



# **The Economic Contribution of Port Canaveral to Florida in 2018**

*Prepared for:*

**Canaveral Port Authority**



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# I. *Executive Summary*

## *Introduction*

Business Research and Economic Advisors (BREA) was engaged by the Canaveral Port Authority (CPA) to conduct an analysis of the economic contribution of Port Canaveral to the state of Florida during 2018. The objective of the study was to quantify employment, wages, expenditures and taxes that were directly and indirectly related to the movement of cruise passengers and cargo through Port Canaveral, the operational activity of tenants who conduct their business on property owned and maintained by CPA, and patrons of CPA parks, recreational facilities and attractions.

The major findings of this analysis included:

- Port Canaveral welcomed 2.1 million embarking, multi-day cruise passengers in 2018. This was the second-most passenger embarks from a U.S. cruise port and accounted for approximately 16% of total U.S. embarkations. Port Canaveral also welcomed 355,000 port-of-call passengers and 273,000 single-day cruise passengers who boarded the Victory Casino ships that homeport at Port Canaveral. In all, there were total passenger movements (embarking, disembarking, port-of-call, and single day) of 4.8 million cruise passengers during 2018.
- 6.4 million tons of cargo was moved through Port Canaveral, with 4 commodities, Petroleum, Slag/Sand, Granite/Rock and Limestone Aggregate accounting for 87% of the total cargo volume.
- The Canaveral Port Authority owns and maintains a portfolio of retail, commercial and land property. In 2018 there was approximately 379,400 square feet of building space and 11.1 million square feet of land leased to some 250+ tenants and subtenants.
- The Canaveral Port Authority owns and operates Jetty Park and Exploration Tower. In addition to single day visitors, Jetty Park accommodated over 10,000 overnight parties at their camping facilities in 2018. Exploration Tower experienced a revenue growth of approximately 2 percent from 2017 to 2018.

- The activity throughout Port Canaveral resulted in \$1.94 billion in direct expenditures in the Central Florida economy. These expenditures in turn contributed to the direct employment of more than 17,200 workers who received \$729.4 million in wages.
- As a result of this direct contribution, the spending of businesses and employees in the Central Florida region was responsible for generating a total economic contribution throughout Florida of \$3.9 billion in output, 32,650 jobs and \$1.3 billion in wage income.
- The contribution of the Canaveral Port Authority is not limited to the administration of the port. Its expenditures and employment also add to the direct contribution of each business line.
- The economic activity attributed to Port Canaveral also generated tax revenues for state and local governments across Florida. Our analysis shows that this economic activity generated an estimated \$107.2 million in total state and local tax revenues. These taxes were predominantly sales, use and excise taxes paid across the state.

The total economic contribution of the port is the sum of the direct, indirect and induced impacts<sup>1</sup> of activity at Port Canaveral. The direct economic contribution consists of the estimated expenditures, jobs and wage income that occurred as a result of:

- the local spending of cruise passengers on accommodations, food and beverage service, retail purchases, sightseeing and other tourism related spending;
- the portion of airfare purchases by cruise passengers that are provided to the air transportation industry in Florida;
- local operational and capital expenditures by cruise lines and cargo businesses in providing their services at the port;
- moving, loading, inspecting and warehousing of commodities at the port;
- the transportation of commodities as well as passengers to and from port facilities and other parts of the state;
- the offering of marine services such as steamship agency, husbandry, tug operations, pilotage and others for both the cruise and cargo segments;
- operational expenses of tenant and sub-tenant businesses who lease CPA owned offices, warehouses, and land;

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<sup>1</sup> The terms contribution and impact are used interchangeably throughout this report.

- the local spending of patrons of CPA parks, recreational facilities and attractions on food and beverage service, retail purchases, sightseeing and other tourism related spending;
- the operational and capital expenses of CPA in supporting the functions of the port; and
- the local spending due to the operating budgets of various government agencies that operate at the port.

The indirect economic benefits associated with Port Canaveral were generated through the spending by businesses that were directly impacted by port related activities. For example, terminal operators purchased equipment to move and store commodities, electricity and fuel to operate their facilities and equipment, and insurance for their property and employees. Thus, the indirect contribution measures the additional expenditures, jobs and income that were generated elsewhere in the economy in support of those firms and businesses directly related to the port.

The induced impact of the port measures the economic activity that was generated by the spending of the employees whose jobs were directly and indirectly supported by the activity at Port Canaveral. These workers spent their incomes on household and consumer goods, including autos, groceries, education and so forth. This spending generated jobs in transportation, trade, services, government, and local manufacturing. Thus, the induced contribution occurred throughout the economy, but primarily among consumer-based businesses and services.

### ***Business Lines***

In all, there are four business lines (segments) that the Canaveral Port Authority has identified under which port activity can be classified and will serve as the basis for this report. There are also numerous local and federal government agencies that have operations at the port, which will also be analyzed separately from the business lines. Each business line contributes to the economic impact of the port in a unique way and will be discussed

in this report within that framework both individually and collectively. The five segments are:

1. **Cruise** – This segment comprises all passenger, crew and cruise line spending related to passenger and crew visits to the Cape Canaveral and Orlando area, and expenditures with local businesses, vendors and contractors that support cruise line operations in the port.
2. **Cargo** – This segment comprises the spending related to the operations of moving and storing cargo through and in the port, and the transportation and/or distribution of goods between the port and locations throughout the state.
3. **Real Estate** – This segment comprises the operational expenses of the non-cruise and cargo related tenant and sub-tenant businesses and/or organizations who lease CPA owned buildings or land.
4. **Recreation** – This segment comprises the local spending related to people visiting CPA parks, recreational facilities and attractions.
5. **Government** – There are numerous local and federal government agencies that have operations at the port. These agencies perform many functions and have local operating budgets that include the payroll of their members. The Brevard County Sheriff's Office provides law enforcement and seaport security services while Canaveral Fire Rescue provides fire and emergency medical services. The U.S. Coast Guard has a station located in the port to safeguard commercial and recreational boating activities in the area. Agencies within the Department of Homeland Security such as the U.S. Customs and Border Patrol, the U.S. Immigration and Naturalization Service, and the U.S. Department of Agriculture ensure that the people and products entering and exiting the country are properly accounted for and inspected. The U.S. Department of Defense has naval support operations at Port Canaveral. The Military Sealift Command provides logistical support to various military installations around the world

and has an office located in the port, and the Navy operates the Naval Ordnance Test Unit which supports the US Fleet Forces Command.

The CPA manages these business lines with internal divisions that perform a variety of operational and support functions. These functions can either be specific to a particular business line, or general. Rather than assign all of CPA's jobs and expenditures to a single business line (e.g., cargo), BREA has allocated these data to each of the four business lines<sup>2</sup>. This was done either as reported in CPA's Comprehensive Annual Financial Report or based on the segment's share of CPA's total revenues. BREA has assigned CPA's revenues, expenses and jobs across the four business lines as shown in **Table ES-1**.

**Table ES-1 - CPA Operations Assignment<sup>3</sup>**

| <b>Business Line</b>       | <b>CPA Revenues</b>   | <b>CPA Operating Expenses</b> | <b>CPA Capital Expenses</b> | <b>Total CPA Expenses</b> | <b>CPA Jobs</b> |
|----------------------------|-----------------------|-------------------------------|-----------------------------|---------------------------|-----------------|
| Cruise                     | \$ 79,484,254         | \$ 27,018,760                 | \$ 14,927,826               | \$41,946,586              | 161             |
| Cargo                      | \$ 10,370,147         | \$ 3,525,082                  | \$ 18,287,917               | \$21,812,999              | 21              |
| Real Estate                | \$ 8,604,326          | \$ 3,309,915                  | \$ 728,287                  | \$ 4,038,202              | 18              |
| Recreation                 | \$ 3,249,979          | \$ 2,924,833                  | \$ 1,455,444                | \$ 4,380,277              | 34              |
| <b>Total - 2018</b>        | <b>\$ 101,708,706</b> | <b>\$ 36,778,590</b>          | <b>\$ 35,399,473</b>        | <b>\$72,178,063</b>       | <b>234</b>      |
| <b>As a Share of Total</b> |                       |                               |                             |                           |                 |
| Cruise                     | 78%                   | 73%                           | 42%                         | 58%                       | 69%             |
| Cargo                      | 10%                   | 10%                           | 52%                         | 30%                       | 9%              |
| Real Estate                | 8%                    | 9%                            | 2%                          | 6%                        | 8%              |
| Recreation                 | 3%                    | 8%                            | 4%                          | 6%                        | 15%             |
| <b>Total</b>               | <b>100%</b>           | <b>100%</b>                   | <b>100%</b>                 | <b>100%</b>               | <b>100%</b>     |

\*Note - In this table, and tables throughout the report, totals may not add due to rounding

\*Note: Operating and Capital Expenses included in this analysis may not sum to CPA's totals. See Appendix C for more detail.

<sup>2</sup> BREA has intentionally not assigned revenues or jobs to the Government segment.

<sup>3</sup> Where CPA's operational expenses were not identified to a specific business segment, BREA assigned it to each business segment based on its respective percent of revenues.

The CPA's operating and capital budgets shown above also contribute to the economic impact of each business segment. Thus, CPA's contribution to the overall local and state economy is greater than its 234 direct employees and \$72.2 million in total direct expenditures.

### *The Direct Economic Contribution of Port Canaveral*

As described above, each business line and government agency contribute to the economy with direct expenditures to businesses and organizations that support the activities of the segment. The expenditures with these directly affected businesses require the employment of people to carry out the functions of each business or organization, and in turn those employees are compensated for their labor. Thus, the measures of direct economic activity are summarized by the value of the direct expenditures, the number of employees and their compensation required to fulfill the demands of these businesses and organizations. Additionally, state and local taxing agencies receive revenue from many of the transactions among suppliers and consumers; most notably from sales, use and excise taxes.

As shown in **Table ES-2**, the activity throughout Port Canaveral contributed \$1.94 billion in direct industry output<sup>4</sup> to the Central Florida regional economy during 2018. This output generated an estimated 17,237 jobs throughout the Central Florida region paying annual wage income of \$729.4 million. The direct expenditures also generated \$57.0 million in state and local tax revenues.

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<sup>4</sup> The term "output" is used interchangeably with the term "expenditures" throughout this report



**Table ES-2 - Direct Economic Contributions, by Business Line**

| <b>Business Line</b> | <b>Direct Expenditures (Thousands)</b> | <b>Direct Jobs</b> | <b>Direct Wages (Thousands)</b> | <b>Direct Tax Revenue (Thousands)</b> |
|----------------------|--|--------------------|---------------------------------|---------------------------------------|
| Cruise               | \$ 1,295,554                           | 12,964             | \$ 516,581                      | \$ 42,083                             |
| Cargo                | \$ 412,923                             | 2,092              | \$ 116,344                      | \$ 9,478                              |
| Real Estate          | \$ 174,431                             | 1,647              | \$ 61,610                       | \$ 5,019                              |
| Recreation           | \$ 9,378                               | 128                | \$ 4,569                        | \$ 372                                |
| Government Org.      | \$ 49,568                              | 406                | \$ 30,293                       | --                                    |
| <b>Total - 2018</b>  | <b>\$ 1,941,854</b>                    | <b>17,237</b>      | <b>\$ 729,397</b>               | <b>\$ 56,952</b>                      |

  

| <b>As a Share of Total</b> |      |      |      |      |
|----------------------------|------|------|------|------|
| Cruise                     | 67%  | 75%  | 71%  | 74%  |
| Cargo                      | 21%  | 12%  | 16%  | 17%  |
| Real Estate                | 9%   | 10%  | 8%   | 9%   |
| Recreation                 | 0.5% | 1%   | 1%   | 1%   |
| Government Org.            | 3%   | 2%   | 4%   | --   |
|                            | 100% | 100% | 100% | 100% |

Numerous industries throughout Central Florida were impacted by the activity at Port Canaveral. BREA’s proprietary model uses North American Industry Classification System (NAICS) industry definitions to define port-related activity and then assigns all direct expenditures to an industry<sup>5</sup> within the Bureau of Economic Analysis (BEA) RIMS II 64-industry framework. The industries involved in supporting the activities related to Port Canaveral were narrowed to the following 13 sectors within that framework:

- Accommodations
- Administrative & Support Services
- Amusements, Recreation, Arts & Entertainment
- Construction
- Food & Beverage Services
- Government Operations
- Manufacturing

<sup>5</sup> The term Industry and Sector are used interchangeably in this report.

- Professional, Scientific & Technical Services
- Real Estate
- Retail Trade
- Transportation
- Wholesale Trade
- Other Service Sectors

The total of \$1.94 billion in direct expenditures are shown in **Table ES-3** with their respective allocation to the above listed sectors. Also shown are the associated employment and wage contributions to those sectors as a result of the direct expenditures in each.

**Table ES-3 - Direct Economic Contributions, by Sector**

| Industry                             | Direct Expenditures (Thousands) | Direct Jobs (FTE) | Direct Wages (Thousands) |
|--------------------------------------|---------------------------------|-------------------|--------------------------|
| Transportation                       | \$ 659,378                      | 5,751             | \$ 286,600               |
| Wholesale Trade                      | \$ 410,051                      | 1,833             | \$ 111,982               |
| Administrative & Support Svcs.       | \$ 176,734                      | 2,485             | \$ 80,872                |
| Accommodations                       | \$ 145,822                      | 1,192             | \$ 41,648                |
| Amusements, Rec., Arts & Ent.        | \$ 122,783                      | 1,486             | \$ 39,971                |
| Retail Trade                         | \$ 109,837                      | 1,448             | \$ 39,022                |
| Food & Beverage Services             | \$ 107,340                      | 1,580             | \$ 36,628                |
| Professional, Scientific & Tech Svcs | \$ 52,709                       | 426               | \$ 26,987                |
| Government Operations                | \$ 49,568                       | 406               | \$ 30,293                |
| Manufacturing                        | \$ 44,431                       | 214               | \$ 10,980                |
| Construction                         | \$ 41,749                       | 301               | \$ 15,704                |
| Other Services                       | \$ 19,918                       | 100               | \$ 8,139                 |
| Real Estate                          | \$ 1,535                        | 16                | \$ 570                   |
| <b>Total - 2018</b>                  | <b>\$ 1,941,854</b>             | <b>17,237</b>     | <b>\$ 729,397</b>        |

The top three sectors - Transportation, Wholesale Trade, and Administrative & Support Services each had over \$175 million in direct spending. They had a combined total of \$1.2 billion and accounted for 64 percent of all direct expenditures. They also accounted for

58 percent of the direct employment with 10,069 jobs, and 66 percent of all direct employee wages with \$479 million. The next three sectors consisted of Accommodations;

Amusements, Recreation, Arts & Entertainment; and Retail Trade. These ranged from \$109 million to \$146 million in direct expenditures. They combined for a total of \$378 million and accounted for 19 percent of all direct expenditures, 24 percent of direct employment and 17 percent of employee wages. The remaining 7 sectors made up the remaining 16 percent of direct expenditures accounting for \$317 million.

### *The Total Economic Contribution of Port Canaveral*

As noted previously, the objective of this analysis is to quantify the contribution of the spending generated from activity at Port Canaveral to the economy of Florida during 2018. The total contribution analysis consists of three elements: i) the direct economic contribution, ii) the indirect economic contribution and iii) the induced economic contribution. The total impact by business line is shown below in **Table ES - 4**.

**Table ES-4 - Total Economic Contributions, by Business Line**

| <b>Business Line</b> | <b>Total Expenditures (Thousands)</b> | <b>Total Jobs (FTE)</b> | <b>Total Wages (Thousands)</b> | <b>Total Tax Revenue (Thousands)</b> |
|----------------------|---------------------------------------|-------------------------|--------------------------------|--------------------------------------|
| Cruise               | \$ 2,587,372                          | 23,745                  | \$ 910,451                     | \$ 74,169                            |
| Cargo                | \$ 804,014                            | 4,666                   | \$ 228,835                     | \$ 18,642                            |
| Real Estate          | \$ 346,251                            | 3,134                   | \$ 116,156                     | \$ 9,463                             |
| Government Orgs.     | \$ 95,604                             | 893                     | \$ 53,366                      | \$ 4,347                             |
| Recreation           | \$ 19,274                             | 213                     | \$ 7,550                       | \$ 615                               |
| <b>Total - 2018</b>  | <b>\$ 3,852,514</b>                   | <b>32,650</b>           | <b>\$ 1,316,358</b>            | <b>\$ 107,236</b>                    |

**As a Share of Total**

|                  |      |      |      |      |
|------------------|------|------|------|------|
| Cruise           | 67%  | 73%  | 69%  | 69%  |
| Cargo            | 21%  | 14%  | 17%  | 17%  |
| Real Estate      | 9%   | 10%  | 9%   | 9%   |
| Government Orgs. | 2%   | 3%   | 4%   | 4%   |
| Recreation       | 1%   | 1%   | 1%   | 1%   |
|                  | 100% | 100% | 100% | 100% |

The contributions are led by the cruise segment, which accounts for 67 percent of the total expenditures related to Port Canaveral throughout the state, and 73 percent of the jobs.

Cargo is second in its contribution, generating 21 percent of the total expenditures across the state related to the port, and 14 percent of all jobs. The real estate segment contributes about 9 percent of all expenditures and 10 percent of all jobs related to the port throughout the state.

The direct expenditures generated by activity related to Port Canaveral that were discussed in the previous section are the driving force of Port Canaveral's total contribution to the region and the state.

The indirect contribution results from the subsequent demand for goods and services generated by the directly impacted businesses and their employees. For example, a restaurant must purchase wholesale produce and other foodstuff. They also use utility services, such as electricity and water to run their establishment, and payroll and accounting services in the administration of their business. Additionally, they purchase insurance for property and employees. These are just a sample of the various aspects of the economy impacted by local restaurants at Port Canaveral. BREA's model uses input/output data specific to Florida and available from the BEA to estimate the indirect contribution of the port. This enables BREA to estimate the additional economic demand that the direct spending by the five business lines (cruise, cargo, real estate, recreation and government) and their respective suppliers have throughout the economy in Florida. As mentioned earlier, CPA's operations are embedded within the direct expenditures of each business segment. The indirect contribution is concentrated in those sectors that provide intermediate goods and services to those business affected by activity in Port Canaveral. These include industries concentrated in business and financial services, transportation and wholesale trade.

The induced contribution is generated by the spending of the employees within the five segments and the employees of all the affected indirect businesses. The income of these employees is used to purchase a broad range of consumer goods and services including such goods as automobiles, food, clothing, furniture, health care and so forth. Consequently, the induced contribution is concentrated in sectors such as retail trade and personal and other services.

The total economic contribution of Port Canaveral to the State of Florida is shown in **Table ES-5**. The impacts are spread throughout the economy. Due to the wide-spread reach of the port’s contribution to Florida’s overall economy, several industries with common economic characteristics are grouped together.

**Table ES-5 – Total Economic Contributions, by Sector**

| <b>Sector</b>                       | <b>Total Expenditures (Thousands)</b> | <b>Total Jobs (FTE)</b> | <b>Total Wages (Thousands)</b> |
|-------------------------------------|---------------------------------------|-------------------------|--------------------------------|
| Financial & Business Services       | \$ 1,172,245                          | 9,548                   | \$ 363,600                     |
| Personal & Other Services           | \$ 809,346                            | 9,560                   | \$ 320,646                     |
| Transportation                      | \$ 791,878                            | 6,870                   | \$ 331,515                     |
| Wholesale & Retail Trade            | \$ 777,008                            | 5,370                   | \$ 232,211                     |
| Manufacturing                       | \$ 176,234                            | 652                     | \$ 34,671                      |
| Agric., Mining, Utilities & Constr. | \$ 125,802                            | 650                     | \$ 33,716                      |
| <b>Total - 2018</b>                 | <b>\$ 3,852,514</b>                   | <b>32,650</b>           | <b>\$ 1,316,358</b>            |

The \$1.94 billion in direct expenditures related to Port Canaveral generated \$3.9 billion in total expenditures throughout the state of Florida. These expenditures required 32,650 jobs paying \$1.3 million in wages. The Financial & Business Services sectors led all categories with \$1.2 billion in total expenditures. These expenditures accounted for 30 percent of the total and required about 9,500 jobs paying \$364 million in wages. This is 29 percent of all employment and 28 percent of wage contributions, respectively. The Personal & Other Services sectors are the second largest industry group supported by Port

Canaveral. They account for \$809 million in revenues, or 21 percent of the total and 29 percent of all jobs supported across Florida.

In general, for each \$1 million in direct expenditures at Port Canaveral about 17 total jobs paying an annual average salary of about \$40,300 were supported.

## *II. Introduction*

### *A Regional Perspective: Central Florida and the State*

The objective of this study was to estimate the economic contribution, or impact Port Canaveral had on the local and state economies during 2018. The information and data included in this report are presented, in part, to provide an understanding of how the port related activity of each the four business lines and government agencies impact the local and state economy and the breadth of industries impacted. This study has been funded by the Canaveral Port Authority.

For the purposes of this study the local economy can be thought of, generally, as Central Florida and includes the Orlando and Cape Canaveral areas. Due to the interconnectivity of various regional industries, the port plays a role in directly connecting much of the economy throughout the Central Florida region.

Additionally, businesses and organizations with operations that are directly affected by the port are interconnected with other industries throughout the state. For example, business and financial services used by those enterprises directly affected by the port could be located in South Florida, and goods consumed by employees of local businesses could be produced around the state. Additionally, commodities imported through or produced at the port are distributed not just to central Florida but other parts of the state as well. Therefore, while the majority of direct expenditures occur in the local economy, those direct expenditures have a state-wide impact.

The economic contribution of Port Canaveral was measured in terms of annual expenditures, employment, wage and salary distributions, and state and local tax collections that resulted from the various activities related to the port.

Activities related to the port are classified by those that occurred as a result of:

- the local spending of cruise passengers on accommodations, food and beverage service, retail purchases, sightseeing and other tourism related spending;
- the portion of airfare purchases by cruise passengers that are provided to the air transportation industry in Florida;
- local operational and capital expenditures by cruise lines and shippers in providing their services at the port;
- transportation of commodities and passengers to and from port facilities and other parts of the state;
- moving, loading, inspecting and warehousing of commodities at the port;
- the offering of marine services such as steamship agency, husbandry, tug operations, pilotage and others;
- operational expenses of tenant and sub-tenant businesses who lease CPA owned offices, warehouses, and land;
- the local spending of patrons of CPA parks, recreational facilities and attractions on food and beverage service, retail purchases, sightseeing and other tourism related spending;
- the operational and capital expenses of CPA in supporting the functions of the port;
- the local spending due to the operating budgets of various government agencies that operate at the port.

### *Data Sources*

This study had two broadly categorized phases; 1) the gathering of the direct expenditures related to each of the business lines, and 2) building an economic model that estimates the demands of those expenditures across both the local and statewide economy for each business line. The sources for the direct expenditure data included:

- financial, employment, and wage data from CPA;
- operational data, such as cruise passenger counts and commodity volume, from CPA;



- interviews with the major cruise lines at the port;
- surveys of multi-day cruise passengers and crew members<sup>6</sup>;
- surveys of CPA park visitors;
- surveys of CPA tenants and subtenants, including terminal operators, marine service providers, marinas, etc.;
- interviews with government agencies related to the port;
- U.S. Bureau of Economic Analysis;
- U.S. Bureau of Labor Statistics;
- U.S. Census Bureau.

The above data formed the basis for BREA's modeling of the economic contribution of Port Canaveral. The following sections discuss the methodology underlying this study in more depth.

### *Methodology and Concepts*

BREA's proprietary model uses input/output data available from The U.S. Bureau of Economic Analysis (BEA) to estimate the number of jobs and wages required to support a given level of industry spending. The model quantifies, by sector, the number of jobs required at the prevailing market wages for a given amount of spending in that sector. It also quantifies the additional indirect and induced spending that will take place with related industries that support that sector.

The total economic contribution is the result of the following categories of impacts:

- direct;
- indirect and induced.

Direct impacts are defined as that spending that occurs directly with businesses at the port. The indirect economic impacts are the result of business-to-business purchases made by the businesses, such as:

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<sup>6</sup> See Appendix A and B for examples of surveys used for this study.

- machinery & equipment;
- raw materials;
- utility services;
- financial and insurance products.

The induced economic impacts are derived from the spending by employees of the directly and indirectly impacted firms, for household and consumer goods and services such as:

- groceries;
- furniture;
- housing;
- medical services.

In order to provide a meaningful economic characterization of the contribution that Port Canaveral provides to the regional and state economies, BREA collected direct expenditure data from cruise passengers, crew, and the businesses who operate on port property through a series of interviews and surveys. The second aspect of the study required conversion of this expense data to expenditures within a defined industry classification as described previously. This is done so that the expenses can be tracked in a model that estimates the economic demands of those expenses across the various industries that are affected.

All the various expenses by cruise lines; passengers; cargo businesses; port related suppliers and service providers; consumers of real estate tenant goods and services; consumers using CPA facilities; government agencies; and the CPA itself are converted to direct expenditures for each industry and then used as inputs in BREA's model. In return, the model estimates how many direct jobs, wages, and state and local taxes are supported, as well as how the additional demand in the relative industries contributed to the economy of Florida as a result of the direct contributions.

### *III. Business Line Analysis*

#### **i. Cruise Segment**

At the core of the analysis of the economic contribution for the cruise segment were a set of passenger and crew surveys that were conducted both onboard the cruise ships and in the terminals of the four key cruise lines, and surveys conducted with the major cruise lines that homeport at Port Canaveral. The analysis also utilized the spending and contribution of CPA and Victory Cruises for this segment. As highlighted in Tables ES-1 and ES-2 earlier, the cruise segment represents more than three-quarters of CPA's revenues, and two-thirds of the direct economic contribution to the local and state economy.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including accommodations, food & beverages, tours, clothing, etc.;
- visit satisfaction, as well as attributes related to the cruise terminal;
- likelihood of returning for a land-based vacation (passengers only);
- demographic characteristics.

Combining the expenditures of CPA and Victory Cruise data with the passenger and crew surveys, data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased

onboard the cruise ships, and other provisions purchased locally by the cruise lines, enabled BREAA to develop estimates of the total cruise tourism expenditures. It should be noted, where duplication of expenditures were reported by the cruise lines and the CPA, (e.g., line handling or dockage fees), BREAA only counted entries once. Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income, were then estimated for the region.

### **Cruise Tourism Expenditures**

Cruise tourism expenditures in Canaveral are composed of a broad range of spending including:

- onshore expenditures by passengers, which were concentrated in accommodations, food & beverages, retail purchases and attractions or tours in both the Cape Canaveral area and in Orlando;
- onshore expenditures by crew, which were generally concentrated in retail purchases; food and beverages; and local transportation;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities such as water and power; marine services like ship cleaning and maintenance; and navigation and towing services;
- purchases of supplies, such as food, fuel and others, by the cruise lines from regional suppliers;
- expenditures by CPA in support of cruise operations;
- spending by Victory Cruises and their passengers.

Based on data collected from the Canaveral Port Authority, 2.1 million cruise passengers embarked on multi-day cruises, 273,000 embarked aboard single-day cruises, and 355,000 arrived aboard port-of-call cruise ships during 2018. BREAA

estimated 302,200 transit passengers (85%) disembarked and visited the Port Canaveral area. Based on analysis of the ships calling on the port, BREAA estimates 863,700 crew were aboard the cruise ships and 38 percent, or 328,200 disembarked and visited the Port Canaveral area.

These passenger and crew visits, along with the expenditures by the cruise lines generated a total of \$1.30 billion in cruise tourism expenditures in Central Florida during 2018. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 800 multi-day passenger surveys. BREAA designed the survey sampling to approximate the known percentage of passengers by both cruise line and cruise length (3 or 4 day vs. 5 day+). In addition, BREAA weighted the final data set to more closely approximate the actual percentages.

On a per passenger basis, the average total expenditure by embarking passengers was \$227.21. This represents the sum of the per party expenditures, \$657.77, divided by the average size of the embarking cruise party in Port Canaveral, 2.9 passengers. The weighted average spend by passengers with an overnight stay in the area spent was significantly higher than those who arrived at the port the day of their cruise (\$362 vs \$73). Passengers taking a cruise of 5 or more days spent more than those taking a 3- or 4-day cruise (\$271 vs \$208). Port of call passengers spent an average of \$79.45 during their visit to the Cape Canaveral area.

A summary of spending by passenger type is listed in **Table 1** below.

**Table 1 - Spending by Multi-Day Cruise Passenger Type**

| Passenger Type   | Embarking     |                |          | Transit |
|------------------|---------------|----------------|----------|---------|
|                  | Day of Cruise | Overnight Stay | Combined |         |
| Share of Embarks | 47%           | 53%            | 100%     | N/A     |
| Number in Party  | 2.84          | 2.95           | 2.90     | 2.76    |
| Total Spend      | \$73.33       | \$362.28       | \$227.21 | \$79.45 |

Among all embarking multi-day cruise passengers, expenditures were concentrated in three categories which accounted for 58 percent of their onshore expenditures: accommodations, food & beverage, and retail purchases. Overall, 53 percent of the embarking survey respondents reported spending an overnight in the Canaveral area. Of those with an overnight stay, 92 percent stayed in paid accommodations, accounting for 49 percent of all passengers. On average, those with an overnight stay spent just over two nights (2.30) in area accommodations. Those parties who stayed in paid accommodations spent an average of \$377, or \$164 per night. This equates to about \$63 per person across all embarking cruise passengers. Spending on food and beverages averaged slightly more than \$35 per person when spread across all embarking passengers. Retail purchases, including clothing, watches and jewelry, and personal items averaged about \$34 per embarking passenger. Across all embarking passengers, spending on attractions and tours equates to about \$26 per passenger.

Additionally, about a third of embarking passengers reported flying into the region for their cruise, and spent an average of \$806 per party, or about \$280 per person on airfare. For the purpose of this analysis, 50 percent of the average airfare was used as an allocation to Central Florida. This results in a per passenger spend of about \$51 when averaged across all embarking passengers.

In all, when factoring in Victory cruise passengers, embarking passengers contributed approximately \$460.7 million in direct expenditures to the economy in Central Florida<sup>7</sup>.

Transit, or port of call passengers who went ashore spent an average of \$219.28 per party. When divided by the average party size (2.8), this equates to an average of \$79.45 per person who went ashore.

Transit spending was concentrated in two categories, tours & attractions, and ground transportation. Combined these two categories accounted for about 70 percent of transit spending.

Transit passengers contributed approximately \$24.0 million in direct expenditures to the economy in Central Florida.

Combined, the total passenger spending accounts for about 37 percent of the direct cruise industry spending in Central Florida and 25 percent of the direct spending across all business lines.

Crew spending estimates were derived from 366 on-board surveys completed by crew members. The average spending per crew member who went ashore was \$103.10.

Crew expenditures were concentrated in three categories which accounted for 83 percent of their onshore expenditures: food and beverages, retail purchases, and ground transportation. Combined, crew spent an average of \$85.59 for goods in these three categories.

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<sup>7</sup> The total spend by embarking passengers excludes over \$18.5 million in parking fees collected by CPA. This was withheld in order to avoid double counting.

The estimated 328,200 crew who visited Cape Canaveral in 2018 spent a total of \$33.8 million. Crew spending accounts for about 2.6 percent of the direct cruise industry spending in Central Florida.

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and provisions and other supplies. Based upon data provided by the cruise lines, we estimated that the cruise lines, including Victory Cruises, spent a total of \$735.1 million throughout Central Florida during the 2018 cruise year. Cruise line spending accounts for about 57 percent of the direct cruise industry spending related to Port Canaveral.

A summary of direct expenditures for the cruise industry segment is shown in **Table 2**.

**Table 2 -Direct Expenditures\* by Cruise Industry Segment**

|                        | <b>Direct Expenditures (Thousands)</b> |
|------------------------|--|
| <b>Passenger Total</b> | <b>\$ 484,699</b>                      |
| Embarking              | \$ 460,694                             |
| Port of Call           | \$ 24,005                              |
| <b>Crew</b>            | <b>\$ 33,839</b>                       |
| <b>Cruise Lines</b>    | <b>\$ 735,069</b>                      |
| <b>CPA</b>             | <b>\$ 41,947</b>                       |
| <b>Total - 2018</b>    | <b>\$ 1,295,554</b>                    |

\*Note - Total for embarking passengers includes spending for Victory passengers and excludes an amount for parking revenue received by CPA. Cruise lines total includes Victory Cruise expenditures



### Economic Contribution of Cruise Tourism Expenditures

As noted previously, a set of economic impact models were developed to produce estimates of the economic contribution of cruise tourism. The impact model was designed to reflect the economic structure of the region and the state, including the industrial composition of production, the wage share of production by industry and average employee wages by industry.

As shown in **Table 3**, the \$1.3 billion in total cruise tourism expenditures in Port Canaveral supported the direct employment of 12,964 residents of the region paying \$516.6 million in annual wages. The direct employment and wage impacts of cruise tourism are concentrated in the transportation, and administrative & support services sectors, which account for about 54 percent of the employment and 60 percent of wage impacts. The remainder of the direct employment and wage impacts was generated by the spending in the other sectors of the economy.

**Table 3 -Direct Economic Contribution by Sector - Cruise Segment**

| Sector                                 | Direct Expenditures (Thousands) | Direct Jobs (FTE) | Direct Wages (Thousands) |
|--|---------------------------------|-------------------|--------------------------|
| Transportation                         | \$ 504,682                      | 4,631             | \$ 234,344               |
| Administrative & Support Svcs.         | \$ 172,152                      | 2,423             | \$ 77,895                |
| Wholesale Trade                        | \$ 135,318                      | 650               | \$ 43,319                |
| Accommodations                         | \$ 132,090                      | 1,080             | \$ 37,726                |
| Retail Trade                           | \$ 101,536                      | 1,290             | \$ 36,067                |
| Food & Beverage Services               | \$ 82,293                       | 1,280             | \$ 28,081                |
| Amusements, Recreation, Arts & Ent.    | \$ 81,615                       | 1,030             | \$ 25,578                |
| Professional, Scientific & Tech. Svcs. | \$ 41,176                       | 333               | \$ 21,083                |
| Construction                           | \$ 22,595                       | 163               | \$ 8,493                 |
| Manufacturing                          | \$ 22,097                       | 85                | \$ 3,993                 |
| <b>Total - 2018</b>                    | <b>\$ 1,295,554</b>             | <b>12,964</b>     | <b>\$ 516,581</b>        |

When combined with the indirect and induced contribution that results from the spending of directly affected local businesses and employees, cruise tourism expenditures generated a total employment contribution of 23,745 jobs and \$910.5 million in wage income throughout Florida during 2018. The financial & business services, and transportation sectors contribute 55 percent of the total employment, and 58 percent of the total wage impacts (See Table 4).

**Table 4 -Total Economic Contribution by Sector - Cruise Segment**

| <b>Sector</b>                       | <b>Total Expenditures (Thousands)</b> | <b>Total Jobs (FTE)</b> | <b>Total Wages (Thousands)</b> |
|-------------------------------------|---------------------------------------|-------------------------|--------------------------------|
| Financial & Business Services       | \$ 855,493                            | 7,609                   | \$ 269,392                     |
| Transportation                      | \$ 590,117                            | 5,389                   | \$ 262,958                     |
| Personal & Other Services           | \$ 544,217                            | 6,461                   | \$ 200,581                     |
| Wholesale & Retail Trade            | \$ 409,975                            | 3,513                   | \$ 136,505                     |
| Manufacturing                       | \$ 111,730                            | 411                     | \$ 22,356                      |
| Agric., Mining, Utilities & Constr. | \$ 75,840                             | 362                     | \$ 18,659                      |
| <b>Total - 2018</b>                 | <b>\$ 2,587,372</b>                   | <b>23,745</b>           | <b>\$ 910,451</b>              |

In total, the Cruise segment was responsible for the payment of \$74.2 million in state and local taxes.

### **Passenger and Crew Satisfaction**

The embarking passenger survey also asked multi-day cruise passengers to rate their satisfaction of several attributes regarding their cruise terminal. A 10-point scale was used, with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied. As shown in Table 5, passengers were ‘extremely satisfied’ with all attributes other than the availability of food & beverages, which fell into the lower end of the ‘very satisfied’ category. Customer service had the highest rating with a mean of 9.50. Cleanliness of the terminal was second with a rating of 9.42. The availability of food and beverages scored the lowest, with a mean rating of 7.10. The “Top 2” category in the tables

below represent the percent who rated the attribute a 9 or 10. Conversely, the “Bottom 2” represent the percent rating the attribute a 1 or 2.

In addition, two questions were asked about the general area; how the visit to the Cape Canaveral area met their prior expectations, and the likelihood of returning to the Cape Canaveral area for a land-based vacation. Passengers indicated the visit ‘exceeded’ their expectations (Mean=8.88) and were ‘very likely’ to return to the area (Mean=8.26).

**Table 5 – Passenger Visit Satisfaction\***

| Attribute                                       | Mean | Top 2 | Bottom 2 |
|---|------|-------|----------|
| Customer Service                                | 9.50 | 91%   | 1%       |
| Cleanliness of Terminal                         | 9.42 | 90%   | 2%       |
| Security Screening Process                      | 9.41 | 90%   | 2%       |
| Passenger Check-In                              | 9.38 | 88%   | 1%       |
| Baggage Handling in the Terminal                | 9.35 | 87%   | 2%       |
| Overall Terminal Experience                     | 9.31 | 88%   | 2%       |
| Directional Signage                             | 9.29 | 82%   | 1%       |
| Ambiance of Terminal                            | 9.26 | 84%   | 2%       |
| Disembark Process                               | 9.03 | 84%   | 5%       |
| Availability of Food & Beverage                 | 7.10 | 52%   | 19%      |
| Visit Met Expectations                          | 8.88 | 72%   | 1%       |
| Likelihood of Returning for Land-Based Vacation | 8.26 | 62%   | 6%       |

\* Scale is 1 to 10 with 10 being the highest score.

The mean scores can be interpreted as follows: Extremely Satisfied: 10-9.0; Very Satisfied: 8.9-7.0; Somewhat Satisfied: 6.9-5.0; Not Too Satisfied: 4.9-3.0; Not at All Satisfied: 2.9-1.0.

Crew were asked to rate a smaller set of satisfaction attributes than were the passengers. Crew scores are significantly below those of the passengers across all measures. Crew were ‘very satisfied’ with 4 of the 6 attributes, with ease of getting around the area (6.59) and availability of food and beverage (6.38) scoring in the ‘somewhat satisfied’ range. Cleanliness of the terminal (8.20) and directional signage (7.63) were the two highest rated attributes by crew (See Table 6).

**Table 6 – Crew Visit Satisfaction\***

| <b>Attribute</b>                | <b>Mean</b> | <b>Top 2</b> | <b>Bottom 2</b> |
|---------------------------------|-------------|--------------|-----------------|
| Cleanliness of Terminal         | 8.20        | 48%          | 1%              |
| Directional Signage             | 7.63        | 39%          | 2%              |
| Ambiance of Terminal            | 7.50        | 36%          | 4%              |
| Overall Terminal Experience     | 7.25        | 31%          | 5%              |
| Ease in Getting Around the Area | 6.59        | 28%          | 11%             |
| Availability of Food & Beverage | 6.38        | 28%          | 14%             |

\* Scale is 1 to 10 with 10 being the highest score.

The mean scores can be interpreted as follows: Extremely Satisfied: 10-9.0; Very Satisfied: 8.9-7.0; Somewhat Satisfied: 6.9-5.0; Not Too Satisfied: 4.9-3.0; Not at All Satisfied: 2.9-1.0.

## ii. Cargo Segment

The impacts for the cargo segment are a result of the movement, warehousing and distribution/transportation of the 6.4 million tons of commodities and the requisite local operations and capital expenditures at Port Canaveral.

At the core of the analysis of the economic contribution for the cargo business line were telephone and online surveys conducted with those firms that conduct their cargo-related business on port property or in support of the cargo moving, storage and distribution activities at the port; and economic data from the U.S. Census Bureau and the Bureau of Economic Analysis (BEA). Often, businesses supporting the cargo industry also provide service to the cruise industry (e.g., pilotage, towing or stevedoring). BREA implemented measures to ensure no double counting of these expenditures occurred. The analyses also utilized the appropriate spending and contribution of the CPA for the cargo segment.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for Central Florida. As with the other segments, the process began with the collection of economic data for the regional area and state, as previously described. Utilizing these data, a set of economic impact models were developed to estimate the direct and total employment and wage impacts specific to the Cargo business line.

Cargo business spending accounts for about 21 percent of all direct spending related to Port Canaveral.

### **Economic Contribution of Cargo Expenditures**

As noted previously, a set of economic impact models were developed to produce estimates of the economic contribution for the cargo segment. The impact model was designed to reflect the economic structure of the region and the state,

including the industrial composition of production, the wage share of production by industry and average employee wages by industry.

As seen in **Table 7** below, total cargo tonnage has experienced notable growth since 2009. There was a total of 6.4 million tons of cargo moved through Port Canaveral in 2018 compared to 2.6 million tons in 2009, growth of 144 percent. The total tonnage moved through Port Canaveral is up about 17 percent from 2016 and 7 percent from 2017. As mentioned in the executive summary, the top four commodities accounted for 87 percent of the tonnage in 2018.

**Table 7 - Commodity Tonnage, 2009 - 2018**

| <b>Commodity</b>      | <b>2009</b>      | <b>...</b> | <b>2016</b>      | <b>2017</b>      | <b>2018</b>      |
|-----------------------|------------------|------------|------------------|------------------|------------------|
| Petroleum             | 990,594          | ...        | 3,845,853        | 3,957,363        | 3,982,524        |
| Slag/Sand             | 137,169          | ...        | 595,697          | 650,249          | 609,107          |
| Granite/Rock          | 292,004          | ...        | 318,261          | 404,229          | 496,774          |
| Limestone/Aggregate   | 643,560          | ...        | 315,564          | 344,751          | 467,564          |
| Salt                  | 210,900          | ...        | 220,329          | 277,976          | 332,180          |
| Lumber                | 30,733           | ...        | 29,410           | 111,185          | 211,911          |
| All Others            | 321,835          | ...        | 171,914          | 245,010          | 317,066          |
| <b>Total</b>          | <b>2,626,795</b> | <b>...</b> | <b>5,497,028</b> | <b>5,990,763</b> | <b>6,417,126</b> |
| <b>Share of Total</b> |                  |            |                  |                  |                  |
| Petroleum             | 38%              | ...        | 70%              | 66%              | 62%              |
| Slag/Sand             | 5%               | ...        | 11%              | 11%              | 9%               |
| Granite/Rock          | 11%              | ...        | 6%               | 7%               | 8%               |
| Limestone/Aggregate   | 24%              | ...        | 6%               | 6%               | 7%               |
| Salt                  | 8%               | ...        | 4%               | 5%               | 5%               |
| Lumber                | 1%               | ...        | 1%               | 2%               | 3%               |
| All Others            | 12%              | ...        | 3%               | 4%               | 5%               |
|                       | 100%             | ...        | 100%             | 100%             | 100%             |

The majority (62%) of cargo tonnage at Port Canaveral is due to petroleum. However, petroleum products require a relatively small amount of labor to carry out the functions of storage and distribution; therefore, petroleum has a much smaller

set of expected employment and wage impacts than commodities like break bulk, containerized goods, and even other bulk commodities. This will

factor into the overall economic impact of cargo activities attributed to a port and illustrates how the commodity mix seen in different ports can affect their contribution to a regional economy.

U.S. Census and BEA data were used to establish cargo values and the associated margins, or costs, in bringing those goods to market in 2018. These values provide the basis for which the associated direct expenditures are derived. Using survey data from firms that conduct their business directly in, or in support of cargo operations, a set of expenditures by industry were estimated to account for these costs. Fifty-nine percent of the expenditures associated with the cargo segment are concentrated in the wholesale sector. Nearly a third (31%) of the expenditures are within the transportation industry. This is due to the high level of activities associated with moving and storing cargo and the ancillary services that assist with those activities including the distribution of commodities out of the port via truck, pipeline or other means of transportation.

There are bulk commodities like salt and construction material that go through some production process at the port as a result of the import and export activity. These commodities contribute to expenditures in the manufacturing industry, and then to the transportation industry as they are distributed into the state or shipped out of the port to other locations.

Expenditures with various marine service providers such as pilotage and towing, stevedoring, vessel maintenance, marine construction, agents, freight forwarders,

crane operators, and many others that support cargo operations were also estimated using a combination of survey and economic data. Most of the

expenditures with these firms also contribute to the transportation sector as they support the water transportation sector, but some have been classified as construction and manufacturing. Finally, the portion of the CPA’s operating budget attributable to the cargo business line was used, and contributes jobs and expenditures for operations, administration and improvements to the port.

As shown in **Table 8**, \$412.9 million in direct expenditures within the cargo segment in Port Canaveral supported the direct employment of nearly 2,100 individuals paying \$116.3 million in annual wages. The direct employment and wage impacts of the cargo segment are concentrated in the wholesale and transportation sectors, as described previously. These two sectors account for about 86 percent of the direct employment and 87 percent of direct wage impacts. The construction and manufacturing sectors each support 5 or 6 percent of the direct employment and wage impacts generated by Port Canaveral’s cargo industry. The remaining impacts are distributed among administrative, support, professional, scientific and technical services. Most of these are due to the CPA’s contribution.

**Table 8 – Direct Economic Contribution by Sector - Cargo Segment**

| Sector                          | Direct Expenditures (Thousands) | Direct Jobs (FTE) | Direct Wages (Thousands) |
|---------------------------------|---------------------------------|-------------------|--------------------------|
| Wholesale Trade                 | \$ 245,629                      | 885               | \$ 59,348                |
| Transportation                  | \$ 128,371                      | 924               | \$ 41,991                |
| Construction                    | \$ 18,097                       | 130               | \$ 6,803                 |
| Manufacturing                   | \$ 17,864                       | 116               | \$ 6,184                 |
| Administrative & Support Svcs.  | \$ 2,138                        | 29                | \$ 1,386                 |
| Prof., Scientific & Tech. Svcs. | \$ 824                          | 8                 | \$ 632                   |
| <b>Total - 2018</b>             | <b>\$ 412,923</b>               | <b>2,092</b>      | <b>\$ 116,344</b>        |



When combined with the indirect and induced contribution, the cargo segment contributed a total impact of almost 4,700 jobs and \$228.8 million in wage income throughout Florida in 2018. The top two categories, wholesale & retail trade and financial & business services accounted for 62 percent of the total expenditures, 50 percent of the total employment, and 56 percent of the total wage impacts (See Table 9).

**Table 9 - Total Economic Contribution by Sector - Cargo Segment**

| Sector                              | Total Expenditures (Thousands) | Total Jobs (FTE) | Total Wages (Thousands) |
|-------------------------------------|--------------------------------|------------------|-------------------------|
| Wholesale & Retail Trade            | \$ 297,823                     | 1,321            | \$ 72,848               |
| Financial & Business Services       | \$ 196,978                     | 1,024            | \$ 55,626               |
| Transportation                      | \$ 161,856                     | 1,164            | \$ 52,830               |
| Personal & Other Services           | \$ 68,649                      | 789              | \$ 28,525               |
| Manufacturing                       | \$ 43,739                      | 164              | \$ 8,064                |
| Agric., Mining, Utilities & Constr. | \$ 34,969                      | 204              | \$ 10,941               |
| <b>Total - 2018</b>                 | <b>\$ 804,014</b>              | <b>4,666</b>     | <b>\$ 228,834</b>       |

In total, the Cargo segment was responsible for the payment of \$18.6 million in state and local taxes.

## **Final Demand Impacts**

There are businesses that are largely involved in the final sale or use of the commodities that flow through Port Canaveral, which are not typically included in the direct economic impact analysis. These include but are not limited to businesses such as retail trade establishments, construction companies, or establishments that require petroleum products. BREAA categorizes these businesses and impacts as "final demand impacts". These are independent of the economic impact analysis but are worth noting as they do utilize commodities that flow through the port.

Given these factors for the commodities moved through Port Canaveral, BREAA has estimated that the final demand impacts associated with the commodities would lead to the support of an additional 2,017 jobs paying about \$70.6 million in annual wages. These are independent of the economic contribution noted in Table 9 above and are not directly attributable to Port Canaveral.

### iii. Real Estate Segment

The impacts for the real estate line of business are a result of the demand for the goods and services produced by the various tenants and sub-tenants of the Canaveral Port Authority. Tenant and subtenant businesses operating on Port Canaveral property vary in size and type, ranging from one or two employees to hundreds of employees; and provide goods and services such as food & beverage, manufacturing, personal services, and professional and business services. The various marinas at Port Canaveral are also included in this section.

At the core of the analysis of the economic contribution for the real estate business line were online, in person, and telephone surveys conducted with the businesses located on port property, excluding those businesses and expenditures associated with the other business lines (e.g., cruise or cargo). The analysis also utilized the spending and contribution of CPA to the real estate segment.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for the Port Canaveral area. As with the other segments, the process began with the collection of economic data for the regional area and state, as previously described. Utilizing these data, BREA developed an economic impact model which estimated the direct and total employment and wage impacts specific to the real estate business line.

The spending with the real estate tenants and sub-tenants accounts for about 9 percent of all direct spending related to Port Canaveral.

A summary of direct expenditures by the real estate segment is shown below in **Table 10**.

#### **Economic Contribution of Real Estate Expenditures**

As noted previously, a set of economic impact models were developed to produce estimates of the economic contribution for the real estate segment. The impact

model was designed to reflect the economic structure of the region and the state, including the industrial composition of production, the wage share of production by industry and average employee wages by industry. As shown in **Table 10** below, the variety of goods and services offered by the tenant and subtenant businesses reach across a broad range of sectors.

The \$174.4 million in direct expenditures with the real estate tenants and subtenants in Port Canaveral supported the direct employment of 1,647 residents of Central Florida paying \$61.6 million in annual wages. The direct employment and wage impacts of the real estate segment are concentrated in the recreation, wholesale trade, and transportation sectors, which account for about 55 percent of the direct employment and 52 percent of direct wage impacts. The remainder of the direct employment and wage impacts was generated by spending in the remaining sectors.

**Table 10 -Direct Economic Contribution by Sector - Real Estate Segment**

| Sector                                 | Direct Expenditures (Thousands) | Direct Jobs (FTE) | Direct Wages (Thousands) |
|--|---------------------------------|-------------------|--------------------------|
| Recreation                             | \$ 37,864                       | 406               | \$ 12,299                |
| Wholesale Trade                        | \$ 29,075                       | 298               | \$ 9,306                 |
| Transportation                         | \$ 26,270                       | 195               | \$ 10,246                |
| Food & Beverage Service                | \$ 23,303                       | 273               | \$ 7,952                 |
| Personal & Other Svcs.                 | \$ 19,267                       | 92                | \$ 7,873                 |
| Accommodations                         | \$ 13,732                       | 112               | \$ 3,921                 |
| Professional, Scientific & Tech. Svcs. | \$ 10,451                       | 82                | \$ 5,074                 |
| Retail Trade                           | \$ 6,304                        | 133               | \$ 2,256                 |
| Manufacturing                          | \$ 4,470                        | 13                | \$ 802                   |
| Administrative & Support Svcs.         | \$ 1,774                        | 24                | \$ 1,156                 |
| Real Estate                            | \$ 1,535                        | 16                | \$ 570                   |
| Construction                           | \$ 386                          | 3                 | \$ 157                   |
| <b>Total - 2018</b>                    | <b>\$ 174,431</b>               | <b>1,647</b>      | <b>\$ 61,610</b>         |

When combined with the indirect and induced contribution that results from the spending of directly affected local businesses and their employees, there was a

total contribution of 3,134 jobs and \$116.2 million in wage income during 2018. The personal & other services, and financial & business services sectors accounted for 74 percent of the total employment, and 66 percent of the total wage impacts (See Table 11). These sectors consist primarily of businesses that support other business operations and provide goods and services to the household consumer.

**Table 11 -Total Economic Contribution by Sector - Real Estate Segment**

| <b>Sector</b>                             | <b>Total Expenditures (Thousands)</b> | <b>Total Jobs (FTE)</b> | <b>Total Wages (Thousands)</b> |
|---|---------------------------------------|-------------------------|--------------------------------|
| Personal & Other Svcs.                    | \$ 125,818                            | 1,566                   | \$ 47,339                      |
| Financial & Business Svcs.                | \$ 100,285                            | 755                     | \$ 29,479                      |
| Wholesale & Retail Trade                  | \$ 57,327                             | 415                     | \$ 18,899                      |
| Transportation                            | \$ 37,421                             | 293                     | \$ 14,668                      |
| Manufacturing                             | \$ 16,802                             | 61                      | \$ 3,505                       |
| Agric., Mining, Utilities, & Construction | \$ 8,598                              | 44                      | \$ 2,267                       |
| <b>Total - 2018</b>                       | <b>\$ 346,251</b>                     | <b>3,134</b>            | <b>\$ 116,156</b>              |

In total, the Real Estate segment was responsible for the payment of \$9.5 million in state and local taxes.

### **Marina Operations**

Included within the above figures are the impacts from the various marinas currently operating at Port Canaveral. Marinas were included in the Real Estate segment since they contribute to the land lease revenue of CPA and are not listed as a separate entity in CPA's accounting. However, if viewed as a separate line of business, Port Canaveral's marinas, collectively, contributed \$22.5 million in direct expenditures and 217 direct jobs. The total contribution for the marinas accounted for \$42.9 million in total expenditures, with 431 total jobs paying \$15.0 million in wages.

#### iv. Recreation Segment

The impacts for the recreation line of business were a result of consumer spending while visiting Port Canaveral's Jetty Park and beach, and Exploration Tower. To determine consumer spending at Jetty Park, BREAA conducted an online survey with individuals who had spent an overnight at Jetty Park in the prior 6 months. In all, there were 956 completed responses to the survey.

As with the real estate section, BREAA took every effort to avoid double counting spending estimates for food and beverage, as well as for park fees.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for the Central Florida area. As with the other segments, the process began with the collection of economic data for the regional area and state, as previously described. Utilizing these data, BREAA developed an economic impact model which estimated the direct and total employment and wage impacts specific to the real estate business line. This includes the CPA contribution.

The spending within the recreation business line accounts for less than 1 percent of the direct spending at Port Canaveral.

A summary of direct expenditures by the recreation segment is shown below in **Table 12**.

##### **Jetty Park Analysis**

Respondents who spent an overnight at Jetty Park indicated there were an average of 2.7 individuals in their party, and they spent an average of 5.09 nights. Seventy-five percent stayed in an RV, 18 percent in tents, and 8 percent in cabins. Including the cost of the camping fees, respondents indicated they spent a total of just under \$700 for the

duration of their stay. Ninety-three percent were from the U.S., 6 percent were from Canada and about 1% were from somewhere else.

The survey also asked about their visits to several area attractions. Forty-four percent visited Cocoa Beach, 25 percent visited the Kennedy Space Center, and 16 percent indicated they visited Exploration Tower.

As with other parts of this study, BREAA excluded those expenditures that were accounted for in other segments such as camping fees that were paid to CPA.

### **Economic Contribution of Recreation Expenditures**

Similar to each of the other business lines, BREAA developed a set of economic impact models designed to produce estimates of the economic contribution for this segment.

As shown in **Table 12**, the recreation segment generated about \$9.4 million in direct expenditures. These expenditures supported the direct employment of 128 residents of the region paying \$4.6 million in annual wages. The direct employment and wage impacts of the recreation segment are concentrated in the amusements & recreation, retail trade, and food & beverage sectors. These three sectors account for about 75 percent of the direct expenditures, 80 percent of the direct employment and 74 percent of direct wage impacts. These sectors include establishments like restaurants, recreational equipment rental locations, grocery, and other retail stores. The remainder of the direct employment and wage impacts was generated by the spending in the remaining sectors. The CPA's expenditures contributed approximately 43 percent of the direct expenditures in the recreation segment.

**Table 12 -Direct Economic Contribution by Sector - Recreation Segment**

| <b>Sector</b>                          | <b>Direct Expenditures (Thousands)</b> | <b>Direct Jobs (FTE)</b> | <b>Direct Wages (Thousands)</b> |
|--|--|--------------------------|---------------------------------|
| Amusements & Recreation                | \$ 3,304                               | 50                       | \$ 2,094                        |
| Retail Trade                           | \$ 1,998                               | 25                       | \$ 699                          |
| Food & Beverage Svcs.                  | \$ 1,744                               | 27                       | \$ 595                          |
| Construction                           | \$ 670                                 | 5                        | \$ 252                          |
| Administrative & Support Svcs.         | \$ 670                                 | 9                        | \$ 435                          |
| Wholesale Trade                        | \$ 29                                  | 0                        | \$ 9                            |
| Transportation                         | \$ 54                                  | 1                        | \$ 20                           |
| Other Svcs.                            | \$ 651                                 | 8                        | \$ 266                          |
| Professional, Scientific & Tech. Svcs. | \$ 258                                 | 3                        | \$ 198                          |
| <b>Total - 2018</b>                    | <b>\$ 9,378</b>                        | <b>128</b>               | <b>\$ 4,569</b>                 |

\*Note - Direct FTE jobs in wholesale trade were equal to less than .5

Adding the indirect and induced contribution to these direct expenditures results in a total employment contribution of 213 jobs and \$7.6 million in wage income supported by the operations of CPA's recreational facilities during 2018. The personal & other services, and financial & business services sectors contribute 70 percent of the total expenditures, 75 percent of total employment, and 75 percent of the total wage impacts for this segment (See Table 13).

**Table 13 -Total Economic Contribution by Sector - Recreation Segment**

| <b>Sector</b>                             | <b>Total Expenditures (Thousands)</b> | <b>Total Jobs (FTE)</b> | <b>Total Wages (Thousands)</b> |
|---|---------------------------------------|-------------------------|--------------------------------|
| Personal & Other Svcs.                    | \$ 7,696                              | 110                     | \$ 3,865                       |
| Financial & Business Svcs.                | \$ 5,798                              | 49                      | \$ 1,831                       |
| Wholesale & Retail Trade                  | \$ 3,407                              | 33                      | \$ 1,000                       |
| Manufacturing                             | \$ 792                                | 3                       | \$ 131                         |
| Transportation                            | \$ 450                                | 9                       | \$ 404                         |
| Agric., Mining, Utilities, & Construction | \$ 1,131                              | 9                       | \$ 320                         |
| <b>Total - 2018</b>                       | <b>\$ 19,274</b>                      | <b>213</b>              | <b>\$ 7,550</b>                |

In total, the Recreation segment was responsible for the payment of \$615,000 in state and local taxes.



## v. Government Segment

There are several government organizations that operate in Port Canaveral. Local agencies include the Brevard County Sheriff’s Department and Canaveral Fire Rescue, while federal agencies include divisions within the Department of Homeland Security, the U.S. Coast Guard, Military Sealift Command and the Naval Ordnance Test Unit. The local agencies cover more than just Port Canaveral; thus, their contributions represent a share of their total departments. The federal agencies have personnel that are dedicated to stations and units within the port.

At the core of the analysis of the economic contribution for the government segment were interviews and correspondence with representatives from each respective agency, except for the Department of Homeland Security.

Due to operational confidentiality concerns, as well as the varying scale and scope of each agency, the estimates of the economic contribution for these government agencies are reported in aggregate. Separately, part of the Canaveral Port Authority’s operating expenses were provided to the local municipalities in charge of funding police and fire protection. To avoid double counting, this amount was deducted from any contribution that would have been attributed to CPA.

**Table 14 – Direct Contributions – Government**

| Sector                | Direct Expenditures (Thousands) | Direct Jobs (FTE) | Direct Wages (Thousands) |
|-----------------------|---------------------------------|-------------------|--------------------------|
| Government Operations | \$ 49,568                       | 406               | \$ 30,293                |
| <b>Total - 2018</b>   | <b>\$ 49,568</b>                | <b>406</b>        | <b>\$ 30,293</b>         |

As can be seen above in **Table 14**, government operations are given their own industry. For the purpose of this study, expenditures for government agencies are limited to the operating costs of the agency and do not include capital expenditures. The \$30.3 million in wages paid to 406 local and federal government employees accounts for 61 percent of the direct expenditures. Employees of government agencies operating in Port Canaveral earned average estimated annual compensation of approximately \$74,600.

Because the direct expenditures are concentrated in the administration of the agency and in employee income, the indirect effects are concentrated in those industries that primarily support administrative work and household consumption. These would include financial and business services and retail and personal services for household consumption. As shown in **Table 15**, there was \$95.6 million in total expenditures due to government operations. These expenditures supported 893 jobs earning \$53.4 million in compensation.

**Table 15 - Total Contributions - Government**

| <b>Sector</b>                             | <b>Total Expenditures (Thousands)</b> | <b>Total Jobs (FTE)</b> | <b>Total Wages (Thousands)</b> |
|---|---------------------------------------|-------------------------|--------------------------------|
| Personal & Other Svcs.                    | \$ 62,967                             | 635                     | \$ 40,336                      |
| Financial & Business Svcs.                | \$ 13,691                             | 111                     | \$ 7,273                       |
| Wholesale & Retail Trade                  | \$ 8,477                              | 88                      | \$ 2,958                       |
| Agric., Mining, Utilities, & Construction | \$ 5,264                              | 31                      | \$ 1,528                       |
| Manufacturing                             | \$ 3,171                              | 13                      | \$ 615                         |
| <b>Transportation</b>                     | \$ 2,035                              | 15                      | \$ 655                         |
| <b>Total - 2018</b>                       | <b>\$ 95,604</b>                      | <b>893</b>              | <b>\$ 53,366</b>               |

Personal and other services accounted for 66 percent of the total expenditures. Government agencies are included in this sector, so its expenditures are included there. The \$63.0 million in total expenditures in personal & other services supported 229 jobs in addition to the 406 directly employed by the government agencies, resulting in the 635 total jobs.

Total salaries and benefits for these 635 jobs were \$40.3 million. Those industries in financial and business services benefitted from \$13.7 million in total expenditures, 14 percent of the total, supporting 111 jobs earning \$7.3 million in compensation. The remaining contributions were seen throughout the economy and totaled \$18.9 million, supporting 147 jobs paying \$5.8 million in compensation.

In total, the Government segment was responsible for the payment of \$4.3 million in state and local taxes.

# *Appendix*

## A. Passenger and Crew Surveys

**CONFIDENTIAL CRUISE PASSENGER SURVEY (EMBARK)**

The Canaveral Port Authority is conducting a survey of cruise passengers embarking on their cruise from Port Canaveral. The objective of this survey is to provide information to the port that will allow them to enhance visitors' experiences and quantify the contribution of cruise passengers to the local economy. **The survey should only take a few minutes to complete and your responses will be held in strict confidence.**

Please record the date of your cruise ship's sailing from Port Canaveral: Month (mm) \_\_\_\_\_ Day (dd) \_\_\_\_\_ (Numbers please)

On which cruise line are you traveling?  Carnival  Disney  Norwegian  Royal Caribbean  Other

Q1. Including yourself, how many people are staying in your cabin/stateroom?  1  2  3  4  5+

Q2. What is the length of your cruise?  1 or 2 Nights  3 or 4 Nights  5 or 6 Nights  7 or More Nights

Q3. Initially, how did you get from your home to the Port Canaveral area to take your cruise?  Car  Airplane  Other Public Transportation

Q4. What form of local transportation did you use to travel to the cruise ship terminal in Port Canaveral today? (Check all that apply)  
 Private Auto (Parked)  Private Auto (Drop Off)  Taxi/Uber/Lyft  Rental Car  
 Cruise Line Transfer  Hotel Shuttle  Other Public Transportation

Q5. Are you a resident of Brevard County?  Yes (If Yes, Go to Q15)  No

Q6. How many nights both prior to and following your cruise will you spend in the Cape Canaveral/Orlando area?

Pre-cruise stay:  0  1  2  3  4  5+ nights      Post-cruise stay:  0  1  2  3  4  5+ nights (If 0 for both, Go to Q8)

Q7. In what type of accommodations are you staying while in the Canaveral/Orlando area?

Hotel/motel  Air BNB  Campground  Other paid accommodations  With friends or relatives  Other arrangements

Q8. Including overnight accommodations, did you make any purchases in the Cape Canaveral/Orlando area prior to your cruise?

Yes  No (If No, Go to Q13 on back)

Q9. Did you purchase a sightseeing tour for the Cape Canaveral/Orlando area prior to your cruise?  Yes  No (If No, Go to Q11)

Q10. How did you purchase this tour?

Onboard the cruise ship  From the cruise line over the Internet  Onshore from a tour operator  
 From a tour operator over the Internet  From a travel agent  Other

Q11. In the space provided on the following page, please estimate the value of all purchases (in U.S. dollars) that **all persons in your cabin** made during your visit to the **Cape Canaveral/ Orlando area** prior to your cruise. (Enter whole dollars).

|   |          |  |          |
|---|----------|--|----------|
| Food and beverages at restaurants and bars:   | \$ _____ | Accommodations (if applicable):          | \$ _____ |
| Tickets & merchandise at Orlando Theme Parks/Kennedy Space Center/Other Attractions | \$ _____ | Taxis/Ground Transportation:             | \$ _____ |
| Sightseeing Tour (if applicable):   | \$ _____ | Entertainment Venues/Nightclubs/Casinos: | \$ _____ |
| Retail Purchases of Watches & Jewelry:  | \$ _____ | Parking at the Cruise Terminal:          | \$ _____ |
| Retail Purchases of Clothing (incl. T-shirts):                                      | \$ _____ | Airfare to the Area                      | \$ _____ |
| Cultural sites (Museums, Opera, etc.)   | \$ _____ | All Other Purchases:                     | \$ _____ |

Q12. How much in total did all persons **in your cabin** spend during your visit to the Cape Canaveral/Orlando area prior to your cruise?

\$ \_\_\_\_\_ (\$USD Whole dollars only)

**(PLEASE GO TO Q13 ON BACK)**

Q13. Please record the value of your anticipated purchases that **all persons in your cabin** are likely to make in the Cape Canaveral/ Orlando area immediately following your cruise. (Whole \$USD).

|   |          |                                 |          |
|---|----------|---------------------------------|----------|
| Food and beverages at restaurants and bars:   | \$ _____ | Accommodations (if applicable): | \$ _____ |
| Tickets & merchandise at Orlando Theme Parks/Kennedy Space Center/Other Attractions | \$ _____ | All Other Purchases:            | \$ _____ |

Q14. How much in total do you anticipate all persons **in your cabin** will spend during your visit to the Cape Canaveral/Orlando area following your cruise?  
\$ \_\_\_\_\_ (Whole \$USD)

Q15. On a scale of 1 to 10, how would you rate the following services and facilities at the Port Canaveral cruise ship terminal?  
(Extremely satisfied = 10 ..... 1 = Not at all satisfied)

|                                  |                             |                            |                            |                            |                            |                            |                            |                            |                            |                            |   |
|----------------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|---|
| Passenger Check-In:              | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Baggage Handling in Terminal:    | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Security Screening Process:      | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Directional Signage:             | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Ambiance of the Terminal:        | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Customer Service:                | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Cleanliness:                     | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Availability of Food & Beverage: | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Disembark Process After Cruise:  |                             |                            |                            |                            |                            |                            |                            |                            |                            |                            |   |
| (If Applicable)                  | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Overall Terminal Experience:     | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |

Q16. Overall, and on a scale of 1 to 10, how did your visit to the Cape Canaveral area meet your prior expectations?  
Greatly Exceeded  10  9  8  7  6  5  4  3  2  1 Fell far short

Q17. Based upon your experience today, on a scale of 1 to 10 how likely are you to return to the Cape Canaveral area for a land-based or resort vacation within the next three years?  
Extremely likely  10  9  8  7  6  5  4  3  2  1 Not at all likely

The following are to better understand demographic characteristics of Port Canaveral cruise passengers.

Q18. How many persons **in your cabin** are in each age group? (Leave Blank if "0")  
**Under 15:**  1  2  3  4  5    **15 to 24:**  1  2  3  4  5    **25 to 44:**  1  2  3  4  5  
**45 to 64:**  1  2  3  4  5    **65+:**  1  2  3  4  5

Q19. Where is your permanent place of residence?  US  Canada  UK  Germany  Other \_\_\_\_\_ (specify)  
If the US/ or Canada, which state or province? \_\_\_\_\_ (please use 2 letter abbreviation)

Q20. And finally, for analysis purposes only, approximately what is your annual gross (pre-tax) household income (in U.S. dollars)?

|   |   |   |
|---|---|---|
| <input type="checkbox"/> Under \$50,000         | <input type="checkbox"/> \$50,000 to \$74,999   | <input type="checkbox"/> \$75,000 to \$99,999 |
| <input type="checkbox"/> \$100,000 to \$149,999 | <input type="checkbox"/> \$150,000 to \$199,999 | <input type="checkbox"/> \$200,000 or more    |

Thank you very much for taking time to assist us and enjoy the remainder of your cruise.

**CONFIDENTIAL CRUISE PASSENGER SURVEY (PoC)**

The Canaveral Port Authority is conducting a survey of its cruise passengers. The objective of this survey is to provide information to the port that will allow them to enhance visitors' experiences and quantify the contribution of cruise passengers to the area's economy. **The survey should only take a few minutes to complete and your responses will be held in strict confidence.**

Please record the date of your cruise ship's call at Port Canaveral: Day(dd)\_\_\_\_ Month(mm)\_\_\_\_ Year (yy)\_\_\_\_ (Numbers please)

Q1. Please check the name of the cruise line you are sailing with:

- Disney    Holland America    Norwegian    Royal Caribbean    Other

Q2. Including yourself, how many people are staying in **your cabin/stateroom?**    1    2    3    4    5+

Q3. How many hours did you spend ashore during your cruise call at Cape Canaveral today?

- 0    1    2    3    4    5    6    7    8    9    10    11    12+ (If 0, Go to Q17 on back)

Q4. Did you purchase any **tours or transfers** to any of the following attractions in the Cape Canaveral/Orlando area? (Check all that Apply)

- Kennedy Space Center    Orlando Theme Park (Disney, Universal, etc.)    Beach (i.e., Cocoa Beach)  
 Gator Land    Helicopter Tour    Shopping Tour    Dining Tour    Daytona Speedway    Orlando Eye    Other

Q5. How did you purchase this/these tour(s)?

- Onboard the cruise ship    From the cruise line over the Internet    Onshore from a tour operator  
 From a tour operator over the Internet    From a travel agent    Other

Q8. In total, how much did all persons in your cabin spend for this/these tour(s) or transfers? \$ \_\_\_\_\_ (Whole \$USD)

Q9. Did you make any purchases (excluding the tours or transfers above) during your visit in the Cape Canaveral/Orlando area today?

- Yes    No (If No, Go to Q12 on back)

Q10. In the space provided, please record the value of all purchases that **all persons in your cabin** made during your **on-shore visit** to the Cape Canaveral/Orlando area today. \* **Do not include the cost of tours, or goods and services that were purchased onboard the cruise ship. (Whole \$USD).**

|  |          |   |          |
|--|----------|---|----------|
| Food and Beverages at Restaurants and Bars:                                | \$ _____ | Tickets or merchandise at Theme Parks/Kennedy Space Center/etc. | \$ _____ |
| Taxis/Ground Transportation:<br>(Do not include cost of sightseeing tours) | \$ _____ | Local Crafts and Souvenirs:                                     | \$ _____ |
| Retail Purchases of Watches & Jewelry:                                     | \$ _____ | Retail Purchases of Electronics:                                | \$ _____ |
| Retail Purchases of Clothing (incl. T-shirts):                             | \$ _____ | Other Retail Purchases  | \$ _____ |
| Entertainment Venues/Nightclubs/Casinos:                                   | \$ _____ | Any Other Purchases:  | \$ _____ |
| Cultural sites (Museums, Opera, etc.)                                      | \$ _____ |   |          |

Q11. How much in total (excluding the tours or transfers in Q4 above) did all persons in your cabin spend in the Cape Canaveral/Orlando area today?  
 \$ \_\_\_\_\_ (Whole \$USD)

**(PLEASE GO TO Q 12 ON BACK)**



Q12. On a scale of 1 to 10, how satisfied were you with each of the following in the Cape Canaveral area?

(Extremely satisfied = 10 ..... 1 = Not at all satisfied)

|   |                             |                            |                            |                            |                            |                            |                            |                            |                            |                            |   |
|---|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|---|
| <b>Initial Shoreside Welcome</b>        | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Sightseeing Tour</b>                 | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Variety of Things to See and Do</b>  | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Overall Shopping Experience</b>      | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Taxis/Local Transportation</b>       | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| Ease in finding transportation          | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Directional Signage in Terminal</b>  | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Ambiance of Terminal</b>             | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Cleanliness of Terminal</b>          | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Disembark Process</b>                | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |
| <b>Overall Visit in Port Canaveral:</b> | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 | <input type="checkbox"/> 0 Not applicable |

Q13. Overall, and on a scale of 1 to 10, how did your visit to the Cape Canaveral area meet your prior expectations?

Greatly Exceeded  10  9  8  7  6  5  4  3  2  1 Fell far short

Q14. Based upon your experience today, on a scale of 1 to 10 how likely are you to return to the Cape Canaveral area for a land-based or resort vacation within the next three years?

Extremely likely  10  9  8  7  6  5  4  3  2  1 Not at all likely

Q15. Based upon your experience today, on a scale of 1 to 10 how likely are you recommend a land-based or resort vacation in the Cape Canaveral area to family and friends?

Extremely likely  10  9  8  7  6  5  4  3  2  1 Not at all likely

**The following are to better understand demographic characteristics of cruise passenger visitors at Port Canaveral.**

Q16. How many **persons in your cabin** are: Male:  0  1  2  3  4  5 Female:  0  1  2  3  4  5

Q17. How many persons in your cabin are in each age group? (Leave Blank if "0")

**Under 15:**  1  2  3  4  5+    **15 to 24:**  1  2  3  4  5+    **25 to 44:**  1  2  3  4  5+  
**45 to 64:**  1  2  3  4  5+    **65+:**  1  2  3  4  5+

Q18. Where is your permanent place of residence?  US  Canada  UK  Germany  Australia  France  Other \_\_\_\_\_ (specify)

If the US/Canada, which state/province? \_\_\_\_ \_\_\_\_ (please use 2 letter abbreviation)

Q19. Approximately, what is your annual gross (pre-tax) household income (in U.S. dollars)? (Income is only used for demographic analysis)

|   |   |   |
|---|---|---|
| <input type="checkbox"/> Under \$50,000         | <input type="checkbox"/> \$50,000 to \$74,999   | <input type="checkbox"/> \$75,000 to \$99,999 |
| <input type="checkbox"/> \$100,000 to \$149,999 | <input type="checkbox"/> \$150,000 to \$199,999 | <input type="checkbox"/> \$200,000 or more    |

**Please return the completed survey to the Guest Services Desk or give it to your Stateroom Steward.**

**Thank you very much for taking time to assist us and enjoy the remainder of your cruise.**

**CONFIDENTIAL CREW SURVEY**

The Canaveral Port Authority is conducting a survey of crew members who have visited the Port Canaveral area so that the port can enhance visitors' experiences and quantify cruise passengers' and crew's impact on the area's economy. **The survey will only take a few minutes to complete, and your responses are confidential.**

Please record the date of your cruise ship's call at Port Canaveral: Month (mm)\_\_\_\_\_ Day (dd)\_\_\_\_\_

For which cruise line do you work?  Carnival  Disney  Norwegian Cruise Line  Royal Caribbean  Other

Q1. Did you leave the ship to visit the Cape Canaveral/Orlando area today?  Yes (If yes, go to Q3)  No

Q2. Did you leave the ship and visit the Cape Canaveral/Orlando area on any cruise calls in the past month?  
 Yes  No (If No to Q1 AND Q2, go to Q7)

Q3. How many hours did you spend ashore during your visit today or during your most recent visit?  
 1  2  3  4  5  6  7  8  9  10+

Q4. How much did you spend in total in the Cape Canaveral/Orlando area during your most recent visit?  
 \$ \_\_\_\_\_ (Whole \$USD only)

Q5. Please record the value of all purchases (\$USD) that you made during your most recent on-shore visit to the Cape Canaveral/Orlando area. **\*Do not include the cost of tours or goods and services that were purchased onboard the cruise ship. (Enter whole dollars).**

|  |          |  |          |
|--|----------|--|----------|
| Food and beverages at bars and restaurants:        | \$ _____ | Orlando Theme Parks:   | \$ _____ |
| Taxis/local transportation:                        | \$ _____ | Tours purchased <b>on shore</b> :                              | \$ _____ |
| Retail purchases of watches and jewelry:           | \$ _____ | Museums and galleries:   | \$ _____ |
| Retail purchases of clothing (including T-shirts): | \$ _____ | Retail purchases of electronics:                               | \$ _____ |
| Entertainment venues/nightclubs/casinos:           | \$ _____ | Telephone, internet or postage:                                | \$ _____ |
| Kennedy Space Center:                              | \$ _____ | Retail purchases of personal hygiene products/cabin essentials | \$ _____ |
| All other purchases: \$ _____                      |          |  |          |

Q6. On a scale of 1 to 10, how would you rate the following services and facilities at the Port Canaveral cruise ship terminal?

(Extremely satisfied = 10 ..... 1 = Not at all satisfied)

|                                  |                             |                            |                            |                            |                            |                            |                            |                            |                            |                            |
|----------------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Directional Signage:             | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 |
| Ambiance of the Terminal:        | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 |
| Cleanliness:                     | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 |
| Availability of Food & Beverage: | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 |
| Ease in Getting Around Area      | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 |
| Overall Terminal Experience:     | <input type="checkbox"/> 10 | <input type="checkbox"/> 9 | <input type="checkbox"/> 8 | <input type="checkbox"/> 7 | <input type="checkbox"/> 6 | <input type="checkbox"/> 5 | <input type="checkbox"/> 4 | <input type="checkbox"/> 3 | <input type="checkbox"/> 2 | <input type="checkbox"/> 1 |

**The following are to better understand demographic characteristics of crew visitors at Port Canaveral.**

Q7. What is your gender?  Male  Female

Q8. In which age group do you fall?  Under 20  21 to 30  31 to 50  51 to 65  Over 65

**Thank you for your time and assistance.  
 Please write any comments about your onshore experience on the back of the survey.**

## B. Jetty Park Survey

### CONFIDENTIAL JETTY PARK VISITOR SURVEY

The Canaveral Port Authority is conducting a survey of its Jetty Park visitors. The objective of this survey is to provide information to the port that will allow them to enhance visitors' experiences and quantify the contribution of visitors to the area's economy. **The survey should only take a few minutes to complete and your responses will be held in strict confidence.**

Q1. During which month did you visit Jetty Park? (Drop Down List)

Q2. In which of the following did you spend an overnight in Jetty Park?

- RV
- Cabin
- Tent
- No overnight spent (Skip to Q4)

Q3. How many nights did you spend in Jetty Park? \_\_\_\_\_

Q4. Including yourself, how many people were in your immediate party (e.g., RV/Cabin/Tent)?  1  2  3  4  5+

Q5. While at Jetty Park did you visit...?)

- Kennedy Space Center
- Exploration Tower
- Cocoa Beach/Village
- Orlando-area Theme Parks

Q6. In total, how much did all persons in your party spend for this/these attractions? \$ \_\_\_\_\_ (Whole \$USD)

Q7. In the space provided, please estimate the value of all purchases that **all persons** in your party made during your visit to Jetty Park and the Cape Canaveral area.

|  |          |                                  |          |
|--|----------|----------------------------------|----------|
| Camping fees in Jetty Park                     | \$ _____ | Retail purchase of supplies/food | \$ _____ |
| Food and Beverages at Restaurants and Bars:    | \$ _____ | Local Crafts and Souvenirs:      | \$ _____ |
| Taxis/Ground Transportation:                   | \$ _____ | Retail Purchases of Electronics: | \$ _____ |
| Retail Purchases of Clothing (incl. T-shirts): | \$ _____ | Other Retail Purchases           | \$ _____ |
| Fishing/Boating Activities:                    | \$ _____ | Any Other Purchases:             | \$ _____ |

Q8. How much in total did all persons in your party spend during your visit to Jetty Park and the Cape Canaveral area?

\$ \_\_\_\_\_ (Whole \$USD)

**The following are to better understand demographic characteristics of visitors at Port Canaveral's Jetty Park.**

Q9. How many **persons in your party** are: Male:  0  1  2  3  4  5 Female:  0  1  2  3  4  5

Q10. Where is your permanent place of residence?  US  Canada  Other

If the US/Canada, which state/province? \_\_\_\_\_ (please use 2 letter abbreviation)

Q11. Approximately, what is your annual gross (pre-tax) household income (in U.S. dollars)? (Income is only used for demographic analysis)

|   |   |   |
|---|---|---|
| <input type="checkbox"/> Under \$50,000         | <input type="checkbox"/> \$50,000 to \$74,999   | <input type="checkbox"/> \$75,000 to \$99,999 |
| <input type="checkbox"/> \$100,000 to \$149,999 | <input type="checkbox"/> \$150,000 to \$199,999 | <input type="checkbox"/> \$200,000 or more    |

## C. Canaveral Port Authority's Operational Expenses

The basis for the Canaveral Port Authority's contribution to the regional and state economies is built on identifiable cash outlays that paid for activities which supported port operations and administration, or capital improvements that had an actual impact on the economy. These expenditures were identified from the operating expenses and capital improvement projects outlined in the Combined Annual Financial Report for fiscal year 2018.

The allocation of CPA's operational, administrative and capital expenditures were distributed across CPA's five business lines in the following manner. In cases where CPA's line item expenditures made it clear they were made on behalf of a specific business line, the entire amount was allocated to that business line. Where no direct mention of business line was made, BREAA used the percent of revenue share of each business line for allocating how these operational, administrative and capital expenditures were distributed across each business line.

**Table AC-1** shows total expenses before the allocation across each business line. It is important to remove expenses that do not get injected into local port activities as these do not drive any economic impact. The table shows the exclusion of those values which are assumed to either have no economic impact or are accounted for elsewhere.

**Table AC-1 - Accounting of Operating Expenses to Reach Effective Economic Impact Values**

|  | Jobs         | Salaries/<br>Benefits | Non-Wage<br>Expenses | Total<br>Expenditures |
|--|--------------|-----------------------|----------------------|-----------------------|
| Operating Expenses and Employment              | 233.5        | \$18,590,374          | \$70,362,507         | \$88,952,881          |
| Non-Operating Expenses                         | --           | --                    | \$11,096,858         | \$11,096,858          |
| <b>Totals</b>                                  | <b>233.5</b> | <b>\$18,590,374</b>   | <b>\$81,459,365</b>  | <b>\$100,049,739</b>  |
| Less:  |              |                       |                      |                       |
| Depreciation <sup>1</sup>                      |              |                       | \$43,139,638         | \$ 43,139,638         |
| Amortization <sup>1</sup>                      |              |                       | \$ 481,862           | \$ 481,862            |
| Police Protection <sup>2</sup>                 |              |                       | \$ 6,275,308         | \$ 6,275,308          |
| Fire Protection <sup>2</sup>                   |              |                       | \$ 2,277,483         | \$ 2,277,483          |
| Hurricane Repairs <sup>3</sup>                 |              |                       | \$ 533,770           | \$ 533,770            |
| Balance of Non-Operating Expenses <sup>1</sup> |              |                       | \$10,563,088         | \$ 10,563,088         |
| <b>Total Effective Values Used for Impact</b>  | <b>233.5</b> | <b>\$18,590,374</b>   | <b>\$18,188,216</b>  | <b>\$ 36,778,590</b>  |

<sup>1</sup> Not included as direct expenditures towards economic contribution

<sup>2</sup> Removed to avoid double counting in government segment

<sup>3</sup> To be included in capital expenditures

Table AC-2 shows total capital improvements. As in the previous table, the line items show those expenditures which were removed as non-impact items.

**Table AC-2 - Accounting of Capital Expenses to Reach Effective Economic Impact Values**

|   |                      |
|---|----------------------|
| Capital Expenditures in Current Year Total    | \$ 36,982,800        |
| Accounting Adjustment for Unaudited Items     | \$ 642,484           |
| Hurricane Repairs                             | \$ 533,770           |
| <b>Total Capital Expenditures</b>             | <b>\$ 38,159,054</b> |
| Less:   |                      |
| Accounting Adjustment                         | \$ 642,484           |
| Imported Crane, No Regional Impact            | \$ 2,759,581         |
| <b>Total Effective Values Used for Impact</b> | <b>\$ 35,399,473</b> |

Thus, the total expenditures used for the CPA contribution to the regional and state economies are the sum of the effective totals from operating and capital expenses. This amounted to \$72,178,063. The allocation across business lines is shown in the Executive Summary.