

Fort Benning

Community Impacts Associated With Army Personnel Reductions






In July 2015, the Department of Army announced that Fort Benning will lose approximately 2,800 active duty military personnel and their families. These cuts began in the winter of 2015 and are anticipated to be completed by the summer of 2016. In 2015, The Valley Partnership Joint Development Authority (VPJDA), with funding from the Office of Economic Adjustment, commissioned a study to assess the community impacts associated with these reductions. The study examined impacts to the economy, housing market, K-12 enrollments, and impacts to the region's tax base. This brief provides a summary of the economic impacts projected to occur. For the full results of this study, please visit the project website at www.fortbenningCIAR.com.



Economic Impact of the Defense Economy throughout the Valley Partnership Region

The Defense Economy is made-up of three military-related expenditures flowing into the region during FY 2015:

-  Active-duty and DOD civilian personnel assigned to Fort Benning
-  DOD procurement contracts performed throughout the Valley Partnership region
-  Department of Veterans Affairs expenditures and military retiree pension payments

Economic Impact of Personnel Drawdown

Outlined in the table below are the economic impacts associated with the personnel reductions. The table provides the impacts generated by Fort Benning prior to the reductions and after. In all, prior to the reductions, the installation's economic impact to the Valley Partnership region was nearly \$5.5 billion. With the loss of approximately 2,800 active duty personnel and their families, the region stands to lose over 5,000 jobs and nearly \$800 million in gross regional product.

Summary Impact Statement

Impacts of Troop Reductions to the Defense Economy

The Valley Partnership Region

| Economic Measure | 2015 Pre-Drawdown | 2016 Post-Drawdown | Total Economic Impact of Drawdown at Fort Benning |
|------------------------------|-------------------|--------------------|---|
| Total Employment | 49,500 | 44,400 | (5,100) |
| Private, Non-Farm Employment | 27,200 | 25,000 | (2,200) |
| Gross Regional Product | \$5,400 | \$4,600 | \$(800) |
| Total Output (Sales) | \$9,600 | \$8,200 | \$(1,400) |
| Personal Income | \$4,200 | \$3,800 | \$(400) |
| Disposable Personal Income | \$3,800 | \$3,450 | \$(350) |
| Total Demand | \$8,500 | \$7,500 | \$(1,000) |

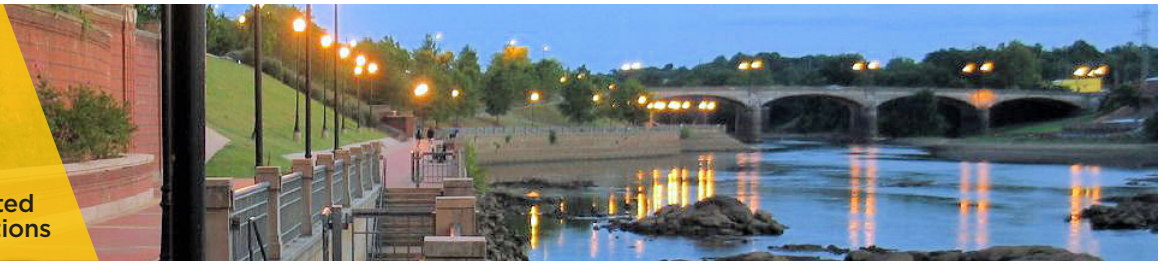
All Dollar Values Reflect Millions 2015 US Dollars and are rounded.

**5,000
Jobs**

**\$800m
gross
regional
product**

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Recommendations to Help Offset Impacts to the Regional Defense Economy

Based on the results of our study, which included multiple interviews with local stakeholders, we outline 13 recommendations that the Valley Partnership region should consider implementing in order to support the future growth of Fort Benning and the region's economy. These recommendations were made in the context of the findings from the Regional Prosperity Initiative (RPI), and, these two products – the CIAR and the RPI – can and should be leveraged by the VPJDA to provide a holistic understanding of the region's economy. Some recommendations are provided at the state level and will require effort on behalf of the state's congressional delegation in conjunction with community partners, while other recommendations can be implemented at the regional level.

Study Recommendations...

- 1 Continue to work at the state-level to develop a proactive state-wide installation analysis and advocacy strategy to identify opportunities for military mission and industry growth
- 2 Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis of Fort Benning to determine opportunities for local and/or state investment to enhance Fort Benning's ratings in the event of another BRAC round
- 3 Update the community's Joint Land Use Study (JLUS)
- 4 Study the Fiscal Impacts of Modifying State Income Tax for Military Retiree Pensions
- 5 Economic diversification with a focus on the Cybersecurity Industry
- 6 Better tracking of Federal (Military) Impact Aid for school districts
- 7 Regional branding initiative (Tourism, Quality of Life, In-Migration)
- 8 Reexamination of Muscogee County property assessment provisions
- 9 Better understand the skill-sets of the servicemen and women separating from Fort Benning
- 10 Enhance and support incubators/accelerators for upstart Veteran-owned businesses
- 11 Skills Gap Analysis to better align education/training programs with occupational demand throughout the region.
- 12 Advocate to Big Army to eliminate, and reverse where possible, the Army-wide personnel reductions
- 13 Funding for administrative assistance to augment the organization responsible for implementation of the above recommendations

...to Support Future Growth