

Torres Rojas, Genara

FOI#12289

From: lbs4@columbia.edu
Sent: Thursday, April 21, 2011 10:27 AM
To: Van Duyne, Sheree
Cc: Torres Rojas, Genara; Duffy, Daniel
Subject: Freedom of Information Online Request Form

Information:

First Name: Lynne
Last Name: Sagalyn
Company: Columbia University
Mailing Address 1: 3022 Broadway
Mailing Address 2: 816 Uris
City: New York
State: NY
Zip Code: 10027
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Phone: 212.854.3380
Required copies of the records: Yes

List of specific record(s):

I would like a copy of the following report listed on the PA website: The Economic Impact of World Trade Center Redevelopment, March 2009 Estimates the direct and indirect jobs, wages and total economic activity that will be generated by the construction and development of the World Trade Center. Thank you very much.
LS

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

April 22, 2011

Ms. Lynne Sagalyn
Columbia University
3022 Broadway, 816 Uris
New York, NY 10027

Re: Freedom of Information Reference No. 12289

Dear Ms. Sagalyn:

This is a response to your April 21, 2011 request, which has been processed under the Port Authority's Freedom of Information Policy (the "Policy," copy enclosed) for a copy of the Economic Impact of World Trade Center Redevelopment, March 2009 Estimates the direct and indirect jobs, wages and total economic activity that will be generated by the construction and development of the World Trade Center.

Material responsive to your request and available under the Policy, which consists of 7 pages, is enclosed, for a \$1.75 photocopying charge for this material (25¢ per page). Payment should be made in cash, certified check or money order payable to "The Port Authority of New York & New Jersey" and should be sent to my attention at 225 Park Avenue South, 17th Floor, New York, NY 10003.

Please refer to the above FOI Reference number in any future correspondence relating to your request.

Sincerely,



Daniel D. Duffy
FOI Administrator

Enclosure

225 Park Avenue South, 17th Floor
New York, NY 10003
T: 212 435 2542 F: 212 435 7555

Economic Activity:	Prior to											Total
	2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Direct Spending (in million of nominal \$):												
Port Authority Controlled:												
1 World Trade Center	\$0.0	\$151.2	\$291.6	\$425.9	\$525.3	\$541.8	\$586.0	\$294.9	\$194.1	\$108.6	\$58.5	\$3,178.0
WTC Transportation Hub	\$233.5	\$288.1	\$370.0	\$367.3	\$419.9	\$504.5	\$496.3	\$340.5	\$139.2	\$29.9	\$59.8	\$3,249.0
Memorial (PA's Share)	\$0.0	\$15.4	\$35.9	\$52.1	\$29.7	\$37.0	\$13.3	\$4.3	\$1.8	\$1.8	\$3.6	\$195.0
Vehicle Security Center	\$5.0	\$10.9	\$14.9	\$72.6	\$160.3	\$169.7	\$119.6	\$56.8	\$5.8	\$5.8	\$11.7	\$633.0
WTC Infrastructure	\$110.3	\$128.8	\$226.0	\$443.7	\$539.6	\$497.6	\$421.7	\$230.4	\$92.5	\$25.5	\$50.9	\$2,767.0
WTC Retail (PA's Share)	\$6.6	\$15.9	\$30.7	\$104.1	\$179.8	\$226.6	\$177.3	\$38.2	\$16.6	\$14.0	\$15.2	\$825.0
Other Public Projects: (Assumed draw-down)												
Memorial and Museum	\$0.0	\$57.4	\$133.6	\$194.1	\$110.7	\$138.0	\$43.0	\$9.2	\$0.0	\$0.0	\$0.0	\$686.0
Retail (Westfield's Share)	\$0.0	\$13.0	\$25.0	\$84.1	\$145.3	\$183.2	\$137.2	\$24.7	\$7.3	\$5.2	\$0.0	\$625.0
Total Economic Activity (in million of 2009 \$):												
Port Authority Controlled:												
1 World Trade Center	\$0.0	\$252.2	\$465.4	\$657.9	\$787.8	\$782.8	\$817.6	\$397.3	\$252.5	\$135.3	\$70.2	\$4,619.0
WTC Transportation Hub	\$373.9	\$446.9	\$549.4	\$528.1	\$586.2	\$678.8	\$646.2	\$428.6	\$169.9	\$35.8	\$68.5	\$4,512.4
Memorial (PA's Share)	\$0.0	\$28.5	\$63.5	\$89.2	\$49.4	\$59.3	\$20.7	\$6.5	\$2.7	\$2.6	\$5.0	\$327.3
Vehicle Security Center	\$7.6	\$16.0	\$20.9	\$98.7	\$211.7	\$216.0	\$147.1	\$67.5	\$6.7	\$6.4	\$12.3	\$811.1
WTC Infrastructure	\$141.1	\$178.8	\$300.1	\$570.4	\$673.5	\$598.4	\$490.2	\$258.8	\$100.6	\$26.9	\$51.5	\$3,390.4
WTC Retail (PA's Share)	\$8.7	\$20.4	\$37.7	\$123.6	\$207.4	\$252.0	\$190.5	\$39.7	\$16.7	\$13.5	\$14.0	\$924.1
Other Public Projects:												
Memorial and Museum	\$0.0	\$89.7	\$200.2	\$281.6	\$156.0	\$187.4	\$56.4	\$11.7	\$0.0	\$0.0	\$0.0	\$983.0
Retail (Westfield's Share)	\$0.0	\$20.3	\$37.5	\$122.0	\$204.6	\$248.7	\$179.9	\$31.3	\$8.9	\$6.1	\$0.0	\$859.3

Employment Impact:

	Prior to 2007	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Direct Jobs:												
Port Authority Controlled:												
1 World Trade Center	0	449	828	1,170	1,401	1,392	1,453	706	448	240	123	8,210
WTC Transportation Hub	701	838	1,030	991	1,100	1,274	1,212	803	318	66	127	8,460
Memorial (PA's Share)	0	51	113	159	88	105	37	11	5	5	9	582
Vehicle Security Center	13	28	36	172	368	376	256	117	12	11	21	1,410
WTC Infrastructure	282	325	546	1,038	1,226	1,089	892	471	183	49	93	6,193
WTC Retail (PA's Share)	16	37	69	225	378	459	347	72	30	24	25	1,683
Other Public Projects:												
Memorial and Museum		160	357	502	278	334	101	21	0	0	0	1,754
Retail (Westfield's Share)		36	67	217	364	442	320	56	16	11	0	1,527

Total Jobs:

Port Authority Controlled:												
1 World Trade Center	0	1,081	1,995	2,820	3,377	3,356	3,504	1,702	1,082	579	299	19,797
WTC Transportation Hub	1,618	1,934	2,377	2,285	2,537	2,938	2,796	1,854	734	154	295	19,523
Memorial (PA's Share)	0	122	272	382	212	254	89	28	12	11	21	1,403
Vehicle Security Center	33	69	90	427	916	935	637	292	29	28	53	3,509
WTC Infrastructure	631	741	1,244	2,365	2,792	2,481	2,032	1,073	417	111	213	14,101
WTC Retail (PA's Share)	38	88	163	536	899	1,092	825	172	72	58	60	4,004
Other Public Projects:												
Memorial and Museum	0	382	853	1,200	665	799	240	50	0	0	0	4,189
Retail (Westfield's Share)	0	87	161	522	876	1,064	770	134	38	26	0	3,678

Wage Impact:

Prior to
2007

Direct Wages (in million of 2009 \$)

Port Authority Controlled:

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
1 World Trade Center	\$0.0	\$31.0	\$57.2	\$80.8	\$96.2	\$100.1	\$48.5	\$30.7	\$16.3	\$8.0	\$565.7
WTC Transportation Hub	\$48.1	\$57.4	\$70.6	\$67.9	\$87.3	\$82.7	\$54.8	\$21.5	\$4.3	\$8.2	\$578.2
Memorial (PA's Share)	\$0.0	\$3.5	\$7.8	\$11.0	\$7.3	\$2.5	\$0.8	\$0.3	\$0.3	\$0.6	\$40.1
Vehicle Security Center	\$0.9	\$2.0	\$2.6	\$12.2	\$26.8	\$18.2	\$8.3	\$0.8	\$0.7	\$1.4	\$100.2
WTC Infrastructure	\$25.3	\$22.8	\$38.2	\$72.6	\$76.2	\$62.2	\$32.8	\$12.6	\$3.2	\$6.2	\$437.8
WTC Retail (PA's Share)	\$1.1	\$2.6	\$4.8	\$15.8	\$32.2	\$24.3	\$5.0	\$2.1	\$1.7	\$1.7	\$117.8

Other Public Projects:

Memorial and Museum	\$0.0	\$10.7	\$23.9	\$33.6	\$22.4	\$6.7	\$1.4	\$0.0	\$0.0	\$0.0	\$117.3
Retail (Westfield's Share)	\$0.0	\$2.5	\$4.6	\$14.9	\$30.3	\$21.9	\$3.8	\$1.1	\$0.7	\$0.0	\$104.8

Total Wages (in million of 2009 \$)

Port Authority Controlled:

1 World Trade Center	\$0.0	\$64.6	\$119.3	\$168.6	\$201.9	\$209.4	\$101.7	\$64.6	\$34.6	\$17.8	\$1,183.1
WTC Transportation Hub	\$97.9	\$117.0	\$143.8	\$138.2	\$177.7	\$169.1	\$112.1	\$44.4	\$9.3	\$17.7	\$1,180.8
Memorial (PA's Share)	\$0.0	\$7.3	\$16.3	\$22.9	\$12.7	\$5.3	\$1.7	\$0.7	\$0.7	\$1.3	\$83.8
Vehicle Security Center	\$2.0	\$4.2	\$5.5	\$26.0	\$56.9	\$38.7	\$17.8	\$1.8	\$1.7	\$3.2	\$213.4
WTC Infrastructure	\$43.9	\$45.9	\$77.0	\$146.4	\$172.8	\$125.8	\$66.4	\$25.8	\$6.9	\$13.2	\$877.5
WTC Retail (PA's Share)	\$2.3	\$5.3	\$9.9	\$32.3	\$65.9	\$49.8	\$10.4	\$4.3	\$3.5	\$3.6	\$241.6

Other Public Projects:

Memorial and Museum	\$0.0	\$23.0	\$51.3	\$72.2	\$48.0	\$14.4	\$3.0	\$0.0	\$0.0	\$0.0	\$252.0
Retail (Westfield's Share)	\$0.0	\$5.2	\$9.6	\$31.3	\$63.7	\$46.1	\$8.0	\$2.3	\$1.6	\$0.0	\$220.2

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Press Release Article

PORT AUTHORITY STUDY SHOWS SIGNIFICANT JOB CREATION, ECONOMIC ACTIVITY GENERATED BY WTC REBUILDING

Date: Mar 05, 2009

Press Release Number: 29-2009

More than 26,000 Direct Jobs Created; \$14.5 Billion in Economic Activity Generated

At a time of national economic uncertainty, the public rebuilding of the World Trade Center will result in tens of thousands of good-paying jobs and a significant boost in regional economic activity, according to a Port Authority economic stimulus study released today.

Presented at today's Board of Commissioner's meeting, the Port Authority study showed that public investments in World Trade Center projects, including One World Trade Center, the Freedom Tower, the World Trade Center Transportation Hub, the National September 11 Memorial & Museum; World Trade Center retail and other related infrastructure will result in the creation of 26,538 direct jobs, including on-site construction, architecture and engineering, and program and construction management. Including indirect jobs, such as those generated by industries that supply services, materials and machinery to the rebuilding effort, the jobs number grows to 62,336.

The World Trade Center projects also are expected to generate \$3.7 billion in direct and indirect wages and total economic activity of \$14.5 billion.

The number of jobs at the World Trade Center is rising just as the number of overall construction jobs across the region is declining. A recent report by the New York Building Congress found that New York City's building boom will peak this year, and the number of city construction jobs is projected to fall by almost 30,000 by 2010.

Port Authority Chairman Anthony R. Coscia said, "The World Trade Center rebuilding effort is an economic shot in the arm for our region at a difficult time. This investment in our region's future is also helping us in the present - by creating tens of thousands of jobs and generating billions for our local economy."

Port Authority Executive Director Chris Ward said, "What sometimes gets lost is that the public investment at the World Trade Center site is among the largest economic engines in the region. It is more than just steel, bricks and mortar. It's a real stimulus to the local economy."

During today's Board meeting, Executive Director Ward also provided a status report on the construction of One World Trade Center. The highlights include:

- The core of the building is 105 feet above street level - the equivalent of a nine story building.
- 93 percent of the major construction trade contracts have been awarded.
- 95 percent of the 48,000 tons of structural steel has been purchased, and 90 percent of it is rolled. 1,988 tons of structural steel has been erected, 1,175 tons has been fully fabricated, and 2,200 tons is being fabricated.
- 35,106 cubic yards, or 16.3 percent of the total concrete in the building, has been poured.
- 2,720 out of 11,331 total curtain wall panels (glass) are complete.

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The Port Authority of NY & NJ

Total Economic Impact

Project	Proposed Spending	Direct Jobs	Indirect Jobs	Direct Wages*	Total Wages*	Total Economic Activity*
Total:	10,847	26,538	62,336	\$1,839	\$3,780	\$14,584
1WTC	\$3,178	8,210	19,796	\$565	\$1,183	\$4,619
WTC Transportation Hub	\$3,249	8,460	19,523	\$578	\$1,181	\$4,513
Memorial (PA's Share)	\$195	582	1,403	\$40	\$84	\$327
VSC	\$633	1,410	3,509	\$100	\$213	\$811
WTC Site Infrastructure	\$2,767	6,193	14,101	\$438	\$877	\$3,390
WTC Retail (PA's Share)	825	1,683	4,004	\$118	\$242	\$924

* In millions

METHODOLOGY OF ECONOMIC IMPACT STUDY

Background

The ensuing economic analysis focuses on the generation of jobs, wages and sales or economic activity. There are three distinct effects: direct, indirect and induced. Direct effects relate to activities such as architecture and engineering, on-site construction (new as well as maintenance), program and construction management. Indirect effects pertain to the various rounds of purchases of materials and services needed to undertake the construction of the facility or execute a program. Induced effects occur when workers involved in direct and indirect activities spend their wages on consumer goods.

The Port Authority Regional Input-output Model was used to generate the economic impacts. The region consists of New York City, the New York Suburbs (Nassau, Suffolk, Westchester, and Rockland counties), and Northern New Jersey (Essex, Hudson, Bergen, Passaic, Morris, Middlesex, Somerset, Union).

Guiding Principle

Throughout the analysis, every attempt was made to be as conservative as possible so that the results do not overestimate the impact on the region.

Generation of Construction Impacts

The level of capital spending for each category served as the starting point for the construction impact. In line with the guiding principle to remain conservative in our projections, several items were deleted from generating indirect and induced effects because their economic benefits would be difficult to quantify. The excluded items consisted primarily of soft costs such as financial expense and insurance. For PA spending, we also excluded expenditure related to PA staff. On the average, the exclusion was 20 percent of total spending.

The Port Authority Regional Input-Output Model was then employed to estimate jobs, wages and sales.

GLOSSARY OF TERMS

Sales or Economic Activity - The value of output generated in the 17-county Port District.

Employment - Employment refers to work-years of labor measured in terms of full-time equivalent jobs.

Direct Impact - The impact generated by architecture and engineering, on-site construction, program and construction management.

Indirect Impact - The impact resulting from increased activities of those industries that supply services, materials, and machinery needed to support direct providers.

Induced Impact - The impact resulting from increases in consumer spending by wage earners in all related industries.

2009 Dollars - All wages and sales figures used in this report are expressed in 2009 dollars unless otherwise indicated.

Wages - Payroll salaries and wages earned by employees in payment for their services. All benefits are excluded from this figure.

THE PORT AUTHORITY INPUT- OUTPUT MODEL

Input-output models, in general, and the Port Authority's Regional Model, in particular, focus on the interrelationships or flows of products between industries. The Port Authority's Regional Input-Output Model was first developed in 1978 and is continually updated to reflect changes in the regional economy as well as to integrate the results of regional studies, surveys and current regional data.

The mathematics of this technique is designed to capture the "ripple effects" of changes in the 17-county Port District. These ripple effects can be illustrated as follows. If industry "A" increases its production by \$100 million, it purchases additional quantities of good and services from other industries. To meet "A's" needs, each of "A's" supplying industries increases its production, which, in turn requires additional quantities of their respective inputs. The producers of these inputs increase their output and so on, resulting in a domino effect throughout the economy.

The Port Authority's Regional Input-Output Model calculates total regional sales, person years of employment, and payroll wages resulting from the spending of industries or projects initiated in the region.

At the core of the Port Authority's Regional Input-Output Model is a matrix of inter-industry flows developed from the latest national input-output data assembled by the Bureau of Economic analysis of the United States Department of Commerce. This matrix represents the transactions of 490 industrial, governmental and consumer sectors of the national economy by capturing how each sector in the economy uses the output of other sectors in producing its own product and to what sectors its product is eventually sold.

In order to develop the national matrix of inter-industry flows into the Port Authority's Regional Input-Output Model, coefficients are developed that reflect the purchasing patterns of the 17-county regional economy by indicating what share of a product consumed in the region is actually produced in within the region. These Regional Purchase Coefficients, developed by the Port Authority, are based on data from the New York and New Jersey state bureaus of labor statistics, regional commodity flow surveys, U.S. Commerce Department export statistics and other information.

CONTACT:

The Port Authority of New York and New Jersey
Candace McAdams or Steve Coleman, 212 435-7777

The Port Authority of New York and New Jersey operates many of the busiest and most important transportation links in the region. They include John F. Kennedy International, Newark Liberty International, LaGuardia, Stewart International and Teterboro airports; AirTrain JFK and AirTrain Newark; the George Washington Bridge and Bus Station; the Lincoln and Holland tunnels; the three bridges between Staten Island and New Jersey; the PATH (Port Authority Trans-Hudson) rapid-transit system; Port Newark; the Elizabeth-Port Authority Marine Terminal; the Howland Hook Marine Terminal on Staten Island; the Port Authority Auto Marine Terminal; the Brooklyn Piers/Red Hook Container Terminal; the Greenville Yard-Port Authority Marine Terminal; and the Port Authority Bus Terminal in midtown Manhattan. The agency also owns the 16-acre World Trade Center site in Lower Manhattan and is a partner in the Access to the Region's Core tunnel project.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

