

Airport Economic Impact Study

KANSAS CITY WHEELER DOWNTOWN AIRPORT

KANSAS CITY, MO.

The Kansas City Wheeler Downtown Airport (MKC) is a general aviation facility located in the heart of Kansas City. Owned and operated by the Kansas City Aviation Department, MKC serves as an economic generator for the Kansas City region. The Airport provides an essential link between the Kansas City region and the larger air transportation network for many residents and businesses who utilize general aviation services. By offering corporate aviation facilities needed to transport people and goods in and out of the area, MKC supports numerous business tenants at the Airport, facilitates air cargo movements, serves as a base for air medical operations, and much more. This economic impact study quantifies the significant annual economic contribution of the Airport to the region, and highlights the tremendous qualitative value of the Airport to the local community.

Sources of Economic Activity at MKC

MKC generates economic impact through several on-airport activities, as well as off-airport visitor spending. The four major sources of economic activity at the Airport are shown below.

On-Airport Activities



Airport Administration

- Airport management
- Airport operations
- Contracted services



Airport Capital Expenditures

- Airport construction projects



Business Tenants

- Business tenant operations
- Tenant capital expenditures (construction projects)

Off-Airport Activities



Visitor Spending

- Non-local visitors spending money in the Kansas City region

Measures of Economic Impact

There are three measures used to express the economic impact of MKC: jobs, payroll, and output.



Jobs

The total number of people employed as a result of the Airport's operation, whether full-time or part-time.



Payroll

Total employment compensation (wages and benefits) that is earned by the identified jobs.



Output

Represents the expenditures needed to administer the Airport, sales of goods and services by business tenants, budget expenditures by public agencies located at the Airport, the cost of capital expenditures, and visitor spending. This measure may also be referred to as "business revenues" or "economic impact."

Note: Even though payroll and output are both expressed in terms of dollars, they are not additive and should not be summed. Payroll is a component of output.

Economic Impact Levels

The economic impacts of MKC are presented at three distinct levels to describe where in the economic cycle the impact is generated.



Direct Impacts

Direct impacts represent the initial effects of on- and off-airport activity which is generated by the Airport.

*Airport Administration
Airport Capital Expenditures
Business Tenants*

Visitor Spending

ON-AIRPORT ACTIVITIES

OFF-AIRPORT ACTIVITIES

Multiplier Impacts

Indirect and induced impacts are collectively known as multiplier impacts and can be thought of as "spin-off" effects that result from the initial direct impacts.



Indirect

Occur when businesses associated with direct impacts buy goods and services from other businesses in the Kansas City region. Sometimes referred to as "supplier sales."



Induced

Occur when employees associated with direct or indirect activity spend their income on goods and services in the Kansas City region. This is sometimes referred to as "income re-spending."

\$\$\$ Total Impacts

The total impacts are the sum of the direct and multiplier (indirect and induced) impacts.



Jobs



Payroll



Output

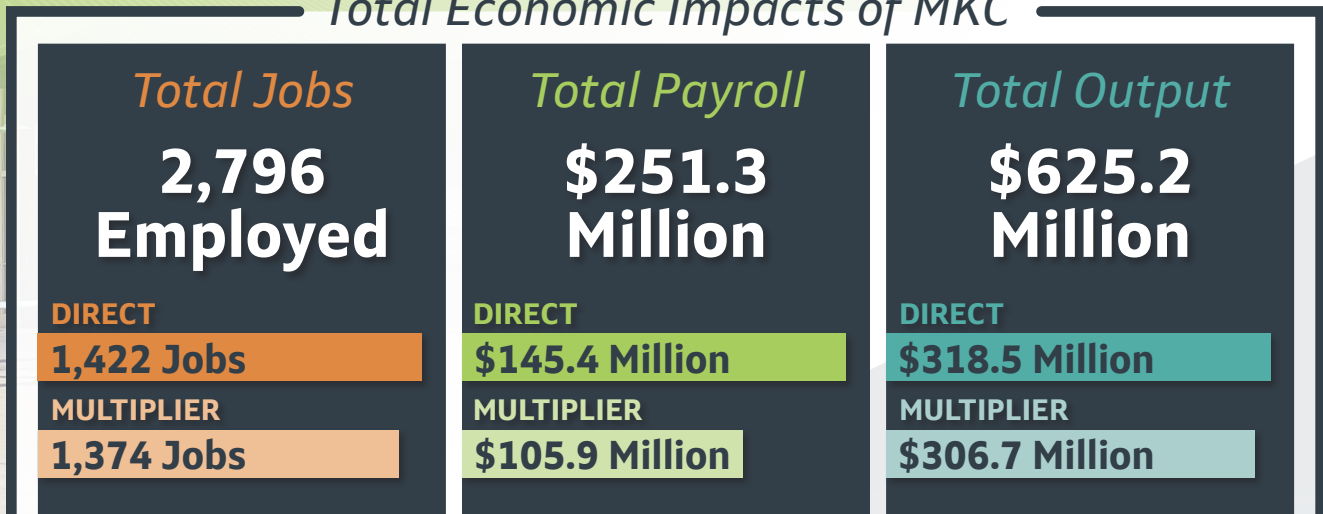
Methodology

Comprehensive data collection was essential for calculating accurate economic impact results representing calendar year 2022. Primary data sources such as the Airport staff, business tenants, and visitors were relied upon to estimate direct impacts. These data were obtained through an on-site visit, as well as in-person, over-the-phone, and online surveying efforts. Various industry sources were also consulted to supplement the data collected, when necessary. A nationally recognized economic model, IMPLAN, was used to derive the multiplier impacts.

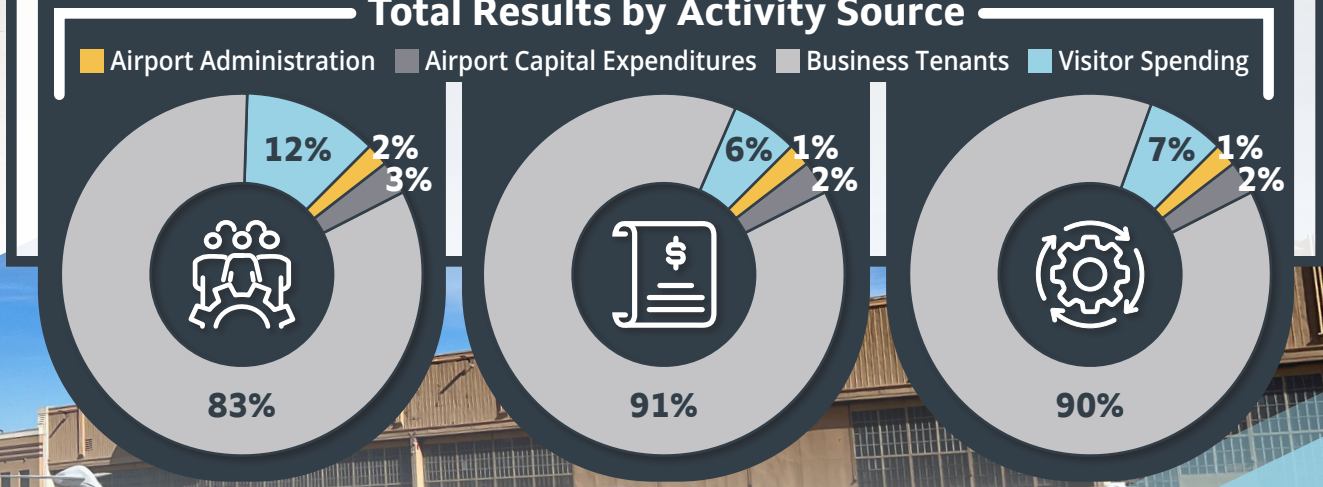
Results

Activity occurring on the Airport and the impacts of visitors traveling through the facility contribute approximately \$625 million annually to the region's economy. This total impact supports nearly 2,800 jobs in the Kansas City region, with a payroll of over \$250 million.

Total Economic Impacts of MKC



Total Results by Activity Source



Sources: IMPLAN, 2022; Kansas City Wheeler Downtown Airport, 2022; Business Tenants, 2022; Kimley-Horn, 2023.
 Note: Dollar values are rounded to the nearest thousand, therefore totals may not sum due to rounding.

Community Benefits of MKC

While calculating the economic impact of MKC in terms of jobs and dollars contributed to the regional economy is important, there is more to the story than just the numbers. The Airport provides opportunities for career development through several pilot and aviation training centers, supports critical emergency and medical response operations, provides an excellent location for aviation businesses, and plays an important role in Kansas City's almost billion-dollar professional sports industry. Highlighted below are just a few examples of the organizations and users who rely on MKC and the connection it provides to the greater air transportation system.

Angel Flight Central is a non-profit organization headquartered at MKC that provides charitable flights in their 10-state region. Charitable flights are donated to individuals in need of air medical transportation that do not require in flight medical monitoring. In addition, AFC provides free air transportation for other humanitarian efforts, like flying children with special needs to summer camps and flying service puppies to their new owners. In 2022 alone, AFC arranged free essential air transportation for more than 2,400 people, and since their inception they've helped more than 30,000 people. MKC is in a great location to support AFC because of the major hospitals in the area, such as the University of Kansas Health Center and Children's Mercy Hospital.



ATD Flight Systems is a full-service flight training and charter operation based at MKC. The Airport's convenient downtown location made it a perfect fit for ATD Flight Systems because it is centrally located, close to population centers, and provides easy access for a wide range of Kansas City residents. ATD Flight Systems has grown significantly since it first opened and now has fleet of 13 aircraft and a simulator to support the two Federal Aviation Administration-certified programs they offer to students. At any given time, they have 75 to 100 students enrolled and working toward their certification. As a part of their charter operations, ATD Flight Systems supports medical air transportation, including organ transportation for medical emergencies.



Professional Sports including the Kansas City Royals Major League Baseball (MLB) and Sporting Kansas City (Sporting KC) Major League Soccer (MLS) teams are heavily reliant on MKC. Both teams travel to and from away games across the country via charters from MKC. Sporting KC typically travels 17 times during their season, with each trip carrying around 45 people. Half of the Kansas City Royals' games are away and the team travels at least 25 times from MKC for these games, transporting the team of 25 players and many others, including managers, owners, and support staff. Sporting KC and the Kansas City Royals may play very different sports, but one thing they have in common is their reliance on the charter services at MKC. Both teams note the unbeatable convenience of MKC's downtown location, as well as the friendly staff and comprehensive services provided at MKC as major benefits.



WildBlue Aircraft Sales started in 2006 and focuses on sales of owner-flown, cabin class aircraft, either single or twin-engine, that are typically used by individuals for business purposes or personal use. Most of the firm's business comes from outside the region, requiring flights out of MKC to meet with potential buyers and sellers and many clients fly into MKC during the decision-making process. The firm has worked with clients throughout the U.S. and across five continents, so having efficient access to MKC is critical for their services.



Children's Mercy Hospital of Kansas City bases their air transportation unit at MKC where they lease hangar, office, and storage space to support the pilots, mechanics, and clinical staff fulfilling their air transportation operations. Children's Mercy noted that no other airport in the region could support their operations quite like MKC can. The Airport's provision of 24/7 fuel, an air traffic control tower, facilities, and convenient location provide immense value to all hospitals in the region. According to interviewees, if MKC was no longer available for medical air operations, it is likely that all Level I trauma centers in the region would be impacted.

