CAMBRIDGE SYSTEMATICS

Economic Impacts of the San Diego Unified Port District in 2019

Executive Summary

December 2022

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Economic Impacts of the San Diego Unified Port District in 2019

prepared for

San Diego Unified Port District

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date

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Executive Summary

Study Purpose

The San Diego Unified Port District (District), a public benefit corporation and regional Government agency, controls approximately 2,400 acres of land and approximately 3,600 acres of submerged lands[1] spread across its five member city jurisdictions of Chula Vista, Coronado, Imperial Beach, National City, and San Diego; and protects the Tidelands of San Diego Bay for the people who live, work, and visit there. With control of 34 of the 54 total miles along the San Diego Bay, the District plays a key role in both administering a unique maritime, visitor-serving, environmental, and recreational asset, and furthering the development of commerce, navigation, fisheries, and recreation on behalf of the State of California which owns these lands. The lands are conveyed to the District as a trustee of the State.

Public support for necessary investments is critical and will be based largely on the perceived benefits and importance of the Port District on the region's economy. This study serves as a comprehensive economic impact analysis to determine the magnitude of the economic activities on the Port District Tidelands. The District is a critical economic engine for the San Diego region, generating jobs and strengthening the local economy. The results of this study will serve as the foundation for communication with the public, media, and elected officials about the critical role of the District in the economy for the District members cities, San Diego County, the Southern California region, the State of California, and the entire Nation.

District Benefits

Enterprise Benefits

The District provides economic vitality and public benefit by balancing the interests of the maritime industry, tourism, water and land recreation, environmental stewardship, and public safety. The presence of the District itself contributes to the regional economy. The District generates employment and purchases goods and services from local, regional, national, and international firms. It can be assumed that without the District, the region would lose the benefits generated by its economic activities. Based on District employment and compensation data, and operations, maintenance, and capital spending, this analysis measures the enterprise effects of the District.

Sectors of Interest

The industries located on Port Tidelands that most significantly drive demand for marine cargo, visitors, passengers, and freight transportation and services—and generate vital economic activity in the District—are grouped in the following four sectors of interest:

1. Maritime trade and cargo handling.
2. Industrial and wholesale.

[1] On January 1, 2020, approximately 8,300 additional acres of submerged lands were transferred to the Port of San Diego per California State Senate Bill 507, which have not yet been incorporated into the Port's Master Plan.

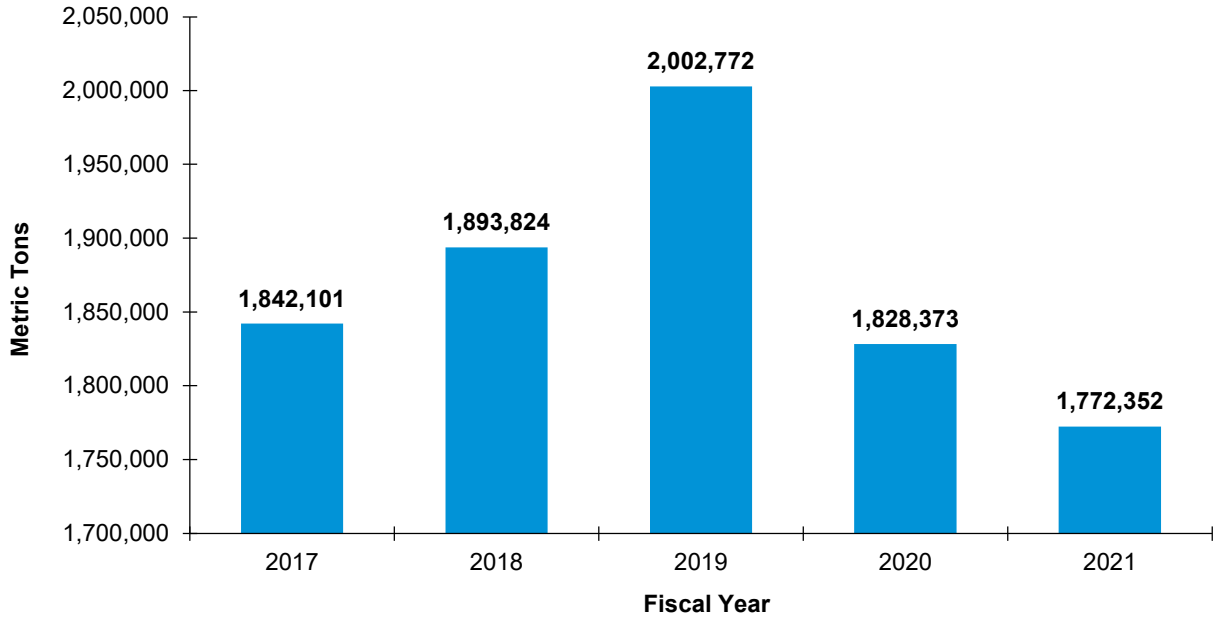
3. Cruise industry.

4. Tourism and commercial industry.

Maritime Trade and Cargo-Handling Activities on Port Tidelands

The Port of San Diego is the fourth largest port in California and one of the 17 military strategic ports in the U.S.[2] A total of over 2 million tons was shipped through the Port of San Diego in Fiscal Year (FY) 2019 (**Figure ES.1**). This number was up by about 9 percent from about 1.8 million tons in 2017. The 2019 volume then decreased by 12 percent to about 1.7 million tons in 2021 due to the business disruptions caused by the COVID-19 pandemic.[3]

Figure ES.1 Marine Cargo Tonnage Moved by the Port of San Diego, FY2017 to FY2021



Source: San Diego Unified Port District.

The Port's inbound commodities account for 97 percent of the total Port tonnage,[4] which strongly indicates that the Port of San Diego is primarily an import port. Bananas and plantains comprise a significant amount of inbound volume (38 percent of total inbound tonnage), followed by vehicles and parts (30 percent of total inbound tonnage), and kerosene (11 percent of total inbound tonnage).

[2] Port of San Diego. Cargo and Trade, https://www.portofsandiego.org/maritime/cargo-and-trade.

[3] San Diego Unified Port District.

[4] U.S. Army Corps of Engineers.

The Port's outbound commodities account for 3 percent of the total Port tonnage. [5] Metallic salts and miscellaneous manufactured products are the two leading commodities, representing nearly one-half of the total outbound tonnage. The remaining commodities comprise smaller proportions of total outbound weight, with fruits and nuts and vegetables and produce representing around 16 percent of the total outbound tonnage.

Maritime trade and cargo-handling users are contained within the **Tenth Avenue Marine Terminal** (TAMT) and the **National City Marine Terminal** (NCMT). TAMT is located in the City of San Diego. This terminal is the Port's omni-terminal, where refrigerated containers, break-bulk and bulk cargos are handled. TAMT also features an on-dock cold storage facility, providing approximately 300,000 square feet of temperature-controlled storage and cargo handling. TAMT also has ample open space and flexibility to efficiently handle noncontainerized cargo. NCMT is located on the National City waterfront at the south end of San Diego Bay and is the Port's "roll-on, roll-off" (Ro-Ro) cargo terminal. As the most advanced vehicle import/export facility on the West Coast, NCMT is home to the West Coast's most efficient auto processor, Pasha Automotive Services. NCMT also is located 10 miles from the U.S.–Mexico border and provides on-dock rail and access to- nearby regional freeways.

The cargo handled at the NCMT includes domestic coastwise cargo to and from Hawaii, international original equipment manufacturer automobile imports and exports, and coastwise lumber and other large project cargo. The Pasha Group is the current NCMT terminal operator for the automobile imports and exports (Pasha Automotive Services) and domestic Hawaii service (Pasha Hawaii Transport Line), and is the carrier for the Hawaii service.

Pasha Automotive Services is the biggest auto-processing operation on the West Coast. Pasha's state-of-the art automotive terminal at the NCMT processed over 500,000 vehicles in 2019,[6] and its post-production facilities have become the model for new Pasha automotive processing centers.[7]Pasha Hawaii Transport Line provides specialized vehicle, container, and oversize cargo transport services between NCMT and Hawaii. Vehicles and parts, moved by Pasha Group, comprise over 90 percent of total tonnage flowing between Hawaii and the Port of San Diego and over 20 percent of total vehicles and parts tonnage moved by the Port.

Industrial and Wholesale Activities on Port Tidelands

Major District industrial users include shipbuilding and boat building and repair businesses, such as National Steel and Shipbuilding Company (NASSCO), BAE Systems Ship Repair, and Continental Maritime of San Diego. The shipyards along the working waterfront work with their suppliers to build, repair, and maintain commercial and U.S. Navy vessels. District industrial users also include Solar Turbines Incorporated, which designs and manufactures industrial gas turbines; International Materials, Inc., which is a bulk raw material trading company that serves the steel market through the products it ships; and CP Kelco U.S. Inc., which is engaged in manufacturing nature-based food products that have a variety of applications.

Also, major wholesale businesses locate on District Tidelands because of their vital connection to the shipping and cargo industry. These businesses provide warehousing and storage of perishable goods (e.g., Dole Fresh Fruit Company); wholesale lumber storage and distribution (e.g., Dixieline ProBuild Company,

[5] U.S. Army Corps of Engineers.

[6] San Diego Unified Port District.

[7] The Pasha Group Company History Timeline, https://www.zippia.com/pasha-group-careers-41398/history/.

LLC); wholesale distribution of petroleum and petroleum products (e.g., Pepper Oil Company, Inc.); and wholesale fueling services (e.g., High Seas Fuel Dock); and Dole Fresh Fruit Company receives about 50,000 containers of fruits and vegetables a year at the Port of San Diego with bananas being the biggest commodity share.[8]

Cruise Industry Activities on Port Tidelands

The cruise industry is a vital component of the Port of San Diego's offerings and supports a significant amount of economic activity in the region as well as in the State of California. Cruises departing from San Diego typically visit the west coast of Mexico or travel up the California coastline to British Columbia. Several longer cruises (14 nights or more) also include itineraries to Hawaii, the South Pacific, or Australia.

Cruise ship operations are contained within the City of San Diego. The two cruise ship terminals are located on San Diego's Embarcadero, a two-mile stretch of the downtown San Diego waterfront offering dining, shopping, lodging, museums, and attractions. The majority of cruise ships dock at the larger pier, the **B-Street Pier & Cruise Ship Terminal**. The second terminal, the **Port Pavilion on Broadway Pier**, handles cruise ships and is a venue for special events and public waterfront access with a restaurant, visitor center, and public plaza. Cruise ship operators include most of the major North American cruise lines, such as Carnival Cruises, Royal Caribbean, and Norwegian Cruise Lines, among others. Due to the flexible nature of cruise ship itineraries, the cruise lines and ships that call the Port each year may vary.

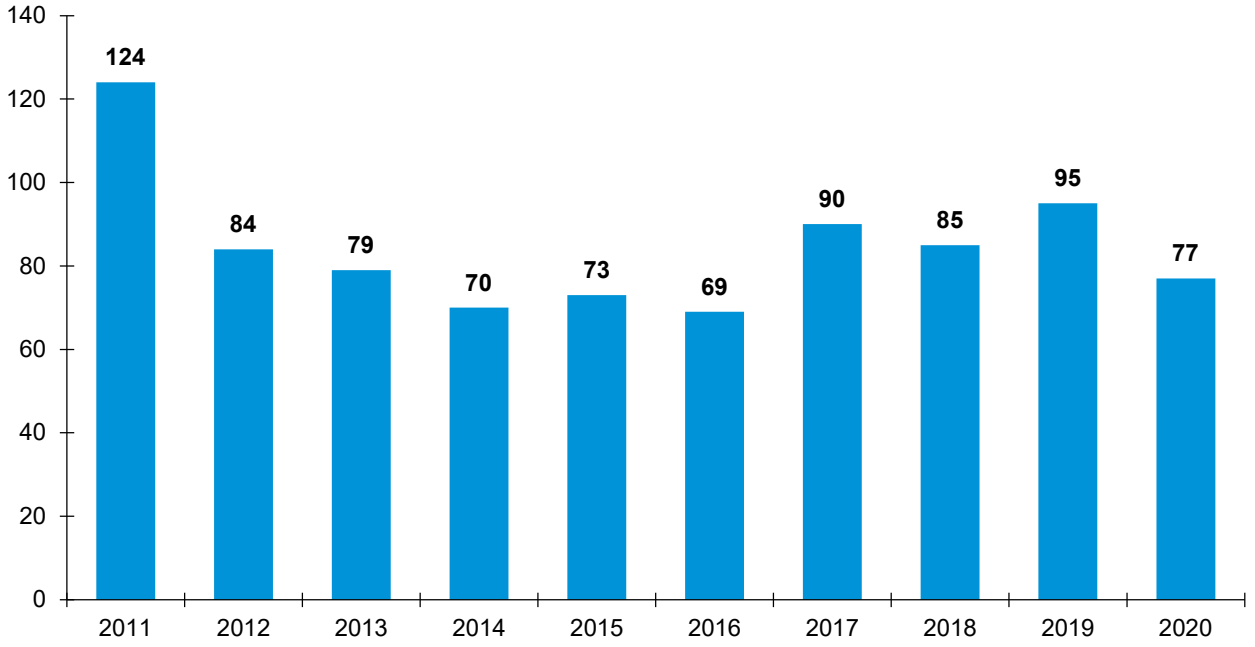
Over the last five years, the Port of San Diego has been visited by cruise ships from 17 different cruise lines representing 12 different corporations.[9] Cruise calls reached a peak of 124 ships in 2011 before consistently ranging between 69 and 95 cruise calls per year between FY2012 and FY2020 (**Figure ES.2**). Important to note is that the cruise industry has been severely impacted by the COVID-19 pandemic. Cruises stopped sailing from the United States in March 2020 and did not resume sailing from San Diego until October 2021. Despite the significant challenges the cruise industry has faced because of the COVID-19 pandemic, the Port of San Diego is prepared to welcome an increased volume in the coming years. The number of cruise ship calls in the next five years is expected to reach between 130 and 146 per year,[10] representing up to a 54 percent increase over pre-COVID-19 (2019) ship calls.

[8] 3 Things the Port Brings In, Joel Hoffmann. Voice of San Diego, January 2, 2014. https://voiceofsandiego.org/2014/01/02/3-things-the-port-brings-in/.

[9] San Diego Unified Port District.

[10] Ibid.

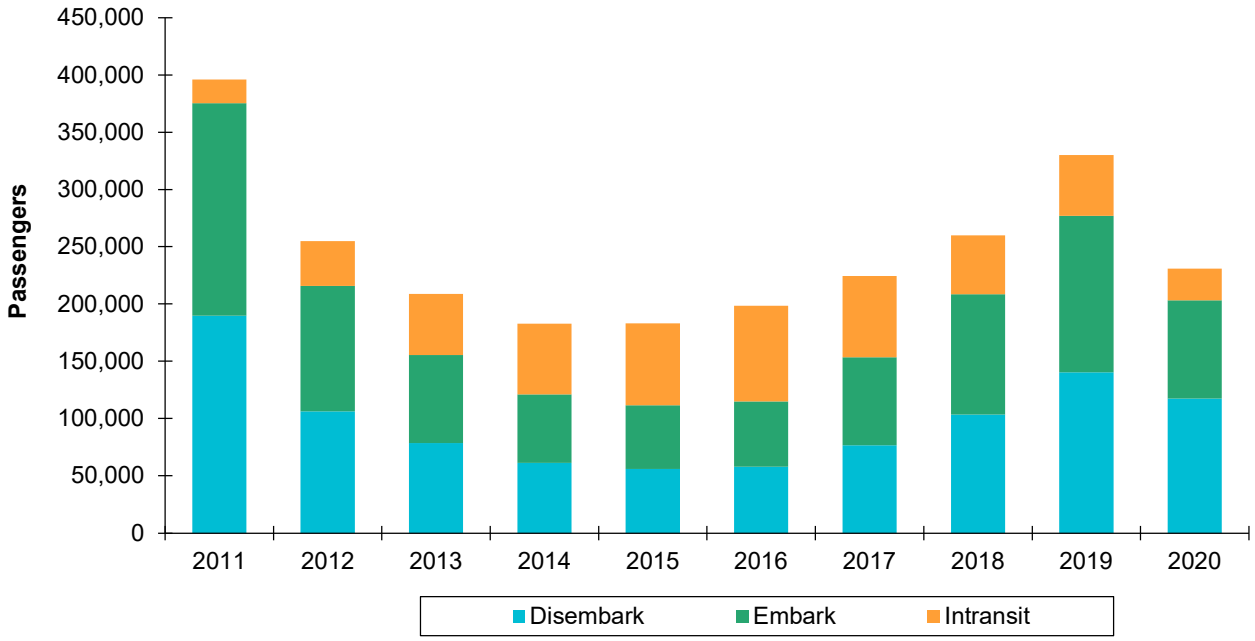
Figure ES.2 Annual Count of Cruise Ship Calls at the Port of San Diego, FY2011 to FY2020



Source: San Diego Unified Port District

Over the last decade, the arrival of these cruise ships has resulted in an average of 247,000 passengers passing through the Port of San Diego on an annual basis (**Figure ES.3**). This is below a peak of nearly 900,000 passengers seen in 2008. However, latest trends have seen a growth in passenger volumes. Between 2014 and 2019, there was an 81 percent increase in cruise ship passengers, with disembarking passengers comprising 39 percent of passengers and embarking and in-transit passengers comprising 37 percent and 24 percent, respectively. Further growth has been hampered by ongoing impacts of COVID-19.

Figure ES.3 Annual Cruise Passenger Throughput at the Port of San Diego, FY2011 to FY2020



Source: San Diego Unified Port District.

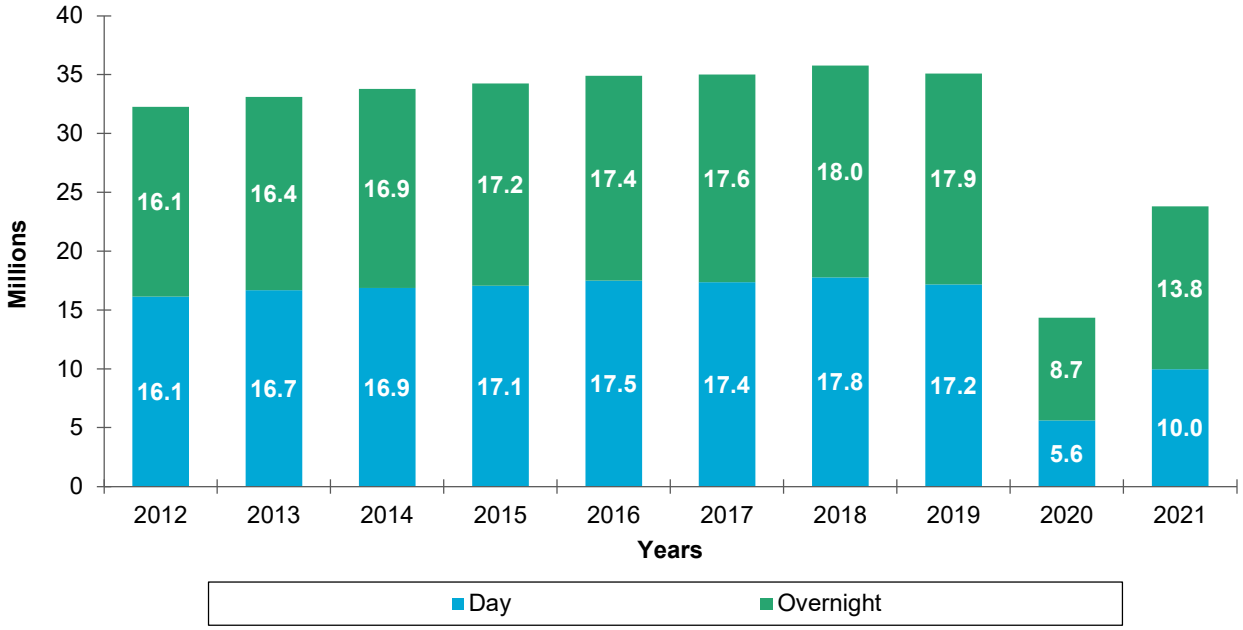
Tourism and Commercial Activities on Port Tidelands

Tourism is a major economic driver for Port Tidelands, supported by visitors throughout the year and accentuated by various extraordinary events, such as the Big Bay Boom, Holiday Lights Boat Parade, and Fleet Week. Visitors from various conventions, such as Comic Con and corporate meetings, also benefit businesses on the Port Tidelands.

Tourism and commercial industry users include hotels, restaurants, retail stores, boat rental facilities, marinas, car rental agencies, commercial and sports fishing, tourist-oriented businesses like boat tours, and the San Diego Convention Center (SDCC), among others, located on Port Tidelands. The SDCC is located within the South Embarcadero subdistrict within the City of San Diego, along with hotels, park space, recreational berthing, and fishing opportunities. The Embarcadero Marina Park South also includes a permanent performance venue in the new Rady Shell as part of the San Diego Symphony Bayside Performance Park Enhancement Project.

Figure ES.4 shows the number of San Diego visitors in the past 10 years. From 2012 to 2019, the number of San Diego visitors grew by 1.2 percent annually, on average. The COVID-19 pandemic in 2020 significantly impacted the tourism industry worldwide. San Diego experienced a decline of 59 percent in the number of visitors in 2020 compared to 2019, and slightly recovered to 32 percent in 2021. San Diego had almost an equal ratio of day and overnight visitors from 2012 to 2019 but saw 3.1 million and 3.8 million more overnight visitors in 2020 and 2021, respectively.

Figure ES.4 San Diego Annual Visitors, 2012 to 2021



Source: San Diego Tourism Authority, Annual Visitor Industry Summary, Calendar Year 2021 through 2021. https://www.sandiego.org/about/industry-research.aspx.

Direct Impacts

District Enterprise Expenditures

Table ES.1 shows the District enterprise effects, which include District spending on payroll, non-payroll operating and capital expenditures, and retirement benefits, over the last four fiscal years. The District enterprise expenditures in FY2019 are estimated at $230 million. The largest share of enterprise effects is attributed to payroll spending (41 percent in FY2019), followed by non-payroll operating expenses (28 percent in FY2019).

Table ES.1 San Diego Unified Port District—District Enterprise Expenditures, FY2018 to FY2021

Expenditure Type	FY2018	FY2019	FY2020	FY2021
Payroll Expenditures (Millions of USD)	$90.4	$93.9	$98.7	$94.2
Retirement Benefits Expenditures (Millions of USD)	$28.0	$31.1	$31.3	$33.2
Non-Payroll Operating Expenditures (Millions of USD)	$58.6	$64.1	$60.3	$46.8
Capital Expenditures (Millions of USD)	$34.1	$40.9	$35.3	$17.3
Total (Millions of USD)	**$211.1**	**$230.0**	**$225.6**	**$191.5**

Source: San Diego Unified Port District and Cambridge Systematics Analysis.

Direct Jobs Created by the District and District Users

Table ES.2 shows the direct jobs created by the District and the District users within each of the four sectors of interest. The District itself and the four sectors of interest created 39,543 direct jobs in 2019. Tourism and commercial activities are significant contributors to job creation, supporting 76 percent of the direct jobs in Port Tidelands in 2019.

Table ES.2 San Diego Unified Port District—Direct Jobs Created by the District and Sectors of Interest, 2018 to 2021

District and Sectors of Interest	2018	2019	2020	2021
San Diego Unified Port District	540	556	547	526
Maritime Trade and Cargo Handling	1,670	1,846	1,677	1,718
Industrial and Wholesale Industry	6,194	6,557	6,239	6,982
Cruise Industry	461	474	373	381
Tourism and Commercial Industry	29,719	30,110	27,208	27,717
Total	**38,584**	**39,543**	**36,044**	**37,324**

Source: San Diego Unified Port District and Cambridge Systematics Analysis.

Cruise Ship Crew, Onshore Passenger, and Cruise Industry Spending

In 2019, the spending by cruise ship crew and passengers in San Diego totaled nearly $57 million (**Table ES.3**). The spending of the cruise industry in California totaled $69 million in 2019 due to cruise passenger traffic at the Port of San Diego (**Table ES.4**). Lodging, food and beverage, and local air transportation were the top three expenses made by cruise ship crew and passengers, representing 61 percent of their total expenses. Purchases within the services and Government, manufacturing and transportation sectors represented $62 million, or 91 percent of the total purchases made by the cruise industry in California in 2019.

Table ES.3 San Diego Unified Port District—Direct Spending by Cruise Ship Crew and Passengers, 2019

Industry	Direct Spending by the Cruise Industry (Millions of USD)	Percent of Spending
Lodging	$13.0	24%
Food and Beverage	$11.6	20%
Local Air Transportation	$9.5	17%
Car Rental	$7.4	14%
Non-Food Shopping	$6.2	11%
Amusement/Attractions	$4.1	6%
Shore Tours and Local Transportation	$3.2	6%

Industry	Direct Spending by the Cruise Industry (Millions of USD)	Percent of Spending
Groceries	$1.8	3%
Total	**$56.8**	**100%**

Source: Cambridge Systematics Analysis.

Table ES.4 San Diego Unified Port District—Direct Spending by Cruise Industry in California due to Cruise Passenger Traffic at the Port of San Diego, 2019

Industry	Direct Spending by the Cruise Industry (Millions of USD)	Percent of Spending
Services & Government	$31.3	45%
Manufacturing	$17.9	26%
Transportation	$13.2	19%
Wholesale & Retail Trade	$3.3	5%
Finance, Insurance, Real Estate & Leasing	$2.4	4%
Information Services	$0.7	1%
Agriculture, Mining, Utilities & Construction	$0.01	0.02%
Total	**$68.9**	**100%**

Source: Cambridge Systematics Analysis.

Hotel Visitor Spending

The spending by Port Tidelands hotel visitors totaled $1.8 billion in 2019 (**Table ES.5**). Lodging is by far the top expense category (54 percent of total spending), followed by food and beverages (23 percent of total spending).

Table ES.5 San Diego Unified Port District—Spending by Tideland Hotel Visitors, 2019

Expense Type	All Tidelands Hotel Visitors (Millions of USD)	Percent of Crew Spending
Lodging	$986	54%
Food and Beverage	$417	23%
Non-food shopping	$145	8%
Amusement/Attractions	$132	7%
Transportation (local ground including car rental)	$106	6%
Groceries	$28	2%

Expense Type	All Tidelands Hotel Visitors (Millions of USD)	Percent of Crew Spending
Other	$0.08	0.005%
Total	**$1,813**	**100%**

Source: Cambridge Systematics Analysis.

Tax Revenue Impact

The tax revenue impact, summarized in **Table ES.6**, corresponds to the portion of tax fiscal revenue that is allocated to each member city from property taxes on District parcels or properties, and revenue from sales taxes, transient occupancy taxes (TOT), and fuel sales taxes based on sales reported by District tenants. The annual tax revenue in FY2019 was nearly $108 million. Revenues from property taxes and TOT comprise the highest share of tax revenues, followed by revenue from sales taxes. This analysis also indicates that the revenue from fuel taxes is negligible in the Port District.

Table ES.6 San Diego Unified Port District—Tax Revenue by Source, 2018 to 2021

Tax Type	2018	2019	2020	2021
Property Tax (Millions of U.S. Dollars)	$39.9	$42.1	$46.2	$48.4
Sales Tax (Millions of U.S. Dollars)	$7.0	$7.7	$3.9	$5.7
Transient Occupancy Tax (Millions of U.S. Dollars)	$59.3	$58.0	$20.5	$37.0
Total (Millions of U.S. Dollars)	**$106.2**	**$107.8**	**$70.6**	**$91.1**

Sources: Cambridge Systematics Analysis, San Diego Unified Port District, Interviews with the District's Five-Member Cities in April – May 2022, San Diego Association of Governments (SANDAG) Geographic Information System (GIS) Database, and San Diego County Assessor website.

Total tax revenue increased from 2018 to 2019 before dropping by about 35 percent between 2019 and 2020 due to the COVID-19 pandemic. The total tax revenue rebounded between 2020 to 2021, rising by about 30 percent; however, it remained below pre-pandemic levels.

Table ES.7 shows the tax revenue in each of the five-member jurisdictions of Chula Vista, Coronado, Imperial Beach, National City, and San Diego in 2019. The tax revenue in the City of San Diego accounted for 92 percent of the total tax revenue in 2019.

Table ES.7 San Diego Unified Port District—Tax Revenue by Member City, 2019

Member City	Property Tax (Millions of U.S. Dollars)	Sales Tax (Millions of U.S. Dollars)	Transient Occupancy Tax (Millions of U.S. Dollars)	Total (Millions of U.S. Dollars)
San Diego	$38.8	$7.1	$53.6	$99.5
Chula Vista	$0.3	$0.2	$0.4	$0.9
Coronado	$1.8	$0.4	$4.1	$6.3

Imperial Beach	>$0.001	$0.01	---	$0.01
National City	$1.1	---	---	$1.1
Total	**$42.1**	**$7.7**	**$58.1**	**$107.8**

Sources: Cambridge Systematics Analysis, San Diego Unified Port District, Interviews with the District's Five-Member Cities in April – May 2022, SANDAG GIS Database, and San Diego County Assessor website.
Note: Due to rounding, some totals may not correspond with the sum of the separate figures.

Total Economic Impacts in 2019

This analysis utilized the Regional Economic Models, Inc. (REMI) model, a structural economic forecasting and policy analysis model that integrates input-output, computable general equilibrium, econometric, and economic geography methodologies[11] to forecast how a change in economic activity or policy affects a region's economy. The REMI model applies multiplier effects to changes in final demand (end users) for each industry within the defined region that are attributable to a change in expenditures in one or more industries, to estimate the total (combined direct, indirect, and induced) economic impacts. These three impacts are defined below.

- **Direct economic impacts** refers to the direct change entered through policy variables in the REMI model (e.g., direct jobs and spending directly related to the operation of the District).
- **Indirect economic impacts** refers to economic effects resulting from the purchases of inputs for the production of "direct" economic impacts (e.g., employment with companies that provide services to the District).
- **Induced economic impacts** refers to the economic effects resulting from the re-spending of wages related to "direct" and "indirect" economic impacts.

The total (combined direct, indirect, and induced) economic impacts are measured in terms of employment, personal income, Gross Regional Product (or value added), and business output (or gross business sales).

Error! Reference source not found. shows the total (combined direct, indirect, and induced) economic impacts of the District by geography in 2019. The results indicate the following:

- In 2019, the District supported the creation of 64,410 new jobs in San Diego County, which represented 49 percent of the total jobs attributable to the District. These jobs added $4.0 billion in personal income, $5.4 billion in GRP, and $9.2 billion in economic output to San Diego County.
- In 2019, the District supported 110,390 jobs in the Southern California region, which represented 85 percent of the total jobs attributable to the District. These jobs added $7.4 billion in personal income, $10.5 billion in GRP, and $19.7 billion in economic output to the Southern California region. In 2019, the District supported the creation of 114,530 new jobs in California, which represented 85 percent of the total jobs attributable to the District. These jobs added $7.4 billion in personal income, $10.5 billion in GRP, and $19.7 billion in economic output to the Southern California region.

[11] http://www.remi.com/

- Overall, the District supported a total of 130,590 jobs, which added $7.9 billion in personal income, $13.1 billion in GRP, and $24.5 billion in economic output in 2019.

Table ES.8 Total (Combined Direct, Indirect, and Induced) Economic Impacts of the San Diego Unified Port District by Geography, 2019

Geography	Job Impacts Attributable to the District	Personal Income Impacts Attributable to the District (Millions of 2019 Dollars)	Gross Regional Product Impacts Attributable to the District (Millions of 2019 Dollars)	Economic Output Impacts Attributable to the District (Millions of 2019 Dollars)
San Diego County	**64,410**	**$3,983**	**$5,366**	**$9,237**
San Diego Neighboring Counties	45,980	$3,435	$5,169	$10,562
Southern California Region	**110,390**	**$7,418**	**$10,535**	**$19,799**
Rest of California	4,140	$321	$591	$1,052
California	**114,530**	**$7,739**	**$11,126**	**$20,851**
Rest of U.S.	16,060	$193	$1,955	$3,788
Total Economic Impacts	**130,590**	**$7,932**	**$13,081**	**$24,639**

Geography	Distribution of Job Impacts Attributable to the District	Distribution of Personal Income Impacts Attributable to the District (%)	Distribution of Gross Regional Product Impacts Attributable to the District (%)	Distribution of Economic Output Impacts Attributable to the District (%)
San Diego County	**49%**	**50%**	**41%**	**37%**
San Diego Neighboring Counties	36%	44%	40%	43%
Southern California Region	**85%**	**94%**	**81%**	**80%**
Rest of California	3%	4%	4%	5%
California	**88%**	**98%**	**85%**	**85%**
Rest of U.S.	12%	2%	15%	15%
Total Economic Impacts	**100%**	**100%**	**100%**	**100%**

Source: Outputs from the REMI TranSight model for SANDAG Regions.
Notes: 1) San Diego neighboring counties include Riverside, Orange, Los Angeles, San Bernardino, and Imperial; 2) Southern California Region includes San Diego, Riverside, Orange, Los Angeles, San Bernardino, and Imperial Counties; and 3) The percentages indicate the percent of the District's total economic impact by geography. For example, of the 130,590 jobs that the District supported in 2019, 88% of them were in California.

Table ES.9 shows the total (combined direct, indirect, and induced) economic impacts of the District enterprise and the four sectors of interest in 2019. The tourism and commercial activities generated 51 percent of the total jobs attributable to the District (or 66,560 new jobs); 42 percent of the total personal income attributable to the District (or $3.3 billion); 43 percent of the total GRP attributable to the District (or $5.7 billion); and 39 percent of the total economic output attributable to the District (or $9.7 billion).

Table ES.9 Total (Combined Direct, Indirect, and Induced) Economic Impacts of the San Diego Unified Port District by District Activity, 2019

District Activity	Job Impacts Attributable to the District	Personal Income Impacts Attributable to the District (Millions of 2019 Dollars)	Gross Regional Product Impacts Attributable to the District (Millions of 2019 Dollars)	Economic Output Impacts Attributable to the District (Millions of 2019 Dollars)
Tourism and Commercial Industry	66,560	$3,309	$5,679	$9,696
Industrial and Wholesale Industry	27,460	$2,213	$3,316	$6,668
Maritime Trade and Cargo Handling	24,710	$1,613	$2,801	$5,800
Cruise Industry	7,950	$501	$875	$1,793
District Enterprise	3,910	$296	$410	$682
Total Economic Contribution	**130,590**	**$7,932**	**$13,081**	**$24,639**

Source: Outputs from the REMI Economic Model for SANDAG Regions.

Table ES.10shows the total (combined direct, indirect, and induced) economic impacts of the District enterprise and the four sectors of interest in San Diego County in 2019. The results indicate the following:

- In 2019, the District contributed to 2.3 percent of San Diego County economic output. In 2019, the District contributed 3.0 percent to San Diego County jobs (i.e., one in 30 jobs in San Diego County was supported by the District), 1.9 percent to San Diego County personal income, 2.2 percent to San Diego County GRP, and 2.3 percent to San Diego County economic output.

- The tourism and commercial activities on Port Tidelands supported nearly 53,000 jobs (or 82 percent of the total jobs attributable to the District) in 2019. These jobs generated $2.7 billion in personal income (or 68 percent of the total personal income attributable to the District), $4.1 billion in GRP (or 76 percent of the total GRP attributable to the District), and $6.7 billion in economic output (or 72 percent of the total economic output attributable to the District) in 2019.

- In 2019, the District paid $93.9 billion in salaries and benefits to its 556 employees. This represents an average annual compensation rate of nearly $169,000 per District employee, which is 73 percent higher than the average annual compensation rate that people working with the public sector in San Diego County made in 2019 (or $97,422 per government employee[12]).

[12] REMI Economic Model for SANDAG Region.

Table ES.10 Total (Combined Direct, Indirect, and Induced) Impacts of the San Diego Unified Port District in San Diego County, 2019

District Activity	Job Impacts Attributable to the District	Personal Income Impacts Attributable to the District (Millions of 2019 Dollars)	Gross Regional Product Impacts Attributable to the District (Millions of 2019 Dollars)	Economic Output Impacts Attributable to the District (Millions of 2019 Dollars)
Tourism and Commercial Industry	52,990	$2,711	$4,063	$6,694
Industrial and Wholesale Industry	8,570	$1,030	$1,030	$2,087
Maritime Trade and Cargo Handling	350	$26	$38	$64
Cruise Industry	110	$8	$11	$20
District Enterprise	2,390	$208	$224	$372
Total Economic Contribution	**64,410**	**$3,983**	**$5,366**	**$9,237**
	County Jobs	**County Personal Income**	**County Gross Regional Product (Millions of 2019 Dollars)**	**County Economic Output (Millions of 2019 Dollars)**
San Diego County, 2019	2,158,421	$204,973	$246,731	$409,329
Total Economic Contribution as a Share of San Diego County Economy, 2019	**3.0%**	**1.9%**	**2.2%**	**2.3%**

Source: Outputs from the REMI Economic Model for SANDAG Region.

The jobs multipliers by geography and District activity (i.e., the District enterprise and the four sectors of interest) are shown in **Table ES.12** and **Table ES.12**, respectively. These jobs multipliers reveal the following:

- Every direct job created by the District, or the sectors of interest, supports one additional job (in other industries) in San Diego County and two additional jobs (in other industries) in San Diego neighboring counties. At the regional level, every direct job created by the District, or the sectors of interest, supports two additional jobs (in other industries) in Southern California.

- Among the sectors of interest, the cruise industry and the maritime trade and cargo-handling industry yield the highest jobs multipliers. Every direct job created by the cruise industry supports 16 jobs (in other industries) while every direct job created by the maritime trade and cargo-handling industry supports 12 jobs (in other industries). These 12 to 16 jobs are located across San Diego County, the rest of California, and the rest of U.S.

- Every direct job at the District supports 6 additional jobs (in other industries). These 6 jobs are located across San Diego County, the rest of California, and the rest of U.S.

Table ES.11 San Diego Unified Port District—Jobs Multipliers by Geography, 2019

Geography	Direct Jobs Attributable to the District	Total (Direct, Indirect, and Induced) Jobs Attributable to the District	Jobs Multiplier
San Diego County	26,389	64,410	2
San Diego Neighboring Counties	13,154	45,980	3
Southern California Region	39,543	110,390	3

Source: Outputs from the REMI Economic Model for SANDAG Regions and Cambridge Systematic Analysis.

Table ES.12 San Diego Unified Port District—Jobs Multipliers of the District Enterprise and the Four Sectors of Interest, 2019

District Activity	Direct Jobs	Total (Direct, Indirect, and Induced) Jobs	Jobs Multiplier
Tourism and Commercial Industry	30,110	66,560	2
Industrial and Wholesale Industry	6,557	27,460	4
Maritime Trade and Cargo Handling	1,846	24,710	13
Cruise Industry	474	7,950	17
District Enterprise	556	3,910	7

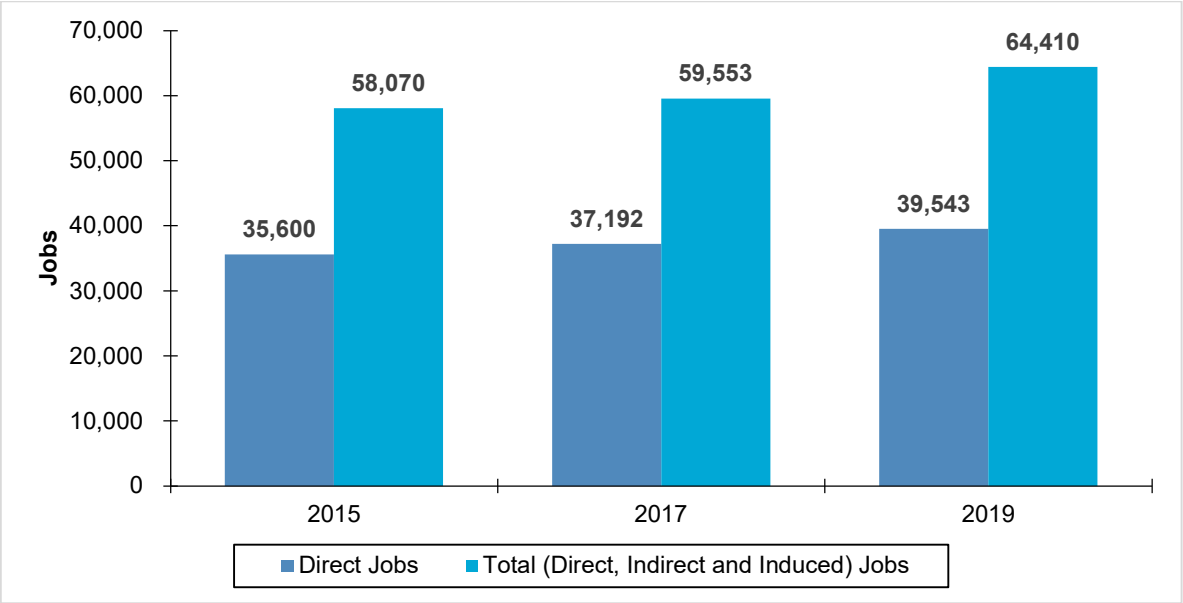
Source: Outputs from the REMI Economic Model for SANDAG Regions and Cambridge Systematic Analysis.

Economic Contribution of the District to the Economy of San Diego County Since 2015

The District is an important driver of economic growth in the District's member cities, San Diego County, the Southern California region, the State of California, and the U.S. The direct jobs created by the District and the sectors of interest have a ripple effect in the economy, supporting indirect and induced jobs in the region, the State, and the Nation.

In 2019, the District supported a total of 64,410 (direct, indirect, and induced) jobs in San Diego County (**Figure ES.5**). This included 39,543 direct jobs and 24,867 indirect and induced jobs, representing a 11 percent increase in direct jobs in 2019 compared to 2015 (or nearly 3,390 additional direct jobs by 2019); and a 13 percent increase in indirect and induced jobs in 2019 compared to 2015 (or 2,955 additional indirect and induced jobs by 2019). Overall, the total employment impact in 2019 was 11 percent higher than in 2015.

Figure ES.5 Economic Contribution of San Diego Unified Port District—Employment Impact, 2015 to 2019



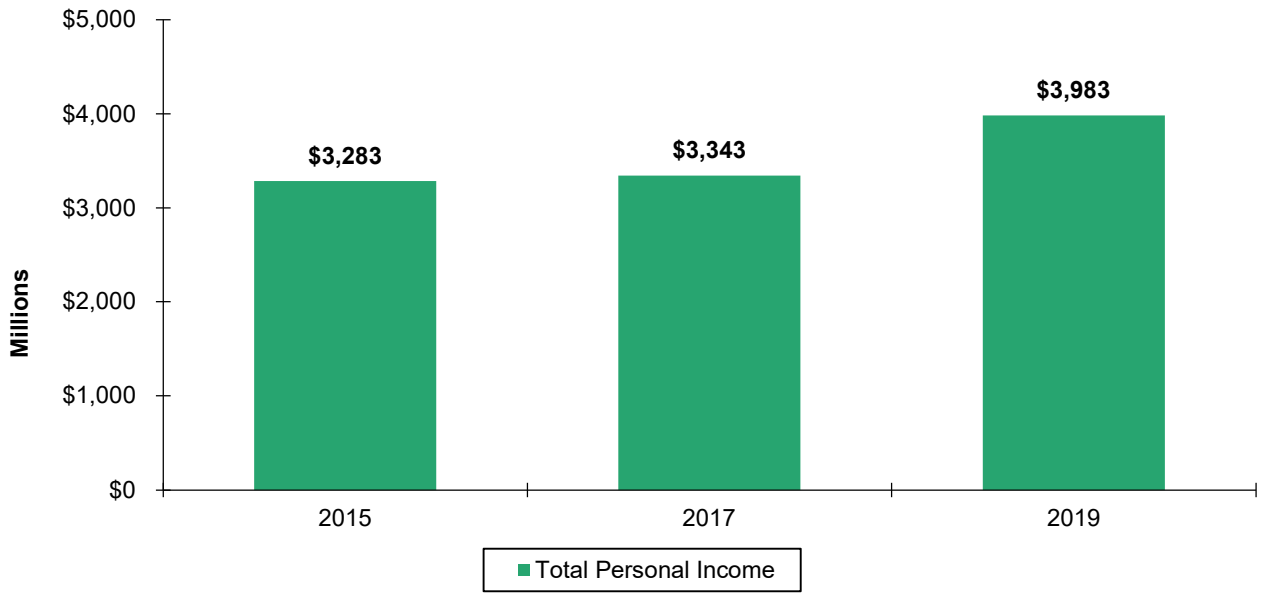
Source: Total (direct, indirect, and included) jobs in 2019 estimated by Cambridge Systematics using the REMI Economic Model for SANDAG. Total and direct (on-site) jobs in 2017 come from the *Economic Impacts of the San Diego Unified Port District in 2017*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., February 28, 2019. Total jobs in 2015 come from the Economic *Impacts of the San Diego Unified Port District in 2015*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., December 20, 2016. Direct (on-site) jobs in 2015 estimated by Cambridge Systematics based on the data provided in the *Economic Impacts of the San Diego Unified Port District in 2015*, Final Report.

The 64,400 (direct, indirect, and induced) jobs in San Diego County in 2019 generated close to $4.0 billion in personal income (**Figure ES.6**). The personal income impact in 2019 was 21 percent higher than the personal income impact in 2015.

The jobs supported by the District and the four sectors of interest, and the associated personal income, added $9.2 billion in economic output to San Diego County (**Figure ES.7**). The economic output impact in 2019 was 26 percent higher than the economic output impact in 2015.

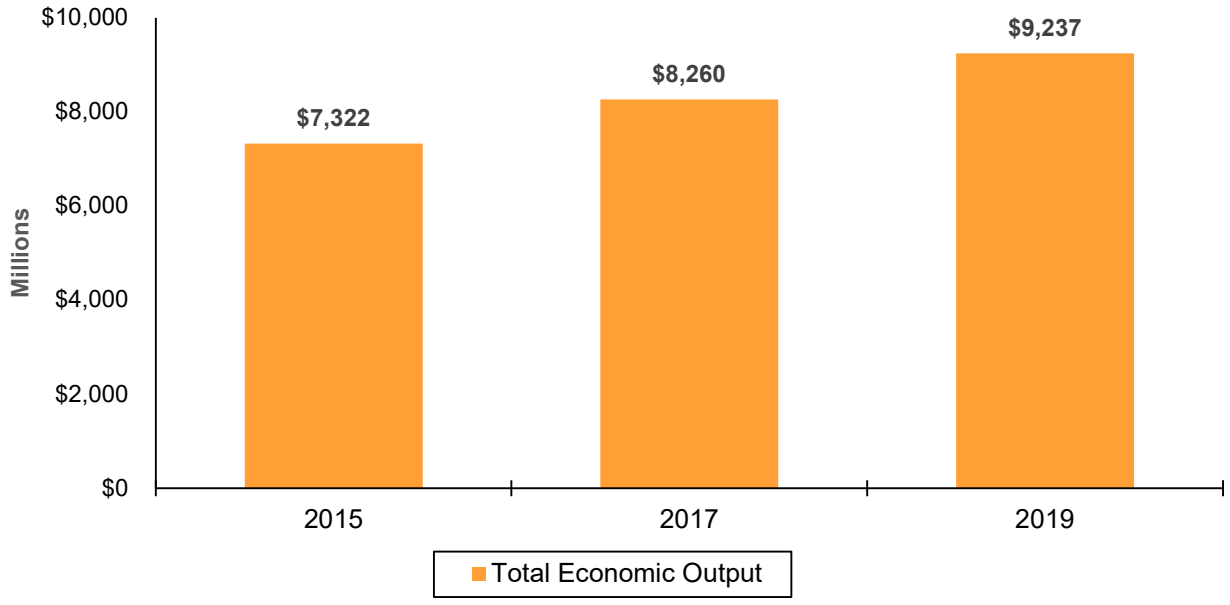
The tax revenue attributable to the District totaled $107.8 billion in 2019. This represents an increase of about $7.6 million in tax revenue compared to the tax revenue generated in 2015, or an 8 percent increase from 2015 to 2019 (**Figure ES.8**).

Figure ES.6 Economic Contribution of San Diego Unified Port District—Personal Income Impact, 2015 to 2019



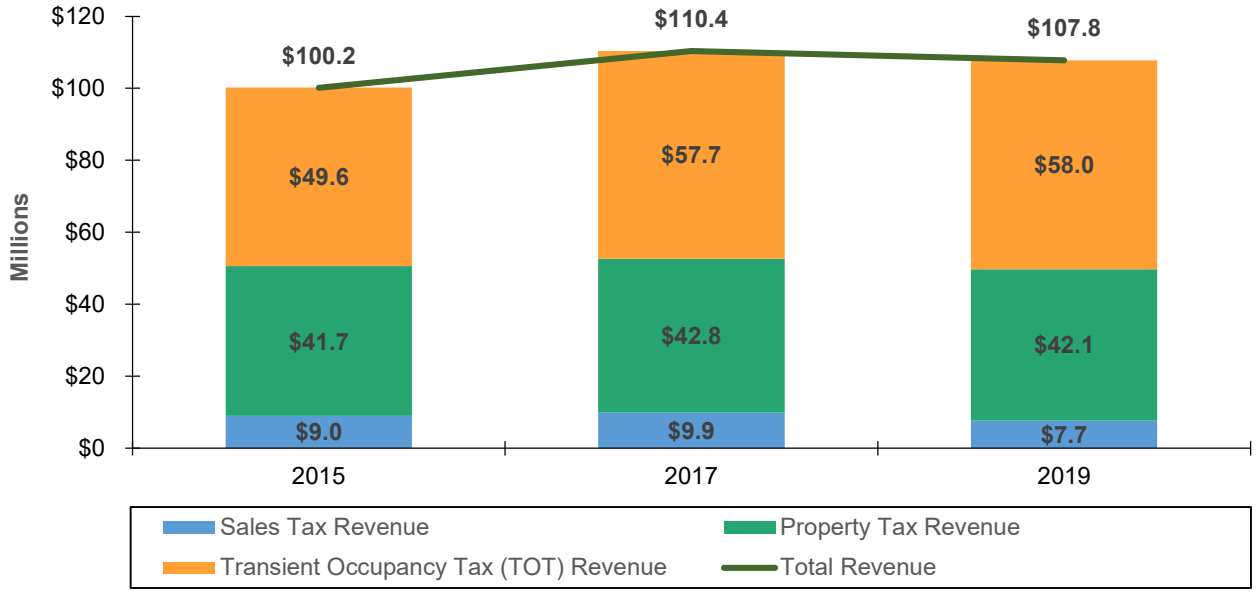
Source: Total personal income in 2019 estimated by Cambridge Systematics using the REMI Economic Model for SANDAG. Total personal income in 2017 comes from the *Economic Impacts of the San Diego Unified Port District in 2017*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., February 28, 2019. Total personal income in 2015 comes from the *Economic Impacts of the San Diego Unified Port District in 2015*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., December 20, 2016.

Figure ES.7 Economic Contribution of San Diego Unified Port District—Economic Output Impact, 2015 to 2019



Source: Total personal income in 2019 estimated by Cambridge Systematics using the REMI Economic Model for SANDAG. Total personal income in 2017 comes from the *Economic Impacts of the San Diego Unified Port District in 2017*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., February 28, 2019. Total personal income in 2015 comes from the *Economic Impacts of the San Diego Unified Port District in 2015*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., December 20, 2016.

Figure ES.8 Economic Contribution of San Diego Unified Port District—Tax Revenue from District Tenants, 2015 to 2019



Source: Tax revenue from District tenants in 2019 estimated by Cambridge Systematics. Tax revenue in 2017 comes from the *Economic Impacts of the San Diego Unified Port District in 2017*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., February 28, 2019. Tax revenue in 2015 comes from the *Economic Impacts of the San Diego Unified Port District in 2015*, Final Report, prepared for the San Diego Unified Port District by the Economic & Planning Systems, Inc., December 20, 2016.