

ECONOMIC IMPACT OF THE WEST VIRGINIA INTERNATIONAL YEAGER AIRPORT EXPANSION

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Economic Impact of the West Virginia International Yeager Airport Expansion

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Executive Summary

West Virginia International Yeager Airport in Kanawha County serves the largest metropolitan area in West Virginia and has the greatest amount of airplane traffic in the state. The airport has begun construction on a new terminal building and plans a variety of other construction projects in order to upgrade its facilities and handle the expected increased traffic through the area. In this report, we provide an economic impact estimate of the terminal's expansion and associated growth in region on the West Virginia economy.

We examine four phases of expansion and renovation at the airport: 1) Construction of a new terminal and expected visitor growth; 2) Construction of a new Public Safety Building and associated companies; 3) Construction of a new Aerospace Economic Development Center; and 4) Runway Safety Area Improvements.

AIRPORT TERMINAL CONSTRUCTION: WVIYA's new terminal construction will be conducted over five years at a cost of approximately \$265 million. Once the terminal is complete, the terminal will require additional staff, and airport officials estimate it will generate additional tourism to the state.

- The total economic impact of the construction to be nearly \$369 million, or an **average annual impact of nearly \$74 million**.
- We estimate the construction project will employ an average of 371 workers each year of the construction period, with an additional 158 jobs in secondary industries, for a **total annual employment impact of 530 jobs**.
- Enhanced operational spending is expected to generate **\$9.5 million in annual impacts and employ 103 people**.
- Increased tourism is estimated to bring in **nearly \$27 million in annual impacts and employ a total of 391 workers**.

PUBLIC SAFETY BUILDING: Construction costs for a new public safety building are expected to be approximately \$36 million over two years. The airport also expects to construct a new car rental facility at a cost of \$8 million. Airport officials expect that the public safety building will enable a private company will build and operate a new hotel at the airport.

- The **total economic impact of construction expenditures for this phase is estimated to be \$61.5 million**.
- The hotel is expected to generate **\$10.5 million in economic activity annually and support a total of 104 workers in the state's economy**.

AEROSPACE ECONOMIC DEVELOPMENT CENTER: WVIYA is also building what the airport calls the Aerospace Economic Development Center (AEDC), which will help expanding the airport's capacity for aerospace companies. We consider both construction impacts and expanded private company use at the airport:

- The **total economic impact of construction expenditures for the AEDC is estimated to be \$128 million**.
- AEDC construction is expected to support **152 jobs in each of the six-year construction period**.
- Annual impacts from operational enhancements and private company growth include **\$5.4 million in output and annual employment growth of 51 jobs**.



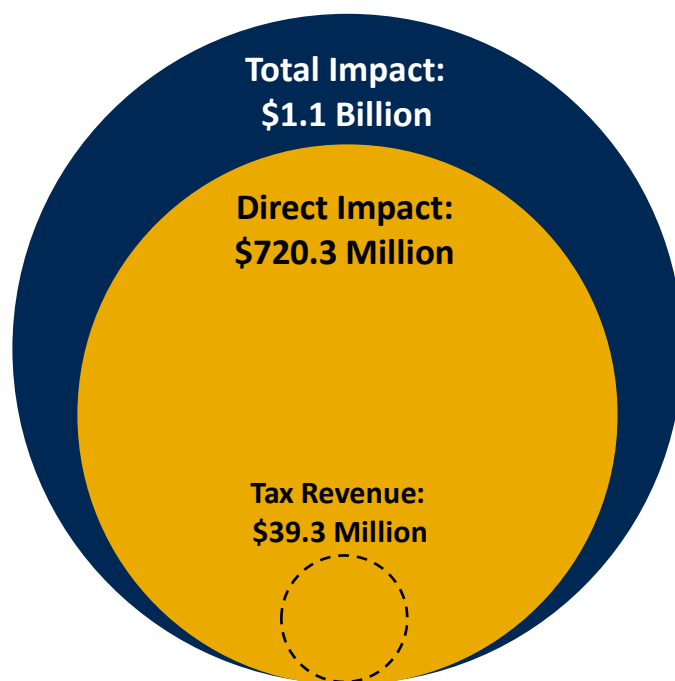
RUNWAY SAFETY IMPROVEMENTS: In total, the airport expects to spend \$305 million on this project in two phases over six years, starting in 2023. The first phase is expected to cost \$5 million and includes improvements to drainage and repairs for road slippage. The second phase includes primary safety area construction at a cost of \$300 million:

- We estimate that the Safety Area Construction project will **generate a total economic impact of \$392 million.**
- we **estimate the project will employ 246 people directly on an annual basis and another 125 workers in support industries for a total annual employment impact of 371 workers.**

10-YEAR ECONOMIC IMPACT: Adding these impacts over 10 years—including the seven-year construction period and three years of operations—we estimate the total economic impact of the WVIYA expansion to be the following (see Figure 1):

- More than **\$1.1 billion in economic output**, including \$720 million in direct spending and \$387 million in secondary impacts.
- An average annual employment impact of **818 workers each year for 10 years, for a total employment impact of nearly 8,200 job-years.**
- Total 10-year tax revenue of **more than \$39 million for state and local governments.**

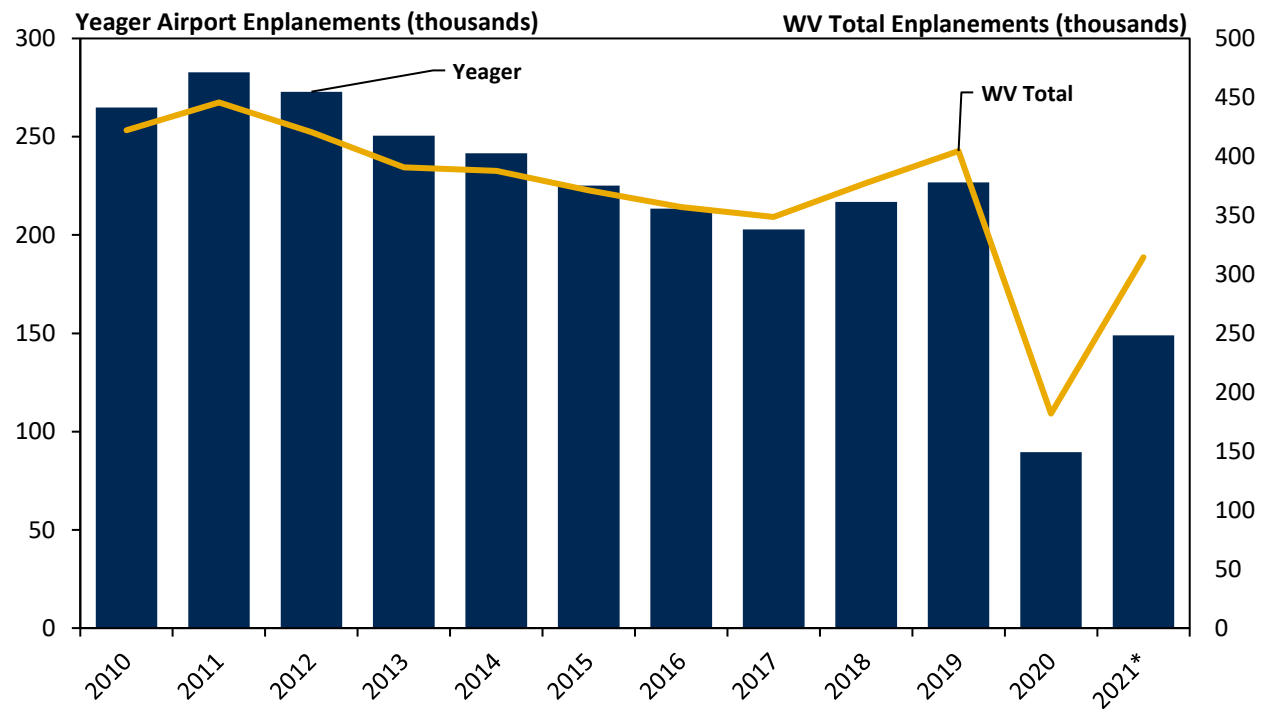
Figure 1: 10-Year Economic Impact of the WVIYA Expansion



1 Introduction

West Virginia International Yeager Airport (WVIYA) in Kanawha County serves the largest metropolitan area in West Virginia and has the greatest amount of airplane traffic in the state. As shown in Figure 2, passenger enplanements at the airport were on an upswing prior to the effects of the COVID-19 pandemic in 2020. Passenger volume is beginning to recover at the airport, with enplanements up 66 percent in 2021 over 2020 level; however, enplanements remain lower than in 2019.

Figure 2: Passenger Enplanements



*Preliminary. Source: US Federal Aviation Administration

WVIYA has begun construction on a new terminal building and plans a variety of other construction projects in order to upgrade its facilities and handle the expected increased traffic through the area. In this report, we provide an economic impact estimate of the terminal's expansion and associated growth in region on the West Virginia economy. We examine four different phases of expansion and renovation at the airport:

- 1) Construction of a new terminal and expected visitor growth
- 2) Construction of a new Public Safety Building and associated companies
- 3) Construction of a new Aerospace Economic Development Center
- 4) Runway Safety Area Improvements

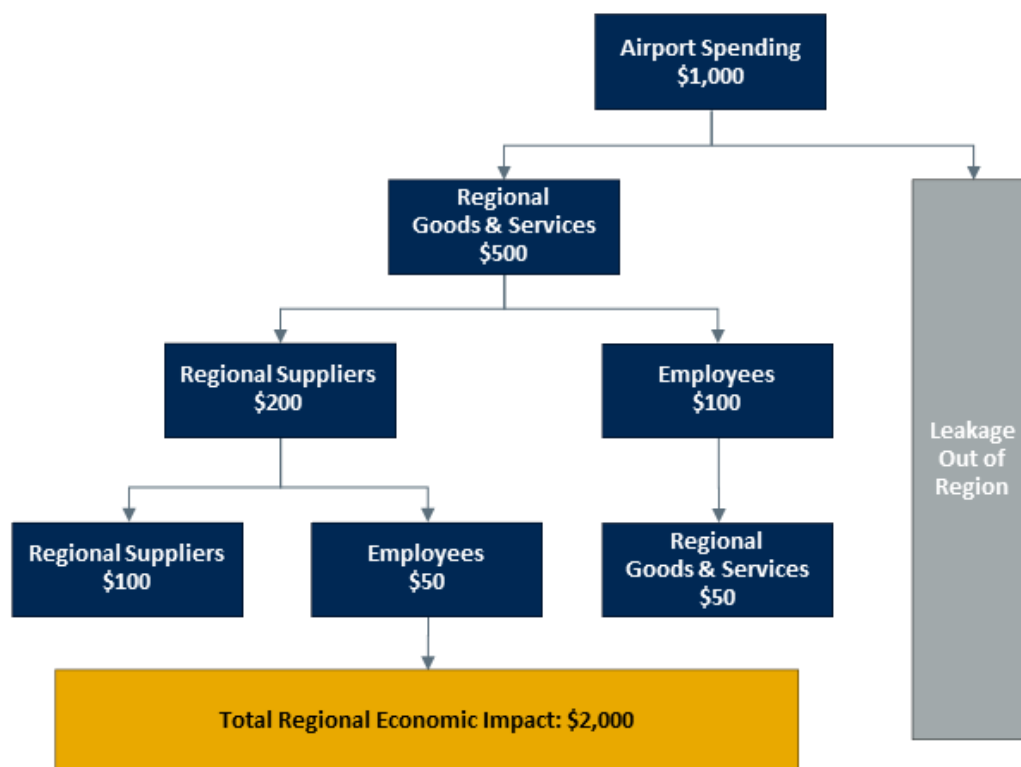
We provide economic impacts for output, employment, labor income, and tax revenue.

2 Economic Impact Methodology

To estimate the economic impacts of WVIYA, we use a detailed model of the West Virginia economy.¹ For example, each year WVIYA and businesses located there purchase a variety of goods and services, such as airplane fuel, utilities, insurance, etc. Also, the airport and associated businesses directly employ hundreds of workers, part of whose income will be spent in the West Virginia economy. These expenditures and employment are called the direct impact.

However, the total impact is not limited to the direct impact, but also includes the secondary economic impact accrued as those expenditures are re-spent throughout the rest of the economy. As depicted in Figure 3, as the demand from the airport increases, suppliers of these inputs also increase production, their subsequent suppliers will increase production, and so on. These secondary impacts together form what is known as the “multiplier effect.” The original stimulus to the economy from WVIYA expansion is re-spent multiple times through the rest of the economy. At each stage, some of the expenditures “leak” out of West Virginia as they are spent at companies outside the state. The combined direct impact and secondary impacts together constitute the total economic impact of the airport’s operations.

Figure 3: Economic Impact Flow



To conduct this analysis, we make several assumptions. First, we assume that permanent employees of the airport and associated businesses live within the state boundaries and their expenditure patterns follow that of the typical West Virginia resident. Employment impacts for this study include all full- or

¹ This study was conducted using the IMPLAN modeling software, an industry-standard input-output model of the economy. More information about IMPLAN can be found at <http://www.implan.com>.

part-time temporary or permanent workers involved in the economic activity. Data for this study was provided by WVIYA and was not independently audited by the Bureau of Business and Economic Research.



3 Airport Terminal Impact

The first economic impact we consider is the effect of the construction of a new airport terminal at WVIYA. WVIYA's new terminal construction will be conducted over five years, running from 2022 through 2026. All told, the airport expects to spend approximately \$265 million on the project. In addition to the construction impact, new staff will be required to operate the new terminal, which represents an additional annual impact. Lastly the terminal is expected to draw additional visitors from outside the state, which will generate increased tourism spending.

3.1 Airport Terminal Construction

Because the terminal project will cover multiple years, the spending will be affected by inflation over this period, which has the effect of reducing the net present value of the total spending. As shown in Table 1, we have adjusted the spending for inflation to represent the net present value of construction dollars in 2022. After making this adjustment, the total economic impact in inflation-adjusted terms is approximately \$239 million.

Table 1: WVIYA Terminal Construction Costs

Fiscal Year	Budgeted Cost (\$, millions)	Inflation-Adjusted Cost (\$, millions)
2022	12.9	12.9
2023	38.9	37.5
2024	38.0	35.4
2025	71.7	64.3
2026	103.0	89.1
Total	264.5	239.2

The construction spending for the new terminal is expected to generate an additional \$130 million in indirect and induced economic activity in the state over the five-year construction timeline. Combined with the direct spending from the airport, we estimate the total economic impact of the construction to be nearly \$369 million, or an average annual impact of nearly \$74 million (see Table 2) over five years.

We estimate the construction project will employ an average of 371 workers each year of the construction period, which constitutes more than 1,850 job-years of employment during this period.² The project is also expected to generate an additional 158 annual jobs (792 job-years) in secondary supplier industries, for a total jobs impact of 530 jobs on average each year during this five-year period (2,648 job-years). These figures include all full- and part-time workers, both temporary and/or permanent, as well as self-employed contractors. Because construction generally has multiple teams of people cycling through each phase of construction, it is not expected that all of these workers will be on-

² One job-year is equal to a single worker employed over one year.

site at any given time. These workers are expected to earn a total of \$146 million in compensation over the construction timeline, with approximately \$103 million coming from direct spending, and an additional \$42 million in secondary industries.

Lastly, the terminal construction is expected to generate \$9.3 million in tax revenue for state and local governments. We estimate that an additional \$4.3 million will be generated in secondary supplier industries, for a total tax impact of \$13.6 million.

Table 2: Economic Impact of WVIYA Terminal Construction

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	239.2	129.5	368.7
Employment (job-years)	1,857	792	2,648
Labor Income (\$, millions)	103.4	42.2	145.6
Total Taxes (\$, millions)	9.3	4.3	13.6

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

3.2 Enhanced Airport Operational Spending

Once the new terminal is constructed, the airport will require additional staff to operate the terminal and other associated businesses. Airport officials anticipate that an additional 79 staff members in various roles will be required once the new terminal is in full operation, as shown in Table 3. Given average annual compensation figures from the IMPLAN model,³ as well as salary information provided by WVIYA, we estimate these workers will earn a total compensation of approximately \$3.6 million annually.⁴

³ IMPLAN derives its compensation amounts from the US Bureau of Labor Statistics.

⁴ Compensation includes wages and benefits.

Table 3: WVIYA Terminal Enhanced Operational Costs

Type	Workers	Total Compensation (\$, thousands)
TSA	20	1,341
Air Traffic Control	4	268
WVIYA	12	677
Airlines	25	736
Concessions	12	383
Rental Car Agencies	6	177
Total	79	3,582

As shown in Table 4, this level of employment and compensation spending is expected to generate an additional 24 jobs annually in secondary supplier industries, for a total employment impact of 103 workers each year. These workers are expected to earn nearly \$5 million in compensation, of which \$1.3 million will come in secondary industries.

Based on average employment to output ratios, we estimate this level of employment and compensation will require total economic expenditures of approximately \$6.1 million. This level of direct expenditure is estimated to generate an additional \$3.4 million in secondary impacts, for a total annual economic impact of \$9.5 million. We estimate this spending will generate about \$346 thousand in state and local taxes annually, with about \$220 thousand coming from direct impacts, and another \$125 thousand from secondary sources.

Table 4: Economic Impact of Enhanced WVIYA Terminal Operations

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	6.1	3.4	9.5
Employment (jobs)	79	24	103
Labor Income (\$, millions)	3.6	1.3	4.8
Total Taxes (\$, thousands)	220.4	125.2	345.6

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes. Corporation and property taxes for WVIYA itself are excluded because it is a government agency.

3.3 Economic Impact from Increased Tourism

Finally, airport officials say the construction of a new terminal is expected to draw additional tourism to the Charleston area. Airport officials estimate that the terminal will generate 53 thousand new passenger trips from outside the region. Based on data collected for the West Virginia Aviation Economic Impact Study (WVAEIS),⁵ this number would represent a 60 percent increase in visitors that travel through the WVIYA over the 2019 level.

The WVAEIS surveyed visitors on how much they spent in the local economy while staying in the region. After adjusting for inflation to 2022 dollars, the average expenditure for WVIYA visitors is \$430 per trip. Multiplying this figure by 53 thousand indicates that these visitors will generate additional tourism spending of nearly \$23 million per year. The WVAEIS broke down this spending into five categories each with its own type of impact, as shown in Table 5.

Table 5: Enhanced WVIYA Visitor Spending

Type	Total Spending (\$, millions)
Lodging	8.4
Food & Beverage	5.9
Transportation	3.9
Retail	3.0
Entertainment	1.6
Total	22.8

We estimate that this level of increased tourism spending will generate a total economic impact of nearly \$27 million in the state of West Virginia (see Table 6). Of this approximately \$17 million will come directly from the spending,⁶ and another \$10 million in secondary impacts. We estimate that this spending will support a total of 325 jobs directly, with another 66 jobs in secondary supplier industries, for a total employment impact of 391 jobs annually. These workers are expected to earn about \$9.6 million in total compensation, of which \$6.4 million will be paid directly. Total tax revenue is estimated to be close to \$1 million, of which \$330 thousand is expected to come from secondary impacts.

⁵ "West Virginia Aviation Economic Impact Study." 2020. Accessed June 2, 2022.
<https://www.wvaeis.com/home/documents/>

⁶ The direct impact is lower than total spending due to retail markup on inventories, which are accounted for elsewhere in the economic model.

Table 6: Economic Impact of Increased Tourism Spending

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	16.8	10.0	26.8
Employment (jobs)	325	66	391
Labor Income (\$, millions)	6.4	3.3	9.6
Total Taxes (\$, thousands)	620.2	330.4	950.6

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.



4 Airport Public Safety Building

The second phase of impacts we consider is the construction of a new public safety building and associated equipment storage at WVIYA. Construction costs for the public safety building are expected to be approximately \$36 million over two years from fiscal years 2024 to 2025. Once the public safety building is completed, the airport expects to be able to construct a new car rental facility at a cost of \$8 million,⁷ for a total construction budget of \$44 million. Also, airport officials expect that the public safety building will enable a private company will build and operate a new hotel at the airport. In this section we examine the economic impact of these additions to the airport.

4.1 Public Safety Building and Car Rental Facility Construction

As stated above, the total construction budget for WVIYA's public safety building and car rental facility is expected to be \$44 million. However, because the construction is planned for future years over a three-year timeline, we adjust these numbers for expected inflation over this period to determine a net present value of the construction dollars. Total direct impacts for this construction are thus approximately \$40 million (see Table 7).

Table 7: Public Safety Building and Car Rental Facility Construction Costs

Fiscal Year	Budgeted Cost (\$, millions)	Inflation-Adjusted Cost (\$, millions)
2024	18.1	16.8
2025	18.1	16.2
2026	8.0	6.9
Total	44.1	39.9

Using these inflation-adjusted numbers, we estimate that the economic impact of the public safety building construction to be nearly \$62 million over three years, of which \$21.6 million is expected to be generated in secondary supplier industries. This works out to an average annual economic impact of about \$20.5 million during this period. We expect these expenditures to generate total tax revenue of \$519 thousand annually from the construction company and its workers, and another \$239 thousand annually from secondary suppliers, for a total tax impact of \$2.3 million.

We estimate that direct construction employment will be approximately 103 workers annually with another 44 workers in secondary industries. This represents a total employment impact of 442 job-years over the course of the construction timeline. We estimate these workers will earn approximately \$8 million in compensation per year, of which nearly \$6 million will be paid to direct employees, and another \$2 million in secondary industries. In total, workers are expected to earn more than \$24 million over three years.

⁷ We assume this building will be constructed in 2026.

Table 8: Economic Impact of Public Safety Building Construction

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Total Output (\$, millions)	39.9	21.6	61.5
Employment (job-years)	310	132	442
Total Labor Income (\$, millions)	17.3	7.0	24.3
Total Taxes (\$, millions)	1.6	0.7	2.3

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

4.2 Hotel Operations

Airport officials anticipate that the construction of the public safety building will allow construction of a new hotel at the airport. While we do not consider the construction impacts of the hotel, we do examine the economic impact of the hotel's annual operations.

Airport officials estimate that the hotel will have 80 workers once in operation. Using average expenditure to worker ratios in the IMPLAN model, we estimate that this level of employment would require a total expenditure of approximately \$7 million in the state's economy each year. As shown in Table 9, this level of spending would generate an additional \$3.5 million in secondary impacts, for a total economic impact of \$10.5 million.

In addition to the 80 direct workers, the hotel is expected to generate 24 additional jobs in supplier industries, for a total annual jobs impact of 104 workers. We estimate these workers will earn approximately \$3.9 million in total, with \$2.8 million coming directly from the hotel, and another \$1.2 million in secondary industries. Tax revenue paid by the hotel and its workers is estimated to be \$281 thousand annually, with another \$119 thousand coming from supplier industries, for a total tax impact of nearly \$400 thousand per year.

Table 9: Economic Impact of Hotel Operations

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Total Output (\$, millions)	7.0	3.5	10.5
Employment (jobs)	80	24	104
Total Labor Income (\$, millions)	2.8	1.2	3.9
Total Taxes (\$, thousands)	281.0	118.9	399.9

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

5 General Aviation Expansion and Aerospace Economic Development Center

Concurrent with the construction of the new terminal, WVIYA is also building what the airport calls the Aerospace Economic Development Center (AEDC), which will help expanding the airport's capacity for aerospace companies. The plan calls for building and rehabilitating hangars and the airport's apron area, as well as building a new de-icing pad. All told, the construction is expected to cost nearly \$91 million over six years.

Along with the construction impact, airport officials expect that the new Aerospace Center will allow for expanded aerospace industry expansion at the airport, which will have an annual economic impact once the Center is complete. In this section, we consider the economic impact of both aspects of the Aerospace Center.

5.1 AEDC Construction

As with the terminal construction, the expenditures for the AEDC will be spread over several years. Because of this we have adjusted the \$91 million cost for expected inflation over the construction timeline. As shown in Table 10, the inflation adjustment has the effect of reducing the net present value of the construction to \$82.8 million.

Table 10: WVIYA AEDC Construction Costs

Fiscal Year	Budgeted Cost (\$, millions)	Inflation-Adjusted Cost (\$, millions)
2022	3.5	3.5
2023	20.0	19.3
2024	20.0	18.6
2025	20.0	17.9
2026	20.0	17.3
2027	7.4	6.2
Total	90.9	82.8

As shown in Table 11, we estimate that this level of construction spending would generate an annual economic impact of about \$21 million in economic activity, or a total impact of nearly \$128 million over the six-year construction period. This total includes about \$7 million per year in secondary economic impacts, totaling nearly \$45 million over six years.

We estimate that the construction project would directly employ 107 people each year on average, with an additional 46 employed in supplier industries. This represents a total employment impact of 917 job-years over six years. Direct workers are expected to earn about \$6 million in compensation per year, plus another \$2.4 million for workers in secondary industries. Compensation impact for the six-year

construction period would total more than \$50 million. Taxes paid by companies and workers is expected to total \$787 thousand per year on average, or \$4.7 million over the six-year construction period.

Table 11: Economic Impact of AEDC Construction

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	82.8	44.8	127.7
Employment (job-years)	643	274	917
Labor Income (\$, millions)	35.8	14.6	50.4
Total Taxes (\$, millions)	3.2	1.5	4.7

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

5.2 AEDC Annual Impacts

Airport officials estimate that the construction of the AEDC will lead to increased hiring at the airport and at associated companies. As shown in Table 12, the airport expects to hire an additional 12 workers with approximately \$500 thousand in annual compensation to staff the new Aerospace Center. In addition, airport officials expect private firms will add 25 new workers with approximately \$1.5 million in annual compensation to their payrolls once the AEDC is in operation.

Table 12: AEDC Direct Employment and Compensation Impacts

Type	Workers	Total Compensation (\$, millions)
WVIYA	12	0.5
Private Companies	25	1.5
Total	37	2.0

This level of employment and compensation spending is expected to generate an additional 14 jobs in secondary supplier industries, for a total employment impact of 51 workers annually (see Table 11). These workers are expected to earn nearly \$5 million in compensation, of which \$1.9 million will come in secondary industries.

Based on average employment to output ratios, we estimate this level of employment and compensation will require total economic expenditures of approximately \$5.4 million, of which \$3.5 million will come directly from the airport and local firms, with an additional \$1.9 million in secondary impacts. We estimate this spending will generate about \$243 thousand in state and local taxes annually—\$172 thousand from direct impacts and \$71 thousand from secondary sources.

Table 13: Annual Economic Impact of AEDC Operations

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	3.5	1.9	5.4
Employment (jobs)	37	14	51
Labor Income (\$, millions)	2.0	0.7	2.8
Total Taxes (\$, millions)	171.7	71.1	242.9

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.



6 Runway Safety Improvements

Lastly, we consider the economic impact of construction spending for improvements to the WVIYA runway safety area. In total, the airport expects to spend \$305 million on this project in two phases over six years, starting in 2023. The first phase is expected to cost \$5 million and includes improvements to drainage and repairs for road slippage. The second phase includes primary safety area construction at a cost of \$300 million.

As with all of the construction projects in this report, we adjust the spending to the net present value of the construction spending in 2022 in order to account for expected inflation over the project timeline. As shown in Table 14, the total net present value of the construction project is \$258 million.

Table 14: WVIYA Runway Safety Area Construction Costs

Fiscal Year	Budgeted Cost (\$, millions)	Inflation-Adjusted Cost (\$, millions)
2023	2.5	2.4
2024	2.5	2.3
2025	30.0	26.9
2026	100.0	86.5
2027	100.0	83.5
2028	70.0	56.4
Total	300.0	258.0

We estimate that the Safety Area Construction project will generate \$134 million of secondary economic impacts in addition to the \$258 million of direct spending, for a total economic impact of \$392 million (Table 15). This represents an average annual impact of \$65 million per year for the six-year construction period.

On average, we estimate the project will employ 246 people directly on an annual basis and another 125 workers in support industries for a total annual employment impact of 371 workers. Over the six-year construction period, this represents a total of more than 2,200 job-years of employment impact. These workers are expected to earn an average of \$21 million in compensation annually, with \$14 million coming from direct impacts and nearly \$7 million in secondary industries. This represents a total labor income impact of almost \$127 million over six years.

Companies and workers involved in the construction are expected to pay approximately \$1.4 million per year on average over the construction period, for a total direct tax impact of \$8.5 million. Including secondary impacts the total tax impact is estimated to be \$2.1 million per year, or \$12.8 million in total.

Table 15: Economic Impact of Safety Area Construction

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	258.0	134.1	392.1
Employment (job-years)	1,475	753	2,228
Labor Income (\$, millions)	85.3	41.6	126.9
Total Taxes (\$, millions)	8.5	4.3	12.8

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.



7 Conclusion

WVIYA has embarked on several large construction projects slated for the next seven years. All told, the airport plans to spend more than \$700 million on a new terminal, hangars, and safety improvements at the airport complex. Airport officials expect each of these projects will come with additional expansion of staff at the airport and associated businesses, as well as new visitors to West Virginia.

As shown in Table 16, we estimate the total economic impact of the construction projects between 2022 and 2028 to be just under \$950 million in economic activity. This represents an economic multiplier of \$1.5 dollars of economic impact for every dollar spent on construction (see **Error! Reference source not found.**).

These construction projects are expected to employ an average of 890 workers per year, for a total employment impact of more than 6,200 job-years.⁸ These workers are expected to earn almost \$50 million per year during the seven-year construction period, with about \$15 million coming in secondary supplier industries. This represents a total labor income impact of more than \$347 million.

Over seven years, construction companies and their workers are expected to pay \$22.6 million in taxes to state and local governments. Suppliers will contribute another \$10.8 million for a total tax impact of more than \$33 million.

Table 16: Total Economic Impact of WVIYA Construction Projects

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	620.0	330.0	950.0
Employment (job-years)	4,284	1,950	6,234
Labor Income (\$, millions)	241.8	105.5	347.2
Total Taxes (\$, millions)	22.6	10.8	33.5

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

Once all construction phases are complete, airport officials anticipate the new renovations will result in additional economic activity in the state due to increased tourism, new staff at the airport, and business growth in the region. If all of the predicted growth comes to fruition, we estimate the total annual economic activity generated as a result of the construction to be more than \$52 million per year. This includes \$33 million in spending by the airport itself and associated businesses, along with nearly \$19 million in secondary supplier impacts.

The increased spending due to the airport expansion is estimated to support nearly 650 jobs in the state's economy on an annual basis. This includes 521 direct jobs at the airport and associated

⁸ One job-year is one employee working for one year. Includes all full- and part-time workers, both temporary and/or permanent, as well as self-employed contractors.

businesses, and another 128 from secondary suppliers. These workers are expected to earn about \$21 million annually. Total annual tax impacts come to \$1.9 million.

Table 17: Total Annual Economic Impact of WVIYA Enhanced Operations

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	33.4	18.9	52.3
Employment (jobs)	521	128	649
Labor Income (\$, millions)	14.8	6.4	21.2
Total Taxes (\$, millions)	1.3	0.6	1.9

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

7.1 Total 10-Year Economic Impact

Adding these impacts over 10 years—including the seven-year construction period and three years of operations—we estimate the total economic impact of the WVIYA expansion to be more than \$1.1 billion. This includes \$720 million in direct spending and \$387 million in secondary impacts (Table 18), representing an economic multiplier of about \$1.50 of total impact for every dollar of direct spending.

We estimate the expansion will employ an average of 818 workers each year for 10 years, for a total impact of nearly 8,200 job-years. Workers are expected to earn a total of \$411 million over this 10-year period. We estimate the construction and annual impacts will generate more than \$39 million in state and local tax revenue over 10 years.

Table 18: 10-Year Economic Impact of WVIYA Construction and Operations

Impact Type	Direct Impact	Indirect & Induced Impact	Total Economic Impact
Output (\$, millions)	720.3	386.6	1,106.9
Employment (job-years)	5,846	2,335	8,181
Labor Income (\$, millions)	286.0	124.8	410.8
Total Taxes (\$, millions)	26.5	12.8	39.3

Notes: Output, Employee Compensation, and Tax Revenue are measured in 2022 dollars. Tax Revenue impact includes sales, personal income, property, and corporation net income taxes.

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