

## **Appendix 1**

### ***Will the Obama Presidential Center bring promised economic benefits to the South Side and the City of Chicago?***

A major justification for locating the Obama Presidential Center in Jackson Park is the claim that it will bring extraordinary economic benefits to long-disadvantaged neighboring communities, primarily in the form of jobs and through opportunities for new tourist-related business development, and to the City more broadly as well. While spending during the construction phase will surely bring short-term benefits to the City and its residents, projected benefits post-construction, including, importantly, new commercial development that is sparked by the Center's presence, are based on expenditures and activities driven by the number of visitors to the OPC. Given the realities of January 2021 – a City battered by the social and economic impacts of the pandemic -- these claims require sharp scrutiny.

The claimed economic benefits of the site rely upon the estimated attendance numbers found in a 2016 report by Deloitte Consulting commissioned by the Chicago Community Trust in support of the project and since relied upon by the Obama Foundation and the City. If these numbers are too optimistic, the economic benefits will inevitably be less than predicted. Meanwhile, the City's costs would be the same, regardless of the attendance numbers and whatever economic benefits they bring.

#### **HOW MANY VISITORS?**

The [2016 consultant's report](#) projected that, after the initial few years of operation when higher attendance can be expected, the steady state will be 650,000-760,000 visitors per year. In fact, however, this seems overly optimistic. No existing presidential library or center achieves this level of visitors; [the highest level of attendance of any presidential center in recent years is 400,000.](#)

Even if the optimistic visitation estimate were realized, [additional research](#) has projected that only some 100,000 of those visitors would be from out-of-state and would be visiting Chicago specifically to see the Obama Presidential Center, representing incremental tourist impact rather than double-counting. In addition, because the OPC will not be an actual presidential library, an important source of potential visitation – scholars scrutinizing papers from the Obama administration – will be lacking, and annual attendance figures will be reduced accordingly.

Examination of the current tourist-related economic benefits of the Museum of Science and Industry, located not far from the proposed OPC site in the Hyde Park neighborhood, is instructive. Visitors to the heavily visited MSI drive there, park in the garage or lot adjacent to the building, see the exhibits, buy some lunch and souvenirs, get in their cars or busses, and leave. There is virtually no positive economic impact on the surrounding area. This may well be the case with the OPC as well.

Beyond that, no one knows what tourism or museum visitation will look like in the post-COVID era. Projections made in 2016 no longer seem valid or useful. While the distribution of the vaccine might allow for larger gatherings, it is unclear if previous practices will be reinstated and whether attendance at museums, by locals or by tourists, will ever recover to pre-pandemic levels.

#### **WILL THE OPC SPARK NEW COMMERCIAL AND BUSINESS DEVELOPMENT?**

The area immediately adjacent to the planned site of the OPC is fully-built residential or institutional, with virtually no space available for the construction of restaurants, tourist-oriented businesses, or the like. Further, the decision to site the OPC as close as possible to MSI in the hope of having visitors split their time between the two museums orients the OPC away from and increases its distance from the 63<sup>rd</sup> Street corridor where commercial development is needed and would be welcomed.

All in all, choosing to locate the OPC on a site with virtually no adjacent vacant land and with limited public transportation severely limits the potential for the development of new local businesses. In fact, [consultants to the University of Chicago](#) studied the matter and concluded that the economic benefits of the alternate proposed site in the Washington Park neighborhood would be greater than the Jackson Park site: “Of all the proposed sites, this one [adjacent to Washington Park] would most amenably accommodate *new* businesses and investment that might come into the area due to the presence of a presidential library [*sic*].” A [separate study commissioned by the Obama Foundation](#) came to a similar conclusion that Washington Park presented the better opportunity for transformative economic impact.

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