

# Report: Airport brings \$644 million to city



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Des Moines airport leaders have a new \$650 million talking point in their pitch to build a new terminal in the coming decade.

A study released Tuesday shows the Des Moines International Airport provides an annual economic impact of \$644 million to the region. It also supports 7,156 jobs with an annual payroll of more than \$271 million.

You can expect to hear those numbers more as airport leaders look for funding and support for their plan to replace the aging terminal with a new half-billion-dollar facility.

The report, produced by the consulting firm CDM Smith, is the first study of the airport's economic impact since an Iowa Department of Transportation study in 2007.

"We just felt it was time to update those numbers so we could demonstrate the economic impact of the airport," said airport executive director Kevin Foley. "We are an economic tool."

The airport's economic impact includes things like the salaries of airport employees, spending by people who fly to Des Moines, Air National Guard jobs and construction projects at the airport.

The report showed growth in several areas over the past seven years:

- The airport's overall annual economic impact increased 23 percent from \$522 million in 2007 to \$644 million in 2014.
- Employment at the airport increased 34 percent from 1,347 to 1,814. Those include people who work for the airport, commercial airlines, the military, cargo companies and general aviation operations.
- The number of passengers flying out of Des Moines is up 20 percent from 2007 and 37 percent since 2000.
- Passengers visiting Des Moines spent an average of \$355 in the region, for a total of \$166 million. That's up from about \$80 million in 2007.

While hub airports in major cities have seen solid growth in the years following the recession, Des Moines has stood out among its peer airports in smaller cities, said Marc Cocanougher, an aviation planner with CDM Smith.

"You've had very strong growth in the last seven years," he said. "Compared to comparable airports, you guys are doing much better."

The airport paid \$49,970 for the report. It was released less than a year after airport leaders unveiled plans for a new 14-gate terminal on the south side of the airfield. It will cost an estimated \$400 million, not taking inflation into account.

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If all goes to plan, construction would begin in 2022. But airport leaders are still trying figure out where they will find more than \$200 million for the project.

David Fisher, a local corporate executive hired as a consultant for the airport, has been meeting with local business and civic leaders in an effort to warm them to the project before the airport begins asking for money.

One thing that could help is a proposal in the Obama Administration's budget that would increase the amount airports can charge airlines per passenger. It would raise the per passenger fee from \$4.50 to \$8.

Foley said if the change doesn't happen this year, when the Federal Aviation Administration's funding is up for re-authorization, he doesn't expect it to happen for several years.

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