

WV AEIS
Project
Advisory
Committee
(PAC)Meeting #2

April 21st, 2021





Introductions

- WV Aeronautics Commission Staff
- Consultant Team Kimley »Horn EBP

PAC Members

- Gerald Sites WVAC
- Jay Wallace WVAC
- Brian Thompson WVAC
- Tracy Miller WVAC
- David Cramer WV DOT of Econ. Development
- Rita Pauley WV Department of Highways
- Chelsea Ruby WV Tourism
- Meghan Smith WV Development Office
- Richard Rock WV Airport Mgr. Association/N. Central WV Airport
- Clint Ransom Mercer County Airport
- Matt DiGiulian FAA
- Mike Adkins FAA





Meeting Agenda

Study Progress

- Data Collection
- Data Analysis

Quantitative Impacts

- Impacts by Source
- Multiplier Effect
- Total Impacts
- Regional Impacts
- Tax Impacts

Qualitative Impacts

Real-life experiences

Final Deliverables

- Technical Report
- Airport Brochures
- Outreach Toolkit



Study Progress: What's been done since we last met





Data Collection

We interacted with and collected data from:

- 24 airports
- 148 tenants
- 400+ commercial service passengers
- 270+ GA pilots or passengers
- Business aircraft owners
- Businesses that rely on WV airports

2019 was used as the base year for all data collection.



Data Analysis

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□ Survey Audience □ □ Data Requested □ Supplemental Data

Airport Managers

Airport Tenants

Commercial Passengers

General Aviation Passengers/Pilots

Aviation-Reliant Businesses & Business Aircraft Owners Jobs, Payroll, Capital Investment, Operating Expenses, GA Operations

> Visitor Spending Profiles

Jobs, Business Use of Aviation and Air Cargo, Business Location Factors ESRI Community Analyst, IMPLAN

Longwoods, Airline Data, Inc.

Transient Operations reported by Airport Managers

Secondary Data Sources (air cargo, freight-economic data)



Definitions **Refresher:**



Economic Impact Indicators



JOBS the number of employed people.

PAYROLL

total employment compensation.

VALUE ADDED



company or industry contribution to Gross State Product (GSP). = business sales - (costs for goods & services and transportation of those goods).

BUSINESS REVENUES

aviation supported output including the sum of business sales and budget expenditures.

Economic Impact Categories

DIRECT



Initial effects that occur on- and off-airport, including airport operations, construction, airport tenants, spending from visitors, and companies using air transportation services to ship goods to market.

SUPPLIER SALES (Indirect)

Portions of direct revenues used to purchase goods and services from West Virginia businesses.

INCOME RE-SPENDING (Induced)



Income earned by workers from direct and supplier sales transactions that are then spent in West Virginia (household spending).

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Bottom Line: Total Economic Impacts



Quantitative Impacts





Impacts by Source





Impacts by Source: On-Airport Activity

Three main components of on-airport activity:

Airport Administration Airport Tenants Capital Improvements

Category	Jobs	Payroll	Value Added	Business Revenues
Direct	6,412	\$364,910,000	\$530,293,000	\$1,042,534,000
Supplier Sales	756	\$41,053,000	\$64,315,000	\$126,912,000
Income Re-spending	2,102	\$87,883,000	\$131,388,000	\$276,691,000
Total	9,271	\$493,845,000	\$725,997,000	\$1,446,137,000

Note: Totals may not sum exactly due to rounding. Sources: WV AEIS Airport Manager Survey, WV AEIS Tenant Survey; calculations by EBP US using IMPLAN V.3 2018, 2021









Impacts by Source: Visitor Spending

Accounts for spending impacts generated in the state by "true visitors"

Category	Jobs	Payroll	Value Added	Business Revenues
Direct	790	\$21,553,000	\$35,896,000	\$69,163,000
Supplier Sales	141	\$6,079,000	\$9,092,000	\$18,858,000
Income Re-spending	132	\$6,403,000	\$9,975,000	\$19,226,000
Total	1,063	\$34,035,000	\$54,963,000	\$107,248,000

Note: Totals may not sum exactly due to rounding. Sources: Longwoods International provided by the West Virginia Office of Tourism, Airline Data, Inc., WV AEIS Airport Manager Survey, WV AEIS Commercial Passenger Survey, WV AEIS Transient GA Pilot & Passenger Survey; calculations by EBP US using IMPLAN V.3 2018, 2021

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Visitor Spending Profiles

Commercial Service GA Visitor Spending Visitor Spending Profile Profile Entertainment, Entertainment, 7% 7% Lodging, 31% Lodging, Food & Beverage, 37% 26% Food & Beverage, 47% Retail, 6% Local Local Transportation, Transportation, Retail, 13% 17% 10%

Sources: WV AEIS Commercial Air Passenger Survey, Longwoods International provided by the West Virginia Office of Tourism; calculations by EBP US, 2021 Sources: WV AEIS Transient GA Pilot & Passenger Survey, Longwoods International provided by the West Virginia Office of Tourism; calculations by EBP US, 2021

13



Impacts by Source: Air Cargo

Calculates the economic contributions of offairport industries ' air cargo that is transported through WV airports

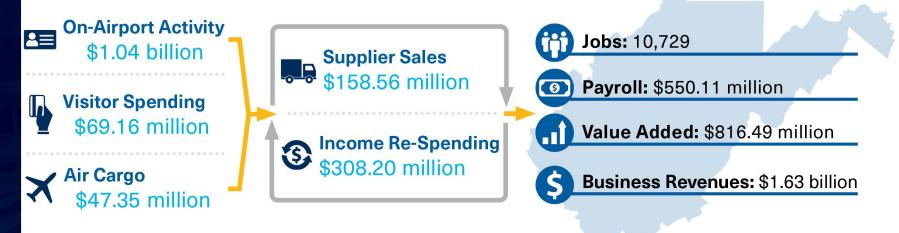
Category	Jobs	Payroll	Value Added	Business Revenues
Direct	231	\$14,311,000	\$21,947,000	\$47,354,000
Supplier Sales	74	\$3,986,000	\$6,407,000	\$12,418,000
Income Re-spending	91	\$3,935,000	\$7,180,000	\$12,648,000
Total	396	\$22,232,000	\$35,534,000	\$72,420,000

Note: Totals may not sum exactly due to rounding. Source: Calculations by EBP US using IMPLAN V.3 2018, 2021



Now, the moment we've all be waiting for...

West Virginia's aviation system's total economic contribution:



Note: Totals may not sum exactly due to rounding. Source: Calculations by EBP US using IMPLAN V.3 2018, 2021



Direct and Multiplier Impacts

Multiplier Effects Share of On-Airport Activity, Visitor Spending, and Air Cargo:

Category	Jobs	Payroll	Value Added	Business Revenues
Direct Impacts	7,434	400,774,000	588,137,000	1,159,051,000
Supplier Sales	962	52,442,000	80,696,000	158,556,000
Income Re-spending	2,334	97,897,000	147,660,000	308,197,000
Multiplier Impacts	3,296	\$150,339,000	\$228,356,000	\$466,753,000
Total Impacts	10,729	\$550,112,000	\$816,493,000	\$1,625,805,000
Multiplier Effects as a % of Total Impacts	31%	27%	28%	29%
Implied State Multiplier Effect	1.44	1.37	1.39	1.40

Note: Totals may not sum exactly due to rounding. Source: Calculations by EBP US using IMPLAN V.3 2018, 2021



Multiplier Impacts Top 5

3,296 jobs generated by multiplier impacts

Supplier Sales	Income Re-spending
1. Administrative & Support Services	1. Food Services & Drinking Places
2. Professional, Scientific, & Tech Services	2. Ambulatory Health Care Services
3. Transportation Support Services	3. Hospitals
4. Wholesale Trade	4. Social Assistance
5. Food Services & Drinking Places	5. Administrative & Support Services

\$466,753,000 in business revenues generated

Supplier Sales	Income Re-spending
1. Wholesale Trade	1. Real Estate
2. Administrative & Support Services	2. Hospitals
3. Transportation Support Services	3. Ambulatory Health Care Services
4. Professional, Scientific, & Tech Services	4. Food Services & Drinking Places
5. Real Estate	5. Wholesale Trade







Tax Impacts

On-airport activity and visitor spending also contributes to local and state tax revenues:

Service Level	State Tax Revenue	Local Tax Revenue	Total
Commercial Service Airports	\$66,315,800	\$488,300	\$66,804,100
GA - Only Airports	\$7,262,800	\$99,800	\$7,362,600
Sub Total	\$73,578,600	\$588,100	\$74,166,700
	\$1,361,140		
	\$75,527,840		

Note: Totals may not sum exactly due to rounding. Source: WV AEIS Airport Manager Survey; Airport Tenant Survey; Commercial Air Passenger Survey; Transient GA Pilot & Passenger Survey, 2019; WVAC; and state and local tax rates



Qualitative Impacts





Real-life Experiences and Case Studies

- We interviewed 10 people from diverse backgrounds and with varied perspectives from:
 - WV Air National Guard (WVANG)
 - United Health Center
 - Helicopter Powerline Services
 - HealthNet Aeromedical Services
 - Marshall University
 - Pratt & Whitney
 - Mid-Atlantic Aerospace Center (MAAC)
 - Aviation Historian
 - HQ Aero Management



Real-life Experiences and Case Studies

One passionate aviation professional developed an aviation history museum and library at Eastern West Virginia Regional Airport – Shepherd Field, inspiring aviation enthusiasts of all ages.

We heard:

The WVANG and WVARNG respond to natural and manmade disasters, conduct aerial firefighting, and participate in important community outreach to K-12 students about great opportunities in WV. HealthNet Aeromedical operates multiple 24/7 response teams across the state and has even volunteered their services to Boy Scouts of America gatherings at The Summit

The MAAC serves a critical role in supplying the aerospace industry with the next generation of aviation professionals through a variety of technical instruction and career training opportunities at the Robert C. Byrd National Aerospace Education Center, including FAA Airframe & Powerplant (Part 147) certification.

And more!

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Final Deliverables





Technical Report

- Chapter 1 Introduction and Methodology
- Chapter 2 The Data Collection Process
- Chapter 3 WV AEIS Findings (In Review)
- Appendix A Data Tables (In Review)
- Appendix B Case Studies
- Appendix C Business Reliance
- Executive Summary (In Progress)



Airport Brochures



TRI-STATE/MILTON J. FERGUSON FIELD

WEST VIRGINIA AVIATION ECONOMIC IMPACT STUDY

Tri-State/Milton J Ferguson Field is a commercial service airport that serves nearby communities from West Virginia, Kentucky, and Ohio. The airport offers regularly scheduled commercial service flights on Allegiant Airlines to destinations in South Carolina and Florida, while American Airlines provides service to Charlotte, North Carolina. The airport also caters to the general avlation (GA) community through its fixed-based operator (FBO), Huntington Jet Center, which offers a modernized pilot's lounge, flight planning area, and other amenities. Huntington Tri-State is home to both FedEx Freight and FedEx Express which facilitates the shipping and distribution of cargo freight and goods in the region. The airport is partnering with Marshall University's Bill Noe Flight School to establish an Avlation Maintenance program housed at the airport that will allow students to earm their associate's degree in Avlation Maintenance (A&P).

City: Huntington (HTS is approximately 3 miles south) County: Wayne Tourism Region: Hatfield McCoy Mountains Ownership: Public Primary Runway 12/30:

AIRPORT CLASSIFICATION

7,017' x 150'

Tri-State/Milton J. Ferguson Field Airport is one of seven West Virginia system airports classified as a commercial service airport. Commercial service airports offer scheduled air carrier services and are critical access points to larger metropolitan areas in the state. These airports offen facilitate travel between domestic and international destinations and accommodate a larger variety of users and services, including GA. The airport is classified by the Federal Aviation Administration (FAA) as a Primary - Nonhub airport and is eligible for federal aviation funding through the Airport Improvement Program (AIP).

AVIATION'S ECONOMIC IMPACT

The 2020 West Virginia Aviation Economic Impact Study was conducted to quantify the economic contributions of the West Virginia's airport system to the state's economy. The 24 publicly owned airports in the state support the transportation of people, goods, and services to, from, and within the Mountain State. This generates quantitative economic value in the form of jobs, payroll, value added, and business revenues but airports also enhance the quality of life for West Virginians by supporting air ambulance operations, remote access and evacuation, just-in-time deliveries of freight, aerial firefighting, aviation career opportunities, and many more.

Economic benefits are generated by on-airport activities including employment (e.g. airport administration and tenants) and capital improvements (e.g. construction). Economic impacts are also generated off-airport when money is spent by out-of-state visitors traveling to West Virginia via the state's seven commercial service airports and 17 general aviation airports, and when air cargo transported via the state's airports supports the operation of off-airport businesses. CONSTRUCTION AVIATION AVIATION CONSTRUCTION

Jobs: The number of employed people

Payroll: The sum of compensation to workers (salaries, wages and benefits) and proprietor income

Value Added: The value

contributed to a product or service provided by a firm or group of firms. Value added is aviation's contribution to West Virginia's Gross State Product (GSP)

Business Revenues:

An airport's total aviation-supported output including the sum of business sales and budget expenditures

This initial economic activity generates additional impacts as money flows through the economy. These "multiplier" effects result when a portion of direct business revenues are used to purchase goods and services in West Virginia (called supplier sales) and payroll is re-spent within the state (called income re-spending). In addition, direct impacts for on-airport activities and visitor spending also generate \$75.5 million in tax impacts.



Tri-State/Milton J. Ferguson Field Airport's Economic Impacts

	tit Jobs	Payroll	Value Added	\$ Business Revenues
On-Airport Activity	260	\$13,188,000	\$19,422,000	\$35,142,000
Visitor Spending	55	\$1,593,000	\$2,584,000	\$5,068,000
Total Direct Impacts	315	\$14,781,000	\$22,006,000	\$40,210,000
Supplier Sales	65	\$3,280,000	\$5,148,000	\$10,202,000
Income Re-spending	90	\$3,553,000	\$5,304,000	\$11,516,000
Total Multiplier Impacts	155	\$6,833,000	\$10,453,000	\$21,717,000
Total	471	\$21,614,000	\$32,459,000	\$61,927,000

Impacts derived based on: 2019 Alrport Manager's Survey, 2019 Alrport Tenant's Survey, FAA 5010 Alrport Master Record, FAA Terminal Area Foreasd, Alrhne Data, hc. Impacts modeked using IMPLAN by EBP. Analyses based on 2019 studyysex. Notes: Totals am prot add due to nounding. Metrics (jobs, peorty, Juske adder, and busiferss revenue) epresent virolarous components of an alrport's economic impact and are not additive.

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Outreach Toolkit

A series of documents and tools that can be used to educate stakeholders on the value of West Virginia's airports. It includes:

- Elected Officials Primer
- WV AEIS Study Brochure
- Educational Webinar with study airports
- WVAC Final Study Presentation



Project Website



Home Process Documents Outreach Contact

Home

Discover the Impact of Aviation in West Virginia

View our blog >

Overview

The West Virginia Aeronautics Commission (WVAC) is excited to launch the West Virginia

The study will

The study will collectively analyze the annual impact of the entire aviation



the WV AEIS, a technical report will be delivered to WVAC that will aid

www.wvaeis.com



Thank you! Any Questions?

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