

Regional Economic Impact of Portland International Airport

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PDX COMMUNITY ADVISORY COMMITTEE

CHARTING A COURSE FOR PDX

Presentation Overview

- Study Purposes
- Methodology
- 2011 PDX Impacts
- Distribution of Jobs and Impacts
- Context for the Numbers
- Additional Impacts
- Discussion Questions



Introduction

- Project / Consultant Background
 - Covers all areas of Port activity/operations
 - Collaborated with Port of Vancouver over last five years to coordinate impact assessments
 - Selected Martin Associates via public bidding process; methodology a key factor
- Last Update of Port's Models: 2006



Study Purposes

Measure the baseline economic impacts of the Port of Portland:

- Maritime Activity
 - Public (Port of Portland)
 - Harbor-Wide Port of Portland terminals and private terminals
 - Port of Vancouver, WA maritime activity
- Airport Activity
 - PDX
 - Troutdale
 - Hillsboro
- Real Estate Tenants of the Port's Industrial and Business Parks

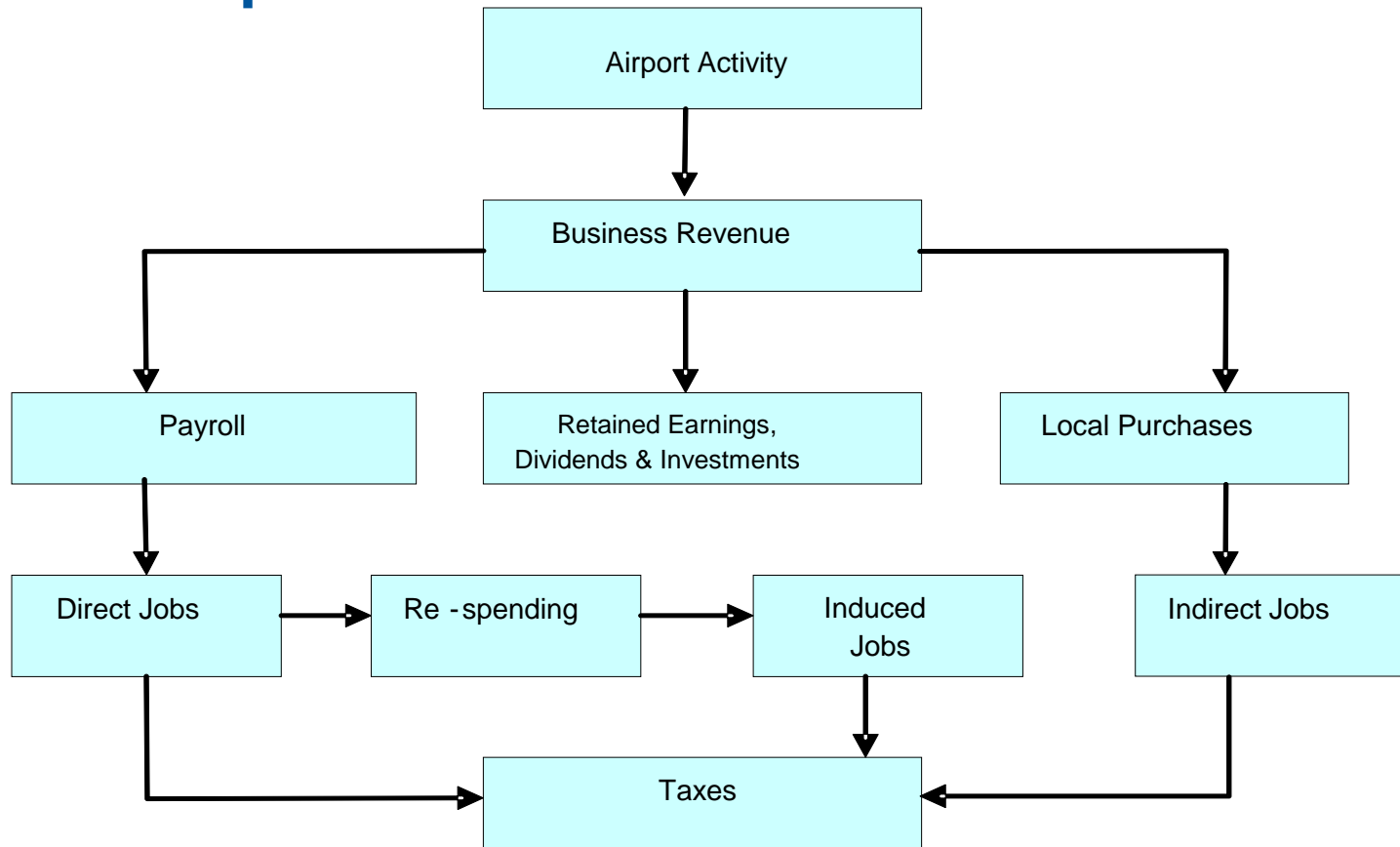


Impacts Created

- Jobs
 - Direct
 - Induced
 - Indirect
- Wages and salaries
 - Direct
 - Re-spending
 - Indirect
- Business revenue
- Taxes



Flow of Impacts



Methodology

- 816 telephone interviews
 - Tenants (marine, Airports, real estate)
 - Users of port and airports
 - Service providers to port and airports
- Formulation of direct impact models from interviews
- Development of Portland – specific induced model
- Development of indirect models for Portland-Vancouver Metropolitan Area and State of Oregon and Washington – Bureau of Economic Analysis, RIMSII



2011 Impacts of PDX

IMPACTS	AIRPORT GENERATED	VISITOR INDUSTRY	TOTAL IMPACT
JOBS			
DIRECT	10,077	23,202	33,279
INDUCED	4,505	7,664	12,169
INDIRECT	<u>1,726</u>	<u>5,097</u>	<u>6,823</u>
TOTAL	16,308	35,963	52,271
PERSONAL INCOME (MILLIONS)			
DIRECT	\$400.7	\$450.2	\$850.9
INDUCED	\$427.9	\$0.0	\$427.9
INDIRECT	<u>\$93.4</u>	<u>\$133.3</u>	<u>\$226.7</u>
TOTAL	\$922.0	\$583.4	\$1,505.4
BUSINESS REVENUE (MILLIONS)	\$3,725.0	\$1,752.7	\$5,477.7
LOCAL PURCHASES (MILLIONS)	\$194.9	\$217.0	\$411.9
STATE AND LOCAL TAXES (MILLIONS)	\$85.9	\$82.7	\$168.6
FEDERAL GOVERNMENT AVIATION - SPECIFIC TAXES (MILLIONS)	\$246.2	NA	\$246.2



Context for Numbers

Impact of Activity at Portland International Airport (excluding Visitor Industry)

	Comparator
Direct (on-facility) Employment	Fred Meyer
Annual Business Revenue	Schnitzer Steel Industries
State/Local Tax Contribution	Oregon Department of Agriculture (2011-13 biennium)

Sources: Portland Business Journal Book of Lists; Bureau of Economic Analysis; 2011-13 Budget Highlights, Oregon Legislative Fiscal Office



Geographic Distribution of Direct Aviation Jobs

PORTLAND AREA JURISDICTION	PERCENT OF DIRECT JOBS	DIRECT JOBS
PORTLAND	30.57%	3,081
OTHER MULTNOMAH COUNTY	9.89%	996
WASHINGTON COUNTY	6.74%	679
CLACKAMAS COUNTY	9.15%	922
CLARK COUNTY	34.46%	3,473
SKAMANIA COUNTY	0.22%	22
OTHER OREGON	4.06%	409
OTHER WASHINGTON	3.11%	313
OTHER US	1.80%	182
TOTAL	100.00%	10,077

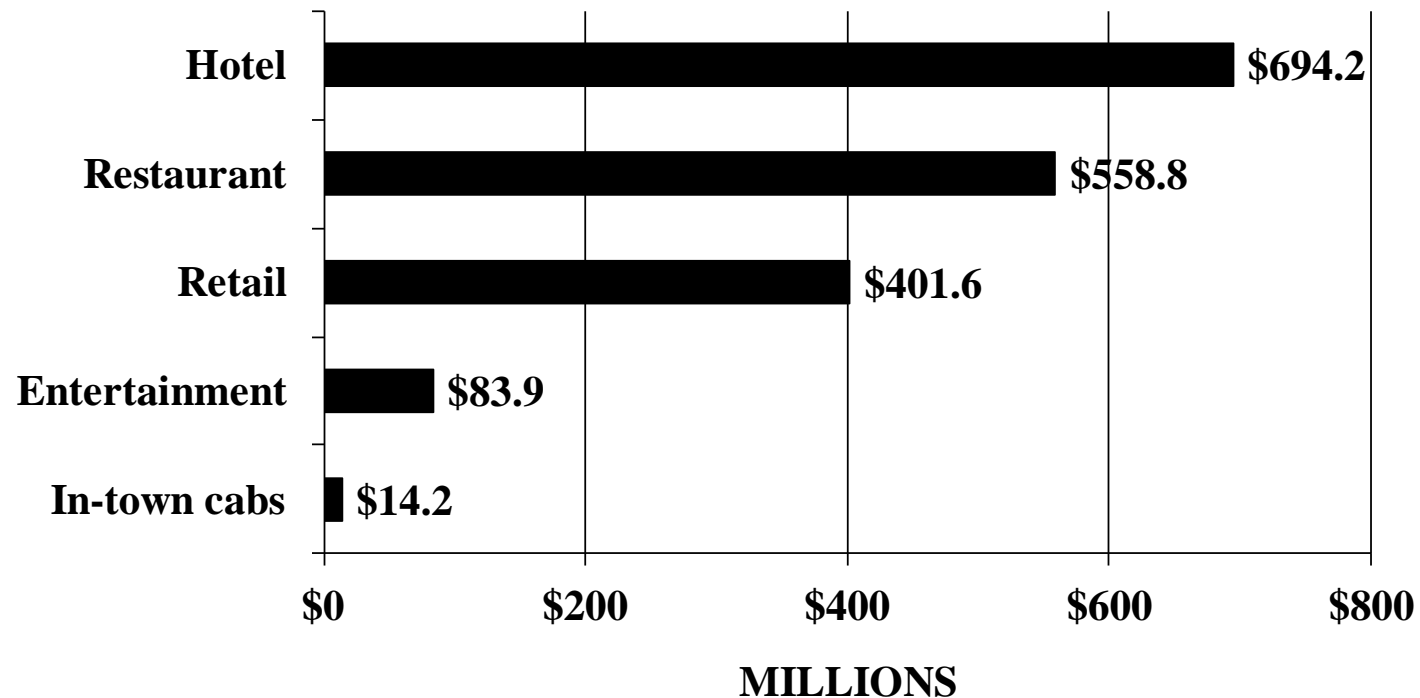


Direct Jobs by Type of Job

IMPACT CATEGORY	DIRECT JOBS
AIRLINE/AIRPORT SECTOR	
PASSENGER AIRLINES	3,076
CATERING (NON AIRLINE-OWNED)	110
FEDERAL GOVERNMENT	932
PDX AIRPORT ADMINISTRATION	548
RETAIL CONCESSIONS	687
FIXED BASE OPERATORS/GA	389
CLEANING SERVICES	109
AIR NATIONAL GUARD	781
SKYCAP/SECURITY	269
MISCELLANEOUS	328
PARKING	<u>183</u>
SUBTOTAL	7,411
FREIGHT TRANSPORTATION SECTOR	
FREIGHT AIRLINES & COURIERS	783
FREIGHT FORWARDERS	<u>164</u>
SUBTOTAL	947
GROUND TRANSPORTATION	
RENTAL CARS	513
TAXIS	266
LIMOS/BUS/VANS	<u>285</u>
SUBTOTAL	1,065
CONSTRUCTION AND CONSULTING	<u>654</u>
TOTAL	10,077



Air Visitors Spent \$1.8 Billion in the Local Visitor Industry



Additional Impacts

- Model measures only those impacts related to the business transactions and jobs at PDX
- Other impacts, not easily quantifiable, accrue to the economy from the airport



Discussion Questions

- What other kinds of benefits/value does the airport create that aren't captured by the economic impact model?
- How can we capture those?

