

# THE ECONOMIC IMPACT of the **LONG BEACH AIRPORT AREA COMPLEX**

0 TAXPAYER  
DOLLARS USED

NEARLY 18,000  
HIGH PAYING  
LOCAL JOBS

MORE THAN  
\$6 BILLION IN  
ECONOMIC IMPACT

9% OF ALL JOBS  
IN THE CITY OF  
LONG BEACH

18069



**LONG BEACH AIRPORT (LGB)**, established in 1923, was the first municipal airport to serve Southern California. Initially, the Airport was named Daugherty Field after Earl Daugherty, one of Long Beach’s pioneer aviators. At present, the Airport covers 1,166 acres and has five runways. The Long Beach Airport is somewhat unique among municipal airports in that the Airport property includes a cluster of commercial Class-A office buildings, a hotel, an aircraft manufacturing center, industrial facilities, as well as a municipal golf course.

**THE LONG BEACH AIRPORT AREA COMPLEX**

is strategically located between downtown Los Angeles and Orange County. The ease of accessing a network of freeways facilitates air travelers as well as tenants serving clients in Los Angeles and Orange counties.

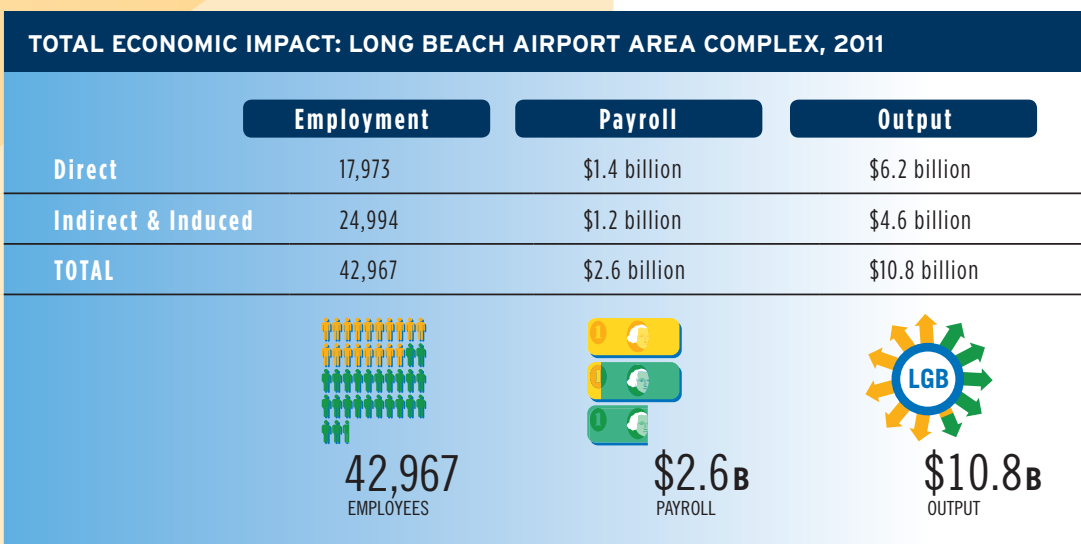


The geographical footprint of the Long Beach Airport Area Complex includes the area north of Interstate 405, south of Carson Street, and bordered by Clark Avenue and Cherry Avenue. Most, but not all, of the property is owned by the City of Long Beach.



## THE LONG BEACH AIRPORT AREA COMPLEX

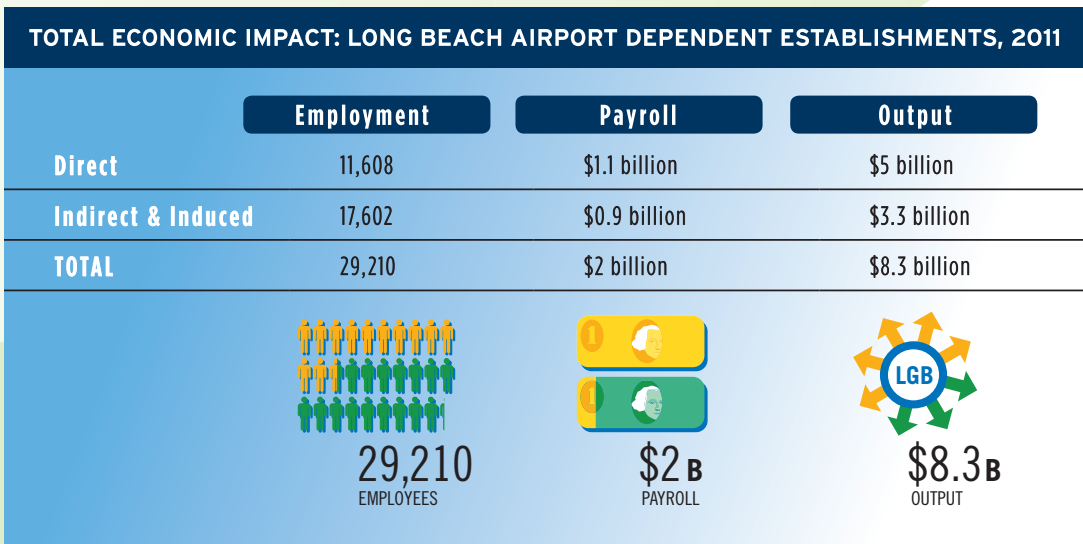
The Long Beach Airport Area Complex houses 417 business establishments providing employment to almost 18,000 individuals, which represents approximately 9 percent of all jobs in Long Beach. In 2011, these businesses directly generated \$6.2 billion in sales and \$1.4 billion in payroll. The jobs within the Long Beach Airport Area Complex are high paying with an average payroll of \$78,000, which is 50 percent higher than the Los Angeles County average. The Long Beach Airport Area Complex also affects the economy of the Southern California region, defined as the counties of Los Angeles, Orange, Riverside, San Bernardino and Ventura. In addition to 18,000 direct jobs, the economic activity within the complex indirectly supports an additional 25,000 jobs, yielding a total employment impact of 43,000 jobs. These jobs are supported by a payroll of \$2.6 billion and generate an output valued at \$11 billion.





## THE LONG BEACH AIRPORT AREA COMPLEX IS DIVIDED INTO TWO CATEGORIES

Business establishments in the Long Beach Airport Area Complex are classified as those that by their nature must be located at an airport (Airport Dependent Activities), and other businesses. Examples of other businesses include tenants such as healthcare, legal, insurance, educational and other enterprises in the various office buildings that surround the Airport. Airport Dependent Activities is further divided into two categories: Commercial and General Aviation and Related Activities, and Air Transportation Manufacturing and Dependent Activities. Commercial and General Aviation and Related Activities is what one would commonly refer to when discussing the Long Beach Airport. These include the economic activities of the airlines, airline support firms, rental car agencies, general shuttle operators, and general aviation and support activities. Air Transportation Manufacturing and Dependent Activities include The Boeing Company and Gulfstream Aerospace Corporation, among others.



The Long Beach Airport serves more than **3 million annual commercial passengers** and the Airport Area Complex supports nearly **18,000 local jobs** with an average annual salary of **\$78,000**, which is 50 percent higher than the Los Angeles County average.

Overnight visitors associated with the Airport **spent \$53.4 million in the local economy** on hotels, restaurants and other businesses.

This study confirms that the Airport is clearly an important component of the region’s economy ensuring a **quality of life and economic vitality** for the citizens of Long Beach.

## LONG BEACH COMMERCIAL AND GENERAL AVIATION

LGB has been ranked by Condé Nast among the “Top 10 Business Travel Airports” and by the U.S. Department of Transportation as one of the five lowest-cost airports in the nation. Long Beach Airport operates within a Noise Compatibility Ordinance, which limits airlines to 41 commercial and 25 commuter daily flights. Presently, the Airport serves more than 3 million passengers annually with a market share of nearly 5 percent of the region’s domestic air travelers.



TOTAL ECONOMIC IMPACT: COMMERCIAL AND GENERAL AVIATION ACTIVITIES, 2011			
	Employment	Payroll	Output
Direct	2,915	\$179 million	\$589 million
Indirect & Induced	3,388	\$155 million	\$609 million
<b>TOTAL</b>	<b>6,303</b>	<b>\$334 million</b>	<b>\$1,198 million</b>

**6,303**  
EMPLOYEES

**\$334M**  
PAYROLL

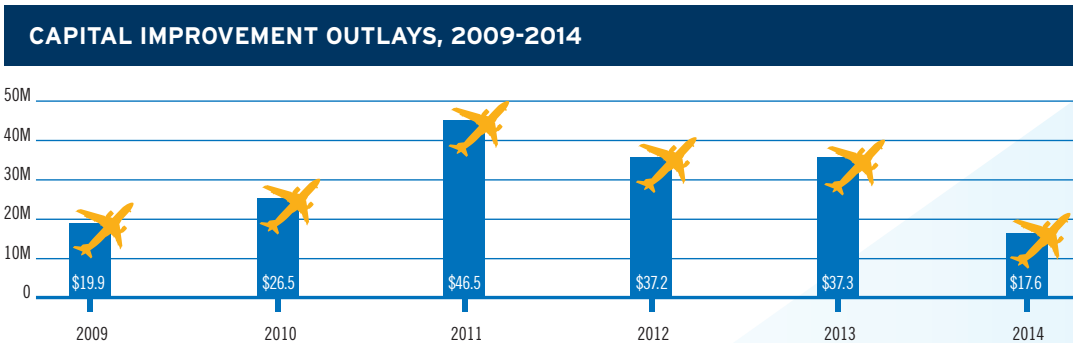
**\$1,198M**  
OUTPUT

The Airport serves convention, business and leisure travelers. These overnight visitors generate significant revenue in Long Beach, estimated at \$26.6 million on hotels and \$24.4 million in other local businesses, such as restaurants, retail and entertainment. These expenditures account for roughly 15 percent of the total economic impact of overnight visitors on the City’s economy. In addition, flight crews spent \$1.2 million on hotels and another \$1.2 million in other businesses. The combined spending of overnight visitors and flight crews, facilitated by the Long Beach Airport, yields a total of \$53.4 million within the City of Long Beach.



## LONG BEACH AIRPORT SPENDS \$10 MILLION ANNUALLY TO MAINTAIN AND REFURBISH ITS RUNWAYS AND INFRASTRUCTURE

The Airport is in the midst of major construction projects, including modernization of its historic terminal, the recently completed parking structure and a new passenger concourse. From 2009-2014, construction expenditures will be nearly \$200 million, yielding on average 156 direct jobs each year. These construction and engineering jobs are high wage with an average payroll of \$71,000.



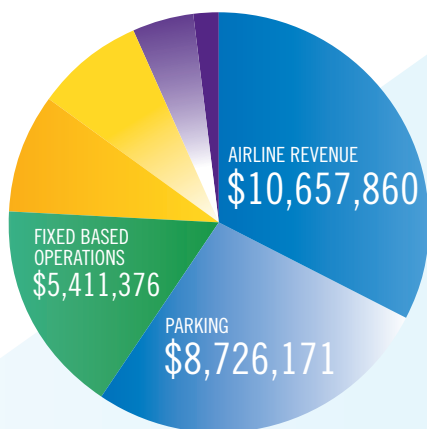









The Long Beach Airport Area Complex generates significant and sizeable economic impacts to the City and the regional economies. This complex generates 18,000 jobs in the City and another 25,000 in the region for a total of 43,000 jobs.

## LONG BEACH AIRPORT IS A SELF-SUPPORTING ENTERPRISE OF THE CITY OF LONG BEACH, OPERATING WITH NO TAXPAYER SUPPORT

The Airport does not receive support via the City’s General Fund, but instead generates its revenue via user fees and tariffs. In 2011, the total revenue of the Airport to support its operations was \$32.6 million. Almost 30 percent of these operating funds were used to purchase services from the City General Fund and other City operating units, such as Police, Fire, City Attorney, and Public Works.

### LONG BEACH AIRPORT ENTERPRISE REVENUE, 2011



	Airline Revenue	32.7%	\$10,657,860
	Parking	26.8%	\$8,726,171
	Fixed Based Operations	16.6%	\$5,411,376
	Rental Cars	9.1%	\$2,954,649
	Non-Aviation	8.4%	\$2,719,238
	Restaurants/Concessions	4.5%	\$1,475,596
	Miscellaneous	1.9%	\$633,150

**\$32,578,040 M**  
TOTAL REVENUE

## CONCLUSION

Long Beach Airport is clearly an important component of the overall vitality of the City’s economy. In 2011, there were significant and sizeable economic impacts on the City and region from the economic activities in the Long Beach Airport Area Complex. At the same time, Long Beach Airport continues its operation without support from the City’s General Fund. The Airport will continue to be an important asset and engine of economic growth for the City and region.



**LONG BEACH  
AIRPORT**

Building a Better Way to Fly

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