

An aerial photograph of Bellingham, Washington, showing the city built on a peninsula and surrounded by water. In the background, the snow-capped Mount Baker rises prominently against a clear blue sky. The foreground shows the city's layout, including residential areas and commercial buildings, with a large body of water in the lower portion of the frame.

Community Economic Benefits New Downtown Clean Ocean Marina

Prepared for Port of Bellingham
by BST Associates
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Community Clean Ocean Downtown Marina



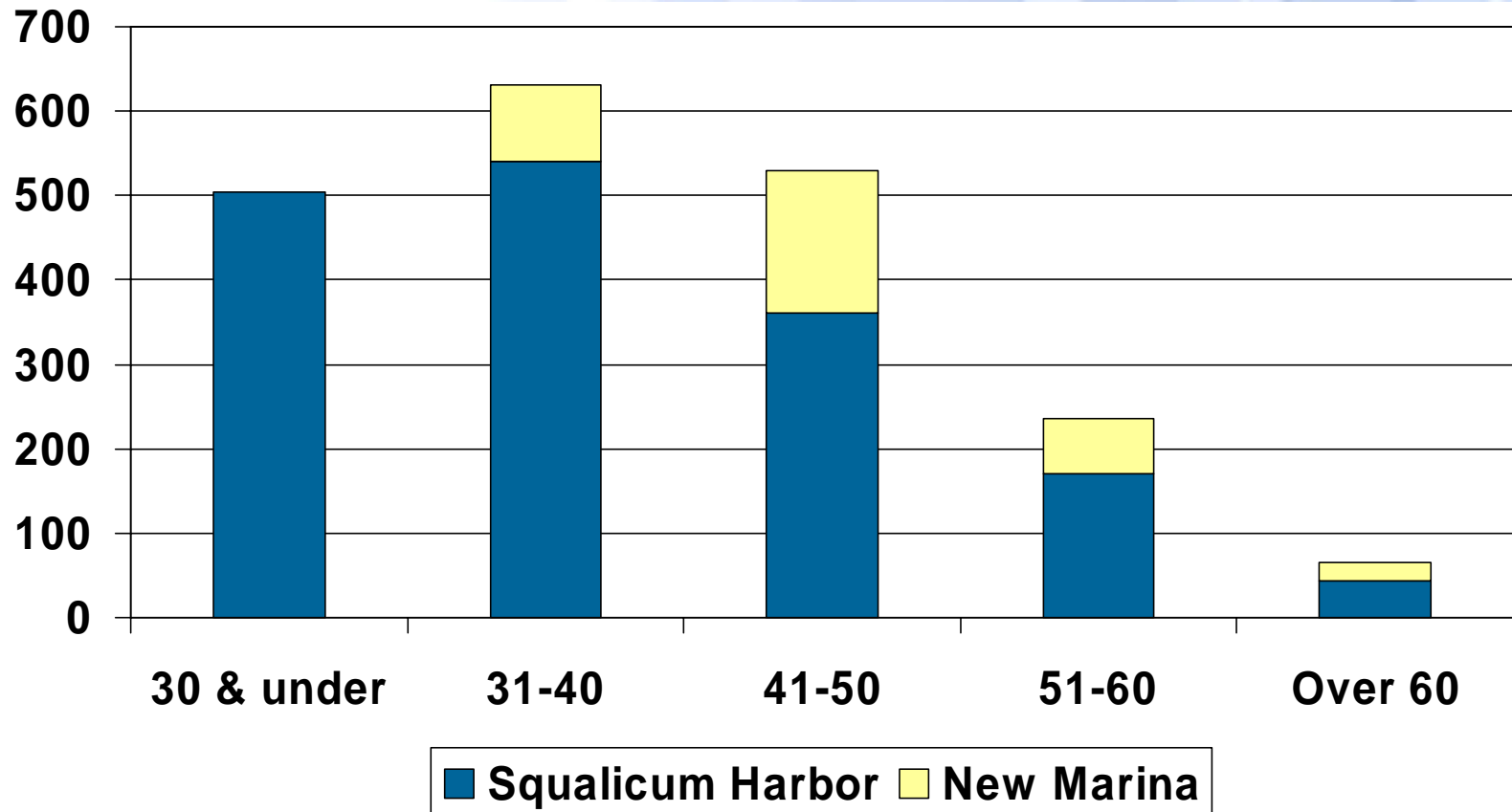
Community Clean Ocean Downtown Marina

The community is planning a 350 to 450 slip marina at the former Aeration Stabilization Basin (ASB). In addition to providing significant environmental benefits, this marina will generate substantial positive economic benefits for the community.

Purpose of this study

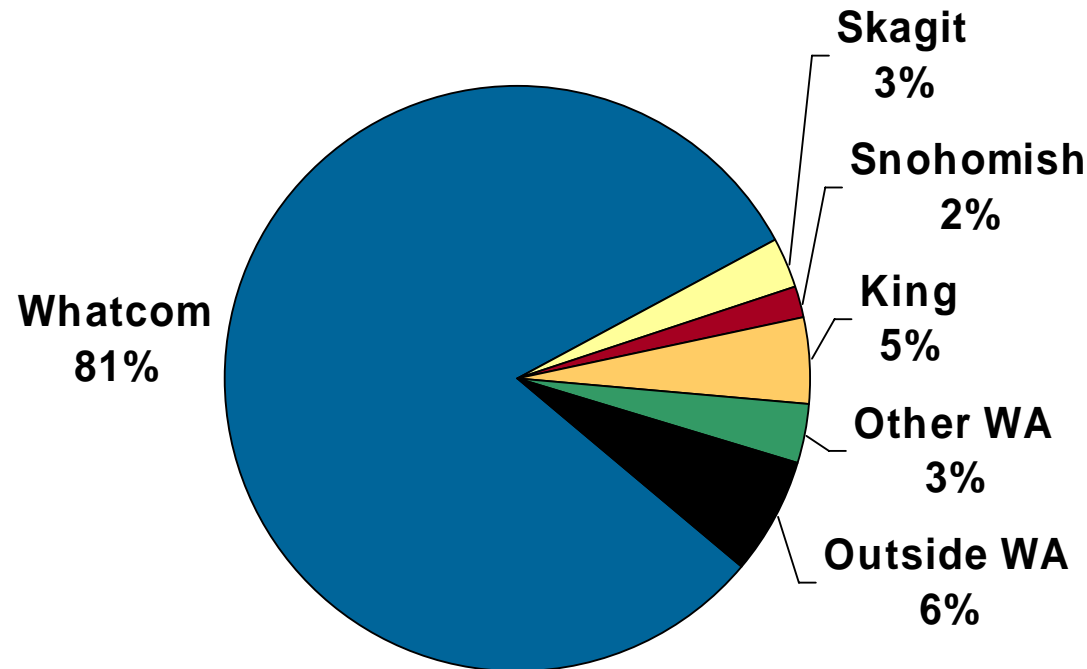
- **Describe the characteristics of the new marina and its market base.**
- **Estimate the economic impact that the proposed marina would generate in Whatcom County.**
 - **Impact estimates are based on:**
 - **Direct impacts are based on other recent marina studies.**
 - **Indirect and induced impacts estimated by the Implan model for Whatcom County.**

Slip Distribution Forecast with New Marina



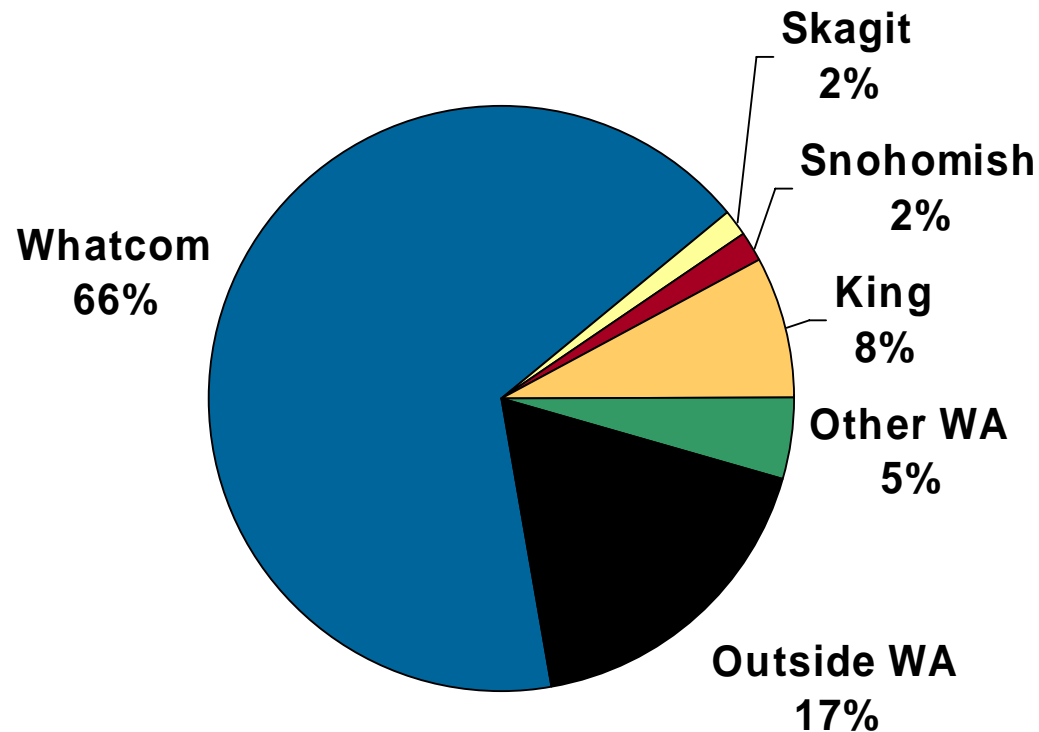
One design option for the new marina would add approximately 370 slips. As can be seen, this would help meet the demand for longer slips in Bellingham. The current waiting time for a 50-foot slip is 13 years. The new marina complements the existing slip distribution in Squalicum Harbor.

Squalicum Marina – Existing Tenant Base



More than 80% of Squalicum Harbor's existing tenants are from Whatcom County. The remainder come from Central Puget Sound, Eastern Washington and out of state. The new marina is expected to attract tenants from the same market area.

Squalicum Marina – Existing Tenant Base



There are 130 individuals on the Squalicum Harbor waitlist at the present time. Approximately two-thirds of these boat owners reside in Whatcom County. The new marina will serve the needs of the larger boats (over 40 feet in length).

Economic Impacts

- **Boaters generate economic activity that creates positive impacts in the local community.**
- **Our focus here is on the impact the new marina would create in Whatcom County as measured by:**
 - **Impacts from Operation & Use of the Marina (these are annual, recurring impacts):**
 - **Income**
 - **Jobs**
 - **State & Local Taxes**
 - **Construction Impacts (these are one time occurrences as marina is built):**
 - **Income**
 - **Jobs**
 - **State & Local Taxes**

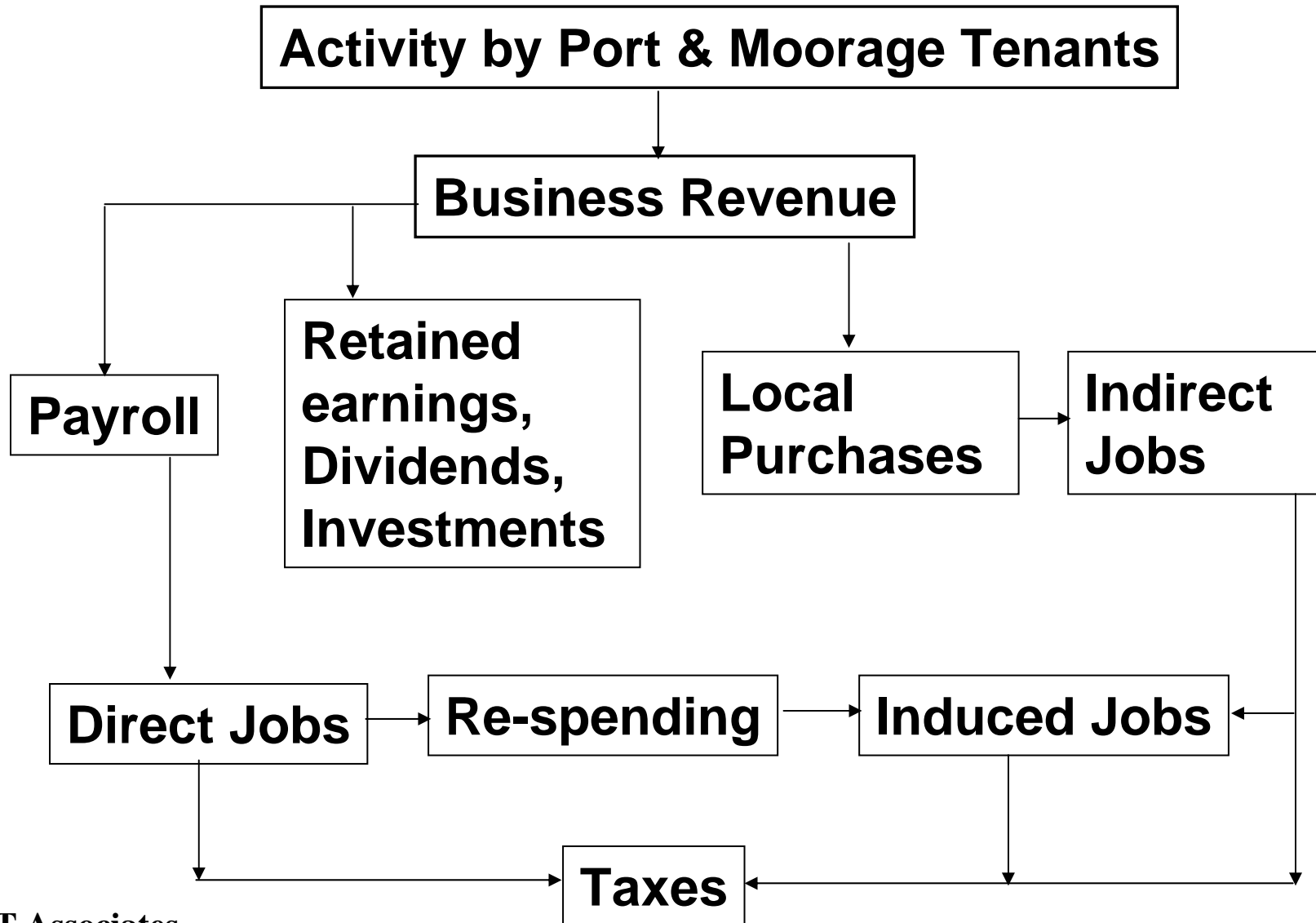
Economic Impact Methodology

- **Direct Impacts**
 - **Operation & Use**
 - Permanent tenants spend money annually to own and use their boats.
 - Transient boaters spend money in Bellingham when they visit.
 - The Port will spend approximately \$300,000 annually (\$2005) to operate the marina.
 - These expenditures represent the direct expenditures resulting from activity at the new marina.
 - **Construction**
 - Final design and permitting are currently underway. At this time, the cost of building the marina is estimated at \$18 million and the cost of cleanup is estimated at \$34 million (\$2005). These expenditures result in a positive impact on the Whatcom County economy as the marina is built.

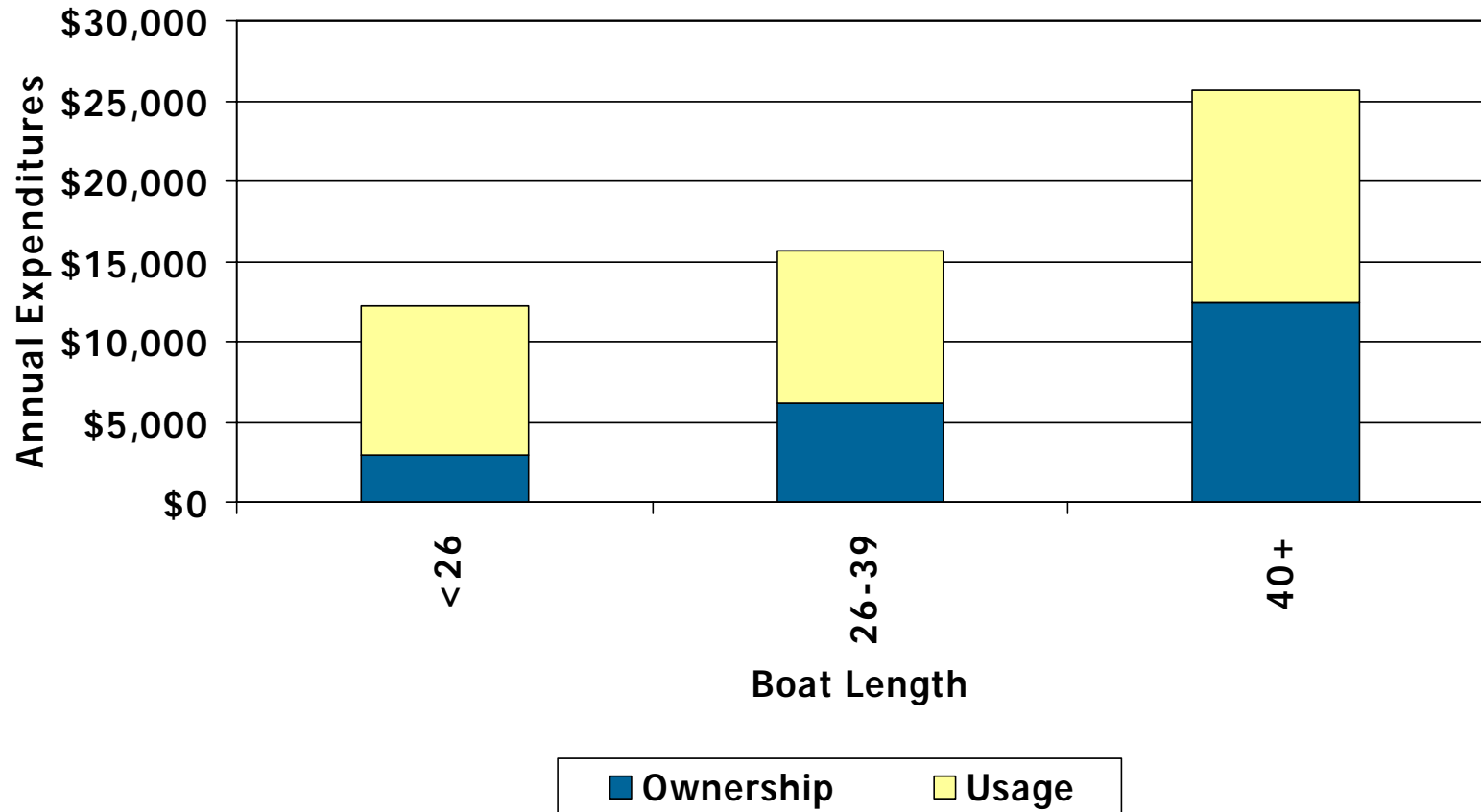
Economic Impact Methodology

- **Indirect and Induced Impacts**
 - **Indirect impacts refer to expenditures on outside goods and services (such as suppliers of goods, financial and legal services et al).**
 - **Induced impacts refer to purchases based on the employment earnings from direct and indirect economic activities. As wages are paid out, workers' families spend their income on a wide array of goods and services, many of which are supplied by the local economy.**
 - **These “multiplier effects” are estimated using the nationally recognized Implan model, which has been calibrated to simulate the expected impacts in Whatcom County.**
 - **The sum of direct, indirect and induced impacts is referred to as the total economic impact.**

Economic Impact Flow Chart

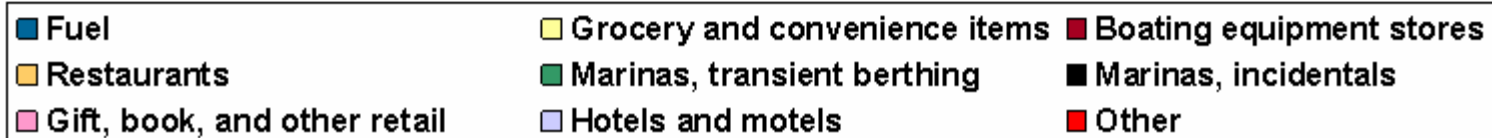
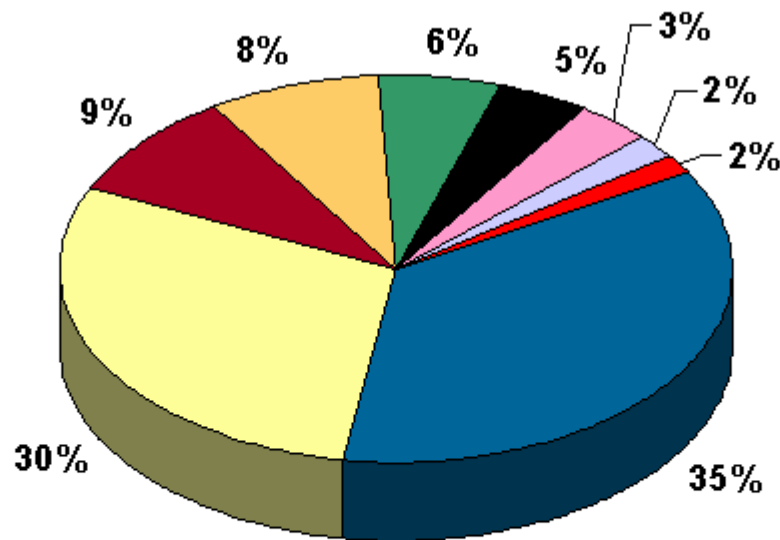


Expenditures by Boaters by Length of Boat



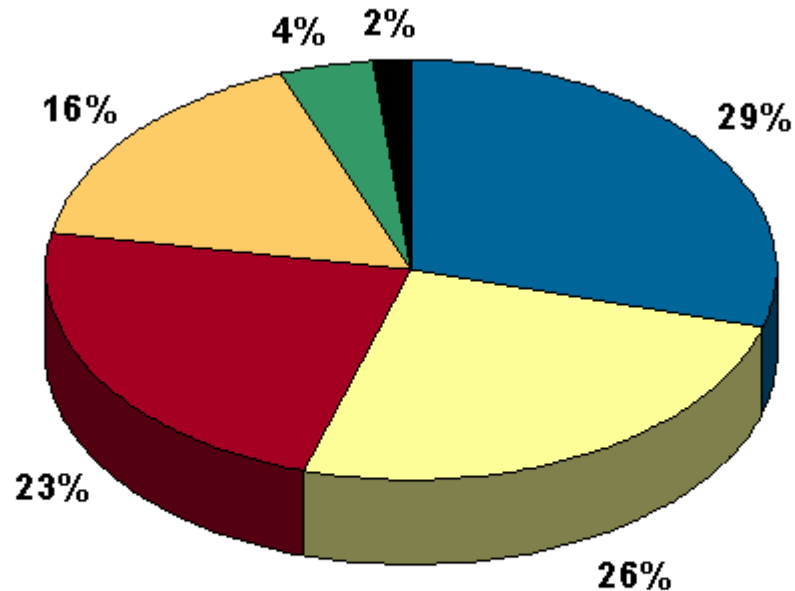
Larger boats create a greater economic impact in the local economy because their boat owners spend more annually to own and use the boat.

Expenditures by Permanent Boaters Boat Usage



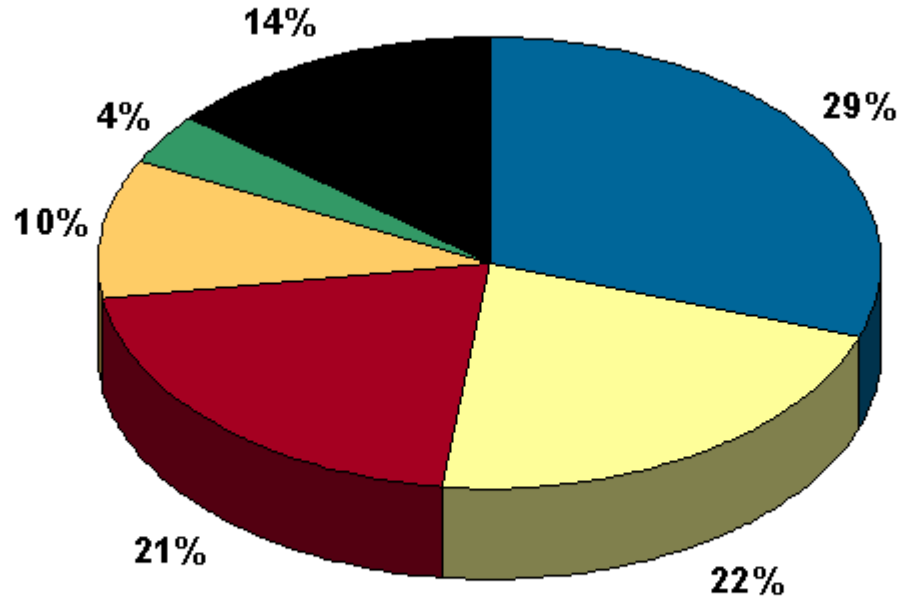
Owners of boats over 40 feet long spend around \$13,000 per year using their boat. Approximately 75% of these expenditures occur in the boat's homeport area and 25% occur outside the local area.

Expenditures by Permanent Boaters Boat Ownership



Owners of boats over 40 feet long also spend around \$12,000 per year owning their boat. Approximately 85% of these expenditures typically occur in the boat's homeport area and 15% occur outside the local area.

Expenditures by Transient Boaters Per Boat Per Day



■ Fuel (Car & Boat) ■ Restaurants ■ Groceries ■ Recreation Fees ■ Lodging ■ Miscellaneous

Transient boats spend around \$180 per boat day. The proposed marina will have approximately 33 slips set aside for transient boats. We estimate that approximately 90% of these expenditures will occur in Whatcom County.

Economic Impacts from Operation & Use at the Existing Marinas (Annual Impacts in \$2005)

Category	Direct	Total
Jobs	204	279
Income	5,369,000	8,120,000
Output	31,577,000	48,527,000

The Port's existing marinas (Blaine Marina and Squalicum Harbor) currently generate approximately \$31.6 million in direct and \$48.5 million in total output per year (in 2005 dollars) from permanent and transient use and port operations. For every dollar generated in direct output, there is an estimated \$0.53 in indirect and induced effects in Whatcom County.

The existing marinas generate 204 direct and 279 total jobs each year. That is, every direct job creates 0.37 additional jobs in Whatcom County.

These jobs have a direct income of \$5.4 million per year. Including multiplier effects, total income in Whatcom County is estimated to be \$8.1 million.

The existing marinas generate approximately \$800,000 per year in state and local taxes annually.

Economic Impacts from Operation & Use at the New Marina (Annual Impacts in \$2005)

Category	Direct	Total
Jobs	43	59
Income	1,048,000	1,537,000
Output	6,850,000	10,483,000

The proposed marina is expected to generate approximately \$6.8 million in direct and \$10.5 million in total output per year (in 2005 dollars) from permanent and transient use and port operations.

The marina is expected to generate 43 direct and 59 total jobs each year.

These jobs have a direct income of \$1.0 million per year. Including multiplier effects, total income in Whatcom County is estimated to be \$1.5 million.

The marina will generate approximately \$154,000 per year in state and local taxes annually.

The new marina will add approximately 20% in economic impact to the existing marinas.

Types of Jobs Created

- **The types of jobs created include:**
 - **Marine repair:**
 - **Engine mechanics,**
 - **Fiberglass restoration,**
 - **Painters,**
 - **Electronics technicians,**
 - **Divers et al.**
 - **Retail & services:**
 - **Fuel station operators,**
 - **Insurance agents,**
 - **Marina operators,**
 - **Marine retailers (boating equipment and gear),**
 - **General retailers (food, drug, misc. retail stores),**
 - **Restaurant workers et al.**

Economic Impact – Construction of New Marina

- **At this time, the construction cost is estimated to be:**
 - **Marina Construction - \$18 million,**
 - **Environmental remediation - \$34 million (half paid by Port, half by MTCA funds from DOE).**
 - **Planning, permitting and design is still underway on the marina so the estimated costs may be modified.**
 - **The marina will be developed in phases.**
- **The impacts associated with all phases of construction will generate the following impacts in Whatcom County:**

Category	Marina Construction	Cleanup
Jobs		
Direct	90	173
Total	150	287
Income		
Direct	4,621,000	8,832,000
Total	6,769,000	12,937,000
State & Local Taxes	679,000	1,298,000

Boating is an Important Target Industry

- **Boating is an important target industry in Whatcom County.**
 - **Boat repair and marine retail alone generate approximately 300 direct jobs.**
 - **In addition, boaters spend approximately \$50 million in other sales and services in Whatcom County each year, generating an additional 250 direct jobs.**
 - **In total, boating in Whatcom County creates 550 direct jobs.**
- **Port of Bellingham marinas currently account for 204 direct jobs (40% of Whatcom County).**
 - **After construction of the new marina, the Port's marinas will generate nearly 250 new jobs.**
- **Building the new marina makes sense:**
 - **There is currently a shortage of large slips in Whatcom County and Puget Sound.**
 - **Larger boats generate greater economic impacts than smaller boats.**
 - **Providing additional moorage for local and non-local boaters will continue to support and enhance this important target industry.**

Thank you!

Paul Sorensen
BST Associates
bstassoc@seanet.com
(425) 486-7722