

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.



Central Wisconsin 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 Central Wisconsin Airport plays a critical role in fostering business growth and economic development in the Central Wisconsin region.

Airport location

As the name implies, Central Wisconsin Airport is located in the central region of Wisconsin in the city of Mosinee.

Serving the central part of the state, Central Wisconsin Airport is a critical element to the growing communities of Stevens Point, Wausau, Plover, Weston, and Kronenwetter. The airport provides a safe and convenient environment for commercial air passenger travel, business aviation, air cargo shipments and deliveries, and related business activities.

County economic profiles

Marathon and Portage County profiles

Population (2010 estimate)

Marathon County 136,874
Portage County 71,242

Employment

Marathon County 64,558
Portage County 31,600

Prominent Public/Private owned employers

Aspirus Wausau Hospital, Inc.
County of Portage
Greenheck Fan Corp.
Kolbe & Kolbe Millwork Co.
Liberty Mutual Insurance Co.
Newpage Wisconsin Systems, Inc.
Ministry Health Care
County Materials Corp.
County of Marathon
Sentry Insurance A Mutual Co.
Stevens Point Public Schools
UW – Stevens Point
Wausau Paper Mills LLC
Wausau School District

Sources: U.S. Census Bureau, WI Department of Workforce Development, and airport administration.

Both Marathon and Portage counties have a strong mix of industries and educational facilities that have created a stable economy with low unemployment rates.

The area's largest industry categories include manufacturing and insurance, followed by educational and healthcare services.

Airport services and activity

Owned and operated by the counties of Marathon and Portage, the airport is classified as a primary commercial service airport in the FAA's *National Plan of Integrated Airport Systems (NPIAS)* and a Commercial Service airport in the *Wisconsin State Airport System Plan*.

Three major airlines (United, Delta and American Airlines) provide daily departures and direct service to three cities (Detroit, Minneapolis and Chicago), and connections to any destination in the world.

In 2012, the airport served more than 123,000 passengers and recorded 15,200 aircraft operations. The airport also enplaned over 500,000 pounds of air cargo. T-hangars and corporate hangars, including Wausau Paper, L&S Electric, and County Materials are located on the airport property.

Central Wisconsin Airport also is host to numerous support businesses, such as a parking facility, car rental agencies, a restaurant, gift shops and meeting facilities.



Terminal area

Airport facilities

Central Wisconsin Airport has two paved runways, associated taxiways, public apron areas, passenger terminal area, maintenance, Airport Rescue and Fire Fighter (ARFF) equipment and one Fixed Base Operator (FBO).

The airport is home to Central Wisconsin Aviation, Inc., which provides aircraft rental, flight instructors, pilot supplies, aircraft maintenance, and charter services.

The primary air carrier runway (8/26) is 7,650 feet long by 150 feet wide. The secondary runway (17/35) is 6,500 feet long and 150 feet wide. Navigational aids include two Instrument Landing Systems (ILS), VHF Omni-directional Range /Distance Measuring Equipment, Area Navigation (GPS), localizer, and localizer back course approach.

The economic impact

The WisDOT Bureau of Aeronautics recently completed a study of the contribution of Central Wisconsin Airport to the local and state economy.

The economic impact of Central Wisconsin 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 it supports and the goods and services it consumes.

The results of the study indicate that Central Wisconsin Airport provided \$71.5 million in economic output, supported 564 jobs and contributed \$16.4 million in wage income to the local and state economy in 2012.

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

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

WisDOT's 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.

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

- Airport activity and business survey data on jobs, income and sales at the airport
- Data from the *U.S. Bureau of Economic Analysis* 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 economic sectors in both Marathon and Portage counties were used in the analysis.

The regional economic multipliers used in this study for the *Air Transportation Sector* are 1.34 (sales), 1.7 (employment), and 1.64 (wages). Multipliers used for the *Retail/Hotel/Restaurant Sector* are 1.50 (sales), 1.28 (employment) and 1.54 (wages).

The economic contribution of Central Wisconsin 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.



Direct impacts of the airport

The direct impact of Central Wisconsin 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, Federal Aviation Administration, Transportation Security Administration, as well as businesses providing aircraft maintenance, fueling, storage, rental, and leasing activities.

The direct impact of the airport on the local economy in 2012 totaled 457 employees, a payroll of \$14.8 million and \$61.9 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.

Economic Impact

2012

Central Wisconsin Airport
CWA

The \$5.1 million of air passenger spending in 2012 supported 90 additional jobs in the local area with a payroll of \$1.7 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 the local area 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 the local area. 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 2012, the multiplier impact of the airport supported 166 additional jobs, provided more than \$5.7 million in wages, and generated \$16.3 million in economic output.

Employment (full-time jobs)

Direct impact - airport	201
Direct impact - airport users	90
Multiplier impact	166
Local employment impact	457 Jobs

Wage Income/Payroll

Direct impact - airport	\$7.4 million
Direct impact - airport users	\$1.7 million
Multiplier impact	\$5.7 million
Local payroll impact	\$14.8 million

Economic Output/Sales

Direct impact - airport	\$40.5 million
Direct impact - airport users	\$5.1 million
Multiplier impact	\$16.3 million
Local economic output	\$61.9 million



Other benefits

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

In 2012, Central Wisconsin Airport generated \$612,068 in revenue from aircraft storage, leases, concession rents, fuel flowage fees and landing fees.

The airport also generated \$7,810 in state revenue from aircraft registration fees and state fuel tax revenues, for a total of \$619,879 in direct local and state public revenue.

Public Revenue – Direct Impact

Marathon /Portage Counties	State	Total
\$612,068	\$7,810	\$619,878

Local economic impact

The results of the study indicate that Central Wisconsin Airport provided \$61.9 million in economic output, supported 457 jobs and contributed \$14.8 million in wage income to the local economy.

Contribution of Central Wisconsin Airport to the Local Economy

FTE jobs	Wage income/ payroll	Economic output/sales
457	\$14.8 million	\$61.9 million

Local and state economic impact

The activity at Central Wisconsin Airport in 2012 also generated an additional \$9.6 million in sales, 107 jobs, and \$1.6 million in payroll to the state economy.

When combined with the local impact, the total contribution of Central Wisconsin Airport to the local and state economy in 2012 is \$71.5 million in sales, 564 jobs and \$16.4 million in wage income.



Contribution of Central Wisconsin Airport to the Local and State Economy

FTE jobs	Wage income/ payroll	Economic output/sales
564	\$16.4 million	\$71.5 million

This report has identified and quantified the economic contribution of Central Wisconsin Airport's 2012 activity to both the local economy and the State of Wisconsin.

