

Economic Impact Summary of Effingham County Memorial Airport (1H2)

Provided by: South Central Illinois Regional Planning & Development Commission

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Table of Contents

Introduction.....	1
General Information.....	3
Ownership.....	3
Activation Date.....	3
General Location.....	3
Phone.....	3
Longitude/Latitude.....	3
Acres	3
Surface	3
Elevation	3
On-Site Facilities	3
Runways.....	3
Communications	3
Instrument Approach	3
Procedures.....	4
Airport Access	4
Operations	4
Passenger Terminal.....	4
Airport Services	4
Planned TIP Improvements.....	4
Operational Statistics	4
Heliports.....	4
Nearby Amenities	5

Economic Impact of the Airport & Services	5
Direct Economic Impact of the Effingham County Memorial Airport.....	5
Direct Impacts	5
On-Airport Impacts	5
General Aviation Visitor Impacts	5
Construction Impacts	6
Multiplier Impacts of the Effingham County Memorial Airport	6
Multiplier Impacts.....	6
Output Impacts of Effingham County Memorial Airport.....	6
Total Economic Impacts of Effingham County Memorial Airport	6
Concluding Observation.....	7
Qualitative Benefits of Effingham County Memorial Airport	7
Effingham County Memorial Airport Summary	9
On-Airport Activity	9
Visitor Spending	9
Employment.....	9
Labor Income	9
Value Added	9
Total Economic Impact.....	9
Effingham Is More Than Just a Local Airport	9
References	10

The Economic Impact Study of Aeronautics:

Preface:

The intention of the Economic Impact Summary of South-Central Illinois Airports is to provide accurate and measurable data regarding the regional-level economic impact of airports. The South Central Illinois Regional Planning and Development Commission, in its capacity as an Economic Development District (EDD) funded by the Economic Development Administration (EDA), building upon its unique regional perspective, saw the opportunity to integrate the use of regional, district, Illinois Department of Transportation (IDOT), and EDA planning resources in a way that would maximize their benefit for member local governments, development groups, and area businesses. The data and findings within the SCIRPDC aeronautics reports do not include impacts on airports from the COVID-19 pandemic.

The Commission has utilized the expertise and collective research efforts of IDOT'S Aeronautics Division who partnered with Kimley-Horn to produce this informational document. The study focuses upon the level of economic impact that is derived from the region's five publicly-owned general aviation airports, the aviation and related services that they provide to their host community, county, and the region as a whole.

Specifically, this study examines the full range of economic benefits derived from the following five publicly-owned general aviation airports within the five-county South Central Region study area:

Name of the Airport -- LOC ID -- Town or City Location -- County Location

Flora Municipal Airport -- (KFOA) -- Flora, Illinois -- Clay County
 Effingham Co. Memorial Airport -- (1H2) -- Effingham, Illinois -- Effingham County
 Vandalia Municipal Airport -- (KVLA) -- Vandalia, Illinois -- Fayette County
 Centralia Municipal Airport -- (KENL) -- Centralia, Illinois -- Marion County
 Salem-Leckrone Airport -- (KSLO) -- Salem, Illinois -- Marion County

The Study Process:

The economic benefits associated with aviation facilities and their operations within Illinois have been quantified using a standard econometric modeling process that has been approved by the Federal Aviation Administration (FAA). The "Statewide Aviation Economic Impact Study" of the airports in Illinois quantifies the economic benefits from such facilities and aviation services in terms of jobs, payroll, and economic output. This methodology has been used to successfully quantify the economic contribution of airports and airport systems throughout Illinois.

The data for this report came from online sources as well as information from the manager of the airport, Jerry Tate. The statistics came from a number of sources, AirNav and Illinois Aviation and IDOT, just to name a few. This study wasn't funded. Its sole purpose is to provide important information to the community and whomever may need it.

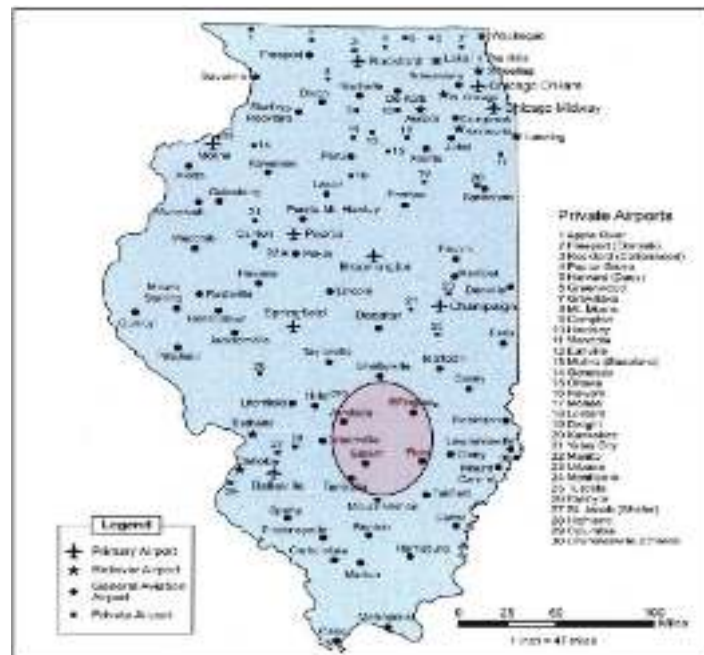
The induced impacts of these airport activities were calculated using multipliers that are specific to Illinois. For example, when an airport employee purchases local goods and services at local retail establishments, that spending circulates through the local economy by supporting the jobs and payroll of other businesses and thereby generates additional economic activity within the community, county, and region. The total economic impact is the sum of all on-airport, visitor, and multiplier impacts.

This report is a summary of information found regarding the Effingham County Memorial Airport. A basic profile for each of the district's five publicly-owned general aviation airports was prepared, e.g., Salem, Vandalia, Centralia, Flora, Effingham. The primary objective of the Economic Impact Study is to gather general information about the local airports for the use of the general public, for whoever may need the information.

Location of Airports Surveyed:

The Illinois aviation system is one of the largest and most diverse airport systems in the United States. IDOT officials note that by measuring the individual and collective economic activity stemming from these 85 airports and 248 heliports (as of 1/8/2020), including the state's commercial service facilities, the state feels that it should be possible to demonstrate to the general public, local and state government officials and other stakeholders how we economically benefit from the presence of each airport.

The map below depicts the general location of each of the state's airports by category. The five publicly-owned airports that provide the focus of this report are highlighted.



Effingham County Memorial Airport

FAA LOC ID: 1H2

City of Effingham (Effingham County), Illinois

General Airport Information:

Ownership: Effingham County Board

Activation Date: October 1945

General Location: The airport complex is located three miles south of the center of the City of Effingham, Illinois 62401 immediately east of US Route 45.

Phone: (217)536-5312.

Latitude/Longitude: (estimated): 39-04-13.6000N 088-32-000.7000W

Acres: 651

Surface: 1/19-Asphalt. 11/29-Concrete.

Elevation: 585.2 ft

On-Site Facilities: No control tower. Lighted wind indicator. No segmented circle. White-green beacon that operates sunset to sunrise. Passenger terminal.

Runways: : Runway 11/29 has nonprecision markings in fair conditions, has runway end identifier lights, has a touchdown point—no lights. No known obstructions. Runway 1/19 has nonprecision markings in fair condition, a visual slope indicator, a touchdown point with no lights. Obstructions on 19—a 32 ft tree, 840 ft from the runway, 20:1 slope to clear.



<http://www.googleearth.com>

Communications: Airport Frequency: CTAF/UNICOM 122.725. Sectional Chart: St. Louis, Missouri. ARTCC: Kansas City Center.

Instrument Approach: Runway 1: RNAV. Runway 11: RNAV.

Procedures: Runway 29: LOC/DME.

Airport Access: This is a publicly-owned airport open for use by the general public.

Operations: Tate's AV8, Inc (217)536-5312.

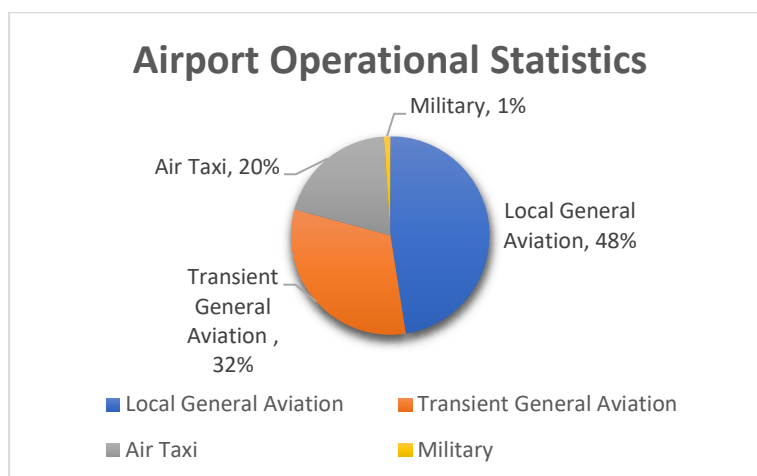
Passenger Terminal: Terminal updated in 2011. Passenger reception/waiting area, rest rooms (wheelchair accessible), snacks and beverages, pilot lounge, conference meeting room, etc. Courtesy car service is also provided at the terminal as well a local taxi service and public transportation by appointment. Five hangars on-site, 4 corporate and 1 T-hangar which provides 12 spaces.

Airport Services: Fuel available: 100 LL Jet-A. Parking: Hangars and tiedowns. Airframe Service: MAJOR. Powerplant service: MAJOR.

Planned TIP Improvements: The Annual & Multi-year Airport Improvement Program has allowed state funding to be put towards extending runway 11/29 and extending taxiway B to runway 29 turnaround. This is also known as the Rebuild Illinois Airport Capital Improvement Program. The total estimated cost for extending runway 11/29 is \$3,500,000. The state funding is \$3,150,000. The total estimated cost for extending Taxiway B to Runway 29 turnaround is \$1,500,000. The state is funding \$1,350,000. The local funding is \$150,000.

Operational Statistics:

Aircraft Based At Airport in 2021				
Single Engine	Multi-Engine	Helicopters	Ultra Lights	Total
16	1	1	0	18



Heliports: In addition to the Effingham County Memorial Airport, the City of Effingham contains two heliports, the St. Anthony Memorial Hospital ID (11IS) and ARCH Air Medical Service (77IL); which are both privately owned and operated.

Nearby Amenities: Within a five-minute drive of the Effingham County Memorial Airport, are numerous retail stores, over forty eating establishments, and over ten overnight lodging facilities of potential convenience to the airport employees, transient pilots and crews, and airport passengers, etc. The presence of such amenities influences the airport operations indirect economic impact for the community and county via the occasional purchase of goods and services.

Economic Impact of the Airport & Services:

The economic benefits associated with the Effingham County Memorial Airport and its year-round operations in Effingham, Illinois, have been quantified using a standard econometric modeling process approved by the FAA. The Commission's summary of Effingham County Memorial Airport quantifies the overall economic contribution of the airport by focusing upon the level of direct, indirect, and induced economic impact that is derived from the general aviation airport and the aviation-related services that it provides to their host City, County, and the District as a whole.

The remaining headings of the Economic Impact Summary of Effingham County Memorial Airport will discuss the documented local economic benefits derived from the specific airport facilities and aviation services in terms of jobs, payroll, and economic output. The methodology has been used to successfully quantify the overall or economic contribution of airports and airport systems throughout the State of Illinois and the US. The data utilized for this regional economic impact analysis study came from the research and surveying efforts of the IDOT Aeronautics Division who partnered with Kimley-Horn, as well as the staff of the Commission relative to each of the five airports surveyed within the five-county South-Central Illinois Region.

Direct Economic Impacts of the Effingham County Memorial Airport:

Direct Impacts account for the initial point where the money from aviation-related activity first starts circulating in the economy. These impacts include results from airport activity and visitor spending. On-airport activity includes the benefits associated with businesses and government organizations located at the airport, which are directly related to the provision of aviation services. On-airport impact includes the employment, payroll, and spending of businesses such as fixed-based operations, flight schools, aircraft repair facilities, and airport management and operations staff. Capital expenditure of businesses and government organizations is also included in direct impacts. Visitors contribute to direct impacts through their off-airport spending, which may include visiting local stores, restaurants, and hotels near the airport.

On airport impacts of Effingham County Memorial Airport includes airport management and administration, airport tenants, business tenants, and also includes on-airport construction.

General Aviation Visitor impacts are produced by non-local passengers arriving via private or business aircraft. General aviation visitors make up the portion of each of the airport's general aviation operations that leave the airport's local airspace, termed itinerant

operations. Some itinerant operations at an airport are conducted by a resident of the airport's market area who fly their planes to a distant location and subsequently return to their home airport. The remaining itinerant operations are attributed to visitors. Itinerant operations performed by visitors are called true transient operations. Impacts for this group were estimated using survey data from pilots and passengers visiting airports across Illinois.

Construction Impacts are calculated when the airport undertakes capital improvement projects (CIP), such as a runway rehabilitation or terminal improvements. Additionally, these projects employ people in jobs such as construction, architecture, engineering, and consulting.

Multiplier Impacts of Effingham County Memorial Airport:

Multiplier Impacts result from the recirculation and respending of direct impacts within the economy. This respending of money can occur when businesses spend their revenue on business expenses, whereas induced impacts occur when employees spend their earnings on goods and services, those expenditures circulate through the economy, resulting in increased spending, payroll, and employment throughout Illinois. As this money is spent over and over again, some of it leaks beyond the boundaries of Illinois. And thus no longer benefits Effingham County's citizens. The economic model uses parameters specific to Illinois to estimate the leakage effects associated with these multiplier impacts.

Output Impacts of Effingham County Memorial Airport:

Output Impacts are the result of money spent, invested, and generated by businesses and visitors. For example, on airport output is defined as annual gross sales for airport businesses and activities. The exceptions are organizations such as corporate flight departments and government agencies that do not generate revenue. Airlines are also exceptions since it is difficult to attribute revenues to specific airports. Output for these types of organizations is defined as the sum of payroll and operating expenses. Output for CIP is simply the expenditure related to those projects. Outputs related to commercial and general aviation visitors are defined as spending by those people during their visits to a location that is not already captured by on-airport output, typically off-airport establishments.

Total Economic Impacts of the Effingham County Memorial Airport:

The Total Economic Impact is a combination of all direct economic impacts and the multiplier effect impacts on the local community and county derived from the existence of the Effingham County Memorial Airport facilities, staff, and the aviation services they provide that generate an average of 68 aircraft movements per day and in the process bring pilots, crew members and guests to the Effingham, Illinois area.

Concluding Observations:

- Effingham County Memorial Airport is an advantage to the community. When compared to other local airports, this one has more travel and more capacity to handle more aircraft.
- A lot of businesses come in to the area through the airport for many reasons; interstate, railroad, to check out the area for new possible businesses. Local commercial, industrial, and agricultural companies rely on the Airport to conduct their business operations. In 2019, IDOT presented the airport with the Illinois General Aviation Airport of the Year award. In recognition of the airports' growth.
- Day-to-day operations very however, a majority of the airport activity involves corporate flights to and from the area for local businesses. The airport experiences more corporate airport activities than for traveling purposes. The airport during farming season, will see a lot of crop dusters flying in and out. The pilots do not store their crop dusters at the airport but use it as a halfway point to fuel up and prepare to go out.
- The airport is available for medical operations if necessary, it is not a common occurrence. Medical helicopters do use the airport in cases of bad weather or as a fuel source.
- The airport is available for local law enforcement use if necessary. Local law enforcement will occasionally utilize the airport for training activities, for work with the national guard, or in the past to look for loose prisoners. In the event the airport is needed, they will use the airport for drug operations. Local law enforcement also check in on the airport for protection and safety purposes.
- Airport manager, Jerry Tate and his family have been with the airport for thirty-eight years. The family has been running Tate's AV8 since 1984, a management company that supervises the airport as well as provides fuel. As of April 1st, Jerry Tate became a full-time employee of the county. His role remaining the same, overseeing daily airport operations. His role will see the continued growth of operations and business.

Qualitative Benefits of Effingham County Memorial Airport:

- A lot of big businesses in the region frequent the airport. Some of the bigger business that often utilize the airport are J & J Ventures and Gaming, Sherwin Williams, Menards, Siemer Milling, Stevens Industries, Wal-Mart, Hobby Lobby, and Heartland Dental. Heartland Dental pays to store their plane, a Falcon 2000 at the airport.
- The Effingham County Memorial Airport stores a couple corporate jets that are used by multiple businesses in the Effingham region.
- The Young Eagles, a flight program whose mission is to inspire and introduce children to the world of aviation, has been coming to the Effingham airport for eight years. It is a program for children to experience flying for the first time, with a walk through from the pilot. A wonderful opportunity for families to introduce their kids to an experience that may not otherwise be had.

- The airport is also available for field trips. Local headstart programs and kindergartens have visited the airport and gone through a tour.
- In July, there is an EAA Oshkosh airshow in Wisconsin; during this time the Effingham County Memorial Airport sees an influx in pitstops from pilots traveling to the airshow (for refueling and for rest).
- The airport has improvements planned along with the funding, local and state, to get it accomplished. The improvements include extending runway 11/29 and extending taxiway B to runway 29 turnaround. These improvements will allow the Effingham Airport to see more airplanes and bigger airplanes. Before the runway extension, the airport did not have the space to allow bigger aircraft to safely land.
- The airport has aspirations to construct a nested T-hangar building that will be able to house eight aircraft. Eventually, they wish to double up the hangars to two rows of eight and accommodate more aircraft as the airport grows. Mr. Tate also mentioned that in the future, after the construction of the nested T-hangars, he would like to see the old twelve aircraft capacity hangar come down to make room for larger hangars for corporate use.

Effingham County Memorial Airport Summary:

On-Airport Activity- \$4,600,000

Visitor Spending- \$5,000,000

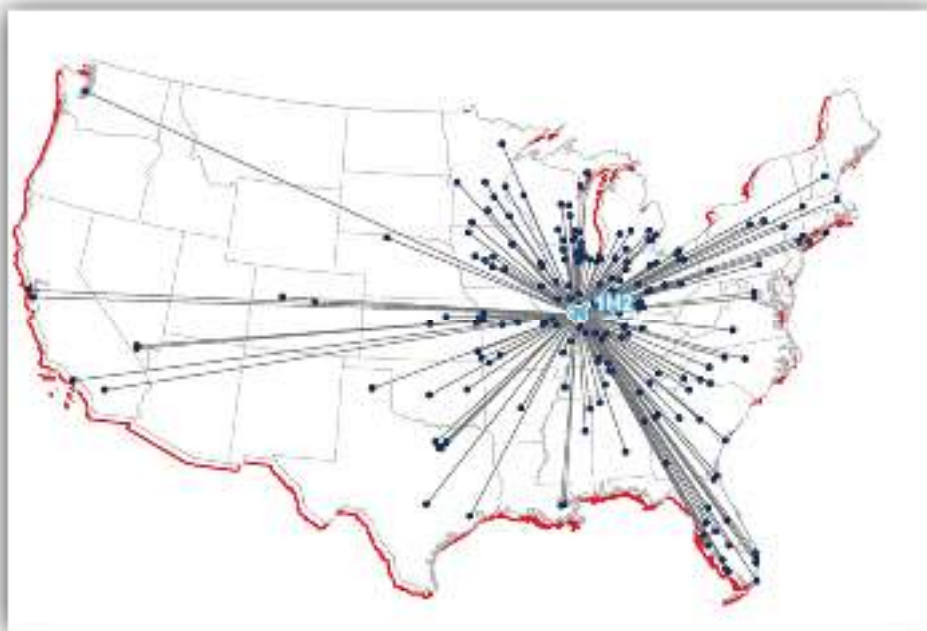
Employment- 82 jobs

Labor Income- \$2,900,000

Value Added- \$ 4,500,000

Total Economic Impact- \$9,600,000

Effingham Is More Than Just a Local Airport:



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Thank you as well to the Manager of Effingham County Memorial Airport, Jerry Tate, for answering questions relating to the airport, helping provide a clear image of the airport and its role in the community.



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This PY-2022 Economic Impact Summary of Airports was prepared by South Central Illinois Regional Planning & Development Commission. This Economic Impact Summary was individually prepared for regional airports located in Centralia, Flora, Effingham, Salem, and Vandalia, Illinois. The commission would like to extend special thanks to the airport managers and fixed based operators for making this Economic Impact Summary possible.

