

REMI PI+ Model Training: Google and Apple Hubs in Raleigh, NC

Regional Economic Models, Inc.

Agenda



Introduction

Overview of REMI

Economic impacts of establishing Hub's

Google & Apple Stimulation

Overview of PI+

PI+ Model Demonstration

Q&A

*what does **REMI** say?sm*

REMI's 39-year history of rigorous academic research and software development has led to the development of the state-of-the-art model in macroeconomic research methodology:

Input-Output

Close analysis of inter-industry relationships

General Equilibrium


Estimate of long-run stability of the economy allows for analysis of policy decisions

Econometrics

Advanced statistical analyses underpinning the model

Economic Geography

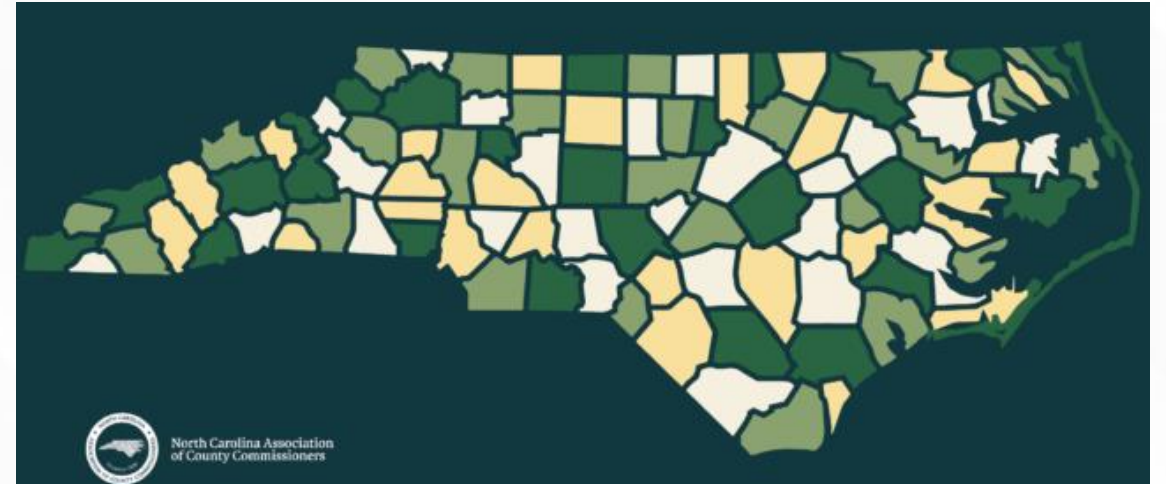
Effects of geographic concentration of labor and industry



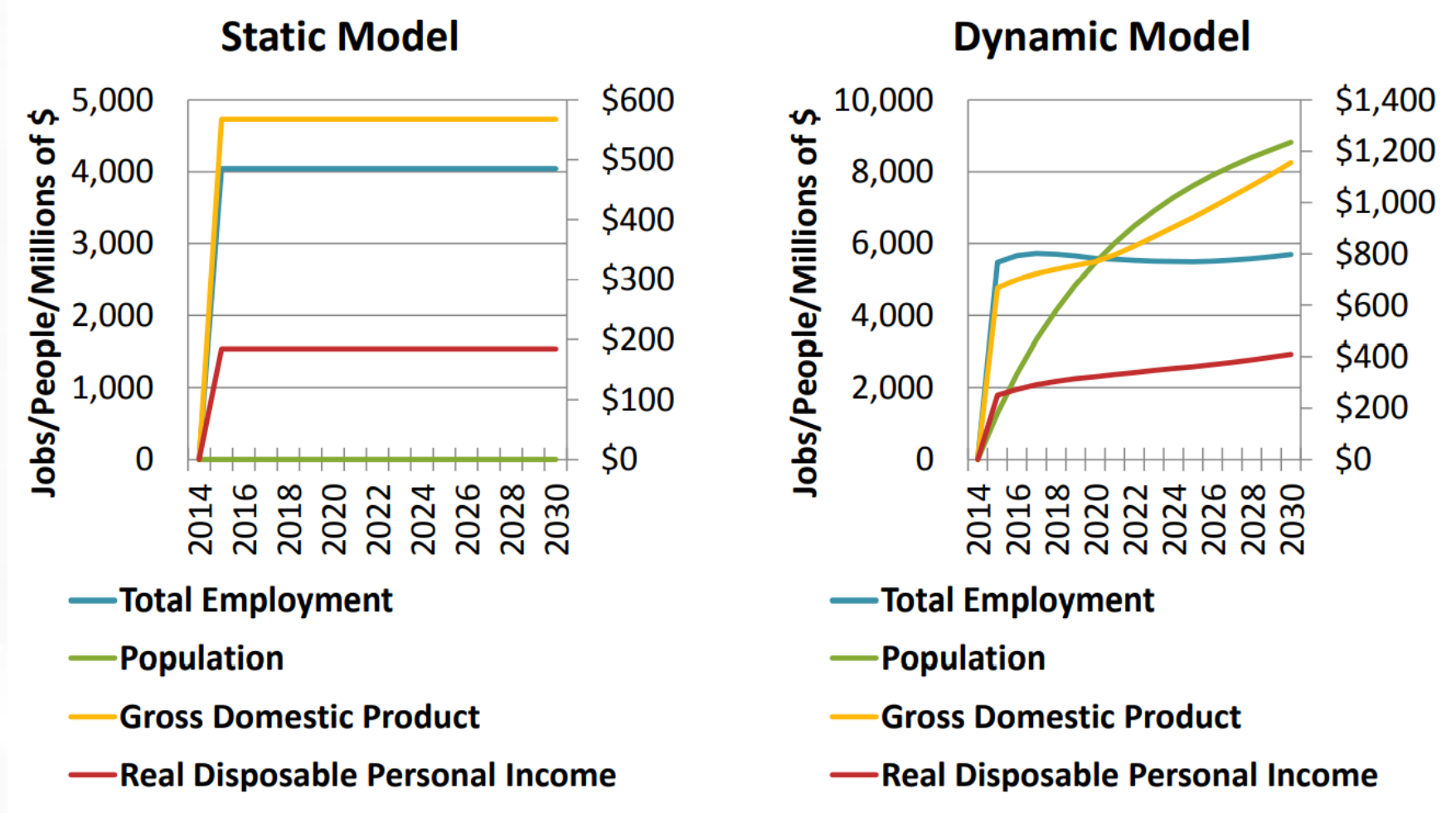
Integrated REMI economic modelling approach

How REMI defines model regions

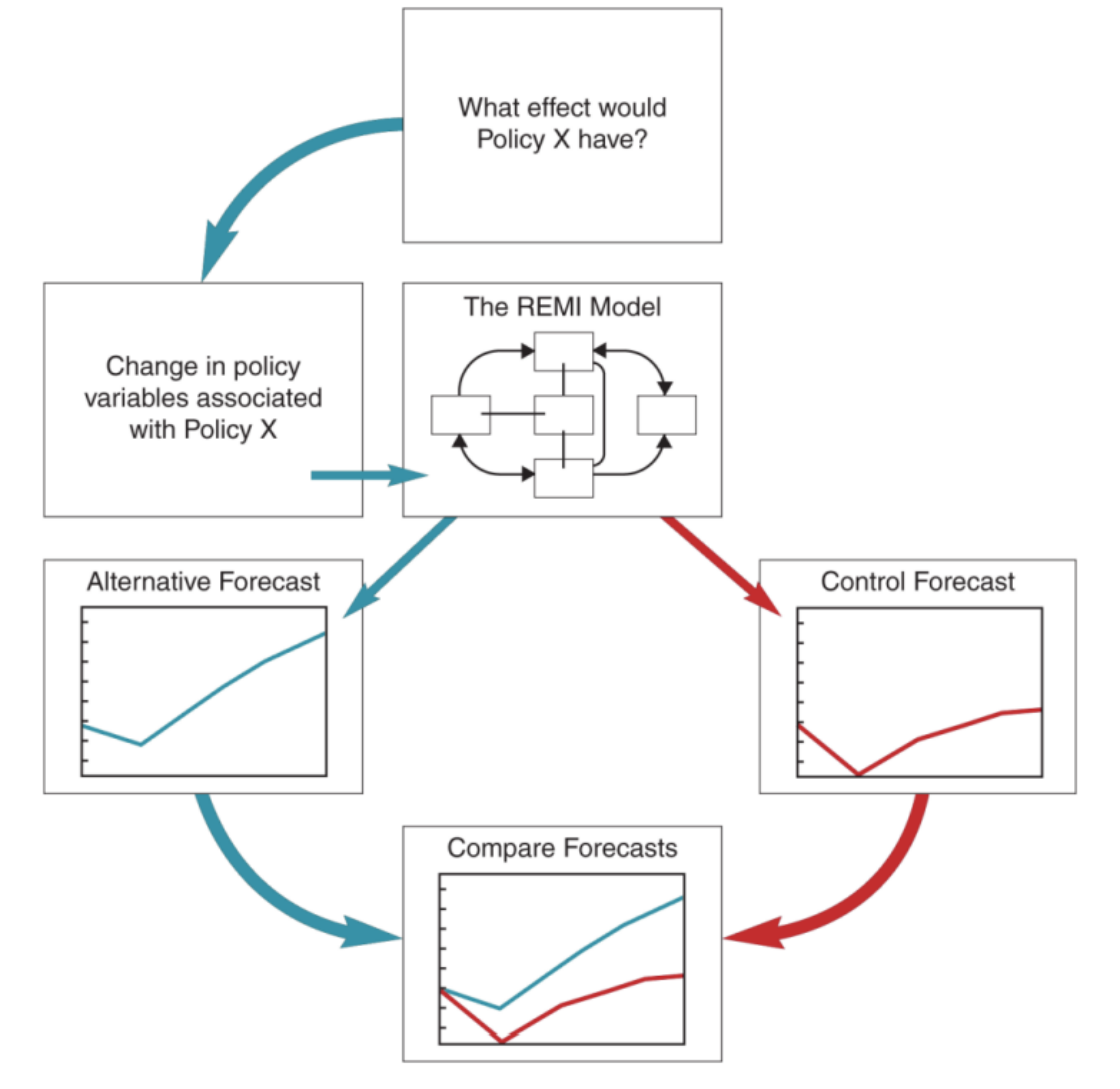
- A county (or equivalent statistical unit) or...
- A collection of counties
 - e.g. an MSA or a state
 - Can cross state borders
- Multiple regions
 - No requirement for contiguousness
- Customized by needs



How Dynamic vs. Static



How Does REMI Models work?



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Economic impacts of establishing Hub's



Key Considerations



Employment

Google is expected to employ engineers 1,000 over a few years.

Apple is expected to employ 3000 people over a decade

Direct Investment

Apple is spending \$1 billion on a one-million-square-foot campus in the Research Triangle Park, both Hub's are expected to open in 2023

Compensation

Google and Apple are expected to compensate employees at a higher rate than other companies for similar positions (\$100,000+/year)

what does **REMI** say?sm

Finding the win-win-win



Win for the State

- Increased tax revenues
- Transportation and infrastructure investments
- Economic competitiveness and growth

Win for Google & Apple

- Access to attract and retain strong technical talent
- Prime location to grow their corporation and diversify their assets

Win for NC Residents

- Up to 5,000 new fulltime jobs
- Avg. annual total salary compensation exceeding \$100,000 over the next ten to fifteen years

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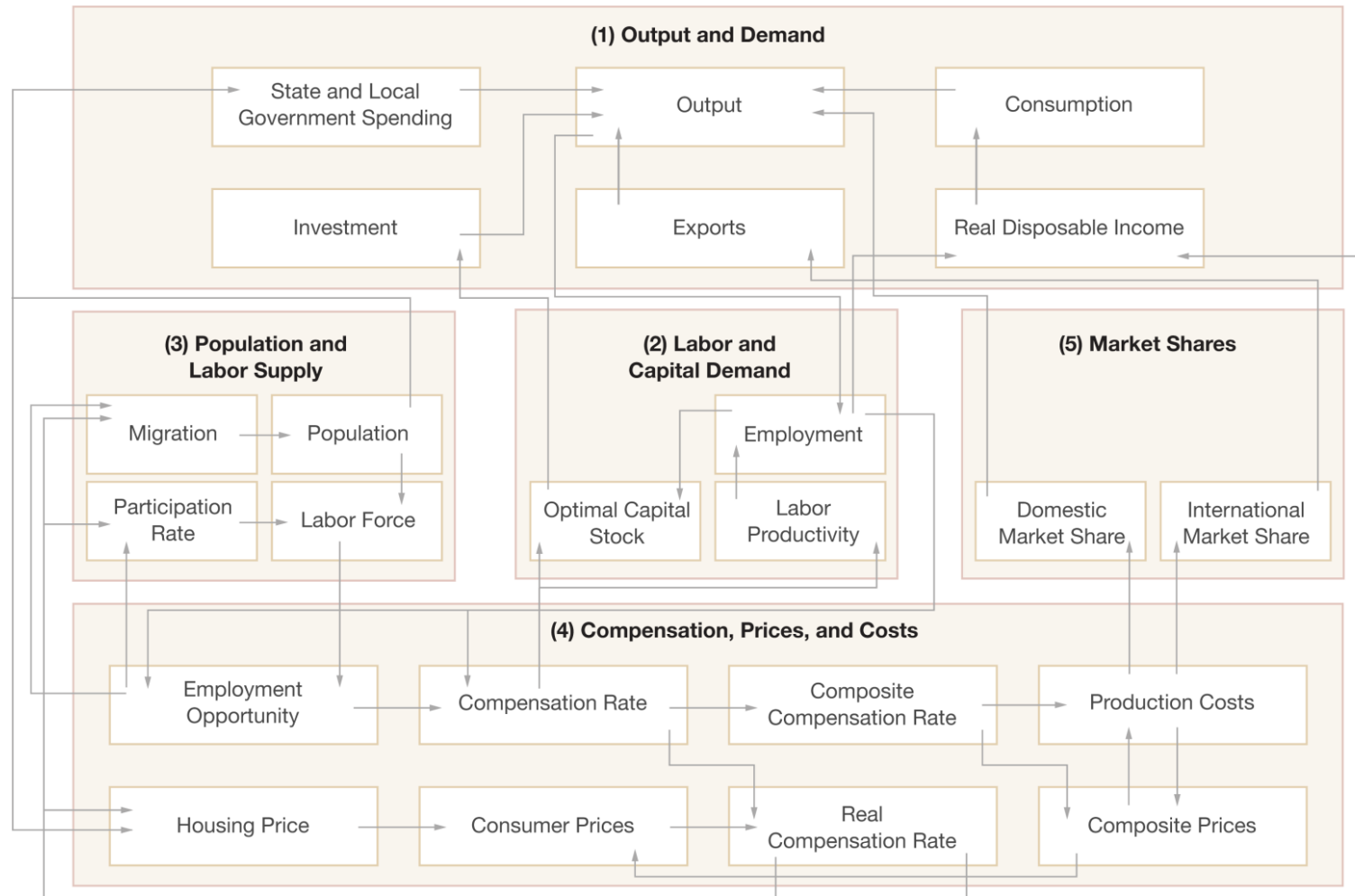
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What is PI+?



PI+ allows users to understand the relationship between a policy and its economic foundation. The model allows a user to go beyond static analysis and make more informed decisions.

- Impact Study: an increase in employment
- PI+ Model Linkages
- Analytical Tools

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Conclusion



- REMI-SEI shows the distributional effects of regional economic policies
- Public policies are meant to benefit the public; analysis of the effect of policies for compensation, educational and demographic groups helps policy-makers evaluate policy implications for all residents
- Racial, gender, regional, and educational disparities are driving the political and policy agenda at the national, state and local level
- REMI-SEI allows these questions to be addressed in a constructive, data-based framework.

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Thank you for attending!

For more information, please contact
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