

THE ECONOMIC IMPACT OF AIRPORTS IN COLORADO



2003

Study Introduction



The Colorado Division of Aeronautics has undertaken a study of the economic impact of all public-use airports in the state. The goal of this study is to quantify and publicize the positive economic benefits these airports provide to the state and their local communities. The results of this effort are presented in this Executive Summary.

Colorado public-use airports generate a total of \$23.5 billion in economic activity, and are responsible for over 280,000 jobs, and nearly \$10 billion in wages. They also provide innumerable qualitative resources and services for local communities.

- ✕ **JOBS:** 280,156
- ✕ **WAGES:** \$9,756,293,000
- ✕ **ECONOMIC ACTIVITY:** \$23,472,472,000

STATE OF COLORADO

DEPARTMENT OF TRANSPORTATION
Division of Aeronautics

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Greetings,

On behalf of the Colorado Aeronautical Board and the Colorado Department of Transportation, I am pleased to present the *2003 Economic Impacts of Colorado Airports*.

As many communities throughout the great State of Colorado will attest, aviation plays a vital role in the accessibility, prosperity and overall quality of life for the citizens of those communities. From Denver International Airport, currently the 10th busiest airport in the world, to the small general aviation airports located on the eastern plains, the Colorado Airport System provides direct access to Colorado's strong and diverse business communities as well as its vast cultural and recreational opportunities.

Whether it be a doctor flying into a small, rural general aviation airport to provide medical care to a community or a skier visiting one of Colorado's well-know resort destinations, every aircraft operation and visitor to that airport has a positive economic impact to the local, regional and statewide economies. While the specific role and impact of each airport may be very different, on a whole, Colorado's public-use airports play a significant role in the overall economic health and viability of the State of Colorado.

Colorado has much to offer both its residents and visitors alike. It is our goal that the results of this study show just how important Colorado's airports are not only to the state overall, but more importantly, to each individual community. There is no doubt that Colorado's airports currently play a major role in the economic success and viability of Colorado and they will continue to do so in the future.

Sincerely,

A handwritten signature in blue ink that reads "Travis L. Vallin". The signature is written in a cursive, flowing style.

Travis L. Vallin
Colorado Aeronautics Director

Economic Impact Methodology

WHAT IS ECONOMIC IMPACT?

The term "economic impact" is commonly used to describe what is more accurately the "economic contribution" of an industry or activity to regional and state economies. These

overall economic effects are measured in total jobs, wages, and economic activity (business sales), which are interrelated benefits to people and economies in the regions and states being studied.

TYPES OF ECONOMIC IMPACT

Total economic impacts are derived from the sum of on-airport impacts, visitor spending, and spin-off impacts. In addition, airport dependent impacts are provided to show the importance of each airport to the business community. All impacts reported represent a base year of 2002. Each type of impact is defined as follows:

On-Airport Impacts represent economic activities that would not occur if the airport did not exist. They include payroll and operating expenditures made by the airport, airlines, FBOs, maintenance facilities, ground transportation, etc.

Visitor Spending represents financial transactions that occur primarily off-airport and are associated with visitors to the area. The principal measure of visitor spending impacts are expenditures made in the regional area by air travelers who are visiting from outside the region. These expenditures may include items such as lodging, food, entertainment, and retail purchases.

Spin-Off Impacts (Multiplier Effect) are calculated using impact multipliers, which are used to reflect the recycling of dollars through the economy. A dollar spent in the economy does not disappear; rather, it continues to move through the local economy in successive rounds until it is incrementally exported from the community.

Airport Dependent Impacts represent area businesses that are dependent on an airport for just-in-time shipping, a high degree of corporate travel, or specialized airport facilities and services. These businesses would relocate or suffer substantial loss if the airport were not available.



Summary Table of Impacts

Total Economic Impacts: Colorado Public-Use Airports			
<u>Type of Impact</u>	<u>Jobs</u>	<u>Wages</u>	<u>Economic Activity</u>
On-Airport Direct	50,368	\$2,395,027,000	\$5,644,331,000
Visitor Spending	99,214	\$2,100,962,000	\$4,954,527,000
Spin-Off (Multiplier Effect)	130,574	\$5,260,304,000	\$12,873,614,000
Total Economic Impact for All Airports	280,156	\$9,756,293,000	\$23,472,472,000

MEASURES OF ECONOMIC IMPACT:

Each of the four impact types is measured in three ways - jobs, wages, and economic activity.

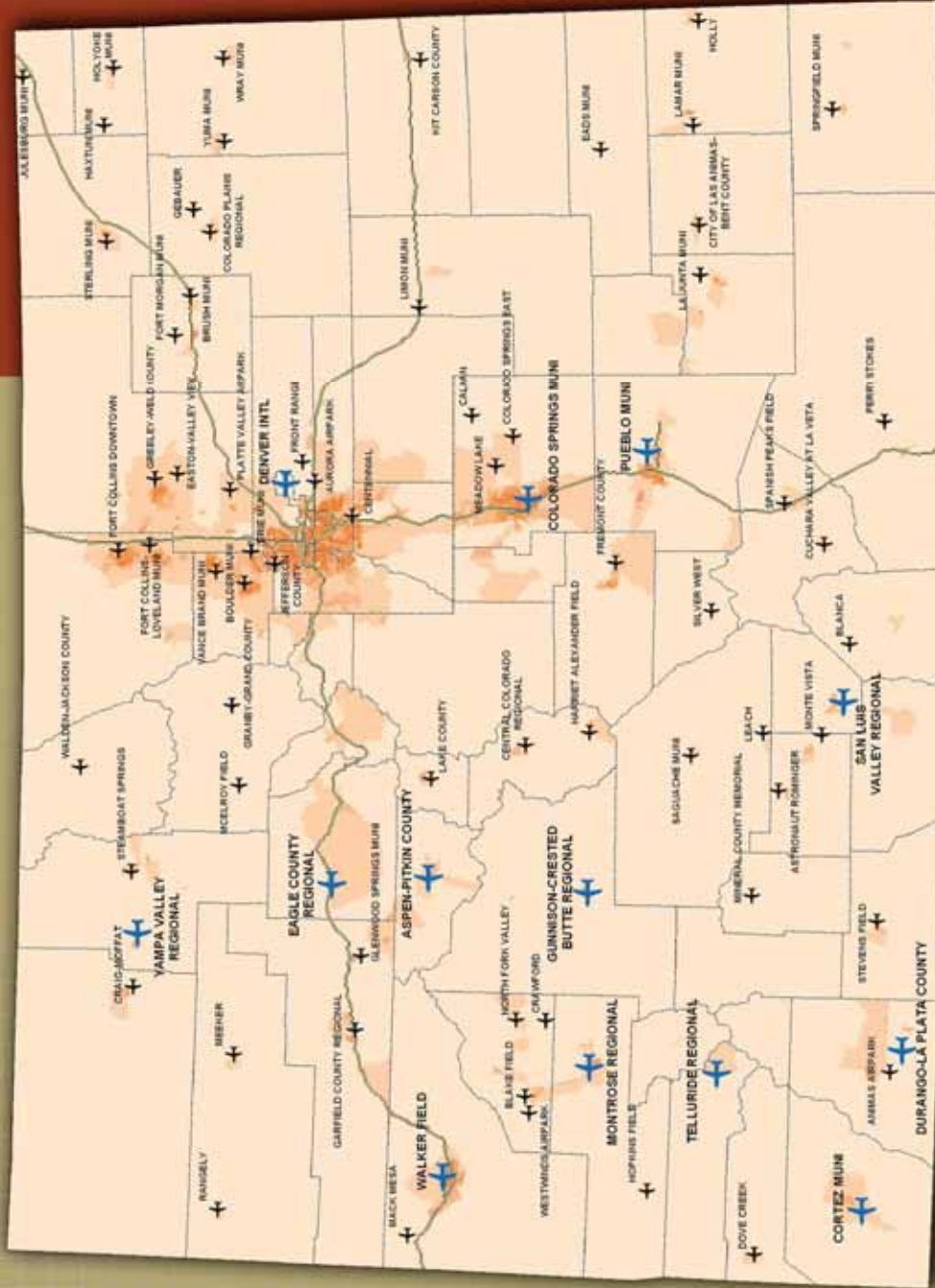
Jobs represent the total number of individuals employed. A job may represent either a full- or part-time position. Consequently, an airport with 10 jobs may have two full-time and eight part-time employees.



Wages are the full payroll expended for employees, including all taxes and benefits.

Economic Activity represents business sales. For government or non-profit entities, economic activity represents their annual budget. For visitor spending, economic activity represents visitor expenditures.

The Colorado Airport System



COMMERCIAL SERVICE AIRPORTS

Commercial Service airports provide scheduled air carrier and/or commuter service to surrounding communities. Commercial passengers are offered a multitude of terminal services including concessions, ground transportation options, and parking. More often than not, commercial service airports also provide an array of general aviation services and facilities for both the recreational and corporate traveler. Available services might include refueling, instrument approaches, full-service fixed based operators, corporate hangars, and even general aviation terminal facilities.



GENERAL AVIATION AIRPORTS

General Aviation airports provide a full range of aviation facilities and services to business and recreational users. Full-service fixed based operators, instrument approaches, refueling, corporate hangars, and GA terminal facilities are all services one might find at a general aviation airport. Some general aviation airports, known as reliever airports, even reduce congestion at large commercial service airports in certain metro areas by providing general aviation pilots with comparable landside and airside facilities.



Colorado's Commercial Service Airports



Total Economic Impacts: Commercial Service Airports

<u>Airport Name</u>	<u>Jobs</u>	<u>Wages</u>	<u>Economic Activity</u>
Aspen-Pitkin County	9,025	\$237,406,000	\$595,865,000
Colorado Springs Municipal	36,985	\$1,438,598,000	\$3,218,598,000
Cortez Municipal	312	\$8,214,000	\$20,460,000
Denver International	193,229	\$6,928,301,000	\$16,784,212,000
Durango-La Plata County	2,121	\$56,727,000	\$140,112,000
Eagle County Regional	4,573	\$124,927,000	\$316,342,000
Gunnison-Crested Butte Regional	1,345	\$34,771,000	\$90,316,000
Montrose Regional	2,305	\$38,346,000	\$104,255,000
Pueblo Municipal	727	\$19,103,000	\$45,638,000
San Luis Valley Regional	568	\$10,596,000	\$28,375,000
Telluride Regional	1,217	\$32,031,000	\$81,225,000
Walker Field	3,667	\$108,527,000	\$276,910,000
Yampa Valley Regional	4,729	\$73,754,000	\$183,113,000
TOTAL	260,803	\$9,111,301,000	\$21,885,421,000

Colorado's 13 Commercial Service airports form the backbone of the state's aviation system. These airports produce total impacts of more than \$21 billion in economic activity. More than 260,000 people are employed by Commercial Service airports or airport tenants, with a total payroll of more than \$9 billion.

Commercial Service Airports: Number of Visitors and Passenger Visitor Spending



<u>Airport Name</u>	<u>Total Air Carrier Visitors</u> ★	<u>Average Visitor Spending Per Trip</u>	<u>Total Air Carrier Passenger Visitor Spending</u>
Aspen-Pitkin County	141,505	\$1,518	\$214,735,205
Colorado Springs Municipal	515,070	\$527	\$271,328,527
Cortez Municipal	3,617	\$289	\$1,046,851
Denver International	8,639,448	\$431	\$3,726,453,081
Durango-La Plata County	58,929	\$622	\$36,661,765
Eagle County Regional	153,195	\$491	\$75,261,623
Gunnison-Crested Butte Regional	33,920	\$659	\$22,357,603
Montrose Regional	50,282	\$255	\$12,826,395
Pueblo Municipal	1,682	\$289	\$486,704
San Luis Valley Regional	2,179	\$289	\$630,744
Telluride Regional	26,840	\$920	\$24,688,933
Walker Field	59,645	\$350	\$20,899,024
Yampa Valley Regional	96,258	\$647	\$62,270,484
TOTAL	9,782,570		\$4,469,646,937

★ Air Carrier Visitors represent those enplaning passengers that are visitors to the area

Colorado's General Aviation Airports



Colorado's 65 General Aviation airports provide an extensive network of aviation facilities that serve both business and recreational users across the state. These airports produce total impacts of more than \$1.5 billion in economic activity. More than 19,000 people are employed by General Aviation airports or airport tenants, with a total payroll of nearly \$645 million.

Total Economic Impacts: General Aviation Airports

Airport Name	Jobs	Wages	Economic Activity
Animas Airpark	94	\$2,216,000	\$5,645,000
Astronaut Rominger	0	\$5,000	\$14,000
Aurora Airpark	8	\$193,000	\$466,000
Blake Field	54	\$651,000	\$1,642,000
Blanca	1	\$16,000	\$44,000
Boulder Municipal	675	\$24,033,000	\$56,986,000
Brush Municipal	84	\$204,000	\$512,000
Calhan	15	\$360,000	\$954,000
Centennial	8,594	\$331,032,000	\$815,112,000
Central Colorado Regional	71	\$1,773,000	\$4,589,000
City of Las Animas-Bent County	0	\$8,000	\$21,000
Colorado Plains Regional	134	\$3,286,000	\$8,549,000
Colorado Springs East	19	\$380,000	\$940,000
Craig-Moffat County	42	\$781,000	\$2,025,000
Crawford	5	\$171,000	\$437,000
Cuchara Valley	12	\$341,000	\$879,000
Dove Creek	0	\$0	\$0
Eads Municipal	0	\$4,000	\$12,000
Easton-Valley View	16	\$321,000	\$966,000
Erie Municipal	154	\$3,208,000	\$8,139,000
Fort Collins Downtown	240	\$4,039,000	\$10,714,000
Fort Collins-Loveland Municipal	619	\$14,274,000	\$37,178,000
Fort Morgan Municipal	45	\$1,078,000	\$2,780,000
Fremont County	129	\$1,983,000	\$5,371,000
Front Range	740	\$26,019,000	\$62,549,000
Garfield County Regional	444	\$12,072,000	\$30,862,000
Gebauer	0	\$0	\$0
Glenwood Springs Municipal	118	\$3,047,000	\$7,835,000
Granby-Grand County	39	\$984,000	\$2,417,000
Greeley-Weld County	1,436	\$29,840,000	\$73,102,000
Harriet Alexander Field	40	\$1,020,000	\$2,568,000
Haxtun Municipal	2	\$18,000	\$48,000
Holly	0	\$2,000	\$5,000
Holyoke Municipal	36	\$1,044,000	\$2,675,000
Hopkins Field	13	\$349,000	\$833,000
Jefferson County	3,124	\$114,903,000	\$275,740,000
Julesburg Municipal	0	\$13,000	\$35,000
Kit Carson County	89	\$1,758,000	\$4,631,000
La Junta Municipal	25	\$512,000	\$1,334,000
Lake County	19	\$344,000	\$855,000
Lamar Municipal	59	\$1,204,000	\$3,178,000
Leach	7	\$111,000	\$296,000
Limon Municipal	11	\$261,000	\$709,000
Mack Mesa	5	\$65,000	\$172,000
McElroy Field	67	\$1,196,000	\$2,947,000
Meadow Lake	301	\$11,320,000	\$29,454,000
Meeker	274	\$7,099,000	\$17,533,000
Mineral County	61	\$1,027,000	\$2,789,000
Monte Vista	47	\$463,000	\$1,223,000
Paonia	10	\$239,000	\$605,000
Perry Stokes	25	\$553,000	\$1,451,000
Platte Valley Airpark	10	\$318,000	\$849,000
Rangely	91	\$2,462,000	\$6,267,000
Saguache Municipal	0	\$2,000	\$5,000
Silver West	7	\$143,000	\$383,000
Spanish Peaks Airfield	5	\$92,000	\$244,000
Springfield Municipal	5	\$192,000	\$481,000
Steamboat Springs	116	\$2,973,000	\$7,524,000
Sterling Municipal	30	\$577,000	\$1,527,000
Stevens Field	357	\$9,367,000	\$23,170,000
Vance Brand Municipal	554	\$18,913,000	\$45,852,000
Walden-Jackson County	14	\$358,000	\$881,000
Westwinds Airpark	7	\$225,000	\$783,000
Wray Municipal	116	\$2,410,000	\$6,368,000
Yuma Municipal	38	\$1,140,000	\$2,896,000
TOTAL	19,353	\$644,992,000	\$1,587,051,000

Airport Dependent Business Impacts: General Aviation Airports

<u>Airport Name</u>	<u>Jobs</u>	<u>Wages</u>	<u>Economic Activity</u>
Animas Airpark	27	\$826,000	\$2,851,000
Aurora Airpark	15	\$339,000	\$819,000
Blake Field	23	\$619,000	\$1,620,000
Blanca	140	\$3,056,000	\$8,485,000
Brush Municipal	217	\$6,819,000	\$21,351,000
Centennial	1,237	\$46,209,000	\$113,228,000
Central Colorado Regional	70	\$2,125,000	\$6,085,000
Colorado Plains Regional	0	\$17,000	\$37,000
Colorado Springs East	26	\$1,115,000	\$3,252,000
Craig-Moffat County	0	\$18,000	\$65,000
Crawford	28	\$869,000	\$2,704,000
Eads Municipal	306	\$8,898,000	\$26,175,000
Easton-Valley View	2	\$19,000	\$46,000
Erie Municipal	3	\$115,000	\$288,000
Fort Collins-Loveland Municipal	106	\$4,696,000	\$13,962,000
Fort Morgan Municipal	336	\$13,821,000	\$46,919,000
Fremont County	134	\$4,511,000	\$14,328,000
Front Range	5	\$202,000	\$506,000
Garfield County Regional	77	\$2,329,000	\$6,842,000
Gebauer	0	\$28,000	\$72,000
Glenwood Springs Municipal	237	\$6,728,000	\$23,430,000
Granby-Grand County	11	\$311,000	\$1,092,000
Greeley-Weld County	195	\$6,032,000	\$17,194,000
Harriet Alexander Field	309	\$8,624,000	\$26,780,000
Haxtun Municipal	22	\$588,000	\$1,760,000
Holly	10	\$384,000	\$960,000
Holyoke Municipal	11	\$325,000	\$851,000
Hopkins Field	107	\$3,034,000	\$10,583,000
Jefferson County	254	\$11,404,000	\$27,828,000
Julesburg Municipal	2	\$86,000	\$216,000
Kit Carson County	196	\$6,302,000	\$18,381,000
La Junta Municipal	21	\$610,000	\$1,630,000
Lake County	7	\$224,000	\$652,000
Lamar Municipal	151	\$6,349,000	\$21,765,000
Leach	15	\$366,000	\$1,072,000
Mack Mesa	7	\$81,000	\$215,000
McElroy Field	21	\$581,000	\$2,037,000
Meeker	29	\$1,073,000	\$3,115,000
Monte Vista	129	\$2,843,000	\$7,963,000
Paonia	8	\$236,000	\$748,000
Rangely	99	\$2,783,000	\$9,751,000
Springfield Municipal	376	\$10,647,000	\$31,794,000
Steamboat Springs	5,205	\$147,229,000	\$511,527,000
Sterling Municipal	41	\$1,135,000	\$3,379,000
Stevens Field	4	\$111,000	\$386,000
Vance Brand Municipal	142	\$6,314,000	\$15,735,000
Westwinds Airpark	2	\$77,000	\$205,000
Wray Municipal	140	\$4,204,000	\$11,576,000
Yuma Municipal	14	\$370,000	\$856,000
TOTAL	10,517	\$325,682,000	\$1,023,116,000

Airport Dependent Businesses

Airport Dependent Impacts represent businesses that rely on airports for a variety of reasons, such as specialized facilities and services including free trade zones, U.S. Customs, and U.S. Immigration and Naturalization Services. They are not included in traditional economic impact methodology and are provided as an indicator of the importance of airports to area businesses.

Airport Dependent Business Impacts: Commercial Service Airports			
<u>Airport Name</u>	<u>Jobs</u>	<u>Wages</u>	<u>Economic Activity</u>
Aspen-Pitkin County	269	\$8,888,000	\$23,915,000
Cortez Municipal	884	\$25,298,000	\$88,515,000
Durango-La Plata County	146	\$5,241,000	\$13,760,000
Eagle County Regional	747	\$22,523,000	\$76,931,000
Gunnison-Crested Butte Regional	43	\$1,301,000	\$4,531,000
Montrose Regional	199	\$5,629,000	\$19,593,000
San Luis Valley Regional	243	\$5,479,000	\$17,344,000
Walker Field	76	\$2,156,000	\$7,483,000
Yampa Valley Regional	2	\$73,000	\$194,000
TOTAL	2,609	\$76,588,000	\$252,266,000

Qualitative Benefits

While the economic linkage between an airport and on-airport tenants and travel-related industries is readily apparent, there are less obvious interdependencies between airports and their communities. These qualitative benefits, for which dollar values cannot readily be assigned, take place on a regular basis and add to the quality of life of residents in the market area. Although difficult to quantify, both non-aviation-related companies and the general public throughout Colorado depend on the State's airports for a variety of uses including:

- ⊗ SEARCH AND RESCUE
- ⊗ AERIAL FIRE FIGHTING
- ⊗ AIR MEDICAL TRANSPORT
- ⊗ PUBLIC SAFETY
- ⊗ AGRICULTURE
- ⊗ RECREATION
- ⊗ JUST-IN-TIME SHIPPING





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