



UNIVERSITY OF MASSACHUSETTS SCHOOL OF PUBLIC HEALTH AND HEALTH SCIENCES

## EXECUTIVE SUMMARY

# The Construction of Plainridge Park Casino

### Spending, Employment, and Economic Impacts

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## Executive Summary

The UMass Donahue Institute (UMDI) is a member of the Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) project team that has been charged with carrying out aspects of the research agenda of the Massachusetts Gaming Commission (MGC). In this report, UMDI describes the activities undertaken to construct the Plainridge Park Casino (PPC) in Plainville, Massachusetts and measures the economic impacts generated through this process.

The construction of Plainridge Park Casino occurred over two phases: the architecture, engineering, and design phase, which took place from 2010 until 2014, and the actual construction phase, which went from 2014 to 2015. Of the two phases, the vast majority of spending occurred during construction. In both cases, most of the spending was spent on goods and services supplied by firms within Massachusetts.

**Table 1: Architecture, Engineering, and Design Spending by Region**

Region	2010	2011	2012	2013	2014
Metro Boston	\$1,587,109	\$0	\$829,751	\$413,303	\$3,898,523
Bristol and Norfolk Counties	\$803,095	\$0	\$1,948,792	\$1,517,836	\$1,724,919
Rest of Western MA	\$74,940	\$0	\$0	\$0	\$0
Rest of Southeastern MA	\$7,000	\$0	\$0	\$0	\$277,846
Lower Pioneer Valley	\$0	\$0	\$0	\$0	\$92,405
Central MA	\$0	\$0	\$0	\$0	\$0
Out-of-state	\$9,781	\$0	\$22,726	\$25,410	\$88,520
<b>Total</b>	<b>\$2,481,925</b>	<b>\$0</b>	<b>\$2,801,268</b>	<b>\$1,956,549</b>	<b>\$6,082,213</b>
<b>Massachusetts Total</b>	<b>\$2,472,144</b>	<b>\$0</b>	<b>\$2,778,543</b>	<b>\$1,931,139</b>	<b>\$5,993,692</b>

Source: Massachusetts Gaming Commission

**Table 2: Construction Phase Spending by Industry**

Industry	Total	Percent Spent in MA
Construction	\$91,875,994	87%
Insurance and Bonds	\$15,098,255	100%
Manufacturing Goods	\$4,041,560	4%
Rental and Leasing	\$1,428,153	100%
Other	\$1,343,505	100%
Administration And Waste	\$879,412	100%
Wholesale	\$718,271	0%
<b>Total</b>	<b>\$115,385,150</b>	<b>85%</b>

Source: Pinck & Co.

The economic gains from the construction of Plainridge Park mainly accrued to the areas around the casino, including Norfolk County, where Plainville is located, and neighboring Bristol County, while the Metro Boston area to the north and the South Shore and Cape and Islands communities to the southeast also saw boosts in employment, output, value added, and personal income. All told, 170 jobs were created in Massachusetts during the architecture, engineering, and design phase, while 1,116 jobs

were created in the construction phase.<sup>1</sup> The architecture, engineering, and design phase of the project produced \$24.3 million<sup>2</sup> in output, or new economic activity, while the construction phase generated \$165.6 million. Of that output, \$16.7 million in the architecture, engineering, and design phase and \$105.1 million in the construction phase was net new, also known as value added.<sup>3</sup>

**Table 3: Economic Impacts of the Architecture, Engineering, and Design Phase, 2010-2014**

Category	Employment	Output	Value Added	Personal Income
Bristol and Norfolk Counties	76	\$9.7	\$6.8	\$4.7
Metro Boston	75	\$12.5	\$8.5	\$5.8
Rest of Southeastern MA	12	\$1.3	\$0.9	\$1.3
Central MA	3	\$0.4	\$0.2	\$0.5
Lower Pioneer Valley	2	\$0.2	\$0.1	\$0.1
Rest of Western MA	1	\$0.1	\$0.1	\$0.1
<b>Total</b>	<b>170</b>	<b>\$24.3</b>	<b>\$16.7</b>	<b>\$12.5</b>

Source: Pinck & Co.; Regional Economic Models, Inc. as calculated by the University of Massachusetts Donahue Institute

**Table 4: Economic Impacts of the Construction Phase, 2014-2015**

Category	Employment	Output	Value Added	Personal Income
Bristol and Norfolk Counties	755	\$102.7	\$65.6	\$47.8
Metro Boston	203	\$43.9	\$27.6	\$22.1
Rest of Southeastern MA	114	\$13.5	\$8.5	\$15.4
Central MA	39	\$4.8	\$2.9	\$5.9
Lower Pioneer Valley	4	\$0.6	\$0.4	\$0.2
Rest of Western MA	1	\$0.1	\$0.1	\$0.0
<b>Total</b>	<b>1,116</b>	<b>\$165.6</b>	<b>\$105.1</b>	<b>\$91.5</b>

Source: Pinck & Co.; Regional Economic Models, Inc. as calculated by the University of Massachusetts Donahue Institute

<sup>1</sup> These are job-years, which are equivalent to one worker being hired for one year's worth of labor. So two workers working half of the time for a year would be 1 job-year, while a single worker working the full year for two years would equal 2 job-years.

<sup>2</sup> Numbers throughout this report are sometimes rounded for the sake of easy presentation. Therefore, numbers in figures and tables may not always sum perfectly to their associated totals.

<sup>3</sup> For a more detailed description of output and value added, see page 9.