



AIRPORT: Olympia Municipal (OLM)
ASSOCIATED CITY: Olympia
ARC: C-II
REGION: Olympic

AIRPORT DATA AND FACILITIES

Olympia Municipal Airport is located in Thurston County, four miles south of Olympia. The Airport has 178 based aircraft, including 161 single-engine aircraft, 12 multi-engine piston-powered aircraft, 2 turboprops, and 3 turbojets. The latest available data indicate that Olympia had a total of 53,473 annual operations.



The Airport has two runways. Runway 17-35 is 5,419 feet long and 150 feet wide, has an asphalt surface, and is equipped with medium intensity runway lights. Runway 17 is equipped with a medium intensity approach lighting system, which, in conjunction with an instrument landing system, provides this runway with a precision approach. The threshold of this runway end has been displaced by 427 feet. Runway 35 is equipped with runway end indicator lights and has a VOR/DME or GPS non-precision approach. The Airport has an Air Traffic Control Tower which is staffed on a part-time basis.

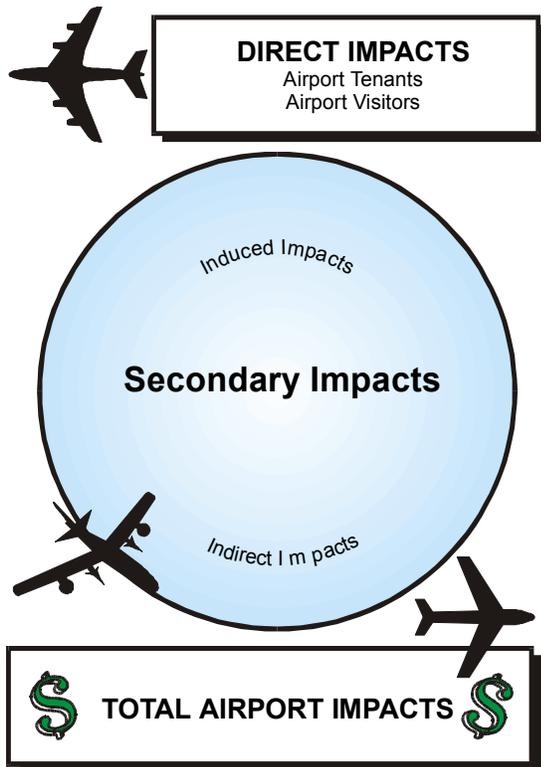
Runway 8-26 is 4,157 feet long, 160 feet wide, and has an asphalt surface. Neither runway end has a published straight-in approach. There is, however, a VOR or GPS-A approach that provides guidance to the Airport rather than a specific runway.

ECONOMIC IMPACTS

The economic impacts of Washington’s airports were calculated using a methodology which has evolved over the past decade and is nationally recognized as the standard for conducting economic impact studies of airports. The methodology is consistent with analytical models used by the Federal Aviation Administration (FAA), and employs the use of direct survey information and an input/output model (IMPLAN) as developed by the U.S. Department of Commerce to determine multipliers specific to the state of Washington for “secondary” economic impacts.

Types of Economic Impact - This study identified and examined those aviation activities at the public use airports in Washington that created economic impacts. These impacts are generated in three ways: **1)** Direct, **2)** Indirect, and **3)** Induced Effects. Combined, the three impact types yield the total economic impacts of an airport, as described below.





DIRECT ECONOMIC IMPACTS

These economic impacts occur as a consequence of providing aviation services. These impacts usually occur at the airports, and comprise the financial expenditures by firms which carry passengers (air carrier, air charter or air taxi) or cargo; firms which serve the air carrier and general aviation functions (airport tenants); governmental agencies which support aviation; ground transport firms; and others. In every instance, the impacts include only expenditures where the recipient is located within each airport's service area.

There are several aviation related businesses located at the Olympia Municipal Airport. These business operations include the Glacier Jet Center, Gower Flying Services, JRW Maintenance, Olympia Air Center, The Olympic Flight Museum, Pearson Air, and the South Puget Sound Air Show

Company. General aviation operational activity at the airport accounts for nearly 15,600 passenger and visitors. The total combined direct economic output of airport patrons, airport tenants, as well as passengers and visitors to the airport, was \$9,194,824. These first-round expenditures at the airport account for about 152 jobs with combined wages of approximately \$2,460,113.

INDIRECT ECONOMIC IMPACTS (Secondary Impact)

These economic impacts occur as a result of the use of aviation service. They include the regional expenditures made by air passengers who visit the region (at hotels, restaurants, ski facilities, etc.); expenditures by the region's residents associated with their use of aviation; and expenditures by firms having economic activity which is dependent on the airport. These indirect economic impacts accounted for \$1,962,849 of indirect output while providing \$634,150 in indirect wages through approximately 25 jobs.

INDUCED ECONOMIC IMPACTS (Secondary Impacts)

The "indirect" and "direct" impacts represent increases in regional final demand. Such increases do not represent total economic impact; there is also a "multiplier" effect. This multiplier effect comprises the local value of money as it circulates through the local economy and as individuals or firms associated with airport business buy goods and services in the local economy. Induced impact for the Olympia Municipal Airport was \$2,037,564 while providing \$665,590 in induced employee compensation through approximately 28 jobs. Each airport's total economic impact is the sum of the three types of impacts.





TOTAL ECONOMIC IMPACTS

The total economic impact across the state were quantified by adding together the direct, indirect and induced impacts for each airport, and interpreting, comparing, and presenting the results.

The output of the IMPLAN model enabled the presentation of total economic impacts by airport in terms of three economic impact measures: 1) jobs (employment); 2) earnings (payroll), and; 3) economic activity (output). Each of these was determined based on individual multipliers per industry categories. In each case, total impacts include the aviation sector itself, as well as the "multiplier effect" of the aviation sector. The impacts were estimated using Year 1998 data.

All three indicators of economic impact are useful; however, the monetary measures should not be added together, as discussed below:

- **Jobs (Employment)** - The number of employees who are employed in the aviation industry, plus the aviation-oriented share of those that are employed in sectors that support the air passenger (hotels, restaurants, etc.) plus those employed in the industries included in the multiplier effect impacts. The number of jobs attributable to an industry is always greater than simply those in the industry itself, due to the "re-spending" of money. Total employment impact was approximately 206 jobs.
- **Labor Earnings (Payroll)** - The sum of the wages and salaries to all employed persons that the aviation industry pays, directly or indirectly, to deliver the output of final aviation demand. Earnings Impacts are always included in the Economic Activity totals, so they should not be summed with the Economic Activity impact. Earnings are a very conservative proxy for "value added." Earnings may be greater or less than the Direct and Use values depending on the industry type. Total earnings impact generated by the airport was \$3,760,855.
- **Economic Activity (Sales Output)** - The value of the aviation final demand (aviation or airport service), plus the "multiplier" effect (the sum of all of the intermediate goods and services needed to produce the aviation final demand, plus the induced impacts of increased household consumption). Total economic activity equals the sum of intermediate demands, consumption demand, government demand, investment demand, and net export demand. Economic Activity is always larger than both the Direct and Use values because it includes the multiplier effect. The total economic impact generated by the Olympia Municipal Airport is totaled at \$13,095,235.





	Direct Impacts	+ Indirect Impacts	+ Induced Impacts	= Total Impacts
Jobs (Employment) 	Number of Jobs Supported 152.3	Number of Jobs Supported 25.1	Number of Jobs Supported 28.2	Total Number of Jobs Supported 206.3
Labor Earnings (Payroll) 	Annual Salary Supported \$2,460,113	Annual Salary Supported \$634,150	Annual Salary Supported \$665,590	Total Annual Salary Supported \$3,760,855
Economic (Sales Output) 	Contribution to Economy (Dollars) \$9,194,824	Contribution to Economy (Dollars) \$1,862,849	Contribution to Economy (Dollars) \$2,037,564	Total Contribution to Economy (Dollars) \$13,095,235

SUMMARY

On an annual basis, Olympia Municipal Airport’s tenants and its visitors in Thurston County, Washington contribute the following total annual economic benefit:

**Jobs
(Employment)**



Total 206.3

**Labor Earnings
(Payroll)**



Total \$3,760,855

**Economic Activity
(Sales Output)**



Total \$13,095,235

