

THE ECONOMIC IMPACTS OF AIR QUALITY

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Clear the Air: Home Heating Forum & Expo Sept. 21st 2018



Fairbanks Economic Development Corp.

“OUR Community, OUR Economy and OUR Responsibility”



How does Air Quality affect our economy?

- Baseline Economy
- Who pays us and how much
- Costs of living
- Consequences of non-attainment and the costs of inaction



Baseline Economy

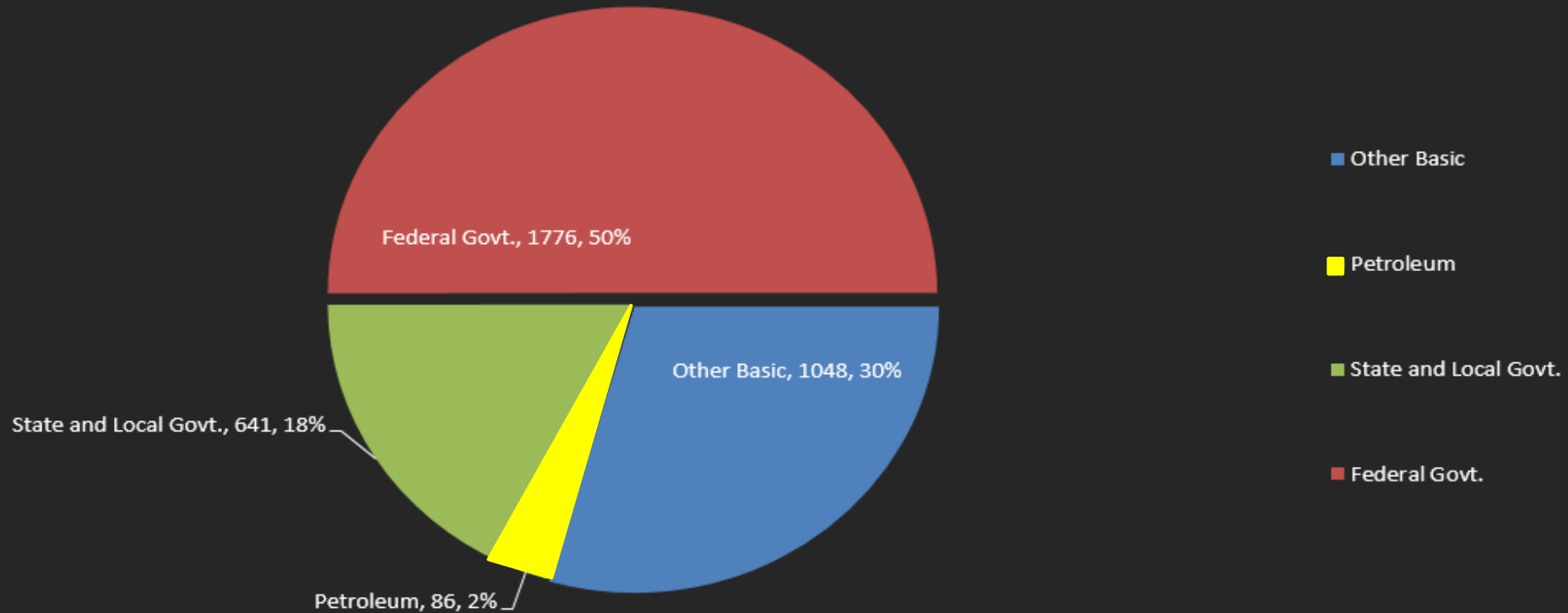


2012 - *FNSB Economy: Model Overviews*



2012: Who creates our Personal Income* - Three Legged Stool

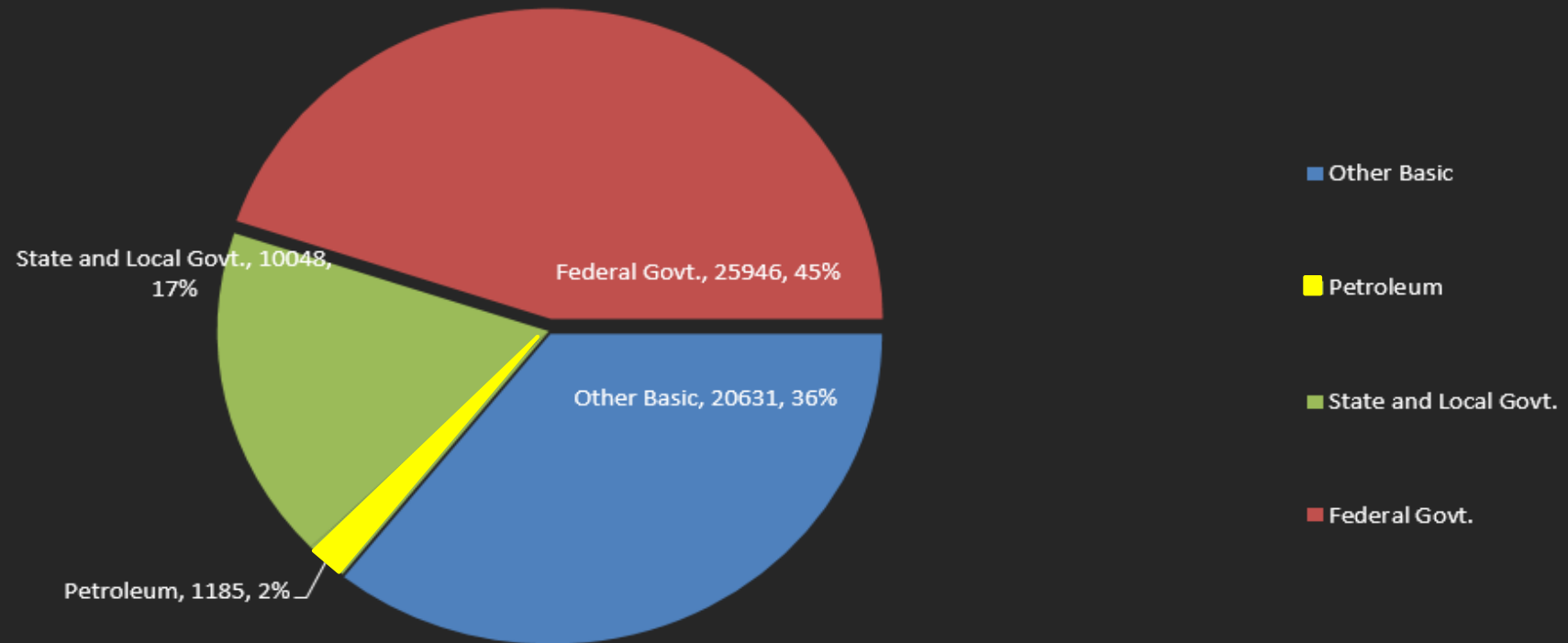
**Personal Income created from non local income sources (Full/part time jobs + proprietors' income)*



Source: FEDC, Economic Base Model IMPLAN 2012;

2012: Who creates our Jobs - Three Legged Stool

**Part- & Full-Time Jobs (incl. proprietors) created from non-local income sources*



Source: FEDDC, Economic Base Model IMPLAN 2012;

	Dollars	Rank in State
	2016	2016
United States	49,246	--
Alaska	55,646	--
Skagway Municipality	77,977	1
Denali Borough	69,535	2
Bristol Bay Borough	64,069	3
Ketchikan Gateway Borough	63,222	4
Juneau City and Borough	63,070	5
Petersburg Borough	62,773	6
Sitka City and Borough	62,537	7
Anchorage Municipality	62,317	8
Valdez-Cordova Census Area	61,337	9
Aleutians East Borough	60,284	10
Kodiak Island Borough	58,843	11
Aleutians West Census Area	56,105	12
Hoonah-Angoon Census Area	55,511	13
Yukon-Koyukuk Census Area	54,850	14
Lake and Peninsula Borough	54,491	15
Yakutat City and Borough	54,161	16
Dillingham Census Area	53,923	17
Fairbanks North Star Borough	53,647	18
Kenai Peninsula Borough	50,691	19
Haines Borough	50,667	20
Nome Census Area	50,254	21
Northwest Arctic Borough	48,039	22
Wrangell City and Borough	47,105	23
Matanuska-Susitna Borough	44,880	24

1. Per capita personal income was computed using Census Bureau midyear population estimates. Estimates reflect county population estimates available as of March 2017.

Cost of Living

How Alaska Cities' Costs Compare

	Total Index	Groceries	Housing	Utilities	Trans- portation	Health Care	Misc.
Category's weight in total index	100.0%	13.47%	28.15%	9.90%	8.99%	4.57%	34.92%
U.S. Average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Region and City							
Anchorage, AK	128.4	134.0	139.3	121.8	106.5	145.3	122.7
Fairbanks, AK	129.8	125.9	118.2	207.0	122.0	151.5	117.9
Juneau, AK	134.5	145.4	150.5	132.1	140.8	153.4	114.0

What does this all mean?

Economic Impact of Air Quality

- PM 2.5 not only affects our air and our health, but our local economy
- Clean air is good for our health and good for our bank accounts



The cost of inaction – what's at risk

- **Military:**
 - Reduced Military Growth
 - Possible Military Downsizing
- **Tourism:**
 - Fewer Visitors
 - More significant impact on winter tourism
- **Health Care**
 - Increased Costs reducing disposable income
- **Higher Energy Cost**
 - Increased Costs reducing disposable income
- **Population Decline**
 - Increased Taxes
 - Decreased Federal, State and Private investment
- **Loss for Federal Highway Dollars**
 - Between now and 2020 up to \$300 million in Interior Highway projects could be cancelled



- **Our Community**

- **Our Economy**

- **Our Responsibility**

Questions?

Sources

- *Air Quality Comprehensive Plan* (2016) FNSB Air Pollution Control Commission.
- *The impact of PM_{2.5} on asthma emergency department visits: a systematic review and meta-analysis* (2016) Fan J., Li S., Fan C., Bai Z., & Yang k.
- *The Cost of Living in Alaska* (2018) Neal Fried.
- *The Economic Burden of Asthma in the United States, 2008-2013* (2018) Tursynbek Nurmagambetov, Robin Kuwahara, & Paul Garbe.