

UNIVERSITY OF ILLINOIS RESEARCH PARK

URBANA-CHAMPAIGN

ECONOMIC IMPACT REPORT 2018



Prepared By:



CHAMPAIGN COUNTY
REGIONAL PLANNING
COMMISSION

TABLE OF CONTENTS

The Research Park.....	1
Economic Impact Analysis.....	2
Capital Investment.....	3
Infrastructure Impact.....	5
Operations Impact.....	6
Graduation Impact.....	7

The following sources are utilized in this analysis:
IMPLAN (www.implan.com)
United States Census Bureau (www.census.gov)
University of Illinois Research Park (<http://researchpark.illinois.edu>)
University of Illinois (<https://illinois.edu>)



THE RESEARCH PARK

The Research Park at the University of Illinois at Urbana-Champaign is a leading technology hub that cultivates startups and accelerates corporate innovation.

The Research Park was approved by the University of Illinois Board of Trustees in November 1999. Located on the Urbana-Champaign campus, the Research Park is now home to more than 120 companies and over 2,000 employees in high-technology careers.

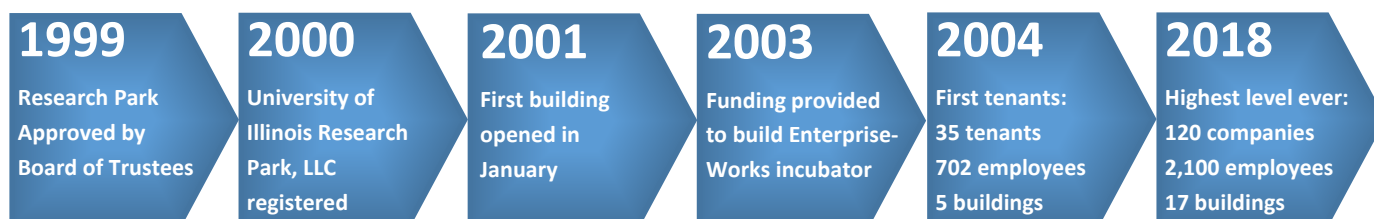
Multinational and/or publicly traded corporations in the Research Park include:

AB InBev	Dow AgroSciences
Abbott Laboratories	Forcepoint
AbbVie	Grainger
ADM	Graybar
AGCO	Huawei
Ameren	Littelfuse
Bayer	NVIDIA
Brunswick	Riverbed
Capital One	State Farm
Caterpillar	Synchrony
CME Group	Syngenta
Deere & Company	Verizon



The Research Park is also home to over 70 startup companies that are commercializing technology. EnterpriseWorks, the Research Park's 43,000 square-foot business incubator for early-stage technology firms, is operated by the University of Illinois to help launch successful business startups.

In 2018, the Research Park updated its master plan, showcasing priorities for the Research Park's continued development into the future.



The University of Illinois at Urbana-Champaign was founded in 1867, and is a world-class leader in research, teaching, and public engagement. Over 49,000 students from all 50 states and over 100 countries attend the University.

The University of Illinois has 30 Nobel laureates, 28 alumni winners of the Pulitzer Prize, research expenditures totaling over \$600 million annually, and the largest public library system. The University hosts the National Center for Supercomputing Applications (NCSA); and is the location of the first graphical web browser, Mosaic, created by Marc Andreessen and Eric Bina in 1993.

Urbana-Champaign is located in Champaign County, with a population of 209,744.

ECONOMIC IMPACT ANALYSIS

Economic impact analysis is a type of study that allows examination of the effects of a specific event on a given economy. The analysis examines the regional implications of development, employment, or other economic change in terms of measures of output, revenue, wages, and jobs. Inputs include the value of construction, the type of industry the business is generally classified as, and employment.

TYPES OF IMPACTS

Employment Impact

The total wage, salary, and self-employed jobs in a region.

Earnings Impact

The personal income, earnings, or wages of the direct, indirect and induced employees. Earnings include total wage and salary payments as well as benefits of health and life insurance, retirement payments, and any other non-cash compensation.

Economic Output

Also referred to as economic activity, this impact relates to the gross receipts for goods and services generated by the company's operations.

Direct Impact

The impact of the event or operations directly tied to activities conducted by direct employees and revenue.

Indirect Impact

Jobs, wages, and output that are generated by industries that supply goods and services directly to the event/project/organization.

Induced Impact

Jobs, wages, and output in industries that result from direct and indirect employees, families, and effects. The induced impact includes not only the end-use consumer products but also any locally purchased intermediate products that were used in producing the consumer goods and services.

Fiscal Impact of Construction

Includes the direct, indirect, induced and total impacts of a new or existing company during the construction phase in terms of sales taxes, income taxes, realty transfer taxes, motor fuel taxes, gas taxes, vehicle licenses and fees, telecommunication and electricity excise taxes, property taxes, and other state and county revenues.

Fiscal Impact of Operations

Includes the direct, indirect, induced and total impacts of a new or existing company in terms of sales taxes, income taxes, realty transfer taxes, motor fuel taxes, gas taxes, vehicle licenses and fees, telecommunication and electricity excise taxes, property taxes, and other state and county revenues supported by the operations of the company. The operational phase impacts are generally considered long-term effects of the company.

Multipliers have been developed to estimate the direct, indirect, and induced impacts of various economic activities. This analysis utilizes multipliers and data provided by IMPLAN, with headquarters in North Carolina.

This study analyzes the impacts from infrastructure investment and construction, operations, and effects from capital and expansion of the Research Park. Outputs from the economic and fiscal impact modeling include jobs, wages, and tax revenue of both infrastructure and operations to the local area, county and state. Data was separated into classifications including: Professional, Scientific, Technical Services; Research and Development, Computer and Mathematical, Information, Agricultural Engineers; Colleges, Universities, Professional Schools; Accommodations, Hotels, Motels; and Child Day Care Services.

CAPITAL INVESTMENT

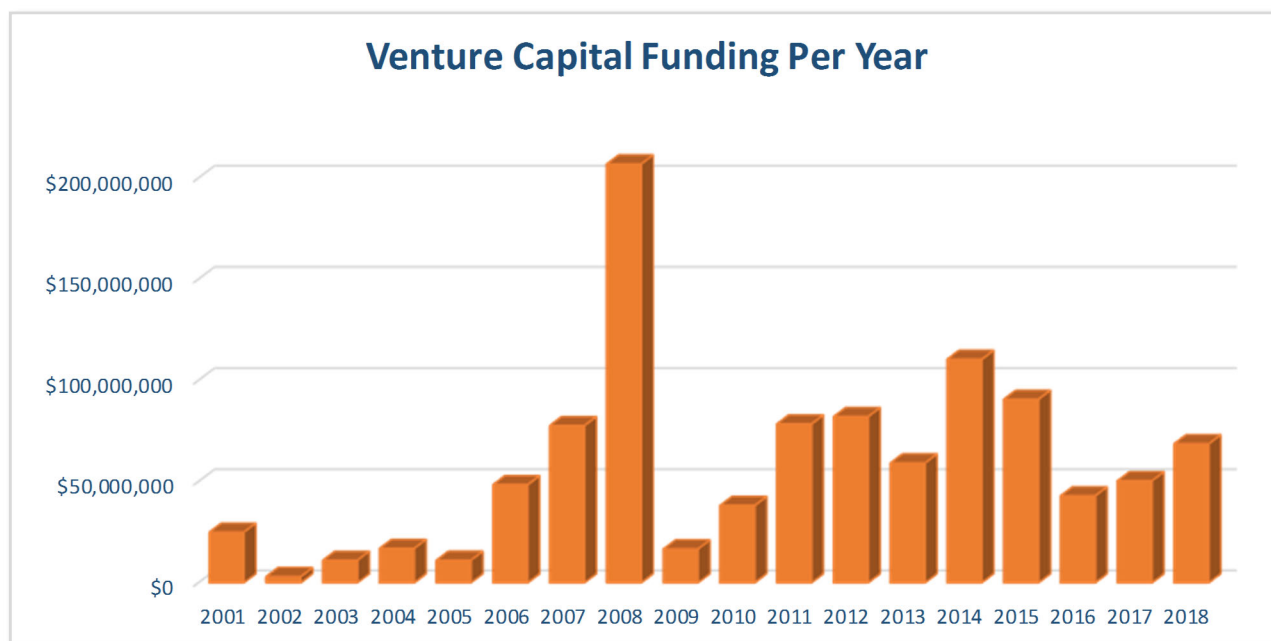
Capital investment of the Research Park has included many partnerships between private and public funding since 2001. A few of the primary sources include:

1. **Angel Investor/Venture Capital Investments:** Private individuals and investment firms.
2. **Small Business Innovation Research (SBIR) Grants:** A highly competitive program administered by the United States Small Business Administration that supports scientific excellence and technological innovation through small businesses that pursue their technological potential to pursue commercialization.
3. **Small Business Technology Transfer (STTR) Grants:** A federal innovation research and development program administered by the United States Small Business Administration that supports small businesses to formally collaborate with a research institution. Central to the program is expansion of the public/private sector partnership for bridging the gap between performance of basic science and commercialization of resulting innovations.

EnterpriseWorks companies have raised funding and investments of over \$1.1 billion since 2001:

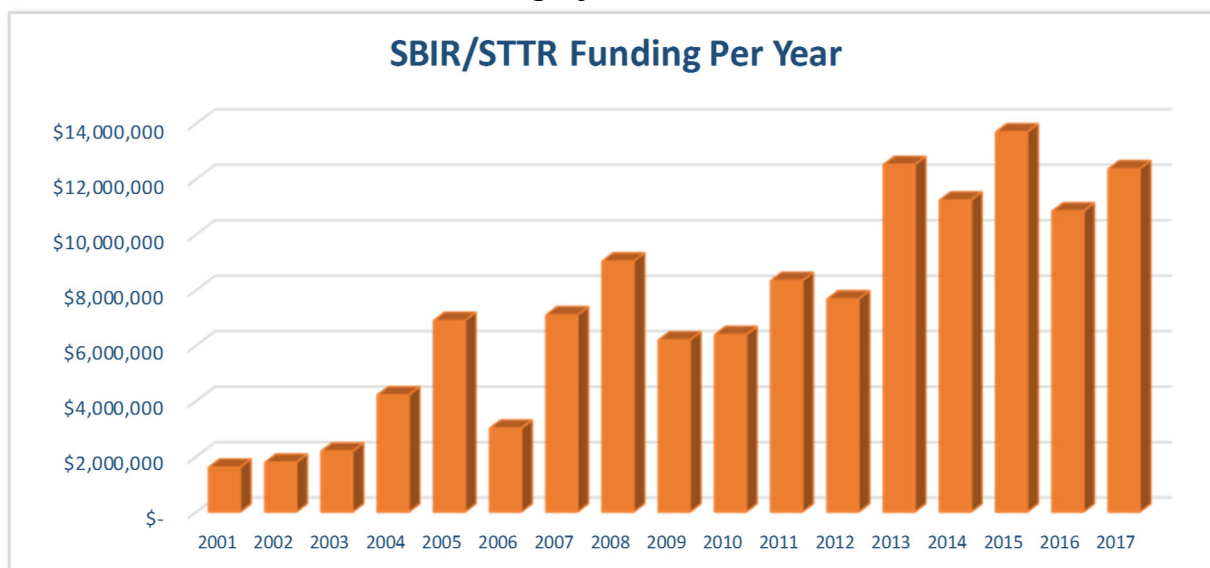
Angel/Venture Capital Investments:	\$ 1,038,045,073
SBIR Funding:	\$ 105,705,761
STTR Funding:	\$ 19,388,154
Total:	\$ 1,163,138,988

Research Park Venture Capital Funding by Year, 2001 - 2018

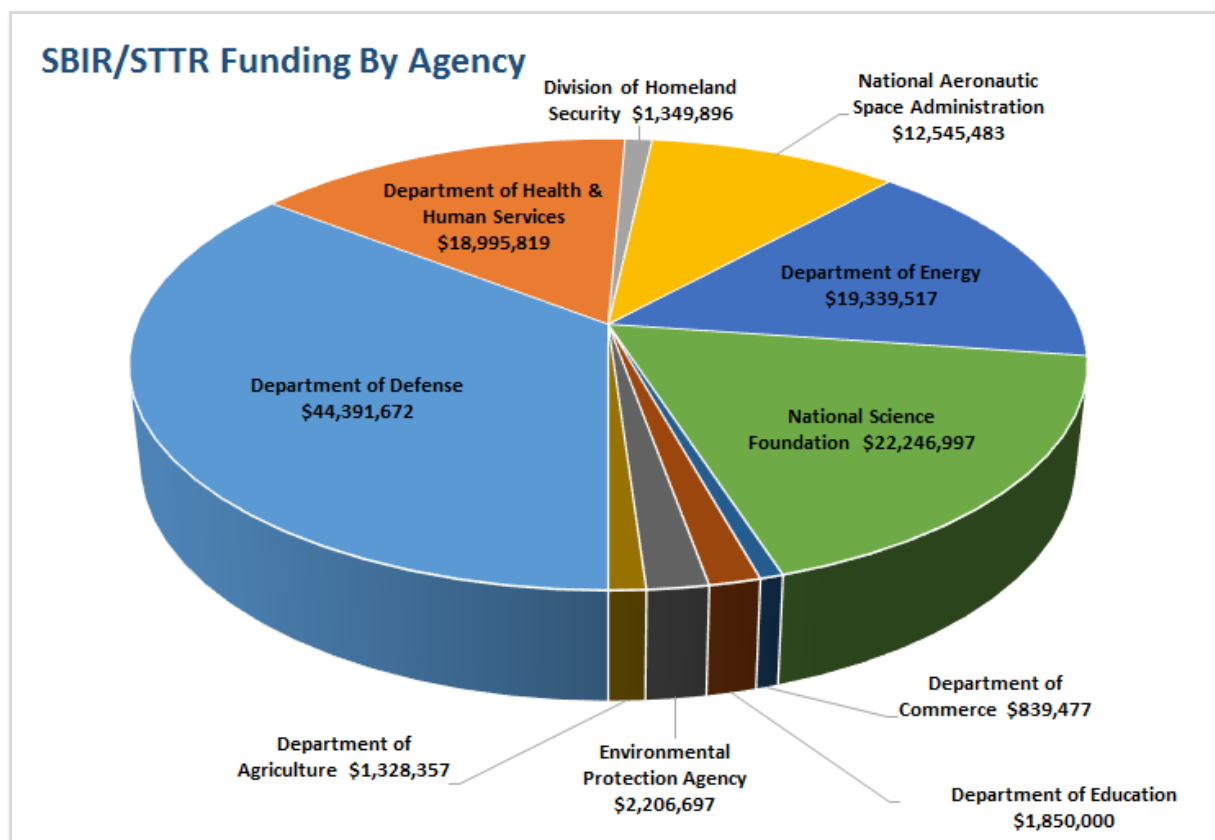


CAPITAL INVESTMENT

Research Park SBIR/STTR Funding by Year, 2001 - 2017



Research Park SBIR/STTR Funding by Federal Agency, 2001 - 2017



INFRASTRUCTURE IMPACT

The Research Park houses 17 buildings in over 790,000 square feet, since constructing its first building in 2001.

Investment in infrastructure and buildings at the Research Park since 2001 totals \$158 million that has generated over \$243 million in direct, indirect, and induced impact into the local economy.

Infrastructure costs include construction and remodeling, materials, utility infrastructure, roads and traffic infrastructure, building structures, site preparation, telecommunication infrastructure, fixture installation, and other soft costs.

Infrastructure investments have been made by Fox/Atkins Development, the University of Illinois, UIRP LLC, Research Park tenants, the State of Illinois, and the City of Champaign.

Direct wages associated with the construction of infrastructure at the Research Park since 2001 total over \$65 million. Indirect and induced wages have added another \$31 million for the local economy.

Economic Output and Impact of Research Park Infrastructure Investment, 2001 - 2018

Years	Investment	Economic Output	State Impact	County/Local Impact
2001—2018	\$158 million	\$243 million	\$9.9 million	\$3 million



OPERATIONS IMPACT

The Research Park currently has 2,089 full and part-time employees. Among the total employees, 1,285 are non-student workers, and 804 are student employees.

In generating impact data for this report, employees were classified under their relative industry categories, including: Accommodations/Hotels/Motels, Educational/Colleges/Universities/Professional Schools, Child Day Care Services, and Professional/Scientific/Technical services that also include Agricultural Engineers, Computer/Mathematical Activities, and Information Activities.

The current economic output from direct, indirect, and induced Research Park operations is \$428 million.

Research Park employees contribute \$257 million in the local region. Indirect and induced employees contribute \$171 million in the area.

Research Park operations currently generate \$9.4 million in annual tax revenues for the State of Illinois, and \$2.4 million in Champaign County.

Economic Output of Research Park Operations in 2018 by Type of Employment Industry

	Accommodations	Agricultural Engineer	Child Care	Computer, Mathematics	Information	Professional, Scientific, Technical	University	TOTALS
DIRECT								
Jobs	80	188	27	365	188	366	187	1,401 FTE*
Wages	\$1,821,864	\$12,539,257	\$618,856	\$24,344,834	\$12,539,257	\$24,411,532	\$5,874,223	\$82 million
Output	\$8,535,527	\$39,712,555	\$1,164,693	\$77,101,503	\$39,712,555	\$77,312,740	\$13,221,353	\$257 million
INDIRECT								
Jobs	16	115	2	224	115	224	24	720
Wages	\$648,217	\$5,370,006	\$62,334	\$10,425,810	\$5,370,006	\$10,454,374	\$943,847	\$33 million
Output	\$1,873,247	\$16,932,794	\$260,749	\$32,874,840	\$16,932,794	\$32,964,908	\$3,722,610	\$105 million
INDUCED								
Jobs	10	75	3	146	75	146	28	483
Wages	\$460,335	\$3,341,642	\$127,406	\$6,487,762	\$3,341,642	\$6,505,537	\$1,272,114	\$22 million
Output	\$1,400,993	\$10,172,010	\$387,978	\$19,748,850	\$10,172,010	\$19,802,956	\$3,872,311	\$66 million
TOTALS								
Jobs	106	378	32	735	378	736	239	2,604
Wages	\$2,930,416	\$21,250,905	\$808,596	\$41,258,406	\$21,250,905	\$41,371,443	\$8,090,184	\$137 million
Output	\$11,809,767	\$66,817,359	\$1,813,420	\$129,725,193	\$66,817,359	\$130,080,604	\$20,816,274	\$428 million

* FTE indicates Full-Time Equivalent Employees

GRADUATION IMPACT

EnterpriseWorks is a 43,000 square-foot incubator facility and resource center at the Research Park for science and technology focused entrepreneurs. Named as one of Inc Magazine's "Top 3 College Town Incubators" and as one of Forbes' "12 Business Incubators Changing the World," EnterpriseWorks helps launch startup companies, with client industries ranging from biotechnology, chemical sciences, software development, to material sciences.

Many companies graduate from EnterpriseWorks and expand their operations into separate facilities and locations.

71% of companies that graduated from EnterpriseWorks have remained within Champaign County or the State of Illinois.

Recent construction and infrastructure projects by Research Park graduated companies throughout Illinois have included investment of more than \$5.7 million, with economic output of \$8.2 million in the region and state.

Companies that have graduated from the Research Park to expand into other Illinois locations include:

Agribile
Advent Corporation
Aqueous Solutions, LLC
Autonomic Materials Incorporated
Cast21
Cazoodle
Chromatin, Inc.
Common Ground Research Networks
CU Aerospace
D & E Technical
Distant Focus Corporation

Eden Park Illumination
EP Purification, Inc.
GlucoSentient, Inc.
HDF Group
IllinoisRocstar LLC
Inprentus Inc.
InstaRecon
MeshPlusPlus, Inc.
Mimosa Acoustics
Obiter Research
Orange QC

Personify Inc.
PrintEco
Quicket
R-Systems
Runtime Verification
SIMnext
Starfire Industries
Tiesta Tea
TipTek, LLC
UT Dots
Veriflow Systems

