



The Economic Benefits from Developing an Airpark in the City of Peoria

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Introduction

The City of Peoria is considering the development of a new airport and a 220-acre commercial and industrial airpark as part of a broader economic development initiative.

The goal is to enhance the City’s economic landscape by attracting new businesses, capitalizing on the area’s growing manufacturing sector, and fostering high-wage job creation for Peoria residents. This is expected to improve the City’s competitive advantage, positioning Peoria as a prime location for investment and economic growth.

The plans for the proposed airport in Peoria were gathered from the feasibility study conducted by Coffman Associates Airport Consultants. The airport is anticipated to be 280 acres and includes a 5,600-foot runway with future expansion capabilities focused on general aviation activities.¹

A general aviation airport is a facility primarily used for private and recreational flying, including flight training, business aviation, and emergency services. It does not accommodate commercial airline services, such as commercial commuter or large cargo operations, focusing solely on non-commercial aviation activities limited to light-weight and mid-sized business jets and other general aviation aircraft.

This study solely provides a comprehensive analysis of the potential benefits of the planned 220-acre commercial and industrial airpark. In other words, it analyzes the potential benefits “outside the fence” of the airport property. It does not include a financial analysis of the financial obligations related to infrastructure capital improvements or airport operations.

Note: The estimates provided should be considered conservative given that the new business and economic activity is likely to extend beyond the 220 acres analyzed, aligning with other Phoenix metro airparks and airport hubs for commerce such as the Scottsdale Airpark, Falcon Field Airport area, and the Phoenix Deer Valley Airport area.

Analysis Considerations

The analysis is unique to this particular project in that as many as 12 separate “model impact runs” are included. The results form a “matrix” of potential impacts and provide a perspective on the possible outcomes.

The impact matrix includes components of comparable airparks, general aviation airport hubs, anticipated industry mix, local employment factors, local socioeconomic factors, and employment quality. It also encompasses an increasing scale of employment levels, skills, earnings, advancements in the industries, development timelines, and other quality factors.

¹ Coffman, Associates. “Feasibility Study for a New General Aviation Airport in Peoria Arizona.” *Airport Feasibility Study*, 2024.



The specific set of assumptions, including acreage, building floor area ratios, employees per square foot, and industry wages, among others, were derived from research, industry standards, reports, and datasets collected from the U.S. Census Bureau, Maricopa Association of Governments, Maricopa County Assessor's Office, and CoStar, among other sources.

The terms used in the analysis are defined as:

- Economic Impacts: Effects on the overall economy, including changes in economic output, jobs, and labor income.
- Fiscal Impacts/Tax Revenues: The total taxes collected by government entities as a result of an economic activity, including various forms of taxes such as income taxes, sales taxes, property taxes, and other state, county, and city taxes.
- Economic Output: The total value of goods and services produced by the businesses within a defined region, similar to how gross domestic product ("GDP") is calculated.
- Jobs: The number of full-time equivalent employment positions created or supported by an economic activity.
- Labor Income: The total earnings of employees and business owners, such as wages, salaries, and benefits, generated by the economic activity.
- Direct Impacts: The immediate economic effects generated by the initial spending, investment, or business activity. This includes the jobs, income, and output directly associated with the businesses being analyzed.
- Secondary Impacts: Both the indirect and induced impacts that capture the broader economic effects that ripple through the economy as a result of the direct impacts. Indirect impacts include the effects on the supply chain and inter-industry purchases, while induced impacts include the effects generated by increased spending of the direct and indirect workers.

The projected impacts outlined in this report are based on a set of assumptions and data sources that are subject to change. These projections are intended to provide an estimate based on current information and should not be viewed as guarantees of future performance.

Unless otherwise noted, the figures and estimates presented are based on the author's calculations and a proprietary impact model. Readers are advised to review the entire report to understand the full context, methodologies, assumptions, and limitations of the analysis. Partial reading of the report may lead to misinterpretation of the findings and conclusions.



Executive Summary

The 220-acre Peoria industrial airpark is poised to be a key driver of economic growth in the region. Positioned strategically near major manufacturers such as TSMC and AMKOR, the airpark will help attract ancillary and supply chain industries that support these companies while also fostering the growth of aviation-related businesses, industrial companies, and other manufacturers.

The establishment of the airpark is anticipated to generate substantial benefits for the surrounding area. It will create new businesses and employment opportunities, increase nearby property values, and deliver long-term economic gains to the community.

Once complete and at full-build out, the 220-acre Peoria industrial airpark is projected to support between 7,700 and 9,200 jobs, contribute between \$410M and \$560M in labor income, produce between \$1.0B and \$1.4B in economic output, and generate between \$62M and \$75M in state and local tax revenues each year. Of the total state and local tax revenues, the City of Peoria is estimated to collect between \$6M and \$7M in recurring tax revenues each year from the airpark's annual economic activity.

Figure 1: Annual Economic and Fiscal Impacts at Build-Out				
7,700 - 9,200	\$410M - \$560M	\$1.0B - \$1.4B	\$62M - \$75M	\$6M - \$7M
Jobs	Labor Income	Economic Output	State & Local Taxes	City Taxes

Note: State and local tax revenues include the sum of all state, county, city, and local property tax jurisdictions (i.e., the local school district, the community college district, and other special fire and medical districts).
Source: Rounds Consulting Group, Inc.

Key Findings – Quality Benchmark Analysis

The impacts assessed in the benchmark analysis are projected over a one-year period at the build-out of the airpark, which refers to the point when the airport is operating, and the airpark development is fully completed and operational.

The composition of business types and industries, employment, and average wages within the potential airpark was determined through observed land usage, building square footage, occupational profiles, and other industry-related activity within comparable Phoenix metro airparks and general aviation airport hubs. These include the Scottsdale Airpark and the airport commercial hubs of the Falcon Field Airport (“Falcon Field”) and Phoenix Deer Valley Airport (“Deer Valley”).

Additionally, the Glendale Municipal Airport and its surrounding area were also analyzed. However, due to the lack of activity at the airport, land constraints, and the absence of development, it was determined that this location and its factors should not be considered as an indicator for a potential airpark in Peoria.

The analyzed airport hubs of Falcon Field and Deer Valley were defined by the commercial areas surrounding the airports, which include aviation-related businesses as well as industrial and commercial companies. The Scottsdale Airpark boundary was based on the specific area defined by the City of Scottsdale.



The baseline scenario represents the lower end of the range of possible outcomes, and the optimal-quality scenario represents the higher end of the range of possible outcomes. The scenarios in the benchmark analysis encompass an increasing scale of density and quality, ranging from lower value-added businesses and employment wages to higher value-added ones.

Specifically, the baseline scenario reflects general assumptions regarding mid-level jobs and earnings (i.e., an average wage of \$55,300) in transportation and warehousing, traditional manufacturing, wholesale trade, business services, and retail industries.

The optimal-quality scenario encompasses the highest quality development with advanced industries (such as aerospace and defense, real estate and financial services, and research and development), highly skilled workers, and higher earnings (i.e., an average wage of \$71,800).

The following bullet points and table summarize the annual economic and fiscal impacts of the projected range of outcomes at build-out and full operating levels.

- At full build-out, the projected job impact of the airpark ranges between 7,730 to 9,200 annual workers. This includes the estimated 4,300 and 4,500 direct jobs supported by businesses within the 220-acre airpark and the 3,440 and 4,700 secondary jobs supported by supplier companies, as well as the businesses benefiting from additional employee spending.
- The secondary jobs supported by airpark operations extend to various industries such as healthcare, professional services, hospitality, retail, and other sectors. These secondary job impacts by industry are summarized in Figure 3.
- The airpark is estimated to contribute between \$409.6M and \$559.1M in labor income (i.e., the combined employee-earned wages and salaries) to the local economy each year.
- Annually, the 220-acre airpark could produce between \$1.0B and \$1.4B in economic output. This is equivalent to the City hosting a Super Bowl every year.
- The annual business activity and employee spending is estimated to generate between \$45.4M and \$60.6M in state tax revenue collections, including income taxes, sales taxes, vehicle license taxes, and fees, among others.
- Maricopa County is estimated to collect between \$6.5M and \$8.0M in tax revenues from commercial and residential property taxes, sales taxes, and a portion of the state tax collections that are shared with Arizona's counties each year.
- Each year the airpark is projected to generate between \$5.5M and \$6.8M in tax revenues for the City of Peoria once fully operational at build-out.
- Additionally, local property tax jurisdictions, including the local school district, the community college district, and other special fire and medical districts, among others, would collect between \$4.3M and \$5.6M in commercial property taxes from real estate within the 220-acre airpark.
- It should be noted that the estimates provided would be considered conservative, given that the new business and economic activity is likely to extend beyond the 220 acres analyzed.



Figure 2: Range of Annual Economic and Fiscal Impacts at Build-Out

Impact Type	Baseline	Optimal-Quality
Jobs	7,730	9,200
Labor Income	\$409,602,300	\$559,107,300
Economic Output	\$1,037,181,200	\$1,415,752,500
Tax Revenues	\$61,635,000	\$80,993,200
State Taxes	\$45,361,300	\$60,610,500
County Taxes	\$6,486,400	\$8,049,000
City Taxes	\$5,516,100	\$6,781,200
All Other Taxes	\$4,271,200	\$5,552,500

Note: All other taxes include the commercial real estate property taxes estimated to be generated for the local school district, the community college district, and other special fire and medical districts.

Source: Rounds Consulting Group, Inc.

Figure 3: Range of Annual Job Impact by Industry

Industry and Type	Baseline	Optimal-Quality
Direct Jobs	4,300	4,500
Secondary Jobs	3,440	4,700
Agriculture, Forestry, Fishing & Hunting	180	240
Mining, Quarrying, & Extraction	70	90
Utilities	10	10
Construction	40	50
Manufacturing	510	690
Wholesale Trade	30	40
Retail Trade	550	740
Transportation & Warehousing	240	330
Information	230	310
Finance & Insurance	170	230
Real Estate	60	80
Professional, Scientific, & Technical Services	60	80
Management of Companies & Enterprises	60	80
Administrative & Support Services	130	180
Educational Services	70	90
Health Care & Social Assistance	380	520
Arts, Entertainment, & Recreation	230	320
Accommodation & Food Services	130	180
Other Services	280	390
Public Administration	30	50
Total Jobs	7,730	9,200

Note: May not sum to total due to rounding.

Source: Rounds Consulting Group, Inc.



Additional Considerations

As economic activities intensify around airport business districts, land development follows. This heightened demand for land drives up property values, reflecting the increased desirability and economic potential of the area.²

To analyze property value trends, RCG compiled a sample of properties and their respective values from the comparable airport commercial hubs and the overall value of commercial properties for the cities where these airport hubs are located over time. The objective was to compare the historical growth trends of properties within the airport commercial hubs to those of their respective cities. The specific methodology is summarized in Appendix B.

The value of commercial properties surrounding Falcon Field, Deer Valley, and Scottsdale Airport consistently surpassed the annual growth rate of their respective cities. The following table summarizes the 4-year (only available period) annual growth rate of commercial property values for each airport commercial hub compared to their respective cities.

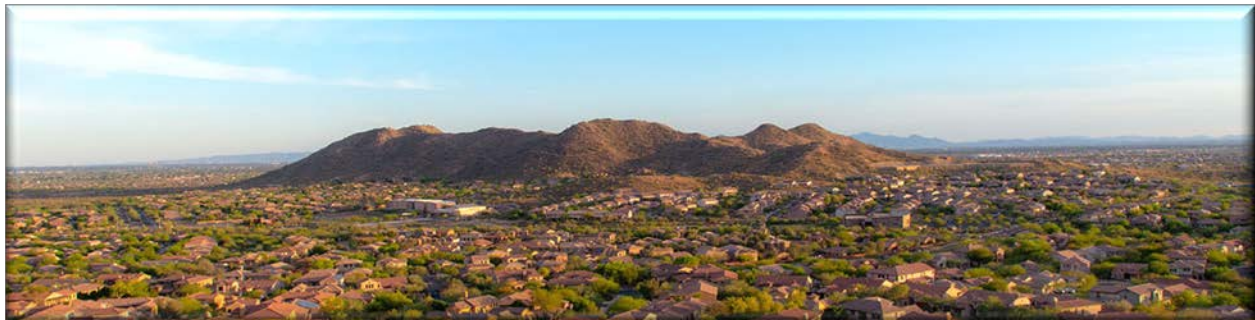
For example, the value of properties sampled within the Falcon Field commercial hub grew at an annual rate of 13.6%, while the City of Mesa’s overall commercial property values grew at an annual rate of 9.3% between FY 2021 to FY 2025. For additional context, refer to Appendix C for a case study illustrating airport-adjacent facilities' property values surpassing the market's average rent prices.

Figure 4: Average Property Value Growth Trends (FY 2021 to FY 2025)

	Falcon Field	City of Mesa	Deer Valley	City of Phoenix	Scottsdale Airpark	City of Scottsdale
Annual Growth Rate	13.6%	9.3%	15.9%	12.1%	17.1%	6.0%

Note: A sample was used to determine the values of commercial properties within the airpark and their respective annual growth rates. Data from the Maricopa County Assessor’s Office was utilized to determine the values of commercial properties within each city.

Source: Maricopa County Assessor’s Office; Rounds Consulting Group, Inc.



² AEI Consultants. “Factors Affecting Commercial Property Values.” *AEI Consultants*, 6 Mar. 2024, [aeiconsultants.com/factors-affecting-commercial-property-values/](https://www.aeiconsultants.com/factors-affecting-commercial-property-values/).



Economic Profile and Trends

To determine the range of potential impacts, demographic, employment, and socioeconomic data was gathered. The research included an analysis of the Peoria, Maricopa County, and statewide markets.

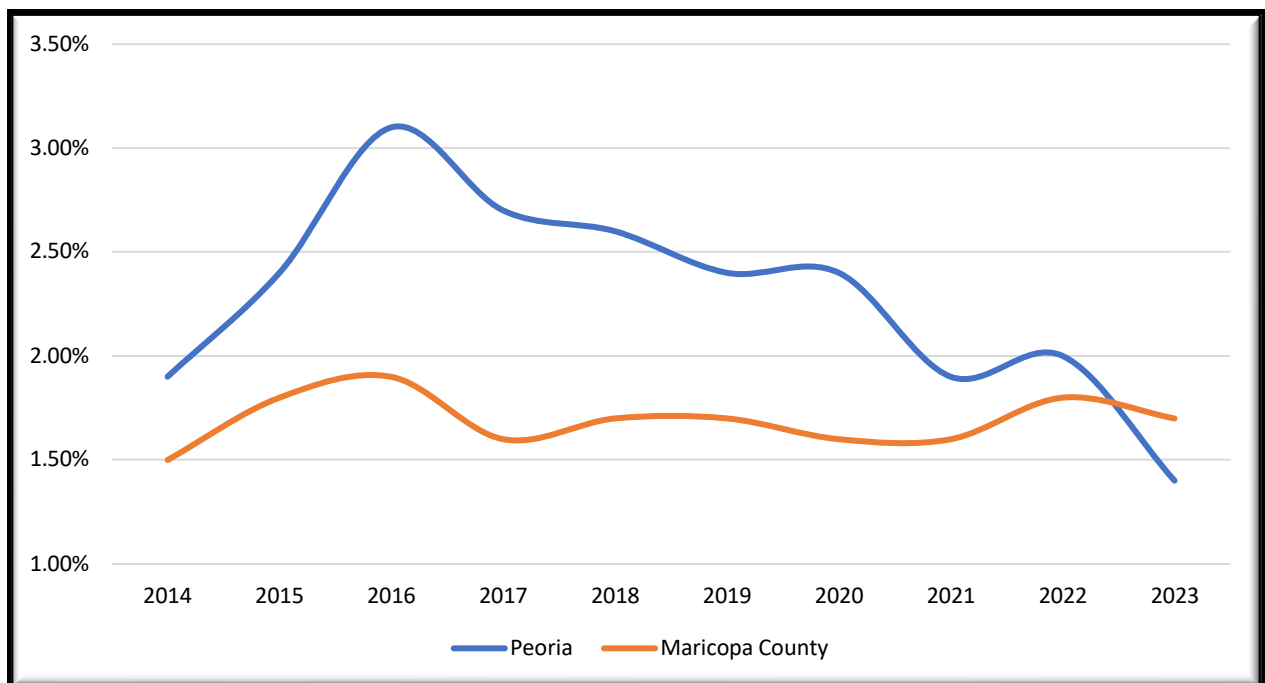
Overall, Peoria is known for its excellent schools, relatively affordable housing, and friendly community, making it an appealing location for families and individuals looking for a high quality of life. The projected growth of the area is significant, and an emphasis on quality growth should be pursued to ensure the future infrastructure, services, and amenity needs of Peoria’s residents are met.

Population

In 2023, there was a total of 202,183 people living in the City of Peoria, according to data from the Arizona Office of Economic Opportunity (“OEO”). Over the last ten years, the population in the City has grown at an average rate of 2.3%. For comparison, Maricopa County experienced an average growth rate of 1.7% over the last 10 years.

Between 2013 and 2023, the population in Peoria had a net gain of 40,712 people, increasing by 25.2%. Maricopa County’s population grew by a total of 18.2% (net gain of 719,867) over the same period.

Figure 5: Annual Population Growth Rates (2013-2023)



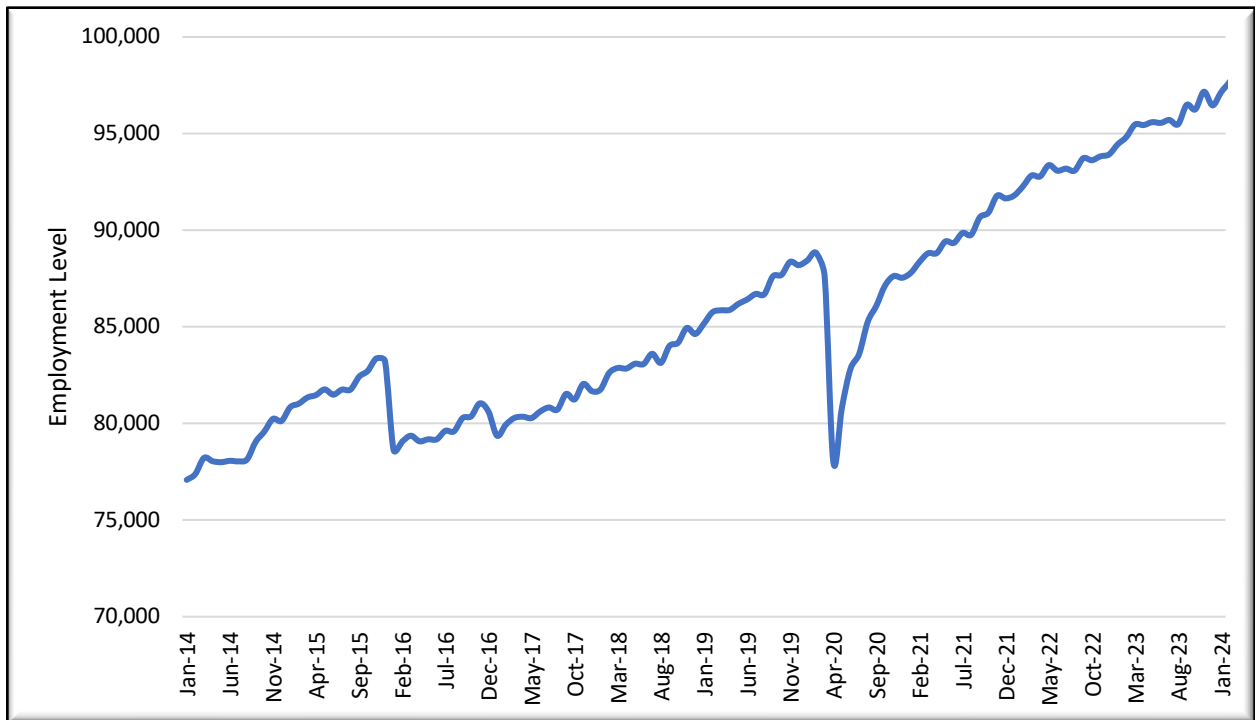
Source: Arizona Office of Economic Opportunity



Employment

According to U.S. Bureau of Labor Statistics (“BLS”), Peoria employment totaled 98,255 individuals as of June 2024. Employment in the City has shown noteworthy growth over the past decade, and Peoria has witnessed a significant surge in employment opportunities.

Figure 6: City of Peoria Employment (2014-2024)

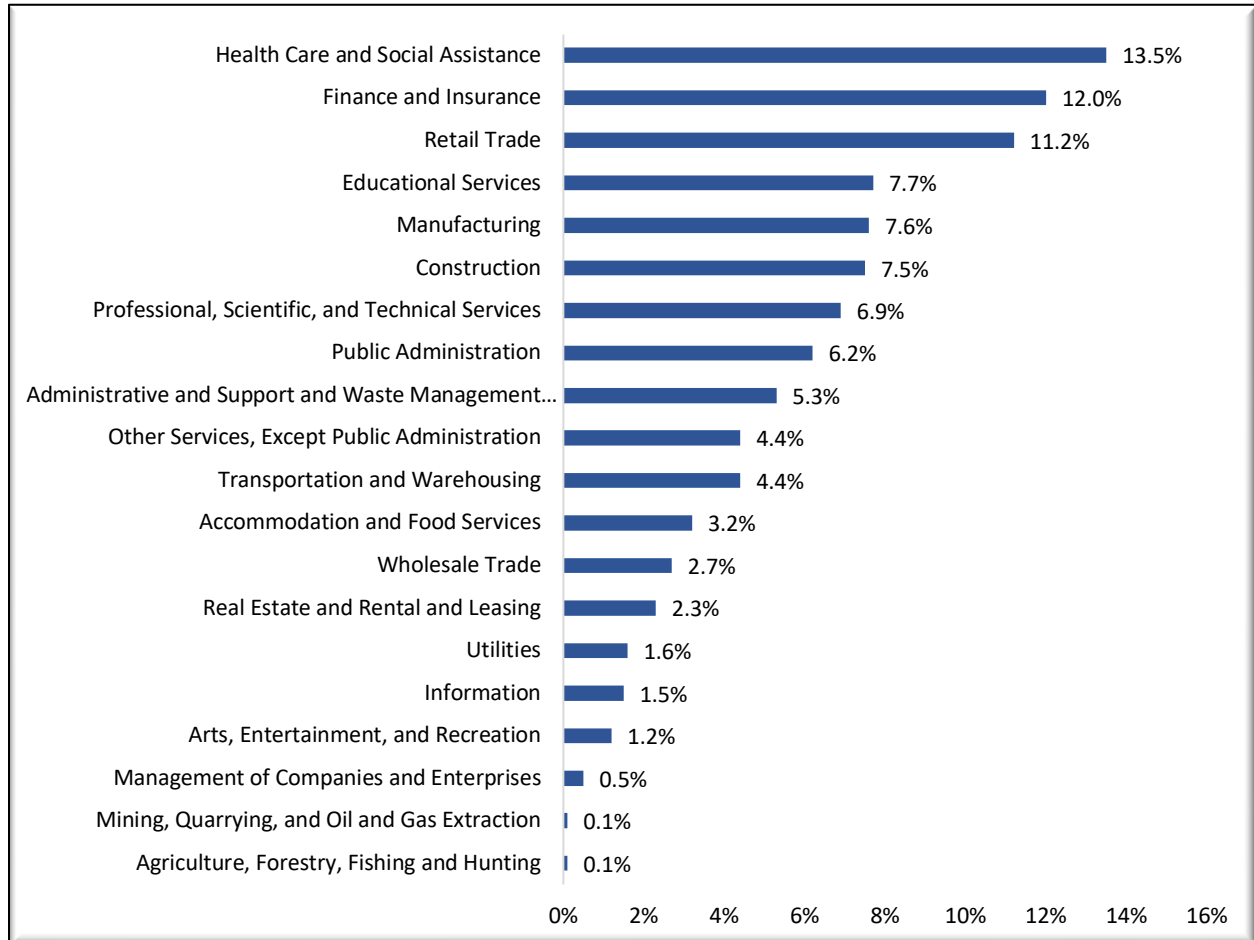


Source: United States Bureau of Labor Statistics

The U.S. Census Bureau estimated Peoria's total employment share by industry in 2022, which can be found in the following table. The healthcare and social assistance industry supported the largest share of employment in the City, followed by finance and insurance, retail trade, educational services, and manufacturing.



Figure 7: Total Share of Employment by Industry in Peoria (2022)



Source: U.S. Census Bureau

General Demographics

According to the U.S. Census Bureau’s American Community Survey, the median age of Peoria’s population was 41.4 years old in 2022. This was higher than the median age of 37.1 years old in Maricopa County and 38.4 years old in the state of Arizona.

Peoria had 73,700 households and 79,443 housing units as of 2022. The average household size in Peoria is greater than the County and the state average. This indicates that Peoria has a relatively higher proportion of families in comparison to its peer communities.

Figure 8: Population, Housing Units, and Households (2022)

	Population	Housing Units	Households	Avg. Household Size
City of Peoria	191,292	79,443	73,700	2.65
Maricopa County	4,430,871	1,821,463	1,665,560	2.62
State of Arizona	7,172,282	3,097,768	2,739,136	2.56

Source: U.S. Census Bureau’s American Community Survey



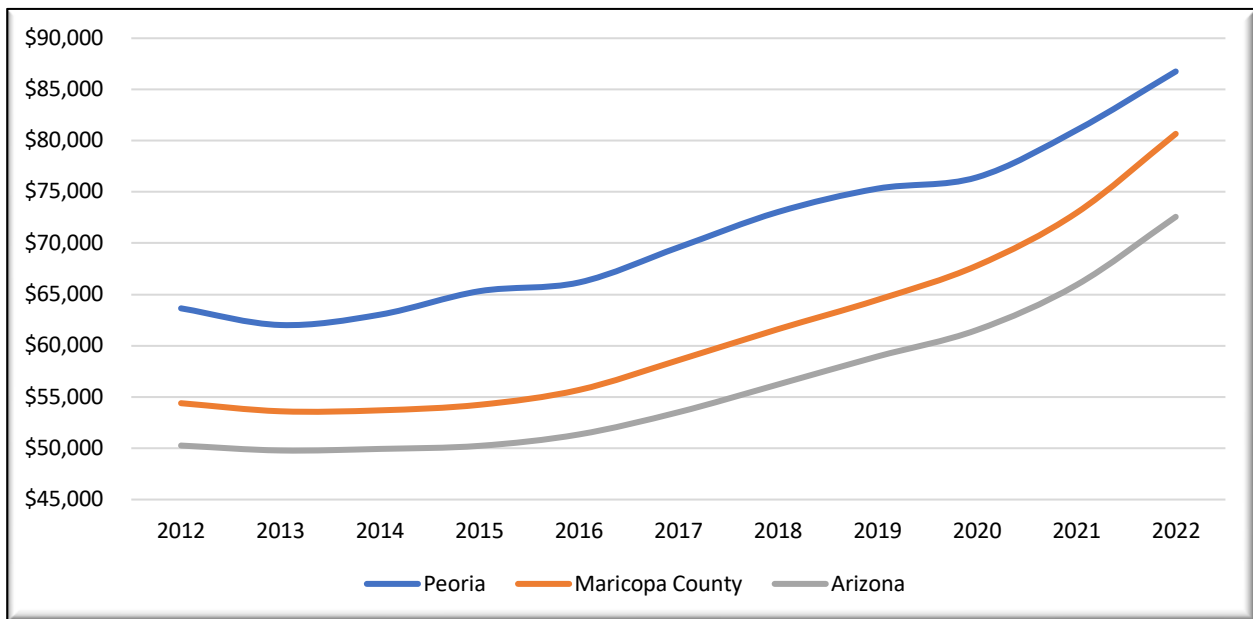
Figure 9 presents the 2022 educational attainment levels of individuals aged 25 and above for Peoria, Maricopa County, and Arizona. Peoria’s population is relatively more educated than Maricopa County and the state as a whole.

Figure 9: Educational Attainment Level (2022)			
Highest Level of Education	Peoria	Maricopa County	Arizona
No High School Diploma	7.6%	10.8%	11.3%
High School Graduate	22.9%	22.1%	23.6%
Some College, No Degree	24.4%	23.1%	24.2%
Associate Degree	10.5%	9.0%	9.1%
Bachelor’s Degree	21.6%	21.9%	19.6%
Graduate or Professional Degree	13.2%	13.1%	12.2%

Source: United States Census Bureau

The median household income in Peoria was \$86,759 in 2022. For comparison, the County’s median income was \$80,675, and the state’s median income was \$72,581. The following chart displays the median household incomes for the City of Peoria, Maricopa County, and Arizona between 2012 and 2022. This chart demonstrates how Peoria has continued to have a higher household income than the County and State as a whole.

Figure 10: Median Household Incomes



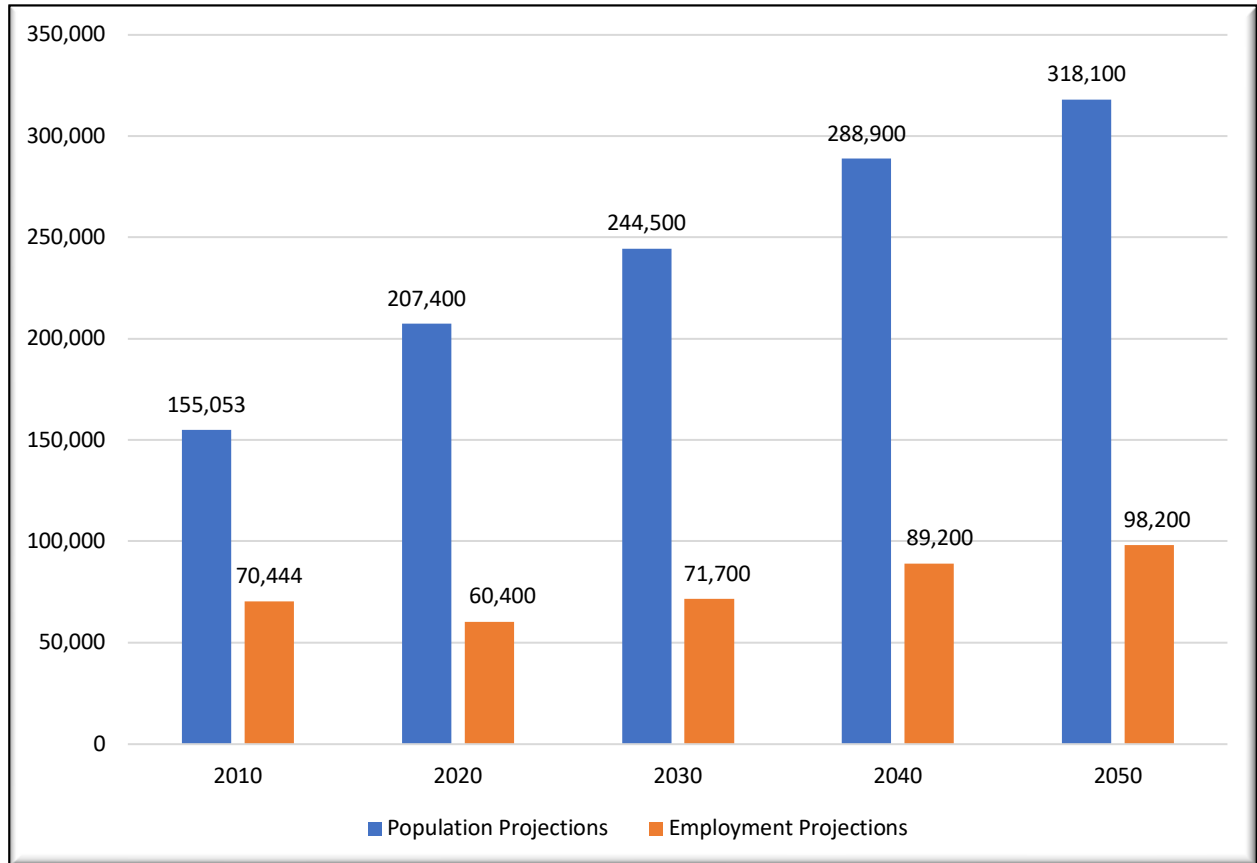
Source: United States Census Bureau



Projected Growth in Peoria

According to the Maricopa Association of Governments (“MAG”), the population in Peoria is anticipated to grow at an annual average rate of 1.5% from 2020 to 2050. Employment in the City is anticipated to grow at an annual average rate of 1.8% for the same period. The population is expected to increase by 110,700 people (53.4%), and employment is expected to increase by 37,800 (62.6%) from 2020 to 2050.

Figure 11: Peoria Population and Employment Projections



Source: Maricopa Association of Governments; Arizona Office of Economic Opportunity; U.S. Census Bureau



Case Studies: Airport Commercial Hubs

Select general aviation airport commercial hubs in the Phoenix metro area were analyzed to provide insight into land usage, the composition of business types and industries, employment levels, and other key factors. These select hubs include the Scottsdale Airpark, Falcon Field, and Deer Valley airport commercial hubs. Additionally, the Glendale Municipal Airport commercial hub was also included.

The analyzed airport commercial hubs of Falcon Field, Deer Valley, and Glendale were defined by the areas surrounding the airports, which include aviation-related businesses as well as industrial and commercial companies. The Scottsdale Airpark boundary was determined based on the specific area defined by the City of Scottsdale.

Scottsdale Airpark

The Scottsdale Airport is a general aviation facility owned and operated by the City of Scottsdale. It is located on more than 300 acres of land in north-central Scottsdale. The runway is 8,249 feet long and 100 feet wide. The airport has various fixed-based operator (“FBO”) facilities, private aircraft hangars, and tie-downs.

The Scottsdale Airpark includes 85 major companies, over 3,000 small/medium-sized businesses, and over 59,000 employees.³ The Scottsdale Airpark is the largest industrial-zoned area within the City of Scottsdale and is one of the largest employment centers in Arizona. The airpark encompasses an 8.6 square mile area and houses corporate headquarters such as Axon, Blue Yonder, and Vanguard.⁴

Approximately 171,675 takeoffs and landings occurred in 2023, classifying Scottsdale Airport as one of the busiest corporate jet facilities in the state.⁵ On average, there are an estimated 485 arrivals and departures each day. About 463 aircraft are based at the airport, ranging from single-engine recreational planes to numerous corporate jets. The City of Scottsdale is responsible for maintaining the safety and security of the airport facility, including the runways, taxiways, lighting, and safety areas, among others.

The Scottsdale Airport has three FBOs: Jet Aviation, Atlantic Aviation, and Signature Flight Support. An FBO is a private company that provides a full range of aircraft flight, fuel services, maintenance services, catering, car rentals, ground support, and concierge services.

In addition to FBOs, there are other types of aviation-related businesses in the Scottsdale Airpark. For example, some companies like medical providers and land development firms have taxiway access and

³ “Peoria Airpark Fact Sheet.” *City of Peoria*, www.peoriaed.com/home/showpublisheddocument/24426/637341391547630000.

⁴ “Scottsdale Airpark Industry Overview.” *Choose Scottsdale Economic Development*, www.choosescottsdale.com/locate-here/airpark.

⁵ “Scottsdale Airport Facts.” *City of Scottsdale*, www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Airport/nav-docs/Airport+Fact+Sheet.pdf.



utilize the airport. There are also companies that do not have taxiway access but manufacture aircraft parts or sell aircraft-related services like insurance.

The Economic Impact of Scottsdale Airport-Related Activity

The following summarizes the Scottsdale Airport's aviation-related economic impact as reported by an Arizona State University study conducted in 2019.⁶ It should be noted that these estimates do not represent the full impact created by the Scottsdale Airpark as the impacts only consider aviation activity.

- Within the Scottsdale Airport, there were approximately 800 aviation-related jobs earning \$63M in labor income.
- Additionally, there were 63 aviation-related businesses associated with the Scottsdale Airport.
- In total, aviation-related activity employed approximately 4,000 jobs earning \$241.5M in labor income.
- The aviation activity linked with the Scottsdale Airport generated \$688.0M in economic output.
- Approximately \$37.0M in state and local tax revenues were generated by the aviation activity related to the Scottsdale Airport in 2019. Based on this, it is estimated that the state portion of the tax collections was \$18.5M, with Maricopa County and Scottsdale each collecting \$9.3M.

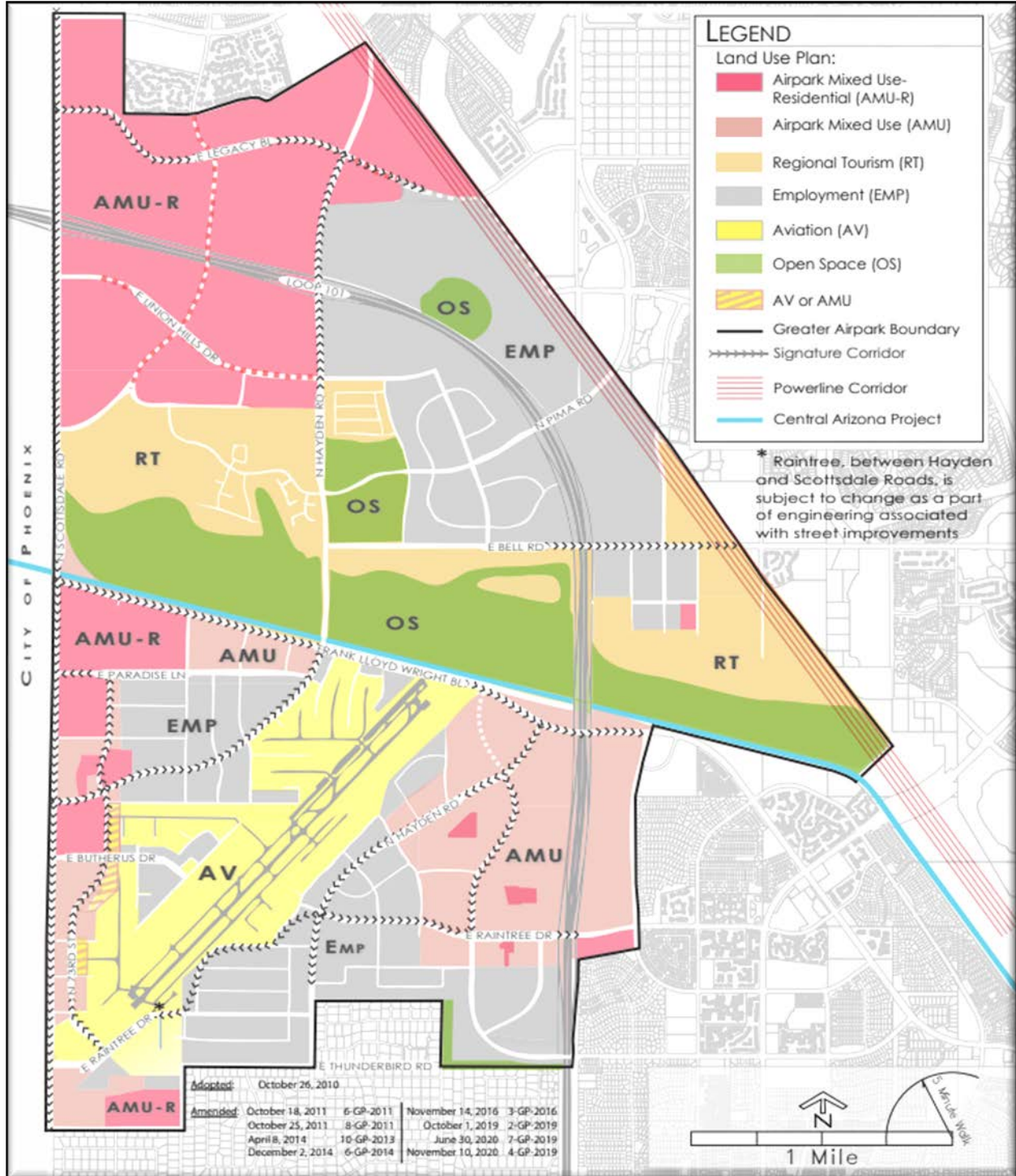
Figure 12 displays the Scottsdale Airpark's boundaries, as designated in the Greater Airpark Character Area Plan by the City of Scottsdale.



⁶ "Economic Benefit Update 2019 - Scottsdale Airport." *City of Scottsdale*, Arizona State University, www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Airport/2019+Economic+Benefit+Study.pdf.



Figure 12: Scottsdale Airpark Boundary



Source: City of Scottsdale; Greater Airpark Character Area Plan



Falcon Field Airport Commercial Hub

Located in northeast Mesa, Falcon Field serves as a reliever airport to the commercial airports of Phoenix Sky Harbor International and Phoenix-Mesa Gateway. A reliever airport is an airport that provides additional capacity to help reduce crowding in major airports.

Falcon Field supports a variety of general aviation and commercial activities. The airport consists of 784 acres, with about 23 acres with direct runway/taxiway access designated for aviation-related business developments.⁷

Traffic is managed by a Federal Aviation Administration (“FAA”) air traffic control tower on Falcon Field’s two runways, which are 5,100 and 3,800 feet.

Figure 13: Falcon Field Airport Overview



Falcon Field is home to more than 130 businesses, over 800 aircraft, and conducts over 300,000 operations annually. The businesses include companies that conduct aviation activities like fueling, maintenance and repairs, research & development, avionics, and manufacturing such as the Paris-based Avico Group, FTH, LLC., and Lemac Aviation, LLC.

The identified Falcon Field commercial hub includes land zoned for light industrial, commercial, and business park uses. The airport borders large residential zones to the east and west, imposing expansion and land use limitations.⁸

Other industries located near Falcon Field include investment firms, insurance brokerages, and restaurants. Boeing is situated adjacent to Falcon Field. It is recognized as one of Arizona’s largest aerospace and defense manufacturers and employs nearly 5,000 people nationwide. MD Helicopters is also located at Falcon Field and is recognized as a leader in producing high-performance helicopters.

The Economic Impact of Falcon Field Airport-Related Activity

The following summarizes the Falcon Field Airport’s aviation-related economic impact as reported by an Arizona Department of Transportation (“ADOT”) study conducted in 2021.⁹ It should be noted that these estimates do not represent the full impact created by the Falcon Field Airport Commercial Hub area, as the impacts only consider aviation activity.

⁷ “About Us,” Falcon Field Airport, <https://www.falconfieldairport.com/about-us>

⁸ “Falcon Field Airport Master Plan,” City of Mesa, <https://www.mesaaz.gov/home/showpublisheddocument/3778/635560929220770000>

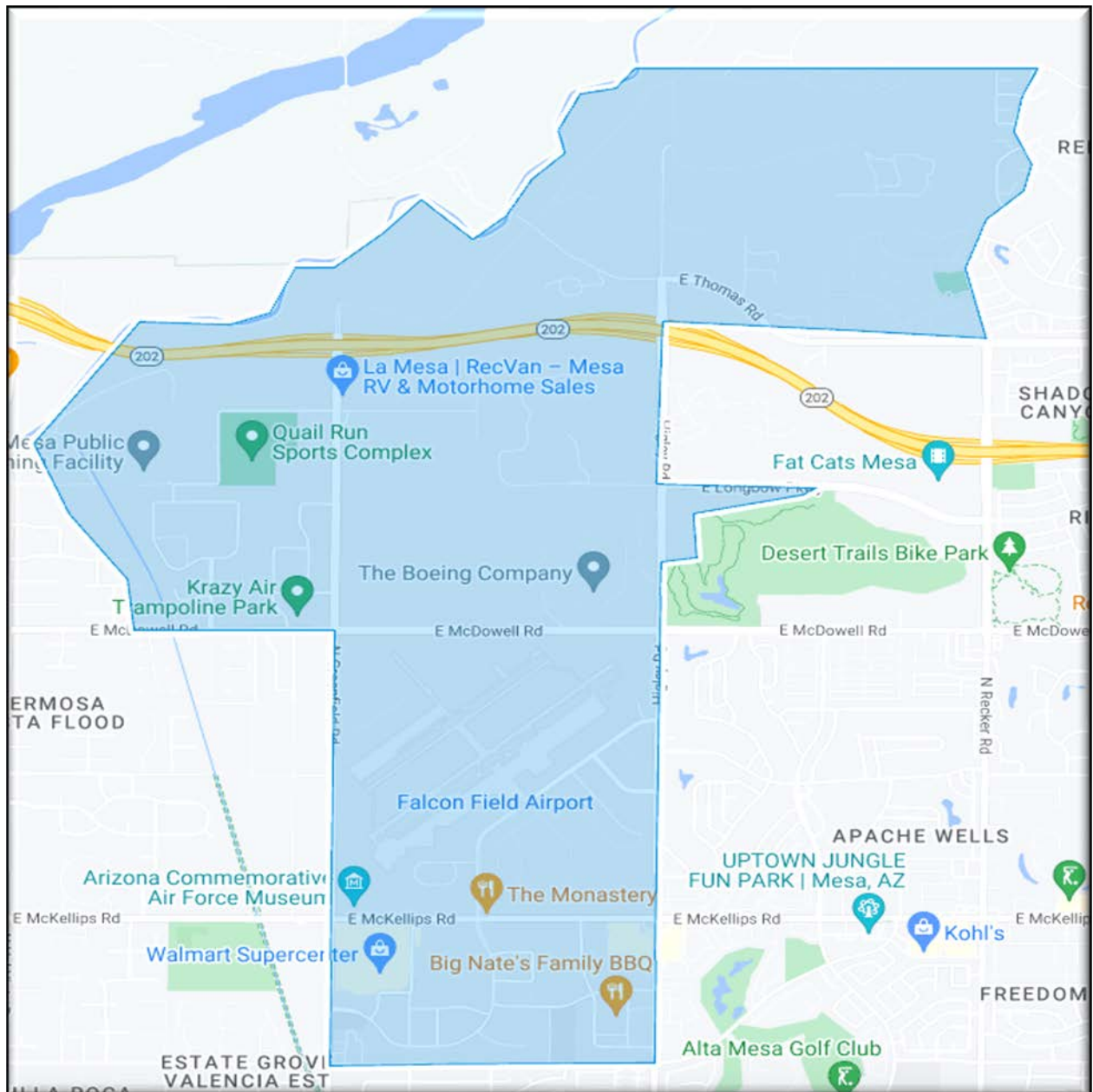
⁹ “2021 Arizona Aviation Economic Impact Study,” *Arizona Department of Transportation*, azdot.gov/sites/default/files/media/2021/10/ADOT_2021_Arizona_AEIS_Executive_Summary.pdf.



- The Falcon Field aviation-related activity supported more than 4,200 jobs, generated employee earnings of \$249.4M, and created \$868.4M in economic activity in 2019.
- Falcon Field aviation-related activity impact brought \$49.4M in state and local tax revenues. Based on this, it is estimated that the state collected \$24.7M, while Maricopa County and the City of Mesa each collected approximately \$12.4M.

Figure 14 depicts the boundaries for the Falcon Field Airport Hub as defined by RCG. This was established through a comprehensive assessment of the surrounding area's zoning, business composition, and aviation-related companies.

Figure 14: Falcon Field Airport Hub Boundary



Source: Rounds Consulting Group; Google Maps



Phoenix Deer Valley Airport Commercial Hub

Phoenix Deer Valley Airport is a general aviation airport located north of central Phoenix. The airport is 15 miles north of downtown Phoenix on approximately 914 acres of land close to the I-17 and Loop 101 highways.

The Deer Valley Airport hosts nearly 1,100 aircrafts. The facility is equipped with two runways: the first is 4,500 feet long and 75 feet wide, and the second is 8,208 feet long and 100 feet wide.

Deer Valley Airport is a facility that can accommodate all segments of civil aviation except for commercial passenger services. The airport boasts a comprehensive range of services, including fueling, avionics repair, maintenance, parts, flight training, dining, new and used aircraft sales, car rentals, and aircraft rentals.¹⁰

According to ADOT, the Deer Valley Airport was the fifth busiest airport in the world in 2020 in terms of aircraft operations (landings and takeoffs).¹¹ The high activity levels at the Deer Valley Airport are primarily attributed to flight training. The Deer Valley Airport is home to two flight schools, Westwind Aviation, and AeroGuard Flight Training, which are located on-site.

Over 20 businesses at Deer Valley Airport offer various aviation services, including aircraft maintenance, repair, overhaul (“MRO”), FBO services, charter flights, and aircraft sales. The airport also supports a high level of business/corporate activities.

The Economic Impact of Deer Valley Airport-Related Activity

The following summarizes the Deer Valley Airport’s aviation-related economic impact as reported by an ADOT study conducted in 2021.¹² It should be noted that these estimates do not represent the full impact created by the Deer Valley Airport Commercial Hub area, as the impacts only consider aviation activity.

- In 2019, the Deer Valley aviation-related activity employed 3,100 jobs and generated \$182.3M in labor income.
- This aviation-related activity generated \$508.3M in economic output.
- In 2019, Deer Valley’s aviation-related activity brought in \$28.9M in state and local tax revenues. Based on this, it is estimated that the state collections accounted for \$14.5M while both Maricopa County and the City of Phoenix each collected approximately \$7.2M.

Figure 15 depicts the boundaries for the Phoenix Deer Valley Airport Hub as defined by RCG. This was established through a comprehensive assessment of the surrounding area’s zoning, business composition, and aviation-related companies.

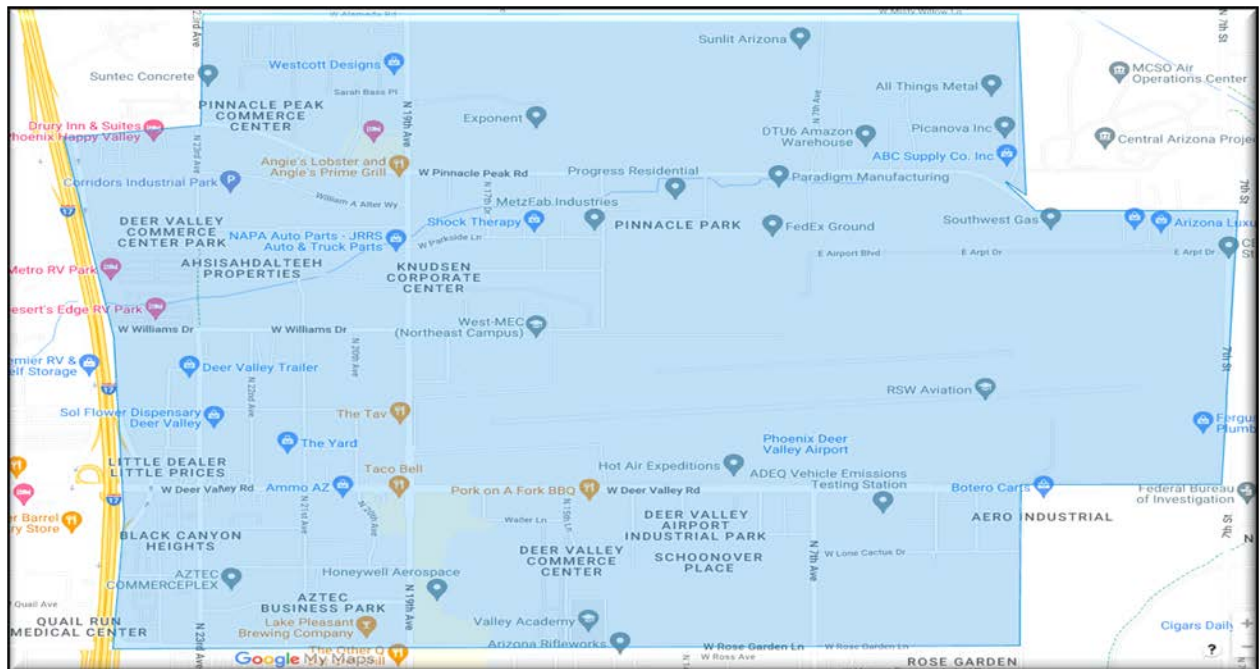
¹⁰ “About DVT Airport.” *Deer Valley Airport*, www.deervalleyairport.com/about-dvt-airport/.

¹¹ “Arizona Aviation Economic Impact Study.” *Arizona Department of Transportation*, azdot.gov/sites/default/files/media/2021/10/Arizona_AEIS_Airport_Brochure_DVT.pdf.

¹² “2021 Arizona Aviation Economic Impact Study.” *Arizona Department of Transportation*, azdot.gov/sites/default/files/media/2021/10/ADOT_2021_Arizona_AEIS_Executive_Summary.pdf.



Figure 15: Deer Valley Airport Hub Boundary



Source: Rounds Consulting Group; Google Maps



Glendale Municipal Airport Commercial Hub

The Glendale Municipal Airport is a general aviation airport in the Phoenix metropolitan area, located six miles west of Downtown Glendale.

The Glendale Airport encompasses 477 acres and features a 22,000-square-foot terminal, an FAA Tower, and comprehensive services tailored for general aviation and corporate jet traffic.¹³ There are 348 aircrafts based on the field, and the aircraft operations manage an average 319 take-offs and landings each day.¹⁴

The Glendale airport is located two miles west of the Westgate Entertainment District, which includes the Gila River Arena and the State Farm Stadium. There are also multiple spring training stadiums nearby.

It is equipped with a single paved runway, which spans 7,150 feet in length and 100 feet in width. Glendale Airport comprises multiple flight schools, partnerships with aviation-related technical training schools, and a relationship with the nearby Luke Air Force Base. The close proximity of Glendale Airport and Luke Air Force Base necessitates greater coordinated efforts to ensure the safety of take-offs and landings.

The Economic Impact of Glendale Airport-Related Activity

The following summarizes the Glendale Airport's aviation-related economic impact as reported by an ADOT study conducted in 2021.¹⁵ It should be noted that these estimates do not represent the full impact created by the Glendale Airport Commercial Hub area, as the impacts only consider aviation activity.

- The Glendale Airport aviation-related activity employed 400 individuals, with \$21.3M in earnings in 2019.
- In 2019 the Glendale Airport aviation-related activity generated a total of \$54.8M in economic output.
- Glendale's aviation-related activity impact brought the local economies \$3.1M in tax revenues in 2019. Based on this, it is estimated that the state collections accounted for \$1.6M, while both Maricopa County and the City of Glendale each collected approximately \$779,500.

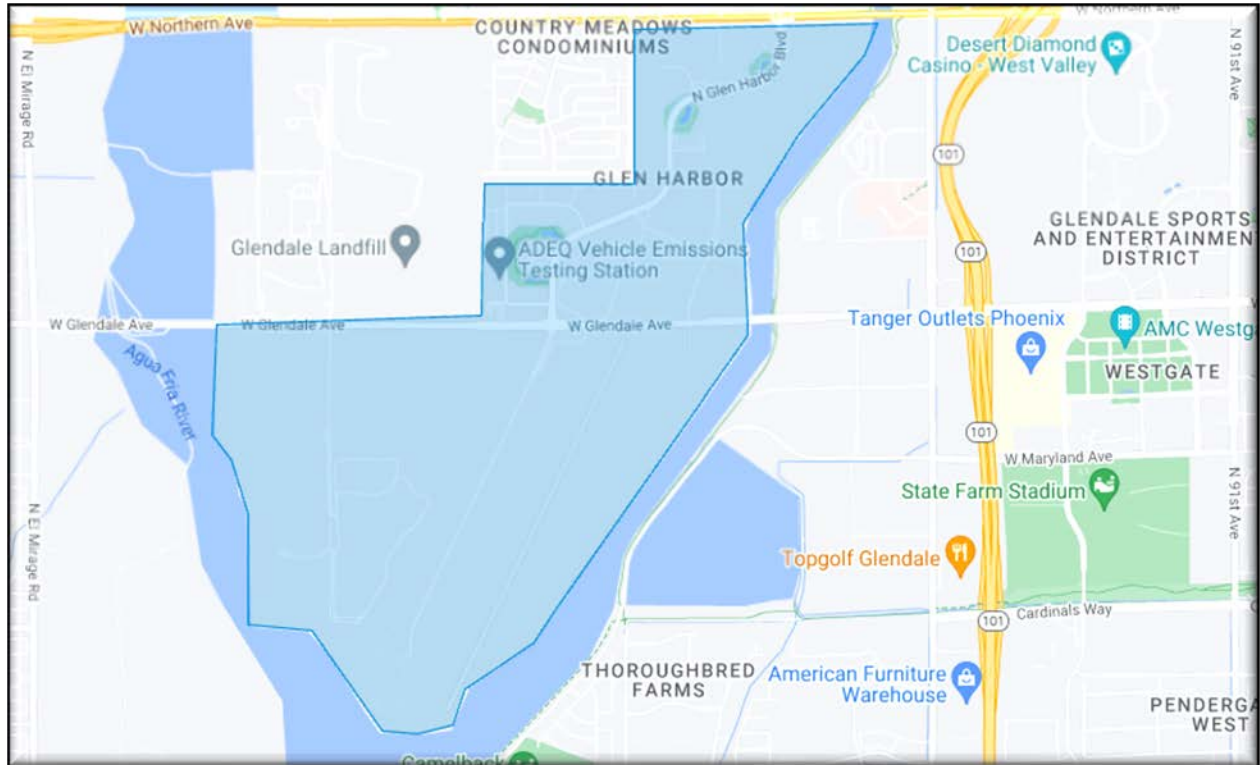
¹³ "About the Airport." *City of Glendale*, www.glendaleaz.com/cms/One.aspx?portalId=15209085&pageId=15705418.

¹⁴ "KGEU - Glendale Municipal Airport." *AirNav*, www.airnav.com/airport/KGEU.

¹⁵ "2021 Arizona Aviation Economic Impact Study." *Arizona Department of Transportation*, azdot.gov/sites/default/files/media/2021/10/ADOT_2021_Arizona_AEIS_Executive_Summary.pdf.



Figure 16: Glendale Airport Hub Boundary



Source: Rounds Consulting Group; Google Maps





Summary of Case Studies

Data from CoStar on the specific airpark case studies was gathered to help determine the industry mix, including detailed information on building specs, square footages, and land uses. The industry mix for the proposed airpark was determined by computing a weighted average based on the industry composition observed in the case studies.

Scottsdale Airpark

The Scottsdale Airport consists of 320 acres, while the Scottsdale Airpark area makes up an estimated 5,574 acres in Scottsdale. Scottsdale Airpark had 278 industrial buildings with 5.1M square feet of space, 185 retail buildings with 4.8M square feet of space, and 253 office buildings with 10.0M square feet of space. The industry mix for the Scottsdale Airpark was estimated as:

- 25.7% industrial space,
- 24.1% retail space, and
- 50.2% office space.

Falcon Field Airport Commercial Hub

The Falcon Field Airport consists of 784 acres, and the established Falcon Field Airport commercial hub makes up an estimated 3,168 acres in Mesa. The identified Falcon Field Airport hub had 198 industrial buildings with nearly 5.0M square feet of space, 17 retail buildings with 350,000 square feet of space, and 46 office buildings with 917,528 square feet of space. The industry mix for the Falcon Field Airport hub was estimated as:

- 79.8% industrial space,
- 5.6% retail space, and
- 14.6% office space.

Phoenix Deer Valley Airport Commercial Hub

Deer Valley Airport consists of 914 acres, and the established Deer Valley Airport commercial hub makes up an estimated 3,168 acres in Phoenix. The identified Deer Valley Airport hub consisted of 10.6M square feet of industrial space in 415 buildings, 285,250 square feet of retail space in 51 buildings, and 1.4M square feet of office space in 32 buildings. The industry mix for the Deer Valley Airport Hub was estimated as:

- 86.0% industrial space,
- 2.3% retail space, and
- 11.7% office space.

Glendale Municipal Airport Commercial Hub

Glendale Airport consists of 477 acres, and established Glendale Airport commercial hub makes up an estimated 1,472 acres in Glendale. The Glendale Airport hub consisted of 1.5M square feet of industrial



space in 63 buildings, there was no retail space within the area, and 16,375 square feet of office space in 2 buildings. The industry mix for the Glendale Airport Hub was estimated as:

- 99.5% industrial space,
- 0.0% retail space, and
- 0.5% office space.

Note: Due to the lack of activity at the Glendale Airport, land constraints, and the absence of development, it was determined that this location and its factors should not be considered as an indicator for a potential airpark in Peoria.

Peoria Airpark Assumptions

The proposed plan for the Peoria Airpark consists of 280 acres for the airport and 220 acres for the industrial airpark. The identified average industry mix of the comparable airparks (excluding the Glendale Airport area) was utilized to establish the baseline assumption for what could be developed at the Peoria Airpark. The average industry mix was estimated as:

- 53.1% industrial space,
- 16.4% retail space, and
- 30.6% office space.

The following table summarizes the acreage, number of buildings, and square footages by industry use for each airport commercial hub.

Figure 17: Airport Commercial Hub Acreage, Building Sq. Ft., & Industry Mix					
	Scottsdale Airpark	Falcon Field Airport Hub	Deer Valley Airport Hub	Glendale Airport Hub	Peoria Airpark Assumptions
Airport Acreage	320	784	914	477	280
Airpark/Airport Hub Acreage	5,574	3,168	3,084	1,472	220
# of Industrial Buildings	278	198	415	32	63
Industrial Square Footage	5,138,650	4,999,612	10,585,864	3,376,374	1,449,203
% Industrial Share	25.7%	79.8%	86.0%	99.5%	53.1%
# of Retail Buildings	185	17	51	-	18
Retail Square Footage	4,820,533	350,000	285,250	-	392,508
% Retail Share	24.1%	5.6%	2.3%	-	16.4%
# of Office Buildings	253	46	32	2	24
Office Square Footage	10,055,240	917,528	1,436,139	16,375	893,115
% Office Share	50.2%	14.6%	11.7%	0.5%	30.6%

Source: Costar; Arizona Department of Transportation



ADOT Aviation-Related Economic Impact Summaries

As part of the analysis, RCG reviewed ADOT’s economic impact report on the state’s airports and aviation-related activities.¹⁶ The study illustrates each airport’s aviation-related impact, which includes activity occurring within the airports as well as some activity outside of the airports. However, the activity beyond each airport does not represent the full extent of each area’s commercial area.

The following table summarizes the jobs, labor income, economic output, and tax revenue impacts of the aviation-related activity linked to each of the case study airports.

Airport	Jobs	Labor Income	Economic Output	State & Local Taxes
Glendale Municipal Airport	404	\$21,271,000	\$54,800,000	\$54,800,000
Mesa Falcon Field Airport	4,207	\$249,412,000	\$868,442,000	\$868,442,000
Phoenix Deer Valley Airport	3,097	\$182,330,000	\$508,277,000	\$508,277,000
Scottsdale Airport	5,970	\$320,160,000	\$1,000,728,000	\$1,000,728,000

Source: Arizona Department of Transportation

¹⁶ “2021 Arizona Aviation Economic Impact Study.” *Arizona Department of Transportation*, azdot.gov/sites/default/files/media/2021/10/ADOT_2021_Arizona_AEIS_Executive_Summary.pdf.



Optimal Industries to Recruit

The following summarizes Peoria and the Phoenix metropolitan area’s employment profile, median wages by industry, and total labor income. Current clusters are an indicator of potential opportunities for expansion and recruitment.

Top Employment Industries within Peoria

Data was collected on the estimated employment level and median wages for each industry in Peoria for 2022. This data was then used to calculate the estimated labor income of each industry. The purpose of these calculations was to estimate the industries that contribute the most labor income to the region.

The top ten industries producing the most labor income in Peoria include finance and insurance; healthcare & social assistance; professional, scientific, & technical services; manufacturing; construction; retail trade; public administration; educational services; and administration & support & waste management services.

Figure 19: Peoria’s Top Employment Industries and Estimated Total Labor Income (2022)

Industry	Employment	Median Wages	Estimated Labor Income	Percent Share
Finance & Insurance	8,101	\$67,251	\$544,800,351	17.54%
Healthcare & Social Assistance	9,160	\$49,105	\$449,801,800	14.48%
Professional, Scientific, & Tech. Services	4,684	\$76,816	\$359,806,144	11.58%
Manufacturing	5,152	\$67,823	\$349,424,096	11.25%
Construction	5,052	\$58,162	\$293,834,424	9.46%
Retail Trade	7,568	\$35,608	\$269,481,344	8.68%
Public Admin.	4,170	\$61,104	\$254,803,680	8.20%
Educational Services	5,228	\$46,594	\$243,593,432	7.84%
Admin. & Support & Waste mgmt. services	3,558	\$40,902	\$145,529,316	4.69%
Transportation & warehousing	2,991	\$47,366	\$141,671,706	4.56%
Wholesale Trade	1,858	\$69,250	\$128,666,500	4.14%
Other Services, Except Public Admin.	2,992	\$38,574	\$115,413,408	3.72%
Utilities	1,057	\$104,455	\$110,408,935	3.55%
Real Estate & Rental & Leasing	1,589	\$49,565	\$78,758,785	2.54%
Information	1,019	\$67,298	\$68,576,662	2.21%
Accommodation & Food Services	2,145	\$22,081	\$47,363,745	1.53%
Management of Companies & Enterprises	343	\$58,813	\$20,172,859	0.65%
Arts, Entertainment, & Recreation	804	\$22,348	\$17,967,792	0.58%
Mining, Quarrying, & Oil and Gas Extraction	96	\$67,031	\$6,434,976	0.21%
Agriculture, Forestry, Fishing & Hunting	85	\$48,206	\$4,097,510	0.13%
Employed Population (16 Years & Over)	67,652	-	\$3,650,607,465	100%

Source: U.S. Census Bureau



Top Employment Industries within Metro Phoenix

Similar calculations were conducted for the Phoenix metropolitan area to facilitate a comprehensive comparative analysis, utilizing the estimated employment levels and corresponding wages in the Greater Phoenix Area for the year 2022.

The top industries earning the largest aggregate labor income in the Greater Phoenix area include professional, scientific, & technical services; finance & insurance; healthcare & social assistance; manufacturing; construction; retail trade; educational services; public administration; transportation & warehousing; and administrative & support & waste management services.

Figure 20: Phoenix MSA's Top Employment Industries and Estimated Total Labor Income (2022)

Industry	Employment	Estimated Labor Income	Percent Share
Professional, Scientific, & Tech. Services	160,620	\$11,534,473,290	12.60%
Finance & Insurance	168,737	\$10,984,021,328	12.00%
Healthcare & Social Assistance	224,686	\$10,451,486,506	11.42%
Manufacturing	169,210	\$10,225,574,890	11.17%
Construction	159,334	\$7,775,242,862	8.50%
Retail Trade	197,661	\$6,516,618,942	7.12%
Educational Services	129,579	\$5,908,718,538	6.46%
Public Administration	88,309	\$5,505,155,110	6.01%
Transportation & Warehousing	100,428	\$4,568,558,652	4.99%
Admin. & Support & Waste Mgmt. Services	97,683	\$3,402,376,384	3.72%
Real Estate & Rental & Leasing	48,293	\$2,580,786,946	2.82%
Other Services, Except Public Admin.	74,826	\$2,551,894,228	2.79%
Wholesale Trade	41,896	\$2,341,424,054	2.56%
Utilities	21,955	\$1,929,824,002	2.11%
Accommodation & Food Services	81,881	\$1,914,896,986	2.09%
Information	27,699	\$1,571,821,296	1.72%
Arts, Entertainment, & Recreation	26,798	\$863,905,100	0.94%
Mining, Quarrying, and Oil & Gas Extraction	5,497	\$400,140,121	0.44%
Agriculture, Forestry, Fishing & Hunting	7,579	\$265,736,562	0.29%
Management of Companies & Enterprises	3,535	\$233,214,870	0.25%
Employed Population (16 Years & Over)	1,836,206	\$91,525,870,667	100%

Note: Both Maricopa and Pinal wages were used to determine the economic impact on the Greater Phoenix Metropolitan area.
 Source: U.S. Census Bureau



The Economic Impact of a Potential Airpark in Peoria

Airparks have a significant impact on local economies, serving as hubs for business activity, job creation, and economic growth. RCG developed an economic impact analysis to quantify the potential benefits of developing an airpark in Peoria.

The analysis is unique to this particular project in that as many as 12 separate “model impact runs” are included. The results form a “matrix” of potential impacts and provide a perspective on the possible outcomes.

The matrix begins with an industry and employment quality analysis to set a benchmark from which to compare varying scenarios utilizing different quality assumptions. The potential impact scenarios in the initial analysis encompass an increasing scale of employment skill levels, earnings, advancements in the industries, and other factors affecting quality.

The baseline scenario represents the lower end of the range of possible outcomes, and the optimal scenario represents the higher end of the range of possible outcomes.

The impacts assessed in this benchmark analysis are projected at the build-out of the airpark, which refers to the point when the development is fully completed and operational. This includes the total anticipated employment and economic impacts once all construction phases of the project have been realized.

Development timeline estimates with an increasingly aggressive development timeframe scale was then implemented in the model. The timeline includes a conservative 15-year build-out period, a moderate 10-year build-out period, and an aggressive 5-year build-out period.

Impact Model Overview

The estimated economic and fiscal impacts of constructing the proposed airpark in Peoria are categorized as construction impacts. *Construction impacts* estimate the effects of the entire construction period.

The estimated economic and fiscal impacts of the airpark operations in Peoria are categorized as operations impacts. *Operations impacts* estimate the annual ongoing effects of day-to-day activities.

Considering these factors provides a comprehensive understanding of the impact of the airpark construction and operations in Peoria, including increased revenue for local businesses, job creation, and boosting the overall economy.

The model employed by RCG estimates the direct and multiplier (i.e., indirect and induced) effects resulting from the construction of the proposed expansion and the annual ongoing activity. Impacts were specifically identified in terms of *economic output, labor income, jobs, and state and local tax revenues*.



Quality Scenarios, Methodology, & Assumptions

The potential impact scenarios in the benchmark analysis encompass an increasing scale of employment skill levels, earnings, advancements in the industries, and other factors affecting quality. The following benchmark scenarios were utilized:

- Baseline Scenario: This scenario represents the lower end of the range of possible outcomes, reflecting general assumptions about midlevel jobs and earnings (i.e., average wage of \$55,300).
- Moderate-Quality Scenario: This scenario includes moderate advancements in industries, skills, and earnings (i.e., average wage of \$60,800).
- High-Quality Scenario: This scenario features significant advancements in industries, higher-skilled workers, and increased earnings (i.e., average wage of \$66,300).
- Optimal-Quality Scenario: This scenario encompasses the highest quality development with advanced industries, highly skilled workers, and the highest earnings (i.e., average wage of \$71,800).

The impacts assessed in this benchmark analysis are projected at the build-out of the airpark, which refers to the point when the development is fully completed and operational. This includes the total anticipated employment and economic impacts once all construction phases of the project have been realized.

Baseline Impact Scenario at Build-Out

In total, the baseline scenario's construction activity would support 4,785 jobs. These employees are expected to earn \$256.0M in labor income, and construction activity would generate \$700.3M in economic activity. Overall, construction activity would generate \$25.1M in state taxes, \$5.4M in Maricopa County taxes, and \$6.2M in City taxes. This includes construction sales taxes, income taxes, and sales taxes from employee spending.

The annual operations of the baseline scenario at build-out would support a total of 4,287 direct jobs, earning \$236.9M in labor income. The annual operations of the airpark under the baseline scenario would generate \$506.7M in direct economic output. The annual operations of the baseline scenario are expected to generate \$14.6M in state taxes, \$4.9M in Maricopa County taxes, \$4.9M in City taxes, and \$4.3M in property taxes for all other local jurisdictions each year directly.

The annual operations of the baseline scenario are expected to support 3,444 indirect and induced jobs, earning \$172.7M in labor income and generating \$530.5M in indirect and induced economic activity annually. The indirect and induced jobs would generate \$30.8M in State taxes, \$1.6M in Maricopa County taxes, and \$573,600 in City taxes.



In total, the baseline scenario is estimated to support 7,731 jobs earning \$409.6M in labor income and generating \$1.0B in economic output each year at build-out. Overall, the baseline scenario would generate \$45.4M in State taxes, \$6.5M in County taxes, \$5.5M in City taxes, and \$4.3M in all other taxes each year.

Figure 21: Economic and Fiscal Impact – Baseline Impact Scenario at Build-Out

Total Construction Impact				
Total Impacts	Industrial	Office	Retail	Total
Jobs	2,081	2,006	698	4,785
Labor Income	\$111,210,200	\$107,184,700	\$37,304,500	\$255,699,400
Economic Output	\$304,590,500	\$293,565,200	\$102,172,400	\$700,328,100
Tax Revenues	\$15,381,700	\$16,010,100	\$5,365,800	\$36,757,600
State Taxes	\$10,578,100	\$10,889,300	\$3,669,100	\$25,136,500
County Taxes	\$2,252,300	\$2,368,100	\$789,900	\$5,410,300
City Taxes	\$2,551,300	\$2,752,700	\$906,800	\$6,210,800
Annual Operations Impact at Build-Out				
Direct Impacts	Industrial	Office	Retail	Total
Jobs	1,960	1,648	680	4,287
Labor Income	\$120,134,600	\$95,286,900	\$21,489,800	\$236,911,300
Economic Output	\$256,952,800	\$203,806,800	\$45,963,900	\$506,723,500
Tax Revenues	\$10,560,700	\$7,714,400	\$10,353,200	\$28,628,300
State Taxes	\$4,900,000	\$4,026,800	\$5,635,100	\$14,561,900
County Taxes	\$1,798,300	\$1,315,200	\$1,739,200	\$4,852,700
City Taxes	\$1,581,500	\$1,096,700	\$2,264,300	\$4,942,500
All Other Taxes	\$2,280,900	\$1,275,700	\$714,600	\$4,271,200
Indirect & Induced Impacts				
Jobs	1,746	1,385	312	3,444
Labor Income	87,569,400	69,457,200	15,664,400	\$172,691,000
Economic Output	268,988,100	213,352,900	48,116,700	\$530,457,700
Tax Revenues	\$4,637,600	\$27,539,400	\$829,700	\$33,006,700
State Taxes	\$3,582,900	\$26,575,500	\$641,000	\$30,799,400
County Taxes	\$828,400	\$657,100	\$148,200	\$1,633,700
City Taxes	\$226,300	\$306,800	\$40,500	\$573,600
All Other Taxes	\$ -	\$ -	\$ -	\$ -
Total Impacts				
Jobs	3,706	3,033	992	7,731
Labor Income	\$207,704,000	\$164,744,100	\$37,154,200	\$409,602,300
Economic Output	\$525,940,900	\$417,159,700	\$94,080,600	\$1,037,181,200
Tax Revenues	\$15,198,300	\$35,253,800	\$11,182,900	\$61,635,000
State Taxes	\$8,482,900	\$30,602,300	\$6,276,100	\$45,361,300
County Taxes	\$2,626,700	\$1,972,300	\$1,887,400	\$6,486,400
City Taxes	\$1,807,800	\$1,403,500	\$2,304,800	\$5,516,100
All Other Taxes	\$2,280,900	\$1,275,700	\$714,600	\$4,271,200

Note: All other taxes include the commercial real estate property taxes estimated to be generated for the local school district, the community college district, and other special fire and medical districts.

Source: Rounds Consulting Group, Inc.



The following table presents a comprehensive breakdown of the annual job impact by industry for the baseline scenario.

Figure 22: Annual Job Impact by Industry – Baseline Scenario				
	Industrial	Office	Retail	Total
Direct Jobs	1,960	1,648	680	4,287
Secondary Jobs	1,746	1,385	312	3,444
Agriculture, Forestry, Fishing & Hunting	79	79	19	176
Mining, Quarrying, & Extraction	27	37	5	70
Utilities	3	4	1	8
Construction	15	18	6	40
Manufacturing	313	164	32	509
Wholesale Trade	13	13	3	29
Retail Trade	259	227	59	546
Transportation & Warehousing	113	101	28	243
Information	73	141	16	230
Finance & Insurance	63	90	15	168
Real Estate	20	31	5	56
Professional, Scientific, & Technical Services	25	27	5	57
Management of Companies & Enterprises	15	37	4	56
Administrative & Support Services	73	47	11	131
Educational Services	35	24	7	65
Health Care & Social Assistance	272	82	25	379
Arts, Entertainment, & Recreation	100	109	24	234
Accommodation & Food Services	64	58	12	133
Other Services	163	90	30	283
Public Administration	20	8	5	33
Total	3,706	3,033	992	7,731

Note: May not sum to total due to rounding.

Source: Rounds Consulting Group, Inc.



Moderate Quality Impact Scenario at Build-Out

The moderate-quality scenario's construction activity would support 5,104 jobs, \$272.7M in labor income, \$747.0M in economic output, and \$39.2M in state and local tax revenues. Once complete, under the moderate scenario, the airpark would support a total of 8,156 jobs, \$455.1M in labor income, \$1.2B in economic output, and \$67.6M in state and local tax revenues each year at build-out.

Figure 23: Economic and Fiscal Impact – Moderate-Quality Impact Scenario at Build-Out				
Total Construction Impact				
Total Impacts	Industrial	Office	Retail	Total
Jobs	2,220	2,140	745	5,104
Labor Income	\$118,624,200	\$114,330,300	\$39,791,500	\$272,746,000
Economic Output	\$324,896,500	\$313,136,200	\$108,983,900	\$747,016,600
Tax Revenues	\$16,407,600	\$17,077,600	\$5,723,700	\$39,208,900
State Taxes	\$11,283,300	\$11,615,100	\$3,913,800	\$26,812,200
County Taxes	\$2,402,500	\$2,526,200	\$842,600	\$5,771,300
City Taxes	\$2,721,800	\$2,936,300	\$967,300	\$6,625,400
Annual Operations Impact at Build Out				
Direct Impacts	Industrial	Office	Retail	Total
Jobs	1,979	1,664	686	4,330
Labor Income	\$133,469,500	\$105,863,800	\$23,875,100	\$263,208,400
Economic Output	\$285,474,600	\$226,429,400	\$51,065,900	\$562,969,900
Tax Revenues	\$11,367,700	\$8,282,300	\$11,299,100	\$30,949,100
State Taxes	\$5,288,400	\$4,349,100	\$6,163,400	\$15,800,900
County Taxes	\$1,896,900	\$1,378,400	\$1,883,800	\$5,159,100
City Taxes	\$1,673,400	\$1,151,600	\$2,465,800	\$5,290,800
All Other Taxes	\$2,509,000	\$1,403,200	\$786,100	\$4,698,300
Indirect & Induced Impacts				
Jobs	1,940	1,539	347	3,826
Labor Income	97,289,600	77,167,100	17,403,300	\$191,860,000
Economic Output	298,845,900	237,035,000	53,457,700	\$589,338,600
Tax Revenues	\$5,152,500	\$30,596,400	\$921,600	\$36,670,500
State Taxes	\$3,980,600	\$29,525,400	\$712,000	\$34,218,000
County Taxes	\$920,500	\$730,100	\$164,600	\$1,815,200
City Taxes	\$251,400	\$340,900	\$45,000	\$637,300
All Other Taxes	\$ -	\$ -	\$ -	\$ -
Total Impacts				
Jobs	3,919	3,203	1,033	8,156
Labor Income	\$230,759,100	\$183,030,900	\$41,278,400	\$455,068,400
Economic Output	\$584,320,500	\$463,464,400	\$104,523,600	\$1,152,308,500
Tax Revenues	\$16,520,200	\$38,878,700	\$12,220,700	\$67,619,600
State Taxes	\$9,269,000	\$33,874,500	\$6,875,400	\$50,018,900
County Taxes	\$2,817,400	\$2,108,500	\$2,048,400	\$6,974,300
City Taxes	\$1,924,800	\$1,492,500	\$2,510,800	\$5,928,100
All Other Taxes	\$2,509,000	\$1,403,200	\$786,100	\$4,698,300

Note: All other taxes include the commercial real estate property taxes estimated to be generated for the local school district, the community college district, and other special fire and medical districts.
Source: Rounds Consulting Group, Inc.



The table below provides a detailed breakdown of the annual job impact by the industry for the moderate quality build-out scenario.

Figure 24: Annual Job Impact by Industry – Moderate Quality Build-Out Scenario

	Industrial	Office	Retail	Total
Direct Jobs	1,979	1,664	686	4,329
Secondary Jobs	1,940	1,539	347	3,826
Agriculture, Forestry, Fishing & Hunting	87	88	21	196
Mining, Quarrying, & Extraction	31	41	6	77
Utilities	4	4	1	9
Construction	17	20	7	44
Manufacturing	348	182	36	565
Wholesale Trade	14	15	3	32
Retail Trade	288	252	66	606
Transportation & Warehousing	126	112	31	269
Information	82	156	18	256
Finance & Insurance	70	100	16	186
Real Estate	23	34	5	62
Professional, Scientific, & Technical Services	28	30	6	64
Management of Companies & Enterprises	17	41	4	62
Administrative & Support Services	81	52	13	145
Educational Services	39	26	8	73
Health Care & Social Assistance	302	91	28	421
Arts, Entertainment, & Recreation	112	122	27	260
Accommodation & Food Services	71	64	13	148
Other Services	181	101	33	314
Public Administration	22	9	6	37
Total	3,919	3,203	1,033	8,155

Note: May not sum to total due to rounding.

Source: Rounds Consulting Group, Inc.



High-Quality Impact Scenario at Build-Out

Under the high-quality scenario, construction activity would support 5,423 jobs, \$289.8M in labor income, \$793.7M in economic output, and \$41.7M in state and local tax revenues. Under the high-quality scenario, once built, the airpark would support 8,672 jobs, \$506.3M in labor income, \$1.3B in economic output, and \$74.2M in state and local tax revenues each year.

Figure 25: Economic and Fiscal Impact – High-Quality Impact Scenario at Build-Out				
Total Construction Impact				
Jobs	2,359	2,273	791	5,423
Labor Income	\$126,038,200	\$121,476,000	\$42,278,500	\$289,792,700
Economic Output	\$345,202,600	\$332,707,200	\$115,795,400	\$793,705,200
Tax Revenues	\$17,433,000	\$18,144,900	\$6,081,600	\$41,659,500
State Taxes	\$11,988,700	\$12,341,000	\$4,158,400	\$28,488,100
County Taxes	\$2,552,600	\$2,684,000	\$895,200	\$6,131,800
City Taxes	\$2,891,700	\$3,119,900	\$1,028,000	\$7,039,600
Annual Operations Impact at Build Out				
Direct Impacts	Industrial	Office	Retail	Total
Jobs	2,018	1,697	700	4,416
Labor Income	\$148,486,300	\$117,774,600	\$26,561,300	\$292,822,200
Economic Output	\$317,593,700	\$251,905,300	\$56,811,400	\$626,310,400
Tax Revenues	\$12,247,800	\$8,911,300	\$12,267,700	\$33,426,800
State Taxes	\$5,737,800	\$4,722,100	\$6,710,700	\$17,170,600
County Taxes	\$2,006,300	\$1,450,900	\$2,031,700	\$5,488,900
City Taxes	\$1,766,600	\$1,207,500	\$2,667,700	\$5,641,800
All Other Taxes	\$2,737,100	\$1,530,800	\$857,600	\$5,125,500
Indirect & Induced Impacts				
Jobs	2,158	1,712	386	4,257
Labor Income	108,235,800	85,849,200	19,361,300	\$213,446,300
Economic Output	332,469,300	263,704,200	59,472,300	\$655,645,800
Tax Revenues	\$5,732,200	\$34,038,800	\$1,025,300	\$40,796,300
State Taxes	\$4,428,300	\$32,847,400	\$792,100	\$38,067,800
County Taxes	\$1,024,200	\$812,300	\$183,100	\$2,019,600
City Taxes	\$279,700	\$379,100	\$50,100	\$708,900
All Other Taxes	\$ -	\$ -	\$ -	\$ -
Total Impacts				
Jobs	4,177	3,409	1,086	8,672
Labor Income	\$256,722,100	\$203,623,800	\$45,922,600	\$506,268,500
Economic Output	\$650,063,000	\$515,609,500	\$116,283,700	\$1,281,956,200
Tax Revenues	\$17,980,000	\$42,950,100	\$13,293,000	\$74,223,100
State Taxes	\$10,166,100	\$37,569,500	\$7,502,800	\$55,238,400
County Taxes	\$3,030,500	\$2,263,200	\$2,214,800	\$7,508,500
City Taxes	\$2,046,300	\$1,586,600	\$2,717,800	\$6,350,700
All Other Taxes	\$2,737,100	\$1,530,800	\$857,600	\$5,125,500

Note: All other taxes include the commercial real estate property taxes estimated to be generated for the local school district, the community college district, and other special fire and medical districts.

Source: Rounds Consulting Group, Inc.



The table below provides a detailed breakdown of the annual job impact by industry for the high-quality build-out scenario.

Figure 26: Annual Job Impact by Industry – High Quality Build-Out Scenario				
	Industrial	Office	Retail	Total
Direct Jobs	2,018	1,697	700	4,415
Secondary Jobs	2,158	1,712	386	4,257
Agriculture, Forestry, Fishing & Hunting	97	98	23	218
Mining, Quarrying, & Extraction	34	45	7	86
Utilities	4	4	1	10
Construction	19	22	8	49
Manufacturing	387	202	40	629
Wholesale Trade	16	16	3	35
Retail Trade	321	280	74	674
Transportation & Warehousing	140	125	35	300
Information	91	174	20	284
Finance & Insurance	78	111	18	207
Real Estate	25	38	6	69
Professional, Scientific, & Technical Services	31	33	7	71
Management of Companies & Enterprises	19	46	4	69
Administrative & Support Services	90	58	14	162
Educational Services	43	29	8	81
Health Care & Social Assistance	336	101	31	468
Arts, Entertainment, & Recreation	124	135	29	289
Accommodation & Food Services	79	71	15	165
Other Services	201	112	37	350
Public Administration	24	10	6	41
Total	4,176	3,409	1,086	8,672

Note: May not sum to total due to rounding.
 Source: Rounds Consulting Group, Inc.



Optimal Impact Scenario at Build-Out

In total, the optimal scenario's construction activity would support 5,742 jobs. These employees are expected to earn \$306.8M in labor income, and construction activity would generate \$840.4M in economic activity. Overall, construction activity would generate \$30.2M in state taxes, \$6.5M in Maricopa County taxes, and \$7.4M in City taxes.

The annual operations of the optimal scenario at build-out would support a total of 4,502 direct jobs, earning \$323.4M in labor income. The annual operations of the airpark under the optimal scenario would generate \$691.7M in direct economic output.

The annual operations of the optimal scenario at build-out are expected to directly generate \$18.6M in state taxes, \$5.8M in Maricopa County taxes, \$6.0M in City taxes, and \$5.6M in property taxes for all other local property districts each year.

The annual operations of the optimal scenario are expected to support 4,701 indirect and induced jobs, earning \$235.7M in labor income and generating \$724.1M in indirect and induced economic activity annually. The indirect and induced jobs would generate \$42.0M in State taxes, \$2.2M in Maricopa County taxes, and \$783,000 in City taxes each year.

In total, the optimal scenario is estimated to support 7,731 jobs earning \$409.6M in labor income and generating \$1.0B in economic output each year at build-out. Overall, the optimal scenario would generate \$45.4M in State taxes, \$6.5M in County taxes, \$6.8M in City taxes, and \$4.3M in all other taxes each year.



Figure 27: Economic and Fiscal Impact – Optimal Quality Impact Scenario at Build-Out

Total Construction Impact				
Total Impact	Industrial	Office	Retail	Total
Jobs	2,497	2,407	838	5,742
Labor Income	\$133,452,200	\$128,621,000	\$44,765,400	\$306,838,600
Economic Output	\$365,508,600	\$352,278,200	\$122,606,800	\$840,393,600
Tax Revenues	\$18,458,200	\$19,212,300	\$6,438,900	\$44,109,400
State Taxes	\$12,693,700	\$13,067,100	\$4,402,800	\$30,163,600
County Taxes	\$2,702,800	\$2,842,000	\$947,600	\$6,492,400
City Taxes	\$3,061,700	\$3,303,200	\$1,088,500	\$7,453,400
Annual Operations Impact at Build Out				
Direct Impacts	Industrial	Office	Retail	Total
Jobs	2,058	1,730	714	4,502
Labor Income	\$163,983,700	\$130,066,700	\$29,333,500	\$323,383,900
Economic Output	\$350,740,600	\$278,196,300	\$62,740,700	\$691,677,600
Tax Revenues	\$13,144,300	\$9,553,500	\$13,241,100	\$35,938,900
State Taxes	\$6,200,800	\$5,106,400	\$7,262,400	\$18,569,600
County Taxes	\$2,116,100	\$1,523,200	\$2,179,300	\$5,818,600
City Taxes	\$1,862,200	\$1,265,600	\$2,870,400	\$5,998,200
All Other Taxes	\$2,965,200	\$1,658,300	\$929,000	\$5,552,500
Indirect & Induced Impacts				
Jobs	2,384	1,891	426	4,701
Labor Income	119,532,200	94,809,100	21,382,100	\$235,723,400
Economic Output	367,168,800	291,226,700	65,679,400	\$724,074,900
Tax Revenues	\$6,330,500	\$37,591,600	\$1,132,200	\$45,054,300
State Taxes	\$4,890,600	\$36,275,600	\$874,700	\$42,040,900
County Taxes	\$1,131,000	\$897,100	\$202,300	\$2,230,400
City Taxes	\$308,900	\$418,900	\$55,200	\$783,000
All Other Taxes	\$ -	\$ -	\$ -	\$ -
Total Impacts				
Jobs	4,441	3,621	1,140	9,202
Labor Income	\$283,515,900	\$224,875,800	\$50,715,600	\$559,107,300
Economic Output	\$717,909,400	\$569,423,000	\$128,420,100	\$1,415,752,500
Tax Revenues	\$19,474,800	\$47,145,100	\$14,373,400	\$80,993,300
State Taxes	\$11,091,400	\$41,382,000	\$8,137,100	\$60,610,500
County Taxes	\$3,247,100	\$2,420,300	\$2,381,600	\$8,049,000
City Taxes	\$2,171,100	\$1,684,500	\$2,925,600	\$6,781,200
All Other Taxes	\$2,965,200	\$1,658,300	\$929,000	\$5,552,500

Source: Rounds Consulting Group, Inc.



The table below provides a detailed breakdown of the annual job impact by industry for the optimal build-out scenario.

Figure 28: Annual Job Impact by Industry – Optimal Build-Out Scenario				
	Industrial	Office	Retail	Total
Direct Jobs	2,058	1,730	714	4,502
Secondary Jobs	2,384	1,891	426	4,701
Agriculture, Forestry, Fishing & Hunting	107	108	26	241
Mining, Quarrying, & Extraction	38	50	7	95
Utilities	5	5	1	11
Construction	21	24	9	54
Manufacturing	427	223	44	695
Wholesale Trade	17	18	4	39
Retail Trade	354	309	81	745
Transportation & Warehousing	154	138	39	331
Information	100	192	22	314
Finance & Insurance	86	123	20	229
Real Estate	28	42	6	76
Professional, Scientific, & Technical Services	35	37	7	78
Management of Companies & Enterprises	21	50	5	76
Administrative & Support Services	99	64	16	179
Educational Services	48	32	9	89
Health Care & Social Assistance	371	112	35	517
Arts, Entertainment, & Recreation	137	149	33	319
Accommodation & Food Services	87	79	16	182
Other Services	222	124	40	386
Public Administration	27	11	7	46
Total	4,441	3,621	1,140	9,202

Note: May not sum to total due to rounding.
 Source: Rounds Consulting Group, Inc.



20-Year Economic and Fiscal Impact Matrix

The following table displays the 20-year impacts of the different quality scenarios with varying ramp-up periods. As previously noted, the benchmark analysis was expanded to include a development timeline with an increasingly aggressive development timeframe scale. The timeline includes a conservative 15-year build-out period, a moderate 10-year build-out period, and an aggressive 5-year build-out period.

The impacts of the quality scenarios and varying timeframes form a matrix of potential impacts. The following summarizes the 20-year impact of the lower end of the ramp-up period in a scenario (where build-out is reached within 15 years) and a more aggressive scenario (where build-out is reached within 5 years) under the varying quality scenarios.

The vertical axis of the impact matrix denotes the quality of development, moving from the baseline scenario (reflecting general mid-level assumptions for jobs and earnings) down to the optimal scenario (encompassing highly skilled workers with the highest earnings).

The horizontal axis of the impact matrix indicates the build-out timeframe. Starting with a 15-year build-out (i.e., the point when the development is fully completed and operational within the 20-year period) to a more aggressive 5-year build-out (i.e., the point when the development is fully completed and operational within the 20-year period).

For example, the 20-year economic impact of the baseline scenario under a 10-year ramp-up period is equal to \$15.0B. This means operations ramped up for 10 years, and then operations stabilized at build-out for the remaining 10 years. Jobs are expressed as annual averages.

The baseline scenario, with a 15-year build-out, would support an annual 5,071 jobs on average. Over 20 years, these jobs would earn \$3.5B in labor income and create \$8.9B in economic activity. This baseline scenario and development timeline would create \$396.7M in state tax revenues, \$63.5M in Maricopa County tax revenues, \$59.1M in City tax revenues, and \$35.6M in property tax revenues for the local school district, community college district, and all other property tax districts.

However, with enhanced development, the economic impacts could be as large as the optimal scenario's impacts. With a 5-year ramp-up, this scenario would support an annual 8,052 jobs on average. Under this optimal scenario and timeline, the airpark would create \$10.1B in labor income and \$25.6B in economic activity. This would create \$1.1B in state tax revenues, \$147.3M in Maricopa County tax revenues, \$126.1M in City tax revenues, and \$97.2M in property tax revenues for the local school district, community college district, and all other property tax districts.



Figure 29: 20-Year Economic and Fiscal Impact Matrix

Scenario	Impact Type	15-Year Build-Out	10-Year Build-Out	5-Year Build-Out
Baseline	Jobs at Build-Out	7,731	7,731	7,731
	Jobs (Annual Avg.)	5,071	5,554	7,004
	Labor Income	\$3,513,487,650	\$5,887,731,025	\$7,423,739,650
	Economic Output	\$8,949,590,100	\$14,961,569,600	\$18,850,999,100
	Tax Revenues	\$554,934,600	\$884,238,850	\$1,115,370,100
	State Taxes	\$396,726,750	\$648,854,375	\$818,959,250
	County Taxes	\$63,495,300	\$94,598,300	\$118,922,300
	City Taxes	\$59,105,550	\$82,057,175	\$102,742,550
	All Other Taxes	\$35,607,000	\$58,729,000	\$74,746,000
Moderate-Quality	Jobs at Build-Out	8,156	8,156	8,156
	Jobs (Annual Avg.)	5,098	5,607	7,137
	Labor Income	\$3,892,151,000	\$6,529,936,500	\$8,236,443,000
	Economic Output	\$9,911,948,350	\$16,591,258,475	\$20,912,415,350
	Tax Revenues	\$607,447,900	\$968,959,150	\$1,222,527,400
	State Taxes	\$436,330,950	\$714,572,075	\$902,142,950
	County Taxes	\$68,320,550	\$101,667,925	\$127,821,550
	City Taxes	\$63,628,650	\$88,117,525	\$110,342,650
	All Other Taxes	\$39,167,750	\$64,601,625	\$82,220,250
High-Quality	Jobs at Build-Out	8,672	8,672	8,672
	Jobs (Annual Avg.)	5,420	5,962	7,588
	Labor Income	\$4,316,419,450	\$7,250,984,575	\$9,149,491,450
	Economic Output	\$10,989,795,200	\$18,420,602,950	\$23,227,938,700
	Tax Revenues	\$664,812,000	\$1,062,250,500	\$1,340,593,500
	State Taxes	\$480,290,100	\$788,016,100	\$995,160,100
	County Taxes	\$73,519,550	\$109,373,675	\$137,530,550
	City Taxes	\$68,273,100	\$94,385,100	\$118,206,600
	All Other Taxes	\$42,729,250	\$70,475,625	\$89,696,250
Optimal-Quality	Jobs at Build-Out	9,202	9,202	9,202
	Jobs (Annual Avg.)	5,752	6,327	8,052
	Labor Income	\$4,753,721,950	\$7,994,564,575	\$10,091,216,950
	Economic Output	\$12,100,637,850	\$20,306,990,475	\$25,616,062,350
	Tax Revenues	\$723,401,650	\$1,157,731,525	\$1,461,446,650
	State Taxes	\$525,427,850	\$863,557,975	\$1,090,847,350
	County Taxes	\$78,767,900	\$117,166,150	\$147,349,900
	City Taxes	\$72,917,150	\$100,660,525	\$126,080,650
	All Other Taxes	\$46,288,750	\$76,346,875	\$97,168,750

Source: Rounds Consulting Group, Inc.



Appendix A: Peoria Tax Revenue Impact Breakdown

The following tables provide a detailed breakdown of the tax revenue impacts associated with each of the development scenarios (i.e., baseline, moderate-quality, high-quality, and optimal) in the City of Peoria. The tables provide two primary aspects:

1. Total One-Time Construction Impacts: Construction impacts summarize the total tax revenue generated during the construction phase of each scenario. It includes all one-time City of Peoria tax revenues related to the development of the airpark, irrespective of the timeline over which the construction occurs.
2. Annual Operations Impact at Full Build-Out: Operations impacts summarize the recurring annual tax revenue benefits produced once the airpark is fully built out and operational under each scenario. It includes ongoing revenue from various sources such as sales taxes, property taxes, and other relevant tax streams, reflecting the long-term tax revenue benefits to the City of Peoria.

The construction and operations tax revenue categories are defined as:

- Construction Sales Taxes: Construction sales taxes are calculated based on the estimated gross receipts from contracting activities, including the cost of materials and labor.
- Business Expenditures Sales Taxes: Taxes generated from business spending on general supplies (e.g., office supplies, workplace snacks, bathroom supplies, etc.), furniture, fixtures, and equipment (not subject to personal property taxes).
- Employee Spending Sales Taxes: Sales taxes collected from the spending of wages by employees working on the construction and operational phases.
- On-Site Retail Sales Taxes: Sales taxes collected from retail activities occurring within the airpark.
- Utility Use Sales Taxes: Sales taxes collected from the usage of utilities by businesses within the airpark.
- Commercial Property Taxes: Property taxes imposed on commercial properties within the airpark.
- Residential Property Taxes: Property taxes imposed on the residential properties of the employees estimated to live within Peoria.
- State Shared Revenues: Tax revenues shared by the state with the City of Peoria, derived from the state-level taxes and distributed to each city in Arizona based on various formulas, including population size.



Figure 30: Tax Revenue Breakdown for the City of Peoria – Baseline Scenario

	Construction	Annual Operations
Direct Impacts	\$5,958,600	\$4,942,500
Construction Sales Taxes	\$4,515,700	-
Business Expenditures Sales Taxes	\$1,036,600	\$88,800
Employee Spending Sales Taxes	\$163,100	\$247,800
On-Site Retail Sales Taxes	-	\$1,715,600
Utility Sales Taxes	-	\$200,900
Commercial Lease Taxes	-	\$835,500
Commercial Property Taxes	-	\$1,512,400
Residential Property Taxes	\$120,200	\$179,600
State Shared Revenues	\$123,000	\$161,900
Indirect Impacts	\$83,800	\$303,800
Employee Sales Taxes	\$37,900	\$75,900
Residential Property Taxes	\$25,100	\$56,200
State Shared Revenues	\$20,800	\$171,700
Induced Impacts	\$168,400	\$269,800
Employee Sales Taxes	\$70,800	\$113,400
Residential Property Taxes	\$55,000	\$88,100
State Shared Revenues	\$42,600	\$68,300
Total Impacts	\$6,210,800	\$5,516,100

Source: Rounds Consulting Group, Inc.



Figure 31: Tax Revenue Breakdown for the City of Peoria – Moderate-Quality Scenario

	Construction	Annual Operations
Direct Impacts	\$6,356,200	\$5,290,800
Construction Sales Taxes	\$4,816,800	-
Business Expenditures Sales Taxes	\$1,105,800	\$89,600
Employee Spending Sales Taxes	\$174,000	\$263,500
On-Site Retail Sales Taxes	-	\$1,887,200
Utility Sales Taxes	-	\$200,900
Commercial Lease Taxes	-	\$835,500
Commercial Property Taxes	-	\$1,662,800
Residential Property Taxes	\$128,300	\$181,300
State Shared Revenues	\$131,300	\$170,000
Indirect Impacts	\$89,400	\$337,500
Employee Sales Taxes	\$40,400	\$84,300
Residential Property Taxes	\$26,800	\$62,400
State Shared Revenues	\$22,200	\$190,800
Induced Impacts	\$179,800	\$299,800
Employee Sales Taxes	\$75,600	\$126,000
Residential Property Taxes	\$58,700	\$97,900
State Shared Revenues	\$45,500	\$75,900
Total Impacts	\$6,625,400	\$5,928,100

Source: Rounds Consulting Group, Inc.



Figure 32: Tax Revenue Breakdown for the City of Peoria – High-Quality Scenario

	Construction	Annual Operations
Direct Impacts	\$6,753,400	\$5,641,800
Construction Sales Taxes	\$5,117,900	-
Business Expenditures Sales Taxes	\$1,174,800	\$91,400
Employee Spending Sales Taxes	\$184,900	\$282,200
On-Site Retail Sales Taxes	-	\$2,058,800
Utility Sales Taxes	-	\$200,900
Commercial Lease Taxes	-	\$835,500
Commercial Property Taxes	-	\$1,813,000
Residential Property Taxes	\$136,300	\$184,900
State Shared Revenues	\$139,500	\$175,100
Indirect Impacts	\$95,300	\$375,400
Employee Sales Taxes	\$43,000	\$93,800
Residential Property Taxes	\$28,600	\$69,400
State Shared Revenues	\$23,700	\$212,200
Induced Impacts	\$190,900	\$333,500
Employee Sales Taxes	\$80,300	\$140,200
Residential Property Taxes	\$62,300	\$108,900
State Shared Revenues	\$48,300	\$84,400
Total Impacts	\$7,039,600	\$6,350,700

Source: Rounds Consulting Group, Inc.



Figure 33: Tax Revenue Breakdown for the City of Peoria – Optimal-Quality Scenario

	Construction	Annual Operations
Direct Impacts	\$7,150,600	\$6,003,400
Construction Sales Taxes	\$5,418,900	-
Business Expenditures Sales Taxes	\$1,243,900	\$93,200
Employee Spending Sales Taxes	\$195,700	\$301,400
On-Site Retail Sales Taxes	-	\$2,230,300
Utility Sales Taxes	-	\$200,900
Commercial Lease Taxes	-	\$835,500
Commercial Property Taxes	-	\$1,968,700
Residential Property Taxes	\$144,400	\$188,600
State Shared Revenues	\$147,700	\$184,800
Indirect Impacts	\$100,700	\$414,600
Employee Sales Taxes	\$45,400	\$103,600
Residential Property Taxes	\$30,200	\$76,600
State Shared Revenues	\$25,100	\$234,400
Induced Impacts	\$202,100	\$368,400
Employee Sales Taxes	\$85,000	\$154,800
Residential Property Taxes	\$66,000	\$120,300
State Shared Revenues	\$51,100	\$93,300
Total Impacts	\$7,453,400	\$6,786,400

Source: Rounds Consulting Group, Inc.



Appendix B: Property Growth Sample Methodology

A sample of commercial properties was gathered for Falcon Field Airport Hub, Deer Valley Airport Hub, and Scottsdale Airpark to identify and compare the growth of property values compared to the cities in which the airport is located. The following information explains the methodology used for collecting sample properties.

The selection process for each case study's sample size was conducted based on the properties' proximity to the airport. Properties closest to the airport were prioritized for collection, with a progression toward properties located at increasing distances within the commercial hub areas from the airport as the sample size expanded.

Each commercial property's parcel number and property value was gathered for the available period of FY 2021 through FY 2025. The aggregate annualized growth rate was then calculated for each area based on every property's annual data. RCG then computed the overall growth trends for all commercial properties within each city over the same timeframe.

- The commercial property sample size collected for the Falcon Field area consisted of 177 properties within the City of Mesa.
- The commercial property sample size for the Deer Valley area consisted of 117 properties within the City of Phoenix.
- The commercial property sample size for Scottsdale Airpark consisted of 186 properties within the City of Scottsdale.

Data regarding property values was collected from the Maricopa County Assessor's Office database.



Appendix C: Case Study of Airport-Adjacent Facilities Outpace Market Average in Rent Prices

The COVID-19 pandemic precipitated a substantial upsurge in the demand for warehousing facilities. This heightened demand has, in turn, led to a notable escalation in rental rates and a reduction in vacancy levels. These dynamics have aroused considerable apprehension within the industrial tenant community, as the confluence of elevated costs and limited availability poses significant challenges to their operational requirements.

Organizations are strategically relocating their distribution operations to areas with a proximity to air cargo ports in an effort to mitigate challenges of escalating transportation expenditures. According to CBRE Supply Chain Advisory, transportation comprises 45% to 70% of overall supply chain costs, compared with just 3% to 6% for occupancy costs.¹⁷ Therefore, positioning near airports can offer significant cost benefits.

CBRE's analysis revealed that industrial properties located within a five-mile radius of the airport command rents that are 18.8% higher than those of other properties in the market. “The immediacy of e-commerce deliveries and the generally faster pace of business than in past decades, among other factors, have made airport warehouses a critical link in many supply chains. Rents for these properties will continue to exceed their market averages for the foreseeable future,” as stated by John Morris, CBRE Americas President of Industrial & Logistics.¹⁸

The following table provides a list of the top U.S. airports with the highest industrial rent premiums.

Figure 34: Top U.S. Airports with the Highest Industrial Rent Premiums (2022)

Market	Average Rent Within 5-Miles of the Airport	Premium Over Metro-Area Rent
Los Angeles County, CA	\$23.02	36.8%
New York Boroughs, NY	\$32.35	34.6%
Miami-Dade, FL	\$13.33	24.6%
Philadelphia, PA	\$10.00	23.5%
Chicago, IL	\$7.73	23.5%
I-78/I-81 Corridor, PA	\$7.35	18.5%
Dallas/Fort Worth, TX	\$6.80	10.7%
East Bay, CA	\$12.74	6.7%
Louisville, KY	\$5.15	4.5%
Cincinnati, OH	\$5.05	4.3%

Source: CBRE

¹⁷ “Industrial Facilities near Airports Command Rent Premiums | CBRE.” *CBRE*, 5 Oct. 2022, www.cbre.com/insights/briefs/industrial-facilities-near-airports-command-rent-premiums.

¹⁸ Garland, Max. “Airport-Adjacent Facilities Outpace Market Average in Rent Prices: CBRE.” *Supply Chain Dive*, 18 Oct. 2022, www.supplychaindive.com/news/airport-adjacent-warehouses-command-rent-premiums-cbre-markets/634286/.



Appendix D: Economic and Fiscal Impact Methodology and Assumptions

An economic and fiscal impact model provides a quantifiable method to estimate the economic activity of a particular activity in a given area. Impacts can be used to measure existing activity and to measure potential expansions/contractions of an area's economy resulting from changes in economic activity. Typically, the economic effects resulting from the activity are estimated in terms of economic output, job years, *labor income*, and *tax revenues*. These are defined as:

- **Economic output** captures the broader level of economic activity or the total value of goods and services produced in the region. This is similar to how statistics like gross domestic product ("GDP") capture economic volume in individual states and across the country.
- A **Job year** is simply one person working a full-time job over a one-year period. For example, a person working on a project for 5 years is equal to 5 job years (i.e., 1 job x 5 years = 5 job years). On the other hand, 10,000 job-years over a 5-year period is equal to 2,000 persons working full-time each year on average (i.e., 10,000 job-years/5 years = 2,000 jobs).
- **Labor income** represents the income earned by employees. The earnings component is used to measure the total change in income throughout the economy due to economic or business activity.
- **Tax revenues** are the estimated annual government tax revenues generated by a particular project, policy, business, development, or activity in a given area. For example, the types of government taxes analyzed include sales taxes, state income taxes, and property taxes, among others. The types of activities subject to these taxes include payrolls, retail sales, real/personal property, and construction, to name a few.

The economic and fiscal impacts that occur as a direct consequence of the initial activity create additional activity in the regional economy. This relationship is known as the *multiplier* or *ripple effect*. The basis for multiplier effects is the interdependencies between industries, how one industry impacts other sectors, and the cycle of spending and re-spending within the regional economy.

An input-output model is used to generate these multipliers. These multipliers quantify relationships among industries and estimate the extent to which the area being analyzed can capture sales, economic activity, and job impacts within the region.

Input-output models measure impacts based on their source. *Direct* effects are the result of the initial activity being analyzed. The multiplier effects, or secondary effects, are measured as either *indirect* or *induced*.



These are defined as:

- ***Direct effects, or impacts***, measure the economic activity at an individual site or the initial economic change attributed to the event under consideration.
- ***Indirect impacts*** capture additional economic output, labor income, employment, and tax revenue changes generated as a result of increased demand in the industries that supply services or products to the direct businesses or development under consideration.
- ***Induced impacts*** capture additional output, labor income, employment, and tax revenue changes generated as a result of increased spending in the local economy made by the households of both the direct and indirect employees.

A commonly used input-output model framework for generating economic multipliers is called *IMPLAN* (short for “impact analysis for planning”). Originally developed by the U.S. Forest Service in the 1970s, the responsibility for developing IMPLAN data sets shifted to the University of Minnesota as demand grew for regional models. IMPLAN is a private organization and the leading provider of nationwide economic impact data and analytical software.

The RCG custom economic impact model employs this input-output methodology and uses Arizona-specific IMPLAN multipliers and adjustments.

Analysis Assumptions

The following summarizes the primary Peoria Airpark assumptions utilized to calculate the impact of the various scenarios.

- The utilized industry mix is the average mix identified within the boundaries of each of the case study airport areas utilizing CoStar data.
- The estimated acreage for each industry was calculated by applying the industry mix percentages to the total area of 220 acres, as provided by the City of Peoria.
- The Floor Area Ratio (“FAR”) is a zoning metric that estimates a building’s total floor area in relation to the size of its land parcel. The utilized FARs by industry are based on averages for Maricopa County as identified by the Maricopa Association of Governments (“MAG”).
- The estimated number of buildings was calculated based on the identified average building sizes from each of the case study airport areas utilizing CoStar data.
- Total building square footage was estimated using the total acreage and FAR for each industry.
- Average vacancy rates were estimated utilizing CoStar data for the case study areas as well as vacancy rates within Peoria.



- The triple net (“NNN”) lease (i.e., a lease agreement where the tenant is responsible for paying not only the base rent but also the net costs: property taxes, insurance, and maintenance) rates were estimated utilizing CoStar data for the case study areas as well as the rates within Peoria.
- The average square feet per employee estimate was identified using MAG data, which is based on averages for Maricopa County by industry.

The assumptions and data used in this analysis are subject to marginal uncertainty and variation. Therefore, actual impacts may vary, and some impacts may not materialize due to unanticipated events and changing circumstances. However, RCG has made extensive efforts to confirm the accuracy of the information contained in this analysis.

Primary Analysis Assumptions				
	Industrial	Office	Retail	Total
Industry Mix	53.1%	30.6%	16.4%	100.0%
Acreage	117	67	36	220
Floor Area Ratio	0.29	0.31	0.25	0.29
# of Buildings	63	24	18	105
Total Building Square Footage	1,449,203	893,115	392,508	2,734,826
Average Vacancy Rate	1.7%	15.8%	2.9%	6.5%
Average NNN Lease Rate	\$14.01	\$24.12	\$21.80	\$17.83
Average Square Feet per Employee	727.0	456.5	561.0	596.7