THE ECONOMIC IMPACT OF
The Collin County Community College District’s New Campuses
EXECUTIVE SUMMARY

Emsi
This analysis quantifies the economic impacts from the Collin County Community College District's (Collin College's) four new campuses in Allen, Celina, Farmersville, and Wylie. Short-run capital spending for the new campuses will amount to $419 million from FY 2018 to FY 2021. These new campuses will expand the college's capacity and allow it to positively affect a greater number of students, and, through those students, the economy at large.

The initial capital investments will create short-run spending impacts through the renovation and construction of state-of-the-art facilities. These new capacities will allow Collin College to better serve its existing student population as well as additional students whom the college would otherwise not be able to serve. The new campuses will create new jobs for additional faculty and staff and will increase the associated day-to-day purchases from county businesses. Additionally, Collin College will attract more students to the county and retain students in the county that would have left, thus positively impacting the county economy through the students' spending. This will provide a steady stream of long-run spending impacts year after year. Lastly, as the students who would otherwise not have been served graduate, they will generate long-run benefits within the county. Four types of impacts are estimated:

- **Short-run capital spending impacts**
- **Long-run operations spending impacts**
- **Long-run student spending impacts**
- **Long run alumni impacts**

This analysis spans from FY 2018, when capital spending began, to FY 2027, the final year of this analysis. We estimate the total impacts that will be created by FY 2027, as well as the annual impacts that will occur long after FY 2027.
SHORT-RUN CAPITAL SPENDING IMPACTS

As the $419 million is spent on the construction of the new campuses, it will create a significant amount of new economic activity that will ripple throughout the Collin County economy. These impacts span from FY 2018, when capital spending began, until FY 2021, when capital spending is expected to be completed. From FY 2018 to FY 2021, the capital spending will create a present value of **$60.8 million** in total added income for the Collin County economy.

LONG-RUN OPERATIONS SPENDING IMPACTS

Once the new campuses are constructed, Collin College will begin to utilize its newly added capacities. This will increase the college’s associated day-to-day operational expenditures, which will include additional payroll for new faculty and staff and spending on supplies (e.g. office supplies).

These operations spending impacts will begin in FY 2021. From FY 2021 to FY 2027, the final year of analysis, the increased operations spending resulting from the new campuses will create a present value of **$212.2 million** in total added income for the county economy.

As long as the additional capacities created by the new campuses are utilized, there will be recurring operations spending impacts. After FY 2027, the long-run operations spending impact will benefit the Collin County economy with at least **$38.3 million** in added income annually, which is equivalent to supporting **917 jobs** per year.

LONG-RUN STUDENT SPENDING IMPACTS

The new campuses will expand the capacities at Collin College, allowing the college to serve an additional 12,500 students each year, once stabilized. It is estimated that 37% of these additional students will be from outside of Collin County. Additionally, some students who are from the county will remain in Collin County because Collin College can now serve them. The money that these relocated and retained students will spend towards accommodation, groceries, entertainment, and transportation can be attributed to the new campuses.
The student spending impacts are expected to start in FY 2021, when the first additional students will be served. From FY 2021 to FY 2027, the student spending will create a present value of $49.3 million in total added income for the Collin County economy.

There will be recurring annual student spending impacts as long as Collin College is able to serve additional students. By FY 2023, when the annual students served per year stabilizes, the long-run student spending impact will benefit the Collin County economy with $8.3 million in added income annually, which is equivalent to supporting 182 jobs each year.

LONG-RUN ALUMNI IMPACTS

The added capacities created by the new campuses will help Collin College respond to the demands of a growing economy and student population. The added capacities will create additional alumni who otherwise would not have been served by Collin College. These alumni represent a significant increase in the stock of human capital available to the Collin County economy. The first alumni are expected to graduate in FY 2023 and start positively impacting the county economy in FY 2024. The added earnings and increased productivity of these alumni will create long-run impacts across the county economy.

Accounting for the enrollment ramp-up period, by FY 2027, the increased capacities created by the new campuses will have produced over 7,500 additional alumni, the majority of whom are expected to remain in county. From FY 2024 to FY 2027, the additional alumni will add a present value of $21.6 million in total added income for the Collin County economy.

By FY 2027, the last year of this analysis, alumni are estimated to add $11.4 million in income to the economy per year, or support 130 jobs. This annual impact is expected to increase every year for several years as Collin College continues to serve more students and they enter the county workforce.

OTHER IMPACT METRICS

- **$854.8 million**
  - Sales impact, FY 2018 to FY 2027

- **$588.6 million**
  - Total impact, FY 2018 to FY 2032

* Note that sales includes all intermediary costs, as well as money that leaks out of the county as it is spent at out-of-county businesses. For this reason, added income is a more meaningful measure of new economic activity than sales.

** The impact with a 15-year outlook.
TOTAL IMPACTS FROM FY 2018 TO FY 2027, UNDISCOUNTED

TOTAL IMPACTS

From FY 2018 to FY 2027, the present value of short-run and long-run impacts created by the new campuses will provide a total economic impact on the Collin County economy of $343.9 million in added income. Beyond the timeframe of this analysis, the total annual impact from the new campuses will be at least $58 million in added income. This is equivalent to supporting 1,229 jobs every year. Examining some alternative metrics of impact, the impact on the county economy in terms of sales amounts to $854.8 million and if we were to expand the timeframe from 10 to 15 years, the impact increases from $343.9 million to $588.6 million in added income to the county economy.

CONCLUSION

The results of this study demonstrate that new campuses will create value for the Collin County economy through many avenues. From the very beginning, the construction phase, the new campuses will positively impact the county economy. Once the new campuses are operational, they will bring money into the county, generating additional spending impacts. The new campuses will allow Collin College to serve more students, helping meet the growing student demand. These students’ daily spending will grow the county economy. Finally, as these students graduate from Collin College, they will help meet the needs of the county economy and add to the productivity of the county workforce.

About the Study

Data and assumptions used in the study are based on several sources, including data from Collin County Community College District, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi’s Multi-Regional Social Accounting Matrix model. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact. For a full description of the data and approach used in the study, please contact Collin College for a copy of the main report.

Emsi is a leading provider of economic impact studies and labor market data to educational institutions, workforce planners, and regional developers in the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for educational institutions in three countries. Visit www.economicmodeling.com for more information about Emsi’s products and services.