



Billings Logan International Airport

2016 Economic Impact Study for
MONTANA AIRPORTS

MONTANA
MDT ★
DEPARTMENT OF TRANSPORTATION

Montana's Airports Support Our State

Montana's airports play an integral role in our transportation system by providing access to destinations within the state, throughout the country, and across the globe. Airports also offer significant economic benefits to our communities by supporting jobs; generating payroll; paying taxes; and triggering spending at local, regional, and state levels.

The importance of airports goes beyond transportation and economics. Airports offer services and other attributes of value that cannot always be easily measured in dollars and cents. Residents and visitors use airports for leisure and business travel, and airports serve as the base for a wide range of critical activities such as wildland firefighting, search and rescue operations, and training for future aviators. Airports are the starting point for aircraft that conduct utility inspections, provide medical evacuation services, and transport staff and executives for business activity.

To better understand the value of Montana's airports from the perspective of both economics and community benefits, the Montana Department of Transportation (MDT) conducted a comprehensive study of the state's aviation facilities. The study analyzed the contributions of the Montana airport system, including aviation-related and non-aviation-related businesses, visitor spending, capital expenditures on construction, and additional spin-off (or "multiplier") effects. The study also examined specific activities and uses at each airport to identify how these facilities support Montana's residents and visitors.

Methodology

This study expresses the economic benefits of Montana's airports in terms of jobs, payroll, and total annual economic impact derived from the activities that occur at aviation facilities. Direct impacts include those from on-airport businesses, construction-related activities, and spending from visitors who travel through an airport. Airports host on-airport businesses that serve aircraft or passengers such as:

- Administration
- Military
- Airlines
- Maintenance
- Parking
- Concessions
- Car rental
- General aviation
- Air tours
- Air cargo

Additionally, airside and landside construction projects require continuous investments, many of which are high-dollar, long-term undertakings. Because commercial service and general aviation airports are essential to visitors' abilities to conduct business or vacation in Montana, airports support the hospitality industry through lodging, restaurant, retail, and entertainment spending.

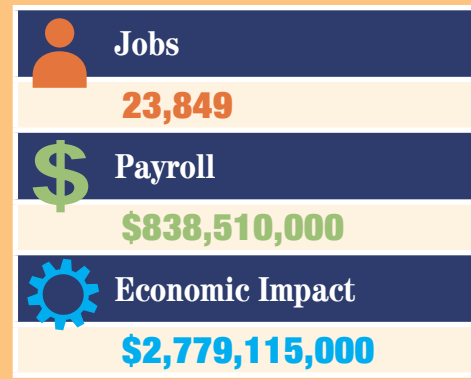
Airports' direct impacts also have spin-off effects throughout Montana, as dollars spent at an airport and by visitors off-airport are re-spent locally, regionally, and statewide. Spin-off effects are caused when a portion of direct business revenues are used to purchase goods and services in Montana (i.e., indirect effects) and when the portion of revenues paid as wages to workers are spent within the state (i.e., induced effects).

Combined, direct impacts and spin-off effects compose the total contribution of an individual airport and determine the statewide impact of Montana's airport system.



STATEWIDE IMPACTS

Aviation is a vital key to Montana's economic activity and transportation network. The public-use airports in the state contribute:



Billings Logan International Airport



Two miles northwest of downtown Billings, the Billings Logan International Airport (BIL) serves the largest city in Montana. With a population of approximately 110,000 and a Metropolitan Statistical Area (MSA) of 167,000 people, Billings is the regional economic center of eastern Montana and northern Wyoming and offers a modern feel with easy access to the surrounding mountains, plains, and farm and ranch lands. The airport is located on Highway 3 and is a short distance from Interstate 90, Interstate 94, and Highway 87.



- Corporate/
Business Activity
- Aerial/Wildland
Firefighting
- Military Exercise/
Training
- Emergency
Medical Aviation
- Police/Law
Enforcement

DIRECT ECONOMIC IMPACTS

On-Airport
\$148,365,000

Construction
\$7,296,000

Visitor Spending
\$93,728,000



BIL TOTAL IMPACTS

3,265

\$118,844,000

\$408,762,000

Billings Logan International Airport consists of a 10,518-foot-long main runway and two smaller general aviation runways. With 428,940 enplanements in 2015, the facility is the second busiest commercial airport in the state behind Bozeman Yellowstone International Airport. Due to Billings' role in the regional and state economies, a large number of business travelers utilize the airport's facilities each day. Freight operations at Billings Logan totaled 25,000,000 pounds loaded (46,270,000 pounds unloaded) in 2015.

Billings Logan International Airport accommodates a diversity of aviation activities, including environmental patrol, aerial inspections and wildland firefighting, military exercises and training, search and rescue, flight training, and emergency medical aviation. The airport hosts over 40 tenants, including multiple passenger and cargo airlines, a private flight school, aircraft avionics and maintenance companies, aerial wildland firefighting agencies, several leading rental car companies and many others.

Combined with its convenient location, business and corporate presence, and robust runway configuration, Billings Logan International Airport is critical to the economy the city and region.

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