

# 2023 REGIONAL ECONOMIC IMPACT

of Philadelphia's Airport System

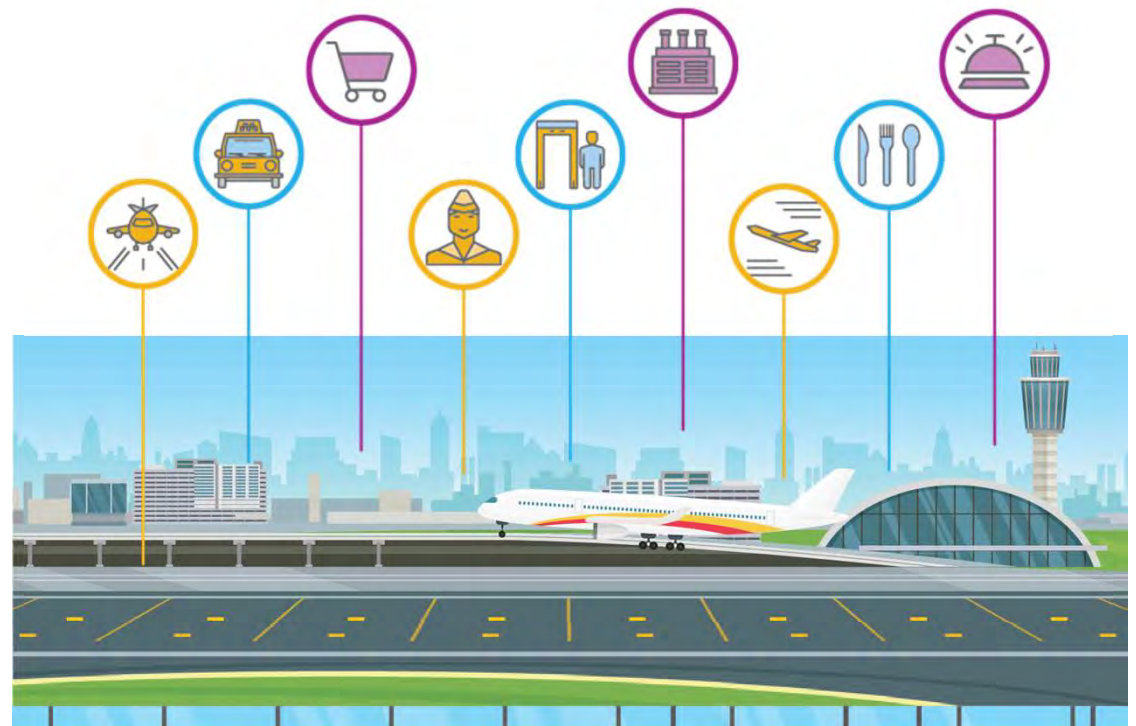


PHILADELPHIA INTERNATIONAL AIRPORT  
NORTHEAST PHILADELPHIA AIRPORT

**FINAL**  
**SEPTEMBER 2024**

# TIERS OF ECONOMIC BENEFIT

The economic benefits from the airport system begin with flight activity (Tier 1) and radiate outward to include on-site or nearby airport-related operations (Tier 2) and region-wide benefits to residents and businesses (Tier 3).



**Tier 1**  
**Aviation**  
**Operations**

**Tier 2**  
**Airport-Related**  
**Operations**

**Tier 3**  
**Regional Businesses**  
**& Residents**

# ECONOMIC IMPACT MODELING

## Direct Impact



### Direct Expenditure

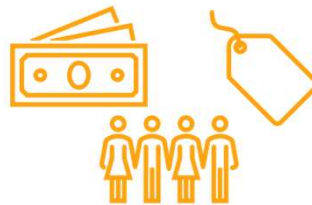
Tier 1: PHL-PNE / Airlines  
Tier 2: Passengers & Businesses  
Tier 3: Tourists and Residents



## “Spillover” Impact



**Indirect Economic Activity & Jobs**  
Spending by Employers (supply chain)



**Induced Economic Activity & Jobs**  
Spending by Employees



**Total Economic Impact  
in Philadelphia MSA**

Direct and spillover activity generates additional tax revenues  
City & State tax bases are distinct --> Additional revenues are additive

# ECONOMIC IMPACT OF PHL/PNE - 2023

Philadelphia's Airport System, including Philadelphia International Airport (PHL) and Northeast Philadelphia Airport (PNE), is a strong hub of economic activity and a major economic generator for the Philadelphia region.

## 2023 ANNUAL IMPACT

**\$18.7 BILLION**  
economic impact

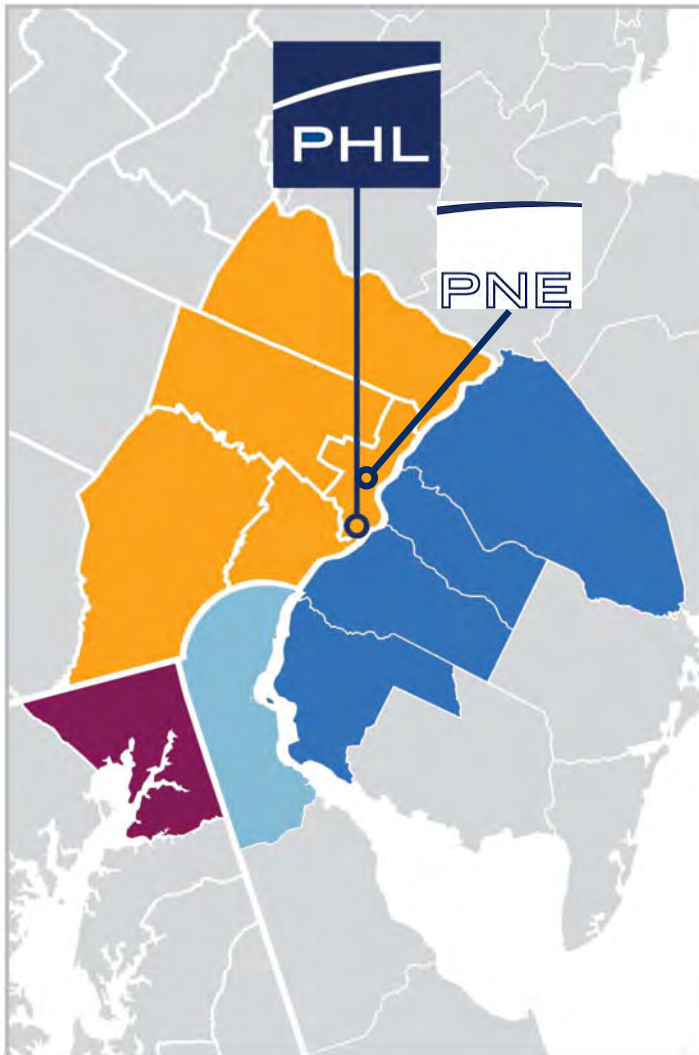
**102,600 JOBS**  
supported

**\$6.1 BILLION**  
earnings

Impacts represent the sum of annual direct and spillover impacts in the 11-county Philadelphia region from PHL and PNE.

Earnings include both wages and benefits.

# ECONOMIC IMPACT BY COUNTY



Economic effects of airport activity are felt in every county and state in the region.

Geography	Economic Output (\$M)	Total Employment
<b>Pennsylvania</b>	<b>\$16.46 B</b>	<b>89,720 Jobs</b>
Philadelphia County	\$9,799	49,910
Delaware County	\$4,233	26,970
Montgomery County	\$1,221	6,290
Chester County	\$618	3,330
Bucks County	\$594	3,220
<b>New Jersey</b>	<b>\$1.32 B</b>	<b>7,740 Jobs</b>
Burlington County	\$502	2,880
Camden County	\$492	2,940
Gloucester County	\$274	1,650
Salem County	\$49	270
<b>Delaware</b>	<b>\$825 M</b>	<b>4,550 Jobs</b>
New Castle County	\$825	4,550
<b>Maryland</b>	<b>\$84 M</b>	<b>540 Jobs</b>
Cecil County	\$84	540
<b>TOTAL</b>	<b>\$18.7 B</b>	<b>102,600 Jobs</b>

Note: Jobs rounded to the nearest ten

# STATE AND LOCAL TAX REVENUE

State Income, Sales and  
Business Tax Revenue



**PENNSYLVANIA**

**\$353M**



**NEW JERSEY**

**\$38M**



**DELAWARE**

**\$28M**



**MARYLAND**

**\$2M**

City Wage, Sales and  
Business Tax Revenue



**PHILADELPHIA**

**\$119M**



**DELAWARE COUNTY  
MUNICIPALITIES**

**\$7M**

Municipal Earned  
Income Tax Revenue

**TOTAL STATE + LOCAL REVENUE**

**\$547M**



**THE AIRPORT IS SELF-SUSTAINING  
AND REVENUE GENERATING**

# TIER 1: AVIATION OPERATIONS

*Tier 1 impacts come from the operations and capital investments of the airport and its airline tenants.*

**\$9.5**

**BILLION**  
economic impact

**31,800**

**JOBS**  
supported

**\$2.5**

**BILLION**  
earnings

## AIRLINE ACTIVITY

**28M**

**total passengers served**  
(Inbound & outbound) 2023

**28**

**commercial airlines  
serve PHL**  
including all major  
domestic carriers

**120**

**non-stop destinations**  
domestic & international  
(as of Jan 2024)

# TIER 1: AVIATION OPERATIONS

## CAPITAL DEVELOPMENT PLAN



### *CY 2023 Highlights*

- *Restroom Renovations Phases 5-8*
- *TW K & P Rehabilitations*
- *SEPTA Platform Renovations*
- *New Pavement & Grounds Facility*
- *CCTV Upgrades*
- *Airport Operations Center*



**\$176M**

Spending in projects and acquisition in CY 2023

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**\$1.8B**

Total approved capital improvement program



# DOA: DIVERSE PROCUREMENT

## M/W/DSBE Participation in Contracts

**\$45.6**

**MILLION**

M/W/DSBE  
participation

**\$140.3**

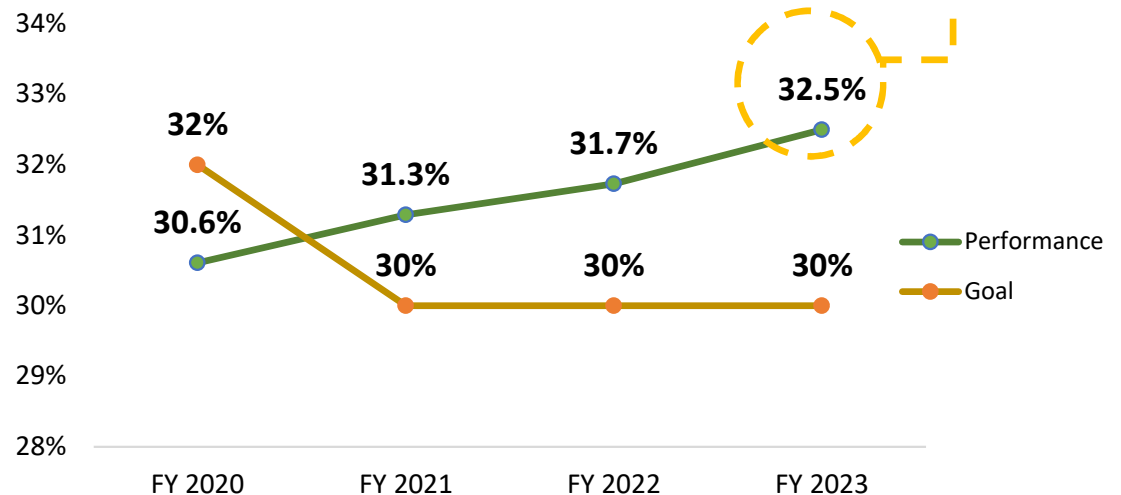
**MILLION**

Total available  
contracts

**32.5%**

Total contract  
awarded to  
M/W/DSBE  
contractors

M/W/DSBE participation has  
been growing since FY 2020.



\*M/W/DSBE: Minority, Women, and Disabled Owned Business Enterprise

# ACDBE: DIVERSE BUSINESS OWNERSHIP

## ACDBE Business Opportunities

Airport concessions provide economic opportunities to minority-owned businesses

In 2023, FAA approved the DOA for its 2024-2026 3-year ACDBE goal (21.64% non-car; 2.08% car rental)

**\$94M** FFY 2023 gross receipts to ACDBEs for non-car rental businesses

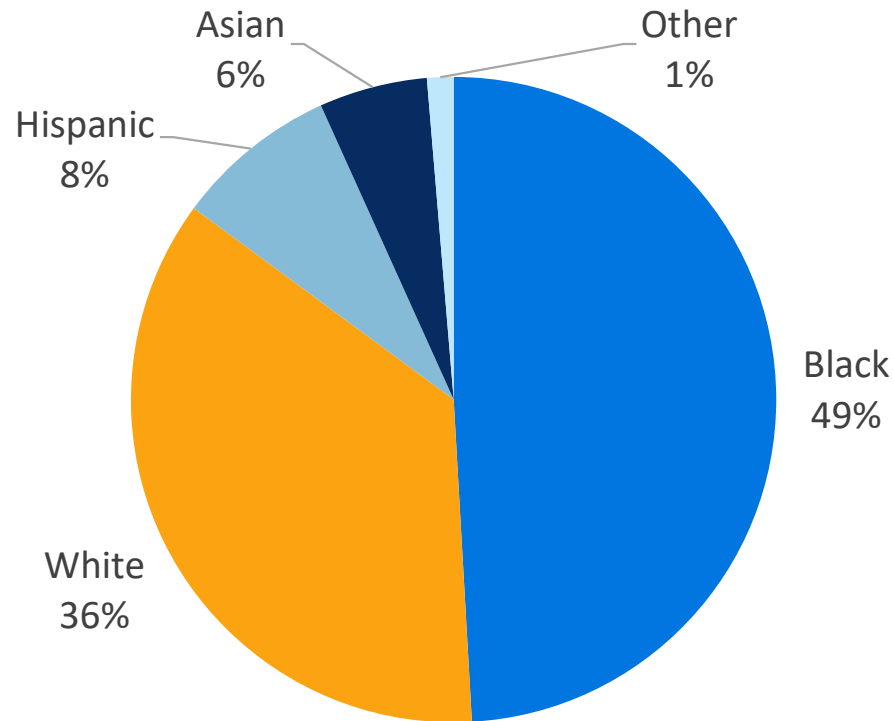
**38%** FFY 2023 attainment, which exceeds the goal of 21%



\* FFY: Federal Fiscal Year  
ACDBE: Airport Concession Disadvantaged Business Enterprise

# EMPLOYMENT DIVERSITY

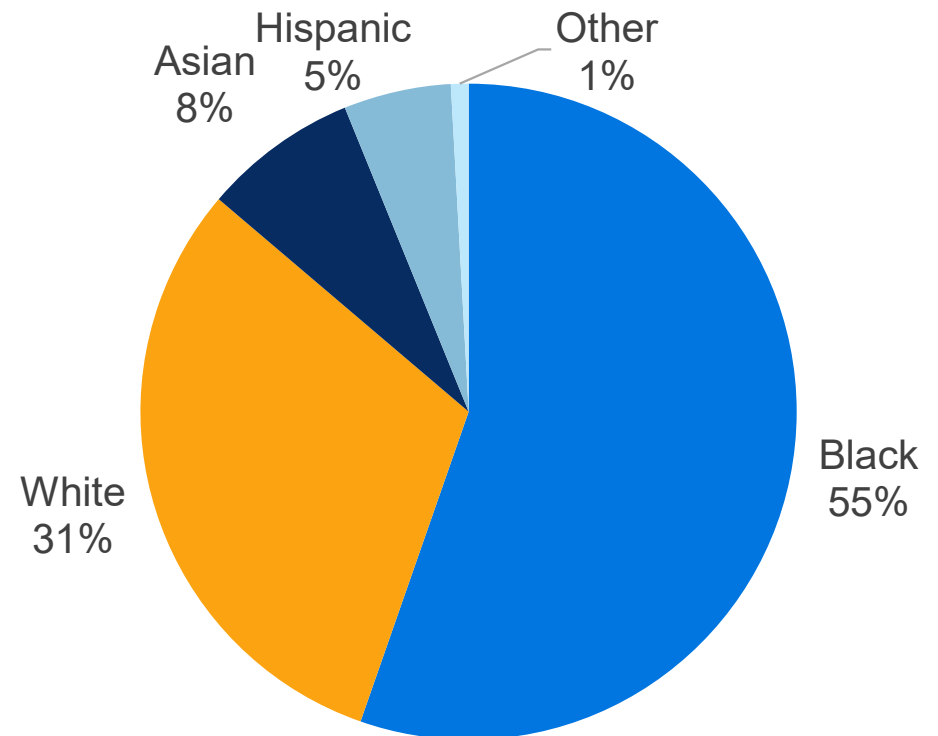
## Race/Ethnicity: All Badged Employees



**64% of the nearly 17,000 private and public-sector employees working at the airports are non-white**

The airport workforce reflects the diversity of the city of Philadelphia

## Race/Ethnicity: DOA Employees



## TIER 2: AIRPORT-RELATED OPERATIONS

*Tier 2 impacts come from industries at or near the airport providing support services or benefiting from the logistical advantages of the facility.*

**\$4.8**

**BILLION**  
economic impact

**40,600**

**JOBS**  
supported

**\$2.1**

**BILLION**  
earnings

### SERVING PASSENGER DEMAND

A range of industries support the airport's more than 77,000 daily passengers.



**Retail**



**Hospitality**



**Ground  
Transportation**



**Parking**



**Government**

# TIER 2: AIRPORT-RELATED OPERATIONS

## FACILITY AIRSPACE BENEFITS

Other industries benefit from the airspace and logistical advantages of the airport facility.



**Cargo (524,000 tons in 2023)**



**Aviation Manufacturing**



**General Aviation**



**Office/ Commercial**

# TIER 3: REGIONAL BUSINESSES AND RESIDENTS

*Tier 3 impacts come from the broad regional implications of air service for residents and businesses, including leisure and business travel and quality-of-life benefits.*

**\$4.5**

**BILLION**  
economic impact

**30,200**

**JOBS**  
supported

**\$1.5**

**BILLION**  
earnings



# TIER 3: REGIONAL BUSINESSES AND RESIDENTS

## TOURISM ACTIVITY

Air service is essential to bringing visitors (and their spending) into the region. Leisure and business travelers enter the region through the airports from around the country and the world and support local businesses across a range of sectors.

**\$2.7B**

annual regional  
tourism spending  
attributable to the  
airports



**LODGING**



**FOOD & BEVERAGE**



**RETAIL**



**RECREATION**

# TIER 3: REGIONAL BUSINESSES AND RESIDENTS

## RESIDENT BENEFITS

Regional residents traveling through PHL save travel distance, time, and cost relative to their alternatives if PHL did not exist.



**224M**

**MILES SAVED**

annual travel  
distance savings



**3M**

**HOURS SAVED**

annual travel  
time savings



**\$161M**

**DOLLARS SAVED**

annual travel  
cost savings

PHL enhances the overall economic competitiveness and growth of the region by providing access to new markets, enabling the efficient movement of goods and building the region's attractiveness and quality of life.



# ECONOMIC IMPACT SUMMARY: 2023

**\$18.7 BILLION**  
economic impact

**102,600 JOBS**  
supported

**\$6.1 BILLION**  
employee earnings

The benefits of this economic activity are shared inclusively

**64%** minority share among 17,000 badged workers

**\$94 MILLION** annual receipts for diverse concessionaires

**\$46 MILLION** diverse DOA contracting (33% participation)

Philadelphia's airport system remains a strong economic engine for the region

## PHL PNE

Philadelphia's airport system (PHL and PNE) is owned by the City of Philadelphia and operated by the Department of Aviation. The airport is financially self-sustaining and receives no local tax dollars.

## **ABOUT ECONCONSULT SOLUTIONS, INC.**

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