



GREEN BAY BOTANICAL GARDEN ECONOMIC IMPACT

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Executive Summary

In 2015, St. Norbert College's Center for Business and Economic Analysis (CBEA) was contacted by the Green Bay Botanical Garden to conduct an economic impact study. The study results were used as part of an appeal to potential donors to fund a new Grand Garden, which will provide an elegant, outdoor location for large entertainment events. The CBEA concluded, as shown in Table 1 below, the Green Bay Botanical Garden has a nearly \$6 million impact on Northeast Wisconsin. Additionally, the Garden generates 83 jobs throughout the region.

Table 1: Green Bay Botanical Garden Total Impact (All Effects)			
Total Effects	Jobs	Labor Income	Total Output
Operating Expenditures	46	\$1,198,597	\$2,709,082
Visitor Expenditures	29	\$727,077	\$2,135,636
Capital Expenditures	8	\$412,255	\$1,125,849
Total	83	\$2,337,929	\$5,970,567
Multiplier	1.3	1.48	1.63

Introduction

The Green Bay Botanical Garden (GBBG) is a non-profit organization serving Northeast Wisconsin since 1996. It enjoys a long-term lease and partnership arrangement with Northeast Wisconsin Technical College. In 2014, the year in which the study's data were taken, GBBG membership exceeded 3,000 and the Garden counted more than 92,000 visitors.

An economic impact study assesses the direct, indirect, and induced effects of a business on a specified region. The direct effect is the economic change that occurs as a direct result of the organization's business activity. This includes all jobs held by organization employees and all expenses falling under the organization's operating budget. The indirect effect is the economic change that occurs because the organization's economic activity creates business activity for its

vendors. This may also be known as the supply chain effect. For example, the GBBG is the host location to weddings and wedding receptions, however, they do not cater or provide entertainment. Due to the fact the GBBG exists as an additional wedding host location, local catering and entertainment companies receive added economic benefit. Finally, the induced effect is the economic change that occurs as organization and additional vendor employees spend their incomes in the local community. Whether the employee eats at a local restaurant, gets medical care at a local hospital, or gets a haircut at a local barbershop, that employee's expenditure further benefits the region.

The region chosen for this study has been noted as Northeast Wisconsin throughout this paper and consists of the following counties: Brown, Calumet, Door, Kewaunee, Manitowoc, Menominee, Oconto, Outagamie, Shawano, Waupaca, and Winnebago. This was determined by the GBBG due to their close relationship with Northeast Wisconsin Technical College and the vast majority of their mailing list is within these eleven counties. The CBEA used IMPLAN economic impact modeling system to generate the results of this study. The software system is specifically designed to produce the positive and/or negative effect of an organization on a state or specified county region. Lastly, the study focused specifically on the GBBG's operating expenditures, visitor expenditures, and capital/construction expenditures.

Operating Expenditures

The Green Bay Botanical Garden operated with a 2014 budget of about \$1.6 million, 27 full- and part-time staff, and 13-15 seasonal employees/interns. It is important to note the IMPLAN software does not account for different employee types, so the jobs produced are not specifically full-time, part-time, or seasonal. The direct effects of the GBBG are very comparable

to their 2014 actuals, as expected. Total output is similar to the budget and labor income is close to the 2014 actual salary and benefits expenditure of \$820,377. Adding in the indirect and induced effects, the GBBG provides an additional 9 jobs and \$1.1 million output from their operating expenditures.

Table 2: Green Bay Botanical Garden Operating Expenditures			
Impact	Jobs	Labor Income	Total Output
Direct Effect	37	\$837,047	\$1,586,651
Indirect Effect	4	\$148,534	\$493,056
Induced Effect	5	\$213,016	\$629,375
Total Effect	46	\$1,198,597	\$2,709,082

Visitor Expenditures

In 2014, the GBBG welcomed just over 92,000 visitors, which was actually below average due to the especially harsh winter experienced. A 2010 study by the Wisconsin Arts Board found the average Wisconsin non-profit arts and culture event attendee spent \$19.06 per person (see Appendix A). After adjusting for a two percent inflation rate, the total direct effect output in Table 3 was generated from the IMPLAN model. With the addition of indirect and induced effects, the GBBG resulted in the addition of 29 jobs and \$2.1 million locally in Northeast Wisconsin.

Table 3: Green Bay Botanical Garden Visitor Expenditures			
Impact	Jobs	Labor Income	Total Output
Direct Effect	23	\$465,883	\$1,338,020
Indirect Effect	3	\$130,464	\$411,190
Induced Effect	3	\$130,730	\$386,426
Total Effect	29	\$727,077	\$2,135,636

Capital Expenditures

The last component, capital expenditures, was taken as a five year average (adjusted for two percent inflation) of major construction projects completed. More than \$3.5 million was spent over five years on the King Shade Garden, Jenquine Pavilion & Overlook Garden, the Visitor Center Expansion, Baer Perennial Garden, Hobbit House, Mabel Thome Patio, Jan Wos Patio, and Arendt Conifer Garden. Table 4 displays the results calculated from these capital expenditures. This is the smallest overall impact generated by the Garden, but still provides 8 additional jobs and \$1.1 million to the region.

Table 4: Green Bay Botanical Garden Capital Expenditures			
Impact	Jobs	Labor Income	Total Output
Direct Effect	5	\$272,674	\$741,951
Indirect Effect	1	\$64,535	\$161,963
Induced Effect	2	\$75,046	\$221,935
Total Effect	8	\$412,255	\$1,125,849

Future Implications

Multipliers can be used to calculate future impact of the Green Bay Botanical Garden on Northeast Wisconsin given budgeted expenditures and visitors. These multipliers are displayed at the bottom of Table 1 and can be interpreted as follows: for every job created by GBBG direct effects, another 0.3 jobs are generated in Northeast Wisconsin through indirect and induced effects; for every \$1 of labor income created by GBG direct effects, another \$0.48 of labor income is generated in Northeast Wisconsin through indirect and induced effects; and for every \$1 of output created by GBBG direct effects, another \$0.63 of output is generated in Northeast Wisconsin through indirect and induced effects.

These results are only expected to grow in future years. The 2014 Cultural Attraction Trend Report by Morey Group shows total attendance for Botanical Gardens/Arboretums increased by 9% from 2013 to 2014. This was not true for the GBBG due to the harsh winter in Wisconsin, but is a great sign of things to come in the industry. Also, the Grand Garden will enable the GBBG to welcome larger entertainment groups and comfortably seat more attendees than possible now, likely further increasing visitor attendance in years to come. Finally, the GBBG continues to grow in other ways and is quickly becoming one of the top visitor attractions in Green Bay.

References

“Economic Impact Study – 2010.” *Wisconsin Arts Board*. Americans for the Arts, 2010. Web.

Apr. 2015.

“2014 Cultural Attraction Trend Report.” Morey Group, 2015. Web. Apr. 2015.

Appendix A

Non-Profit Arts and Culture Event Attendees Spend an Average of \$19.06 Per Person in the State of Wisconsin (excluding the cost of event admission)

	Residents	Non-Residents	Wisconsin Attendees
Refreshments/Snacks During Event	\$2.13	\$2.17	\$2.13
Meals Before/After Event	\$8.40	\$10.27	\$8.56
Souvenirs and Gifts	\$1.69	\$2.13	\$1.73
Clothing and Accessories	\$0.80	\$1.27	\$0.84
Ground Transportation	\$1.95	\$5.28	\$2.24
Event-Related Child Care	\$0.29	\$0.36	\$0.30
Overnight Lodging (one night only)	\$1.78	\$9.17	\$2.42
Other	\$0.69	\$2.37	\$0.84
Total Per Person Spending	\$17.73	\$33.02	\$19.06

Source: Wisconsin Arts Board 2010 Economic Impact Study

