

# EDGAR G. OBIE AIRPORT – CHINOOK

## QUALITATIVE BENEFITS

In addition to the economic benefits listed above, Edgar G. Obie Airport in Chinook, Montana offers a variety of qualitative benefits to the community and state as a whole. Recreational flights are a daily activity at the airport, both by itinerant pilots and local pilots who own the airport's 12 based aircraft. Much of Blaine County and neighboring Hill County is farmland. Edgar G. Obie Airport serves as a base of operations for seasonal daily aerial agricultural spraying activities for this farmland.

Corporate and business flights are also a daily activity at Edgar G. Obie Airport. FAA data reveal that regular flights occur between Chinook and Fort Collins-Loveland Municipal Airport in Colorado. Other common destinations for flights originating at Edgar G. Obie Airport are Helena Regional and Gallatin Field in Bozeman.



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# EDGAR G. OBIE AIRPORT CHINOOK



**MONTANA**  
ECONOMIC IMPACT OF AIRPORTS STUDY

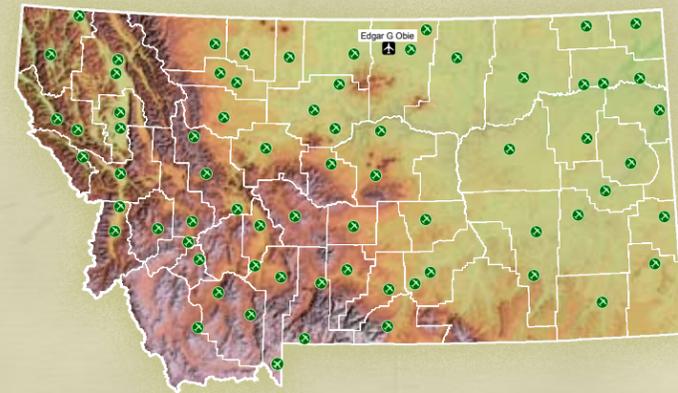
# EDGAR G. OBIE AIRPORT – CHINOOK

## AIRPORT LOCATION

Edgar G. Obie Airport is located one mile west of Chinook, Montana, in Blaine County. In Chinook, visitors can enjoy activities that range from exploring Native American history and culture at the Blaine County Museum to fishing at Faber Reservoir and golf at Chinook Golf Club. A popular tourist destination not to be missed is Bear Paw Battlefield, site of the last major Indian battle in the United States. Bear Paw Battlefield is located 16 miles south of Chinook. Popular annual events in Chinook include the Blaine County Fair, Bear Paw Battle Commemoration, and Sugarbeet Festival. Chinook is the county seat of Blaine County.

Chinook has a population of approximately 1,300. Major employment sectors in the area include construction, accommodation and food services, education services, and health care and social assistance.

The 172-acre airport's primary runway, Runway 8/26, measures 4,000 feet in length and 75 feet in width. The airport, with 11 based aircraft, experiences approximately 8,750 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 Edgar G. Obie Airport was approximately \$51,400. Total first-round employment related to airport tenants and general aviation visitors is estimated at one part time position with a total first-round payroll of approximately \$14,500 annually. Survey data indicated that approximately 150 visitors used the airport in 2008.

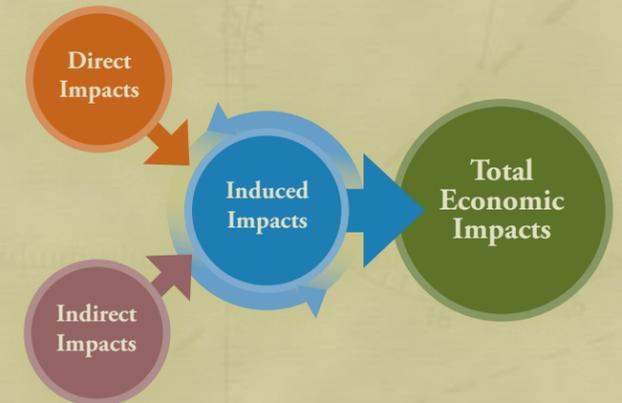
### Second-Round Impact

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 Edgar G. Obie Airport was approximately \$84,100. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at the equivalent of one full time position, with a total annual payroll (first-round and second-round) of approximately \$27,100 associated with these jobs.

## METHODOLOGY



## AIRPORT SUMMARY TABLE

### FIRST-ROUND ECONOMIC IMPACTS

On-Airport	Visitor Spending
<ul style="list-style-type: none"> <li>• FAA, Other Government</li> <li>• Airport Management</li> <li>• Aircraft maintenance</li> <li>• Vendors</li> <li>• Retail &amp; Restaurant</li> <li>• Car Rental</li> <li>• Parking</li> <li>• Other Ground Transportation</li> <li>• Fixed Based Operators</li> </ul>	<ul style="list-style-type: none"> <li>• Hotels</li> <li>• Retail &amp; Restaurants</li> <li>• Travel Agents</li> <li>• Convention Centers</li> <li>• Tourist Destinations</li> </ul>
<b>0.5 Jobs</b> <b>\$14,500 in Payroll</b> <b>\$51,400 in Economic Output</b>	

### SECOND-ROUND ECONOMIC IMPACTS

<ul style="list-style-type: none"> <li>• Suppliers of Materials &amp; Services to Airports</li> <li>• Air Dependent Businesses</li> <li>• Visitor Dependent Businesses</li> <li>• Consumer Product and Service Sales</li> </ul>
<b>0.5 Jobs</b> <b>\$12,600 in Payroll</b> <b>\$32,700 in Economic Output</b>

### TOTAL ECONOMIC IMPACTS

<b>1.0 Jobs</b> <b>\$27,100 in Wages</b> <b>\$84,100 in Economic Activity</b>
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