

The Economic Impact of the Port of Longview – 2012



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Why Conduct Economic Impact Studies?

- **Community - Public awareness**
- **City/County - Payment in lieu of taxes**
- **Legislature - Funding requests**
- **Commissioners - Project justification**
- **Directors - Allocation of resources**
- **Planners - Comparison of projects**
- **Grant applications**

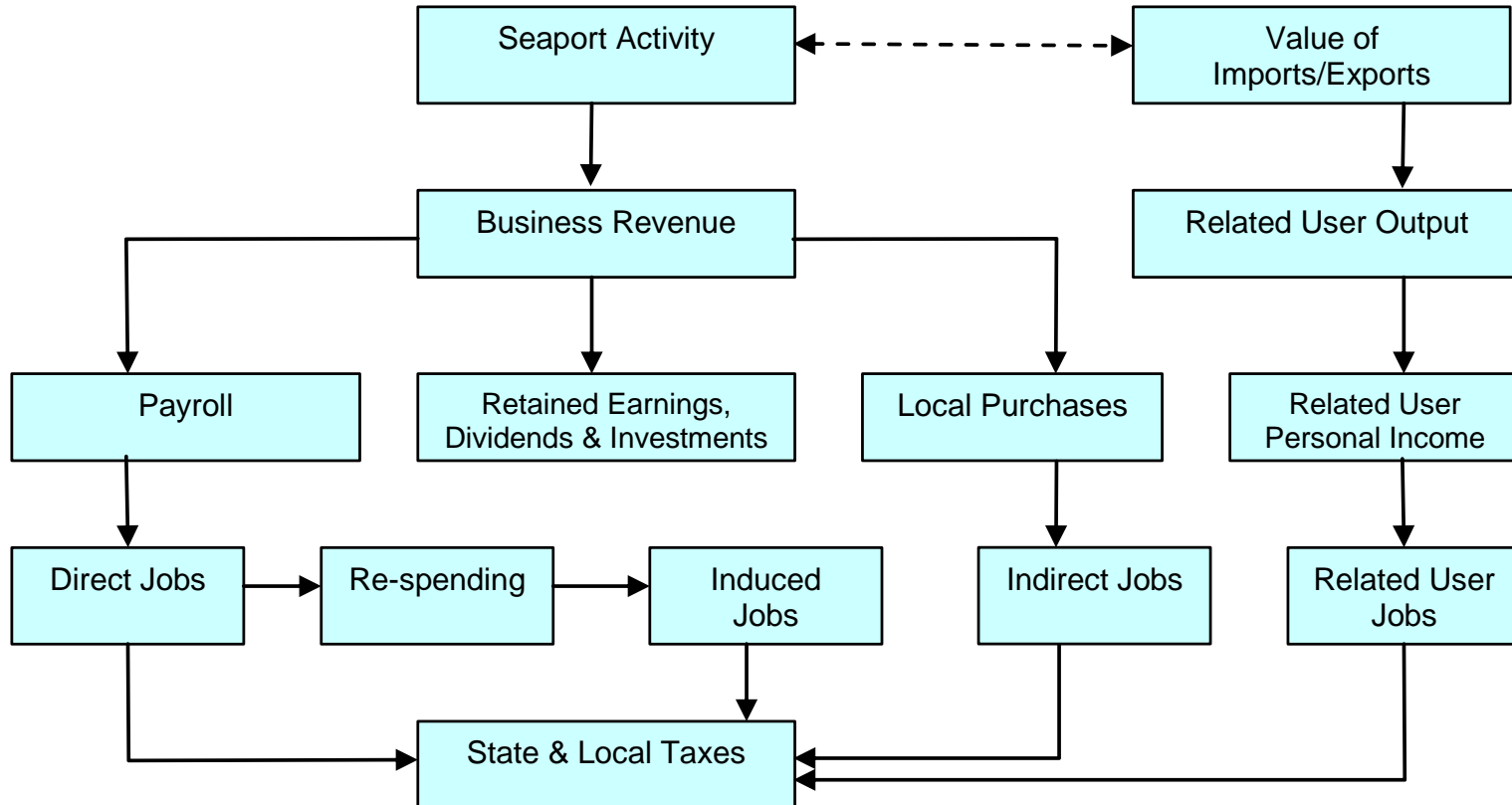
Study Purposes

- **Quantify the current economic impacts:**
 - Total Port of Longview maritime activity
 - By commodity
 - By line of business
 - By residency of direct job holders
- **Develop an economic impact model:**
 - New markets/opportunities
 - Terminal specific analysis
 - Carrier specific analysis
 - Evaluation of capital projects

Methodology

- **Telephone/personal interviews (182):**
 - Port tenants
 - Marine terminals
 - Railroads
 - Trucking firms
 - Service providers
- **Development of terminal operational models**
- **Development of induced and indirect models**
- **Impacts estimated at firm level of detail**

Flow of Economic Impacts



Impacts Created

- **Jobs:**
 - Direct
 - Induced
 - Indirect
- **Wages and salaries:**
 - Direct
 - Induced/Local Consumption
 - Indirect
- **Business Revenue**
- **Taxes**
- **Related Impacts (at a given point in time):**
 - Jobs
 - Income
 - State/Local Taxes
 - Economic Output

Economic Impact of the Port of Longview

- **12,119 direct, induced, indirect and related jobs:**
 - 817 direct jobs
 - 1,241 induced jobs
 - 962 indirect jobs
 - 9,100 jobs with related port shippers/consignees
- **\$1.7 billion in economic activity:**
 - \$315.9 million in direct business revenue
 - \$1.4 billion in value of activity associated with cargo moving via the Port of Longview
- **\$431.0 million of total personal income and consumption expenditures:**
 - \$52.5 million of direct income - \$64,209 average salary
 - \$128.0 million induced and consumption impact
 - \$38.3 million indirect wages
 - \$212.3 million in wages for related users
- **\$40.4 million of state and local taxes:**
 - \$20.7 million of direct, induced and indirect
 - \$19.7 million of related taxes

Summary of Economic Impacts

Port of Longview

IMPACTS	
JOBS	
DIRECT	817
INDUCED	1,241
INDIRECT	<u>962</u>
TOTAL	3,019
PERSONAL INCOME (\$1,000)	
DIRECT	\$52,466
RESPENDING & LOCAL CONSUMPTION	\$127,970
INDIRECT	<u>\$38,322</u>
TOTAL	\$218,758
BUSINESS REVENUE (\$1,000)	\$315,941
STATE AND LOCAL TAXES (\$1,000)	
OREGON	\$7,668
WASHINGTON	<u>\$13,067</u>
TOTAL	\$20,736
LOCAL PURCHASES (\$1,000)	\$56,919
RELATED USER IMPACTS	
USER JOBS	9,100
TOTAL VALUE OF OUTPUT (\$1,000)	\$1,358,998
USER INCOME (\$1,000)	\$212,245
USER STATE AND LOCAL TAXES (\$1,000)	\$19,739

Distribution of Direct Jobs by Commodity

COMMODITIES	LONGVIEW TERMINALS		
	JOB	M.T. (1,000)	JOB/1,000 M.T.
Bulk Agri-Products	299	4,723	0.06
Bulk Chemicals	54	661	0.08
Bulk Minerals	20	278	0.07
Logs	127	531	0.24
Steel	110	43	2.57
Wind Energy	26	29	0.92
General Products	3	1	2.18
NOT ALLOCATED	177		
TOTALS	817	6,266	

Direct Jobs by Category

JOB CATEGORY	EMPLOYMENT
SURFACE TRANSPORTATION	
RAIL	243
TRUCK	<u>68</u>
SUBTOTAL	311
MARITIME SERVICES	
TERMINALS	162
ILWU	79
TOWING	34
PILOTS	9
AGENTS	12
SURVEYORS/CHANDLERS/MARITIME SERVICES	46
FORWARDERS	14
GOVERNMENT	60
MARITIME EQUIPMENT/CONSTRUCTION	20
BARGE	<u>15</u>
SUBTOTAL	452
PORT OF LONGVIEW	54
TOTAL	817

Totals may not add due to rounding

Residency of Direct Job Holders (Excluding Direct Rail Jobs)

PLACE OF RESIDENCE	%	DIRECT JOBS
WASHINGTON		
LONGVIEW	31.5%	181
KELSO	9.2%	53
VANCOUVER	4.8%	28
CASTLE ROCK	3.7%	21
KALAMA	3.2%	18
TOLEDO	1.2%	7
WOODLAND	0.6%	4
CATHLAMET	0.5%	3
OTHER CLARK CO.	2.0%	12
OTHER LEWIS CO.	1.1%	6
OTHER COWLITZ CO.	0.5%	3
OTHER WAHKIAKUM CO.	0.1%	1
OTHER WA	1.1%	6
WA SUBTOTAL	59.5%	342
OREGON		
PORTLAND	33.4%	192
RAINIER	1.0%	6
OTHER COLUMBIA CO.	1.1%	6
OTHER OR	3.6%	21
OR SUBTOTAL	39.1%	224
OTHER US	1.4%	8

Distribution of \$315.9 Million Direct Business Revenue by Commodity

COMMODITIES	LONGVIEW TERMINALS		REVENUE/M.T.
	REVENUE (\$1,000)	M.T. (1,000)	
Bulk Agri-Products	\$208,875	4,723	\$44.23
Bulk Chemicals	\$26,297	661	\$39.78
Bulk Minerals	\$13,340	278	\$47.91
Logs	\$7,623	531	\$14.37
Steel	\$4,545	43	\$105.90
Wind Energy	\$9,600	29	\$334.51
General Products	\$49	1	\$39.07
NOT ALLOCATED	\$45,613		
TOTALS	\$315,941	6,266	

Distribution of Direct Revenue by Category

IMPACT CATEGORY	DIRECT REVENUE (1,000)
SURFACE TRANSPORTATION	
RAIL	\$210,042
TRUCK	\$11,113
SUBTOTAL	\$221,155
MARITIME SERVICES	
TERMINAL EMPLOYEE	\$35,639
TOWING	\$3,180
PILOTS	\$4,444
AGENTS	\$454
SURVEYORS/CHANDLERS/MARITIME SERVICES	\$7,798
FORWARDERS	\$2,754
GOVERNMENT	NA
MARITIME SERVICES/CONSTRUCTION	\$4,637
BARGE	\$2,078
SUBTOTAL	\$60,984
PORT OF LONGVIEW	\$33,802
TOTAL	\$315,941

State and Local Taxes

- **Of the \$20.7 million:**
 - **\$13.0 million of revenue was received by the local and state governments in Washington**
 - **Of the \$13 million, \$5.2 million was received by local governments in Washington**
 - **\$7.7 million of revenue was received by the local and state governments in Oregon**
 - **Of the \$7.7 million, \$3.4 million was received by the local and state governments in Oregon**

In summary

- **The 3,020 direct, induced and indirect jobs account for about 10% of the employment in Cowlitz County**
- **The Port of Longview collects \$1.6 million of taxes annually, but delivers \$444 million of direct business revenue and consumption expenditures to the local economy**
- **The Port generates \$5.2 million of local taxes to support schools, roads and infrastructure**