



Executive Summary

District 2 | 2023

District Overview

Aviation Facilities in FDOT District 2 Contribute Over \$23 Billion to Florida's Economy

The Florida Department of Transportation (FDOT) manages the state's transportation system through a decentralized model in accordance with state legislative mandates. There are seven districts that each provide individual levels of planning, production, operations, and administrative support to the state's diverse transportation system and users.

FDOT District 2 includes 18 counties in Northern Florida, spanning from midway through the Panhandle to south of Gainesville. An estimated 1.9 million residents call District 2 home, with the largest concentration of people centered in Jacksonville. Gainesville is also home to a considerable number of residents, many of whom are students and faculty at the University of Florida. District 2's Atlantic side is known as the First Coast, referencing its geographic significance as an entryway for the State, as well as its historic significance and range of attractions. From the urban offerings of Jacksonville to the historically significant St. Augustine, the nation's oldest city, the First Coast offers the perfect blend of natural sights, beautiful beaches, and modern city luxuries. The Gulf Coast side of District 2 is known as Florida's Nature Coast, boasting almost one million acres of dense forest, prairies, and blackwater rivers. This natural landscape is the perfect location for hiking, bird watching, kayaking, fishing, and a wide range of other nature and outdoor activities.

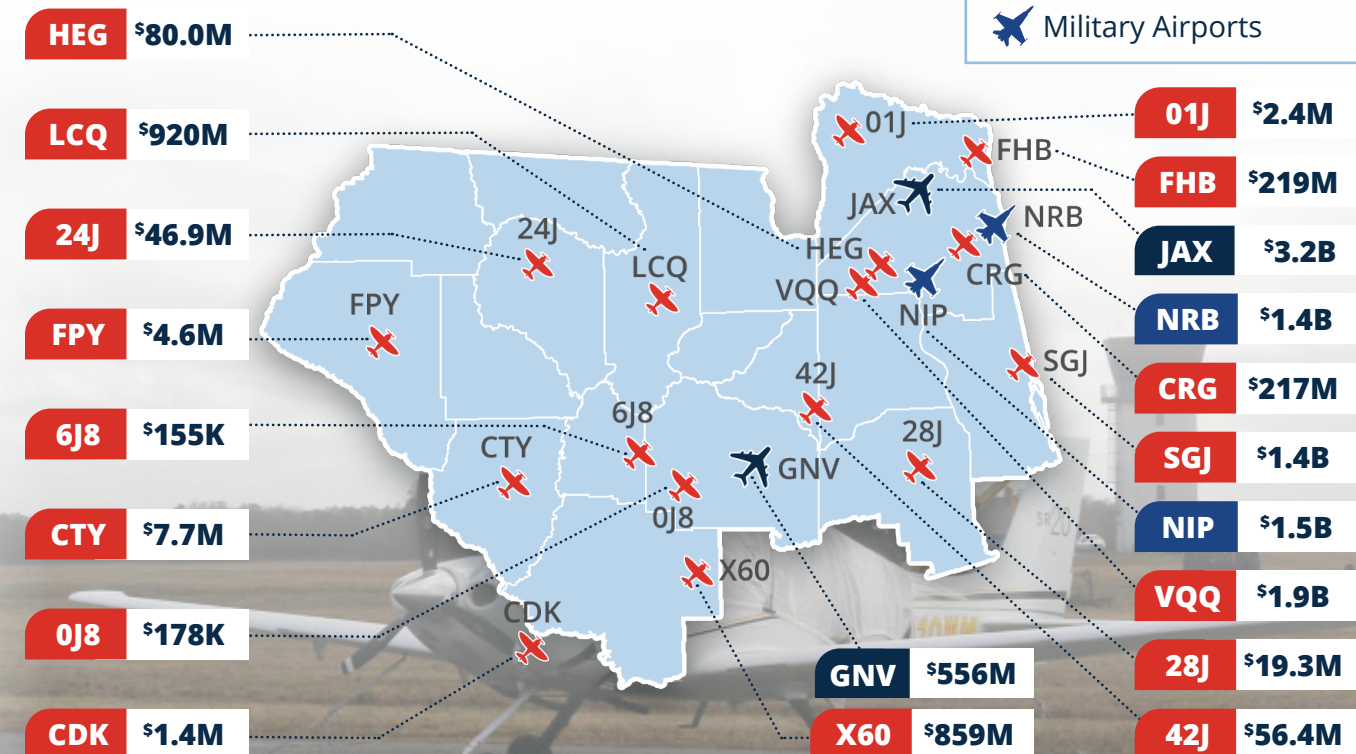
Travelers visiting District 2 can utilize any of its 18 public-use airports, including two airports that provide scheduled commercial service through American Airlines, Delta Air Lines, Southwest Airlines, United Airlines, and others. To provide an updated snapshot of the economic contribution of Florida's airport system, the FDOT Aviation Office (FDOT AO) commissioned the 2022 FDOT Aviation Economic Impact Study (2022 AEIS). The 2022 AEIS measured that the aviation activity in FDOT District 2 contributed **\$23.9 billion in total economic impacts (output)** to the state's economy. These impacts supported **138 thousand jobs**, **\$8.1 billion in payroll**, and **\$10.8 billion in value added**.

On-Airport Activities in FDOT District 2 Generate Billions of Dollars to the State's Economy



Note: On-Airport Activity and Off-Airport Air Cargo impacts, District 2's largest impact categories, will be discussed further on pages 4 and 5.

Economic Impact (Output) of Individual Airports and Military Aviation Facilities



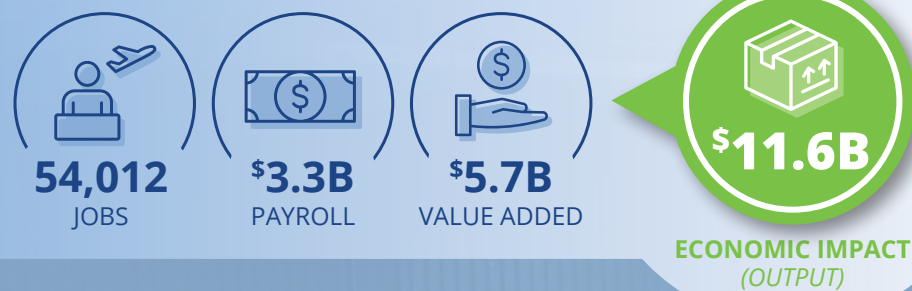
Celebrating 80 Years at Keystone Heights Airport

General aviation (GA) activity is soaring throughout District 2, with one of the District's GA airports celebrating a notable milestone. In February of 2023, Keystone Heights Airport (42J) celebrated its 80th birthday. The airport marked the occasion by hosting over 2,000 aviation enthusiasts and local residents to witness the flight of historic military and modern-day aircraft that have operated out of 42J. Located approximately 50 miles southwest of Jacksonville, 42J was originally constructed for military training before converting to GA. Fast forward to the present day, in which the airport hosts numerous GA activities, including flight training with the support of three on-site schools, as well as corporate jet activity attracted by the nearby Florida International Rally & Motorsport Park (FIRM). 42J prides itself as supporting GA in the state and supporting local businesses, and boasts an approximate **\$56 million in economic impact (output)**!

¹Keystone Airport Heights and "Keystone Heights Airport 80th Anniversary!", Clay County, February 27, 2023

Off-Airport Air Cargo Impacts

Northeast Florida Supports Over \$11 Billion in Off-Airport Air Cargo Impacts



Off-airport industries in Florida rely on cargo transported through the 18 public-use airports in District 2. This includes raw materials used for manufacturing or transporting finished products from producers to consumers. The 2022 AEIS completed a targeted evaluation that measures the economic impact of air cargo flow through Florida's airports and interacts with off-airport industries. Air cargo that doesn't interact with Florida's economy was excluded from the evaluation. Across the state, airports deliver critical support to industries by enabling businesses to transport commodities and finished goods both from suppliers and to customers. Air cargo services provided by Florida's airports connect both long-distance domestic and international markets to companies in the state – positioning Florida as a global business leader. These services enable Florida-based companies to expand customer markets and acquire commodities used for production or to create opportunities for sales around the world. Expanding customer markets through outgoing air cargo generates increased business sales, which in turn brings dollars from other states or nations into Florida. The 2022 AEIS measured that off-airport air cargo activity in FDOT District 2 contributed **\$11.6 billion in economic impact (output)** to the state's economy. These impacts supported **54,012 jobs, \$3.3 billion in payroll, and \$5.7 billion in value added.**

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Value of Top Commodities Imported to and Exported from District 2



Air Cargo Growing at Jacksonville International Airport

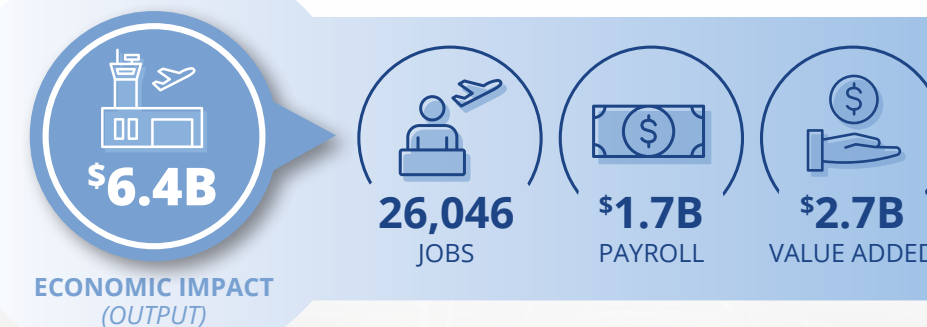
Jacksonville International Airport (JAX) is a medium-hub commercial service airport that is a major hub for air cargo activity in northeast Florida. In 2021, JAX witnessed over 300,000 tons of cargo flow – a nearly seven percent increase from the prior year. This growth can be attributed to industrial and retail development surrounding the airport such as the River City Marketplace, a large outdoor retail shopping center. Additionally, Amazon has constructed two distribution facilities near JAX to provide air connectivity. Among the other cargo operators located at JAX, FedEx, Quantem Aviation Services, and UPS all have on-airport facilities that employ over 350 people at the airport. JAX has identified space around the airport for developing additional warehouse/distribution facilities to continue growing air cargo activity.

On-Airport Impacts

Lake City Gateway Airport Cultivates a Strong Business Environment

On-airport impacts are comprised of impacts attributable to airport employment, including airport administration and on-airport businesses, construction, and contract employees. On-airport impacts are some of the most recognizable components of Florida's economic impact. One airport with considerable on-airport impacts is Lake City Gateway Airport (LCQ), which in addition to supporting numerous on-airport jobs, is also home to 13 on-airport businesses employing over 1,000 people. HAECO, a large aircraft maintenance, repair, and overhaul (MRO) facility, is responsible for the majority of this employment. HAECO provides these MRO services for commercial air carriers and supports hundred of jobs in Lake City. LCQ also boasts considerable aircraft fuel sales, which is a boon to the airport and the surrounding local economy. In 2021 alone, the airport sold over 300,000 gallons of Jet A and 100LL fuel. Airport operations, business tenant activity, and capital improvements at LCQ are estimated to collectively support **2,729 jobs, \$188 million in payroll, and \$832 in economic impact (output)**!

The 2022 AEIS measured that on-airport activities in FDOT District 2 contributed **\$6.4 billion in economic impact (output)** to the state's economy. These impacts supported **26,046 jobs, \$1.7 billion in payroll, and \$2.7 billion in value added.**



Aerospace Hub at Cecil Airport

Cecil Airport (VQQ) is a hub for aerospace defense, research and development, aircraft maintenance, and other notable aviation activities. The airport is host to 25 businesses employing over 3,300 people, including aerospace giants Boeing and Northrop Grumman, which conduct flight testing and aircraft maintenance. VQQ is able to support such significant tenants by maintaining over 15 million sq. ft. of airfield pavement – the largest network of airfield pavement in Florida! Additionally, to support Boeing's operations, the Jacksonville Aviation Authority (JAA), which manages the airport, is constructing a new 370,000 sq. ft. facility that is recognized as the largest project in JAA's history. These diverse activities support the largest on-airport impacts recorded in District 2 – **7,575 jobs and \$1.8 billion in economic impact (output)**!

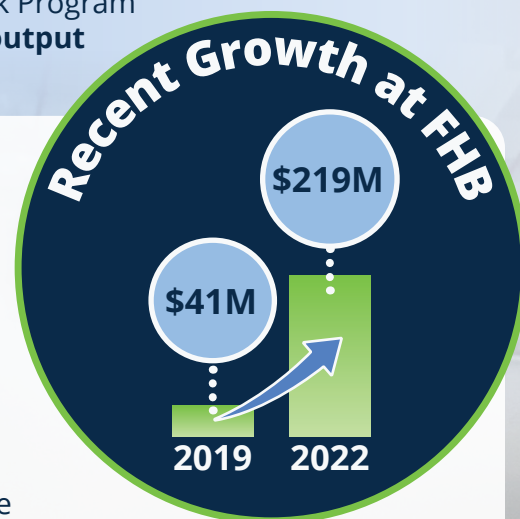


Investments in District 2 Airports Bolster Increasing Tourism

The FDOT's Work Program identifies funding for capital improvement projects on a rolling five-year basis. The 2022 AEIS identified FDOT Work Program obligated funds for Fiscal Years (FYs) 2018 through 2021. Investment is primarily driven by public funds from the FDOT to preserve existing infrastructure, modernize airport facilities, and increase airport capacity across the District. In conjunction with the recent large influx of activity into northeast Florida, FDOT has made tremendous investment in District 2. **Between 2018-2021, the Work Program identified \$102 million for capital improvements across the District.** When compared to investment, for every dollar identified in the FDOT Work Program for airport projects in District 2, there is an estimated **\$935 in total output supporting Florida's economy!**

Fernandina Beach Municipal Airport (FHB)

Located on Amelia Island, Fernandina Beach Municipal Airport (FHB) primarily supports jet traffic attracted to the area's beaches, golf courses, and nearby resorts such as The Ritz Carlton and the Omni Amelia Island Resort. The airport is estimated to generate \$219 million in economic impact (output) for Florida. According to the FDOT Work Program, over \$3 million of investment was identified at FHB between 2018 to 2021. This includes \$1.3 million for new T-hangars and almost \$350,000 for constructing a new terminal facility. The strategic investments identified in the FDOT Work Program help FHB present a welcoming environment for visitors and accommodate future tourism activity in the region. In particular, these improvements help the airport continue to support nearby events such as the annual Bonhams and "The Amelia", an award-winning motoring event occurring annually on Amelia Island. The Amelia utilizes part of the airport property and is estimated to generate approximately **\$30 million in economic impact (output) to Florida annually.**



Gainesville Regional Airport (GNV)

Florida's strong tourism is driving growth in air travel, even in regions not traditionally associated with tourism. For instance, Gainesville Regional Airport (GNV) has recently needed to complete capital improvements to expand the capacity of airline activities to support its growing number of passengers. Located minutes from Gainesville and the University of Florida, GNV is a small hub airport providing nonstop connectivity to four major airline hubs. However, the airport's terminal was inadequate to accommodate future growth. In response, the airport recently completed a terminal expansion that added two additional gates and several passenger conveniences such as expanded restrooms, additional concessions space, and enhanced seat connectivity in the boarding area.¹ The GNV CEO cited the project as "an important milestone in our continuing efforts to provide high quality air service and passenger facilities to our region".² According to the FDOT Work Program, \$12.9 million was identified for GNV between 2018 and 2021, with **\$3.1 million directed to the terminal expansion alone!**

¹"Gainesville Regional Airport debuts new terminal expansion," ABC 20 WCJB, July 29, 2021
²Gainesville Regional Airport



"Beyond the capacity improvements and ability to support new service, this project provides an even more beautiful front door to our region, one we can all be proud of."

– Gainesville Alachua County Regional Airport Authority (GACRAA) Chairwoman

FDOT Work Program Investment Drives Economic Activity

FDOT WORK PROGRAM SUPPORTS AIRPORT IMPROVEMENTS.

FHB receives \$1.3 million for constructing T-hangars.
 GNV receives \$3.1 million to expand the terminal with two additional gates.

Airport improvements increase aviation activity, which results in greater on-airport employment and visitor spending.

AIRPORT ECONOMIC IMPACT INCREASES!

FHB economic impact (output) increases by \$178 million.
 GNV economic impact (output) increases by \$182 million.



AEIS 2022

Florida Aviation Economic Impact Study . . .

