

TOWNSEND CITY-COUNTY AIRPORT – TOWNSEND

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Townsend City-County Airport provides access and services that promote the well being of the local community. Aviation activities that take place on a regular basis include recreational flying, corporate aviation, civilian flight training, visitor access to local resorts, staging for community events, and military exercises and training.

Broadwater Health Center in Townsend, Montana also frequently uses Townsend City-County Airport for emergency medical evacuation operations. A survey of 35 hospitals in Montana gathered data to obtain information relating to how often hospitals use airports in Montana for patient transfer. Survey data indicated Broadwater Health Center uses the airport 12 times per month on average for emergency patient transfer via air ambulance.

Other aviation activities that occur occasionally at Townsend City-County Airport include agricultural spraying, air cargo operations, search and rescue operations, forest and rangeland firefighting, and real estate tours.

Townsend Airport provides excellent customer service to pilots who utilize the airport. Self serve 100LL Avgas is available to refuel aircraft, and the airport offers a courtesy van to transport pilots who wish to shop, dine, and stay in the Townsend area.

Townsend City-County Airport also brings additional visitors into the area by sponsoring the Townsend Flight Festival held each Fourth of July. Aircraft from across the state fly into the airport where pilots, visitors, and residents gather to enjoy food, live music, airplane rides, and vintage aircraft displays.

According to airport management data, the major airport users include Aircrafters and Bueno Aviation. FAA data indicates Billings based Trebro Manufacturing utilized the airport during the past year.



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TOWNSEND CITY-COUNTY AIRPORT TOWNSEND



MONTANA
ECONOMIC IMPACT OF AIRPORTS STUDY

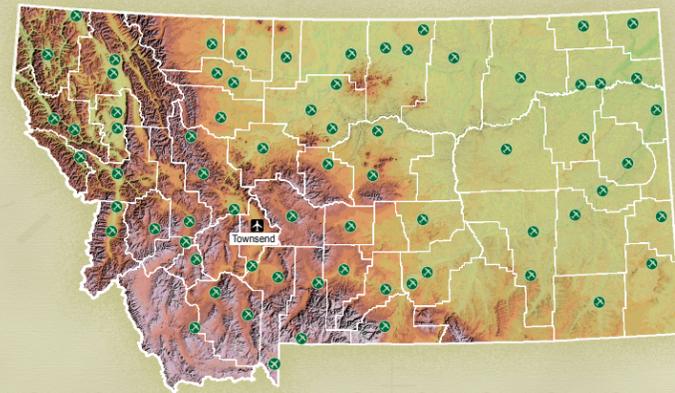
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AIRPORT LOCATION

Townsend City-County Airport is located two miles east of Townsend, Montana, in Broadwater County. Nestled in the Missouri River Valley between the Big Belt and Elk Horn Mountains in western Montana, Townsend offers visitors a wide variety of outstanding outdoor recreation activities and spectacular scenery. Townsend is located at the southern tip of Canyon Ferry Lake, which provides boating, water skiing, sailing, and fishing opportunities. Hiking, backpacking, and horseback riding along the endless miles of National Forest Trails in the area lead to dense forests, valley bottoms, peaceful mountain meadows, and pristine mountain lakes and streams. Wildlife viewing, big game and bird hunting, downhill skiing, fishing, kayaking, canoeing, and rafting also draw visitors to the Townsend area. For history buffs, numerous historic sites are located nearby, including the Canton Ferry Mission, Canton Church, and several ghost towns. Townsend is the county seat of Broadwater County.

Townsend has a population of approximately 1,970. Major private employers in Broadwater County include Broadwater Health Center, Graymont Western US Inc, RY Timber, Small Mine Development, and Wheat Montana Bakery.

The 125-acre airport's primary runway, Runway 16/34, measures 4,000 feet in length and 60 feet in width. The airport, with ten based aircraft, experiences approximately 4,950 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 were two aviation-related tenants on the airport, including airport management, who supported the full time equivalent of two employees. These tenants' direct or first round employment, payroll, and output impacts were derived from survey data. Direct output from all on-airport aviation-related tenants is estimated at \$209,200 annually. The estimated direct annual payroll of these tenants is \$54,700. Operational data indicated that approximately 650 visitors used the airport. Indirect output from general aviation visitors is estimated at \$13,000.

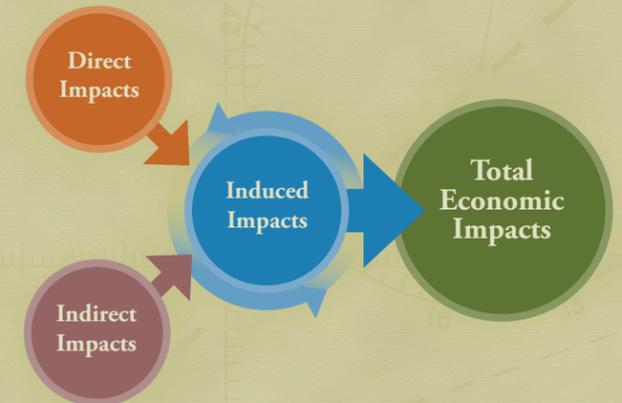
Second-round Impact

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 Townsend Airport was approximately \$364,400. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately five persons, with a total annual payroll (first round and second-round) of approximately \$101,500 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
<p>2.0 Jobs \$54,700 in Payroll \$209,200 in Economic Output</p>	<p>0 Jobs \$0 in Payroll \$13,000 in Economic Output</p>

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
<p>2.5 Jobs \$46,800 in Payroll \$142,200 in Economic Output</p>

TOTAL ECONOMIC IMPACTS

<p>4.5 Jobs \$101,500 in Wages \$364,400 in Economic Activity</p>
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