The Economic Impact of Fernald on the Greater Cincinnati Economy

Prepared for the

Fernald Community Reuse Organization

By the

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Executive Summary
The Economic Impact of Fernald on the Greater Cincinnati Economy

We have analyzed Fernald's economic impact on the Greater Cincinnati economy for each year between 1997 and 2008. Our major findings include the following:

- From 1997 to 2008, Fernald's total annual economic impact on the Greater Cincinnati economy will decline by 81 percent – from $735 million in 1997 to $136 million in 2008.

- Fernald's total annual economic impact will peak in 2005, when it will reach $910 million. The total economic impact of Fernald in 2005 includes $764 million in regional economic output and $164 million in household earnings.

- From 1997 to 2008, Fernald's direct and indirect employment impact on the Greater Cincinnati economy will decrease by 2,765 jobs – from 4,394 in 1997 to 1,629 in 2008.

- The impact of Fernald on regional employment will peak in 1998, when 4,638 jobs are directly and indirectly created throughout a number of Greater Cincinnati's industries.

- The industries in Greater Cincinnati that benefit the most from Fernald's operations are construction, business services, real estate, retail trade, and health services.

- Chart 1 shows the total annual economic impacts of Fernald for the years 1997 through 2008. After the year 2005, the loss in regional economic activity due to lower Fernald spending is dramatic. In fact, the combined annual economic impacts of Fernald over the three year period from 2006 to 2008 is less than the total economic impact in any one of the nine prior years.
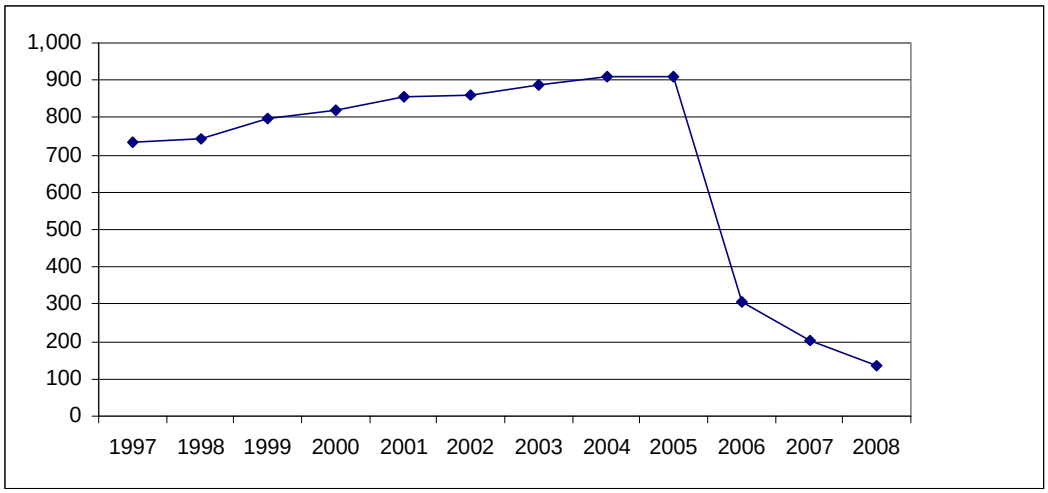
Chart 1: 1997-2008 Total Fernald Annual Economic Impacts 1997 to 2008 (in millions of dollars)