

Kansas AVIATION

Kansas Aviation Economic Impact Study



THE KANSAS AIRPORT SYSTEM

There is a strong relationship between Kansas' economy and aviation. The state's system of eight commercial service and 132 general aviation airports serves as an integral connection between Kansas businesses and residents and the ever-expanding global economy. Airports in Kansas help to both lead and sustain growth and economic diversification. Airports are important economic catalysts, supporting thousands of jobs and billions of dollars in economic activity. Most of Kansas' largest employers, as well as many smaller businesses, rely on the state's aviation system to reliably transport employees, customers, supplies, and products to and from their operations. Kansas' airports serve as the base of operations for a variety of businesses, including airlines, air cargo companies, flight instructors, charters, concessionaires, government entities, and many others. Kansas' tourism industry also depends on the state's system of airports to accommodate thousands of visitors each year.

STUDY PROCESS

The Kansas Department of Transportation, Division of Aviation, commissioned this Federal Aviation Administration funded study to examine the relationship between the state's system of airports and the economy. The study follows an approved methodology that has successfully quantified the value of airports and airport systems throughout the United States.

The economic contribution of each airport in the Kansas airport system was measured in terms of employment, payroll, and output. Through a comprehensive survey process, the direct economic benefits related to on-airport businesses and government tenants, and the indirect benefits associated with visitor-related expenditures, were calculated for each airport. The multiplier effect of these airport activities was also calculated using multipliers that are specific to Kansas. For example, when an airport employee purchases local goods and services, that spending and re-spending generates additional economic activity in the region. The total economic impact is the sum of all direct, indirect, and multiplier impacts.

STATEWIDE IMPACTS

When all of the impacts of Kansas' 140 airports are added together, 47,651 total jobs can be traced to the aviation industry. These employees receive more than \$2.3 billion in total payroll, and generate nearly \$10.4 billion in total economic activity. In addition, Kansas' airports provide a number of health, welfare, and safety benefits, the impacts including aerial agricultural spraying, medical transport and evacuation, flight training, law enforcement, wildlife management, military exercises, and search and rescue operations.

Kansas' Total Annual Economic Benefits from Aviation

Total Jobs	47,651
Total Payroll	\$2.3 BILLION
Total Output	\$10.4 BILLION

IMPACT MEASURES

Employment measures the number of full-time equivalent (FTE) jobs related to airport activity including on-airport construction. A part-time employee counts as half a full-time employee.

Payroll measures the total annual wages and benefits paid to all workers whose salaries are directly attributable to airport activity.

Economic Activity (Output) measures the value of goods and services related to airports in Kansas. The output of on-airport businesses is typically assumed to be the sum of annual gross sales and average annual capital expenditures.

LAWRENCE MUNICIPAL (LWC)

Lawrence Municipal Airport is located in eastern Kansas between the Kansas City and Topeka metropolitan areas and is owned and operated by the City of Lawrence. The airport is included in the FAA's National Plan of Integrated Airport Systems (NPIAS), making it eligible to receive federal monies. Additionally, its role within the Kansas Aviation System Plan is identified as a Regional airport, which is intended to accommodate regional economic activities, connect to state and national economies, and serve all types of general aviation aircraft.

The Lawrence Municipal Airport primary runway, Runway 15/33, is 5,700 feet long and 100 feet wide, while its secondary runway, Runway 01/19, is 3,901 feet long and 75 feet wide. The field has on-site weather reporting, and the airport's primary runway is equipped with an ILS approach.

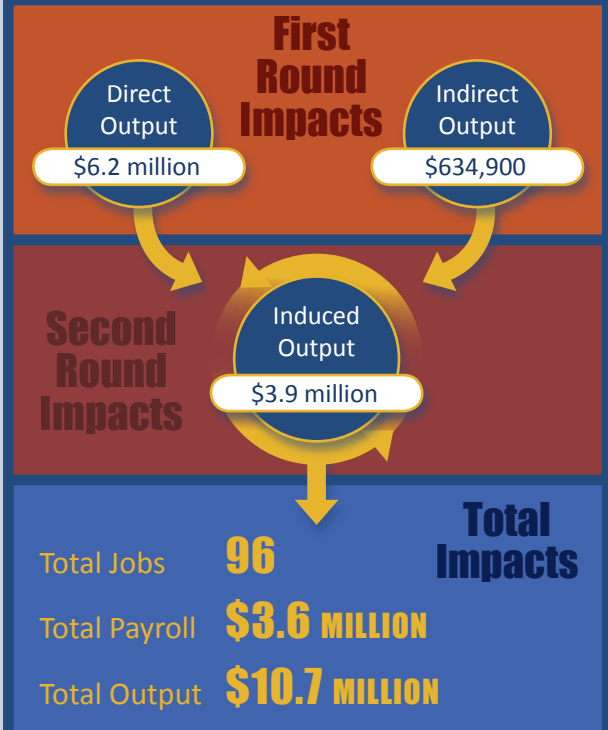
Lawrence Municipal's fixed base operator, Hetrick Air Services, provides aircraft fueling, flight training, charter service, aircraft rental, aircraft maintenance, along with many other aviation services.

With the main campus of the University of Kansas in Lawrence, the airport is frequently used by university sports teams and university officials. The school also conducts research at the airport, through the Garrison Flight Research Center. Several aircraft maintenance businesses are located on the airfield including Don's Diesel, Great Plains, and Gut Works. In addition to aircraft maintenance, Gut Works also designs and fabricates aircraft and aircraft systems. Life Star of Kansas is an air ambulance operator that has been based at the airport since April 2002.

The airport supports 65,000 annual operations from various types of activities, such as business transport, emergency medical transport, flight instruction, aerial pipeline inspections, aerial banner towing, law enforcement, medical doctor transport, air cargo, and air shows. Lawrence Municipal is a popular destination for NASCAR race teams and their fans that attend races at the Kansas Speedway, 20 miles east of the airport. The airport also sponsors an aviation open house during the spring and summer that attracts up to 3,000 visitors to the area.

In addition to the University of Kansas, other local businesses and schools that use the airport for business purposes include Haskell University, Hy-Vee Foods, Target, Wal-Mart, Kroger, Del Monte, First Management, GF Construction, Campus Quest, Packerware, and Global Com.

LAWRENCE MUNICIPAL



IMPACT TYPES

First Round Impacts include both direct and indirect impacts. Direct impacts are those benefits associated with on-airport businesses and government tenants. Indirect impacts generally take place off-airport and are usually attributable to visitor spending.

Second Round Impacts consist of induced impacts, which are those benefits that result from the re-circulation and re-spending of direct and indirect impacts within the economy. This re-circulation is commonly referred to as the "multiplier effect."

Total Impacts are the combination of all first-round and second-round impacts.