

FOR IMMEDIATE RELEASE

November 7, 2014

Contact: Jay Thompson

805-756-5186; [jthomp04@calpoly.edu](mailto:jthomp04@calpoly.edu)

## Cal Poly adds \$1.4 billion to region's economy, new study shows

*University payroll of \$254 million and other expenditures help stabilize San Luis Obispo and Northern Santa Barbara counties' fiscal health, says first survey of institution's impact since 2003*

SAN LUIS OBISPO — Cal Poly contributes more than \$1.4 billion to the economy of San Luis Obispo and Northern Santa Barbara counties, according to a new analysis prepared for the university.

"Cal Poly is a vital and positive economic force on the Central Coast," said university President Jeffrey D. Armstrong. "It is one of the region's top employers and most stable employers, helping the area weather economic downturns."

According to the study, Cal Poly students also contribute to the community's economic vitality. Not only do the more than 19,000 students purchase goods and services from local businesses, they also pay more than \$11 million in local taxes while providing more than \$2 million in volunteer labor to a host of nonprofit organizations from Paso Robles to Santa Maria.

The university "plays a key role in generating, developing and stabilizing the region's economy," said the report, which analyzed Cal Poly's contributions to the region based on economic data collected in the 2012-13 fiscal year.

Cal Poly is the second largest employer in the area, behind San Luis Obispo County. The university's employment levels have remained extremely stable through the years, despite the budgetary havoc caused by the Great Recession.

Moreover, employee purchases and use of area financial institutions and realty industries have helped maintain the region's economic health, the report said.

The 60-page study was conducted by San Luis Obispo-based Productive Impact LLC.

The last time the university conducted a similar analysis was in 2002-03, when Cal Poly's economic impact was \$1.1 billion.

One of the university's biggest direct impacts is a \$254.3 million payroll for its 2,741 faculty and staff members who live in the region. In addition, Cal Poly spent \$15.9 million on local goods and services in the area and made \$16.1 million in local capital expenditures in the fiscal year ending June 30, 2013.

The spending power of 19,703 students also generated large numbers.

Students spent \$160.7 million during the study period — on campus and off. Family and friends who visit throughout the year, coming for such events as April's annual Open House, December and June commencement ceremonies, and September's Week of Welcome, spent \$21.9 million locally, the report said.

"It is estimated that because of the existence of Cal Poly, more than \$53.9 million is spent each year in our local restaurants, \$27 million in our retail stores and \$17.7 million in our local hotels and motels," the study said.

An economic multiplier effect — based on the impacts of those who supply the goods and services and others who also benefit from the university's expenditures — boosted the \$1.1 billion in direct contributions to more than \$1.4 billion in overall economic output, it said.

The multiplier means Cal Poly is responsible for nearly 7,500 jobs throughout the region and \$14.7 million in sales tax and \$13.2 million in property tax revenues contributed to local government coffers.

The study also looks to the future and forecasts that the total economic impact of Cal Poly on the local area in 2022 will increase by more than 40 percent to nearly \$2 billion.

"Cal Poly will continue to play a key role in building San Luis Obispo and Northern Santa Barbara counties' future and will always be a mainstay of the local area," the report said. "The income generation, human capital development and stabilizing effect of the university's presence for the next eight years and beyond will continue.

"Sustaining partnerships with local economic development groups and businesses and developing new collaborations will only enhance the future impacts of the university on the local area."

To read the full 60-page report, visit <http://research.calpoly.edu>.

###

