

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 New Holstein Municipal Airport play a critical role in fostering business growth and economic development.



New Holstein Municipal Airport

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.

The local airport also provides 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.

Airport location

New Holstein Municipal Airport is located in New Holstein (eastern Wisconsin). New Holstein is conveniently located 1.5 hours north of Milwaukee, 50 minutes south of Green Bay, and 2.5 hours north of Chicago.



New Holstein Municipal Airport

Regional profile

Calumet County has a population of 50,656 and a labor workforce of 13,028. The area's prominent industry sectors are Manufacturing; Trade, Transportation, Utilities; and Education and Health.

Regional profile

City of New Holstein population	3,216
Calumet County population	50,656
Calumet County employment	13,028
Per capita personal income	\$44,305

Industry Employment

Natural Resources	689
Construction	522
Manufacturing	3,878
Trade, Transportation, Utilities	2,522
Information	59
Financial Activities	708
Professional & Business Services	464
Education & Health	1,831
Leisure & Hospitality	1,473
Other services	293
Public Administration	588

Sources: Wisconsin Department of Workforce Development; Calumet County Workforce Profile 2013

Airport activity and facilities

New Holstein Municipal Airport is administered by an airport commission representing the city of New Holstein. The airport is open to the public and classified as a Small General Aviation airport in the *Wisconsin State Airport System Plan: 2030*.

In 2015, the airport estimated 7,900 aircraft operations (take-offs and landings) and served 20 single-engine based aircraft. The airport has one Fixed Base Operator (FBO), Welch's Aviation. The airport's primary runway (14/32) is 3,600 feet long and 75 feet wide with Medium Intensity Runway Lights and Runway End Identifier Lights. The cross-wind turf runway (04/22) is 2,951 feet long and 250 feet wide. The terminal building has a pilot lounge, along with a public phone and restroom.

The economic impact of New Holstein Municipal Airport

A study of the contribution of New Holstein Municipal Airport to the local and state economy was done by the Wisconsin Department of Transportation, Bureau of Aeronautics.

The economic impact of New Holstein Municipal Airport is the *economic output (sales), employment and personal 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, as well as the goods and services that it consumes.

ABC: Airport Benefit-Cost System

The results of the study estimate that New Holstein Municipal Airport provided \$1.1 million in economic output, supported 34 jobs and contributed over \$650,000 in personal income to the local economy (Calumet County) 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.

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 uses data from the following three primary sources:

- Airport activity and business survey data for calendar year 2015 was obtained from airport management.
- 2013 data from the Wisconsin Department of Workforce Development.
- 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, Inc., that estimates purchases and sales between various sectors of the Wisconsin economy. The model can produce statewide results or focus on specific counties and groups of counties. Multipliers for two sectors were used in the analysis.

The regional economic multipliers used in this study for the Air Transportation sector are 1.29 (sales), 1.48 (employment) and 1.58 (wages).

Multipliers used for the Retail/Hotel/Restaurant sector are 1.29 (sales), 1.23 (employment) and 1.30 (wages).

The economic role of New Holstein Municipal 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 impacts is expressed in terms of their effect on economic output, employment and wage income.

Direct impacts of the airport

The direct impact of an airport on the local economy measures the jobs, payroll and sales directly related to airport operations and businesses at the airport. This includes the

management and operation of the airport, as well as businesses providing aircraft maintenance, fueling, storage rental, charter sales and leasing activities.

In 2015, the direct impact of the airport on the local economy totaled one employee, personal income of \$17,454 and \$55,062 in economic output.



Hangar area

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 \$763,000 of visitor spending (sales) generated by the airport in 2015 supported 27 jobs in Calumet County with a payroll of \$485,001.

Economic Impact

2015

New Holstein Municipal Airport (8D1)

New Holstein, WI

Multiplier impacts

The multiplier impact considers the effect of two additional airport impacts on the regional economy. The first impact is the economic activity of local suppliers to the airport and Calumet County businesses that host air travelers (hotels, restaurants and entertainment establishments).

The multiplier impact also includes the re-spending of the payroll of businesses serving visitors to the area. Employees of these businesses 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 6 additional jobs, provided \$153,753 in wages, and generated \$241,849 in economic output.

Other benefits

The study also measured the public revenue generated at both the local and state level from airport related fees. In 2015, New Holstein Municipal Airport generated \$4,300 in public revenue from aircraft storage. The airport also generated \$19,500 in revenue from local fees, and \$3,056 in state aviation fuel taxes and aircraft registration fees for a total of \$26,856 in direct airport and state revenue.

Airport revenue – direct impact

New Holstein Municipal Airport	State	Total
\$ 23,800	\$3,056	\$26,856

Local economic impact

The results of the study estimate that New Holstein Municipal Airport provided \$1,059,911 in economic output, supported 34 jobs, and contributed \$656,208 in wage income to the local economy in 2015.

Employment (FTE jobs)

Direct impact - airport	1
Direct impact – airport users	27
Multiplier impact	6
Total employment impact	34 Jobs

Wage income/payroll

Direct impact - airport	\$17,454
Direct impact – airport users	\$485,001
Multiplier impact	\$153,753
Total payroll impact	\$656,208

Economic output/sales

Direct impact - airport	\$55,062
Direct impact – airport users	\$763,000
Multiplier impact	\$241,849
Total economic output	\$1,059,911

Contribution of New Holstein Municipal Airport to the local economy

FTE jobs	Wage income	Economic output/sales
34	\$656,208	\$1,059,911

Local and state economic impact

The activity at New Holstein Municipal Airport in 2015 also generated an additional \$348,038 in sales, supported 4 jobs and provided \$190,023 in wage income to the state economy.

When combined with the local impact, the total contribution of New Holstein Municipal Airport to the local and state economy in 2015 is \$1,407,949 in sales, 38 jobs and \$846,231 in wage income.

***Contribution of
New Holstein Municipal Airport
to the local and state economy***

FTE jobs	Wage income	Economic output/sales
38	\$846,231	\$1,407,949

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