

**SACRAMENTO COUNTY AIRPORT SYSTEM**

# Economic Impact Study

2011



[SacAirports.org](http://SacAirports.org)



The Sacramento County Airport System (County Airport System) provides the ideal Gateway to Northern California. The most visible of the airports in the system, Sacramento International brings millions of passengers to the capital of the Golden State every year.

However, the benefits of the entire system aren't confined to seats sold on flights. By providing numerous jobs and countless economic possibilities to the region, the airports in the County Airport System – Sacramento International, Executive, Mather and Franklin Field – play a key role in the economic health and identity of Sacramento and the Sacramento region.

The following is a summary of the Economic Impact Study conducted by LeighFisher Management Consultants issued January, 2011. For further information or to download the complete study visit [www.sacairports.org](http://www.sacairports.org).

## The Sacramento County Airport System – The Gateway to Sacramento County’s Economic Success.

As a key player in both the county and state economies, the role of the Sacramento County Airport System cannot be understated. A critical component of the State’s transportation infrastructure, the County Airport System facilitates regional, national and global commerce by linking the Sacramento area with the world community. Additionally, the Airport System supports the role of Sacramento as the hub of government and commerce in Northern California.

In 2008, the Sacramento County Airport System:

- Transported more than 10 million passengers
- Handled 79,000 tons of air cargo
- Was served by 20 passenger airlines
- Averaged 159 daily departures
- Served 40 domestic and international destinations with nonstop air service

Table 1  
ESTIMATED 2008 ECONOMIC IMPACT Sacramento County Airport System

	Employment	Payroll (millions)	Total economic impact (millions) (a)
On-airport	4,170	\$208.1	\$515.9
Off-airport	6,830	\$234.4	\$523.1
Air visitor expenditures	(a)	(b)	\$3,183.2
<b>Total</b>	<b>11,000</b>	<b>\$442.5</b>	<b>\$4,222.2</b>

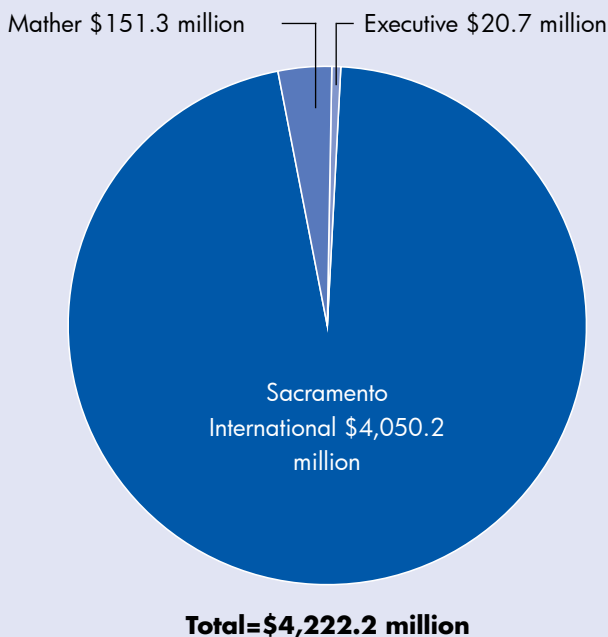
In 2008, Sacramento County Airport System generated approximately 11,000 jobs in the Sacramento area and over \$3 billion in air visitor expenditures resulting in a total economic impact of \$4.2 billion.

(a) Includes payroll expenditures.

(b) Air visitor expenditures were estimated based on responses to a survey of airline passengers conducted at Sacramento International Airport in June 2007. Employment and payroll were not calculated because data are not available to allocate the share of payroll expenditures from total air visitor expenditures.

Source: LeighFisher, July 2010.

Figure 3  
ESTIMATED 2008 TOTAL ECONOMIC IMPACT BY AIRPORT Sacramento County Airport System



Sacramento International Airport accounted for 95.9% of the total economic impact of the Sacramento County Airport System in 2008. Mather contributed 3.6%, while Executive provided the remaining 0.5%.

Source: LeighFisher, July 2010





## Current Economic Impact

**Direct Impact:** The economic impact generated on-site at the airports within the County Airport System. This includes impact by organizations operating at the airports and by visitors arriving in the Sacramento area via Sacramento International Airport (SMF).

**Indirect and Induced Impact:** The additional offsite local economic activity that is generated specifically because of the airport's presence, including related employment, payroll, and employer expenditures. One example would be a food wholesaler that sells to on-site concessionaires.

Throughout this summary, Total Economic Impact includes direct, indirect and induced economic impacts.

Table 2  
DIRECT AND TOTAL ECONOMIC IMPACT BY AIRPORT

Sacramento County Airport System

	Sacramento International Airport	Mather Airport	Sacramento Executive Airport	Sacramento County Airport System
<b>Employment</b>				
Direct (a)	3,290	740	140	4,170
Total (b)	8,380	2,250	370	11,000
<b>Payroll (millions)</b>				
Direct (a)	\$161.6	\$38.4	\$8.0	\$208.1
Total (b)	\$343.5	\$82.4	\$16.6	\$442.5
<b>Total expenditures (millions)</b>				
Direct (a) (c)	\$428.0	\$77.4	\$10.6	\$515.9
Total (b) (c)	\$867.1	\$151.3	\$20.7	\$1,039.0
<b>Visitor expenditures (millions)</b>				
Direct (d)	\$1,614.2	\$-	\$-	\$1,614.2
Total (b)	\$3,183.1	\$-	\$-	\$3,183.1

In 2008, the airports in the County Airport System employed an estimated 4,170 people representing a total payroll of \$208.1 million. Based on these numbers, the County Airport System is one of the largest employers in the Sacramento area.

Note: The study area includes the seven counties of El Dorado, Placer, Sacramento, San Joaquin, Sutter, Yolo, and Yuba.

(a) Based on a survey of on-airport organizations conducted in 2008 and 2009.

(b) Based on the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Input-Output Modeling System (RIMS II) for the study area noted above.

(c) Includes payroll expenditures.

(d) Based on responses to the Sacramento County Airport System Airline Passengers survey conducted at Sacramento International Airport in June 2007.

Source: LeighFisher, July 2010.

**The Sacramento County Airport System generated an estimated 11,000 jobs in 2008 representing a total payroll of \$442.5 million.**

Table 3  
TOTAL EMPLOYMENT IMPACT BY AIRPORT

Sacramento County Airport System 2008

	Total employment (a)			
	Sacramento International Airport	Mather Airport	Sacramento Executive Airport	Sacramento County Airport System
<b>On-airport activity</b>				
Passenger airlines	2,230	–	–	2,230
Cargo airlines/freight forwarders	290	1,340	–	1,630
Car rentals	670	– (b)	–	670
Concessionaires/terminal services	600	–	– (b)	600
Fixed base operators/aviation support	1,450	530	270	2,250
Ground transportation	610	– (b)	–	610
Government agencies	2,390	260	40	2,690
Other	140	120 (b)	60 (b)	320
<b>TOTAL ECONOMIC IMPACT IN 2008</b>	<b>8,380</b>	<b>2,250</b>	<b>370</b>	<b>11,000</b>

Notes: Includes direct, indirect, and induced economic impacts. Includes full and part-time employment. The study area includes the seven counties of El Dorado, Placer, Sacramento, San Joaquin, Sutter, Yolo, and Yuba. Employment related to air visitor expenditures was not calculated as part of this study.

The 2009 survey results were augmented by the responses to an on-airport organization survey conducted in 2008 by Sacramento Regional Research Institute.

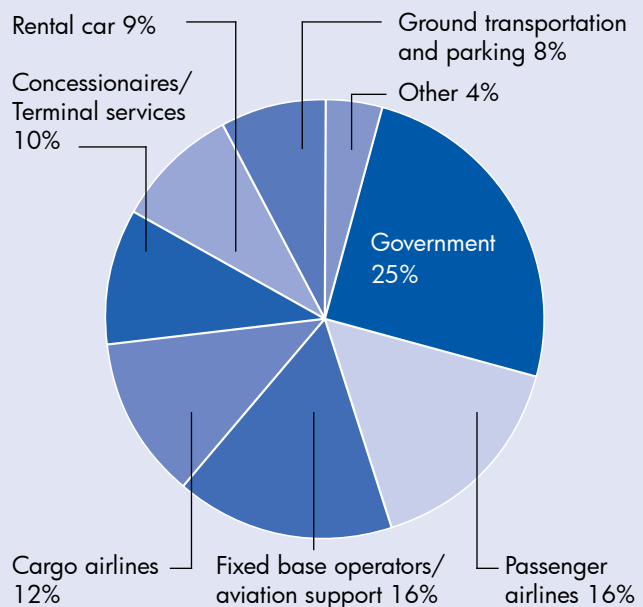
(a) Based on the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Input-Output Modeling System (RIMS II) for the study area noted above.

(b) Categories are combined to protect the confidentiality of the survey responses.

Source: LeighFisher, July 2010.

**Estimated direct expenditures of on-airport organizations for payroll, goods and services in 2008: \$515.9 million**

Figure 5  
ON-AIRPORT EMPLOYMENT IN 2008 (4,170 jobs)



Source: LeighFisher, July 2010, based on surveys of on-Airport organizations.

**Total economic impact in 2008 was in excess of \$4.2 billion.**

Table 4

TOTAL EMPLOYMENT IMPACT BY AIRPORT

Sacramento County Airport System 2008

	Total expenditures (millions) (a)			
	Sacramento International Airport	Mather Airport	Sacramento Executive Airport	Sacramento County Airport System
<b>On-airport activity</b>				
Passenger airlines	\$174.3	\$-	\$-	\$174.3
Cargo airlines/freight forwarders	\$8.2	\$90.4	\$-	\$98.6
Car rentals	\$109.3	\$- (b)	\$-	\$109.3
Concessionaires/terminal services	\$74.5	\$-	\$- (b)	\$74.5
Fixed base operators/aviation support	\$70.1	\$25.6	\$10.9	\$106.6
Ground transportation	\$28.6	\$- (b)	\$-	\$28.6
Government agencies	\$399.6	\$25.9	\$2.8	\$428.2
Other	\$2.4	\$9.4 (b)	\$7.0 (b)	\$18.9
<b>TOTAL</b>	<b>\$867.0</b>	<b>\$151.3</b>	<b>\$20.7</b>	<b>\$1,039.0</b>
<b>Air visitor activity</b>				
Direct (c)	\$1,614.2	n.a.	n.a.	\$1,614.2
Total (a)	\$3,183.1	n.a.	n.a.	\$3,183.1
<b>TOTAL ECONOMIC IMPACT IN 2008</b>				
<b>With direct visitor expenditures</b>	<b>\$2,481.2</b>	<b>\$151.3</b>	<b>\$20.7</b>	<b>\$2,653.2</b>
<b>With total visitor expenditures</b>	<b>\$4,050.2</b>	<b>\$151.3</b>	<b>\$20.7</b>	<b>\$4,222.2</b>

Notes: Includes direct, indirect, and induced economic impacts.

The study area includes the seven counties of El Dorado, Placer, Sacramento, San Joaquin, Sutter, Yolo, and Yuba.

n.a. = not available.

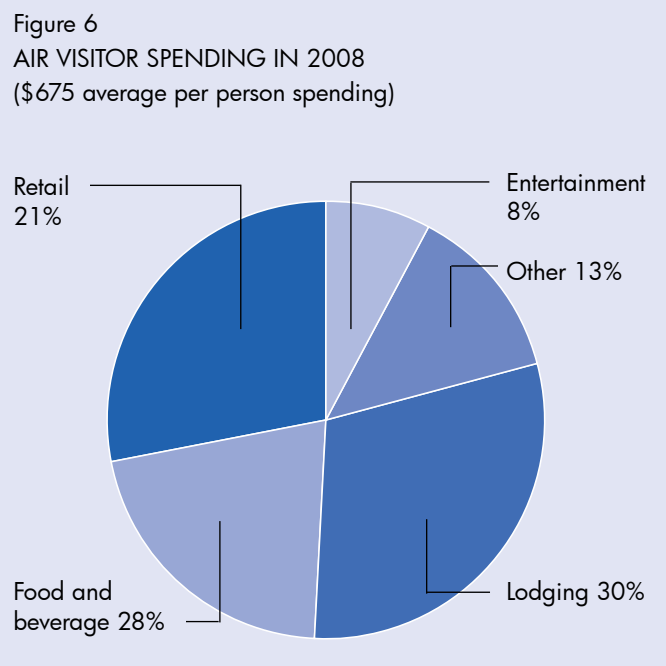
(a) Based on the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Input-Output Modeling System (RIMS II) for the study area noted above.

(b) Categories are combined to protect the confidentiality of the survey responses.

(c) Based on responses to the Sacramento County Airport System Airline Passengers survey conducted at Sacramento International Airport in June 2007.

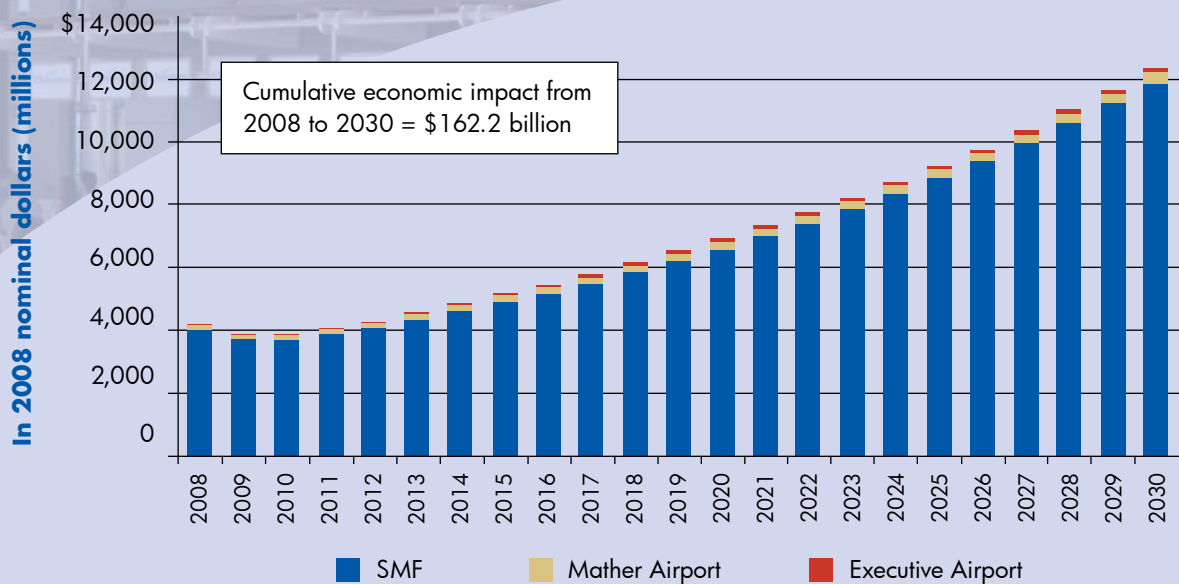
Source: LeighFisher, July 2010.

Note: The study area includes the seven counties El Dorado, Placer, Sacramento, San Joaquin, Sutter, Yolo, and Yuba.



Source: LeighFisher, July 2010

Figure 7  
 PROJECTED ONGOING ANNUAL ECONOMIC IMPACT FROM AIRPORT OPERATIONS  
 Sacramento County Airport System



Sources: Forecast aviation activity. U.S. Department of Transportation, Federal Aviation Administration, Terminal Area Forecasts, www.faa.gov, accessed July 2010. Projected economic impact.

LeighFisher, July 2010.

According to FAA forecasts, the number of enplaned passengers at SMF will increase by an average of 2.3% per year between 2008 and 2030. During the same time period Mather and Executive Airports are projected to increase by 1.5% and 0.8% respectively.

Projected annual economic impact generated by the SCAS over current 5 year span:

<b>2009</b>	\$3.897 billion
<b>2010</b>	\$3.866 billion
<b>2011</b>	\$4.095 billion
<b>2012</b>	\$4.339 billion
<b>2013</b>	\$4.597 billion



**Projected cumulative economic contribution to the Sacramento area economy from the Sacramento County Airport System between 2008 and 2030: \$162.2 billion.**

Projected economic impact of the Terminal Modernization Program at SMF:

- \$2.8 billion
- \$900 million in payroll
- 21,500 jobs

Table 5  
 PROJECTED ECONOMIC IMPACT OF THE TERMINAL  
 MODERNIZATION PROGRAM  
 Sacramento County Airport System

	Direct	Total (a)
Total output (millions)	\$1,275.3 (b)	\$2,763.6
Payroll (millions)	\$408.4 (c)	\$885.1
Employment	8,100 (c)	21,500

Source: LeighFisher, December 2010.

Note: Data are presented in 2007 dollars.

The expected duration of the construction period is seven years.

The study area includes the seven counties of El Dorado, Placer, Sacramento, San Joaquin, Sutter, Yolo, and Yuba.

(a) Based on the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Input-Output Modeling System (RIMS II) for the study area noted above.

(b) Construction estimates (direct impacts) provided by the Sacramento County Airport System staff. Includes expenditures for a parking garage which has been deferred until approximately 2018.

(c) Estimated using annual salary data for the study area from the Department of Labor, Bureau of Labor Statistics, www.bls.gov, accessed December 2010.

