



which business to give the liquor license to. If you remember back to economics in college there is something called the multiplier effect. Which is that just because a company moves into a town/city they don't just hire people and that's the end of it. Those jobs have a multiplier effect on the town's other businesses, homes, apartments etc. Each situation is different depending on the size of the town, the company and how much the people will get paid. If you look up our town and the income that the businesses would be paying people that multiplier is 1.3 to 1.6. I broke the numbers down for you below:

1. If you have a business paying an employee \$40k per year and the multiplier effect is 1.3 that means that person has the potential to be a total gain to the town of \$52k per year. If you go off the high end of 1.6 that is \$64k per person.
2. According to most economists' low-income jobs like these the people tend to keep more of the money locally because they are buying groceries, paying for an apartment/home etc. Unlike, higher income individuals who will use more of their funds on investments, vacations etc.
3. When you break this down between a liquor store who may employ one or two employee's vs a business that has the potential to employ 20 people you are talking about a potential of two person business generating \$104k to \$128k per year for the town. Versus a business with 20 employees that would potentially generate \$1,040,000 to \$1,280,000 per year.
4. Short term thinking is get the money now from a two person business. Long term success comes from the big picture of what a 20-person business can do for the town.
5. This council has been so forward thinking about how you have governed. You have put together a master plan so that there is a roadmap to the future success of this town. I believe from a number's standpoint and long-term planning the Walters vision falls in line with the long-term master plan and the continued smart growth of this town
6. I listed one reference and their website below. Once you go to the website go to search and type multiplier effect and it will break it down for you

1. American Independent Business Alliance

<https://Amiba.net/local-muliplier/>

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