

Airports and economic development

Airports, aviation and industries related to aviation in Wisconsin have a profound impact on the quality of life and economic prosperity of the state. Airports and aviation create thousands of jobs and provide millions of dollars in sales and income each year.

Wisconsin's eight commercial service airports link residents and businesses to the rest of the nation and the world. These airports are important centers of economic activity, generating a large share of aviation's annual contribution to the state's economy.

Convenient access to airline passenger service, air cargo facilities and corporate aviation allows businesses to safely and efficiently move key personnel and products, saving valuable time and increasing productivity.



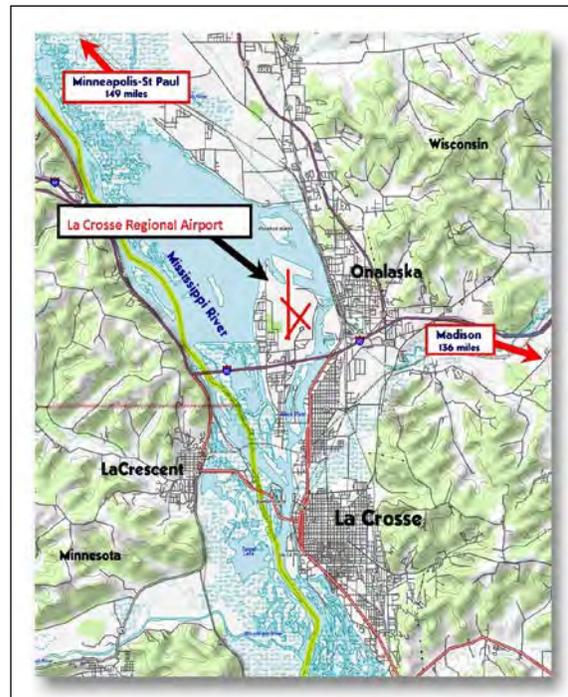
La Crosse Regional Airport

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.

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

Airport location

La Crosse Regional Airport is located in the west central region of Wisconsin, along the Mississippi River. The airport is located four miles from the business center of the city of La Crosse and 1.5 miles west of the business center of Onalaska.



Map of La Crosse

Serving west central Wisconsin as well as southeastern Minnesota, and northeastern Iowa counties, La Crosse Regional Airport is a key ingredient to the region's strong economy and quality of life.

The airport provides a safe and convenient environment for commercial air passenger travel, business aviation, air cargo shipments and deliveries, and related business activities.

Regional profile

City of La Crosse population – 51,600
La Crosse County population – 115,928

La Crosse County employment – 66,916
Per capita personal income - \$40,514

Prominent Employers in La Crosse County

- Gundersen Health Systems
- Mayo Clinic Health Systems – Franciscan Healthcare
- The Trane Company
- UW – La Crosse
- Centurytel Service Group LLC
- City of La Crosse
- Logistics Health Inc.
- Western Technical College
- APAC Customer Services Inc.
- Chart Energy & Chemicals Inc.

Sources: WI Department of Workforce Development, 2013 La Crosse County Economic and Workforce Profile

La Crosse County's strong mix of industries and educational facilities has created a stable economy with lower than average unemployment rates.

The area's prominent industry sectors include Education and Health; Trade, Transportation, Utilities; and Manufacturing.

Airport activity and facilities

Owned and operated by the city of La Crosse, the airport is classified as a Primary Commercial Service airport in the FAA's *National Plan of Integrated Airport Systems*

and a Commercial Service airport in the *Wisconsin State Airport System Plan-2030*. Two major airlines (American Airlines and Delta Airlines) provide seven daily departures, direct service to Chicago and Minneapolis, and connections to any destination in the world.

In 2015, the airport served more than 91,000 passengers and recorded almost 23,000 aircraft operations. Eighty-four aircraft are based at the airport. Ten commercial hangars and eight multi-aircraft T-hangars are also located on the airport property.

La Crosse Regional Airport is also host to numerous support businesses such as a parking facility, car rental agencies, restaurant and lounge, and gift shops.



Terminal area

La Crosse Regional Airport has three paved runways, associated taxiways, public apron areas, passenger terminal area, and one Fixed Base Operator (FBO).

The primary air carrier runway (18/36) is 8,742 feet long by 150 feet wide. The secondary runway (13/31) is 6,050 feet long and 150 feet wide. A third runway is 5,199 by 150 feet wide. Navigational aids include an instrument landing system, VHF Omni-directional radio Range (VOR), Precision Approach Path Indicators (PAPI), Visual Approach Slope Indicator (VASI), Medium-intensity Approach Lighting System with Runway (MALSR) Lights, and GPS approach.

The economic impact of La Crosse Regional Airport

WisDOT's Bureau of Aeronautics recently completed a study of the contribution of La Crosse Regional Airport to the local and state economy.

The economic impact of La Crosse Regional Airport is the *employment, wage income and economic output (sales)* 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 it supports and the goods and services it consumes.

The results of the study indicate La Crosse Regional Airport provided \$53.1 million in economic output, supported 808 jobs, and contributed \$50.8 million in wage income to the local and state economy in 2015.

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

ABC: Airport Benefit Cost System

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The WisDOT ABC System is a Microsoft Access database application used for evaluating the economic impact of airports and

airport improvement projects. The system was initiated by WisDOT and developed by Cambridge Systematics and Flight Transportation Associates. The application is based on guidelines established by the FAA in the document "*Estimating the Regional Economic Significance of Airports*," U.S. DOT, September 1992.

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

- Airport activity and business survey data on jobs, income and sales at the airport
- Data from the *State of Wisconsin Department of Workforce Development* on industry employment, wages and sales
- 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 La Crosse County economy were used in the analysis.

The regional economic multipliers used in this study for the Air Transportation Sector are 1.48 (sales), 2.05 (employment) and 1.65 (wages).

Multipliers used for the Retail/Hotel/Restaurant Sector are 1.67 (sales), 1.33 (employment) and 1.65 (wages.)

The economic contribution of La Crosse Regional Airport is comprised of three types of impacts: *Direct Impacts of the Airport, Direct Impacts of Airport Users and the Multiplier Impacts.*

Each of these effects is expressed in terms of their effect on economic output (sales), employment (jobs), and wage income.

Direct impacts of the airport

The direct impact of La Crosse Regional 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, commercial airlines, air terminal vendors, FAA air traffic control tower, as well as businesses providing aircraft maintenance, fueling, storage, rental, charter sales, and leasing activities.

In 2015, the direct effect of the airport on the La Crosse County economy totaled 104 employees, a payroll of \$7.5 million and \$16 million in economic output.

Direct impacts of airport users

Visitor spending, or the direct 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 \$15.2 million of air passenger spending in 2015 supported 440 additional jobs in La Crosse County with a payroll of \$21.3 million.

Multiplier impact

The multiplier impact considers the effect of two additional airport impacts on the region's economy. The first impact is the economic activity of local suppliers of goods and services to the airport and La Crosse County businesses that host air travelers (hotels, restaurants, entertainment establishments).

The multiplier impact also includes the re-spending of airport generated payroll and the payroll of businesses serving air visitors to La Crosse. These workers spend a significant portion of their income throughout the local economy. The IMPLAN multipliers were used to identify the extent of these impacts.

In 2015, the multiplier impact of the airport supported 258 additional jobs, provided more than \$18.7 million in wages, and generated \$17.9 million in economic output.

<i>Employment (FTE jobs)</i>	
Direct impact - airport	104
Direct impact - airport users	440
Multiplier impact	258
Total employment impact	802 Jobs
<i>Wage income/payroll</i>	
Direct impact - airport	\$7.5 million
Direct impact - airport users	\$21.3 million
Multiplier impact	\$18.7 million
Total payroll impact	\$47.5 million
<i>Economic output/sales</i>	
Direct impact - airport	\$16 million
Direct impact - airport users	\$15.2 million
Multiplier impact	\$17.9 million
Total economic output	\$49.1 million



La Crosse Regional Airport

Local economic impact

The results of the study indicate La Crosse Regional Airport provided \$49.1 million in economic output, supported 802 jobs and contributed \$47.5 million in wage income to the local economy in La Crosse County.

Contribution of La Crosse Regional Airport to the local economy

FTE jobs	Wage income	Economic output/sales
802	\$47.5 million	\$49.1 million

Other benefits

The study also measured public revenue generated at the local and state level from airport and aviation-related fees. In 2015, La Crosse Regional Airport generated \$2.3 million in revenue from aircraft storage, agricultural leases, concession rents, landing and fuel flowage fees, and local taxes on privately owned property. The airport also generated \$53,937 in state revenue from aircraft registration fees and state fuel taxes for a total of \$2.4 million in direct local and state public revenue.

Airport revenue – direct impact

La Crosse County	State	Total
\$2.3 million	\$53,937	\$2.4 million

Local and state economic impact

The activity at La Crosse Regional Airport in 2015 also generated an additional \$3.9 million in sales, six jobs and \$3.3 million in payroll to the state economy.

When combined with the local impact, the total contribution of La Crosse Regional Airport to the local and state economy in 2015 is \$53.1 million in sales, 808 jobs, and \$50.8 million in wage income.

Contribution of La Crosse Regional Airport to the local and state economy

FTE jobs	Wage income	Economic output/sales
808	\$50.8 million	\$53.1 million

Note: The results of this report are produced from a basic model and do not completely address all the economic nuances facing every airport.