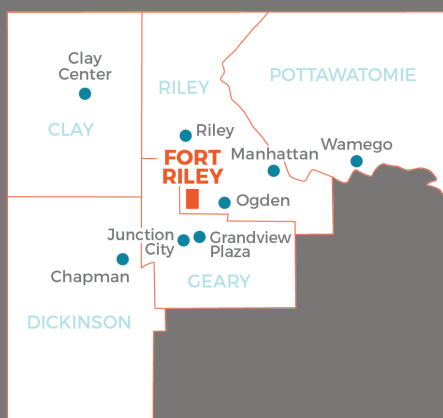


FLINT HILLS

Community Impacts Associated with Army Personnel Reductions

Over the past 4 years, the U.S. Army reduced total force structure from about 570,000 soldiers to a projection of 450,000 by the end of 2018. As part of this deliberate effort, 13 BCTs including the 4th Infantry Brigade Combat Team at Fort Riley, were inactivated. During that process, a majority of soldiers from the 4th Brigade were reassigned to two remaining brigades on Fort Riley. After all actions are complete, Fort Riley's authorized personnel will be reduced by a total of 2,345 service members. Combined with approximately 3,000 associated dependents, these losses total over 5,300 people facing a decision to possibly depart the Flint Hills region.

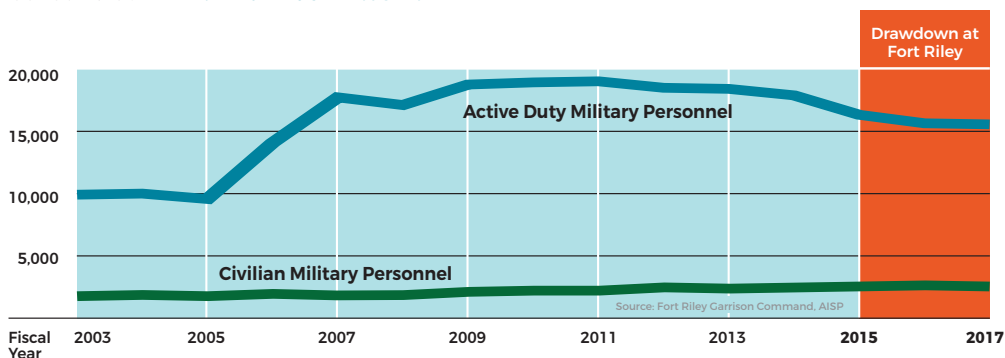


Economic Impacts

The analysis demonstrates that Fort Riley contributes significantly to the region's economy. At full nest, the overall impact of the defense economy throughout the five counties studied in the Flint Hills region accounts for \$4.5 billion annually – equating to approximately 45% of the region's total economy. The analysis also revealed that the impact of the reduction in authorized soldiers and their families will have an impact of approximately \$580 million through FY 2019.

Why the Impact Analysis

In response to this announcement, the Flint Hills Regional Council applied for and received a grant from the Department of Defense (DoD) Office of Economic Adjustment (OEA) to study the economic impacts in further detail. The study area consisted of five counties: Riley, Geary, Pottawatomie, Clay and Dickinson. The analysis considers the impacts of these losses in isolation over a 5-year period, as if all soldiers and their dependents chose to leave. Analyzing these impacts in isolation allows the Flint Hills region to better understand the impacts of this specific action, independent of other changes in the economy over the same timeframe. Furthermore, impacts are estimated assuming the installation is fully manned and at full nest. Finally, the analysis simulated potential impacts if any further personnel reductions were to occur at Fort Riley. The results of these simulations, as well as ancillary impacts, can be found at www.flinthillsCIAR.com.



Summary Impact Statement			
Impacts of Troop Reductions to the Defense Economy, FY 2014 - 2019			
The Flint Hills Region			
Economic Measure	FY 2014 Pre-Drawdown	FY 2019 Post-Drawdown	Total Economic Impact of Drawdown at Fort Riley
Total Employment	37,900	33,700	(4,200)
Private, Non-Farm Employment	14,800	13,300	(1,500)
Gross Regional Product	\$4,500	\$3,920	\$(580)
Total Output (Sales)	\$8,200	\$7,100	\$(1,100)
Personal Income	\$3,100	\$2,680	\$(420)

All Dollar Values Reflect Millions 2015 US Dollars and are rounded.



The study's recommendations were developed to help attract additional investment by leveraging the region's assets and improving the underlying fundamentals of the Flint Hill's economy.

After an exhaustive data collection process, which included input from numerous community stakeholders, a series of recommendations were developed to address the impacts of the personnel reductions. The focus for these recommendations fell into the areas of state-level advocacy, workforce development, and economic diversification. These recommendations are designed to fill identified gaps in the region's economic development efforts rather than merely addressing the reduction of the 2,345 personnel from the installation. The implementation of these recommendations by the Flint

Hills Regional Council, in conjunction with other efforts currently underway, will help attract additional investment by leveraging the region's assets and improving the underlying fundamentals of the Flint Hill's economy.

Fort Riley is vital to the Flint Hills region, constituting approximately 45% of the region's economy prior to the drawdown. While the impacts of losing over 2,300 soldiers and their families will surely be felt, the region has significant opportunity to leverage its agricultural, educational, and military assets to continue to provide an excellent quality of life for residents and visitors alike, diversify the economy,

support Fort Riley, and develop its workforce by capturing the thousands of talented service men and women who separate from the installation every year. This economic analysis and the recommendations provided are only a starting point. Removing soldiers and their associated dependents from Fort Riley was not the choice of the local community. It is, however, the community that is taking action to overcome these challenges. Working together as a region will be the key to mitigating the impacts of these losses.

Recommendations to Promote Regional Growth

- 1 Continue to work at the local, state, and federal levels to aggressively protect and expand the region's defense economy by identifying opportunities for military mission and compatible industrial growth.
- 2 Leverage the data collected from the state's Defense Supply Chain mapping exercise to conduct a comprehensive, economic impact assessment of the Kansas Defense Economy.
- 3 Develop an annual Congressional legislative plan, including specific legislative priorities and objectives, and a contact plan to implement the objectives.
- 4 Pursue effective, community-led P4 partnerships.
- 5 Conduct a regional Skills Gap Analysis to quantitatively identify how effectively the community is producing the talent necessary to meet the region's future occupational demand.
- 6 Fully understand and track the demographics, skill sets, and desires of separating military personnel from Fort Riley.
- 7 Increase the career readiness training, job placement, and retention of separating personnel from Fort Riley throughout the region.
- 8 Leverage the region's comparative advantages to successfully develop the target industries identified in the Comprehensive Economic Development Strategy.
- 9 Develop a Regional Economic Development Fund to assist in funding regional studies, workforce development programs, business recruitment incentives, grant opportunities, and other economic and community development programs.
- 10 Provide sufficient funding to the Flint Hills Regional Council and/or other organizations tasked with implementing action items identified in the various regional studies and strategic plans.
- 11 Leverage the recently commissioned Joint Land Use Study (JLUS) to improve coordination and communication between the community and Fort Riley.

