

# Economic & Fiscal Impact Analysis

**ANALYSIS AND OBSERVATIONS ON A PROPOSED ECONOMIC  
DEVELOPMENT PROJECT IN BREVARD COUNTY, FL**



## DENEC Solutions

February 2026



# Economic & Fiscal Impact Analysis: Denec

**Date Prepared:** February 2026

**Prepared By:** Brevard County staff, using final-demand and direct-effect economic multipliers from the U.S. Department of Commerce's Bureau of Economic Analysis RIMS II Regional Input/Output Modeling System<sup>1</sup>.

## Project Overview<sup>2</sup>

DENEC, LLC (d/b/a DENEC Solutions), is a local supplier within the aerospace industry that designs, fabricates, installs and maintains automated industrial equipment for government and commercial space flight systems.

The company specifies and integrates process paint systems and applicator robots, provides industrial robotic systems with integrated conveyor lines, builds custom electric control panels, and offers 3D engineering design support for large space launch structures and systems.

Currently operating out of a small industrial facility in Titusville, DENEC Solutions is interested in expanding its operations. To accommodate anticipated future growth, they have put in an offer to purchase an approximately 3-acre southeastern portion of parcel 23-35-03-NN-C at the Spaceport Commerce Park, with the intention of building an approximately 15,000 SF manufacturing plant on the property.

Based on current trends in the construction industry, the construction budget of this project is estimated to be approximately \$3M. The company expects its average annual purchases to reach approximately \$3M from operations at the new facility and to bring around 4 new jobs to the region.

Brevard County staff have prepared this analysis to outline the project's potential economic and fiscal impacts throughout the county.

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<sup>1</sup> For more detailed information on RIMS II multipliers, please visit [www.bea.gov/resources/methodologies](http://www.bea.gov/resources/methodologies).

<sup>2</sup> Sources: <http://denecsolutions.com/>, <https://tw.linkedin.com/company/denec-solutions>

## Use of RIMS II Multipliers – Bureau of Economic Analysis

The analysis used in this report utilizes economic multipliers from the Bureau of Economic Analysis (BEA), a federal agency under the U.S. Department of Commerce that provides macroeconomic and industry statistics at the national, state, and municipal levels.

An economic “multiplier” is a numerical value, calculated to represent the degree to which an initial economic change creates other economic changes in a region. These multipliers are derived from three national input output (I-O) accounts known as the national make, use, and import tables, which are maintained by the U.S. Bureau of Economic Analysis. The data in these accounts primarily comes from the Economic Census and other annual surveys conducted by the U.S. Census Bureau<sup>3</sup>. The multipliers are adjusted to represent smaller geographic regions using location coefficients derived from regional data on industry presence. RIMS II provides two types of multipliers:

- (1) Final-Demand Multipliers
- (2) Direct-Effect Multipliers

### Final-Demand Multipliers

Final-Demand Multipliers represent the degree to which a final demand change in economic activity impacts final demand changes or outputs throughout all industries and final users in the region. These are characterized as change “per output” ratios.

A “final demand change” is a change in the purchases of commodities or services by final users. “Final demand” or “final use” refers to purchases of goods that are not used as intermediate inputs in the production process, but those which are purchased for use in their final form. A “final demand industry” refers to the industry which will be initially affected by the change.

Final uses are grouped into four categories: (1) Purchases by consumers outside the region (exports), (2) Investments in buildings and capital equipment, (3) Purchases by government, and (4) Purchases by households.

### Direct-Effect Multipliers

Direct-Effect Multipliers represent the degree to which the initial change in earnings or employment impacts the total change in earnings or employment, respectively, across all industries in the region. These are characterized as “jobs per jobs” or “earnings per earnings” ratios.

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<sup>3</sup> Source: [Concepts and Methods of the U.S. Input-Output Accounts](#), BEA, 2006

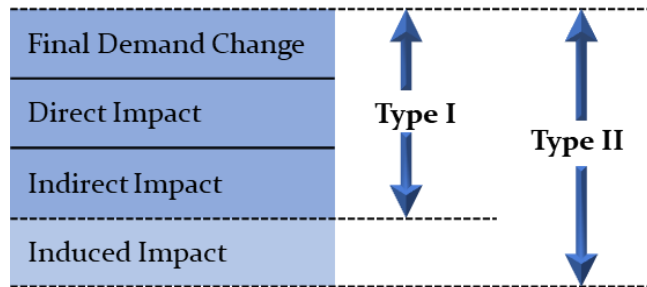
Both **Final Demand** and **Direct Effect** multipliers are further divided into “Type I” and “Type II”. An illustration of the impacts included in these multipliers is provided in **Figure 1**.

### Type I

Type I multipliers account for the inter-industry (direct and indirect) impacts of a final-demand change. A “direct” impact is the value of inputs purchased in the first round of spending by the final demand industry. An “indirect” impact is the value of inputs purchased in subsequent rounds of spending by supporting industries.

### Type II

Type II multipliers account for both the inter-industry impacts as well as the household spending (induced) impacts of a final-demand change. An “induced” impact is one that results from the spending created by increased household earnings. Type II multipliers are used when it is reasonably expected that most household earnings resulting from the economic change will be spent locally.



**Figure 1:** RIMS II Terminology – Table modified from BEA RIMS II User Guide.

The analysis that follows uses both final demand and direct effect multipliers from RIMS II. The multipliers used in this report are based on 2017 national benchmark input-output data, and 2022 regional data specific to the Brevard County MSA. They are also specific to the final demand industries identified for the construction and operation phases proposed for this project. Therefore, the data in this report is specific to the local market, and the local industries affected by this project.

Impacts calculated from using the above multipliers are expressed in terms of gross output, value-added (GDP), earnings, and employment. Please visit the BEA website, [www.bea.gov](http://www.bea.gov), for more information on the calculation and derivation of multipliers, and the assumptions and data used in the RIMS II input-output model.

## DENEC Solutions: Input Variables

The economic impact analysis that follows is divided into two phases. The first analysis estimates economic impacts during the construction phase of the project, and the second estimates impacts once the construction phase is over, and operations commence at the new facility.

The inputs described below were applied to the RIMS II multipliers for Brevard County and used to forecast the impacts for both phases of the project:

### Construction Phase:

- Final Demand Industry: Construction (Industry Aggregate #7)
- Final Demand Change: \$3,000,000

### Operation Phase<sup>4</sup>:

- Estimated Start of Operations: Q1 2028
- Final Demand Industry: 33329A Other Industrial Machinery Manufacturing
- Final Demand Change: \$1,400,000
  - 2025 Annual Sales: \$1,600,000
  - 2028 Expected Annual Sales: \$3,000,000
  - Expected Increase in Annual Sales: \$1,400,000
- Direct Effect (non-construction) Employment Change: 4
  - 2025: 11 jobs
  - 2028: 15 jobs
  - Expected Increase in Number of Jobs: 4
- Direct Effect Earnings Change: \$301,600
  - 3 Technician salary:  $\$62,400 \times 3 = \$187,200$
  - 1 Engineer salary:  $\$114,400 \times 1 = \$114,400$
  - Total Earnings: \$301,600

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<sup>4</sup> Average annual sales as well as revenue and employment projection ranges were provided by company.

## DENEC Solutions: Forecasted Construction Impacts

### RIMS II Multipliers: Type I & Type II for Construction Industry

**Table 1** provides a list of the Type I and Type II multipliers that were retrieved from the RIMS II data set. These multipliers are specific to the construction industry in Brevard County and were used to estimate the impacts from the purchases made during the construction phase of this project.

Industry Aggregation: #7 Construction		
	Type I Multipliers	Type II Multipliers
Final Demand Output	1.2869	1.5848
Final Demand Earnings	0.4278	0.5194
Final Demand Employment	7.5835	9.7927
Final Demand Value-Added	0.6884	0.8700

*Table 1: Type I and Type II Multipliers for Construction Industry, Brevard County, 2017 US Benchmark I-O Data, 2022 Regional Data*

Type II multipliers were included in this analysis because it was assumed the construction phase of the project would utilize existing local workforce expected to spend most of their earnings within the county, which would in turn stimulate household spending and create an induced impact.

### Results

The total expected final demand change, or \$3M investment made primarily within the construction industry, was applied to the final demand multipliers referenced above. **Table 2** illustrates the results from the RIMS II model, and estimates the direct, indirect, and induced impacts from the initial \$3M input of purchases that would be felt throughout the local economy.

Construction Impacts	Final Demand Change	Inter-Industry Impact	Induced Impact	Total Impact
Gross Output	<b>\$3,000,000</b>	\$3,860,700	\$893,700	\$4,754,400
Value Added		\$2,065,200	\$544,800	\$2,610,000
Earnings		\$1,283,400	\$274,800	\$1,558,200
Employment		23	7	29

*Table 2: Final Demand Impacts of Construction Phase of new facility.*

## Gross Output

The “gross output” is the sum of all intermediate and final purchases of commodities throughout all industries in the region. This is a duplicative number, as inputs may be purchased multiple times by industries in the production process.

Based on the RIMS II input output and regional data set for the construction industry, in Brevard County, the initial capital investment of \$3M during the construction phase of the project would generate around **\$3.9M** of inter-industry purchases, the majority of which would be made within the construction industry during the first round of spending (direct impacts). This number also includes the purchases that would be made throughout the supporting industries in the region, and subsequent rounds of spending (indirect impacts). Since the construction workforce is expected to be local, the model estimates an additional **\$894K** of household spending to be generated in the local economy (induced impacts), suggesting that the construction phase of the project would stimulate a gross output totaling around **\$4.8M** throughout the region.

## Value-Added

The “Value-Added” measure is also called the Gross Domestic Product (GDP). It refers to the value that is added to a commodity on top of the combined value of its composition of raw materials, and includes purchases made by industries in excess of purchases that went into production, like employee salaries, taxes on production (less subsidies), and gross surplus (profit). “Value-Added” is also calculated as the sum of “Final Use” purchases made by final users in the economy.

		Industry Purchases	Final Purchases				Total Commodity Output
			Personal Consumption	Private Fixed Investment	Net Exports	Government Consumption	
Value-Added	Commodities	Intermediate Inputs	Final Uses				
	Salary Taxes Gross Surplus	Income Generated	GDP				
		Total Industry Output					

**Figure 2: National Use Table**

**Figure 2** represents the flow of purchases throughout the economy, where “Total Industry Output”, or the total purchases made by industries, equals “Total Commodity Output”, or the total purchases of commodities. “Industry Purchases” include all the purchases that are made by industries for use in the production process, (called “Intermediate Inputs”), as well as purchases that generate income.

Based on the final demand RIMS II multipliers specific to Brevard County and the construction industry aggregate, the value-added portion of the gross output generated by the construction phase of this project would result in **\$2.1M** of direct and indirect impacts to the local economy, and an additional **\$545K** of induced impacts. The model estimates that the construction phase of this project would yield an economic stimulus that would increase the region’s GDP by **\$2.6M**.

### Earnings

Earnings are part of the value-added metric. The RIMS II earnings multipliers measure the total change in local household earnings per dollar of final-demand change.

Based on input data entered into the RIMS II model, an initial final demand change of \$3M in the local construction industry would result in a direct and indirect earnings impact of **\$1.3M**, felt throughout the local construction industry, and other supporting industries in the region. The induced earnings resulting from an increase in household spending would be an additional **\$275K**. The total impact to earnings from this project would be around **\$1.6M**.

### Employment

The final measure that the RIMS II model provides based on final demand change is impacts to jobs in the region. **The unit for the multiplier is jobs per \$1M of final demand change.**

Based on the findings of this analysis, the construction phase of this project would yield **23 direct and indirect jobs**, and an additional **7 induced jobs**, for a total of **29 jobs** created as a result of the construction phase of this project. These jobs would represent a mixture of full time and part time employment.

## Denec Solutions: Forecasted Operations Impacts

### RIMS II Multipliers: Type I & Type II for Industrial Machinery

**Table 3** lists the Type I and Type II multipliers that were retrieved from the RIMS II data set for Industry: 33329A Other Industrial Machinery Manufacturing. These multipliers are specific to Brevard County and were used to estimate the economic impact of the project’s first year of operation at full capacity.

Industry: 33329A Other Industrial Machinery Manufacturing		
	Type I Multipliers	Type II Multipliers
Final Demand Output	1.2766	1.4672
Final Demand Value-Added	0.5296	0.6459
Direct Effect Earnings	1.4001	1.7009
Direct Effect Employment	1.5077	2.0908

*Table 3: Type I and Type II Multipliers for Brevard County, 2017 US Benchmark I-O Data, 2022 Regional Data*

### Results

The total expected final demand change of \$1.4M in annual purchases was applied to the final demand multipliers for the primary industry within which the company has operations. Since an estimate of employment and income was provided, direct effect multipliers were used to project earnings and employment impacts.

**Table 4** provides the results from the RIMS II model, estimating the inter-industry and induced impacts from the operations at the new facility.

Operational Impacts	Final Demand/ Direct Effect Change	Inter- Industry Impact	Induced Impact	Total Impact
Gross Output	\$1,400,000	\$1,787,240	\$266,840	\$2,054,080
Value Added		\$741,440	\$162,820	\$904,260
Earnings	\$301,600	\$422,270	\$90,721	\$512,991
Employment	4	6	2	8

*Table 4: Final Demand and Direct Effect Impacts of New Operations in Brevard County.*

## Gross Output

Based on the RIMS II input-output data set for the scientific research and development services industry in Brevard County, DENEK LLC's annual increase in sales of \$1.4M would stimulate the gross output of all industries in the local market by **\$2.1M**. On top of the **\$1.8M** of inter-industry impacts, there would be an additional **\$267K** of induced impacts throughout all the industries in the local economy.

## Value-Added

Based on the final demand multipliers used in the RIMS II analysis, the value-added portion of the gross output created by this project would result in **\$741K** of direct and indirect impacts to the local economy, and an additional **\$163K** of induced impacts triggered by household spending increases. DENEK LLC's operations would yield an economic stimulus that would increase the region's GDP by approximately **\$904K**.

## Earnings

The average salary for a technician at DENEK Solutions is \$30/hour, and an engineer is \$55/hour.

The company expects to hire around 3 technicians and 1 engineer after the new facility is built out. Based on average wages of each new employee, the total earnings for new employees at DENEK Solutions would be \$301,600 in Brevard County.

Using the direct effect earnings multiplier specific to the Other Industrial Machinery Manufacturing industry for Brevard County in RIMS II, the inter-industry impact was estimated at approximately **\$422K**. Earnings impacts related to increases in household spending would add an additional **\$91K**. Total earnings impacts felt throughout the county would be around **\$513K**.

## Employment

The RIMS II model estimated that a change of 4 additional jobs in the industry would yield **6 direct and indirect jobs**, and an additional **2 induced jobs**, for a total of **8 jobs** created after operations commence at the new facility. These jobs would represent a mixture of full-time and part-time employment.

## DENEC Solutions: Fiscal Impact Analysis

### Key Project Components<sup>5</sup>

#### Current Taxable Value of Building

Undeveloped parcel – Spaceport Commerce Park --

#### Anticipated Capital Investment

Land (\$195K)  
Construction (\$2.81M) \$3,000,000

#### Anticipated Market Value

\$2,400,000

#### Anticipated Capital Investment (Equipment)

\$0

The above project components were used to estimate the potential fiscal impacts to the local public sector.

### Taxes Anticipated from Project Implementation (Approx) – ONE TIME

<b>Sales Tax</b>		<b>\$78,540</b>
Est Construction Budget	\$2,805,000	
Est Materials Cost (40%)	\$1,122,000	
7% Sales Tax on Materials	\$78,540	
<b>Impact Fees</b>		<b>\$66,178</b>
City of Titusville	\$40,180	
Brevard County	\$25,998	
<b>Building Permit</b>		<b>\$84,150</b>
3% Construction Budget	\$84,150	

### Taxes Anticipated from Project Implementation (Approx) -ANNUAL

<b>Real Property Tax</b>		<b>\$40,858</b>
Anticipated Market Value	\$2,400,000	
Rate: 17.024/\$1,000	\$40,858	
<b>Tangible Personal Property Tax</b>		<b>\$0</b>
Equipment	\$0	
Rate: 17.024/\$1,000	\$0	

**Initial Annual Fiscal Stimulus** **\$269,725**

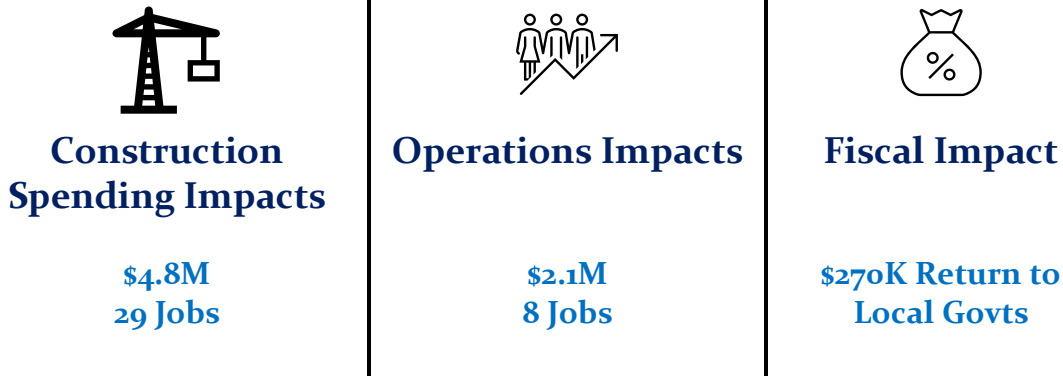
*Table 5: Estimated Fiscal Impacts. All figures are estimates and based on available data.*

**INITIAL ANNUAL FISCAL STIMULUS: \$269,725**

<sup>5</sup> Land value is based on offer letter, not final deed. Taxes paid for existing equipment has not been included in the impact analysis.

## DENEC Solutions: Impact Summary

This report provides an estimate of the potential impacts from the construction of a new 15,000 SF manufacturing facility at the Spaceport Commerce Park, as well as the expansion of DENEC LLC's operations and workforce in Brevard County, in which the company would hire 4 new employees, generating a total earnings impact of around \$301,600.



Based on the analysis conducted using RIMS II multipliers, this project would create a combined total economic impact of around **\$7.1M**, of which \$4.8M would be generated from the construction phase, and \$2.1M would be realized through the new output produced by the company.

The project would also be expected to result in the creation of around **37 direct, indirect, and induced jobs** throughout the local economy. Purchases made for this project would generate a one-time fiscal stimulus to city, county and state governments through sales taxes and the collection of impact and permitting fees, of approximately **\$270K**. ■

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*Data used in this analysis, including construction budgets, property valuation, projected sales and future employment numbers are estimates and subject to change. The BEA does not endorse estimates and/or conclusions about the economic impact of a proposed change on an area. The calculations in this report were performed by Brevard County Planning and Development staff. Conclusions are reliable, not guaranteed.*