CEIS Methodology and Approach Webinar

February 25, 2019





What is an Airport Economic Impact Study?

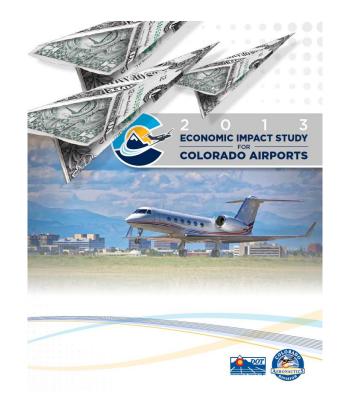
Conveys the **economic importance** of airports and how airports generate benefits for Colorado citizens





CEIS Analysis

- Quantitative data analysis and results
- Focus on qualitative stories
- Impacts:
 - Statewide
 - Denver International
 - Each individual airport











Webinar Topics

- Terminology for 2020 CEIS
- Presentation of Data
- Surveys and Components of Economic Impact
 - Direct Impacts by Type
 - Surveys, Audiences, Timelines
- Next Steps

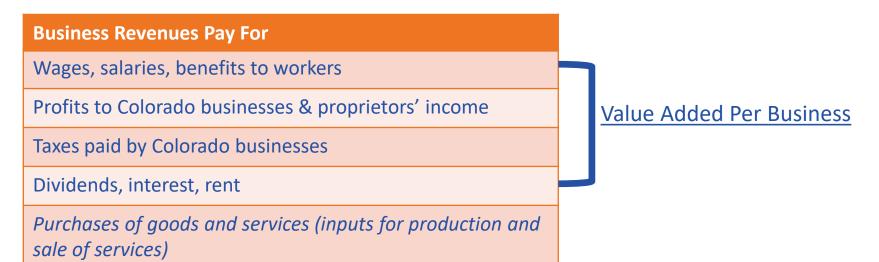


Terminology Comparison

	2013 CEIS Study	2020 CEIS	OEDIT
	Jobs/Employment	Jobs	Employment
	Payroll	Payroll	Labor Income
Types of Impacts		Value Added	Contribution to
			GDP
	Output	Business Revenues	Sales
	Initial	Direct	Direct
Managera	Multiplier	Supplier Sales	Indirect
Measures of Impacts		Income Re-	Induced
		spending	
	Total	Total Impacts	Total

Value Added

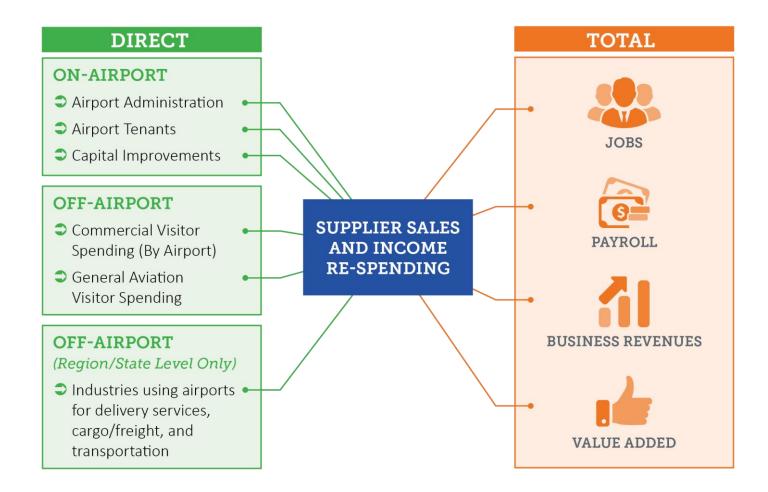
Value Added is the business revenue retained and used by Colorado businesses & industries



Value Added represents the true value of aviation to the Colorado economy, and is the contribution of businesses and industries to the Colorado State Product (CSP) & the U.S. Gross Domestic Product (GDP)



Calculating Total Impacts

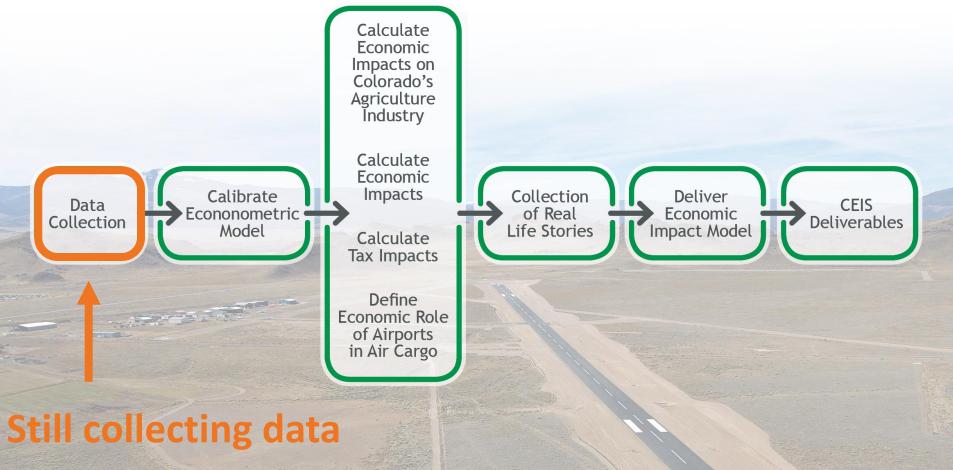




Presentation of Total Impacts

	Total Impacts						
	Jobs	Payroll	Value Added	Business Revenues			
On-Airport							
Administration							
Tenants							
Capital							
Improvements							
Visitor Spending							
Commercial							
Service							
General							
Aviation							
Other							
Industry	Region/Statewide Only						
Reliance							
Total							

CEIS Process

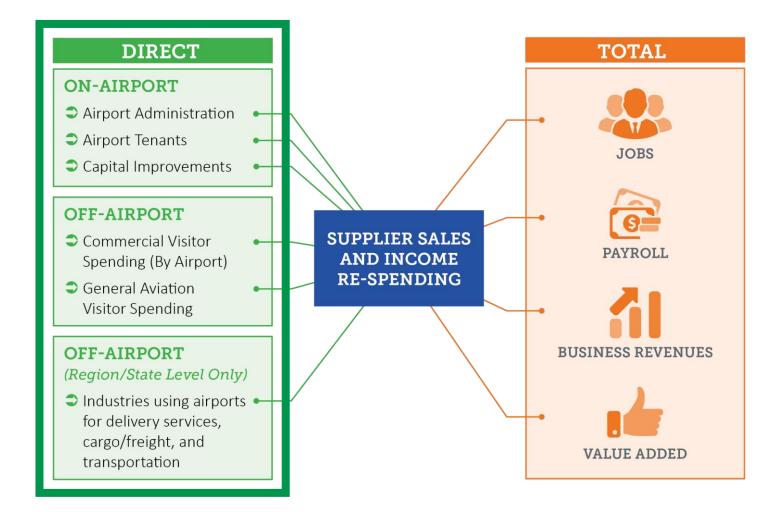




Focus of Today's Discussion -Surveys and Components of Economic Impact



Deriving Direct Impacts





On-Airport vs. Regional/State Level

On-Airport Level

- Administration
- Tenants
- Capital Improvements
- Visitors
 - Commercial Service
 - General Aviation

Region/State Level

- Industries using/relying on airports
 - Companies whose employees use airline service
 - Companies that use airports to bring customers to their offices in Colorado
 - Companies that use freight/cargo shipments
 - Companies with based aircraft at airport, but no employees at airport
 - Entertainer/business owner who lives in town (full or part time) and relies on airport but has no employees at airport



On-Airport Impacts

Airport Administration

Airport operations, management, and budget, which may include facility and grounds maintenance and other administrative needs.

Airport Tenants

Airlines, FBOs, MROs, avionics and other aircraft service companies, terminal concessions (e.g., restaurants and retailers), as well as on-airport warehouses/trucking, hotels, and other types of businesses that pay rent or fees to the airport and have establishments on airport property.

May also include impacts of:

- Surface transportation providers (companies that move passengers to and from airports including taxis, TNCs, private buses/vans and public transportation)
- Air cargo (FedEx/UPS/other) that operate at airport (off-airport freight/logistics are included in separate analysis)



On-Airport Impacts

Capital Improvements

Impacts of capital improvements such as construction of airside and landside facilities. These expenditures include airport, federal, state and other funds, as well as tenant expenditures. The total improvements over the last 4 years are averaged to represent an "average year".



Off-Airport Impacts (Airport Level)

Visitors (Commercial and GA Spending)

Airports facilitate money from out-of-state being brought into Colorado. Impacts are generated by out-of-state visitors who arrive by air and spend money off-airport on lodging, retail, restaurants, entertainment and local transportation. (Note that airport rental cars are captured in the tenant analysis.) Spending estimates for visitors using commercial or GA airports are collected by airport surveys and data providers (such as local/state tourism agencies). Ensure not duplicating the impacts of on-airport vs. off-airport spending.



Off-Airport Impacts (Region/State Level Only)

Businesses that are Air Reliant on Airports

Measures extent companies located off-airport rely on airports for at least a portion of their business activities and explains how airports contribute to nonaviation economic development. Data are gathered from:

- Surveys of businesses identified in airport management survey as reliant/using airports
- Survey of 2,000 businesses in industries that are known to be reliant on aviation
- Survey of businesses with based aircraft identified in airport management survey



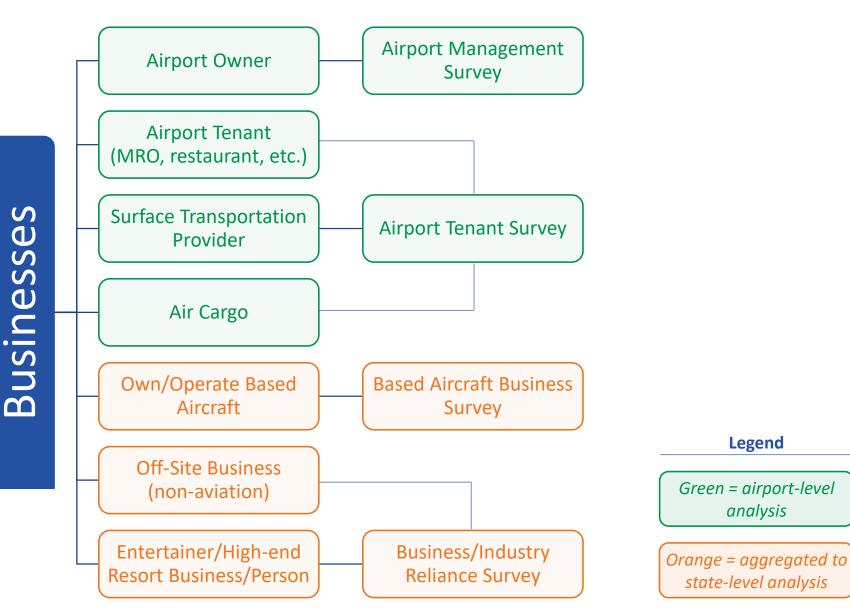
Industry Reliance May Include

Examples

- Service companies like consulting firms and technology service providers that make long distance trips for sales calls, servicing customers, and collaborating via air trips
- Companies that use airports to bring customers, investors or collaborators to their offices in Colorado
- Ongoing incoming or outgoing freight/cargo shipments
- May have based aircraft at airport, but no employees at airport
- Entertainer/business owner who lives in town (full or part time) and relies on airport but has no employees at airport

Reason for being a state/regional analysis: The survey results are often not reliable by airport and could have misleading results of the scales of contributions by specific airports. Double counting is a major problem, specifically with the cargo and based aircraft survey (which is often combined with the reliant analysis). Generally, this survey lends itself to qualitative analyses.





CEIS Surveys

- Airport Manager have to conduct 1st
- Airport Tenant
- Air Carrier/Commercial Service Passenger
- Fixed Based Operator (FBO)
- GA Pilots/Visitor
- Businesses That Own/Lease Aircraft
- Businesses That Rely on Colorado Airports

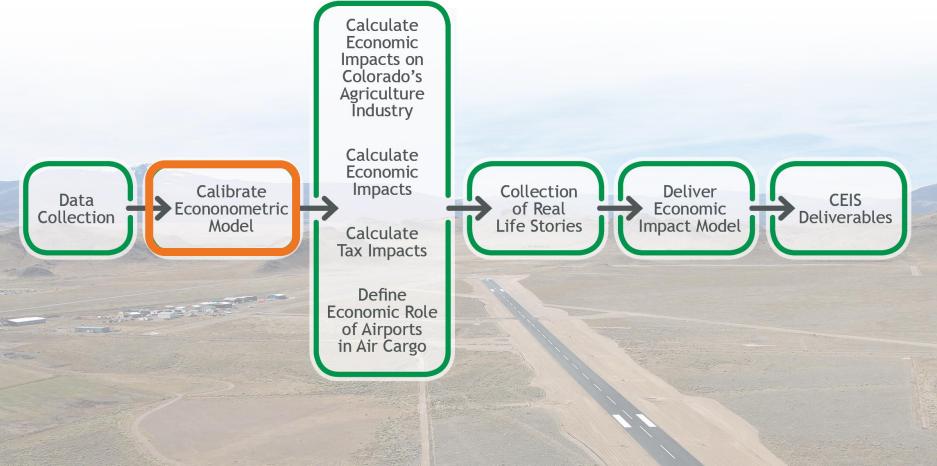


Surveys, Audiences, and Timelines

	Colorado Aviation System Plan and Economic Impact Study Data Collection						
	November/December	January	February	March	April		
Inventory Type and Audience	Airport Managers Airport managers						
	Airport Tenants On-airport tenants with employees at a Colorado airport						
		Air Carrier Passenger Out of state visitors departing service airport served					
		Out of state visitor	Air Carrier Passenger (single airline airports) ate visitors departing from Colorado at a commercial service airport served by a single airline				
	Fixed Based Operator On-airport FBOs with employees at a Colorado airport						
	General Aviation (GA) Pilots/Visitors Pilots and passengers visiting a GA airport from out of state						
				usinesses that Own/Lease Aircra aseholders that use their aircraft			
			Off-airport businesses that	ely on CO Airports rely on a Colorado airport to ness activities			



After Data Collection





Questions? Feedback?

Thank you for your participation!

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