

GREAT FALLS INTERNATIONAL AIRPORT – GREAT FALLS

QUALITATIVE BENEFITS

In addition to the commercial airline activity benefits, Great Falls International Airport provides access and services that promote the well being of the local community. The Department of Homeland Security Customs and Border Protection Air and Marine Branch began operations at the airport in 2006. The Branch's responsibility is to fly missions along the United States – Canada border utilizing two UH-60 Blackhawk helicopters, two Citation (Cessna 550 and Citation II) jet aircraft, and one Pilatus PC-12 aircraft for counter terrorism, drug interdiction, and illegal immigration. Emergency medical evacuation is a regular activity at Great Falls International. Mercy Flight and Med Flight are based at the airport and provide air ambulance service via helicopter and fixed-wing aircraft in the Great Falls region. Air cargo activity by Federal Express, recreational flying, search and rescue operations, and air charter and corporate flight activity are also common at the airport. Other flight activity that occurs on a less frequent basis includes agricultural spraying, aerial inspections of pipelines and electric transmission lines, prisoner transport, environmental patrol, forest and rangeland firefighting, aerial photography and surveying, and real estate tours.

Flight training is a daily activity at Great Falls International Airport. The Montana Air National Guard's 120th Fighter Wing is based at the airport and conducts daily flight training and military exercises utilizing the Wing's F-15 aircraft. Student pilots at Holman Aviation (FBO) and Riverfalls Aviation flight instruction school, which are both based at the airport, conduct regular flight training as well.

Great Falls International Airport provides several additional benefits to the Great Falls region. The airport secures grant funding that is used to market and promote area attractions such as the Lewis and Clark Interpretive Center, C. M. Russell Museum, and various National Parks and special events. Airport leadership is heavily involved with the Great Falls Chamber of Commerce and sponsors quarterly Chamber of Commerce luncheons at the airport. Great Falls International also does not collect the 2 mils of Cascade County taxes that the airport is eligible to collect, which is a significant benefit to the county's taxpayers.

Great Falls International Airport co-sponsors two annual events that provide the Great Falls region with additional economic benefits. The first is the Montana Professional Rodeo Cowboys Association Pro Rodeo Circuit finals held at the State Fairgrounds each January in Great Falls. The event draws nearly 100 contestants from across the state who compete for year-end titles. Spending by the event's attendees benefits local businesses and organizations. Another annual event is an open house held at the airport in cooperation with Holman Aviation that promotes Holman Aviation's services and flight instruction school. Static displays are provided at the open house.



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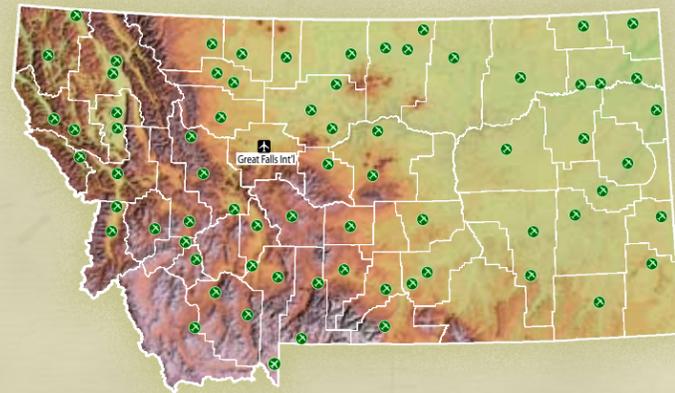
MONTANA
ECONOMIC IMPACT OF AIRPORTS STUDY

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AIRPORT LOCATION

Great Falls International Airport is located three miles southwest of Great Falls, Montana, in Cascade County. Known as the “Electric City” due to its numerous dams and power plants, Great Falls offers spectacular scenery of mountains, buttes, waterfalls, and vast plains and plenty of sites to explore the rich history of the area’s pioneer and Native American past. The scenery of the Great Falls area can be observed at the Lewis and Clark National Historic Trail Interpretive Center, Giant Springs Heritage State Park, Crooked Falls, Rainbow Falls, and Black Eagle Falls. Ulm Pishkun State Park, site of the historic Buffalo Jump, is a short drive west of Great Falls. Great Falls is the county seat of Cascade County.

Great Falls has a population of approximately 56,220. Major employment sectors in the area include agriculture, military, health care and social assistance, public administration, construction, educational services, and accommodation and food services. The 2,316-acre airport’s primary runway, Runway 3/21, measures 10,502 feet in length and 150 feet in width. Two additional runways include Runway 16/34 and Runway 7/25. Runway 16/34 measures 5,070 feet in length and 150 feet in width. Runway 7/25 measures 4,294 feet in length and 75 feet in width. The airport, with 85 based aircraft, experiences approximately 45,858 aircraft operations annually. Great Falls International has scheduled airline service on United, Horizon, Allegiant, Northwest, and SkyWest. The airport is home to a FedEx regional sort facility.



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 35 aviation-related tenants on the airport who supported 1,422 employees. These tenants’ first-round or direct employment, payroll, and output impacts were derived from survey data. First-round impacts also include airport sponsor activity and airport related construction. Direct output from all on-airport aviation-related tenants and airport management is estimated at \$126.2 million annually. The estimated direct annual payroll of these tenants and airport management is \$72.2 million. Visitors also create economic impacts. Survey data indicated that approximately 52,696 visitors arrived via Great Falls International Airport in 2008 on commercial airlines and general aviation aircraft. This visitor-related output (spending) supported an additional 655 full-time jobs for employees earning \$12.8 million annually. Output from commercial airline and general aviation visitors is estimated at \$34.2 million.

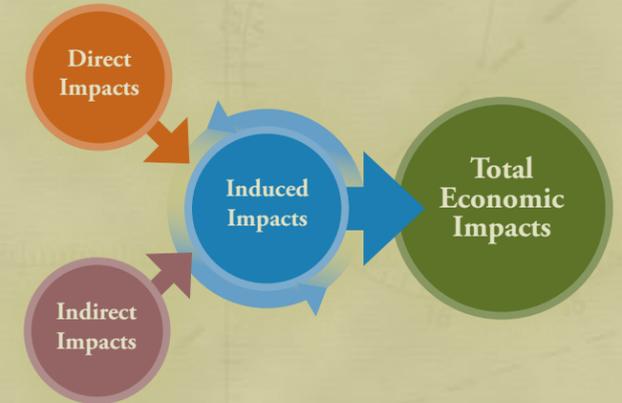
Second-Round Impact

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 all commercial airline and general aviation visitors to Great Falls International Airport was approximately \$268.0 million. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 3,335 persons, with a total annual payroll (first-round and second-round) of approximately \$141.8 million 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
1422.0 Jobs \$72,225,500 in Payroll \$126,161,900 in Economic Output	655.0 Jobs \$12,772,600 in Payroll \$34,165,600 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
1258.0 Jobs \$56,823,800 in Payroll \$107,654,600 in Economic Output

TOTAL ECONOMIC IMPACTS

3335.0 Jobs \$141,821,900 in Wages \$267,982,100 in Economic Activity
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