

HARLEM AIRPORT – HARLEM

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Harlem Airport provides access and services that promote the well being of the local community. Aviation activities that take place at the airport on a regular basis include agricultural spraying, recreational flying, and emergency medical evacuation of trauma patients. The airport is occasionally used for medical shipments and patient transfer.

According to airport management data, the major airport users include Snake Butte Applicators, an aerial crop spraying company, and Fort Belknap Hospital, located in nearby Fort Belknap, Montana. FAA data indicates Exec Air Montana Inc., Native Air Services Inc., and the State of Montana utilized the airport during the past year.



HARLEM AIRPORT HARLEM



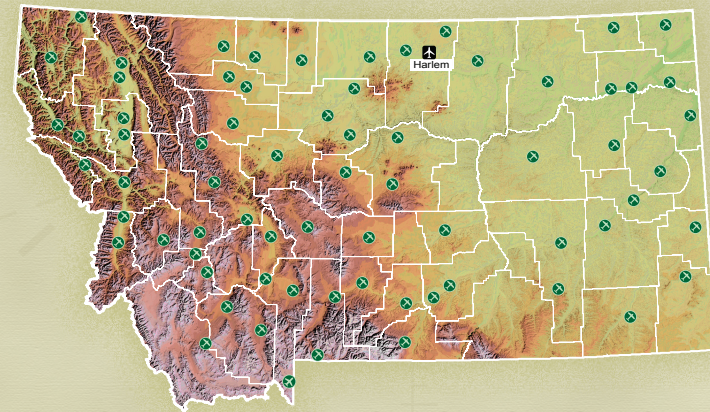
HARLEM AIRPORT – HARLEM

AIRPORT LOCATION

Harlem Airport is located three miles north of Harlem, Montana, in Blaine County. In Harlem, visitors can enjoy guided tours to Snake Butte, Mission Canyon, Bear Gulch and St. Paul's Mission. Wildlife watching is excellent in the Harlem area, with wildlife ranging from buffalo, deer, and antelope to migratory waterfowl and upland birds. Annual events that are local favorites include Milk River Indian Days and Hays' Powwow and Fair, both in July. Bear Paw Battlefield is located only a short drive to the southwest of Harlem.

Harlem has a population of approximately 800. Major employment sectors in the area include educational services, health care and social assistance, public administration, and construction.

The 237-acre airport's primary runway, Runway 11/29, measures 4,100 feet in length and 75 feet in width. A second runway, Runway 15/33, is a turf runway that measures 1,942 feet in length and 120 feet in width. The airport, with five based aircraft, experiences approximately 3,850 aircraft operations annually.



STATEWIDE RESULTS

Economic benefits in the Montana Economic Impact of Airports Study are expressed in terms of jobs, payroll, and annual economic activity or output.

Jobs/Employment

An estimated 18,800 jobs in Montana are in some way supported by the commercial and general aviation airports. These are jobs that are associated with on-airport businesses, tenants, and other activities that are located on commercial or general aviation airports in the State. In addition, spending by visitors arriving in Montana by air helps to support other jobs. When airport improvements are made, additional jobs are supported by the airports over the duration of these projects.

Payroll/Earnings

The 18,800 jobs in Montana that are linked to the commercial and general aviation airports account for over \$600 million in annual payroll. Airport related payroll is a key component of the economic benefit cycle that starts at the airport. It was this economic cycle that was measured by this study's induced benefits. When those employed by on-airport businesses use their paycheck to

purchase groceries, new clothes, or household items, their spending helps to support other jobs in the community and the payroll associated with these jobs. The initial benefits that start at the airports continue to multiply once they enter the State's economy.

Annual Economic Activity/Output

To operate Montana's airports, businesses located on the airports and businesses that support visitors who arrive in Montana via the airports all require the purchase of goods and services. These expenditures are most often in addition to those benefits identified in the payroll and earnings category. Benefits in this category are expressed in this study as total annual economic activity or output. Annual economic output related to the airports is typically assumed to be the sum of annual gross sales and average annual capital expenditures, including capital improvement projects.

JOBS..... 18,800

PAYROLL.....\$600 MILLION

OUTPUT.....\$1.56 BILLION

MONTANA ECONOMIC IMPACT OF AIRPORTS STUDY

ECONOMIC IMPACT ANALYSIS

Economic impacts at an airport are measured through employment, payroll, and output (spending). On-airport business and government activities (direct impacts) account for a significant portion of an airport's first-round economic benefits. Additional first-round benefits are also linked to visitors who arrive via the State's system of airports (indirect impacts). Spending by these visitors supports additional employment and associated annual payroll. These first-round impacts create additional spin-off benefits that ripple through the economy. These second-round or induced benefits were measured with Montana-specific IMPLAN multipliers. When combined, first-round and second-round benefits equal the total economic impact associated with each airport.

First-Round Impact

In 2008, there was one aviation-related tenant located on the airport. This tenant functions as the as the FBO and as airport management for the airport sponsor. In order to preserve tenant confidentiality, total tenant and visitor impacts have been combined. This tenant's direct employment, payroll, and output impacts were derived from survey data. For 2008, the total combined first-round output stemming from all on-airport tenants and general aviation visitors to Harlem Airport was approximately \$211,500. Total first-round employment related to airport tenants and general aviation visitors is estimated at 1.5 full time equivalent positions with a total first-round payroll of approximately \$28,000 annually. Survey data indicated that approximately 571 visitors used the airport in 2008.

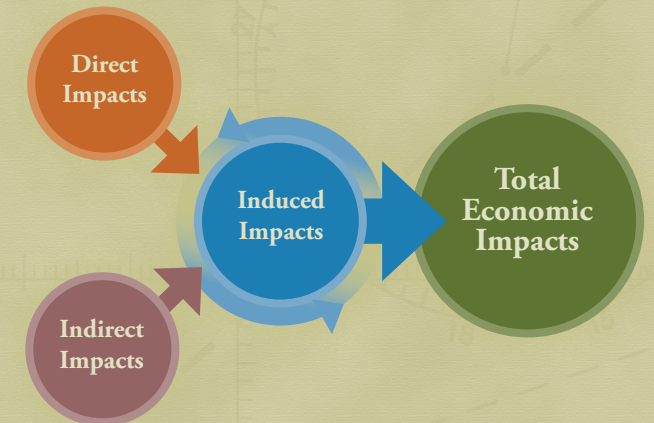
Second-Round Impact

The first-round impacts associated with on-airport tenants and general aviation visitors also create second-round impacts throughout the State. Second-round impacts are induced impacts calculated using the Montana specific IMPLAN multipliers. The accompanying table presents the 2008 first-round, second-round, and total impacts for output, payroll, and employment as they relate to on-airport tenants and general aviation visitors.

Total Impact

For 2008, the total output (including first-round and second-round impacts) stemming from all on-airport tenants and general aviation visitors to Harlem Airport was approximately \$346,700. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately three persons, with a total annual payroll (first-round and second-round) of approximately \$52,400 associated with these jobs.

METHODOLOGY



AIRPORT SUMMARY TABLE

FIRST-ROUND ECONOMIC IMPACTS

On-Airport	Visitor Spending
<ul style="list-style-type: none"> • FAA, Other Government • Airport Management • Aircraft maintenance • Vendors • Retail & Restaurant • Car Rental • Parking • Other Ground Transportation • Fixed Based Operators 	<ul style="list-style-type: none"> • Hotels • Retail & Restaurants • Travel Agents • Convention Centers • Tourist Destinations
1.5 Jobs \$28,000 in Payroll \$211,500 in Economic Output	

SECOND-ROUND ECONOMIC IMPACTS

<ul style="list-style-type: none"> • Suppliers of Materials & Services to Airports • Air Dependent Businesses • Visitor Dependent Businesses • Consumer Product and Service Sales
1.5 Jobs \$24,400 in Payroll \$135,200 in Economic Output

TOTAL ECONOMIC IMPACTS

3.0 Jobs \$52,400 in Wages \$346,700 in Economic Activity
--