



# Assessing the Investment: The Economic Impact of the Great Lakes Restoration Initiative

## Fact Sheet

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### Restoring the Great Lakes

The Great Lakes Restoration Initiative was launched in 2010 to restore and protect the lakes. Congress appropriated \$2.5 billion from 2010 to 2017 to fund more than 3,600 projects that have dramatically improved environmental conditions around the region.

Over the past eight years, the GLRI has been celebrated for the progress it has made toward restoring and protecting the Great Lakes. Six million pounds of invasive Asian carp have been trapped and removed from the Illinois River, more than 402,000 pounds of phosphorus have been prevented from running into the lakes, and more than 180,000 acres of fish and wildlife habitat have been protected or restored. The most environmentally sensitive and damaged areas are being cleaned up and toxic residue is being removed from the lakes. These accomplishments have resulted from the unparalleled partnerships between the U.S. federal government, states, cities and towns, tribes, businesses, and nonprofit organizations that the GLRI set in motion.

#### Every GLRI project dollar spent 2010-2016:

- Will produce **\$3.35** of additional economic activity through 2036
- Will generate **\$1.62** in additional economic activity in tourism-related industries through 2036
- Produced quality of life improvements worth **\$1.08** to residents in coastal communities



### Economic impact of Great Lakes restoration

Despite strong anecdotal evidence that the GLRI helped turn the economy around in many Great Lakes communities, until recently there was no comprehensive study of the overall impact of the program on the regional economy. A team of Great Lakes organizations worked with the University of Michigan's Research Seminar in Quantitative Economics to analyze the economic impacts of funding provided by the GLRI between 2010 and 2016, the amount of region-wide economic activity that has been and will be triggered by GLRI investment through 2036, the growth in regional tourism that has resulted due to

the GLRI, and the impact of the program on the region's quality of life as reflected in home values. The research was reviewed by a panel of economists and other experts from outside the Great Lakes region. In addition, to provide local context for the results, the team developed case studies that describe how regional impacts have translated into real improvements in eight Great Lakes coastal communities.

The team found that **every dollar of GLRI project spending from 2010 through 2016 will produce \$3.35 of additional economic activity in the Great Lakes region through 2036.** The number was even higher in some Great Lakes communities: each dollar invested in Buffalo, New York, and Detroit will produce more than \$4 of additional economic activity. The study also shows **that the GLRI has enhanced tourism in the Great Lakes region.** Every dollar of GLRI project spending from 2010 through 2016 will generate \$1.62 in economic value in tourism-related industries through 2036.

Additionally, the study found **that the GLRI increased the value that residents place on living coastal areas:** every project dollar spent between 2010 and 2016 produced quality of life improvements in coastal communities worth \$1.08 to residents as measured in housing values, which means that people place a higher value on living in those communities because of GLRI projects. Finally, research shows that, despite being envisioned as an environmental program, **the GLRI created or supported as many jobs per dollar of investment that would be created by a conventional federal stimulus program.**

The case studies illustrate how the regional impact of the GLRI has translated into local improvements in specific Great Lakes communities. They showed that the GLRI has led to significant new real estate and commercial development, particularly in waterfront areas; a resurgence in traditional water-based recreation and the emergence of a new type of tourism focused on kayaking, kitesurfing, and paddleboarding; improved quality of life, as indicated by willingness to pay more for housing in coastal areas; and increases in the number of young people who are choosing to stay in or relocate to Great Lakes communities.

## The team

Research was led by the University of Michigan's Research Seminar in Quantitative Economics and overseen by a panel of economists and other experts from outside the Great Lakes region. The case studies were developed by the Issue Media Group. A team led by the Great Lakes Commission and the Council of Great Lakes Industries coordinated the study. The team included the Alliance for the Great Lakes, the National Wildlife Federation's Great Lakes Regional Center, the Great Lakes Metro Chambers Coalition, Michigan's Office of the Great Lakes, and the University of Michigan's Water Center. A panel of Great Lakes stakeholders provided advice and guidance on the scope of the project and helped articulate the outcomes.

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