



Student Serviceship Impact Report

HOUSING | FRIEND, NEB. | 2016

For 10 weeks in summer 2016 University of Nebraska–Lincoln students Paul O’Dell and Michael Siefert worked, served and lived in Friend, Neb., (population 1,027) through Rural Futures Institute (RFI) Student Serviceship.

Their community-identified, future-focused strategic project was to research the need, size, price and floor plan of building an affordable home in the community. With the help of their lead mentors, Jim Ryan and Ann Bruntz, the students secured a NIFA grant for \$10,000 to conduct a housing study, and they ultimately presented two spec floor plans at the conclusion of their serviceship experience.

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“The students planted a seed to give us a vision and then opened our eyes to see that we can do it.”

– Ann Bruntz, Lead Mentor

▶▶▶ ruralfutures.nebraska.edu/serviceship

ESTIMATED ECONOMIC IMPACT

Construction of the home was completed in 2016 for a cost of \$185,300. It contributed to regional increases of:



\$219,000

worth of output, or value of goods and services.

This includes the value of the home. Output is larger than the cost of building the home because it accounts for the purchase of intermediate goods and services.



\$48,000

in earnings.

Amount contributing to employee compensation and business profits.



1

job.

Estimated based on the Bureau of Economic Analysis employment multiplier for Saline Co., Neb., and the capital invested in the construction project.



1

family.

One new family moved into the community through their purchase of this home.

CATALYST FOR THE FUTURE

This project stimulated further residential and business development in the community.



1

**additional private
home built.**



3

**home rehabs within the
community completed.**



6-unit

**senior living complex
under development.**



\$4 million

**commitment for a “C-Store” construction equipped with car and truck fueling pumps,
full grocery store and food court. An estimated 15 jobs will be created.**

REPORT CONSTRUCT

An economic impact analysis examines the economic effects that a business, policy or project has on the economy of a geographic area. In order to analyze these impacts, an estimation method known as an input-output model is commonly used.

The Regional Input-Output Modeling System (RIMS II), a tool created by the Bureau of Economic Analysis, was selected for this study. This model produces multipliers to estimate the total impact of a project (e.g., residential housing) on a region. It illustrates how an initial change in economic activity results in other rounds of spending across all industries within the local economy, and examines direct, indirect and induced economic impacts.

This study used economic values derived from Bureau of Economic Analysis data of Saline County, Neb.

DEFINITIONS

Output: Total value of goods and services generated in the county as a result of this project.

Earnings: Amount contributed to employee compensation and business profits.

Employment: Estimated increase in a full- or part-time position in the construction industry in the county. Calculated based on Bureau of Economic Analysis employment multiplier for the county and capital investment in constructing the home.

Direct impact: The value of inputs purchased in the first round of spending to construct this home.

Indirect impact: The value of inputs purchased in subsequent rounds of spending by the supporting industries.

Induced impact: The value of goods and services purchased by all workers whose earnings are affected by the construction of the home.