

UNIVERSITY OF ILLINOIS WILLARD AIRPORT: ECONOMIC ACTIVITY ANALYSIS

Economic Activity Analysis for:

- > Existing scheduled air service;
- > Possible new scheduled air service;
- > Airport non-airline aviation economic activity.



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EXECUTIVE SUMMARY

Voltaire Aviation Consulting has been commissioned by the Champaign County Illinois Economic Development Corporation to develop a comprehensive Airport Economic Activity and Impact study of the University of Illinois Willard Airport (CMI). The study will estimate the economic impact of all measurable and airport dependent economic activity at the Airport. Key areas of economic activity to be measured include:

- > Existing air service;
- > Visitors brought to the county by airlines and general aviation;
- > All non-airline airport dependent activity such as aviation education, the Fixed Base Operator and Maintenance, Repair & Overhaul (MRO) operations;
- > All airport and air service support functions including: Airport Administration, Federal Aviation Administration (FAA) and the Transportation Security Administration (TSA).

CMI is a significant economic engine for Champaign County and the surrounding region. Key findings of this study include:

Overall

- > Total estimated annual CMI Airport regional economic output of \$99.75 million dollars.
- > Total estimated local job creation or support of 750.6 FTEs with \$30 million in annual payroll.
- > 431.7 on-airport FTE jobs at CMI with labor income of \$19.5 million.
- > If CMI was considered a single employer, it would be the 15th largest in the county.

Airline Service Impact

- > 212,000 total airline passengers are projected at CMI in 2019.
- > Nonstop service to three of the largest hub airports in the United States.
- > 121.4 on-airport jobs supported by air service.

Airline Visitor Impact

- > An estimated 42,400 annual inbound visitors (2019) will use CMI as their regional gateway.
- > Those visitors will spend an estimated \$10.06 million dollars during their visits.
- > Airline crews spent an estimated 4,380 overnight visits at CMI area hotels.

- > Combined visitor and airline crew overnight spending create an estimated 189.9 FTE jobs by direct, indirect and induced effect.
- > Those jobs create labor income of \$5.33 million dollars.
- > Visitor spending resulted in \$19.55 million dollars of annual regional economic output.

Non-Airline Aviation

- > The Airport hosts three non-airline aviation related businesses or governmental entities.
- > Overall, the Airport handles about 45,625 flight operations annually or 125 operations per day.
- > There are 75 aircraft based at the Airport at the latest count.
- > Private sector and government non-airline aviation supported 194 on-airport FTE jobs with an annual payroll of \$12.46 million dollars.
- > Those FTE jobs create, by indirect and induced effect, another 180 local FTE jobs with an annual payroll of \$5.9 million dollars.
- > General and corporate aviation bring an estimated 13,870 annual visitors to the County; those visitors spend an estimated \$3.26 million dollars locally and support 65.4 local FTE jobs with \$1.8 million in annual payroll.

New Air Service Impact

- > This study estimated the local economic impact of the addition of new airline service offering twice daily regional jet flights to Washington's Dulles International Airport (IAD).
- > This potential new service would generate an additional 20.2 on-airport jobs with total direct, indirect and induced effect of 28.7 FTE jobs with \$826,759 in payroll and \$2.1 million in output.
- > The potential new service would bring an estimated 11,583 net new visitors to the County and those visitors would spend an estimated \$3.0 million dollars annually in the County.
- > Net new visitors from the new service would generate a total of 60.6 local FTE jobs with \$1.7 million in payroll and \$6.2 million in annual economic output.
- > Total local economic impact from the potential new service would be 89.3 FTE jobs, \$2.5 million in annual local payroll and local annual economic output of \$8.3 million dollars.

CMI is a critical element for the economy of Champaign County and the surrounding region. Parkland College's Flight Training school and Flightstar's MRO facilities for corporate and airline aircraft separate CMI from all other rural regional airports in the United States. The Airport's growing air service links this rural economic engine to the world and provides local residents with excellent local air service mobility.

STUDY OUTLINE



Background – The University of Illinois Willard Airport is located five miles southwest of Champaign, Illinois. The Airport has three runways on 1,799 acres of land. The Airport is home to nine on-field aviation related businesses or governmental entities with some 75-based aircraft, ranging from small general aviation aircraft to corporate jets. The airline terminal hosts American Airlines flights to three domestic hubs. In 2018, the Airport experienced 45,625 flight operations (landings or takeoffs), an average of 125 per day. Airline traffic grew 10% year-over-year in 2018 and totaled 211,911 passengers (an average of 581 on or off per day).

This study will estimate the annual economic impact of the airport dependent economic activities. The estimate will be in 2019 dollars and will be based on information gathered from Airport Administration, the airlines serving the Airport and other Airport tenants including government agencies. The study will use common and accepted economic impact formulas and software.

Goal – The goal of this economic activity study is to define all “airport dependent” economic activity at the Airport and then calculate the impact of that activity on the surrounding area. “Airport dependent” means activity which would not occur locally save for the existence of the Airport and its aviation related activities. The economic impact of these activities will be measured for Champaign County.

Calculating the local economic impact of an Airport is similar to calculating the impact of a factory, shopping mall, hotel or any other place or facility which sustains employment and generates commerce.

This study will define and quantify local economic activity that would not occur except for the existence of Airport. That activity is measured in the following ways:

- > On-airport air service-related jobs created and sustained;
- > The local impact of visitors brought to the region via the Airport;

- > The impact of possible new air service at the Airport;
- > On-airport aviation jobs (non-airline) created and sustained.

Basic economic theory states any economic activity has, at a minimum, three impacts:

- > Direct impact- the measure of the jobs and spending at the Airport;
- > Indirect impact- the ripple effect of economic activity beyond the Airport, but resulting from Airport jobs and spending;
- > Induced impact- the third level of impact which measures economic activity generated by people and businesses benefiting from the indirect impacts.

All three levels, direct, indirect and induced, when taken together form the estimated overall economic impact of the Airport's airport-dependent businesses and government bodies.

The impact of an Airport's economic activity is typically measured at the county level. In this case, economic activity will be measured for Champaign County. As with any economic impact analysis political boundaries such as a county line are not perfect dividers of economic activity. For visitor spending economic impacts, this study will assume the bulk of visitor spending occurred within the county, with a modest portion presumed to occur outside the county. This report endeavors, where possible, to dilute economic impacts where it is impossible to know for certain how much of an impact occurred inside county lines and how much may have spilled into an adjacent county not included in the study.

Report structure – This study will measure the Airport's economic activity in four ways.

First will be a measurement of all Airport economic activity related to existing airline service. This will include airport employment related to or in support of airline service and other airport activities, such as rental cars, that are dependent on the airline service.

Second will be a measurement of all regional economic activity that occurs as a result of visitors brought to the Airport by both existing air service and by transient general aviation and corporate aircraft. Visitor spending is often a significant component of airport economic impact.

Third will be an estimate of the new economic benefit which would occur if hypothetical new air service was imposed at the Airport.

Fourth will be a measure of all current Airport economic activity not airline or air service related. This will include local aviation entities involved in flight training, Maintenance, Repair and Overhaul (MRO), and Fixed Base Operations (FBO).

The study will then total the results of the four sections to constitute a snapshot of the Airport's current annual economic activity and local economic impact.

STUDY METHOD AND PROCESS



Measuring Economic Activity – “Economic activity” is a broad term and can be measured in multiple ways. In general terms, it means the level of activity, number of transactions, the value of those transactions and the overall creation of jobs, goods or services produced within an economic entity.

This can be as broad as measuring the economic activity of a country or as narrow as measuring the economic activity of a single factory. On a macro level, measuring a country or a state, economic activity can be measured by Gross Domestic Product (GDP). Beneath that, the county level is commonly referred to as Metropolitan Statistical Area (MSA) while city level economic activity is commonly measured by Gross Metropolitan Product (GMP).

Still further, this study strives to measure the economic activity and impact of an Airport upon the County where it is located. At this local level we will measure the economic impact of each job at the Airport, within the airline sector and the non-airline related sector. This will also include a broader regional measure of the economic impact of net-new-visitors to the region brought in by the Airport’s air services.

Survey Forms and Results: One essential element of measuring Airport economic activity is obtaining from each on-airport company or government body, by survey, the economic information needed to calculate the scale and scope; thus, the impact of on-field economic activity. Volaire Aviation, assisted by Airport Administration, surveyed all the airport tenants who are airport dependent. The information provided by the survey is essential to generating the economic impact estimates. The basic survey form consists of a few questions and was sent to each airport tenant. The survey results for individual companies within each economic sector were totaled to keep confidential any sensitive economic data a company may have.

Other Data Sources: A host of data sources are accessed to provide the information needed to complete this study. Airport Administration provided a range of (publicly available) information to support the analysis of various economic activities at the Airport. Department of Transportation (DOT) reports provided the necessary background on CMI airline passenger traffic needed to project inbound visitor volumes.

Economic Activity and Impact Software: Volaire Aviation Consulting uses the IMPLAN economic modeling software. IMPLAN is a world leader in providing economic impact data and modeling to governments, universities as well as public and private sector organizations for assessing the economic impacts of existing or projected economic activity in all economic sectors. IMPLAN software takes survey and other collected data and traces economic activity through the local economy and provides direct, indirect and induced impacts on employment, wages and taxes.

The IMPLAN software is constantly updated with the latest US Bureau of Labor Statistics and Bureau of Economic Analysis data as well as US Census data. The software also accesses Regional Economic Information Systems (REIS). Using classic input-output analysis in combination with regional specific social accounting matrices and multiplier models, IMPLAN provides a highly accurate and adaptable model for its users. The IMPLAN database breaks out captured economic data to the state, county and zip code level.

Assumptions, Terms and Definitions: Any economic activity and impact study must make certain assumptions in the process of analysis.

Key assumptions in this study include, but are not limited to the following:

- > Airport dependent. As previously noted, the study confines itself to economic activity which relies on the Airport's runways meaning if the Airport did not exist the economic activity would either not occur or would take place somewhere else.
- > This study is a snapshot of various Airport economic activities. Economic activity is not static as it can grow or shrink.
- > The Airport's economic activity is assumed to take place in the county area of Champaign

County. As has been noted, county lines are not perfect dividers of economic activity.

- > This study is only as good as the economic survey results gathered from the various entities that populate the Airport.
- > The IMPLAN software is, as of this writing, programmed with year 2017 economic data that the software extrapolates forward to 2019 by its own internal formulas.
- > This study makes assumptions about dilution of economic impact to remain conservative in its conclusions.

Terms and Definitions: Important terms used in this study and their definitions include:

Direct Impact – Economic impact generated on-site, in this case at the Airport. This includes employment, payroll, commercial and capital expenditures at the Airport.

Indirect Impact – Economic impact that is not at the Airport but is driven by on-airport economic activity such as Airport workers spending their payroll locally or the impact of an Airport tenant's local commercial spending.

Induced Impact – Economic impact downstream and beyond the combined direct and indirect impacts. This is commonly known as the “multiplier effect”. It can refer to services or products provided to organizations that derive business from Airport on-site businesses.

Full-time Equivalent or FTEs – A full-time job is year-round and 40 hours per week. Airport entities included in the survey were asked to identify the number of FTEs in place.

Input (or Factors of Production) – The ingredients of economic activity; land, labor, capital and enterprise.

Output – The fruit of economic activity; whatever is produced using the input.

Labor Income – The sum of payroll and benefits paid to workers. Airport entities included in the

survey were asked to provide or estimate annual labor income. Where this was not provided, IMPLAN can project labor income for most job types.

Value Added – The incremental increase(s) in economic production or dollars with each stage of production or round of spending.

State and Local Taxes – The sum of sales, property, motor vehicle, severance, corporate, income and other state and local taxes.

Federal Taxes – The sum of social, excise, custom, corporate and personal income and other federal taxes.

Fiscal or Calendar Year – In this report there is DOT and other data. The most current DOT and other government aviation and airline data, at the time of this report, are used in this report.

OVERVIEW OF STUDY AREA



Location and Population – CMI is located in Champaign County, Illinois. The County has an estimated 2018 population of 209,983. This is up 4.4% from the 2010 census population of 201,081. This population growth is in stark contrast to the statewide 2018 estimated total which is down .7% from 2010.

The county's population is 1.6% of the state-wide total. The county ranks 10th in population among Illinois's 102 counties. About 62% of the county population is concentrated in the cities of Champaign and Urbana. The University of Illinois main campus is by far the largest employer in the County.

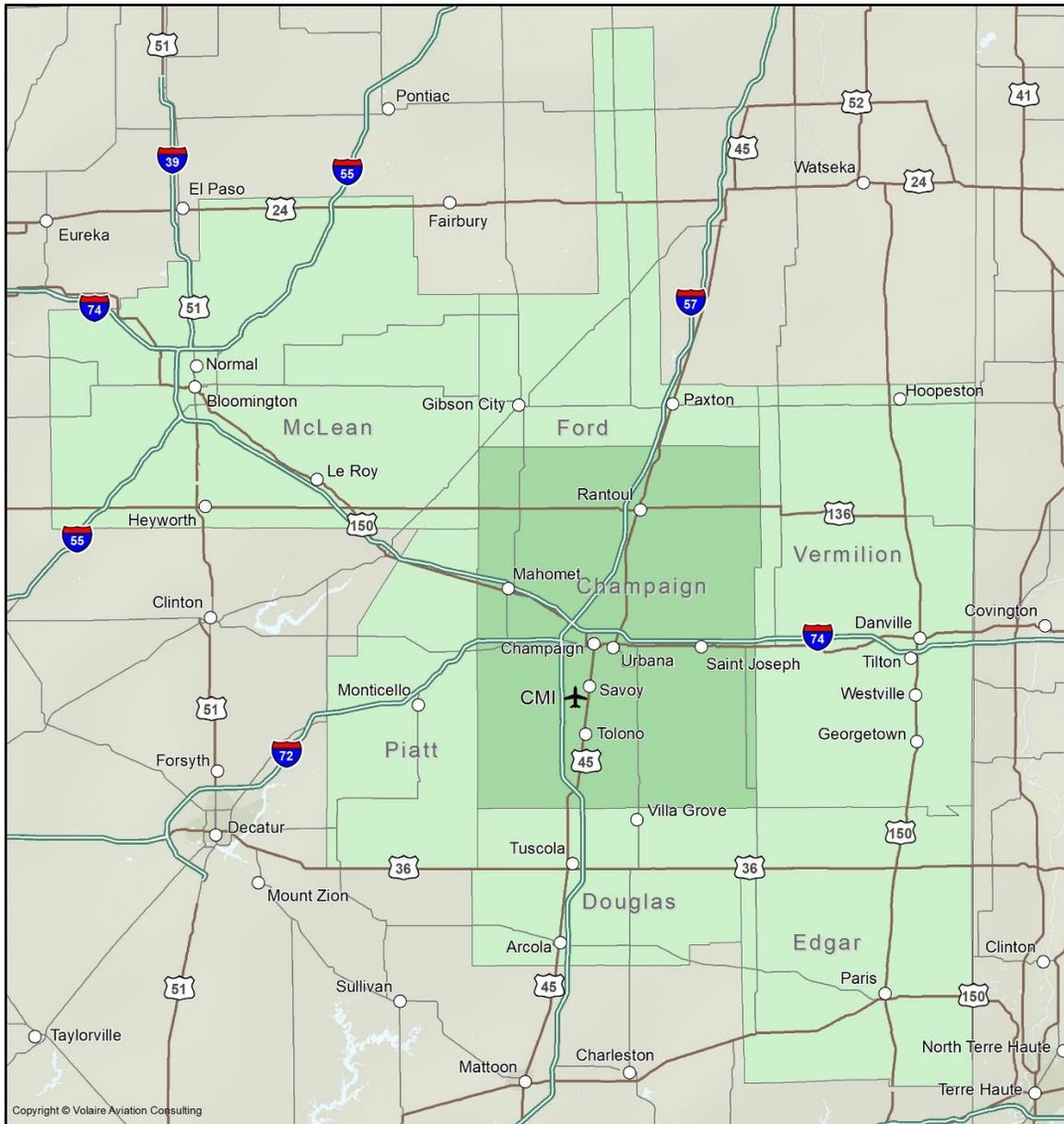
The IMPLAN Economic Analysis Software develops a snapshot of the county economy. It captures key macroeconomic metrics related to population, employment levels, income and compensation and household information. It then provides a summary of the local economy in terms of Gross Regional Product (GRP) and various key economic metrics.

Table 1

IMPLAN ECONOMIC IMPACT SUMMARY OF CHAMPAIGN COUNTY			
Metric	2017	Value Added Economic Output Snapshot	
Gross Regional Product	\$11,841,719,039	Employee Compensation	\$6,364,087,296
Total personal Income	\$9,397,675,093	Proprietor Income	\$1,145,489,021
Total Employment	128,824	Other Property Type Income	\$3,641,960,089
		Tax on Production and Import	\$690,182,632
Number of Industries	242	Total Value Added	\$11,841,719,039
Land Area (Sq. Miles)	997	Total Economic Output Snapshot	
		Household Demand	\$9,561,424,724
Population	209,399	State/Local Government	\$4,518,627,997
Total Households	91,537	Federal Government	\$253,029,898
Median HH Income	\$49,586	Capital	\$1,433,525,082
		Exports	\$6,374,959,775
		Imports	(\$9,727,008,023)
		Institutional Sales	(\$572,840,414)
		Total Final Demand	\$11,841,719,039

Economy – Key sectors in the roughly \$11.8 billion-dollar county economy are education, healthcare, local government, food processing and logistics. Notable area economic entities include the University of Illinois, Carle Foundation and Physician Group, FedEx and Parkland College.

The map below illustrates the location of the county study area and the six Illinois counties that adjoin the study county.

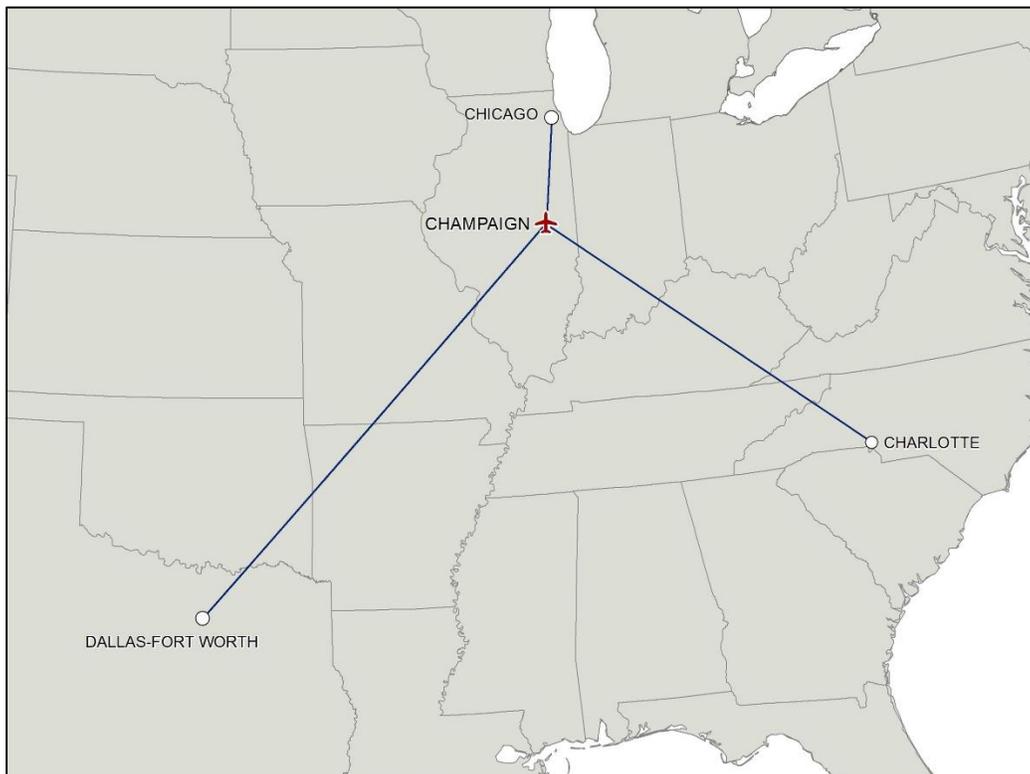


AIR SERVICE-RELATED ECONOMIC IMPACT

Air service at the University of Illinois Willard Airport supports jobs across the typical spectrum of airline station and airport operations job categories. This includes airline customer service and aircraft servicing, Transportation Security Administration (TSA), law enforcement, terminal rental car and concessions as well as Airport Administration.

Current Air Service – CMI’s air service footprint has seen expansion in recent years. In mid-2017 United Airlines began service to Chicago O’Hare supplementing American service on the same route. While the United service eventually ended in September of 2018, it did cause a spike in market traffic. After United left the market American added service to a third hub, Charlotte (CLT), in December of 2018.

American has a large maintenance facility at Champaign, operated by Flightstar, Inc. As a result, five of the nine daily departures are originator flights, outbound early in the morning and five of the nine scheduled inbound arrivals are in the evening.



CMI air service has grown considerably. Table two shows that estimated 2019 traffic has recovered nicely from the loss of United service and is up 1.7% over 2018.

Table 2

WILLARD AIRPORT AIRLINE TRAFFIC HISTORY: 2012 - 2019					
Passenger Traffic					
Year	Carriers	Domestic	International	Total	Change
2012	American	137,236	20,880	158,116	
2013	American	141,027	22,223	163,250	3.2%
2014	American	158,414	17,889	176,303	8.0%
2015	American	150,981	17,384	168,365	-4.5%
2016	American	153,624	13,678	167,302	-0.6%
2017	American, United	175,244	13,725	188,969	13.0%
2018	American, United	193,726	14,774	208,500	10.3%
2019 est	American	197,000	15,000	212,000	1.7%

The increases in traffic since 2012 have been driven by organic market growth, the stimulation of the brief United Airlines service and the addition of service to the third hub, Charlotte. Table three outlines annual changes in seat capacity and the number of flights operated.

Table 3

WILLARD AIRPORT AIRLINE CAPACITY HISTORY: 2012 - 2019						
Year	Carriers	Seats	Change	Flights	Change	Seats/Flt
2012	American	217,850		4,508		48
2013	American	215,026	-1.3%	4,452	-1.2%	48
2014	American	223,098	3.8%	4,574	2.7%	49
2015	American	219,536	-1.6%	4,440	-2.9%	49
2016	American	218,798	-0.3%	4,437	-0.1%	49
2017	American, United	267,537	22.3%	5,342	20.4%	50
2018	American, United	291,280	8.9%	5,794	8.5%	50
2019 est	American	273,864	-6.0%	5,479	-5.4%	50

2019 seat capacity is estimated to be down 6% year over year due to the exit of United Airlines from the market. 2019 seat capacity is estimated to be up 26% from 2012 levels.

The average size of aircraft used at the Airport has remained about 48 to 50 seats, owing to the American maintenance facility specializing in supporting that type of aircraft at this time. Flightstar, Inc has opened a new MRO hangar capable of handling larger dual class regional jets. This may enable American, at some point, to up gauge select CMI flights to dual class regional jets. The number of airline flights operated in 2019 is down 5.4% from 2018, but up 22% from 2012.

Airline Service Related On-Airport Employment – Airline service at CMI creates significant on-airport employment. This includes airline employees who perform customer service, load and unload arriving and departing flights, Transportation Security Administration (TSA) workers who perform preflight passenger screening, law enforcement officers who support passenger screening, terminal concessions and rental car agency employees and a portion of Airport Administration and staff, including the Aircraft Rescue and Fire Fighting (ARFF) unit.

Airport Administration – Airport Administration oversees airport operations including facility upkeep and managing the airline terminal. In the case of CMI, Airport Administration also operates the Aircraft Rescue and Fire Fighting (ARFF) function. Total Airport Administration staff employment is 22 full-time (FTE) employees with an annual payroll of \$1,767,418. For the purposes of this study this employee group will be divided into two economic sectors: Airport Administration related to airline service and Airline Administration related to airfield operation for general and corporate aviation. The economic impact of total Airport Administration employment and payroll will be allocated 60% to supporting airline operations and 40% allocated to supporting general and corporate aviation.

Airline Employees – American Airlines service at Champaign is provided by Envoy Air, a regional partner of American. The customer service and ramp operations function employs 15 full-time and 9 part-time employees or 19.5 FTEs. Oversight of the Envoy regional jet maintenance operation performed by Flightstar employs an additional Envoy employee, making total FTE count 20.5. Annual payroll for this group is an estimated \$582,000.

Aircraft Rescue and Fire Fighting (ARFF) – Airports with air service must have firefighting equipment and personnel available during airline operations. CMI's ARFF team is part of the Airport Administration group and the group's economic impact will be counted in that group. The ARFF team has 7 FTEs. However, they are cross utilized for airfield operations duties.

Transportation Security Administration (TSA) and Law Enforcement (LEO) – The TSA employs 13.0 full-time and 14.0 part-time employees, making FTE count 20.0 for airline passenger screening duties. The Police Department provides police support for TSA screening and the Airport pays the Department for their support. An estimated 1.5 FTE police officers are needed to provide police presence during airline flight departure hours. Total TSA and LEO employment is 21.5 FTEs with an estimated annual payroll of \$612,025.

Rental Car Agencies and Terminal Concessions – There are 6 rental car brands available on-airport via 3 rental car agencies. These 3 agencies employ 15.0 full-time and 7.5 part-time employees. The Einstein Bros. Bagels concession in the terminal building employs 1.5 full-time and 3.0 part-time employees. Total FTE employment for rental car agencies and terminal concessions is 25.5 FTEs with an estimated annual payroll of \$693,750.

Terminal Parking Lot – The terminal parking lot is automated and administered by Airport Administration staff.

Total at-Airport Airline Related Employment – In the economic sectors defined by this study section, there are 80.5 total on-airport FTEs related to airline service with an estimated total annual labor income of \$2,948,226.

Table 4

SUMMARY OF ON-AIRPORT AIRLINE RELATED EMPLOYMENT					
Sector	Full Time	Part Time	FTE	Salary/Benefit	Remarks
Airport Admin	13.00	0.00	13.00	\$1,060,451	This is 60% of total Airport Admin allocated to airline
Airline	16.00	4.50	20.50	\$582,000	Includes station and Flightstar MX oversight
ARFF	0.00	0.00	0.00	\$0	Cross utilized personnel allocated to general aviation
Rental Car/Concessions	16.50	9.00	25.50	\$693,750	Three agencies and Einstein combined
TSA & LEO	14.00	7.50	21.50	\$612,025	
Terminal Parking	0.00	0.00	0.00	\$0	Automated lot operated by Airport Administration
Total	59.50	21.00	80.50	\$2,948,226	

Table 5 on the next page shows the estimated area economic impact of these 80.5 FTEs and their \$2.948 million-dollar payroll. The jobs and their payroll generate \$5.83 million in annual economic output. Indirect effect generates 18.2 FTEs and \$2.12 million in annual economic output. Induced effect generates 22.7 FTEs and 2.43 million in annual economic impact.

Total annual economic impact of the on-airport airline related employment from direct, indirect and induced effect is 121.4 FTEs with \$4.4 million in annual payroll and \$10.4 million in annual local economic output.

Table 5

CMI AIR SERVICE AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Airport Admin	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	13.0	\$1,060,451	\$1,230,062	\$2,369,355
Indirect Effect	4.1	\$162,958	\$413,527	\$653,378
Induced Effect	4.7	\$217,867	\$398,723	\$667,843
Total	21.8	\$1,441,276	\$2,042,312	\$3,690,576
State& Local Tax				\$195,552
Federal Tax				\$270,235
Airline	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	20.5	\$582,000	\$820,041	\$1,579,569
Indirect Effect	2.7	\$108,639	\$275,685	\$435,585
Induced Effect	3.1	\$145,244	\$265,815	\$445,229
Total	26.3	\$835,883	\$1,361,541	\$2,460,383
State& Local Tax				\$130,368
Federal Tax				\$180,157
TSA/LEO	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	21.5	\$612,025	\$713,715	\$926,169
Indirect Effect	1.3	\$41,055	\$69,548	\$125,729
Induced Effect	2.6	\$122,737	\$224,635	\$376,237
Total	25.4	\$775,817	\$1,007,898	\$1,428,135
State& Local Tax				\$150,118
Federal Tax				\$246,551
Rental/Concessions	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	25.5	\$693,750	\$745,660	\$955,711
Indirect Effect	10.1	\$302,554	\$654,333	\$900,568
Induced Effect	12.3	\$365,489	\$699,654	\$941,388
Total	47.9	\$1,361,793	\$2,099,647	\$2,797,667
State& Local Tax				\$143,406
Federal Tax				\$200,998
TOTAL AIR SERVICE AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	80.5	\$2,948,226	\$3,509,478	\$5,830,804
Indirect Effect	18.2	\$615,206	\$1,413,093	\$2,115,260
Induced Effect	22.7	\$851,337	\$1,588,827	\$2,430,697
Total	121.4	\$4,414,769	\$6,511,398	\$10,376,761
State& Local Tax				\$619,444
Federal Tax				\$897,941

VISITOR BY AIR ECONOMIC IMPACT



Estimating Annual Domestic Visitor-by-Air Traffic – Tourism and out-of-state visitor spending is an important economic sector for Illinois. The Visit Champaign office and the Champaign County Chamber provided valuable data on visitor spending and stay patterns.

Table 6

The data in Table 7 is for all visitors, both leisure and business. On a statewide basis, an estimated 84% of visitors are leisure and 16% are business. For Champaign County the percentages may break out differently, driven by visitors to the University of Illinois. The key Champaign County visitor data presented to develop this report is an average stay of 1.7 days, an average daily spend per visitor of \$138.07 and a total per visit per visitor spend of \$271.61.

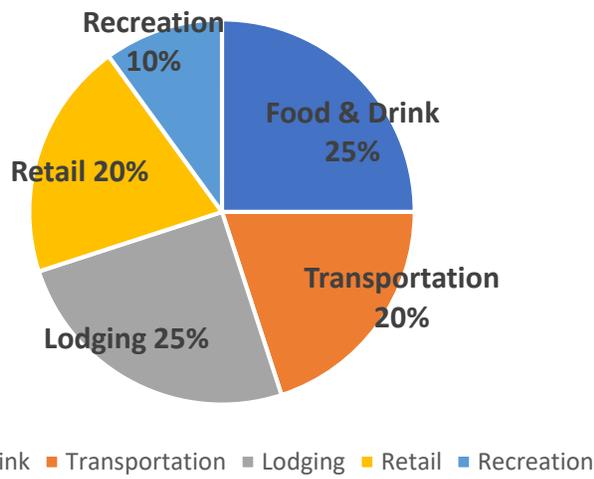
State of Illinois Totals 2018	
Out-of-State Overnight Visitors	117,000,000
Annual Out-of-State Spending	\$41,700,000,000
Champaign County 2018	
Visitor Spend Per Visit	\$234.72
Average Visitor Stay (days)	1.7
Average Visitor Spend Per Day	\$138.07
Average Spend Per Day By Economic Sector	
Lodging 25%	\$34.52
Food & Drink 25%	\$34.52
Retail 10%	\$13.81
Recreation 20%	\$27.61
Transportation 20%	\$27.61
Total 100%	\$138.07

For the purposes of this economic impact study, visitor spending is assumed to fall into five broad economic sectors: Lodging, Food & Drink, Retail, Recreational and local Transportation.

This profile of average length of stay, daily spend and spending by economic sector will be applied to the estimated visitor by air total generated by CMI air service to enable estimates of regional visitor spending economic impact.

Out-of-State Visitor Spending – The Visit Champaign County Office Visitor reports allocate out-of-state visitor spending. This report has allocated that spending among five primary categories: Lodging, Food & Drink, Retail, Recreation and Transportation within Destination.

Table 7: Visitor Spending by Economic Sector



Willard Airport is projected to enplane and deplane 212,000 passengers in 2019. DOT data provides us with a carrier breakdown of point of origin for these passengers.

Table 8

WILLARD AIRPORT VISITORS-BY-AIR ESTIMATE						
Estimated 2019 CMI Airline Traffic 212,000	Percent Inbound Origin 40.0%	Inbound O&D 84,800	Inbound Visitors 42,400			
Inbound Visitors 42,400	Less 5% 2,120	Net Visitors By Air 40,280	Avg Days Stay 1.7	Visit Days 68,476.00	Daily Spend Per Visit Day \$138.07	Total Annual Spend \$9,454,481
Daily Spend Allocation 100% \$9,454,481	% Lodging 25% \$2,363,620	% Food & Drink 25% \$2,363,620	% Recreation 10% \$945,448	% Retail 20% \$1,890,896	% Transportation 20% \$1,890,896	Total 100% \$9,454,481

A review of DOT traffic records for CMI shows over the past four years, 40% of CMI airline traffic was inbound origin or the travel originated inbound to Champaign. Table 8 extrapolates visitor data and spending based on having 40% of the estimated 212,000 airline passengers (84,800 passengers) using CMI being inbound origin or in other words they originated their trip to Champaign County from another place. Assuming each passenger was on a round trip ticket this equates to 42,400 visitors to the region via CMI air service. Visitors to the region and their spending while visiting is a positive key economic impact.

Table 8 projects the visitor spending by economic sector among the five typical spending sectors for out-of-state visitors. Total annual local spending by out-of-state visitors brought to Champaign by air is estimated at \$9.454 million dollars.

Table 8 also dilutes visitor spending by 5%, based on an assumption that 5% of visitors-by-air land at CMI and then leave the county for a nearby county, outside of the economic impact zone. Unfortunately, there is no mathematical formula to precisely calculate this dilution and 5% is simply a baseline assumption.

Added to the airline visitor-by-air totals is airline crew hotel overnight economic impact. Airlines are one of the largest purchasers of hotel rooms in the United States where crews are not based. The Envoy Air services at CMI requires a minimum of four 50-seat regional jet aircraft overnight each night. Each night four 3-person crews are overnighing at hotels near the airport. This totals about 4,380 annual hotel nights. We have projected each hotel night costs \$87.39. We have estimated each overnighing crew member spends \$50 on meals and other expenses while overnighing in the Champaign area. Airline crew overnights, therefore, spend \$382,768 annually on hotel rooms and an estimated \$219,000 annually on overnight expenses. Table 9 reflects this additional visitor spending impact and projects total annual airline service visitor by air local spending of \$10.1 million dollars.

Table 9

CMI AIRLINE CREW OVERNIGHT SPENDING	
Spending by Sector from Table 10	
Lodging	\$2,363,620
Food/Drink	\$2,363,620
Recreation	\$945,448
Retail	\$1,890,896
Local Transportation	\$1,890,896
Crew Overnight Spending	Metric
Annual Hotel Rooms	4,380
Estimated Contract Rate	\$87
Crew Annual Hotel Spending	\$382,768
Crew Daily Visit Spending	\$50
Crew Annual Daily Spending	\$219,000
COMBINED AIRLINE VISITOR & CREW SPEND	
Lodging	\$2,746,388
Food/Drink	\$2,582,620
Recreation	\$945,448
Retail	\$1,890,896
Local Transportation	\$1,890,896
Total Visitor Spending All Sectors	\$10,056,248

The IMPLAN Economic Impact Software can take annualized local visitor-by-air spending by economic sector, in this case lodging, food and drink, recreation, retail and transportation and project the economic activity and employment impacts for that spending. Table 10 shows that economic impact.

Table 10

AIRLINE VISITOR SPENDING				
Lodging	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	21.3	\$534,020	\$749,031	\$2,363,620
Indirect Effect	3.7	\$161,575	\$253,811	\$459,640
Induced Effect	12.4	\$335,653	\$1,050,579	\$1,754,340
Total	37.4	\$1,031,247	\$2,053,421	\$4,577,600
State& Local Tax				\$625,109
Federal Tax				\$275,600
Food & Drink	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	47.2	\$1,291,272	\$1,628,007	\$2,363,620
Indirect Effect	2.7	\$124,607	\$259,442	\$429,022
Induced Effect	14.2	\$417,909	\$1,201,042	\$2,006,464
Total	64.0	\$1,833,788	\$3,088,491	\$4,799,106
State& Local Tax				\$369,275
Federal Tax				\$341,893
Recreation	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	12.1	\$332,785	\$380,188	\$945,448
Indirect Effect	1.6	\$72,643	\$131,437	\$227,069
Induced Effect	5.5	\$161,472	\$470,037	\$785,149
Total	19.3	\$566,900	\$981,662	\$1,957,666
State& Local Tax				\$227,092
Federal Tax				\$138,640
Retail	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	13.7	\$377,410	\$437,637	\$1,890,896
Indirect Effect	7.2	\$190,513	\$184,939	\$788,412
Induced Effect	11.1	\$324,627	\$943,093	\$1,575,439
Total	32.0	\$892,550	\$1,565,669	\$4,254,747
State& Local Tax				\$163,738
Federal Tax				\$273,879
Transportation	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	22.7	\$493,539	\$2,258,356	\$1,890,896
Indirect Effect	4.8	\$224,540	\$378,361	\$707,131
Induced Effect	9.6	\$286,853	\$813,428	\$1,358,126
Total	37.1	\$1,004,932	\$3,450,146	\$3,956,153
State& Local Tax				\$157,234
Federal Tax				\$236,496
TOTAL AIRLINE VISITOR SPENDING IMPACT				
Output	Full Time	Labor	Value	Output
	Equivalents	Income	Added	
Direct Effect	116.9	\$3,029,025	\$5,453,219	\$9,454,480
Indirect Effect	20.1	\$773,878	\$1,207,990	\$2,611,273
Induced Effect	52.8	\$1,526,514	\$4,478,179	\$7,479,519
Total	189.9	\$5,329,417	\$11,139,389	\$19,545,272
State& Local Tax				\$1,542,448
Federal Tax				\$1,266,509

The total annual visitor spending of \$10.1 million dollars generates an estimated 189.9 local FTE jobs via direct, indirect and induced effect. These 189.9 FTEs have an estimated annual payroll of \$5.33 million dollars and generate a total annual local economic output of \$19.55 million.

TOTAL AIR SERVICE ECONOMIC IMPACT



CMI current airline on-field employment and airline service generated visitors-by-air, produce an estimated 311.2 total FTE jobs with \$9.74 million in annual labor income via direct, indirect and induced effect.

Table 11

CMI AIR SERVICE ON-AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	80.5	\$2,948,226	\$3,509,478	\$5,830,804
Indirect Effect	18.2	\$615,206	\$1,413,093	\$2,115,260
Induced Effect	22.7	\$851,337	\$1,588,827	\$2,430,697
Total	121.4	\$4,414,769	\$6,511,398	\$10,376,761
State& Local Tax				\$619,444
Federal Tax				\$897,941
AIRLINE VISITOR-BY-AIR ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	116.9	\$3,029,025	\$5,453,219	\$9,454,480
Indirect Effect	20.1	\$773,878	\$1,207,990	\$2,611,273
Induced Effect	52.8	\$1,526,514	\$4,478,179	\$7,479,519
Total	189.8	\$5,329,417	\$11,139,388	\$19,545,272
State& Local Tax				\$1,542,448
Federal Tax				\$1,266,509
TOTAL AIR SERVICE ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	197.4	\$5,977,251	\$8,962,697	\$15,285,284
Indirect Effect	38.3	\$1,389,084	\$2,621,083	\$4,726,533
Induced Effect	75.5	\$2,377,851	\$6,067,006	\$9,910,216
Total	311.2	\$9,744,186	\$17,650,786	\$29,922,033
State& Local Tax				\$2,161,892
Federal Tax				\$2,164,450

Annual total economic output is an estimated \$29.92 million dollars.

NON-AIRLINE AVIATION ECONOMIC IMPACT



The University of Illinois Willard Airport is a significant local economic engine and transportation asset even excluding all airline and airline related functions.

For the year 2018, the Airport averaged 125 flight operations a day or 45,625 annual operations. About 72% of those operations were general aviation, being either local origin flights or transient private aircraft. Air taxi and charter flights were 14% of the total, air carrier operations were 13% of total and Military operations were 1% of the annual total.

Table 12

CMI AVIATION ACTIVITY PROFILE		
Aircraft Operations; Year 2018		Percent
Air Carrier	5,759	13%
Air Taxi/Charter	6,560	14%
Transient General Aviation	10,950	24%
Local General Aviation	21,900	48%
Military	456	1%
Total	45,625	100%
Based Aircraft December 31, 2018		Percent
Single Engine	56	75%
Twin Engine	4	5%
Jet	12	16%
Helicopter	3	4%
Military	0	0%
Ultra	0	0%
Total	75	100%

By the most recent count there were 75 aircraft based at the Airport. About 75% are single engine, 5% are multi-engine prop, 16% are jet and 4% are helicopters. There are no military aircraft based at the Airport. The based aircraft count has remained steady for several years.

The current Airport master tenant list shows three non-airline airport dependent businesses or entities on Airport property. These are Flightstar, Parkland College and the FAA Control Tower.

A portion of Airport Administration is allocated to non-airline economic impact in this study. The three non-airline on-field entities plus the portion of Airport Administration allocated to non-airline airfield operations supports a total of 194.0 FTE jobs with \$12.46 million dollars in annual payroll.

Table 13

SUMMARY OF ON-AIRPORT NON-AIRLINE EMPLOYMENT					
Sector	Full Time	Part Time	FTE	Salary/Benefit	Remarks
Airport Admin GA/Corp	8.0	1.0	8.5	\$706,967	40% of Airport Admin staff
FlightStar	141.0	5.0	143.5	\$9,500,000	FBO and MRO functions
Parkland College	14.0	10.0	19.0	\$450,000	
FAA Tower	23.0	0.0	23.0	\$1,800,000	
Total	186.0	16.0	194.0	\$12,456,967	

Airport Administration – 40% of Airport Administration and Operations staff are allocated, for the purposes of this study, to non-airline (corporate and general aviation) support. Airport management cross-utilizes staff personnel so this allocation is arbitrary but designed to allocate airport staff economic impact in the airline related and non-airline related categories.

Flightstar, Inc – Flightstar, Inc is the largest employer at the airport by a wide margin. The company is a full-service Fixed Base Operator with a large Maintenance, Repair and Overhaul (MRO) enterprise. The MRO provides major maintenance support for Envoy regional jets and for corporate and general aviation aircraft. The company also offers charter flight services with a significant fleet of corporate jets and turboprops.

Parkland College – Parkland assumed the aviation flight training program of the University of Illinois in 2013. Parkland’s Aviation program is based at Willard Airport. There are 14 full-time and 10 part-time employees for a total of 19 FTE jobs with an annual payroll of \$450,000. The aviation program has 20 training aircraft and six training simulators. About 100 students are enrolled.

Federal Aviation Administration (FAA) – The FAA operates the air traffic control tower at CMI. There are 23 full time employees with an estimated annual payroll of \$1.8 million dollars.

Combined, the four entities support via direct, indirect and induced effect, 373.9 FTE jobs with an annual payroll of \$18.37 million dollars. Total annual economic output is \$63.1 million dollars.

Table 14

NON-AIRLINE AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Airport Admin	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	8.5	\$706,967	\$820,041	\$1,579,569
Indirect Effect	2.7	\$108,638	\$275,685	\$435,585
Induced Effect	3.1	\$145,244	\$265,815	\$445,229
Total	14.4	\$960,849	\$1,361,541	\$2,460,383
State& Local Tax				\$130,368
Federal Tax				\$180,157
FlightStar	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	143.5	\$9,500,000	\$16,812,747	\$35,735,415
Indirect Effect	77.1	\$2,438,197	\$3,746,218	\$6,989,280
Induced Effect	60.0	\$2,016,917	\$689,984	\$6,182,313
Total	280.6	\$13,955,114	\$21,248,949	\$48,907,008
State& Local Tax				\$4,175,932
Federal Tax				\$2,751,122
Parkland College	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	19.0	\$450,000	\$640,083	\$1,466,335
Indirect Effect	10.0	\$230,282	\$319,977	\$611,390
Induced Effect	4.8	\$125,650	\$229,975	\$385,169
Total	33.9	\$805,932	\$1,190,034	\$2,462,894
State& Local Tax				\$70,766
Federal Tax				\$156,936
FAA Tower	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	23.0	\$1,800,000	\$3,185,573	\$6,770,921
Indirect Effect	12.1	\$461,974	\$709,810	\$1,324,285
Induced Effect	10.0	\$382,153	\$699,155	\$1,171,386
Total	45.1	\$2,644,127	\$4,594,538	\$9,266,591
State& Local Tax				\$15,448,848
Federal Tax				\$38,978,343
TOTAL NON-AIRLINE AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time	Labor	Value	
	Equivalents	Income	Added	Output
Direct Effect	194.0	\$12,456,967	\$21,458,444	\$45,552,239
Indirect Effect	102.0	\$3,239,091	\$5,051,689	\$9,360,540
Induced Effect	78.0	\$2,669,964	\$1,884,929	\$8,184,097
Total	373.9	\$18,366,022	\$28,395,062	\$63,096,876
State& Local Tax				\$19,825,914
Federal Tax				\$42,066,558

GENERAL AVIATION VISITORS IMPACT



In the same manner that the Airport's airline service brings visitors to Champaign County and the surrounding region, so too does general and corporate aviation. In 2018, some 17,510 aircraft operations (34% of total) at CMI were classified as air taxi, charter or transient general aviation. Many of these charter flights and transient flight operations bring visitors to the area. Precise records are not kept of the nature of each air taxi or transient general aviation flight. However, we estimate from the volume of these flights that there are 40 inbound origin visitors to the county via CMI per day via air taxi or general aviation transient flights. This suggests an estimated 14,600 annual visitors via general aviation.

We will calculate the economic impact of these visitors in the same manner as was done with the airline inbound visitors. The formula begins with a 5% dilution to factor to account for those that "would have come anyway". Then the same average daily spend and average stay metrics provided by Visit Champaign County and the County Chamber office will be applied to determine total regional spending by category.

Visitor survey data suggests the average Champaign County and the surrounding region visitor stays for 1.7 nights and spends \$138.07 per person per day. Visitor data also estimates that of the \$138.07 average visitor spend per day, 25% is associated with lodging, 25% with food and drink, 10% recreation, 20% for retail and 20% for local transportation. Using the same calculation chart as was used for airline passengers, it is possible to project general aviation inbound visitor spending totals and by sector. The table below projects \$3.256 million in annual regional visitor spending from charter, corporate and general aviation allocated among the five spending sectors.

Table 15

CMI GENERAL AVIATION VISITOR SPENDING IMPACT ESTIMATE						
Inbound Visitors 14,600	Less 5% 730	Net Visitors By Air 13,870	Avg Days Stay 1.7	Visit Days 23,579	Daily Spend Per Visit Day \$138	Total Annual Spend \$3,255,553
Daily Spend Allocation 100% \$3,255,553	% Lodging 25% \$813,888	% Food & Drink 25% \$813,888	% Recreation 10% \$325,555	% Retail 20% \$651,111	% Transportation 20% \$651,111	Total 100% \$3,255,553

Table 16 displays the estimated regional economic impact of the general aviation visitors-by-air, broken down by the five economic sectors and in total. Total employment impact is 65.4 FTEs with \$1.835 million in annual labor income. Total annual output is estimated at \$6.7 million dollars.

Table 16

GENERAL AVIATION VISITOR SPENDING				
Lodging	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	7.3	\$183,884	\$257,921	\$813,888
Indirect Effect	1.3	\$55,637	\$87,397	\$158,272
Induced Effect	4.3	\$115,579	\$361,756	\$604,089
Total	12.9	\$355,099	\$707,074	\$1,576,249
State& Local Tax				\$215,250
Federal Tax				\$94,900
Food & Drink	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	16.2	\$444,636	\$560,587	\$813,888
Indirect Effect	0.9	\$42,907	\$89,336	\$147,729
Induced Effect	4.9	\$143,903	\$413,566	\$690,905
Total	22.0	\$631,446	\$1,063,490	\$1,652,522
State& Local Tax				\$127,156
Federal Tax				\$117,727
Recreation	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	4.2	\$114,591	\$130,914	\$325,555
Indirect Effect	0.6	\$25,014	\$45,259	\$78,189
Induced Effect	1.9	\$55,601	\$161,852	\$270,358
Total	6.6	\$195,206	\$338,025	\$674,102
State& Local Tax				\$78,197
Federal Tax				\$47,739
Retail	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	4.7	\$129,957	\$150,696	\$651,111
Indirect Effect	2.5	\$65,601	\$63,682	\$271,482
Induced Effect	3.8	\$111,782	\$324,745	\$542,487
Total	11.0	\$307,341	\$539,122	\$1,465,079
State& Local Tax				\$56,382
Federal Tax				\$94,308
Transportation	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	7.8	\$169,945	\$777,642	\$651,111
Indirect Effect	1.7	\$77,318	\$130,285	\$243,493
Induced Effect	3.3	\$98,775	\$280,096	\$467,657
Total	12.8	\$346,038	\$1,188,023	\$1,362,261
State& Local Tax				\$54,142
Federal Tax				\$54,142
TOTAL GENERAL AVIATION VISITOR SPENDING IMPACT				
Output	Full Time	Labor	Value	
	Equivalents	Income	Added	Output
Direct Effect	40.3	\$1,043,014	\$1,877,760	\$3,255,553
Indirect Effect	6.9	\$266,477	\$415,959	\$899,165
Induced Effect	18.2	\$525,639	\$1,542,015	\$2,575,495
Total	65.4	\$1,835,130	\$3,835,734	\$6,730,214
State& Local Tax				\$531,126
Federal Tax				\$408,816

TOTAL NON-AIRLINE AVIATION ECONOMIC IMPACT



Non-airline aviation economic activity at the Airport supports a total of 439.4 FTE jobs with an estimated annual labor income of \$20.2 million dollars. These FTE jobs are responsible for an estimated annual economic output of \$69.8 million dollars.

Table 17

CMI NON AIRLINE ON AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	194.0	\$12,456,967	\$21,458,444	\$45,552,239
Indirect Effect	102.0	\$3,239,091	\$5,051,689	\$9,360,540
Induced Effect	78.0	\$2,669,964	\$1,884,929	\$8,184,097
Total	374.0	\$18,366,022	\$28,395,062	\$63,096,876
State& Local Tax				\$19,825,914
Federal Tax				\$42,066,558
GENERAL & CORPORATE AVIATION VISITOR-BY-AIR ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	40.3	\$1,043,014	\$1,877,760	\$3,255,553
Indirect Effect	6.9	\$266,477	\$415,959	\$899,165
Induced Effect	18.2	\$525,639	\$1,542,015	\$2,575,495
Total	65.4	\$1,835,130	\$3,835,734	\$6,730,213
State& Local Tax				\$531,126
Federal Tax				\$408,816
TOTAL NON AIRLINE ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	234.3	\$13,499,981	\$23,336,204	\$48,807,792
Indirect Effect	108.9	\$3,505,568	\$5,467,648	\$10,259,705
Induced Effect	96.2	\$3,195,603	\$3,426,944	\$10,759,592
Total	439.4	\$20,201,152	\$32,230,796	\$69,827,089
State& Local Tax				\$20,357,040
Federal Tax				\$42,475,374

AIRPORT REVENUE SUMMARY

Typically, airports with scheduled airline service charge incumbent airlines various fees and rental charges to use Airport facilities to help off-set the cost of having and maintaining those facilities. Airports also collect fees and rental charges from non-airline aviation activities such as fuel flowage fees as well as land, space or building rental fees from both aviation entities and private citizens who own an aircraft.

Table 18

UNIVERSITY OF ILLINOIS WILLARD AIRPORT AVIATION REVENUE		
Source	Fee Structure	Remarks
Landing Fee	Per 1,000 lbs landing weight	
Fuel Flowage	Per gallon	
Terminal Space Rent	Per Sq Ft or per Space	
Concessions Franchise Fee	Percent of gross revenue	
Concessions Space	Per Sq Ft or per Space	
Rental Car Commission	Percent of gross revenue	
Rental Car Space	Per Sq Ft or per Space	
Passenger Facility Charge PFC	Fee per Enplanement	Only usable for infrastructure
Ground Transportation Access	Fee per pickup or dropoff	Taxi/shuttle/ride share
Parking	Per day Outbound Traveler	
Land & Building Leases	Per Sq Ft or per Space	

The table above shows typical sources of Airport revenue and how a fee structure is usually structured in each area.

Landing Fees are charged to aircraft (typically only commercial aircraft) that use the airport. This fee is normally per 1,000 lbs. of aircraft maximum landing weight. Fuel flowage fees are charged for each gallon of fuel pumped from the airport storage tanks to aircraft. Terminal space used by airlines is paid for by the airlines. Space dedicated to a specific airline is paid for by that airline while common space in the terminal is paid for by the airlines on a pro-rate basis. Concessions and rental car agencies pay two fees to the Airport: rental for space dedicated to them and franchise fees or percent of sales fees on their gross sales. Passenger Facility Charge (PFCs) are paid by air service users when they buy their ticket. Airlines collect PFCs and pass them to the Airport. The Airport can only use PFCs for infrastructure related projects;

not for operating costs. Ground transportation access fees are paid by taxi, shuttle and ride-share entities each time they approach the airport. Parking fees are collected for each auto parked in the parking lots near the terminal building. CMI does not, at this time, charge for ground transportation access to the terminal or for terminal parking. All the general aviation entities, the maintenance and manufacturing facilities, pay lease or rental fees for the land or space they occupy on the Airport. Government entities including the Air Traffic Control Tower and the TSA pay fees for the space they occupy at the Airport.

These revenue streams generate an estimated \$2.47 million dollars in annual revenue for the Airport. Table 19 shows approximately 82% of this revenue is associated with air service and 18% is associated with non-airline or general aviation entities and economic activity. Key generators of Airport revenue are the incumbent airline, rental car rentals and commissions and terminal parking. Another significant revenue source, usable only for Airport infrastructure improvements or expansion, is the PFC.

Table 19

CMI AIRPORT REVENUE STREAMS				
Revenue Source	Airline	Non Airline	Total	% Total
American Airlines	\$312,476	\$0	\$312,476	13%
TSA Offices Rent	\$41,925	\$0	\$41,925	2%
Einstein	\$2,528	\$0	\$2,528	0.1%
Rental Car Totals	\$427,643	\$0	\$427,643	17%
Passenger Facility Fees PFC	\$498,511	\$0	\$498,511	20%
Ground Transportation Access	\$0	\$0	\$0	0.0%
Terminal Parking	\$746,530	\$0	\$746,530	30%
Primary Tenant Rent	\$0	\$345,387	\$345,387	14%
Land Rental/Lease	\$0	\$97,412	\$97,412	4%
Total	\$2,029,613	\$442,799	\$2,472,412	100%

The Airport has very strong and diverse aeronautical revenue streams with which to fund the administration and operation of the Airport.

POTENTIAL NEW AIR SERVICE ECONOMIC IMPACT

New air service at the University of Illinois Willard Airport would have a measurable positive economic impact on the County. An example of this positive economic impact is defined here with the projection of impact from the addition of a twice daily network regional jet to Washington's Dulles International Airport (IAD), a major east coast hub airport.

The service would include an overnighting aircraft, a morning originating flight, a midday arrival and departure as well as an evening return from Dulles.

Table 20

Forecast Performance: Champaign/Urbana - Washington Dulles			
Voilaire Aviation Analysis of US DOT Data and CMI Retention Data, YE1Q19			
Forecast Parameters			
Route:	CMI-IAD	Aircraft:	CRJ200
Roundtrips per Day:	2.0	Seats/Segment:	50
Annual Departures (98%):	1,431	Annual Available Seats:	71,540
Passenger Parameters			
Total Passengers (Annual):		57,375	
Passengers per Segment:	40.1	Projected Load Factor:	80.20%
Point of Origin Parameters			
Current WAS/Connect Origin	41.8%	Current CMI Origin	58.2%
Projected WAS/Connect Origin	42.5%	Projected CMI Origin	57.5%
Inbound Passengers	24,384	Outbound Passengers	32,991
Inbound Visitors	12,192		

Table 20 outlines the forecast results of this potential Dulles service including the number of flights per year, estimated total passengers and estimated inbound origin (visitor) passengers.

In terms of on-airport airline related jobs, this potential service is projected to create jobs for airline employees, TSA, and rental car concessions. It is not assumed to create additional FTE jobs among airport administration, ARFF or TSA related law enforcement.

Voilaire Aviation has airline staffing models. We estimate this new air service, provided by a

different airline than American, would require 9.1 local FTE employee. For TSA we have reviewed the ratio of enplaned passengers to TSA employees to arrive at a screened passenger count per employee. While not a perfect estimate it does provide us with a basic method to estimate additional TSA employees needed to provide screening services for the new Dulles flights. Based on 106,000 enplanements and 20 FTE TSA employees the ratio of FTEs to enplanements is 5,300 to one. The new service will generate an estimated 28,688 annual enplanements, suggesting 5.4 additional TSA FTEs are necessary.

The rental car concessionaires employ a total of 22.5 FTEs. This is a ratio of 4,711 deplanements per FTE. The new service is forecast to generate 28,688 deplanements, implying 5.7 new FTE jobs at the rental car agencies.

Table 21

ON-AIRPORT NEW AIR SERVICE EMPLOYMENT				
Tenant	Full Time	Part Time	Total	Annual Payroll
Airport Admin Related to Airline	0.0	0.0	0.0	\$0
New Airline	9.1	0.0	9.1	\$228,665
ARFF	0.0	0.0	0.0	\$0
TSA	5.4	0.0	5.4	\$128,250
LEO	0.0	0.0	0.0	\$0
Terminal Parking Lot	0.0	0.0	0.0	\$0
Rental Car Agencies	5.7	0.0	5.7	\$167,198
Einstein	0.0	0.0	0.0	\$0
Group	20.2	0.0	20.2	\$524,113

Table 21 summarizes the on-airport FTE job impacts of the potential new twice daily service to Dulles. It projects 20.2 new on-airport FTE jobs with \$524,113 in annual payroll.

Table 22 on the following page projects the county wide economic impact of these 20.2 jobs and the \$524,113 payroll. It estimates a total of 28.7 FTE jobs via direct, indirect and induced effect. These jobs would have an annual payroll of \$826,759 and annual local economic output of \$2,073,324.

Table 22

CMI NEW AIR SERVICE AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Airport Admin	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	0.0	\$0	\$0	\$0
Indirect Effect	0.0	\$0	\$0	\$0
Induced Effect	0.0	\$0	\$0	\$0
Total	0.0	\$0	\$0	\$0
State& Local Tax				\$195,552
Federal Tax				\$270,235
Airline	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	9.1	\$228,665	\$364,098	\$701,329
Indirect Effect	1.2	\$48,236	\$122,404	\$193,400
Induced Effect	1.4	\$64,488	\$118,022	\$197,682
Total	11.7	\$341,389	\$604,524	\$1,092,410
State& Local Tax				\$57,883
Federal Tax				\$79,990
TSA/LEO	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	5.4	\$128,250	\$178,429	\$231,542
Indirect Effect	0.3	\$10,264	\$17,387	\$31,432
Induced Effect	0.7	\$30,684	\$56,159	\$94,059
Total	6.4	\$169,198	\$251,975	\$357,034
State& Local Tax				\$37,530
Federal Tax				\$61,638
Rental/Concessions	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	5.7	\$167,198	\$166,282	\$213,124
Indirect Effect	2.3	\$67,470	\$145,916	\$200,827
Induced Effect	2.7	\$81,504	\$156,023	\$209,930
Total	10.7	\$316,172	\$468,221	\$623,880
State& Local Tax				\$31,980
Federal Tax				\$44,823
TOTAL NEW AIR SERVICE AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time	Labor	Value	Output
	Equivalents	Income	Added	
Direct Effect	20.2	\$524,113	\$708,809	\$1,145,994
Indirect Effect	3.8	\$125,969	\$285,707	\$425,659
Induced Effect	4.8	\$176,677	\$330,203	\$501,670
Total	28.7	\$826,759	\$1,324,720	\$2,073,324
State& Local Tax				\$322,944
Federal Tax				\$456,685

NEW SERVICE VISITOR BY AIR ECONOMIC IMPACT

The new Dulles service will generate an estimated 12,192 annual new visitors to Champaign County. We will use the same methods to project the economic impact of the new visitors as were used for the projection of the impact of the visitors brought to the County by existing air service.

Table 23 projects visitor spending for the visitors brought by the new air service by economic sector and in total. The annual net new visitors by air is estimated to be 11,583 and their local spending is estimated at \$2.7 million dollars, broken out by economic sector.

Table 23

WILLARD AIRPORT NEW SERVICE VISITORS-BY-AIR ESTIMATE						
New Service Estimated Traffic 57,375	Percent Inbound Origin 42.5%	Inbound O&D 24,384	Inbound Visitors 12,192			
Inbound Visitors 12,192	Less 5% 610	Net Visitors By Air 11,583	Avg Days Stay 1.7	Visit Days 19,690.38	Daily Spend Per Visit Day \$138.07	Total Annual Spend \$2,718,651
Daily Spend Allocation 100% \$2,718,651	% Lodging 25% \$679,663	% Food & Drink 25% \$679,663	% Recreation 10% \$271,865	% Retail 20% \$543,730	% Transportation 20% \$543,730	Total 100% \$2,718,651

The new service would require local hotel rooms for overnighting crews. The new service is estimated to require 6 rooms per night or 2,190 rooms annually. In Table 24 the crew hotel rooms and crew spending during their overnights is then added to the new visitor by air totals from table 23.

The combined local annual spending by visitors and airline crews associated with the potential new Dulles service is projected to be \$3.0 million dollars. Table 25 illustrates that this spending would generate a total of 60.6 local FTE jobs via direct, indirect and induced effect with annual payroll of \$6.2 million. Total economic output would be \$6.2 million.

Table 24

CMI AIRLINE CREW OVERNIGHT SPENDING	
Spending by Sector from Table 23	
Lodging	\$679,663
Food/Drink	\$679,663
Recreation	\$271,865
Retail	\$543,730
Local Transportation	\$543,730
Crew Overnight Spending	Metric
Annual Hotel Rooms	2,190
Estimated Contract Rate	\$87
Crew Annual Hotel Spending	\$191,384
Crew Daily Visit Spending	\$50
Crew Annual Daily Spending	\$109,500
COMBINED AIRLINE VISITOR & CREW SPEND	
Lodging	\$871,047
Food/Drink	\$789,163
Recreation	\$271,865
Retail	\$543,730
Local Transportation	\$543,730
Total Visitor Spending All Sectors	\$3,019,535

Table 25

NEW AIR SERVICE VISITOR SPENDING				
Lodging	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	7.8	\$196,798	\$276,035	\$871,047
Indirect Effect	1.4	\$59,544	\$93,535	\$169,388
Induced Effect	4.6	\$123,696	\$387,162	\$646,514
Total	13.8	\$380,038	\$756,732	\$1,686,948
State& Local Tax				\$230,367
Federal Tax				\$101,565
Food & Drink	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	15.8	\$431,128	\$543,557	\$789,163
Indirect Effect	0.9	\$41,604	\$86,622	\$143,241
Induced Effect	4.7	\$139,531	\$401,003	\$669,916
Total	21.4	\$612,263	\$1,031,182	\$1,602,321
State& Local Tax				\$123,293
Federal Tax				\$114,151
Recreation	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	3.5	\$95,692	\$109,323	\$271,863
Indirect Effect	0.5	\$20,888	\$37,795	\$65,294
Induced Effect	1.6	\$46,431	\$135,159	\$225,769
Total	5.6	\$163,012	\$282,276	\$562,926
State& Local Tax				\$65,300
Federal Tax				\$39,866
Retail	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	3.9	\$108,525	\$125,843	\$543,730
Indirect Effect	2.1	\$54,782	\$53,180	\$226,709
Induced Effect	3.2	\$93,347	\$271,188	\$453,020
Total	9.2	\$256,654	\$450,210	\$1,223,459
State& Local Tax				\$47,083
Federal Tax				\$78,754
Transportation	Full Time	Labor	Value	
Output	Equivalents	Income	Added	Output
Direct Effect	6.5	\$141,918	\$649,394	\$543,730
Indirect Effect	1.4	\$64,567	\$108,798	\$203,337
Induced Effect	2.8	\$82,485	\$233,903	\$390,531
Total	10.7	\$288,970	\$992,095	\$1,137,598
State& Local Tax				\$45,213
Federal Tax				\$68,005
TOTAL NEW AIR SERVICE VISITOR SPENDING IMPACT				
Output	Full Time	Labor	Value	Output
	Equivalents	Income	Added	
Direct Effect	37.5	\$974,062	\$1,704,152	\$3,019,533
Indirect Effect	6.2	\$241,385	\$379,930	\$807,968
Induced Effect	16.8	\$485,490	\$1,428,414	\$2,385,750
Total	60.6	\$1,700,937	\$3,512,495	\$6,213,251
State& Local Tax				\$511,256
Federal Tax				\$402,341

TOTAL NEW SERVICE ECONOMIC IMPACT

The potential new air service to Washington Dulles provided by a second air carrier would create an estimated 20.2 on airport FTE jobs and a total of 89.3 area FTE jobs via direct, indirect and induced effect. The 89.3 FTE jobs would have an estimated annual labor income of \$2.53 million dollars and annual local economic output of \$8.3 million dollars.

Table 26

CMI NEW AIR SERVICE ON-AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	20.2	\$524,113	\$708,809	\$1,145,994
Indirect Effect	3.8	\$125,969	\$285,707	\$425,659
Induced Effect	4.8	\$176,677	\$330,203	\$501,670
Total	28.8	\$826,759	\$1,324,719	\$2,073,323
State& Local Tax				\$322,944
Federal Tax				\$456,685
NEW AIR SERVICE VISITOR-BY-AIR ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	37.5	\$974,062	\$1,704,152	\$3,019,533
Indirect Effect	6.2	\$241,385	\$379,930	\$807,968
Induced Effect	16.8	\$485,490	\$1,428,414	\$2,385,750
Total	60.5	\$1,700,937	\$3,512,496	\$6,213,251
State& Local Tax				\$511,256
Federal Tax				\$402,341
TOTAL NEW AIR SERVICE ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	57.7	\$1,498,175	\$2,412,961	\$4,165,527
Indirect Effect	10.0	\$367,354	\$665,637	\$1,233,627
Induced Effect	21.6	\$662,167	\$1,758,617	\$2,887,420
Total	89.3	\$2,527,696	\$4,837,215	\$8,286,574
State& Local Tax				\$834,200
Federal Tax				\$859,026

SUMMARY



The Airport is a significant contributor to the overall regional economy. The Airport's aviation activities are responsible for an estimated 431.7 on-airport local FTE jobs via the direct effect. The 431.7 at airport jobs create another 318.9 local FTEs by indirect or induced effect. These 750.6 FTEs have an estimated \$29.945 million dollars in annual labor income and generate an estimated \$99.7 million dollars in annual local economic output.

Table 26

CMI TOTAL AIRLINE ON AIRPORT EMPLOYMENT ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	274.5	\$15,405,193	\$24,967,922	\$51,383,043
Indirect Effect	120.2	\$3,854,297	\$6,464,782	\$11,475,800
Induced Effect	100.7	\$3,521,301	\$3,473,756	\$10,614,794
Total	495.4	\$22,780,791	\$34,906,460	\$73,473,637
State& Local Tax				\$20,445,358
Federal Tax				\$42,964,499
TOTAL GENERAL & CORPORATE AVIATION ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	157.2	\$4,072,039	\$7,330,979	\$12,710,033
Indirect Effect	27.0	\$1,040,355	\$1,623,949	\$3,510,438
Induced Effect	71.0	\$2,052,153	\$6,020,194	\$10,055,014
Total	255.2	\$7,164,547	\$14,975,122	\$26,275,485
State& Local Tax				\$2,073,574
Federal Tax				\$1,675,325
TOTAL ECONOMIC IMPACT				
Output	Full Time Equivalents	Labor Income	Value Added	Output
Direct Effect	431.7	\$19,477,232	\$32,298,901	\$64,093,076
Indirect Effect	147.2	\$4,894,652	\$8,088,731	\$14,986,238
Induced Effect	171.7	\$5,573,454	\$9,493,950	\$20,669,808
Total	750.6	\$29,945,338	\$49,881,582	\$99,749,122
State& Local Tax				\$22,518,932
Federal Tax				\$44,639,824

Economic impact analysis and software inputs and outputs measure and project numbers for jobs, labor income and economic output. There is also the intangible economic and social value of the Airport's aviation economic activity to consider.

- > The steady growth of airline traffic at CMI, driven first by the recruitment of United Airlines service and now by added American Airlines/Envoy flights. New or expanded local air service translates into lower fares, saving local consumers money on air travel and enhancing the attractiveness of Champaign County region as a destination for visitors.
- > The wide range of air service enhances local quality of life, granting residents of the region readily accessible mobility for business or leisure travel. It also improves the local real estate market by improving mobility for residents of the region.
- > The large regional jet repair and overhaul facility, operated by Flightstar for American, is the largest single employer at the Airport. The Airport also hosts the Parkland College flight training facility. This facility should see growth due to the significant shortage of qualified pilots nationwide.

Many of these intangible attributes defy easy conversion to economic impact numbers. However, they do add to the already significant economic impact and economic value of the University of Illinois Willard Airport to Champaign County and the surrounding region, as estimated in this report.