

Airports and economic development

The local general aviation airport is fast becoming the principal access route from a community to the nation and world.

As an important part of our statewide transportation network, local airports such as East Troy Municipal Airport play a critical role in fostering business growth and economic development.

Convenient access to air transportation allows businesses to quickly move goods and key personnel from one site to another, saving valuable time and increasing productivity.

A study by the Wisconsin Department of Transportation (WisDOT) showed that more than 85 percent of new or expanded manufacturing businesses were located within 15 miles of an airport capable of handling jet aircraft.

The local airport can also provide facilities for emergency medical flights, law enforcement, agricultural spraying, pilot training, and many other important community services.

Communities that are readily accessible by air transportation are at a competitive advantage and may realize economic and quality of life benefits that can affect every citizen.



East Troy Municipal Airport

As an integral part of our state transportation network, East Troy Municipal Airport plays a critical role in fostering business growth and economic development in the region.

Airport location

East Troy Municipal Airport is located in Walworth County (West Central Wisconsin). Easily accessible from Interstate 43, East Troy Municipal Airport is 29 miles southwest of Milwaukee and 75 miles northwest of Chicago.



The airport provides a safe and convenient environment for travel, business aviation, and related business activities.

Regional profile

Walworth County has a diversified economic base and workforce. Some of the products and services of the area include pumping equipment, plastic products, and educational and health services.



The area's prominent industry sectors are education services, food services and drinking places, and accommodation.

Walworth County profile

Area population

Village of East Troy – 4,290

Walworth County – 94,532

Walworth County employment – 41,461

County per capita income – \$32,239

Major employers in area

- University of Wisconsin – Whitewater
- County of Walworth
- Grand Geneva LLC
- Wal-Mart Associates Inc.
- Pentair Water Group Inc.
- Aurora Health Care of Southern Lake
- Miniature Precision Components Inc.
- Elkhorn Area School District

Sources: U.S. Census Bureau (2010), WI Department of Workforce Development (2009) Walworth County Workforce Profile

Airport activity and facilities

Owned and operated by the Village of East Troy, the airport is classified as a large general aviation airport in the *Wisconsin State Airport System Plan*. Large general aviation airports support all general aviation aircraft that include daily operations of all types of business jets. These airports generally serve as domestic transportation centers and may support international destinations.

In 2010, the airport reported 43,000 aircraft operations and was home for 68 based aircraft, including 61 single-engine, three multi-engine airplanes, and one jet. The airport has a Fixed Base Operator (FBO), flight school and plane rental, in addition to World War II airplane repair business and a sport parachute club.

Airport facilities

East Troy Municipal Airport has one paved runway and one turf runway.



The primary runway (08/26) is 3,900 feet long by 75 feet wide. Lighting aids on this runway include Medium Intensity Runway Lights (MIRLs), Precision Approach Path Indicators (PAPI), and Runway End Identifier Lights (REILs).

The secondary turf runway (18/36) is 2,446 feet long and 75 feet wide.

Instrument approaches to the airport include VHF omni-directional radio range (VOR) or Global Positioning System (GPS) circle to land approach and GPS approaches to runways 08 and 26.

The economic impact of East Troy Municipal Airport

This report documents a recently completed study by the WisDOT-Bureau of Aeronautics on the contribution of East Troy Municipal Airport to the local and state economy.

The economic impact of East Troy Municipal Airport is the *economic output (sales), employment and wage income* that can be attributed directly and indirectly to the airport.

Economic impacts measure the importance of an airport as a business in terms of the employment that it supports and the goods and services that it consumes.

The results of the study indicate that East Troy Municipal Airport provided \$12.9 million in sales, supported 113 jobs and contributed \$4.8 million in wage income to the local and state economy in 2010.

The methodology used to estimate the contribution of the airport to the local and state economy is the WisDOT Airport Benefit-Cost (ABC) System.

ABC Airport Benefit-Cost System

The WisDOT ABC System is a Microsoft Access database application for evaluating the economic impact of airports and airport improvement projects.

The WisDOT ABC System was developed based on guidelines established by the FAA in the document "*Estimating the Regional Economic Significance of Airports*", U.S. DOT, September 1992.

The WisDOT ABC System used data from the following three primary sources to estimate the economic impact of the airport to the local and state economy:

1. Airport activity and business survey data on jobs, income and sales at the airport.
2. Data from the *U.S. Bureau of Economic Analysis* on industry employment, wages and sales.
3. Regional economic multipliers obtained from the industry transaction tables in the Impact Analysis for Planning Model (IMPLAN) computer model.

IMPLAN is a computer model produced for WisDOT by the Minnesota IMPLAN Group. The model estimates purchases and sales between various sectors of the Wisconsin economy.

The model produces statewide multipliers as well as multipliers for specific counties and groups of counties. IMPLAN multipliers for two sectors in the Walworth County economy were used in the analysis.

The regional economic multipliers used in this study for the *Air Transportation Sector* are 1.07 (sales), 1.19 (employment) and 1.07 (wages.) Multipliers used for the *Retail/Hotel/Restaurant Sector* are 1.1 (sales), 1.04 (employment) and 1.09 (wages.)

The economic contribution of East Troy Municipal Airport is comprised of three types of impacts: *Direct Impact of the Airport, Direct Impact of Airport Users, and the Multiplier Impact*. Each of these effects is expressed in terms of their effect on economic output (sales), employment (jobs) and wage income.



Economic Impact

2010

East Troy Municipal Airport (57C)

East Troy, WI

Direct impacts

The direct impact of East Troy Municipal Airport on the local economy reflects the jobs, payroll and sales directly related to airport operations. This includes the management and operation of the airport, as well as businesses providing aircraft maintenance, fueling, storage and leasing activities.

The direct effect of the airport on the Walworth County economy in 2010 totaled 20 employees, a payroll of \$1.9 million and \$6.3 million in economic output.

Indirect impacts

Visitor spending, or the indirect impact of airport users, is the amount of money flowing into the local economy from air passengers who reside outside the county. These visitors spend money on lodging, meals, ground transportation and retail purchases within the county.

The \$2.3 million of visitor spending in 2010 supported 39 additional jobs in Walworth County with a payroll of \$776,490.

Induced impacts

The multiplier or induced effect represents the downstream effect of airport operation and visitor spending throughout the local and state economy.

This impact includes the activity of suppliers to the businesses at the airport (including electricity, office supplies, aircraft parts, fuel for resale) and suppliers to the businesses serving visitors. It also includes the activity generated by the airport workers re-spending their income (clothes, groceries, entertainment, and other necessities.)

In 2010, the multiplier impact of the airport supported six additional jobs, provided more than \$206 thousand in wages and generated \$665 thousand in economic output.

Employment (FTE Jobs)

Direct	20
Indirect (visitor spending)	39
Induced (multiplier effect)	6

Total employment impact 65 jobs

Wage income/payroll

Direct	\$1.9 million
Indirect (visitor spending)	\$776 thousand
Induced (multiplier effect)	\$206 thousand

Total payroll impact \$2.9 million

Economic output/sales

Direct	\$6.3 million
Indirect (visitor spending)	\$2.3 million
Induced (multiplier effect)	\$665 thousand

Total economic output \$9.2 million



East Troy Municipal Airport



Economic Impact

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Other benefits

The study also measured public revenue generated at the local and state level from airport and aviation related fees.

In 2010, East Troy Municipal Airport generated \$64,220 in revenue from aircraft storage fees. Other local fees and revenues generated \$8,143.

The airport also generated \$10,385 in state revenue from aircraft registration fees for a total of \$82,748 in direct local and state public revenue.

Public revenue – direct impact

Walworth County	State	Total
\$82,748	\$10,385	\$82,748

Local economic impact

The results of the study indicate that East Troy Municipal Airport provided \$9.2 million in economic output, supported 65 jobs and contributed over \$2.9 million in wage income to the local economy in Walworth County.

Contribution of East Troy Municipal Airport to the local economy

FTE jobs	Wage income/ payroll	Economic output/sales
65	\$2.9 million	\$9.2 million

Local and state economic impact

The activity at East Troy Municipal Airport in 2010 also generated an additional \$3.7 million in sales, 48 jobs and 1.9 million in payroll to the state economy.

When combined with the local impact, the total contribution of East Troy Municipal Airport to the local and state economy in 2010 is \$12.9 million in sales, 113 jobs and \$4.8 million in wage income.

Contribution of East Troy Municipal Airport to the local and state economy

FTE jobs	Wage income/ payroll	Economic output/sales
113	\$4.8 million	\$12.9 million



Hangar area

