

# MONTEREY REGIONAL AIRPORT



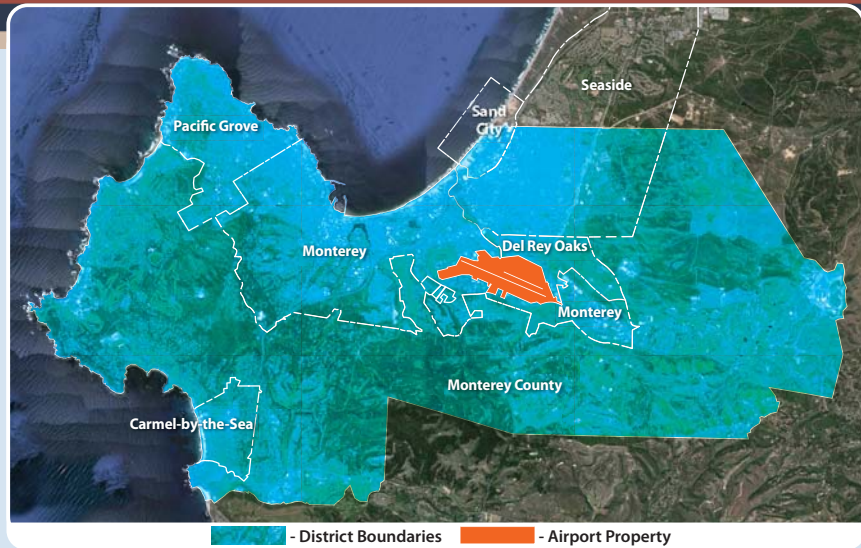
ECONOMIC BENEFITS FOR THE MONTEREY REGION







The Monterey Regional Airport (Airport) is a vital contributor to the local and regional economy and contributes to the growth of jobs and economic output across the Monterey Peninsula and the greater Central California Coast region. For the past 75 years, the Airport has served as the gateway to welcoming commerce and visitors into the region and providing access for outward travel to national destinations and beyond, strengthening ties between communities and regions, and encouraging economic growth. To celebrate the Airport's momentous 75th year anniversary, it is with great pleasure for the Monterey Peninsula Airport District (District) to announce the Airport's Economic Benefits as summarized within this brochure.



## MEASURING ECONOMIC BENEFITS

Analysis of economic benefits is the measurement of the economic contribution of an industry, an activity, or a particular component of the economy. The methodology used in this study was standardized in the publication by the FAA, *Estimating the Regional Economic Significance of Airports*, Washington, D.C., 1992. The total economic

benefit of the Airport is quantified as revenue (purchases, spending and sales), employment (jobs created), and income (payroll). This information is collected from airport records, surveys of businesses/passengers, and state/federal government records. The indirect and induced coefficients are from the Impact Analysis for Planning (IMPLAN) input-output model. The graphic below illustrates how the total economic benefits of the Airport is calculated.

### DIRECT ECONOMIC BENEFITS

#### Aviation Related

Fixed Base Operators  
Airport Management  
Aircraft Maintenance  
Aircraft Fueling  
Capital Projects  
Government Agencies  
Auto Rental, Parking

#### Non-Aviation Related

Non-Aviation Firms  
(located on airport property)  
Full Service Restaurants  
Fast Food Restaurants  
Retail  
Construction Firms  
Plumbing/Electric Services  
Auto Repair  
Storage Facilities

#### Air Visitor Related

Lodging  
Restaurants  
Retail  
Entertainment  
Ground Transportation  
Travel Agents

### INDIRECT ECONOMIC BENEFITS

Activity by suppliers and vendors who sell to airport businesses, along with jobs created and incomes paid to workers by these suppliers

### INDUCED ECONOMIC BENEFITS

Consumer spending of workers who produced direct or indirect benefits.

### TOTAL ECONOMIC BENEFITS

Combined sum of primary and secondary benefits created both on and off the airport.

PRIMARY

+

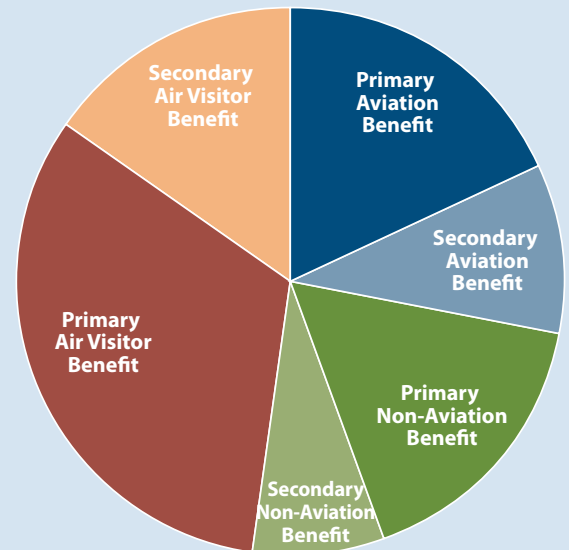
SECONDARY

=

TOTAL

## TOTAL AIRPORT ECONOMIC BENEFITS

\$302M Revenues \$112M Income  
2,411 Employment



Economic Benefits of Aviation Related Activity

- 25 on-Airport employers reported revenues of \$55 million/year.
- 285 on-Airport aviation jobs with incomes of \$19 million/year.
- Airport firms paid out \$18 million to local suppliers.



“140 aircraft arrive and depart on an average day.”



Economic Benefits of Non-Aviation Activity

- 51 non-aviation firms on-Airport reported revenues of \$50 million/year.
- 328 non-aviation jobs on-Airport with incomes of \$19 million/year.
- Non-aviation firms paid out \$11 million to local suppliers.

“Air visitor spending supported 1,401 total jobs in the area economy.”

Air Visitors to the Airport

- Airline and general aviation visitors arriving at the Airport spent \$98 million off the airport for goods and services.
- Air visitor spending supported 1,401 total jobs in the area economy.
- On an average day, there were 1,108 visitors in the region that arrived by air at the Airport.
- There were 104,460 airline visitors and 15,165 general aviation visitors to the Airport and the region.



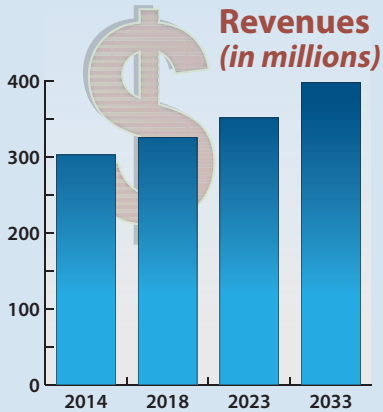
TOTAL ECONOMIC BENEFITS OF THE AIRPORT

REVENUE	-	\$302 MILLION
EMPLOYMENT	-	2,411 JOBS
INCOME	-	\$112 MILLION
TAX REVENUE	-	\$19 MILLION

Economic activity on the airport created \$302 million in total economic benefits for the region.



## FUTURE ECONOMIC BENEFITS



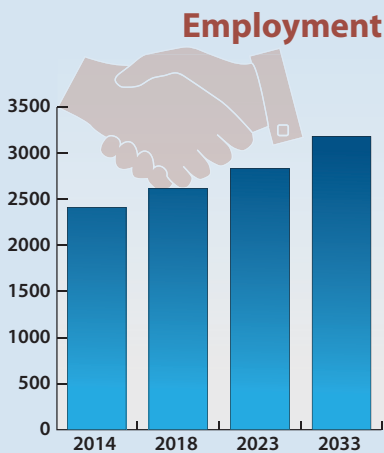
Forecasts of enplanement (passenger boarding) growth are the driver of increases in revenue, employment, and earnings.

The economic benefit forecast therefore corresponds to the enplanement forecast growth as indicated within the five-, ten-, and twenty-year levels from the 2014 base year. Based on the enplanement forecast growth, the Study determined the following:



**Airport primary benefit forecasts** (all figures are in constant 2014 dollars) include:

- Short term (2018) - \$109 million revenues and 636 aviation related jobs
- Intermediate term (2023) - \$116 million revenues and 670 aviation related jobs
- Long term (2033) - \$132 million revenues and 755 aviation related jobs



**Off-Airport air visitor spending** is projected to increase from \$98 million in FY 2014 to \$134 million by the long term (a 37% increase). Over the same period, **employment created by primary visitor spending** is projected to rise from 1,048 to 1,437.

*An estimated 37% increase in off-Airport visitor spending (\$134 million) will occur within twenty years*

**Federal tax revenue** in the long term is estimated to be \$33.5 million with \$16.1 million in Social Security contributions, and \$11.4 million paid personal income taxes. **State and Local sales tax revenue** increase to \$9.0 million and **property tax revenue** increases to \$7.6 million. **Combined State and Federal tax revenue** will be \$58.7 million, a 31% increase over the FY 2014 base year collections.

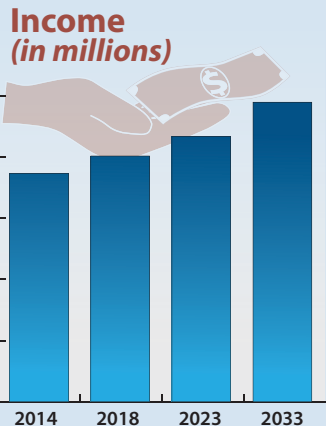
*An estimated 31% increase of combined State and Federal tax revenue (\$58.7 million) will occur within twenty years.*

Within the 20-year long term horizon, **total economic benefit from activity at the Airport** is projected to increase to \$397.3 million, with 3,181 jobs supported in the region and income of \$147 million.

The detailed Economic Benefit Report is included as Appendix G in the Draft Monterey Regional Airport Master Plan and can be accessed at [montereyairport.com](http://montereyairport.com).

### TOTAL LONG TERM ANNUAL ECONOMIC BENEFIT

REVENUE	-	\$397.3 MILLION
EMPLOYMENT	-	3,181 JOBS
INCOME	-	\$147 MILLION



#### For More Information, Please Contact:

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Aerial Photos: Google Earth