



Dean Runyan Associates

ISLAND COUNTY TRAVEL IMPACTS 2015-2021P

May 2022



Prepared for

Whidbey and Camano Islands Tourism

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Prepared by

Dean Runyan Associates
833 SW 11th Avenue, Suite 920
Portland, Oregon 97205
(503) 226-2973
www.deanrunyan.com

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INTRODUCTION

This study, prepared for the Whidbey and Camano Islands Tourism, documents the economic significance of the travel industry in Island County from 2015 through 2021. This report provides preliminary 2021 estimates for Island County and estimates of areas within the county.

MEASUREMENT OF TRAVEL IMPACTS

The impact estimates associated with traveler spending were measured using the Regional Travel Impact Model (RTIM) developed by Dean Runyan Associates. The RTIM was calibrated specifically to represent the unique characteristics of the travel industry in Island County. The estimates for 2021 are designated as preliminary due to some incomplete source data for the calendar year, however any future revisions will be minor.

INTERPRETATION OF IMPACT ESTIMATES

Users of this report should be aware of several issues regarding the interpretation of reported impact estimates:

- All estimates contained in this report supersede those previously published.
- The estimates in this report are expressed in *current* dollars. There is no adjustment for inflation.
- Economic impact measurements reported herein represent only direct economic impacts. Direct economic impacts include only the spending by travelers and the employment generated by that spending. Secondary effects related to source materials purchased by tourism businesses and the induced spending of their employees are not included.
- The employment estimates in this report are estimates of the total number of full and part-time jobs directly generated by travel spending, rather than the number of individuals employed. Both payroll and self-employment are included in these estimates. Caution should therefore be used in comparing these estimates with other employment data series.

RECENT TRAVEL TRENDS IN ISLAND COUNTY

Travel related spending in Island County totaled \$283.0 million in 2021, a 37.6 percent increase from 2020. Employment increased 3.3% year over year to 2,510 jobs and earnings increased by 12.5% to \$77.8 million. Local and state level tax receipts grew year over year, up 29.6% and 30.3% respectively.

Island County Direct Travel Impacts, 2015-2021p

	Spending (\$Million)	Earnings (\$Million)	Employment	Tax Receipts (\$Million)		
				Local	State	Total
2015	187.7	58.0	2,610	5.8	12.4	18.2
2016	203.6	64.0	2,790	6.5	13.9	20.4
2017	210.4	70.6	2,820	6.6	14.4	21.0
2018	232.2	78.5	2,980	7.1	15.5	22.6
2019	250.1	83.8	3,020	7.4	16.4	23.8
2020	205.6	69.2	2,430	7.0	14.2	21.2
2021p	283.0	77.8	2,510	9.0	18.5	27.5
<i>Annual Percentage Change</i>						
20-21p	37.6%	12.5%	3.3%	29.6%	30.3%	30.1%
15-21p	7.1%	5.0%	-0.6%	7.6%	6.9%	7.1%
<i>Absolute Percentage Change</i>						
19-21p	13.2%	-7.1%	-16.9%	22.3%	12.8%	15.7%

Estimates for 2021 are preliminary while all other figures supersede data from previous reports.

COUNTY TRAVEL IMPACTS AND VISITOR VOLUME QUICK FACTS

Visitor Spending Impacts

Amount of Visitor Spending that supports 1 job	\$106,446
Employee Earnings generated by \$100 Visitor Spending	\$29
Local Tax Revenues generated by \$100 Visitor Spending	\$3.3

Visitor Volume

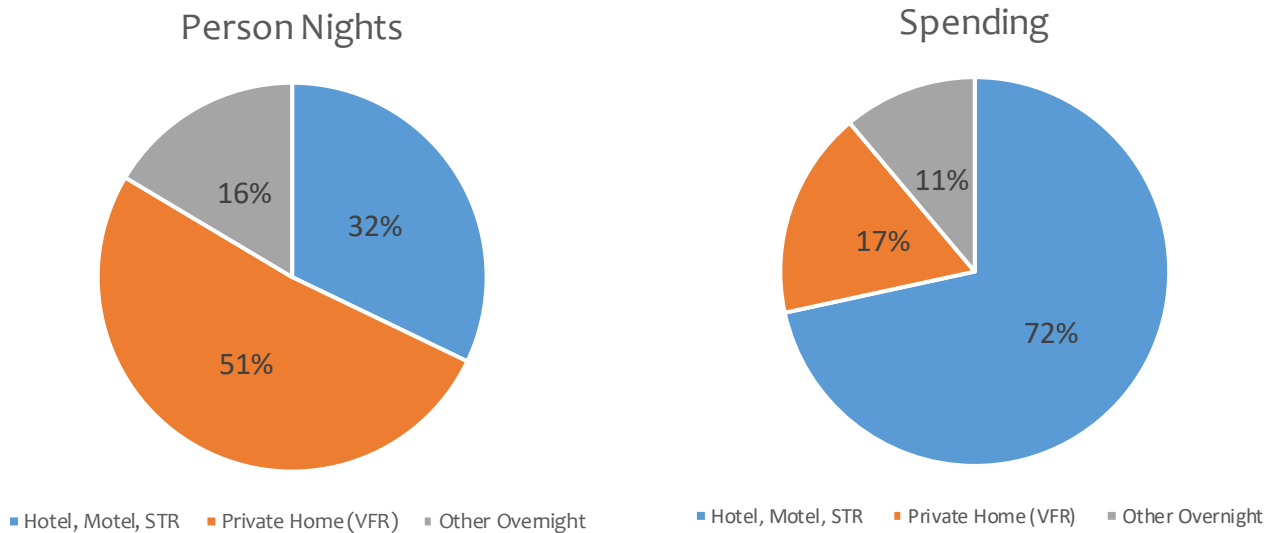
Additional Spending if every resident household encouraged one additional overnight visitor (in thousands)	\$6,278
Additional employment if every resident household encouraged one additional overnight visitor	59

Visitor Shares

Travel Share of Total Employment (2021)*	7%
Visitor Share of Taxable Sales (2021)	13%

*Source: Bureau of Economic Analysis & Dean Runyan Associates, 2021 has been estimated by DRA.

Overnight Visitor Spending and Volume 2021p



Visitors who stay in private homes typically comprise the largest share of overnight visitor volume. Visitors who stay overnight in commercial lodging typically have the greatest economic impact. There is substantial variation among destinations, however. Most rural and suburban areas have high shares of private home visitation. Urban areas tend to have greater shares of hotel/motel stays.

2021p	Person Trips (000)	Person Nights (000)	Visitor Spending (\$M)
Hotel, Motel, STR	512	803	159.3
Private Home (VFR)	596	1,286	38.4
Other Overnight	151	411	24.8
All Overnight	1,259	2,500	222.5

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Island County Travel Impacts, 2015-2021p

	2015	2016	2017	2018	2019	2020	2021p
Total Direct Travel Spending (\$Million)							
Destination Spending	180.6	196.7	202.4	223.2	240.7	199.3	273.7
Other Travel*	7.1	6.8	7.9	9.1	9.4	6.3	9.3
Total Direct Spending	187.7	203.6	210.4	232.2	250.1	205.6	283.0
Visitor Spending by Type of Traveler Accommodation (\$Million)							
Hotel, Motel, STR	74.3	86.2	89.7	103.0	116.3	129.9	159.3
Private Home (VFR)	34.8	35.7	36.2	38.6	39.5	20.2	38.4
Campground	11.6	11.9	12.3	12.8	13.0	11.0	12.5
Vacation Home	10.4	10.8	11.0	11.4	11.7	11.4	12.2
Day Travel	49.5	52.1	53.2	57.4	60.1	26.8	51.2
Destination Spending	180.6	196.7	202.4	223.2	240.7	199.3	273.7
Visitor Spending by Type of Commodity Purchased (\$Million)							
Accommodations	28.3	31.9	32.7	35.5	39.6	39.1	57.2
Food Service	61.1	68.6	71.5	80.7	88.8	80.3	102.2
Food Stores	23.7	24.5	24.4	25.7	26.9	17.6	26.4
Local Tran. & Gas	15.9	16.1	17.8	20.7	21.1	12.9	21.2
Arts, Ent. & Rec.	23.6	25.7	26.1	28.5	30.3	24.5	31.7
Retail Sales	28.1	29.9	29.9	32.1	33.9	24.9	35.1
Destination Spending	180.6	196.7	202.4	223.2	240.7	199.3	273.7
Industry Earnings Generated by Travel Spending (\$Million)							
Accom. & Food Serv.	33.3	37.5	43.3	48.0	51.5	41.3	47.7
Arts, Ent. & Rec.	12.9	14.0	14.2	16.1	17.1	14.5	15.6
Retail**	9.2	9.6	10.0	10.9	11.5	10.6	11.7
Transportation	2.3	2.4	2.6	3.1	3.2	2.3	2.5
Other Travel*	0.4	0.4	0.4	0.4	0.5	0.4	0.4
Total Direct Earnings	58.0	64.0	70.6	78.5	83.8	69.2	77.8
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	1,250	1,360	1,450	1,490	1,510	1,200	1,260
Arts, Ent. & Rec.	920	990	930	1,020	1,040	810	810
Retail**	350	350	360	380	390	340	370
Ground Tran.	70	70	70	70	80	70	60
Other Travel*	10	10	10	10	10	10	10
Total Direct Employment	2,600	2,780	2,820	2,970	3,030	2,430	2,510
Government Revenue Generated by Travel Spending (\$Million)							
Local Tax Receipts	5.8	6.5	6.6	7.1	7.4	7.0	9.0
State Tax Receipts	12.4	13.9	14.4	15.5	16.4	14.2	18.5

*Other travel includes travel arrangement services and transportation spending to leave the destination

**Retail includes gasoline stations.

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ISLAND COUNTY VISITOR VOLUME AND VISITOR SPENDING

Visitor Spending by type of Accommodation (\$Millions)

	2015	2016	2017	2018	2019	2020	2021p
Total Destination Spending	180.6	196.7	202.4	223.2	240.7	199.3	273.7
All Overnight	131.1	144.6	149.3	165.7	180.5	172.5	222.5
Hotel, Motel, STR	74.3	86.2	89.7	103.0	116.3	129.9	159.3
Private Home (VFR)	34.8	35.7	36.2	38.6	39.5	20.2	38.4
Other Overnight	22.0	22.6	23.3	24.1	24.7	22.4	24.8
Day Travel	49.5	52.1	53.2	57.4	60.1	26.8	51.2

Note: Other Overnight includes camping and vacation homes (2nd homes)

Average Expenditures for Overnight Visitors, 2021p

	Travel Party		Person		Party Size	Length of Stay (Nights)
	Day	Trip	Day	Trip		
Hotel, Motel, STR	\$496	\$779	\$198	\$311	2.5	1.6
Private Home (VFR)	\$73	\$157	\$30	\$65	2.4	2.2
Other Overnight	\$167	\$456	\$60	\$164	2.8	2.7
All Overnight	\$223	\$442	\$89	\$177	2.5	2.0

Overnight Visitor Volume, 2019-2021p

	Person-Nights (000)			Party-Nights (000)		
	2019	2020	2021p	2019	2020	2021p
Hotel, Motel, STR	688	756	803	275	302	321
Private Home (VFR)	1,422	719	1,286	583	295	527
Other Overnight	435	392	411	157	141	148
All Overnight	2,545	1,867	2,500	1,014	738	996

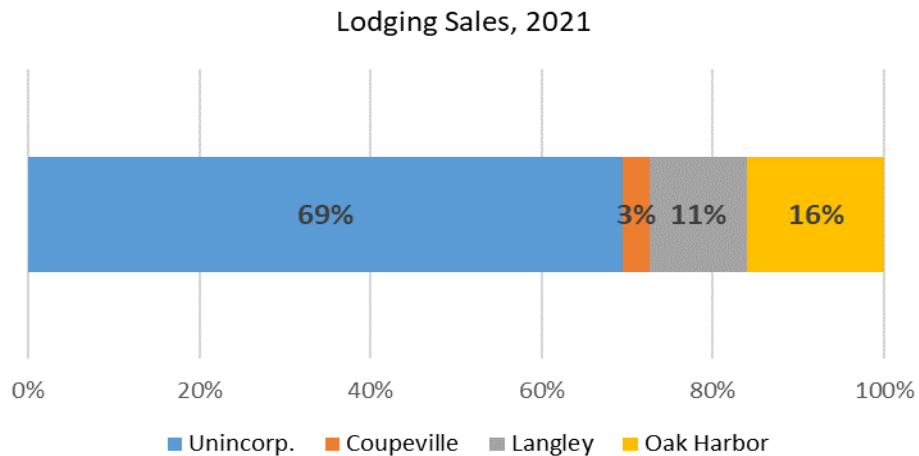
	Person-Trips (000)			Party-Trips (000)		
	2019	2020	2021p	2019	2020	2021p
Hotel, Motel, STR	438	482	512	175	193	205
Private Home (VFR)	659	333	596	270	136	244
Other Overnight	159	144	151	57	52	54
All Overnight	1,256	959	1,259	503	381	503

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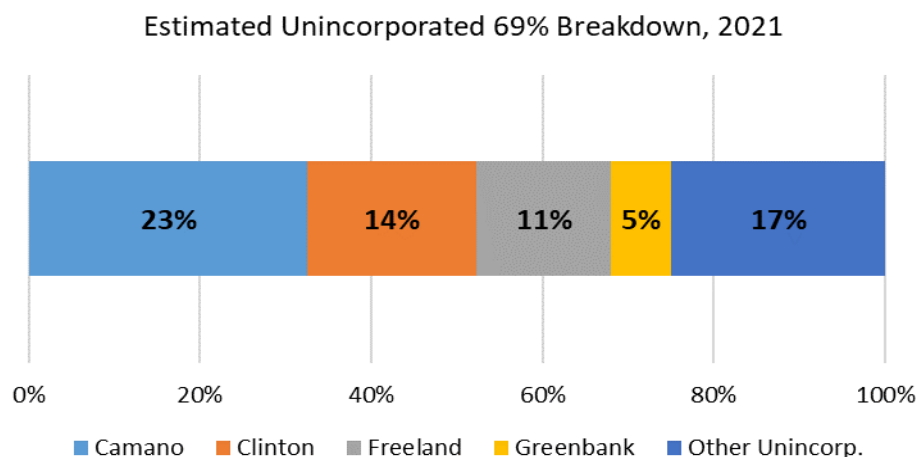
TRAVEL IMPACTS WITHIN ISLAND COUNTY

Summary breakouts for eight areas and both islands within Island County are reported in this section. Based on room tax receipts and sales tax figures from the Washington Department of Revenue, zip code county business pattern data from the U.S. Census Bureau, and short-term lodging data from AirDNA, these figures are reasonable estimates of the distribution of travel impacts within the county. As small area estimates are necessarily less precise than countywide estimates, detailed breakouts by accommodation, commodity, and industry are not shown. Visitors do not necessarily recognize geographic boundaries and may visit multiple places during their stay, due to this nature the economic impacts should be interpreted as approximate estimates.

The unincorporated section of the islands had 69 percent of the taxable lodging sales in 2021, similar to 2020. This is a 7% increase in share over 2019 (62%).



Source: Washington Department of Revenue



Source: Dean Runyan Associates, AirDNA

Areas defined as: Greenbank, zip code 98253; Freeland, zip code 98249; Clinton, zip code 98236; Camano, zip code 98282; Other Unincorp., unincorporated areas of zip codes 98260, 98239, 98277, 98278.

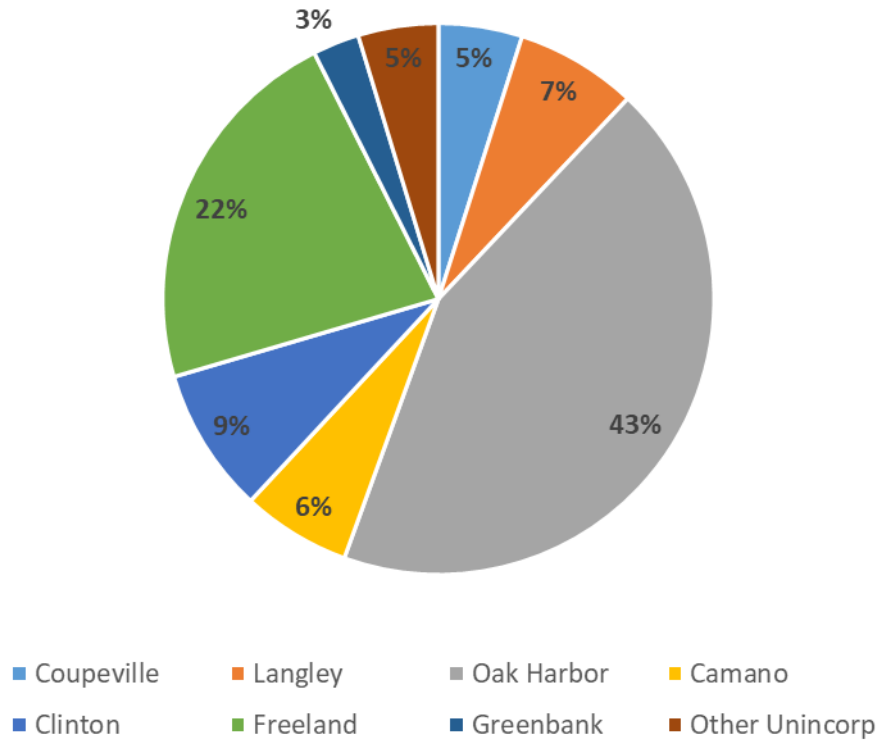
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Travel Impacts within Island County, 2021p

	Spending	Earnings	Employment	Tax Receipts (\$M)		
	(\$Million)	(\$Million)	Jobs	Local	State	Total
Total	273.7	77.8	2,510	9.0	18.5	27.5
Incorporated Areas	152.0	42.7	1,300	5.0	10.3	15.3
Coupeville	13.4	3.7	110	0.4	0.9	1.4
Langley	19.5	5.8	170	0.6	1.3	2.0
Oak Harbor	119.0	33.1	1,020	3.9	8.1	12.0
Unincorporated Areas	121.7	35.2	1,210	4.0	8.2	12.2
Clinton	23.3	7.3	220	0.8	1.6	2.3
Freeland	60.5	17.1	600	2.0	4.1	6.1
Greenbank	7.5	2.7	100	0.2	0.5	0.8
Other Unincorp.	12.9	4.0	110	0.4	0.9	1.3
Camano Island	17.4	4.1	180	0.6	1.2	1.8
Camano	17.4	4.1	180	0.6	1.2	1.8

Note: Camano, Clinton, Freeland, Greenbank, and Other Unincorp. are representative of the entire unincorporated area of Island County. These are broken out to give additional insights and are estimates based on the data available.

Share of Travel Spending



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APPENDICES

APPENDIX A. REGIONAL TRAVEL IMPACT MODEL (RTIM) METHODOLOGY

APPENDIX B: TRAVEL IMPACT INDUSTRIES MATCHED TO NAICS

**REGIONAL TRAVEL IMPACT MODEL (RTIM)
TRAVEL IMPACT ESTIMATION PROCEDURES**

TRAVEL SPENDING

Hotel, Motel, STVR. Spending on commercial accommodations by hotel and motel guests is estimated from transient lodging tax collections at the city/county jurisdictional level.

Campgrounds. Spending by campers using commercial campgrounds is estimated from the number of commercial campsites, the average occupancy of these campsites. Spending by campers using public campgrounds is estimated from visitor counts at federal, state, and locally managed campsites and recreation areas, and the average daily expenditures of visitor camp parties reported in survey data.

Private Home. Spending by private home guests staying with friends or family is determined from census data and visitor survey data. The average number of days per year visitors hosted by residents and the average daily spending of these visitors are estimated from visitor survey data.

Vacation Home. The estimated spending by vacation home owners is also based on census data and visitor survey data.

Day Travel. The share of day visits as a percentage of total travel is estimated from visitor survey data and applied to average daily spending estimates to produce day visitor spending.

Spending by visitors in other business categories, such as food and transportation, is estimated using spending distributions reported in the visitor survey data.

RELATED TRAVEL IMPACTS

Spending by travelers generates jobs, payroll, and state and local tax revenue.

Earnings generated directly from traveler expenditures are estimated from a payroll-to-receipts ratio obtained from the 2012 Economic Census and earnings estimates from the Bureau of Economic Analysis.

Employment in each business category is calculated from wage data supplied by the U.S. Department of Labor and earnings estimates from the Bureau of Economic Analysis.

Local Taxes consist of local room taxes and sales taxes attributable to visitor spending and property and sales taxes attributable to travel industry employees and businesses.

State Taxes consist of sales taxes and motor fuel taxes attributable to visitors and income and sales taxes attributable to travel industry employees.

TRAVEL IMPACT INDUSTRIES MATCHED TO NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM

TRAVEL IMPACT INDUSTRY	NAICS INDUSTRIES* (code)
Accommodations & Food Services	Accommodations (721) Food Services and Drinking Places (722) Residential Property Managers (531311)
Arts, Entertainment & Recreation	Performing Arts, Spectator Sports (711) Museums (712) Amusement, Gambling (713) Scenic and Sightseeing Transportation (487) Miscellaneous Industries (see note**)
Retail	Food & Beverage Stores (445) Gasoline Stations (447) Clothing and Clothing Accessories Stores (448) Sporting Goods, Hobby, Book, and Music Stores (451) General Merchandise Stores (452) Miscellaneous Store Retailers (453)
Ground Transportation	Interurban and Rural Bus Transportation (4852) Taxi and Limousine Service (4853) Charter Bus Industry (4855) Passenger Car Rental (532111) Parking Lots and Garages (812930)

Notes: *Government enterprises (e.g., park systems) are included in this classification

**Includes parts of industries in other sectors (e.g., accommodation, charter bus).

A more detailed description of these industries can be found at <http://www.ntis.gov/naics>