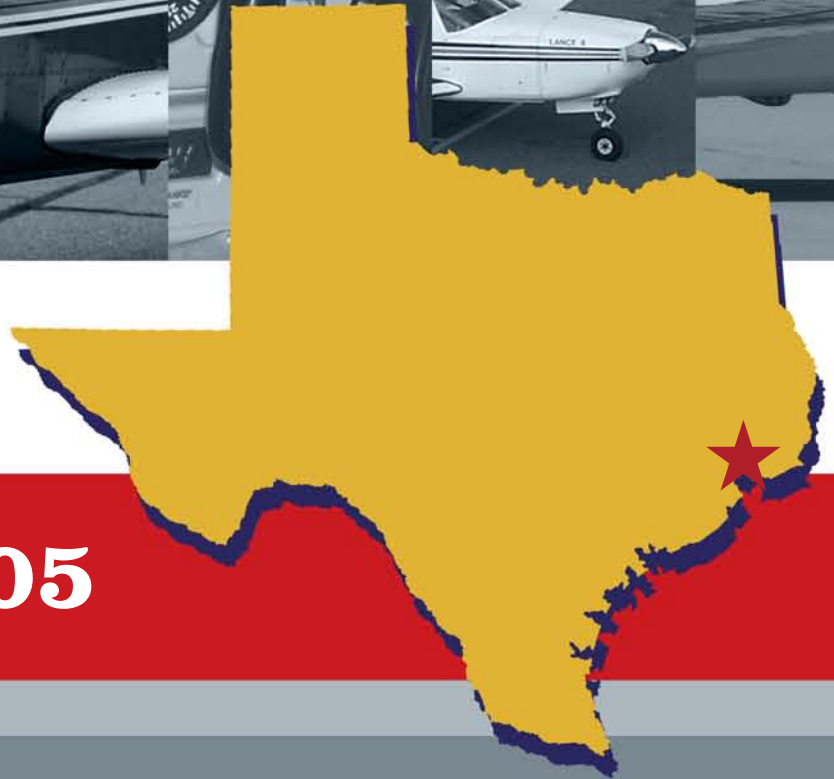


# THE ECONOMIC IMPACT OF CLEVELAND MUNICIPAL AIRPORT



**2005**





## **GENERAL AVIATION - OUTSTANDING BENEFITS FOR TEXAS**

The Texas system of nearly 300 airports not only provides the State with a safe and efficient mode of transportation, it is also an important stimulus for economic growth and development. By providing aviation-related services, the system supports tens of thousands of jobs and produces billions of dollars in economic activity. The State's largest employers, and many smaller businesses, rely on aviation to rapidly transport personnel, equipment, and supplies. Texas airports serve as the base of operation for a diverse group of businesses, including airlines, air cargo companies, fixed base operators, flight schools, government entities, agricultural applicators, restaurants and others. Additionally, the vast tourism industry is supported by both commercial service and general aviation. The millions of visitors that flock to Texas each year support a variety of tourist-related business activities, such as lodging, dining, retail, and entertainment.

To better understand the relationship between Texas' system of airports that support general aviation and the statewide economy, the Texas Department of Transportation, Aviation Division, periodically assesses the economic impact of aviation using a method that has been approved by the Federal Aviation Administration (FAA) and applied to airport systems throughout the United States. Funding support for this study was provided by the FAA.

Each Texas System airport's total economic impact was quantified in terms of employment, payroll, and output. Through a comprehensive survey process, the direct economic benefits related to on-airport business tenants and the indirect benefits associated with visitor-related expenditures were determined for each system airport. The multiplier effect of these benefits was then calculated to ascertain the total airport-related impacts. For example, when an airport employee purchases local goods and services, the spending and re-spending spurs additional economic activity in the region. The total economic impact is the sum of all direct, indirect, and multiplier impacts.

When all 2005 impacts at Texas airports are summed, nearly 62,000 jobs can be traced to general aviation. These employees receive more than \$2.5 billion in payroll and benefits. In total, more than \$8.7 billion in economic activity can be attributed to general aviation activity in the State. This represents a 50 percent increase since the last benchmark in 2001. In addition to economic benefits, the system of airports provides numerous critical services to enhance the quality of life, health, safety, and welfare of Texas citizens. Examples include business development, enhancing agricultural production, medical transport and evacuation, access to remote areas, law enforcement, fire protection, wildlife management, and recreation.

### **GENERAL AVIATION ACTIVITY IN TEXAS CREATES:**

<b>Total Employment</b>	<b>62,000 jobs</b>
<b>Total Payroll</b>	<b>\$2.5 billion</b>
<b>Total Economic Activity</b>	<b>\$8.7 billion</b>

# CLEVELAND MUNICIPAL AIRPORT

Cleveland Municipal Airport, owned by the City of Cleveland, is a public-use general aviation airport located in Liberty County, Texas. The airport is situated approximately four miles northeast of Cleveland. The airport operates one asphalt runway, Runway 16/34, which measures 4,998 feet in length and 75 feet in width.

Cleveland Municipal Airport supports the local economy in a variety of ways. The estimated direct output from on-airport spending is \$290,000. The 1,500 general aviation visitors that arrive at the airport each year support an additional \$113,000 in payroll. General aviation visitors are also responsible for \$179,000 in direct output.

When combined, the general aviation tenants and visitors at the airport are responsible for approximately \$883,000 in total economic output, 11 jobs, and \$221,000 in payroll.



## IMPACT TYPES

**First-Round Impacts** include both direct and indirect impacts. Direct impacts are those benefits associated with on-airport business and government spending that support general aviation. Indirect impacts generally take place off-airport and are usually attributable to the spending of visitors who arrive in a community via general aviation aircraft.

**Secondary Impacts** primarily consist of induced impacts, which are those benefits (dollars and employment) that result from the re-circulation of direct and indirect impacts within the economy. This re-circulation is commonly referred to as the "multiplier effect".

**Total Impacts** are the combination of all first-round and secondary impacts.

## IMPACT MEASURES

**Employment** measures the number of full-time equivalent jobs related to general aviation activity.

**Payroll** measures the total annual wages and benefits paid to all workers whose salaries are directly or indirectly attributable to general aviation activity.

**Economic Activity (Output)** measures the value of all goods and services related to general aviation in Texas. The output of general aviation businesses is typically assumed to be the sum of annual gross sales and average annual capital expenditures.



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