



Economic Impacts of Colorado Springs Municipal Airport

Prepared for:



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Introduction. The purpose of this report is to measure the regional and state economic impacts of Colorado Springs Municipal Airport (COS) both with Peterson Air Force Base (Peterson AFB) and without the base. Impacts are based on 2002 data.

Economic impacts associated with COS are generated by: (1) aviation related goods and services provided on the airport for civilian use; (2) expenditures that support Peterson AFB, including uniformed military personnel and civilian support; and (3) off-airport spending by visitors arriving by commercial carriers and general aviation flights. Each of these activities produces economic spin-offs in the state economy, alternatively called “multiplier effects,” in the Colorado economy.¹ Impacts are reported in total jobs, wages, and business sales (or budget expenditures for public entities or non-profit corporations). Below, we report economic impacts of Colorado Springs Municipal Airport in three sections:

- (1) Base Case
- (2) Economic Impacts of COS without Peterson AFB
- (3) Economic Impacts of Peterson AFB, i.e., the difference between the Base Case and the economic impacts of the without the air force base.

(1) Base Case. *Impacts are 36,000 jobs, \$1.4 billion of wages and \$3.2 billion in budget expenditures/business sales.* The Base Case includes the following:

- 12,692 jobs at COS, including 108 people employed by the airport, 1,032 employees of 47 on-airport tenants (include various government agencies) and 11,552 persons associated with Peterson AFB (7,055 active on-duty military and reserves and 4,497 civilians).
- 515,000 commercial air carrier visitors
- 115,000 itinerant general aviation operations

Table 1. On-going Economic Contribution of COS from Base Case

	Jobs	Wages	Business Sales
1. On-Airport (incl. FBO and air related tenants)	12,692	\$656,321,152	\$1,224,339,200
2. Off-Site: Initial Visitor Spending	7,308	\$135,450,272	\$336,323,872
Subtotal	20,000	\$791,771,424	\$1,560,663,072
Colorado-wide Spin-off Effects: Supplier and Wage Re-spending			
3. -due to Airport Activities	12,141	\$477,682,720	\$1,226,612,864
4. -due to Visitor Spending	4,844	\$169,144,272	\$431,321,920
Subtotal	16,985	\$646,826,992	\$1,657,934,784
Total Impact from Airport Activities	36,985	\$1,438,598,400	\$3,218,597,888

¹ Spin-off effects are associated with (1) spending by the airport and tenants on materials and business services from their suppliers, and (2) re-spending of wages of workers at the airport and other affected activities, which supports other retail and consumer service businesses.

(2) COS without Peterson AFB. *Impacts are 15,000 jobs, \$400 million of wages and \$1.0 billion in budget expenditures/business sales.* Without the contribution of Peterson AFB, this analysis includes:

- 1,140 jobs at COS, consisting of 108 people employed by the airport and 1,032 employees of 47 tenants (including various government agencies).
- 515,000 commercial air carrier visitors
- 115,000 itinerant general aviation operations

Table 2. On-going Economic Contribution of COS Not Including Peterson AFB

	Jobs	Wages	Business Sales
1. On-Airport (incl. FBO and air related tenants)	1,140	\$47,170,968	\$115,385,696
2. Off-Site: Initial Visitor Spending	7,308	\$135,450,272	\$336,323,872
Subtotal	8,448	\$182,621,240	\$451,709,568
Colorado-wide Spin-off Effects: Supplier and Wage Re-spending			
3. -due to Airport Activities	1,557	\$53,938,364	\$140,518,080
4. -due to Visitor Spending	4,844	\$169,144,272	\$431,321,920
Subtotal	6,401	\$223,082,636	\$571,840,000
Total Impact from Airport Activities	14,849	\$405,703,876	\$1,023,549,568

(3) Peterson AFB. *Impacts are 22,000 jobs, \$1.0 billion of wages and \$2.2 billion in budget expenditures and business sales.* The economic contribution of Peterson AFB for this analysis includes:

11,552 persons associated with Peterson AFB stationed or employed at Colorado Springs Municipal Airport (7,055 active on-duty military and reserves and 4,497 civilians).

Table 3. On-going Economic Contribution of Peterson AFB

	Jobs	Wages	Business Sales
1. PAFB (incl. military, reserves and supporting civilian activities)	11,552	609,150,184	1,108,953,504
2. Spin-off Effects: Supplier and Income Re-spending	10,584	423,744,356	1,086,094,784
Total Impact from Airport Activities	22,136	1,032,894,540	2,195,048,288