



To: Franklin County Commissioners
 From: Bill LaFayette, Ph.D., owner, Regionomics® LLC
 Date: May 9, 2018
 Re: Economic impacts of construction contracts for the County Corrections Center: Previous contracts DR1-DR4a

The economic impacts of previously-approved contracts for the County Corrections Center are approximately **\$132.7 million** in increased output (production and spending) in Franklin County, **\$32.8 million** in increased household earnings, and **630** jobs sustained. Total value added (household and business earnings, representing the increase in Franklin County gross domestic product) is **\$77.1 million**. These impacts are all temporary, lasting for the duration of the associated construction projects.

Economic impacts include:

- Direct impacts, the impacts due to the construction activities themselves.
- Indirect impacts, the impacts arising from purchases from local suppliers by the construction companies and their first-order suppliers.
- Induced impacts, the impacts arising from the spending of wages by direct and indirect workers to support their households.

These impacts are shown for Franklin County and the Columbus Metropolitan Statistical Area (MSA) in Table 1. Note that these impacts do not include allowances, reserves, and other contingent amounts. Impacts are derived using RIMS II economic impact multipliers in a model developed by Regionomics.

**Table 1
 Summary Economic Impacts**

	Direct	Indirect	Induced	Total
Franklin County				
Output	\$ 80,065,000	\$ 23,798,000	\$ 28,798,000	\$ 132,661,000
Earnings	\$ 21,685,000	\$ 4,607,000	\$ 6,459,000	\$ 32,751,000
Employment	370	90	180	630
Value added				\$ 77,088,000
Columbus MSA				
Output	\$ 80,065,000	\$ 27,574,000	\$ 48,692,000	\$ 156,331,000
Earnings	\$ 21,685,000	\$ 4,607,000	\$ 9,340,000	\$ 35,632,000
Employment	370	90	250	710
Value added				\$ 90,111,000

The following three tables allocate the Franklin County output, earnings, and employment impacts among the primary industry sectors. Unlike the totals in the previous table, these are not rounded because some of them are small. It is important to note that all economic impact estimates represent only the order of magnitude of the actual impacts.

Table 2
Detailed Franklin County Output Impacts

Industry sector	Direct	Indirect	Induced	Total
Agriculture, forestry, fishing, and hunting	0	0	8,006	8,006
Mining	0	54,902	7,560	62,462
Utilities*	0	436,342	661,465	1,097,807
Construction	75,595,688	94,525	272,183	75,962,396
Durable goods manufacturing	4,469,199	7,658,578	334,762	12,462,539
Nondurable goods manufacturing	0	1,495,178	1,097,315	2,592,493
Wholesale trade	0	3,608,220	1,423,755	5,031,975
Retail trade	0	1,048,727	2,995,927	4,044,654
Transportation and warehousing*	0	1,827,850	1,128,000	2,955,850
Information	0	615,670	1,291,667	1,907,338
Finance and insurance	0	1,089,374	3,135,391	4,224,765
Real estate and rental and leasing	0	1,454,175	5,695,468	7,149,644
Professional, scientific, and technical services	0	2,310,780	1,205,831	3,516,611
Management of companies and enterprises	0	706,821	474,673	1,181,494
Administrative and waste management services	0	808,650	863,824	1,672,474
Educational services	0	15,698	521,686	537,384
Health care and social assistance	0	45,804	4,186,323	4,232,127
Arts, entertainment, and recreation	0	49,380	388,836	438,216
Accommodation	0	55,730	249,504	305,234
Food services and drinking places	0	142,630	1,268,410	1,411,040
Other services*	0	279,306	1,587,422	1,866,728
Total	80,064,887	23,798,340	28,798,010	132,661,237

*Including government enterprises.

Table 2
Detailed Franklin County Earnings Impacts

Industry sector	Direct	Indirect	Induced	Total
Agriculture, forestry, fishing, and hunting	0	0	0	0
Mining	0	526	0	526
Utilities*	0	41,189	70,271	111,460
Construction	21,242,055	19,185	54,258	21,315,498
Durable goods manufacturing	442,586	1,072,219	46,698	1,561,504
Nondurable goods manufacturing	0	173,487	139,779	313,266
Wholesale trade	0	781,386	303,315	1,084,701
Retail trade	0	268,108	778,303	1,046,411
Transportation and warehousing*	0	345,658	217,925	563,583
Information	0	97,103	171,674	268,777
Finance and insurance	0	210,047	560,378	770,425
Real estate and rental and leasing	0	211,522	716,039	927,561
Professional, scientific, and technical services	0	723,912	404,717	1,128,630
Management of companies and enterprises	0	203,761	140,095	343,856
Administrative and waste management services	0	270,011	288,196	558,206
Educational services	0	7,691	187,108	194,799
Health care and social assistance	0	15,119	1,392,755	1,407,874
Arts, entertainment, and recreation	0	16,460	100,956	117,416
Accommodation	0	16,013	54,389	70,402
Food services and drinking places	0	41,820	342,453	384,273
Other services*	0	91,700	458,975	550,675
Households	0	0	31,132	31,132
Total	21,684,642	4,606,918	6,459,414	32,750,974

*Including government enterprises.

Table 3
Detailed Franklin County Employment Impacts

Industry sector	Direct	Indirect	Induced	Total
Agriculture, forestry, fishing, and hunting	0.0	0.0	0.1	0.1
Mining	0.0	0.0	0.0	0.0
Utilities*	0.0	0.4	0.6	1.0
Construction	360.1	0.3	0.9	361.3
Durable goods manufacturing	6.6	18.0	0.8	25.4
Nondurable goods manufacturing	0.0	2.9	2.3	5.2
Wholesale trade	0.0	10.5	4.1	14.6
Retail trade	0.0	9.2	26.5	35.7
Transportation and warehousing*	0.0	6.2	4.5	10.7
Information	0.0	1.4	2.6	4.0
Finance and insurance	0.0	3.4	9.2	12.6
Real estate and rental and leasing	0.0	7.7	41.0	48.7
Professional, scientific, and technical services	0.0	10.7	6.2	16.9
Management of companies and enterprises	0.0	1.9	1.2	3.1
Administrative and waste management services	0.0	7.7	8.6	16.3
Educational services	0.0	0.2	7.0	7.2
Health care and social assistance	0.0	0.3	27.2	27.5
Arts, entertainment, and recreation	0.0	0.6	3.8	4.4
Accommodation	0.0	0.4	2.0	2.4
Food services and drinking places	0.0	2.0	17.4	19.4
Other services*	0.0	2.2	12.6	14.7
Households	0.0	0.0	2.7	2.7
Total	366.7	85.8	181.3	633.8

*Including government enterprises.