

### Airports and economic development

The local general aviation airport is fast becoming the principal access route from a community to the nation and world.

As an important part of our statewide transportation network, local airports such as Rice Lake Regional Airport play a critical role in fostering business growth and economic development.

Convenient access to air transportation allows businesses to quickly move goods and key personnel from one site to another, saving valuable time and increasing productivity.

The local airport can also provide facilities for emergency medical flights, law enforcement, agricultural spraying, pilot training, and many other important community services.

Communities that are readily accessible by air transportation are at a competitive advantage and may realize economic and quality of life benefits that can affect every citizen.

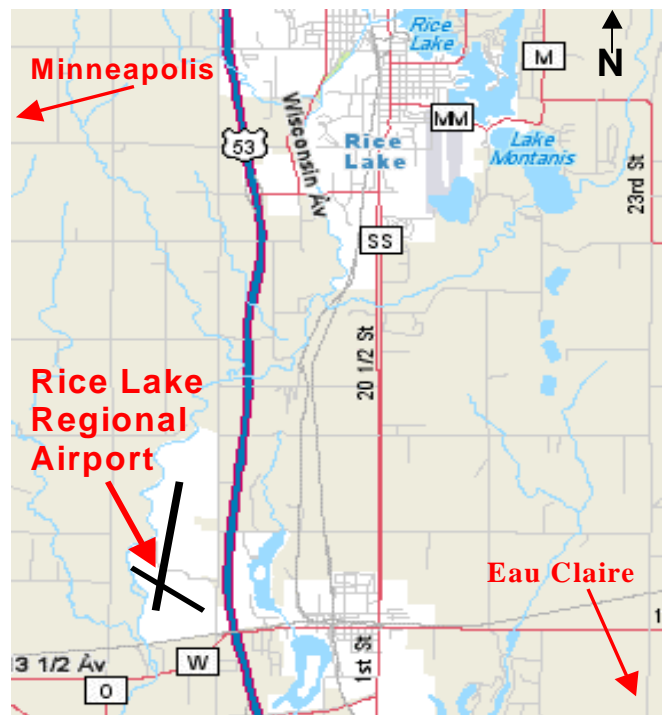


Rice Lake Regional Airport

As an integral part of our state transportation network, Rice Lake Regional Airport plays a critical role in fostering business growth and economic development in the region.

### Airport location

Rice Lake Regional Airport is located in Barron County (West Central Wisconsin). Easily accessible from U.S. Highway 53, Rice Lake Regional Airport is 80 miles northeast of Minneapolis and 42 miles northwest of Eau Claire.



The airport provides a safe and convenient environment for travel, business aviation, and related business activities.

### Regional profile

Barron County has a diversified economic base and workforce. Some of the products and services of the area include food and plastic manufacturing, educational and health services and entertainment facilities.

The area’s largest non-government industry sectors are manufacturing, educational services, and amusement and recreational industries.



## Barron County profile

### Area population

City of Rice Lake – 8,320

Barron County – 44,963

Barron County employment – 22,968

County per capita income – \$23,881

### Major employers in area

- Jennie-O Turkey Store, Inc.
- St. Croix Casino
- Rice Lake Public School
- County of Barron
- Lakeview Medical Center, Inc.
- Coop Educational Service Agency #11
- SCI Enclosures LLC
- Quanex Corp. (Nichols-Homeshield)

Sources: U.S. Census Bureau, U.S. Bureau of Economic Analysis and the WI Departments of Administration and Workforce Development.

## Airport activity and facilities

Owned and operated by the city of Rice Lake, the airport is classified as a Transport Corporate airport in the *Wisconsin State Airport System Plan: 2020 (SASP)*.

In 2005 the airport recorded 25,575 aircraft operations and was home for 38 based aircraft, including 5 jet, 28 single-engine, and 5 multi-engine propeller airplanes. The airport has one Fixed Base Operator (FBO), *Rice Lake Air Center*.

Rice Lake Regional Airport has two paved runways.

The primary runway (01/19) is 6,700 feet long by 100 feet wide. Lighting aids on this runway include Medium Intensity Runway Lights (MIRLs), Medium Intensity Approach Lighting System with Sequenced Flashers (MALSF),

High Intensity Runway Lights (HIRLs), and Runway End Identifier Lights (REILs).

The secondary runway (13/31) is 3,520 feet long and 75 feet wide. Lighting aids on this runway include MIRLs, and REILs.

Instrument approaches to the airport include an Instrument Landing System (ILS) to Runway 01, Wide Area Augmentation System (WAAS) to Runway 19 and VHF omni-directional radio range (VOR) and Global Positioning System (GPS) approaches to Runways 01/19.



Rice Lake Regional Airport

## The economic impact of Rice Lake Regional Airport

This report documents a recently completed study by the WisDOT Bureau of Aeronautics on the contribution of Rice Lake Regional Airport to the local and state economy.

The economic impact of Rice Lake Regional Airport comprises the *economic output (sales)*, *employment* and *wage income* that can be attributed directly and indirectly to the airport. Economic impacts measure the importance of an airport as a business in terms of the employment it supports and the goods and services it consumes.

The results of the study indicate that Rice Lake Regional Airport provided almost \$13 million in sales, supported 186 jobs and contributed \$4.5 million in wage income to the local and state economy in 2005.

The methodology used to estimate the airport's contribution to the local and state economy is the WisDOT Airport Benefit-Cost (ABC) System.

## ABC Airport Benefit-Cost System

The WisDOT ABC System is a Microsoft Access database application developed for evaluating the economic impact of airports and airport improvement projects.

The WisDOT ABC System was developed based on guidelines established by the FAA in the document "*Estimating the Regional Economic Significance of Airports*", U.S. DOT, September 1992.

The WisDOT ABC System used data from the following three primary sources to estimate the economic impact of the airport on the local and state economy:

1. Airport activity and business survey data on jobs, income and sales at the airport.
2. Data from the *U.S. Bureau of Economic Analysis* on industry employment, wages and sales.

3. Regional economic multipliers obtained from the industry transaction tables in the Impact Analysis for Planning Model (IMPLAN) computer model.

IMPLAN is a computer model produced for WisDOT by the Minnesota IMPLAN Group. The model estimates purchases and sales between various sectors of the Wisconsin economy.

The model produces statewide multipliers as well as multipliers for specific counties and groups of counties. IMPLAN multipliers for two sectors in the Barron County economy were used in the analysis.

The regional economic multipliers used in this study for the *Air Transportation Sector* are 1.7 (sales), 2.3 (employment) and 2.0 (wages). Multipliers used for the *Retail/Hotel/Restaurant Sector* are 1.7 (sales), 1.2 (employment) and 1.6 (wages).

The economic contribution of Rice Lake Regional Airport is comprised of three types of impacts: *Direct Impact of the Airport*, *Direct Impact of Airport Users*, and the *Multiplier Impact*. Each of these effects is expressed in terms of their effect on economic output (sales), employment (jobs) and wage income.

## Direct impacts

The direct impact of Rice Lake Regional Airport on the local economy reflects the jobs, payroll and sales directly related to airport operations. This includes the management and operation of the airport, as well as businesses providing aircraft maintenance, fueling, storage and leasing activities.

The direct effect of the airport on the Barron County economy in 2005 totaled 23 employees, a payroll of almost \$1 million and \$3.9 million in economic output.

# Economic Impact

2006

Rice Lake Regional Airport – Carl's Field (RPD)

Rice Lake, WI

## Indirect impacts

The indirect impact of airport users, is the amount of money flowing into the local economy from air passengers who reside outside the county. These visitors spend money on lodging, meals, ground transportation and retail purchases within the county.

The \$3.4 million of visitor spending in 2005 supported 95 additional jobs in Barron County with a payroll of \$1.4 million.

## Induced impacts

The multiplier or induced effect represents the downstream impact of airport operation and visitor spending throughout the local and state economy.

This includes the activity of suppliers to the businesses at the airport (including electricity, office supplies, aircraft parts, fuel for resale) and suppliers to the businesses serving visitors. It also includes the activity generated by the airport workers spending their income (clothes, groceries, entertainment, and other necessities.)

In 2005, the multiplier impact of the airport included 49 additional jobs, \$1.8 million in wages, and \$5.1 million in economic output.

### Employment (FTE Jobs)

<b>Direct</b>	<b>23</b>
<b>Indirect (visitor spending)</b>	<b>95</b>
<b>Induced (multiplier effect)</b>	<b>49</b>

**Total employment impact 167 jobs**

### Wage income/payroll

<b>Direct</b>	<b>\$989,000</b>
<b>Indirect (visitor spending)</b>	<b>\$1.4 million</b>
<b>Induced (multiplier effect)</b>	<b>\$1.8 million</b>

**Total payroll impact \$4.1 million**

## Economic output/sales

<b>Direct</b>	<b>\$3.9 million</b>
<b>Indirect (visitor spending)</b>	<b>\$3.4 million</b>
<b>Induced (multiplier effect)</b>	<b>\$5.1 million</b>

**Total economic output \$12.3 million**



## Other benefits

The study also measured public revenue generated at the local and state level from airport and aviation related fees.

In 2005, Rice Lake Regional Airport generated \$29,488 in revenue from aircraft storage, landing fees, and leases. Other local fees generated \$56,240.

The airport also generated \$26,524 in state revenue from general aviation fuel taxes and aircraft registration fees of \$14,030, for a total of \$126,282 in direct local and state public revenue.



# Economic Impact

2006

Rice Lake Regional Airport – Carl’s Field (RPD)

Rice Lake, WI

## Public revenue – direct impact

Barron County	State	Total
\$85,728	\$40,554	\$126,282

## Local economic impact

The results of the study indicate that Rice Lake Regional Airport provided \$12.4 million in economic output, supported 167 jobs and contributed over \$4.1 million in wage income to the local economy in Barron County.

### Contribution of Rice Lake Regional Airport to the local economy

FTE jobs	Wage income/ payroll	Economic output/sales
167	\$4,147,040	\$12.4 million

## Local and state economic impact

The activity at Rice Lake Regional Airport in 2005 also generated an additional \$624,470 million in sales, 19 jobs and \$363,807 in payroll to the state economy.

When combined with the local impact, the total contribution of Rice Lake Regional Airport to the local and state economy in 2005 is \$13 million in sales, 186 jobs and \$4.5 million in wage income.



### Contribution of Rice Lake Regional Airport to the local and state economy

FTE jobs	Wage income/ payroll	Economic output/sales
186	\$4.5 million	\$13 million

