

## 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 Ephraim-Gibraltar 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 percent of new or expanded manufacturing businesses were located within 15 miles of an airport capable of handling corporate jets. These manufacturers provided 34,064 jobs for Wisconsin residents.

The local airport also provides facilities for emergency medical flights, law enforcement, agricultural spraying, pilot training, and many other important community services.



Ephraim-Gibraltar 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.

## Airport location

Surrounded by the waters of Green Bay and Lake Michigan, Door County is a natural peninsula and is often referred to as **The Cape Cod of the Midwest**. Ephraim-Gibraltar Airport is located in the scenic bayside town of Gibraltar in Door County (eastern Wisconsin). Gibraltar's neighbor, the village of Ephraim, also hugs beautiful Green Bay and is the home of the village area of Fish Creek. Ephraim-Gibraltar Airport is located 79 miles from the city of Green Bay, and 190 miles north of Milwaukee.

Easily accessible from WIS 42, the airport is located less than one mile from the highway. It is also very close to Peninsula State Park.



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



## Regional profile

Since 2000, Door County's population has increased by 7.4 percent. The county is now home to over 1,300 employers that provided 13,393 jobs.

The largest industry sector in Door County is leisure and hospitality, with 22.1 percent of the total job base.

Population in the village of Ephraim and town of Gibraltar is approximately 1,600. Tourism is the main industry.

### Regional profile

**Door County population – 29,299**  
**Door County employment – 16,919**  
**Per capita personal income – \$35,212**

#### Major regional employers

- Maniwoc Marine Group LLC
- Door County Memorial Hospital
- County of Door
- Hatco Corporation
- Palmer Johnson Yachts
- School District of Sturgeon Bay
- Door County YMCA
- Southern Door Public School
- Baylake Bank
- NEW Industries Inc.

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

## Airport activity and facilities

Owned and operated by the village of Ephraim and the town of Gibraltar, Ephraim-Gibraltar Airport is open to the public and classified as a Basic utility airport in the *Wisconsin State Airport System Plan: 2020*.

Basic utility airports are designed to serve small single and twin-engine aircraft with a maximum takeoff weight of less than 12,500 pounds and a wingspan of less than 49 feet. Typically, these aircraft are used for business and charter flying and for recreational use.

In 2007, the airport reported 652 documented aircraft operations (take-offs and landings), and served 20 single-engine based aircraft and 3 twin-engine aircraft.

The airport has two runways. Runway 14/32 is paved and is 2,700 feet long and 60 feet wide. Runway 01/19 is a turf runway and is 1,980 feet long and 80 feet wide.

There are 28 hangars at the airport and 32 aircraft tie downs.



Airport Hangar area

## The economic impact of Ephraim-Gibraltar Airport

A study of the contribution of Ephraim-Gibraltar Airport to the local and state economy was recently completed by the Wisconsin Department of Transportation, Bureau of Aeronautics.

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The economic impact of Ephraim-Gibraltar Airport is determined by assessing 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 it supports and the goods and services it consumes.

The study estimated that Ephraim-Gibraltar Airport provided \$423,893 in economic output, supported 4 jobs and contributed \$45,052 in personal income to the local economy (Door County) in 2007.

The methodology used to estimate the airport's contribution 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 used 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 2007; this was obtained from the airport management.
- 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.

The IMPLAN computer model was produced for WisDOT by the Minnesota IMPLAN Group, Inc. It estimates purchases and sales between various sectors of the Wisconsin economy. The model can produce statewide results or focus on specific counties or groups of counties. Multipliers for two sectors were used in the analysis.

The regional economic multipliers used in the analysis for the Air Transportation sector are 1.27 (sales), 1.5 (employment) and 1.5 (wages).

Multipliers used for the Retail/Hotel/Restaurant sector are 1.38 (sales), 1.2 (employment) and 1.3 (wages).

The economic role of Ephraim-Gibraltar 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 its effect on economic output, employment and wage income.

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## 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 management of the airport.

In 2007, the direct impact of the airport on the local economy totaled 1 employee, a payroll of \$17,050, and \$283,176 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, and retail purchases within the county.

The \$48,900 of visitor spending (sales) generated by the airport in 2007 supported one job in Door County, with a payroll of \$14,982.



Ephraim-Gibraltar Airport

## 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 Door 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 2007 the multiplier impact of the airport supported one additional job, provided \$13,020 in wages and generated \$91,817 in economic output.

### Employment (FTE jobs)

<b>Direct impact - airport</b>	<b>1</b>
<b>Direct impact – airport users</b>	<b>1</b>
<b>Multiplier impact</b>	<b>0</b>
<b>Total employment impact</b>	<b>2</b>

### Wage income/payroll

<b>Direct impact - airport</b>	<b>\$ 8,525</b>
<b>Direct impact – airport users</b>	<b>\$14,982</b>
<b>Multiplier impact</b>	<b>\$ 8,758</b>
<b>Total payroll impact</b>	<b>\$32,264</b>

### Economic output/sales

<b>Direct impact - airport</b>	<b>\$ 141,588</b>
<b>Direct impact – airport users</b>	<b>\$ 48,900</b>
<b>Multiplier impact</b>	<b>\$ 53,588</b>
<b>Total economic output</b>	<b>\$244,076</b>

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## Other benefits

The study also measured the public revenue generated at both the local and state level from airport related fees. In 2007, Ephraim-Gibraltar Airport generated \$17,297 in revenue from aircraft storage fees, leases, and fuel flowage fees.

The airport also generated \$3,270 in aircraft registration fees and fuel tax revenues, for a total of \$20,567 in direct airport and state revenue.

### *Airport revenue – direct impact*

Ephraim-Gibraltar Airport	State	Total
\$ 17,297	\$3,270	\$20,567

## Local economic impact

The results of the study estimate that Ephraim-Gibraltar Airport provided \$244,076 in economic output, supported 2 jobs and contributed over \$32,264 in wage income to the local economy in 2007.

### *Contribution of Ephraim-Gibraltar Airport to the local economy*

FTE jobs	Wage income	Economic output/sales
2	\$32,264	\$244,076

## Local and state economic impact

The activity at Ephraim-Gibraltar Airport in 2007 also generated an additional \$69,973 in sales, supported 1 additional job and provided an additional \$7,329 in wage income to the state economy.

When combined with the local impact, the total contribution of Ephraim-Gibraltar Airport to the local and state economy in 2007 is \$314,049 in sales, 3 jobs and \$39,593 in wage income.

### *Contribution of Ephraim-Gibraltar Airport to the local and state economy*

FTE jobs	Wage income	Economic output/sales
3	\$39,593	\$314,049



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