

# Economic and Community Contributions of Merrill Field Airport

**Merrill Field Airport** (MRI) provides a unique combination of commercial and private aviation services and opportunities to the Anchorage area and is the only one of Anchorage’s three main airports that is owned and operated by the Municipality of Anchorage. MRI serves as a unique economic engine within Anchorage, but its economic impact extends well beyond the Municipality.

In spring 2015, in support of MRI’s Airport Master Plan, Northern Economics conducted an extensive survey and interview effort targeting on-site leaseholders at MRI, as well as off-site businesses and organizations with significant economic ties to the airport.

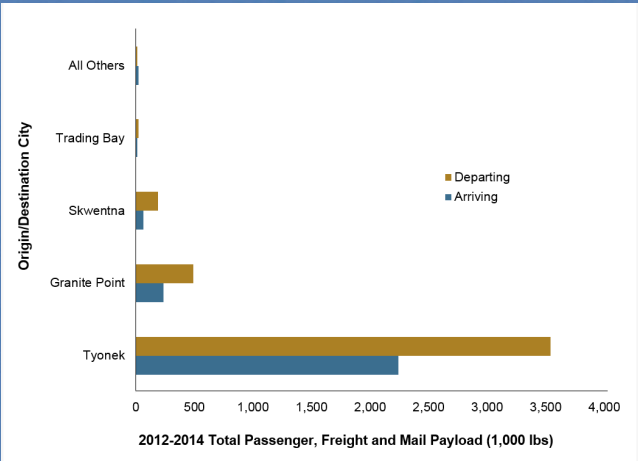
This brochure documents the results of this effort, and the importance of MRI to the economics of Anchorage and the State of Alaska.

**Jobs from MRI:** On-site economic activity at MRI has far-reaching consequences. The direct spending by on-site businesses and their employees, as well as the money spent operating and maintaining the airport, creates additional employment and income throughout the local and state economies. The analysis estimates that, when combined, MRI leaseholders and airport operations generated 428 direct jobs, about \$27 million in wages and benefits, and total non-wage and benefit expenditures of nearly \$64 million in 2014. The study also estimates that MRI is responsible for roughly 600 direct, indirect, and induced in-state jobs, including 580 jobs inside the Municipality of Anchorage.

**MRI’s Estimated Direct, Indirect, and Induced In-State Economic Effects, 2014**

Category	Number of Jobs		Labor Income		Output	
			(\$Millions)			
	In-MOA	Other Alaska	In-MOA	Other Alaska	In-MOA	Other Alaska
Airport Operations	150	0	5.2	0	16.0	0
Leaseholders	430	20	20.9	0.9	42.3	5.6
Subtotals	580	20	26.1	0.9	58.3	5.6
<b>Total In-State Effect</b>	<b>600</b>		<b>27.0</b>		<b>63.9</b>	

**Origins and Destinations of Merrill Field Freight Shipments**



Nearly 85 percent of all commercial payload emplaning or deplaning at Merrill Field from 2012–2014 involved the community of Tyonek, per Bureau of Transportation Statistics data. Recently, a commercial operator has begun regular flights transporting personnel and cargo between Anchorage and Prudhoe Bay.



All photos courtesy of HDR, Inc.



**MRI's Unique Role:** Among the services offered by MRI's approximately 45 businesses are air taxi, flight instruction, fuel sales, hangar space leasing, helicopter tours, aircraft maintenance, and aircraft parts sales. These and other businesses, as well as state and federal agencies affiliated with operation of the airport, are responsible for substantial local employment and spending.

MRI commercial operations comprise a wide range of on-airport and off-airport economics sectors, from government and transportation (on-airport) to hospitality and leisure, health care, and public education (off-airport).

MRI's proximity to downtown Anchorage makes it easily accessible to Alaska's most populous community, which includes a sizeable number of private aircraft operators.

The nearby presence of shopping, hospitals, and other services distinguishes it from Anchorage's other airports. In particular, the contiguity shared by MRI and Alaska Regional Hospital allows patients to be transported directly from an aircraft to the hospital, thereby saving expensive and time-consuming ambulance trips.



**Planning for the Future:** The Merrill Field Airport Master Plan will help guide development decisions for the airport for the next 20 years. This includes identification of projects for which MRI may seek capital funding through the Airport Improvement Program (AIP), which, according to the FAA, "provides grants to public agencies... for the planning and development of public use airports that are included in the National Plan of Integrated Systems (NPAIS)." The NPAIS, which designates MRI as a "Commercial Service - Primary" airport, categorizes airports according to type of ownership, hub status, type of service provided by the airport to the community, and other factors.

MRI is eligible for AIP funding by virtue of its NPAIS designation, as well as its public ownership and because it is open to the public. AIP funding covers between 90 and 95 percent of eligible costs for small primary, reliever, and general aviation airports such as MRI. Projects that qualify for AIP funding include those that enhance airport safety, capacity, and security, as well as those that address environmental concerns. Sponsors or grant recipients can apply AIP funds toward most airfield capital improvements or repairs, including associated professional services.

