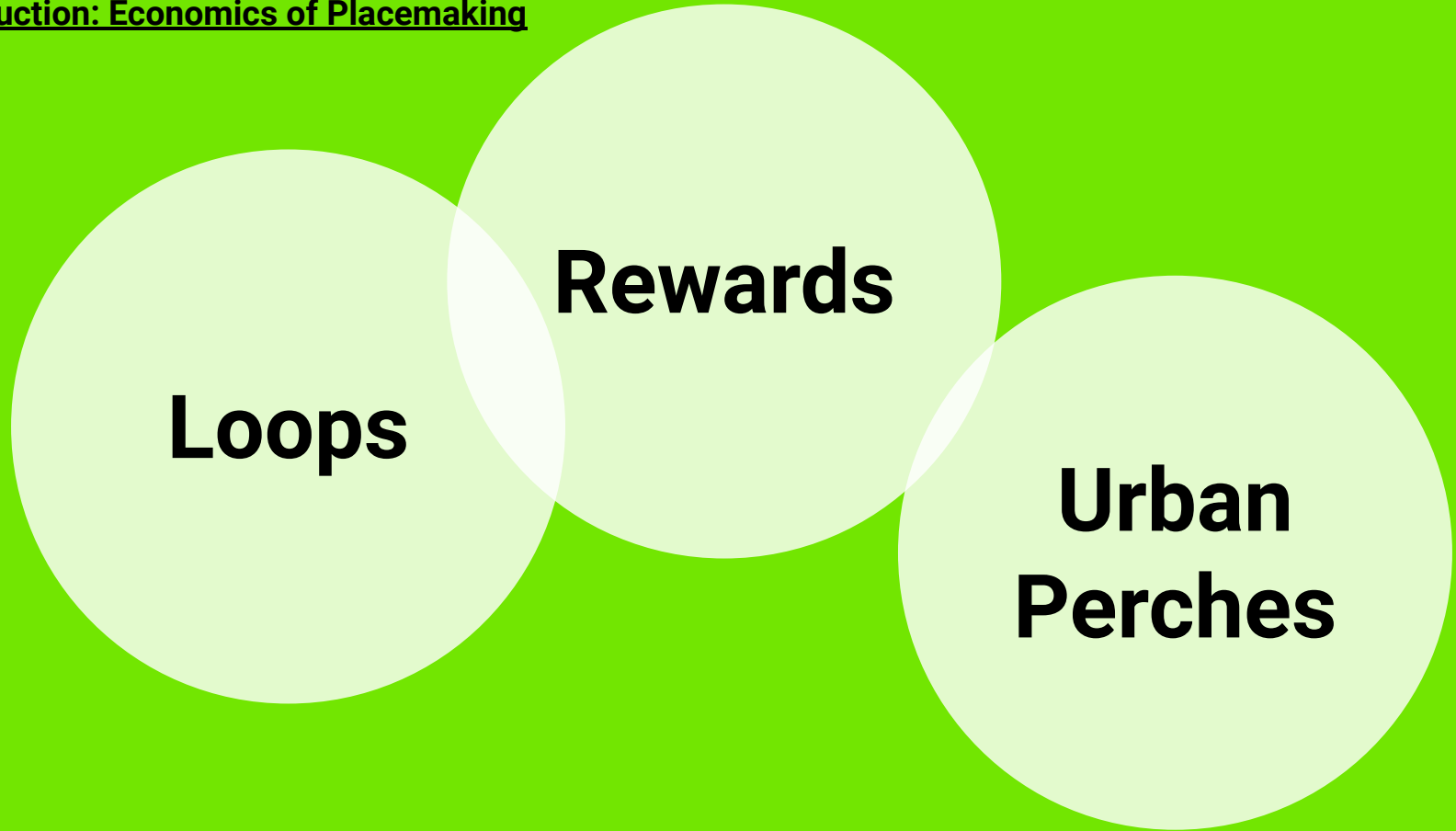
***The Future Is Hybrid:
Downtowns As
Lifestyle Centers***



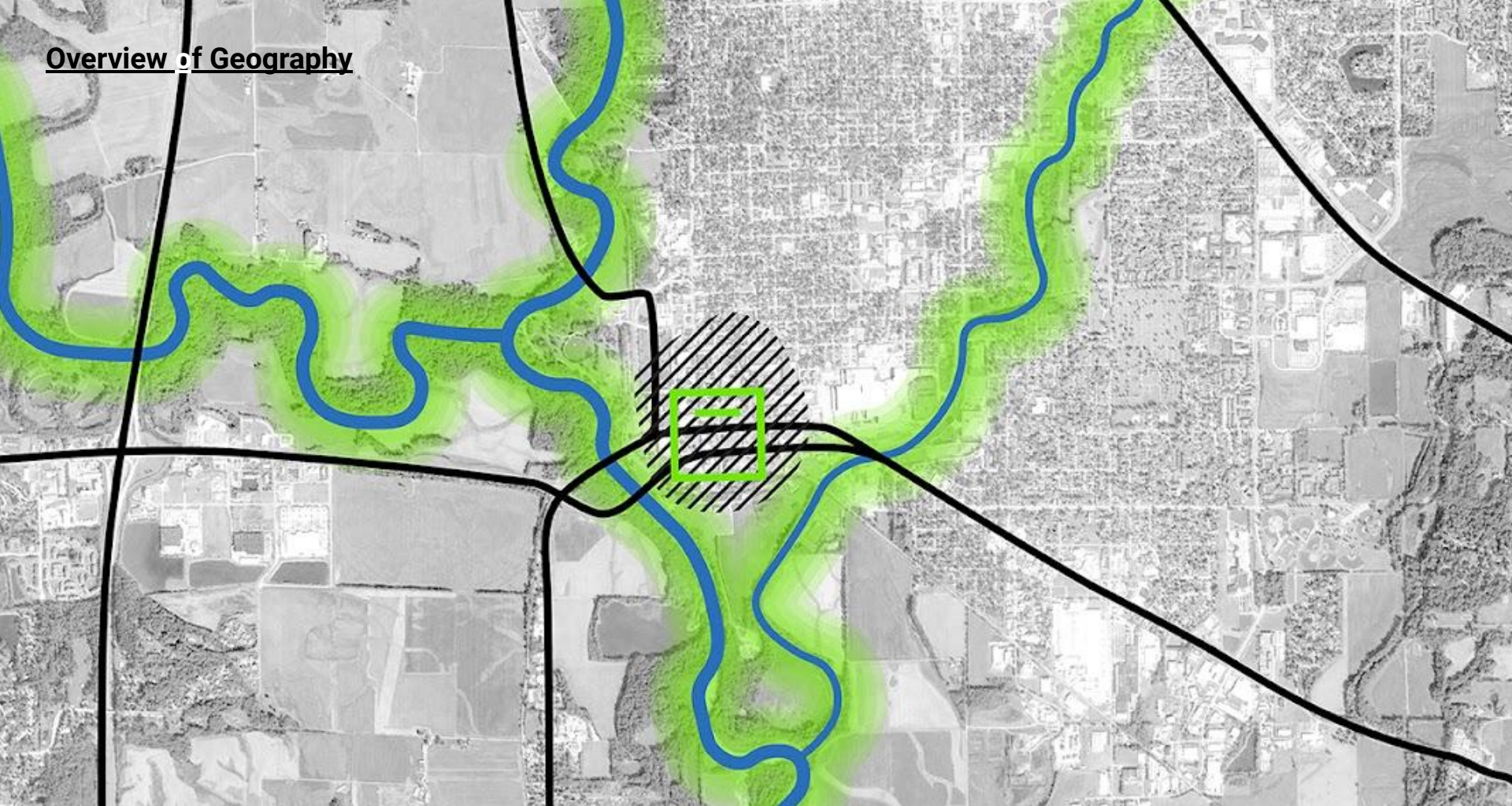
***Invest in Social and
Cultural Infrastructure***

***Strengthen connections
between civic places***





Overview of Geography





Overview of Investment

The Columbus Redevelopment Commission is leading an initiative to improve the **appearance, recreational function, environmental quality, and economic benefit** of the East Fork of the White River between the 2nd and 3rd Street bridges.

The vision:

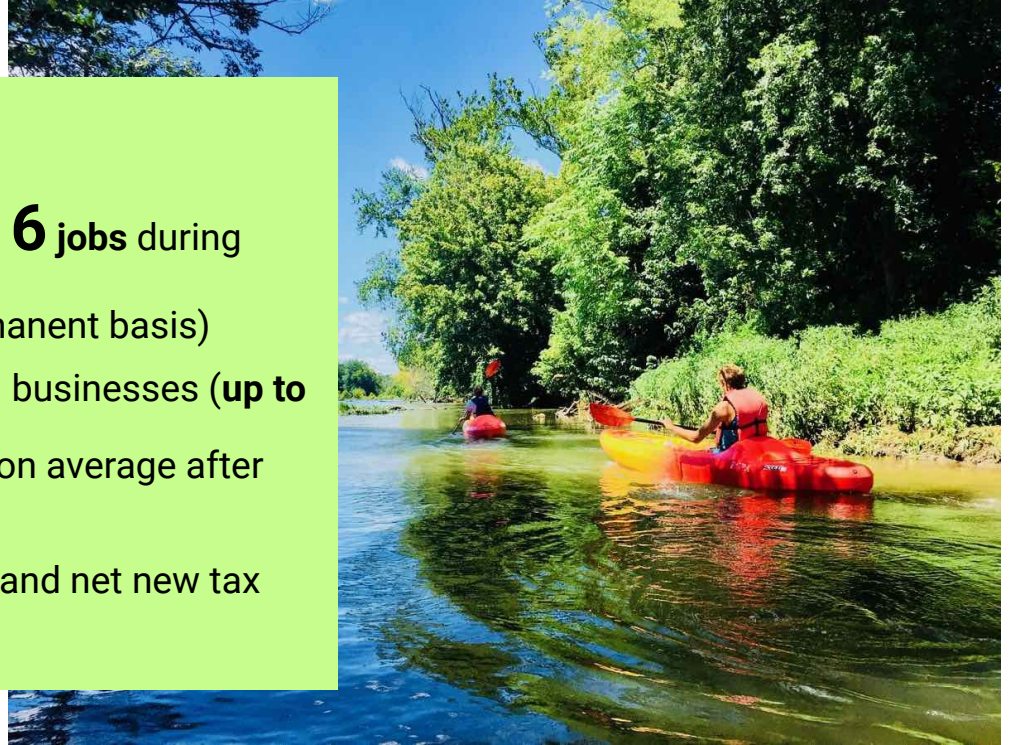
- Enhance **connectivity and access** to and along the river
- Create **dynamic public places** consistent with the city's rich cultural history
- Improve **safety** features
- Provide **passive and active recreation** along the banks and in-river
- Attract greater **tourism**
- Improve **quality of life** for residents of Columbus

Guided by a **bold strategic plan** and a **comprehensive community engagement** process, the Commission has since successfully received permits to pursue its vision.

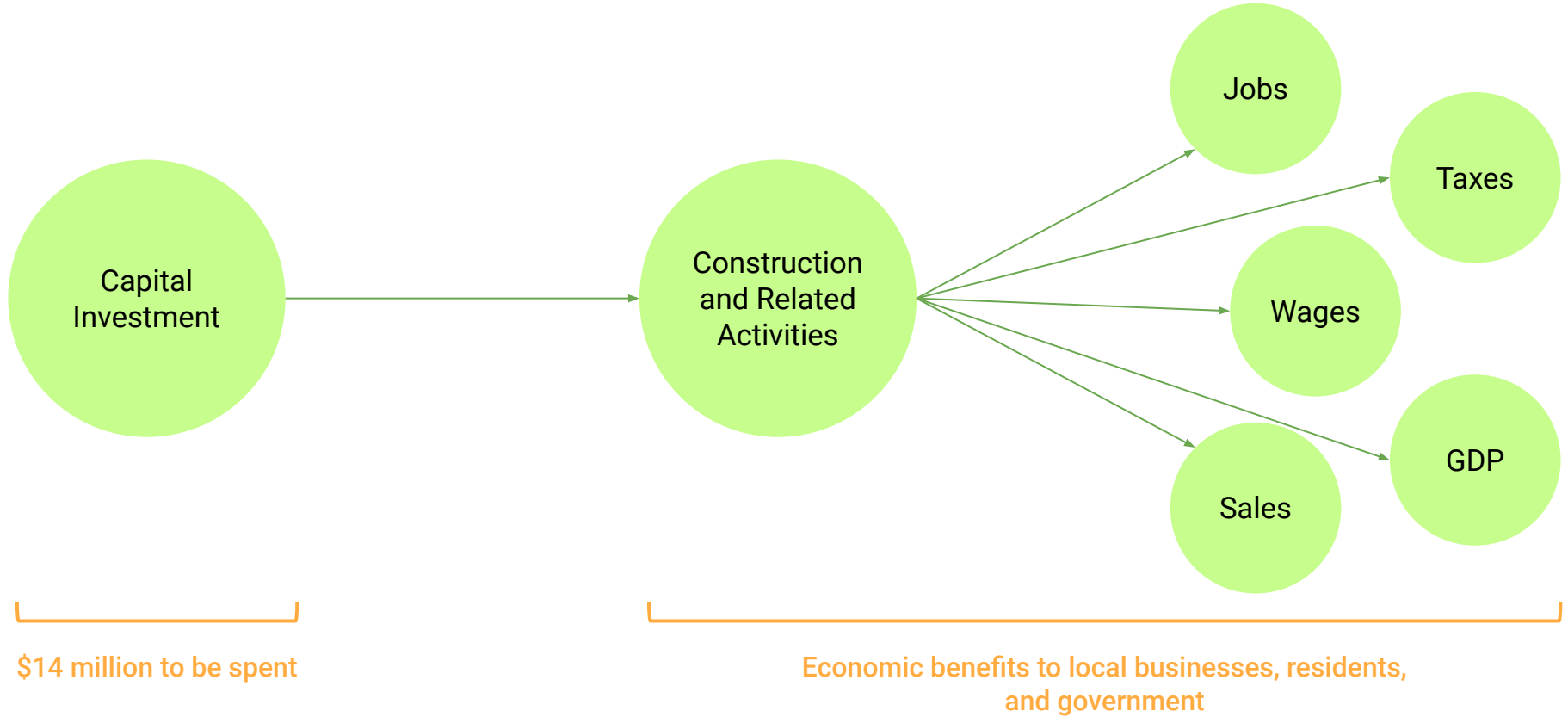
Overview of Economic Benefits

Investing in Riverfront Redevelopment will:

- Support job creation in the county (**116 jobs** during construction; **up to 32 jobs** on a permanent basis)
- Attract new dollars to be spent on local businesses (**up to \$2M total annual economic output** on average after project implementation)
- Contribute to greater economic output and net new tax revenue



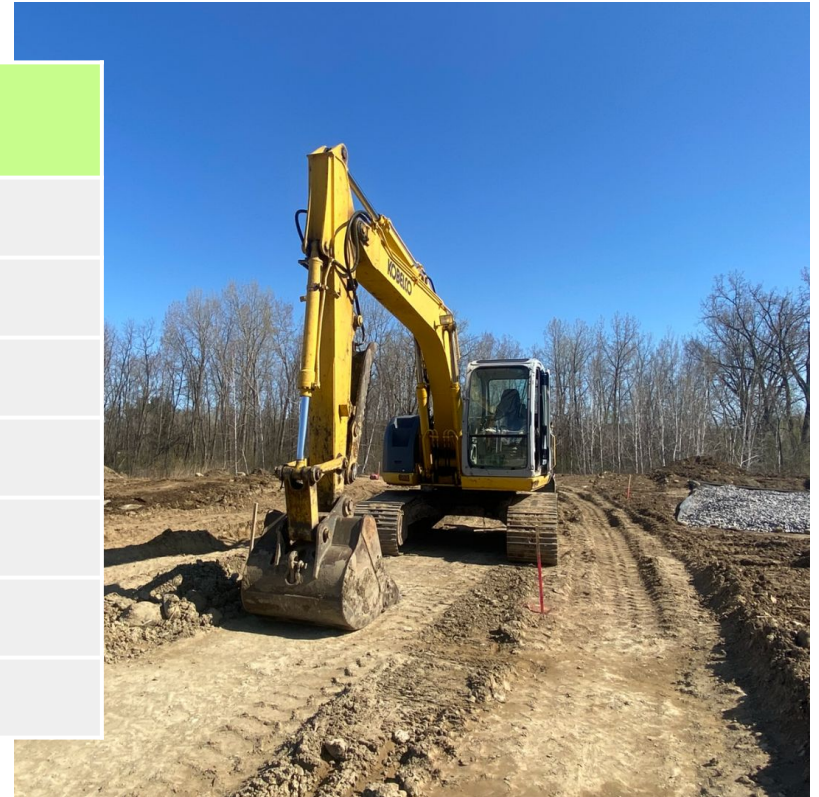
In the near term, the investment will generate construction-related jobs and economic growth



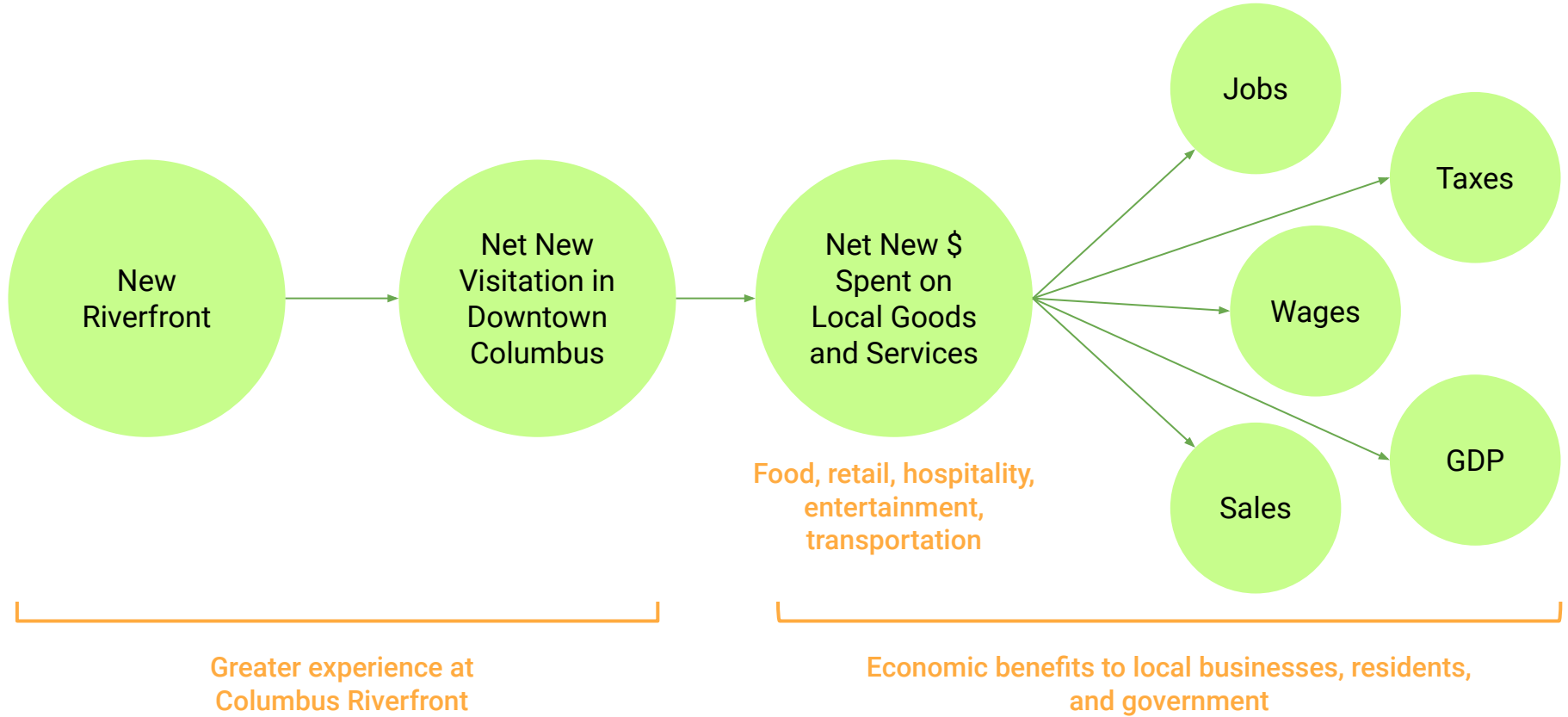
Quantifying the Economic Benefits [Short Term]

Estimated for the **entire duration** of the construction, in aggregate

Total Benefits (Direct, Indirect, and Induced)	Estimate
Jobs	116
Labor income	\$7M
Economic output	\$19M
GDP	\$9M
Local taxes	\$100k
State taxes	\$280k
Source: IMPLAN Inc., JLP+D	



Over the long run, a greater riverfront experience will attract visitors and yield annual economic dividends



Quantifying the Economic Benefits from Visitation [Long Term/Permanent]

Both high and low estimates are based on **conservative** baseline assumptions

Total Benefits (Direct, Indirect, and Induced)	Conservative Estimate	
	Low Range	High Range
Jobs	9 jobs / year	32 jobs / year
Labor income	\$226k / year	\$774k / year
Economic output	\$589k / year	\$2.0M / year
GDP	\$304k / year	\$1.0M / year
Local taxes	\$16k / year	\$56k / year
State taxes	\$31k / year	\$108k / year
Source: IMPLAN Inc., JLP+D		



Evidence Nationwide: Demonstration of Economic Benefits in Other Cities

Case studies across the country demonstrate the positive impacts of **capital investments** at city riverfronts on **driving visitation spending**.

Based on evidence gathered from other similar projects across the country, JLP+D conservatively estimated the range for the potential impact of capital investment at Columbus' riverfront:

▲ 1.5% - 5.0% increase in visitation annually on average after completion of riverfront enhancements.



Fort Wayne Riverfront (Fort Wayne, IN)

In 2018, the City of Fort Wayne completed the first phase of its riverfront revitalization, creating new walking and seating areas and repairing its riverfront walk infrastructure. Fort Wayne and Allen County have since seen net visitation increase by 1.54% annually over 7 years (compared to pre-project data).



East Race Waterway (South Bend, IN)

Since the addition of new infrastructure for active recreation on South Bend's downtown riverfront, the County's visitation increased 2.08% annually from 2017 to 2021 (compared to other similar cities without riverfront enhancements).



Des Moines Riverwalk (Des Moines, IA)

In 2019, the City of Des Moines completed its construction of the Riverwalk, a 2-mile stretch of connected trails, bridges, parks, and promenades. Visitation increased by 5.02% in the four-year period after these capital improvements (compared to other cities without such enhancement).



St. Charles River (St. Charles, IL)

In 2017, the City of St. Charles finished its revitalization of its riverfront, creating new bicycle trails and kayaking opportunities for visitors. Visitation numbers have grown 4.63% annually for 5 years after these capital improvements (based on pre-project data).

The Columbus Riverfront Redevelopment project exhibits similar features to case studies cited in this report:

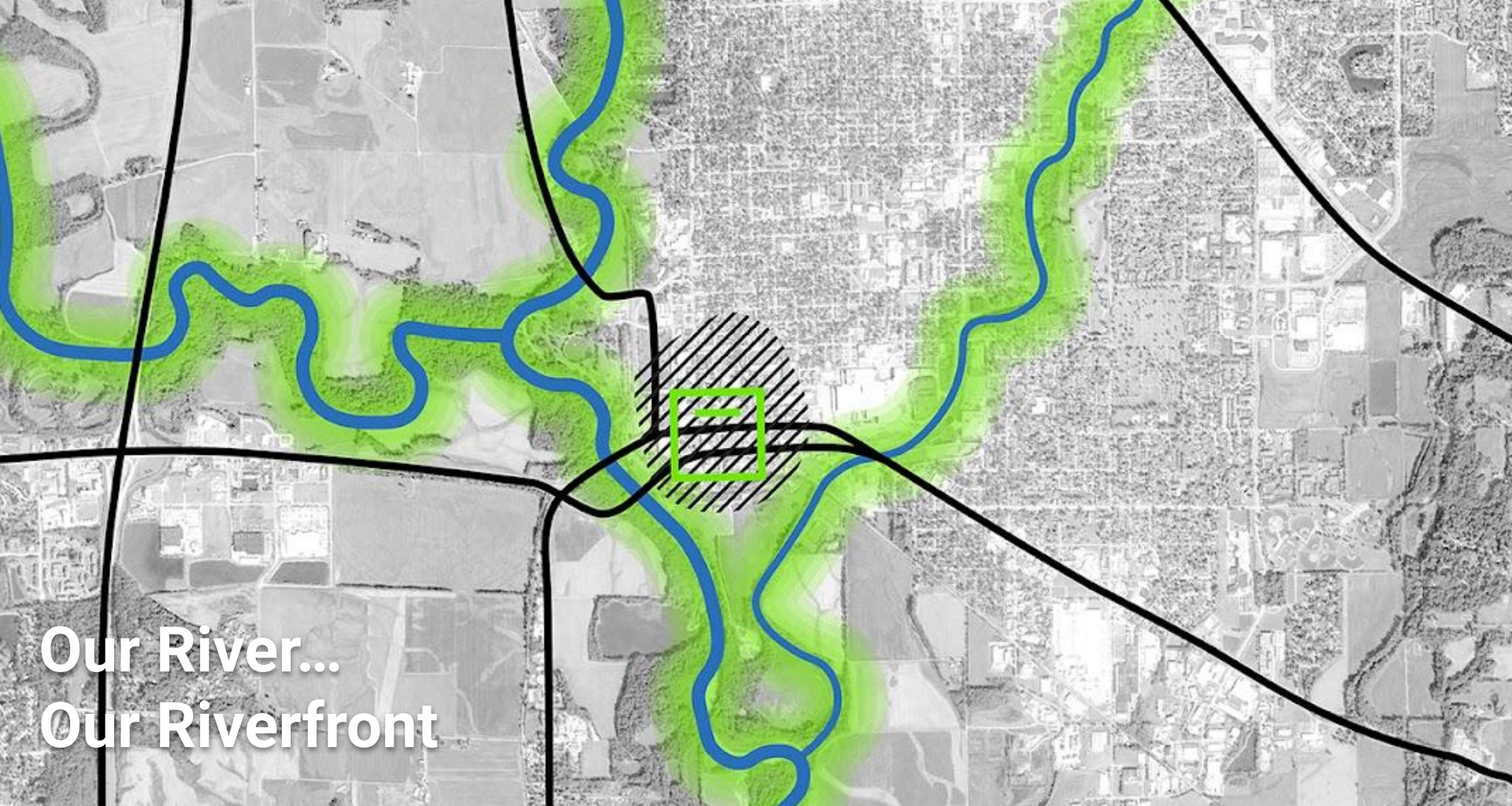
- Greater **pedestrian and bicycle circulation** along the riverfront
- **Ecological improvements**, including the restoration of aquatic life habitats
- Improved **active recreation** both in-river and out-river
- Improved **safety** features
- **Connections** to surrounding trails, parks, and other amenities



Investing in a more vibrant Columbus...

The Riverfront Redevelopment is projected to:

- Provide greater enjoyment of the city's natural assets
- Draw new local and tourist visitors to downtown, yielding up to **\$2M** of net new economic output for local businesses annually
- Provides **116** construction jobs
- Achieve **greater activation and connectivity** between downtown and riverfront



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Appendix:

Economic Modeling Assumptions and Detailed Results

Economic Modeling Software

JLP+D utilized **IMPLAN** to conduct economic modeling of the project's benefits. Data for input-output modeling is gathered at the Bartholomew County level, provided by IMPLAN Inc.

Capital Investment

According to project cost estimates provided by the **Columbus Redevelopment Commission**, \$14M is the input for modeling the construction impact.

Annual O&M

According to annual maintenance budget provided by the **Columbus Redevelopment Commission**, \$30,000 is the annual O&M expense. This includes debris removal after any flood events, trash collection, and general cleaning for this section of the trail.

Visitor Spending Projection

The model breaks down visitor spending related to the riverfront into two categories: 1) Local Residents and 2) Outside Tourists. The geography captured in the analysis is the Downtown Census Tract.

For **Local Residents** spending in the riverfront's catchment of impact, the current baseline is estimated at \$5.5M annually. This is calculated with the following inputs:

- 2019 local residents spending on tourism industry in the County: \$50M, according to the most recent available report provided by the **Columbus Indiana Visitors Center**
- Share of the Downtown Census Tract tourism spending in the County: 25%, according to **ESRI Business Analyst**
- Change of spending from 2019 to 2023: 32% increase, according to **Census State Sales Tax Collections** data
- For conservative estimates, the model assumes only 1/3 of local residents visiting the downtown are attracted to the new riverfront
- $\$50M * 25% * (1+32%) * 1/3 = \$5.5M$

To project the net new increase in spending, the model then applies the range of 1.5% to 5.0% (informed by the case study evidence) as the rate of annual increase to the baseline. For conservative estimates, the model assumes an increase for the first 3 years before plateauing.

Visitor Spending Projection (Continued)

For **Outside Tourists** spending in the riverfront's catchment of impact, the current baseline is estimated at \$12.1M annually. This is calculated with the following inputs:

- 2019 outside visitors (tourists) spending on tourism industry in the County: \$220M, according to the most recent available report provided by the **Columbus Indiana Visitors Center**
- Share of the Downtown Census Tract tourism spending in the County: 25%, according to **ESRI Business Analyst**
- Change of spending from 2019 to 2023: 32% increase, according to **Census State Sales Tax Collections** data
- For conservative estimates, the model assumes only 1/6 of outside visitors (tourists) visiting the downtown are attracted to the new riverfront
- $\$220M * 25% * (1+32%) * 1/6 = \$12.1M$

To project the net new increase in spending, the model then applies the range of 1.5% to 5.0% (informed by the case study evidence) as the rate of annual increase to the baseline. For conservative estimates, the model assumes an increase for the first 3 years before plateauing.

Visitor Spending Projection (Continued)

The model includes 5-year projection of net new visitor spending (compared to the current baseline) as a result of the riverfront development.

LOW RANGE	Year	Year	Year	Year	Year
	1	2	3	4	5
Net New Local Spending compared to baseline	\$83,000	\$167,000	\$252,000	\$252,000	\$252,000
Net New Tourist Spending compared to baseline	\$146,000	\$294,000	\$444,000	\$444,000	\$444,000
TOTAL	\$229,000	\$461,000	\$697,000	\$697,000	\$697,000

HIGH RANGE	Year	Year	Year	Year	Year
	1	2	3	4	5
Net New Local Spending compared to baseline	\$345,000	\$708,000	\$1,089,000	\$1,089,000	\$1,089,000
Net New Tourist Spending compared to baseline	\$608,000	\$1,246,000	\$1,917,000	\$1,917,000	\$1,917,000
TOTAL	\$954,000	\$1,955,000	\$3,006,000	\$3,006,000	\$3,006,000

Subsequently, net new visitor spending estimates are broken into industry sectors according to patterns observed in other comparable studies.

Short-Term Impact: Construction

Direct, Indirect, and Induced Impacts (IMPLAN)

Figures below represent the aggregate estimates for the entire duration of construction.

Construction Total	Employment	Labor Income	GDP	Economic Output	Local Taxes	State Taxes
1 - Direct	86	\$5,308,000	\$5,860,000	\$14,000,000	See below	See below
2 - Indirect	16	\$1,116,000	\$1,718,000	\$3,150,000		
3 - Induced	13	\$672,000	\$1,242,000	\$2,117,000		
Totals	116	\$7,096,000	\$8,821,000	\$19,268,000	\$98,000	\$283,000

Permanent Impact: Visitor Spending

Direct, Indirect, and Induced Impacts (IMPLAN)

Figures below represent annual averages in a five-year projection.

Low Range	Employment	Labor Income	GDP	Economic Output	Local Taxes	State Taxes
1 - Direct	8.19	\$168,000	\$208,000	\$407,000	See below	See below
2 - Indirect	0.59	\$36,000	\$55,000	\$113,000		
3 - Induced	0.43	\$22,000	\$41,000	\$69,000		
Totals	9.21	\$226,000	\$304,000	\$589,000	\$16,000.00	\$31,000
High Range	Employment	Labor Income	GDP	Economic Output	Local Taxes	State Taxes
1 - Direct	28.10	\$577,000	\$715,000	\$1,395,000	See below	See below
2 - Indirect	2.01	\$122,000	\$189,000	\$387,000		
3 - Induced	1.49	\$76,000	\$140,000	\$238,000		
Totals	31.60	\$774,000	\$1,044,000	\$2,021,000	\$56,000.00	\$108,000

JLP+D

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