ECONOMIC IMPACT REPORT

DRAFT

THE ECONOMIC IMPACT OF THE CINCINNATI ZOOLOGICAL SOCIETY, 1992 TO 1996

PREPARED FOR

THE CINCINNATI ZOOLOGICAL SOCIETY

BY THE

ECONOMICS RESEARCH GROUP
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SUMMARY OF FINDINGS

This report estimates the total economic impact of the Cincinnati Zoological Society (the Zoo) on the Greater Cincinnati and Hamilton County economies. The economic impact of the Zoo is based on the Zoo's spending in the Greater Cincinnati region from 1992 through 1996.

The following summary highlights the importance of the Zoo to Hamilton County and the Greater Cincinnati region.

The Cincinnati Zoo is a Growth Industry

The economic impact of the Zoo has grown significantly beyond the growth of the national and regional economies. This implies that the Cincinnati Zoo is a growth industry for the local economy.

Out-of-Town Visitors Contribute Significantly to the Zoo's Economic Impact

Our analysis does not include spending by out-of-town visitors who bring new money into the region when they visit the Zoo. Visitor spending by Zoo patrons contributes significantly to the economic impact of the Zoo. For example, in a 1990 study done by the Center for Economic Education, it was determined that 43 percent of all Zoo visitors were from out of town, and they spent $8.4 million in the Greater Cincinnati region in direct association with their visit to the Zoo. Because 47 percent of the Zoo's economic impact in 1990 was from visitor spending, the economic impact presented in this report falls significantly below the economic impact that includes visitor spending.[1]

The Presence of the Zoo Enhances the Attraction of Hamilton County and Greater Cincinnati

The Zoo has an economic development impact that was not quantified in this analysis. Past surveys conducted for a variety of events and organizations in Greater Cincinnati reveal that visitors from out-of-town typically attend more than one event per visit. Therefore, the presence of the Zoo has a positive impact on the attendance levels of other Greater Cincinnati amusement parks and events, and vice-versa. The presence of the Cincinnati Zoo enhances the overall attraction of Greater Cincinnati and Hamilton County.

[1] Due to the time constraints for this analysis, we did not survey Zoo patrons on their spending patterns and place of residence. A full survey and economic impact analysis of visitor spending is under consideration for this summer.

Economic Impact Results

We have determined that since 1992, construction by the Zoo has led to one-time economic impacts ranging from $1.6 million to $12.8 million in the Greater Cincinnati economy. The largest construction impact occurred from 1992 construction expenditures, which totaled $5.7 million. In 1996, the construction impact of the Zoo was $2.7 million, of which $836,362 went to area households in the form of wages. Zoo construction led to the creation and retention of a total of 35 Greater Cincinnati jobs in 1996.

The on-going economic impacts associated with the Zoo's operation expenditures have been steadily increasing since 1992. The total economic impact of operations increased 52 percent over this period, to reach $29.2 million in 1996. The economic impact on household earnings increased 33 percent from 1992 to 1996, reaching $10.7 million in 1996. The employment impact increased from 491 jobs in 1992 to 580 in 1996 -- an 18 percent increase.

Fiscal Impact Results

The Zoo creates fiscal impacts that result in higher tax revenues to Hamilton County. We have estimated that in 1996 the operations impact of the Zoo contributed an additional $177,053 in city income tax revenue and an additional $26,928 in county sales tax revenue. The 1996 construction impact of the Zoo contributed an additional $9,157 in city income tax revenue and an additional $2,506 in county sales tax revenue.

For additional information contact the Economics Center for Education & Research, email Econeduc@uc.edu.
Please reference report: 1997-EI-1005 Zoo Impact Report

[2] The Greater Cincinnati economy is defined as the Cincinnati Consolidated Metropolitan Statistical Area (Cincinnati CMSA). The Cincinnati CMSA comprises 13 counties in three states: Brown, Butler, Clermont, Hamilton, and Warren counties in Ohio; Boone, Campbell, Gallatin, Grant, Kenton, and Pendleton in Kentucky; and Ohio and Dearborn counties in Indiana.