



Economic Impact Assessment of Delaware Airports

2018 Executive Summary



DeIDOT
AERONAUTICS

Executive Summary



“Aviation touches the lives of every resident of our state, whether they fly or not.”

Jennifer Cohan
Secretary of Transportation

This study identified the Economic Impact and contribution of airports to Delaware's economy. This included direct and induced impacts. The results of the analysis quantified the number of jobs, wages, total economic output, and taxes generated by Delaware's airports. These numbers provide stakeholders with evidence that their expenditures on local airports are worthwhile, sustaining jobs as well as generating additional tax revenues.

In 2017 Aviation generated the following estimated Economic Impact in Delaware:

\$1.12 Billion	Total Economic Impact
\$555.9 Million	Total Income
12,011	Total Jobs
11,266	Registered Aircraft in Delaware
\$37.9 Million	State & Local Tax Benefits



Spending & Benefits of Aviation

The objectives of the Economic Impact Assessment were to quantify the following aspects of aviation in Delaware:

Direct Spending:

Includes on-airport spending on employment, operations, and capital projects. It also includes off-airport spending by air travelers for rental cars, hotels, restaurants, and other expenditures.

Induced Benefits:

Impacts above the original direct spending created by the successive rounds of spending in the local economy until the original direct impact has been incrementally exported from the local area.

Jobs and Income:

Jobs and income generated by activity at airports in Delaware.

Total Output in Dollars:

The combined impacts of direct and induced spending.

Taxes:

Tax revenue contribution of Delaware airports to local and State units of government in Delaware.



Airport Profiles

Eleven public-use aviation facilities serve Delaware:

-  One joint-use civilian/military facility with the capacity to serve virtually any aircraft in operation
-  Four business class airports
-  Five small general aviation facilities
-  One heliport

Three of the state's small general aviation airports (Laurel, Jenkins, and Smyrna) have turf runways, the other seven have paved surfaces.



Economic Impact Evaluation

Using IMPLAN software, the multiplied economics of aviation were estimated. Results and data were summed for each airport to obtain output and employment totals supported by aviation. The table below presents a summary of each airport's direct, induced, and total economic impacts.



Airport Name	Direct Employment	Direct Impacts	Direct Income	Induced Employment
Chorman	24	\$1,496,600	\$787,000	6
Civil Air Terminal	25	\$1,246,600	\$677,700	6
Dover AFB	6,076	\$399,016,900	\$315,434,900	1,954
Delaware Airpark	47	\$5,508,700	\$2,018,300	23
Delaware Coastal	427	\$80,600,500	\$6,909,400	353
Laurel Airport	18	\$716,600	\$393,000	4
New Castle Airport	1,674	\$186,271,000	\$86,870,300	945
Summit Airport	276	\$39,861,300	\$11,649,500	147
Private/Public Use	3	\$331,300	\$155,000	3
Grand Totals	8,570	\$716,227,600	\$424,895,100	3,441

* Three private, public-use airports include Chandelle Estates, Jenkins, and Smyrna Airport.



State & Local Tax Impacts



State and Local Taxes collected in relation to aviation facilities and activities represent a distinct additional economic benefit for the citizens of Delaware. Estimated State and Local Tax Impacts from Aviation totaled \$37.9 Million in 2017. This tax revenue benefits all citizens of the State, not merely those involved in aviation.

Induced Impacts	State & Local Taxes	Grand Total Employment	Grand Total Income	Grand Total Impacts
\$807,000	\$75,100	31	\$1,059,000	\$2,303,700
\$755,300	\$127,100	31	\$916,600	\$2,001,900
\$164,983,100	\$20,967,300	8,030	\$366,825,700	\$564,000,000
\$2,764,600	\$262,300	70	\$2,953,900	\$8,273,300
\$67,272,300	\$3,884,500	780	\$24,117,900	\$147,872,800
\$486,600	\$61,800	22	\$529,400	\$1,203,300
\$139,448,100	\$10,175,200	2,619	\$138,538,800	\$325,719,100
\$24,576,300	\$2,321,400	423	\$20,710,200	\$65,615,700
\$260,000	\$26,400	6	\$259,600	\$591,300
\$401,353,300	\$37,901,100	12,011	\$555,911,100	\$1,117,581,100



Delaware's Aviation Economy



In May 2018, Delaware Airport users and businesses were surveyed to evaluate local area business use and economic impact of Aviation in the State of Delaware.

Average spending on fuel per takeoff:

- Single Engine**  Spent an average of \$36 in fuel per takeoff
- Multi Engine**  Spent an average of \$100 in fuel per takeoff
- Jet Engine**  Spent an average of \$12,000 in fuel per takeoff

On average, respondents spent \$7,422 annually per aircraft for fuel, \$7,132 for maintenance, \$2,751 for storage and \$693 for other. Average annual aircraft spending (fuel, maintenance, storage, and other) for both business and personal aircraft equaled \$17,745.

On a statewide basis, more than **\$14.4 million in capital development** was spent at all Delaware airports in 2017.

Visitors using Delaware general aviation airports spent almost **\$9 million** in 2017.

Military Aviation

Two airports serve the bulk of military aviation in the State; Dover Air Force Base and New Castle Airport. Due to its size and activity, Dover Air Force Base has the largest economic impact of any military installation in the State. There are roughly 6,100 workers on the base, with an additional 11,500 retirees in the impact area. Total payroll is over \$366.8 million, with other local expenditures totaling more than \$83.6 million. Including multiplier effects, Dover AFB has a total economic impact of \$564 million annually, supporting the equivalent of 6,100 full-time workers.

The Air National Guard and Army National Guard at New Castle Airport employ a full time equivalent of 563 personnel.



“Economy wise, I don’t even want to think about what would happen if there was no Dover Air Force Base in Delaware. It would be devastating.”

*Richard B. Bundy
Brigadier General USAF Retired*

Nonmonetary Impacts

There are numerous nonmonetary benefits of aviation that have not been mentioned in this analysis. Some of these benefits include:



Transportation Benefits

Defined as the time saved and cost avoided by travelers who use airports rather than the next best alternative.

NASCAR Race

Each year, NASCAR drivers and race teams fly into Delaware to participate in races at Dover International Speedway. These events generate significant economic impacts. Without aviation facilities, competition for these races could be lost to other venues.



Stimulation of Business

Airports have been shown in other studies to be an important factor in the attraction and siting of new large businesses in a community.

Aeromedical Evacuation

Airports often serve as a base for aeromedical evacuation teams for flight services. This life saving function has value that cannot be adequately quantified.



Recreation

Roughly half of all aviation travel is for recreational purposes. This includes the valuable tourist trade, which brings economic activity to Delaware.

The impacts that were estimated in the body of this report are only one facet of the overall picture. The value of airports and aviation use in Delaware is much more than these numbers alone can estimate. It is part of a scarce resource that needs support and appreciation from all the citizens it benefits both directly and indirectly. For more information please contact: Delaware Department of Transportation, Office of Aeronautics, 800 Bay Road, Dover, DE 19901 302-760-2080.



Facts & Figures



\$1.12 Billion

The total annual economic impact of aviation in Delaware.



\$555.9 Million

The annual income aviation provides citizens of Delaware.

12,011

The total number of jobs supported by airports in Delaware.



11,266

The number of registered aircraft in Delaware.



\$37.9 Million

The annual state and local tax benefit provided by aviation to the citizens of Delaware.

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