



NEWPORT STATE AIRPORT

I. Airport Background and Location

Newport State Airport is located near Newport, Vermont in the northern portion of the State. Newport State Airport is one of the northernmost airports in the State. Therefore, it is ideally located to tap the market of cross-border traffic with Canada. The airport also adjoins parkland and sits less than a mile from the shore of Lake Memphremagog.

Access to the airport from Newport is via Airport Road, which is easily accessible from Route 5 from the middle of Newport. The market area for the Newport State Airport is bounded by Jay Peak to the west, Island Pond to the east, Barton to the south, and the Canadian Border to the north. The inclusion of Jay Peak in the airport's market area is important because it represents a potential for increased usage of the airport. Jay Peak attracts many skiers from Quebec and Ontario. Air charter service from Canada to Newport State Airport is an idea being studied by both Jay Peak and members of the community. Access to the Newport area is dominated by Interstate 91; the highway extends the entire length of Vermont along the State's eastern boundary with New Hampshire and connects Vermont with Canada to the north and Massachusetts to the south. Route 5 is another major north-south roadway for the area. East-west access to the area is via Routes 105 and 111. Route 105 connects Newport to Island Pond to the east and the Jay Peak ski area to the west. Route 111 connects Newport to Morgan and Island Pond, both east of the town.

2. Facilities and Activity

The facility has two paved intersecting runways. Runways 18/36 and 5/23 are both 4000 feet long, with the latter closed during winter. There are eighteen aircraft based at Newport, with 5500 local and 1460 itinerant operations counted in 2001. Landside facilities at the airport include a terminal building, auto parking, several hangars and a restaurant.

The airport came recently under new management. Beaudry Aviation is the manager/FBO and provides both AV and jet fuel, maintenance, hangar space, and other miscellaneous services. Activity has been steadily growing at Newport State Airport. Transient traffic is served by taxi and rental car service.

3. Airport Related Economic Uses

Businesses that use the airport include Columbia Forest Products, North America's largest manufacturer of hardwood, plywood, veneer, and laminated products. The president of another national company frequently uses the airport to spend time at a home he owns in the Newport area, as well as to visit the company's facilities in Vermont. The president's decision to have a second home and to locate part of its expanded operations in the area was a direct result of the access to quick and easy travel offered by the airport. The company's headquarters are in Delaware. Therefore, operation of facilities in the Newport area would be impractical if the access to corporate air travel offered by the Newport State Airport was not available.

Jay Peak Ski Resort attracts some customers with private aircraft; Newport State Airport allows these customers to fly in and out of the area. Second-home owners, mostly from New Jersey and Massachusetts, use the airport to reach homes in the Jay Peak area. The market that these tourists and second-home owners create is important to the service sector of the local economy. Discussions with a representative of the Jay Peak Resort also indicate a market exists for air charter service to bring skiers from Canada to the area. About one half of the market area for the Jay Peak Resort lies in Canada, including Ontario and Quebec.

4. Other Airport Benefits

Newport State Airport adds in several ways to the area's quality of life. Newport supports the aircraft activity of local law enforcement, emergency medical services, and search and rescue teams. Aerial environmental inspections by the State of Vermont also make use of the airport. A fly-in campground is set to open in the near future, which will attract visitors from elsewhere and take advantage of the airport's location near parkland and the lake.

Airport Report:		Newport	
Code:		EFK	
City/Town:		Newport	
County:		Orleans	
Aircraft Operations (take-offs and landings)		Airport Passengers	
Commercial	0	Commercial	0
Itinerant General Aviation	1,460	General Aviation	2,774
Military	180		
Total:	1,640	Total:	2,774
Economic Impact Category			Total Output: Business Sales and Public Sector Expenditure
Employment		Payroll (Wages)	
On-Airport Primary Impact (1*)			
Airport Management and Airlines	1	\$9,519	\$17,500
On-Airport Passenger Service	0	\$0	\$0
On-Airport Freight Service	0	\$0	\$0
Other Aviation Services	1	\$16,209	\$100,000
<i>Subtotal:</i>	2	<i>\$25,728</i>	<i>\$117,500</i>
Off Airport Primary Impact			
Off-Airport Visitor Spending (2*)	4	\$43,175	\$113,246
Off-Airport Aviation-Dependent Business Activity (3*)	0	\$0	\$0
<i>Subtotal:</i>	4	<i>\$43,175</i>	<i>\$113,246</i>
Spin-Off Effects (4*) of Airports:			
<i>On Local Economy</i>	1	<i>\$16,418</i>	<i>\$126,796</i>
<i>On Statewide Economy</i>	3	<i>\$35,642</i>	<i>\$126,516</i>
Vermont Airports Total Economic Impact			
On Own Local Economies Only	7	\$85,321	\$357,542
On Statewide Economy	9	\$104,545	\$357,262

* Numbers refer to steps detailed in Section 5: Methodology and Findings

In the table above, the estimated number of itinerant general aviation aircraft operations is presented because these operations estimates drove calculations of out-of-state visitors and visitor spending in Vermont. Local general aviation operations (taking off and landing at the same airport, such as touch-and-go activity), in contrast, were not used to calculate visitors to the State and so are not shown in the table.

Economic Impacts

Public-use airports in Vermont, along with tenant businesses on airport property, contribute measurable benefits to their local areas and to the State economy through business activity that occurs on airport property. This activity is termed the **on-airport primary impact**, and was determined in this Study through visits and interviews with airport managers and tenant business owners.

Airports also provide direct benefits for businesses located off airport property. The **off-airport primary impact** has two components: expenditures by visitors to the State arriving by way of its airports, and off-airport businesses that depend partially or wholly on use of aviation services for transport.

Spending by out-of-state visitors to Vermont adds sales and jobs among off-airport businesses such as hotels, restaurants and retail establishments. Visitor expenditure impact was determined through a calculation of airport visitors and average expenditures as determined in surveys during airport visits.

The airport-dependent business impact was assessed through a mail survey to local businesses. The response rate to this survey varied widely around the State. Among those businesses that responded, the economic importance of airports to their activity is captured by the Study. However, because many businesses did not respond, it should be noted that the numbers are still a conservative estimate of the public-use airports' economic impact; further, directly comparing airport total impacts may yield counter-intuitive results due to the differing response rates of local businesses across the State. For a more relevant comparison of airport economic impacts by individual airport, which separates out this effect, please see Exhibit 12A.

Each dollar that an airport adds directly into an economy (the primary impact, described in the paragraphs above) continues to circulate through that economy. The re-spending of these dollars in consecutive rounds magnifies the total impact of the single dollar. This additional economic activity is termed the **spin-off impact**. The Study employed IMPLAN to build a model of each local economy, as well as the statewide economy, in order to calculate spin-off impacts.

The total economic impact of each airport is the sum of the primary on-airport impact, the primary off-airport impact and the spin-off impact.

The airport report above presents both the local economic impact in the airport's own community, and its statewide economic impact. The difference lies in the spin-off impact, which is different for a local economy than for the State as a whole.

The local spin-off impact is somewhat smaller than the statewide spin-off impact, because the State economy is larger than local economies and captures a greater percentage of each round of respending. Both impact measures are relevant in different contexts, for example, a State policy maker may find the statewide impact of the airport most relevant for his or her purposes, while a local development official may be most concerned with the total local impact.