

Since Talkeetna is on the road system, and is only 115 miles from Anchorage, little to no mail and cargo traffic transits through the airport, arriving by road instead. As previously noted, the airport's primary commercial use is for tourism and expedition-related transportation. In 2005, the FAA estimated 30,000 trips utilized TKA. Several flight operators offer day flights to Denali National Park, flight-seeing tours, and glacier tours and landings. These flights can be combined with rail, bus, and cruise tours, and are sometimes offered as day excursions in statewide itineraries. In addition to scenic flights, the airport is used by those learning to fly and by others who travel via air to remote, privately owned parcels of land in the Talkeetna vicinity.

Local air service providers fill a valuable niche by catering to climbers entering Denali National Park during the climbing season and to tourists during the summer months. Many firms advertise their ability to provide access to new areas of the park, find advantageous approaches to challenging climbs, and assist with gear and supplies in Talkeetna. In 2010, Denali National Park saw 1,222 climbers attempt to summit North America's tallest peak, Mt. McKinley. Each of these ventures required logistical support, and flights to and from TKA



Photo courtesy of Fly Above Alaska

“My business is strong because I'm part of the collective that is Talkeetna. Without aviation I can't imagine my business would ever have grown...or Talkeetna would have grown...to the thriving summer destination that it is. And, without aviation our winters would most definitely be devoid of the real drive to attract visitors.”

— Trisha Costello, owner of the Talkeetna Roadhouse and member of the Talkeetna Chamber of Commerce

made important supplies, equipment and medical attention accessible.

In addition to supporting climbing efforts and attracting tourism-based business, TKA is used as a community-building tool. In 2010, Talkeetna joined with Build-A-Plane, a nonprofit organization dedicated to promoting aviation and aerospace through giving local high school students the opportunity to build an airplane. The community and local aviation firms embraced the project, donating both time and monetary funding.

### The Alaska Aviation System Plan

The Alaska Aviation System Plan (AASP) sets the vision for aviation in Alaska. It documents the existing aviation network, identifies needed airport improvements, sets funding priorities, and proposes aviation policy. The AASP has prepared special studies of important aviation issues, such as this document and 2009's *The Economic Contribution of the Aviation Industry to Alaska's Economy*.

The purpose of this special study is to document the economic contribution and social importance of a diverse set of Alaska airports to their communities. The study can be found at [www.alaskaasp.com/documents.aspx](http://www.alaskaasp.com/documents.aspx)

*This Alaska Aviation System Plan was conducted in accordance with FAA Advisory Circular 150/5070-7: The Airport System Planning Process. The economic analysis described in this brochure was conducted pursuant to Section 101.a(3) of that document. This report was prepared by Northern Economics, Inc. For more information please call ADOT&PF Aviation Division at (907) 269-0730. [www.dot.state.ak.us](http://www.dot.state.ak.us)*



## Economic Contributions of Alaska Airports THE TALKEETNA AIRPORT

### Aviation: Critical to Alaska

Aviation is a critical component of the state's economy and the vitality of Alaska's communities. While some Alaska communities rely on their airports for food, mail, and cargo, the Talkeetna Airport (TKA) helps its host community by providing employment and helping the town flourish as a base for both the serious mountaineering crowd and summer travelers looking to experience the majesty of North America's tallest mountain, Mt. McKinley. The Alaska Department of Transportation & Public Facilities (ADOT&PF), Division of Statewide Aviation recently embarked on updating the Alaska Aviation System Plan (AASP). As part of this effort, ADOT&PF and the Governor's Aviation Advisory Board established a goal of documenting the value and contribution of the aviation industry at 12 selected airports around the state to the state's economy and local communities. The Talkeetna Airport is one of the airports selected for this analysis.

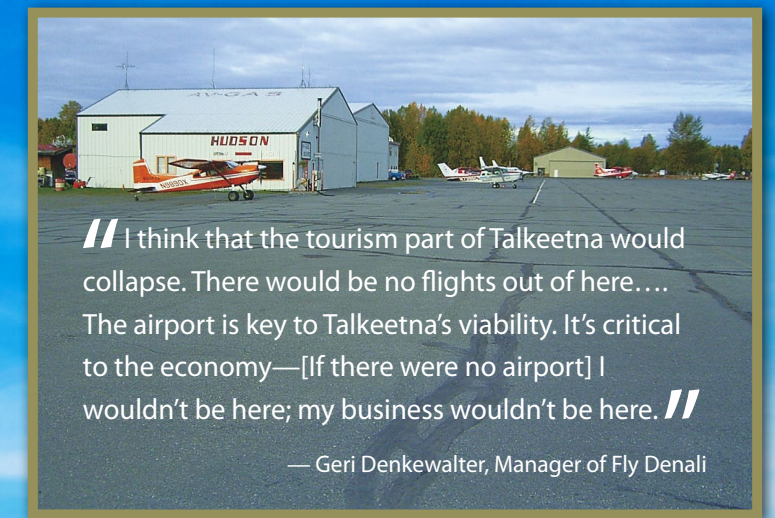


Photo courtesy of ADOT&PF

In late 2010 and early 2011, contractors for ADOT&PF conducted an extensive survey and interview effort targeting on-site leaseholders at selected airports, ADOT&PF airport managers, and local community leaders. This brochure documents the results of this effort and the importance of TKA to its host community and the community's seasonal guests.

### Providing Employment in the Shadow of the Great One

ADOT&PF contractors surveyed on-site leaseholders and airport managers at TKA to document as much of the economic activity occurring on airport as possible. On-site economic activity at airports has far-reaching consequences. The direct spending by on-site businesses and their employees, as well as the money spent operating and maintaining the airports, creates additional employment and income throughout the economy. When one employee brings home a paycheck and spends their wages on food, housing, and entertainment their spending creates more economic activity. The name for this phenomenon is the "multiplier effect". TKA is a significant economic driver for the community of Talkeetna through its role in the region's tourism industry. TKA serves as a valuable access point for visitors wishing to visit Denali National Park and view or climb the famous Mt. McKinley. While the joy experienced by visitors



“I think that the tourism part of Talkeetna would collapse. There would be no flights out of here.... The airport is key to Talkeetna's viability. It's critical to the economy—[If there were no airport] I wouldn't be here; my business wouldn't be here.”

— Geri Denkwalter, Manager of Fly Denali

Photo courtesy of ADOT&PF

**FIGURE 1**  
**Leaseholder and Airport Operation Expenditures Summary 2009**

	Number of Jobs	Wages & Benefits	Capital Expenditures	Other Operating Expenditures	Total Expenditures
					(\$Millions)
Leaseholder	80	2.0	0.1	2.8	4.9
Operations	2	0.1	0.0	0.1	0.3
<b>Total</b>	<b>82</b>	<b>2.1</b>	<b>0.1</b>	<b>3.0</b>	<b>5.1</b>

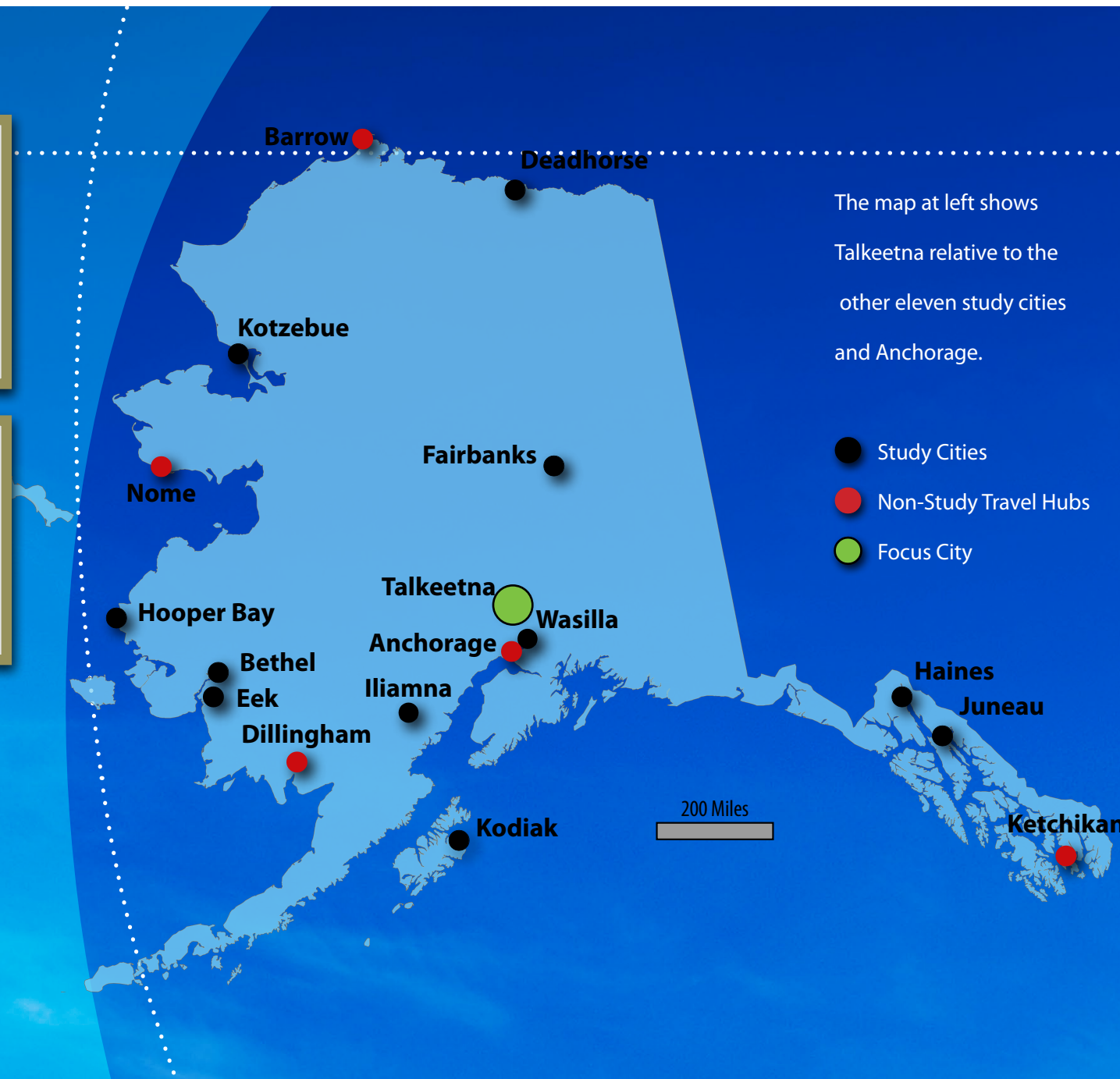
**FIGURE 2**  
**Talkeetna Airport's Direct, Indirect, and Induced In-State Economic Effects, 2009**

Category	Number of Jobs		Labor Income (\$Millions)		Total Output (\$Millions)	
	In-Borough/Census Area	Other Alaska	In-Borough/Census Area	Other Alaska	In-Borough/Census Area	Other Alaska
By Area	90	<10	2.4	0.5	3.7	1.9
<b>Total In-State Effect</b>	<b>100</b>		<b>2.9</b>		<b>5.6</b>	

may be best described by the photographs they take home, the airport's contribution to the local community can be partially expressed through its impacts on employment, wages, and output. The analysis estimates that leaseholders and airport operations create 82 direct jobs, \$2 million in wages and benefits, and total non-wage and benefit expenditures of about \$3 million, for a total of \$5 million in direct expenditures in 2009 (see Figure 1).

To put these numbers in context, the study can compare the direct on-airport employment to data collected by the State of Alaska. According to the Alaska Department of Labor's database, there were 479 employed resident workers in the community of Talkeetna in 2009. The study's analysis shows that 72 of the 82 direct jobs at the airport are held by Alaskan residents. If each direct airport job were held by a unique Alaskan resident worker, then TKA could provide direct employment to over 15 percent of the resident workers in the community of Talkeetna. Conceptually, about one in seven workers in the community could depend on the airport for a direct job.

As the wages and expenditures noted above flowed through the local and state economies, they created additional jobs, both locally and across Alaska. The study estimates that the total number of in-state jobs attributable to on-site activity at TKA is 100 direct, indirect, and induced jobs (see Figure 2). Further, in 2009 labor income was approximately \$2.9 million, contributing to total in-state economic output of roughly \$5.6 million. The study estimates that 90 direct and indirect local (i.e., in-borough) jobs are attributable to TKA, and up to 10 indirect jobs spread throughout the rest of the state would be attributable to the airport.



**Preserving a Community's Character**

Talkeetna is located within the Matanuska-Susitna Borough, approximately two hour's drive north of Anchorage on a spur road extending north from the George Parks Highway. The community is home to about 900 residents and sits at the junction of the Talkeetna, Chulitna, and Susitna Rivers, all of which are popular with outdoor enthusiasts seeking rafting and fishing experiences. Talkeetna boasts a rich history of supporting exploration and development in Alaska. Originally settled as both a mining town and an Alaska Commercial Company trading post in the late 1800s, Talkeetna later became a riverboat steamer station supplying miners and trappers in the region. Today Talkeetna is known as an aviation and supply base for expeditions to Mt. McKinley. Both the town's airstrip and its historic district are listed in the National Park Service's (NPS) National Register of Historic Places.

Tourism is a leading industry in Talkeetna, and the community's employment profile reflects its influence on the local economy. In 2009, restaurant cooks, retail salespersons, waiters and waitresses, cashiers, tour guides and escorts and commercial pilots all ranked within the top ten occupations (by number of people employed).



Photo courtesy of Fly Above Alaska