

# Airport Profile

## Northeast Florida Regional

Northeast Florida Regional Airport (SGJ), formerly St. Augustine Airport, is located four miles north of St. Augustine in St. Johns County, Florida. The airport uniquely uses two separate three-letter identifiers for the FAA (SGJ) and IATA (UST).

Being a relatively young airport to Florida's air transportation system, SGJ has seen a boost in service in the past year. St. Augustine is well known as a national landmark where Europeans first set foot on American soil. The historic city has numerous tourist attractions and amenities as well as a college, that make it a highly sought after destination in Florida. Additionally, the close proximity of the airport to both Jacksonville and Daytona make it a great gateway to Florida's first coast.

This report is the first inclusion of SGJ in the Florida Air Service Study since 2008. Being so, data to compare previous years' performance does not exist. However, SGJ reported having 20,111 enplanements in 2015 bound for the two domestic destinations.

2015

BY THE NUMBERS

20,111

Enplanements

22,029

Passengers

\$92.93

Average Fare

2

U.S. Cities Served



## Data Explanation

For this report, three key data sources were used: *Passenger Origin-Destination Survey* from the U.S. Department of Transportation, the Official Airline Guide (OAG) and Airline Reporting Corporation (ARC). In this profile, data are combined and compared in order to identify general trends about the airport, as well as offer certain analysis on the findings. A description of these data sources is presented below. Throughout the text, the data sources will be further explained, but this section provides a general overview of the data used in the development of this Airport Air Service Profile.

### Air Passenger Origin and Destination (O&D) Survey

**DB1B Coupon:** The Airline Origin and Destination Survey (DB1B) is a 10 percent sample of airline tickets from reporting carriers collected by the Office of Airline Information of the Bureau of Transportation Statistics. Data from this source provides coupon-specific information for each domestic itinerary of the Origin and Destination Survey.

**T-100 Domestic Market:** This data source contains domestic market data reported by both U.S. and foreign air carriers, including carrier, origin, destination, and service class for enplaned passengers, freight and mail when both origin and destination airports are located within the boundaries of the United States and its territories.

### Official Airline Guide (OAG)

OAG data were summarized as weekly averages for the reported year. All OAG data are for direct flights and represents statistically significant samples of data.

### Airline Reporting Corporation (ARC)

The data provided by this source represent a statistically significant and representative sample of airline tickets purchased with a consumer form of payment through an ARC-accredited agency, including major online travel agencies (OTAs), such as Expedia, Orbitz, and Travelocity.

The data represent a 10 percent sample, an industry standard sample size, of passengers from participating agencies. Passenger volumes represented by the data can vary significantly by individual markets, depending on several factors including, but not limited to, the following: 1) the overall composition of air travelers (leisure vs. business); 2) the presence of carriers whose distribution is more heavily weighted toward the direct vs. agency channel (e.g. low cost carriers); and 3) the presence of carriers with limited participation in the ARC settlement system (e.g. Southwest Airlines).

The data used represent passengers and zip codes from where in Florida tickets were purchased. The data include purchases from Florida zip codes only. Because the data in this document represent consumer purchases of airline tickets, there is a natural bias toward leisure and unmanaged business travel behavior and may not account for all business travel. There also may be limitations due to misrepresentation of the passenger information in instances where a person from one zip code purchased a ticket for another person in a different zip code.

Airline Reporting Corporation (ARC) did not assist in the preparation of this analysis, all analyses disclosed herein were performed by Kimley-Horn and Associates, INC., the consultant to the Florida Department of Transportation, Central Aviation Office.

## Northeast Florida Regional Airport Air Service Summary

### Introduction

Northeast Florida Regional Airport (SGJ) is a young component of Florida's air transportation system. Commercial service at the airport has been intermittent over the past few years. SGJ is the only airport in Florida that operates both commercial traffic as well as seaplane traffic. The airport currently operates with six runways: three paved and three water. The paved runways are 8,002 feet, 2,701 feet, and 2,610 feet in length while two of the water runways are 12,000 feet long and the other is 5,000 feet long.

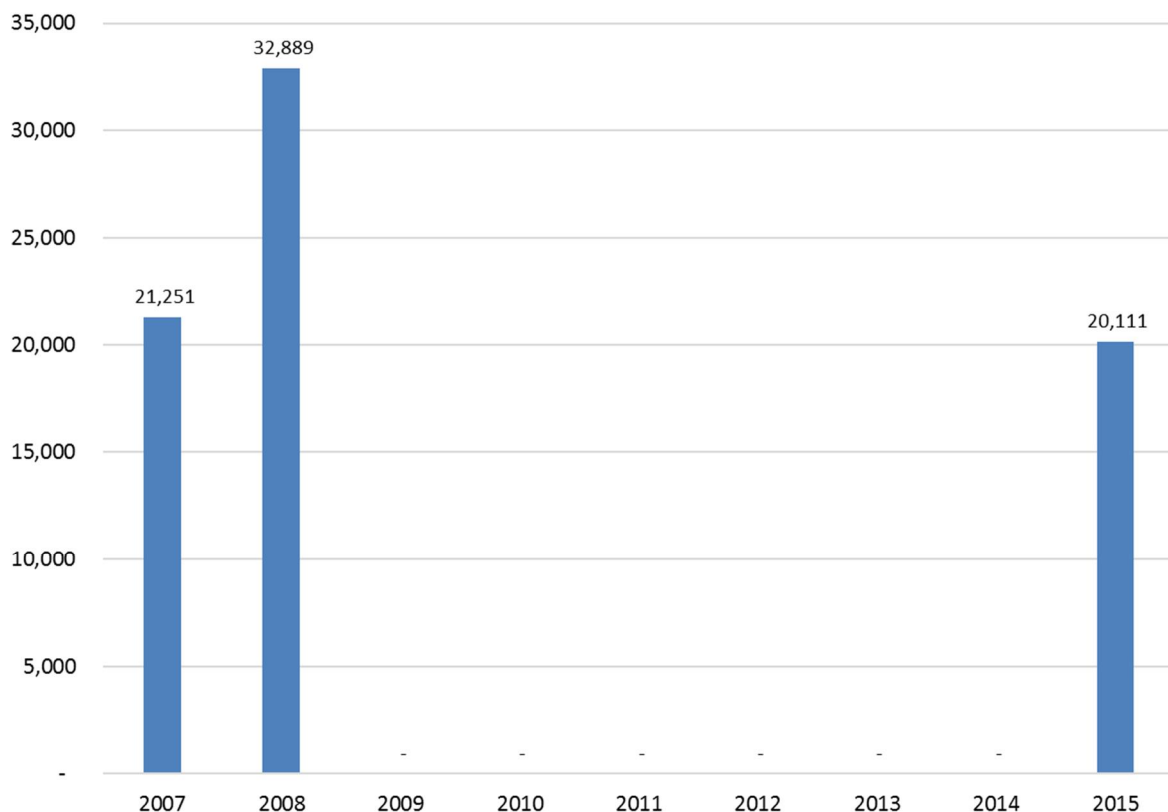
SGJ is located in the Northeast Continuing Florida Aviation System Planning Process (CFASPP) region as well as FDOT District Two. Also included in this FDOT District are Jacksonville International Airport (JAX) and Gainesville Regional Airport (GNV). This airport profile will illustrate statistical data about SGJ including: annual enplanements, local population data, and many other metrics. The following statistical information will provide a description of the most recent overall performance of SGJ and how that compares to previous years' performance.

More information about SGJ can be found at: <https://www.flynf.com/>

### Annual Enplanements

Although the airport sees very limited commercial service in comparison to other airports in the state, it enplaned 20,111 passengers in 2015. This is slightly lower than the reported enplanements in past versions of this report. **Figure 1** displays SGJ's annual enplanements.

Figure 1. Annual Enplanements<sup>1</sup>

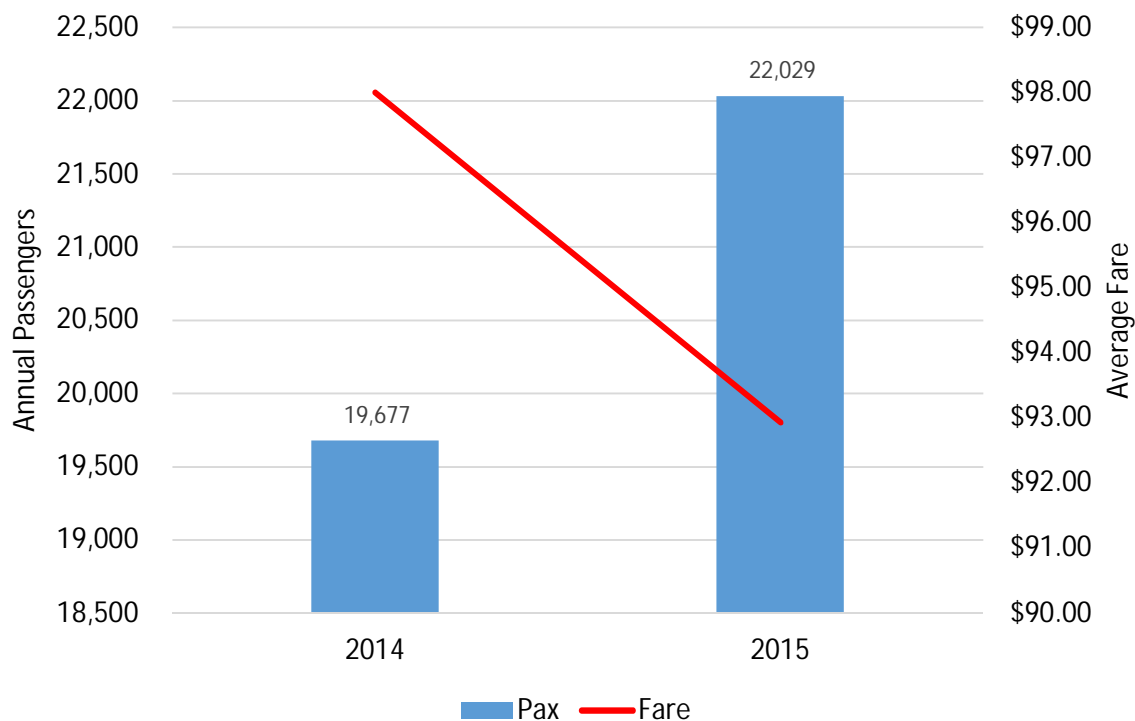


<sup>1</sup> Annual airport passenger traffic reports, provided by FDOT

### Passengers and Fares

Due to SGJ being a relatively new commercial service airport in Florida's air transportation system, there are limited data to display for the previous several years at the airport. However, in 2015 SGJ reported having 22,029 passengers and an average fare of \$92.93. This average fare is considerably lower in comparison to the rest of the state. Although this data is a good brief representation of the airport's transportation impact, it does not account for the airport's service through low cost carriers. This lack of data inclusion results in a lower overall number of passengers reported than the actual count. **Figure 2** displays the annual passengers and annual average fare at SGJ.

Figure 2. Annual Domestic Passengers and Average Fare<sup>2</sup>

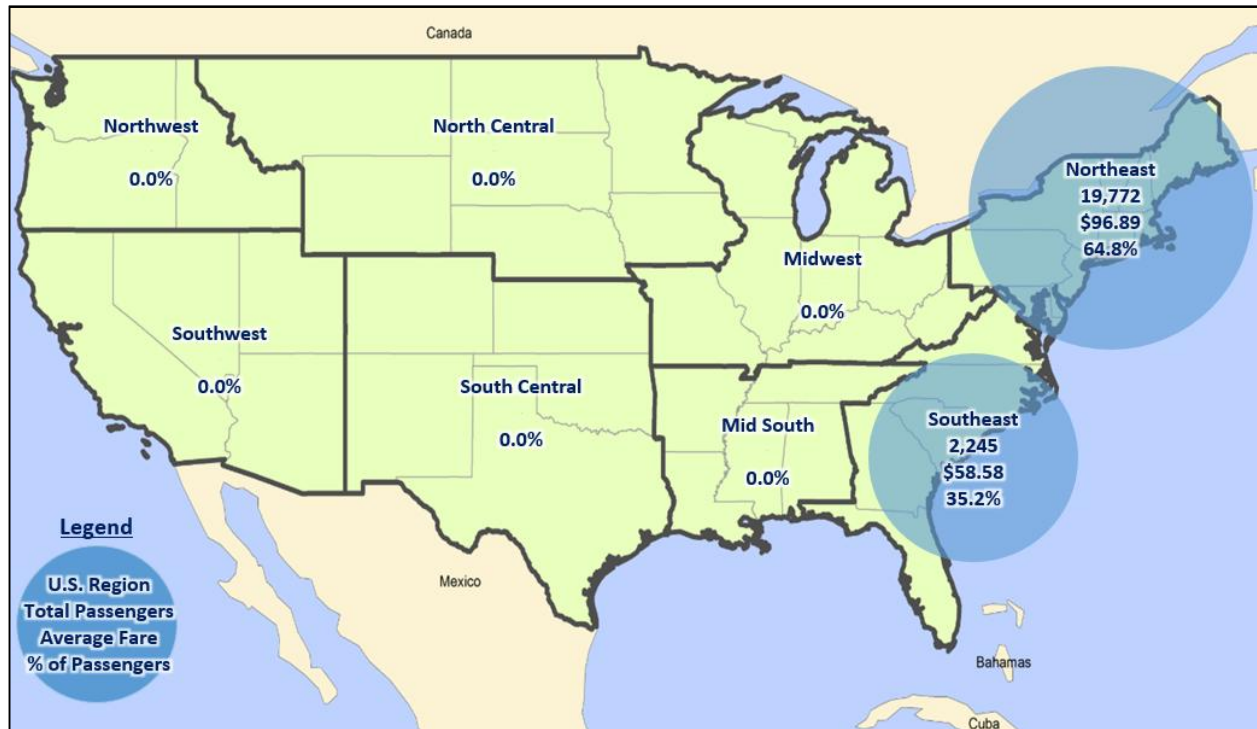


<sup>2</sup> U.S. Department of Transportation (U.S. DOT) Bureau of Transportation Statistics (BTS) O&D Survey & T-100 Domestic Market All Carriers

## Domestic Regional Analysis

**Figure 3** displays the average fare, number of passengers, and percentage of total passengers departing SGJ and bound for each of the eight regions of the United States. The data shows that 64.8 percent of passengers departing SGJ were bound for destinations in the Northeast region. The Northeast region contains Trenton-Mercer Airport (TTN), which received a large portion of service from SGJ in 2015.

Figure 3. Domestic Passengers and Fares<sup>3</sup>



## Destination Airports

SGJ served two destinations in the U.S. in 2015. Neither of these destinations were to other airports in Florida. Of flights departing from SGJ, the destination receiving the most weekly flights was Trenton-Mercer Airport (TTN). TTN is located on the West side of New Jersey and is known as the fourth busiest airport in the state. Following behind TTN, SGJ served Charlotte Douglas International Airport (CLT), which is a primary hub for American Air Lines and one of the county's busiest airports. **Figure 4** displays SGJ's nonstop domestic destinations.

## International Flight Departures

SGJ does not currently offer international commercial service.

## Aircraft Type

Of the two destinations served by SGJ, one was served by large jet aircraft and the other by Turboprop aircraft. The use of jet aircraft, especially large/wide-body, has a direct impact on the average seats per flight at an airport. Generally, larger jet aircraft substantially increase the average seats per flights, which was 94 for SGJ in 2015.

<sup>3</sup> The Official Airline Guide (OAG)

## 2016 AIR SERVICE STUDY

Figure 4. PGD's Nonstop Domestic Destinations<sup>4</sup>

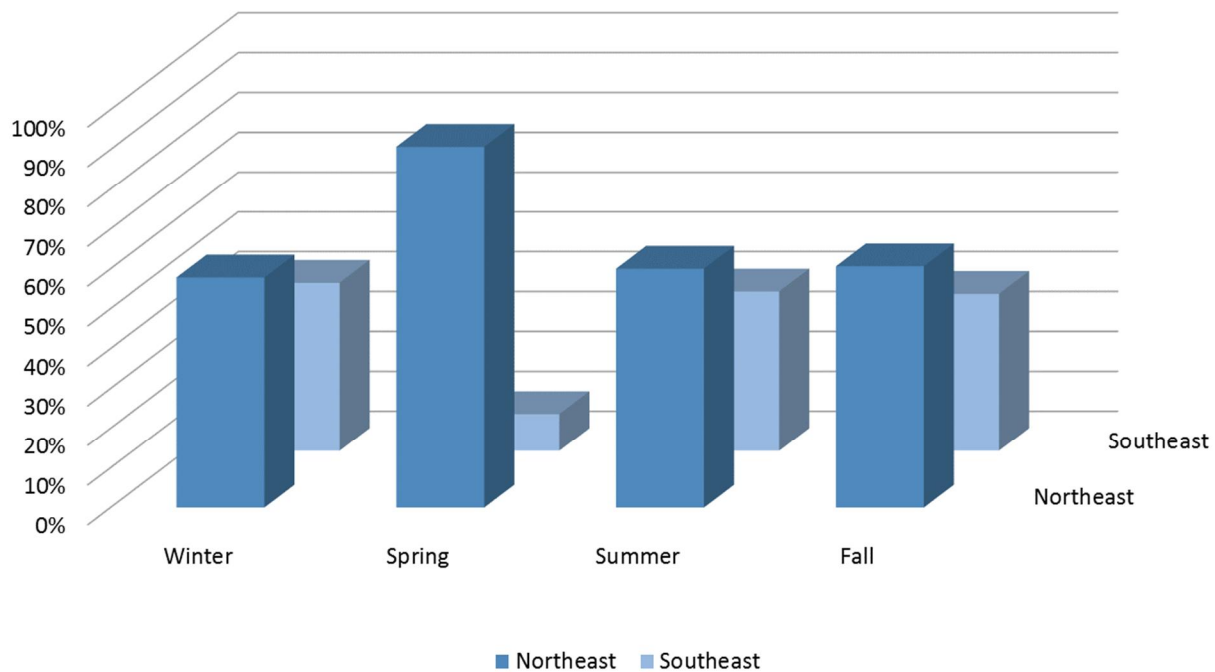


<sup>4</sup> The Official Airline Guide (OAG)

## Seasonal Flight Comparison

The data shown in **Figure 5** further supports the identification of SGJ's service to the Northeast region. The primary service to the Northeast region remains consistent across all four seasons at SGJ. Following the Northeast region was the Southeast, which saw a large decrease in activity in the spring season.

Figure 5. Season by Region Analysis<sup>5</sup>



## Average Load Factors

Average load factors represent the number of passenger miles traveled as a proportion of available seat miles. Higher average load factor represents more total passenger boardings. The average load factor at SGJ was 79.10, slightly lower than the U.S. average, 82.68, for 2015. A summary of 2014 and 2015 average load factors is shown in **Table 1**.

Table 1. Average Load Factor Analysis<sup>6</sup>

Year	Domestic	International	Total
Northeast Florida Regional			
2014	75.46	n/a	75.46
2015	79.10	n/a	79.10
All U.S. Airports			
2014	84.49	81.03	82.69
2015	84.98	80.61	82.68

<sup>5</sup> The Official Airline Guide (OAG)

<sup>6</sup> The Bureau of Transportation Statistics (BTS) T-100 Table Data



## Market Leakage Study

### Introduction

Florida has the highest number of large hub airports (4) of any state in the U.S. Florida also has many commercial service airports (20), which compete for the same potential passengers. There are many factors that play into the decision-making of passengers, ranging from cost to airport proximity to how direct a flight is. Because of these factors, many smaller commercial airports in Florida experience market leakage, or a loss of passengers who choose to drive further distances to airports for various reasons, such as less expensive flights or more convenient flight options. For large airports located in large metropolitan areas leakage may be a less significant factor because they still carry large numbers of passengers. Conversely for smaller airports the loss of passengers to larger airports may potentially be more significant. This analysis looks at tickets purchased in Florida zip codes to see which Florida airports may lose business due to market leakage. The market leakage study analyzes zip codes from where a ticket was purchased and subsequently which airport was departed from for that ticket purchase. To better understand the market leakage findings, key demographic data are presented as part of the market leakage study.

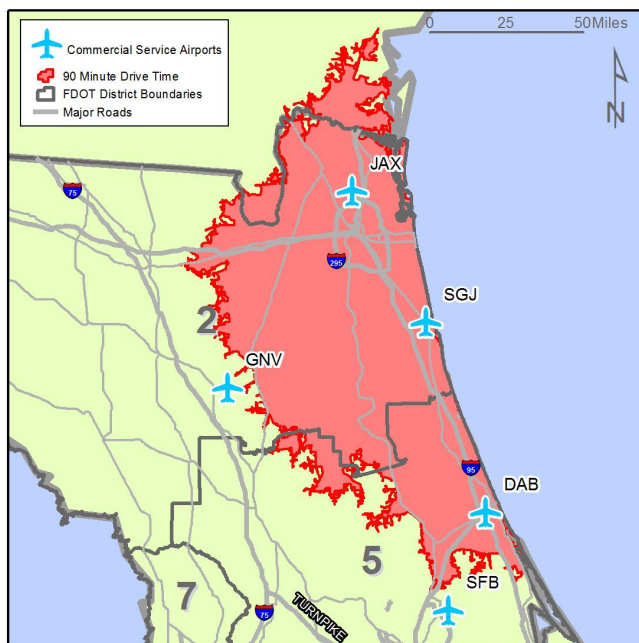
### Metropolitan Statistical Area (MSA)

According to the U.S. Census, an MSA is “a geographic entity based on the concept of a core area with a large population nucleus, plus adjacent communities having a higher degree of economic and social integration with that core.” Per this definition, looking at populations, employment, and other important factors at the level of an MSA, should prove beneficial in better understanding the area. SGJ is located in the Jacksonville MSA along with Jacksonville International Airport (JAX).

### Drive Time and Population Analysis

**Figure 6** displays the area around SGJ that can access the airport with a 90-minute or less

**Figure 6. 90 Minute Drive Time Area<sup>7</sup>**



**Table 2. Population Within 90 Minutes<sup>8</sup>**

Population Trends	
2010 Total Population	1,993,733
2016 Total Population	2,131,037
2021 Total Population	2,264,219
2040 Total Population	2,850,773
2016-2021 Annual Rate of Change	1.22%
2016-2040 Percent Change	34%

drive time. Further, **Table 2** displays the population of that area in 2010 and 2016 as well as a projected population of the area for 2021 and 2040. The projected annual rate of change, or growth rate, between 2016 and 2021 of the population in that area is 1.22 percent. With this growth rate, this area is expected to have a 34 percent growth in population by the year 2040. Therefore, by the year 2040, it is anticipated that 2,850,773 people will have a 90 minute or less drive time from their homes to SGJ. Therefore, it is anticipated that the demand for air service will increase proportionally in the future.

<sup>7</sup> U.S. Census Bureau, Census 2010 Summary – ESRI Housing Profile

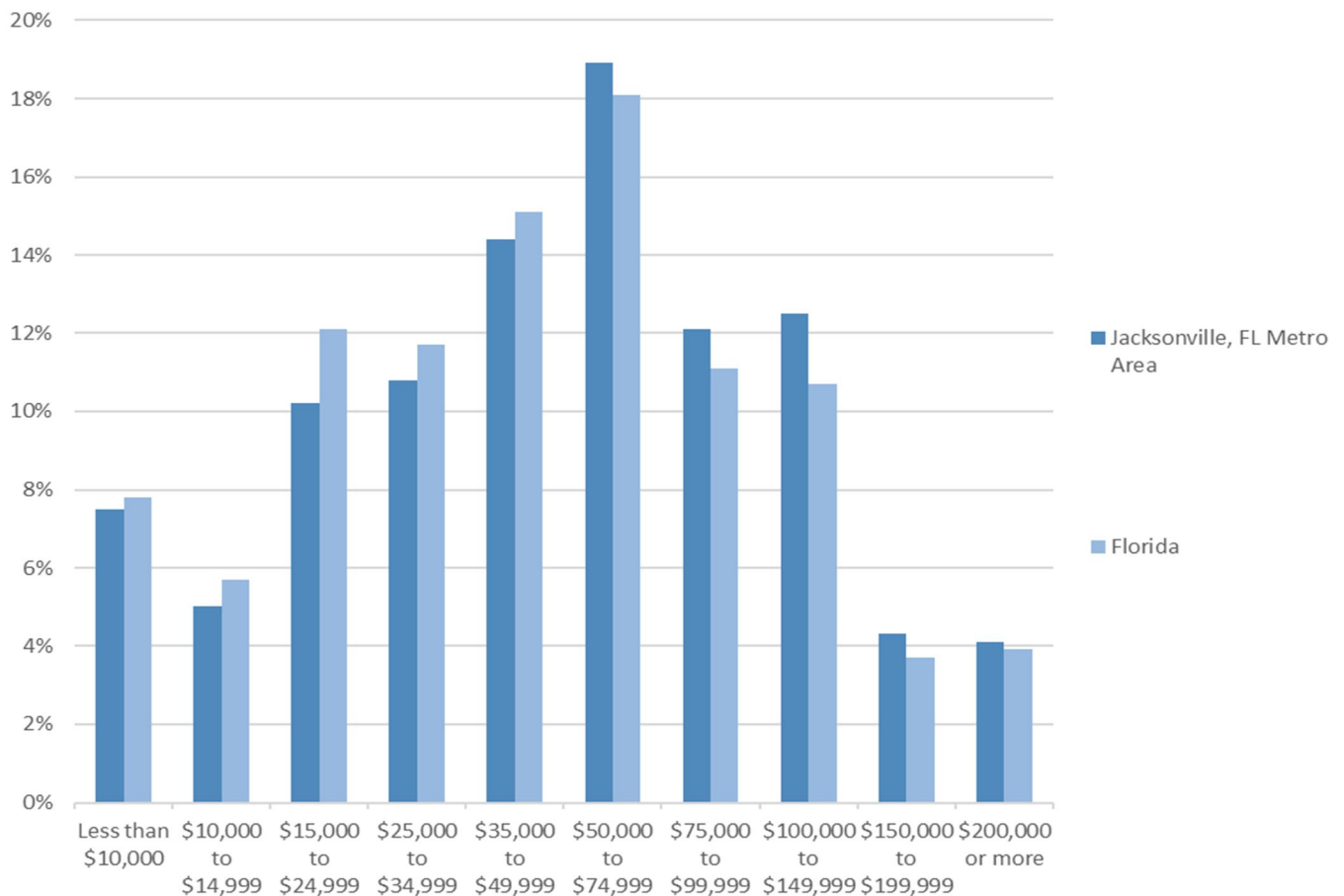
<sup>8</sup> U.S. Census Bureau, Census 2010 Summary – ESRI Housing Profile



## Income Levels

The income distribution in the Jacksonville MSA follows relatively similar trends when compared to other MSA's in the state. However, the Jacksonville MSA has a higher percentage of incomes at \$50,000 and above than the state average. The income in an area may impact the demand for air travel in an area. In an area that has a relatively high number of upper income households, more people may be willing to pay more in order to travel a shorter distance to the airport. In lower income areas, people may be likely to drive a greater distance for air travel in order to capture reduced fares. Many other factors affect airports other than income, and in an area that has multiple large hub commercial airports within a relatively close proximity, there may be a multitude of reasons that a household may choose to use a given airport. A summary of income data for the MSA are in **Figure 7** below. Income data for the MSA and State was derived from the US Census American Fact Finder.

Figure 7. MSA and Florida Income Comparison<sup>9</sup>



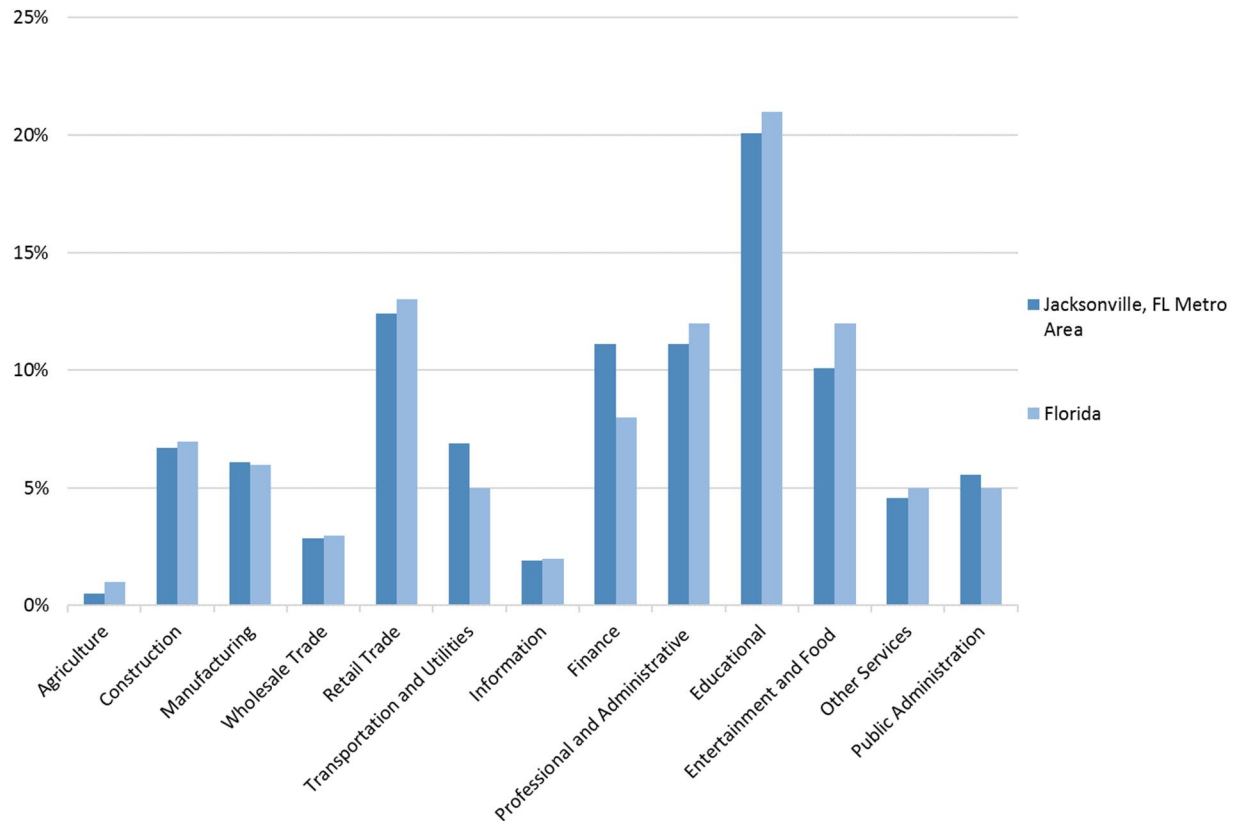
## Employment

The primary types of employment located in an area may have an effect on air travel. For areas that have a large number of companies that participate in professional and financial services, demand for local air travel will likely increase because they are less concerned about the cost of flights and more concerned about ease of access to the airport. In most cases, differences will exist between the county and the state averages, but these discrepancies are generally not large enough to impact commercial air service demand. The Jacksonville MSA has a relatively parallel relationship with Florida's employment by industry

<sup>9</sup> U.S. Census American Fact Finder

percentages. A summary of employment by industry can be seen in **Figure 8**. As shown, the Jacksonville MSA has a high employment percentage in the finance industry compared to the rest of the state. This higher percentage could result in increased demand for local air travel and increase JAX's annual passenger count.

Figure 8. Employment by Industry<sup>10</sup>



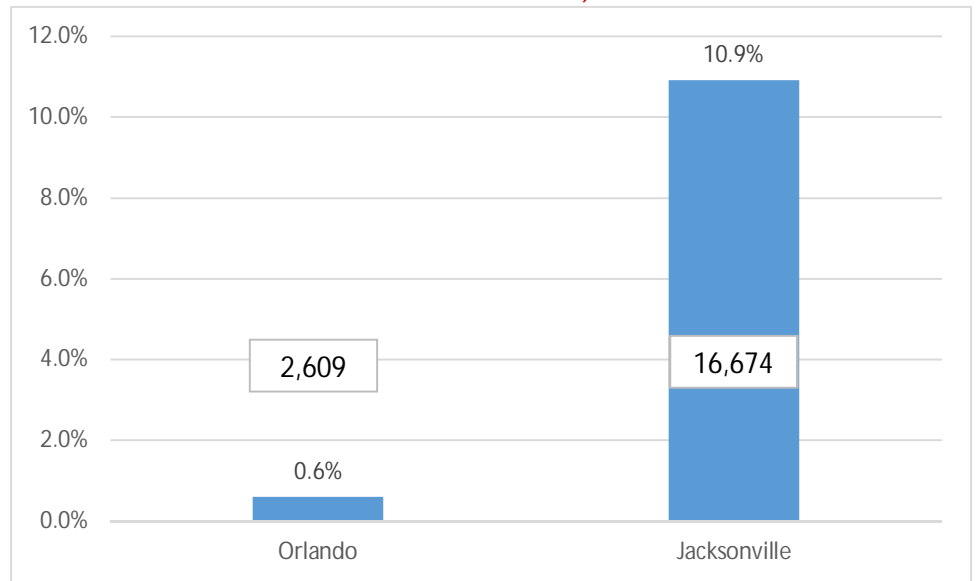
<sup>10</sup> U.S. Census American Fact Finder

## Leakage

Based on the market leakage analysis, Northeast Florida Regional Airport loses a significant number of passengers to both Jacksonville International Airport and Orlando International Airport. Of the passengers departing from Jacksonville International Airport, 10.9 percent came from St. Johns County. Of the passengers departing from Orlando International Airport, 0.6 percent are from St. Johns County. That percentage relates to a loss of passengers from the primary Northeast Florida Regional Airport market.

**Figure 9** illustrates two of the top airports that received leaked passengers from the Northeast Florida Regional Airport market. The values that are presented represent the number and percent of passengers who purchased their ticket from a St. Johns County zip code but flew out of an alternative airport. Data presented are from a 10 percent sample from all months of 2015.

Figure 9. In-state Ticket Purchases<sup>11</sup>  
(Represented as a Percentage of the Departing Airports Total Enplanement Volumes in 2015)



<sup>11</sup> Airline Reporting Corporation (ARC)