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 Stevens Point 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) shows that between 1997 and 2001, over 85% of new or expanded manufacturing businesses were located within 15 miles of an airport capable of handling jet aircraft. These manufacturers provided 34,064 jobs for Wisconsin residents.

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.

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

Airport location

Stevens Point Municipal Airport is located in Portage County (central Wisconsin). Easily accessible from Interstate 39 (I-39), Stevens Point Municipal Airport is 97 miles east of Eau Claire and 78 miles west of Green Bay.

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

Regional profile

Portage County has a diversified economic base and workforce. Some of the products of the area include insurance and educational services, specialty paper products and a variety of frozen foods products.
The area’s largest non-government industry sectors are manufacturing, transportation, warehousing, finance and insurance.

### Stevens Point/Portage County profile

**Area populations**
- City of Stevens Point – 24,857
- Portage County – 68,227

**Employment**
- Portage County employment – 36,367
- County per capita income – $25,216

**Major employers in area**
- Sentry Insurance
- Stevens Point Public School
- University of Wisconsin – Stevens Point
- St. Michael’s Hospital of Stevens Point
- The Copps Corp.
- Stora Enso North America Corp.
- County of Portage
- Ministry Medical Group, Inc.

Sources: U.S. Census Bureau, U.S. Bureau of Economic Analysis and the WI Departments of Administration and Workforce Development.

### Airport services and activity

Owned and operated by the city of Stevens Point, the airport is classified as a Transport Corporate Airport in the *Wisconsin State Airport System Plan: 2020 (SASP)*.

In 2003 the airport recorded 36,750 aircraft operations and was home for 45-based aircraft, including four jets, 40 single-engine, and one multi-engine propeller airplane. Travel Guard, Med Topics Unlimited, Sentry Insurance, Pegasus Aviation, Freight Runners, and the Rettler Corporation all operate business aircraft from Stevens Point Municipal Airport. UPS operates flights on a daily basis that provide essential cargo services to the local and regional community. St. Michael’s Hospital uses the airport on average of once a week to transport administration to and from Milwaukee. The airport has one Fixed Base Operator (FBO), Sentry Aviation Services Inc., four industrial and corporate flight departments based on the airport, in addition to 22 T, 12 individual and four larger corporate hangars.

### Airport facilities

Stevens Point Municipal Airport has two paved runways.

The primary runway (03/21) is 6,028 feet long by 120 feet wide. Lighting aids on this runway include a Medium Intensity Approach Lighting System (MALS), High Intensity Runway Lights (HIRLs), and Runway End Identifier Lights (REILs).

The secondary runway (12/30) is 3,642 feet long and 75 feet wide. Lighting aids on this runway include HIRLs.

Instrument approaches to the airport include VHF omni-directional radio range (VOR) and Global Positioning System (GPS) approaches to runways 03,30, and 31.
The economic impact of Stevens Point Municipal Airport

This report documents a recently completed study by the WisDOT-Bureau of Aeronautics on the contribution of Stevens Point Municipal Airport to the local and state economy. The economic impact of Stevens Point 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 Stevens Point Municipal Airport provided $3.14 million in sales, supported 49 jobs and contributed $1.22 million in wage income to the local and state economy in 2003.

The methodology used to estimate the contribution of the airport to the local and state economy is the 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 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 Portage County economy were used in the analysis.

The regional economic multipliers used in this study for the Air Transportation Sector are 1.36 (sales), 1.5 (employment) and 1.38 (wages.) Multipliers used for the Retail/Hotel/Restaurant Sector are 1.42 (sales), 1.19 (employment) and 1.4 (wages.)

The economic contribution of Stevens Point 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.
Direct impacts

The direct impact of Stevens Point 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 local economy in 2003 totaled 18 employees, a payroll of $605.8 thousand and $1.57 million in economic output.

Indirect impact

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 $373.8 thousand of visitor spending in 2003 supported 12 additional jobs in Portage County with a payroll of $140.4 thousand.

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 2003, the multiplier impact of the airport supported 11 additional jobs, provided $286.4 thousand in wages and generated $721.4 thousand in economic output.

Employment (FTE Jobs)

<table>
<thead>
<tr>
<th>Source</th>
<th>Job Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>18</td>
</tr>
<tr>
<td>Indirect (visitor spending)</td>
<td>12</td>
</tr>
<tr>
<td>Induced (multiplier effect)</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total employment impact</strong></td>
<td><strong>41 jobs</strong></td>
</tr>
</tbody>
</table>

Wage income/payroll

<table>
<thead>
<tr>
<th>Source</th>
<th>Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$605.8 thousand</td>
</tr>
<tr>
<td>Indirect (visitor spending)</td>
<td>$140.4 thousand</td>
</tr>
<tr>
<td>Induced (multiplier effect)</td>
<td>$286.4 thousand</td>
</tr>
<tr>
<td><strong>Total payroll impact</strong></td>
<td>$1.03 million</td>
</tr>
</tbody>
</table>

Economic output/sales

<table>
<thead>
<tr>
<th>Source</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$1.6 million</td>
</tr>
<tr>
<td>Indirect (visitor spending)</td>
<td>$373.8 thousand</td>
</tr>
<tr>
<td>Induced (multiplier effect)</td>
<td>$721.4 thousand</td>
</tr>
<tr>
<td><strong>Total economic output</strong></td>
<td><strong>$2.7 million</strong></td>
</tr>
</tbody>
</table>
Economic Impact

2004

Stevens Point Municipal Airport (STE)
Stevens Point, WI

Other benefits

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

In 2003, Stevens Point Municipal Airport generated $67,758 in revenue from aircraft storage, landing fees, and leases. Other local fees, taxes and revenues generate $4,743.

The airport also generated $679 in state revenue from general aviation fuel taxes and aircraft registration fees of $13,450 for a total of $86,630 in direct local and state public revenue.

Public revenue – direct impact

<table>
<thead>
<tr>
<th>Portage County</th>
<th>State</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$72,501</td>
<td>$14,129</td>
<td>$86,630</td>
</tr>
</tbody>
</table>

Local and state economic impact

The activity at Stevens Point Municipal Airport in 2003 also generated an additional $475.3 thousand in sales, eight jobs and $189 thousand in payroll to the state economy.

When combined with the local impact, the total contribution of Stevens Point Municipal Airport to the local and state economy in 2003 is $3.14 million in sales, 49 jobs and $1.22 million in wage income.

Contribution of Stevens Point Municipal Airport to the local and state economy

<table>
<thead>
<tr>
<th>FTE jobs</th>
<th>Wage income/payroll</th>
<th>Economic output/sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>$1.2 million</td>
<td>$3.1 million</td>
</tr>
</tbody>
</table>

Local economic impact

The results of the study indicate that Stevens Point Municipal Airport provided $2.7 million in economic output, supported 41 jobs and contributed 1.03 million in wage income to the local economy in Portage County.

Contribution of Stevens Point Municipal Airport to the local economy

<table>
<thead>
<tr>
<th>FTE jobs</th>
<th>Wage income/payroll</th>
<th>Economic output/sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>41</td>
<td>$1,032,625</td>
<td>$2,668,179</td>
</tr>
</tbody>
</table>