

Illinois AVIATION SYSTEM



ECONOMIC IMPACT OF MidAmerica St. Louis Airport/Scott AFB (BLV)

IDOT would like to thank the Illinois airports and their passengers, users, and tenants for their cooperation and assistance with the preparation of this study. Thank you!

For further information about this study, please access the project web site at: <http://illinoisairportsmeanbusiness.com/>

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ILLINOIS AIRPORTS Mean Business and Jobs

The Illinois Airport System

The Illinois system of 116 airports not only provides the State with a safe and efficient mode of transportation, it is also an important stimulus for economic growth and development. By providing aviation-related services, the system supports hundreds of thousands of jobs and produces billions of dollars in economic activity. The State's largest employers, and many smaller businesses, rely on aviation to rapidly transport personnel, equipment, and supplies. Illinois airports serve as the base of operation for a diverse group of businesses, including airlines, air cargo companies, fixed base operators, flight schools, government entities, restaurants and others. Additionally, the vast hospitality industry is supported by both commercial service and general aviation. The millions of visitors that travel to Illinois by air each year support a variety of tourist and convention-related business activities, such as lodging, dining, retail, and entertainment.



Statewide Benefits from Aviation

More than 370,000 jobs can be tied to the airports of Illinois. These employees receive \$12.8 billion in payroll and benefits and generate \$40.9 billion in economic activity. In addition to economic impacts, the system of airports provides numerous benefits that enhance the quality of life, health, safety, and welfare of Illinoisans.

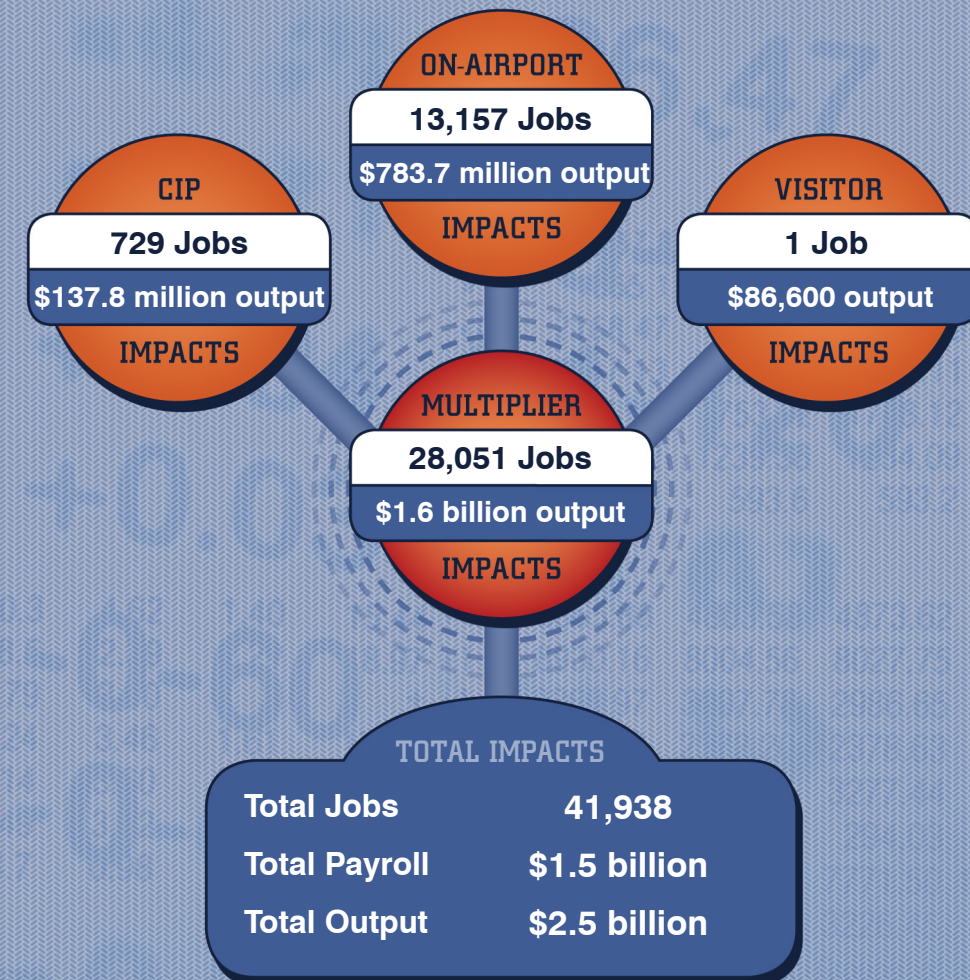
The State's network of 11 commercial service airports provides access to regional, national, and international markets. Nearly 42 million enplaned passengers used the Illinois system of commercial service airports in 2010 to reach these destinations. In total, Illinois commercial service airports support more than 282,000 jobs with annual earnings of approximately \$10.7 billion and \$36.5 billion in annual economic activity.

STUDY PROCESS

To better understand the relationship between Illinois' system of airports and the statewide economy, the Illinois Department of Transportation, Division of Aeronautics, conducted an economic impact study of aviation using a methodology that followed Federal Aviation Administration (FAA) guidelines and has been applied to State airport systems throughout the United States. Funding for this study was provided by the FAA and the Illinois Department of Transportation, Division of Aeronautics.

Each Illinois system airport's total economic impact was quantified in terms of employment, payroll, and output. Through a comprehensive survey process, the direct economic impacts related to on-airport business tenants and the impacts associated with visitor-related expenditures were determined for each system airport. The multiplier effect of these impacts was then calculated to ascertain the total airport-related impacts. For example, when an airport employee purchases local goods and services, the spending and re-spending spurs additional economic activity in the region. The total economic impact is the sum of all direct and multiplier impacts.

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Qualitative Benefits

- The airport is a joint use military/civilian facility including MidAmerica St. Louis Airport and Scott Air Force Base
- General aviation services are provided by several businesses:
 - FBOs AVMATS MidAmerica and Airport Terminal Services
 - Illinois Pipeline: fuel farm
- The most common aviation activities include Military operations at Scott AFB, international air cargo, corporate and business flights, operations by the Illinois State Police, charter, flight training, and prisoner transport
- The airport's large air cargo facilities include a cargo ramp of nearly six acres, adjacent terminal, perishable center, and a fuel farm
- Airport is a foreign trade zone and enterprise zone
- Air cargo and other operations have multi-modal access to highways, waterways, and railroads
- Boeing manufacturing is located on the airport
- Several annual airport events bring thousands of visitors to the region:
 - Scott Air Show: 250,000 attendees
 - Optimist Rodeo: 5,000 attendees
 - USO Fund Run: 1,200 attendees
- The airport is typically used as an access point for the World Trapshooting events in Sparta and activities in St. Louis such as sporting events

TOTAL JOBS
337,301

TOTAL PAYROLL
\$12.8 billion

TOTAL OUTPUT
\$40.9 billion

IMPACT TYPES

Direct Impacts account for activities by on-airport businesses and government agencies, and the off-airport visitor spending at locations such as hotels and restaurants. Direct impacts account for the initial point where money first starts circulating in the economy.

Multiplier Impacts result from the re-circulation of direct impacts within the economy. This re-spending of money can occur multiple times and takes two forms - indirect and induced. Indirect impacts occur when companies incur business expenses. Induced impacts occur when employees purchase goods and services.

Total Impacts are the combination of all direct and multiplier impacts.

IMPACT MEASURES

Employment measures the number of full-time equivalent (FTE) jobs related to airport activity including visitor-supported and on-airport construction jobs. A part-time employee counts as half a full-time employee.

Payroll measures the total annual salary, wages, and benefits paid to all workers whose livelihoods are directly attributable to airport activity.

Economic Output (Activity) measures the value of goods and services related to airports in Illinois. The output of on-airport businesses is typically assumed to be the sum of annual gross sales and average annual capital expenditures.