The Economic Impact of

The National Underground Railroad Freedom Center

On Greater Cincinnati

Prepared for

The National Underground Railroad Freedom Center

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Executive Summary

The impact of The National Underground Railroad Freedom Center on Greater Cincinnati[1] is substantial and multi-faceted. Through its construction, exhibits creation, operations, and spending by visitors from outside of the area, it benefits the regional economy. Through its presence, exhibits and programs, it will continue to have an impact on the entire community in many additional ways.

Economic Impact of Development of the Freedom Center (Pre-Opening)

- The development of the Freedom Center will involve a total cash outlay of $114.6 million. This is being supplemented by $21.9 million of in-kind contributions.

- The Freedom Center's development includes $99.9 million for construction and related capital expenditures, plus $36.6 million in pre-opening operating expenditures (which include significant educational and programmatic endeavors as well as administrative and fundraising activities).

- The development of the Freedom Center will have a one time total impact of $305.8 million, generating 1,015 jobs and $91.6 million in household income.

- The impact of construction accounts for $177.6 million of the total economic impact of development, which generates $50.6 million in household earnings and 568 jobs.

- Pre-opening operations account for $92.3 million of the total economic impact of development, $29.6 million in household earnings and an additional 288 jobs.

- The economic impact of the development of exhibits and the impact of other related capital expenditures accounts for $35.8 million of the total economic impact of development, which generates 159 jobs and $11.3 million in household earnings.

Impact of Development on the African American Community

- African Americans workers have held 40 percent of the jobs and earned 36 percent of the total pay resulting from direct cash outlays for the development of the Freedom Center. The job percentage is four times the areawide average for Greater Cincinnati, and the pay percentage is nearly five times the areawide average.

- Overall, including both the direct impact of the Freedom Center's spending and the economic multiplier effects from subsequent economic activity, the development of the Freedom Center has generated more than 800 jobs and nearly $17.4 million in household earnings for local African American workers.

[1] Greater Cincinnati is the Cincinnati Consolidated Metropolitan Statistical Area, which includes the counties of Hamilton, Butler, Warren, Clermont, and Brown in Ohio; Boone, Kenton, Campbell, Gallatin, Grant, and Pendleton in Kentucky; and Dearborn and Ohio in Indiana.

Annual Economic Impact of the Freedom Center (Post-Opening)

- During its first three and a half years of operation, the Freedom Center is expected to account for $17.2 million annually in local expenditures, including $10.2 million for operations, $1.0 million for capital improvements, and $6.0 million in off-site out-of-town visitor spending.

- The Freedom Center will have an average annual economic impact of $39.5 million, generating $14.2 million in household earnings and 459 jobs.

- Of the total post-opening impact, Freedom Center operations will have an average annual impact of $25.7 million, generating 267 jobs and $10.1 million in household earnings.

- Visitor spending will contribute an additional $11.7 million to the total on-going post-opening impact, generating $3.6 million in earnings and 169 jobs.

- On-going capital program contributes the remaining $2.0 million of annual impact, generating $0.5 in household earnings and 22 jobs.

Bringing New Money into the Local Economy

- The Freedom Center is a conduit for bringing millions of new dollars into the local economy.

- Development of the Freedom Center will bring $47.0 million of new money into Greater Cincinnati, $29.0 million from federal funding and $18.0 million from private contributions.

- After its opening, the Freedom Center will draw an average of 52 percent of visitors from outside of Greater Cincinnati, spending $2.7 million annually in the Freedom Center and another $6.0 million on other goods and services in Greater Cincinnati each year.

- Dollars from non-local sources generate more than one third of the economic impact of development and nearly 50 percent of the future annual impact of the Freedom Center.

Other Community Benefits

- The Freedom Center provides Greater Cincinnati with an unprecedented educational facility, creating spillover benefits in formal and informal educational communities.

- The Freedom Center will attract thousands of tourists annually who may stay longer in Greater Cincinnati to partake in other entertainment opportunities.

- The Freedom Center will add to the attractiveness of downtown Cincinnati, therefore facilitating the city in their revitalization program and helping to increase the quality of life in the area, attracting families and corporations to the area.