

Impacts of COVID-19 TO THE Florida Airport AND Airline Industry

COMMERCIAL & GENERAL AVIATION AIRPORTS

Executive Summary | YEAR-END 2021 UPDATE



The novel coronavirus (COVID-19) pandemic disrupted the lives of billions of people and caused the global aviation industry to experience its most substantial downturn ever in 2020. Given this, the Florida Department of Transportation (FDOT) Aviation Office determined that it was important to document the ongoing impacts of the pandemic to both commercial service and general aviation (GA) airports to postulate possible trends, economic changes, and recovery scenarios.

The FDOT Aviation Office collaborated with representatives from Florida's 20 commercial service airports as well as 41 "National" and "Regional" GA airports in Florida as defined by the Federal Aviation Administration's (FAA) 2021-2025 National Plan of Integrated Airport Systems (NPIAS) Report to gather data related to changes in airport and passenger traffic, operations, revenues, and staffing; as well as the status of existing and future capital development projects and funding. This analysis utilized data from individual airports as well as a variety of government and industry organizations including the Official Airline Guide (OAG) and the FAA OPSNET database, which records aircraft operations at towered airports.

The resulting analysis used these airport- and industry-reported data to develop recovery forecasts of traffic levels at each commercial service and GA airport in the state. These forecasts were then used to estimate the change in economic impact due to COVID-19 based on the findings of the 2019 Florida Statewide Aviation Economic Impact Study (EIS).



Change in Commercial Service Economic Impact, by FDOT District

ECONOMIC IMPACT

Statewide economic impacts were calculated in 2020 and 2021 using the results of the 2019 Statewide EIS. Passenger enplanements served as the metric to determine the year-over-year (YoY) changes in economic impacts for commercial service airports, comparing 2017 (the data year used in the 2019 EIS) to 2020 and 2021. As shown, total passenger enplanements declined by 38 million between 2017 and 2020. Strong growth in passenger traffic at nearly all airports boosted statewide passenger enplanements to 81 million in 2021, five percent less than 2017 levels.

ANNUAL ENPLANEMENTS

2017	2020	2021
85 MILLION	47 MILLION*	81 MILLION

*Estimated using January-July 2020 actual data and August-December forecast as determined in 2020 version of this analysis.
 Sources: FDOT Monthly Passenger Boarding Sheets, 2022 Kimley-Horn, 2022

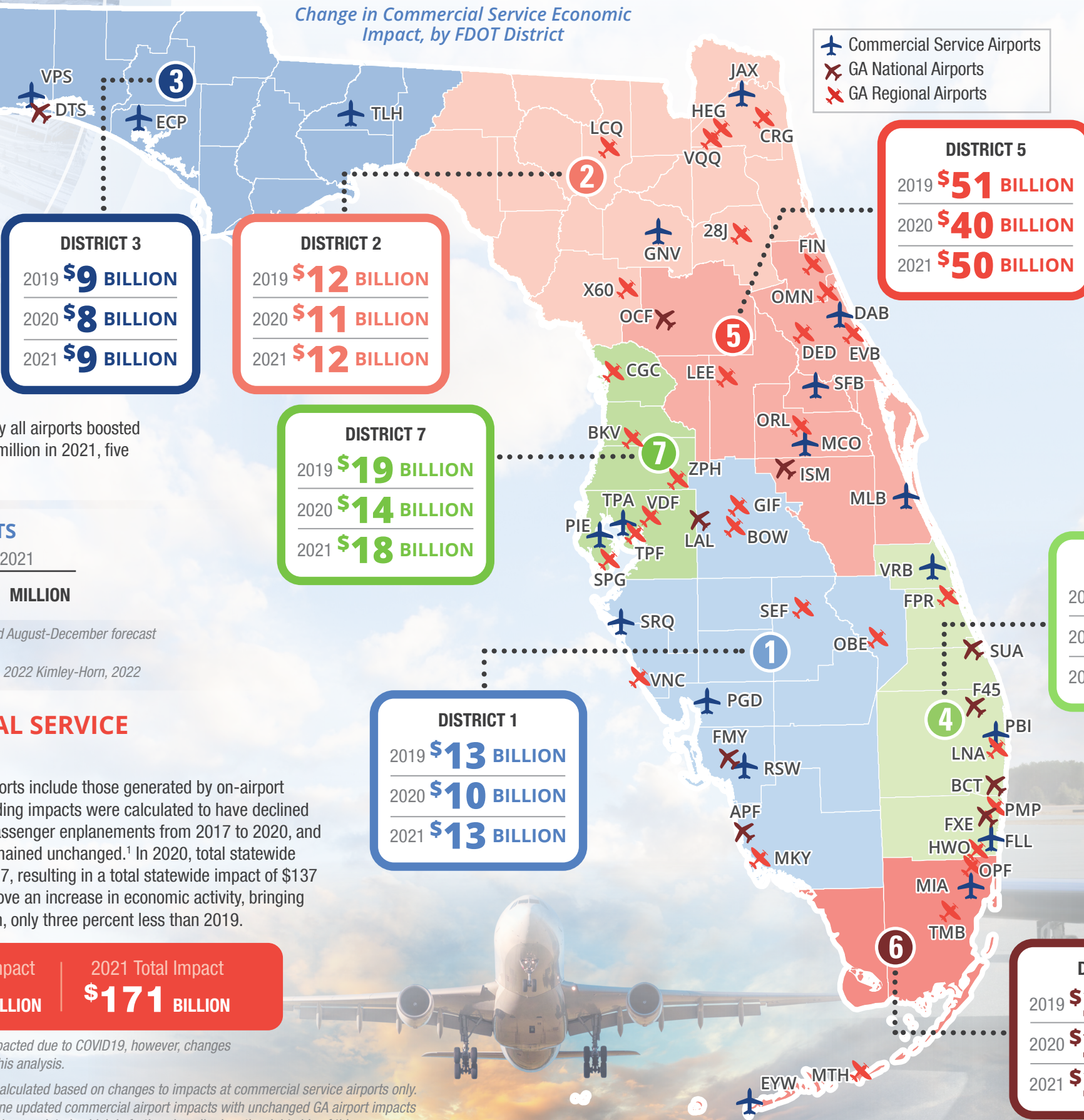
CHANGE IN COMMERCIAL SERVICE ECONOMIC IMPACT

Total economic impacts of commercial airports include those generated by on-airport activities and visitor spending. Visitor spending impacts were calculated to have declined commensurately with declines in annual passenger enplanements from 2017 to 2020, and 2017 to 2021; while on-airport impacts remained unchanged.¹ In 2020, total statewide impacts decreased by 26 percent from 2017, resulting in a total statewide impact of \$137 billion. Passenger traffic growth in 2021 drove an increase in economic activity, bringing statewide economic impacts to \$171 billion, only three percent less than 2019.

2019 Total Impact	2020 Total Impact	2021 Total Impact
\$175 BILLION	\$137 BILLION	\$171 BILLION

¹It is understood that on-airport employment was impacted due to COVID19, however, changes to on-airport impacts were not assumed as part of this analysis.

2020 and 2021 Statewide and District results were calculated based on changes to impacts at commercial service airports only. As such, the findings presented in this section combine updated commercial airport impacts with unchanged GA airport impacts from the 2019 EIS. GA airports had a separate analysis completed, which is further described on the right side of this page.



CHANGE IN GA ECONOMIC IMPACT

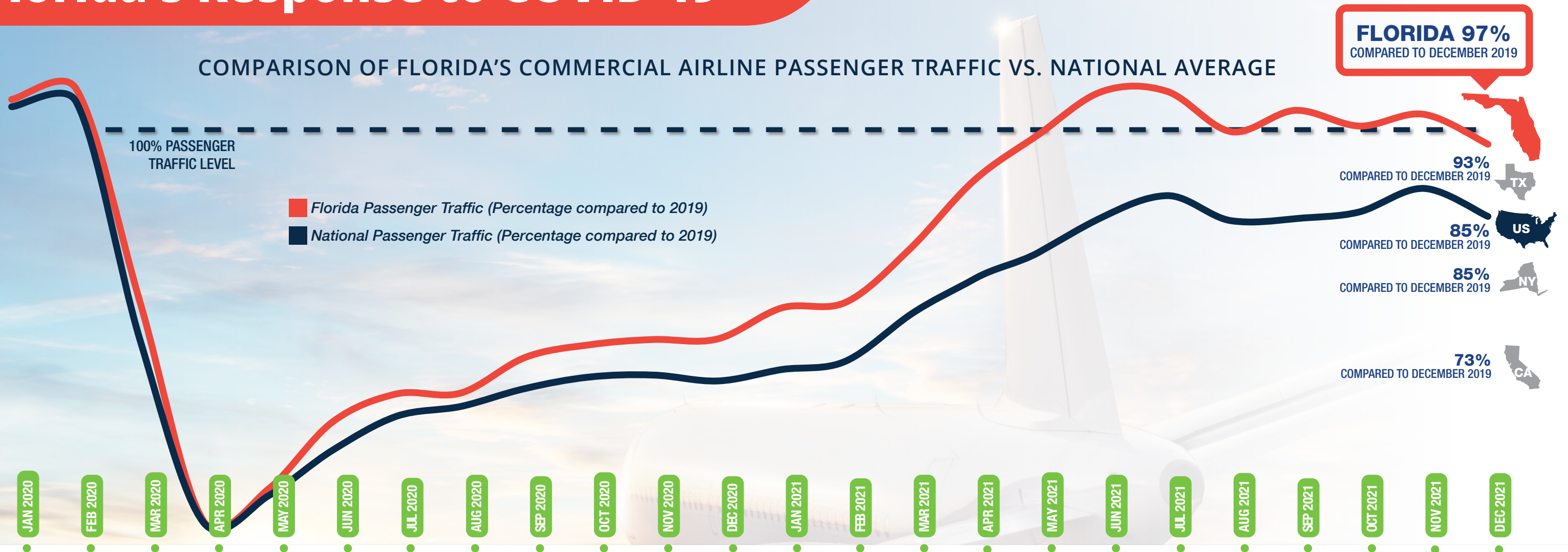
The statewide economic impact of GA airports was also calculated for 2020 based on estimated changes in on-airport business tenant staffing as reported by 39 of 41 participating National and Regional GA airports during an outreach effort conducted in early 2021. Average economic impact changes were identified for each FDOT District using data from these 39 airports and were applied to the remaining Local, Basic, Unclassified, and Non-NPIAS GA airports included in the 2019 EIS, but not in the GA version of this analysis. Statewide, GA airport economic impacts declined by 5.5 percent from 2019 to 2020, resulting in an updated statewide GA airport economic impact of \$19.2 billion. 2021 economic impacts were not measured for GA airports as part of this analysis.

2019 Total Impact	2020 Total Impact
\$20.1 BILLION	\$19.2 BILLION

Economic impacts for Florida's GA airports were calculated only at the statewide level. As such, the findings are not included in the full presentation of findings on this spread.

Florida's Response to COVID-19

COMPARISON OF FLORIDA'S COMMERCIAL AIRLINE PASSENGER TRAFFIC VS. NATIONAL AVERAGE



JAN 21, 2020 First COVID-19 case reported in the U.S.	MAR 11, 2020 WHO ¹ declares the COVID-19 outbreak a global pandemic	APR 3, 2020 Florida statewide stay-at-home order takes effect	MAY 4, 2020 Florida stay-at-home order lifted	JUL 11, 2020 Walt Disney World and other major theme parks reopen to the public	SEP 25, 2020 Florida enters Phase III reopening	DEC 14, 2020 First vaccine doses administered in Florida at Tampa area hospital	FEB 7, 2021 Superbowl LV held in Tampa with 25,000 spectators	APR 4, 2021 Statewide hotel demand exceeds 2019 levels for first time since February 2020	JUN 1, 2021 Statewide airline passenger traffic exceeds 2019 traffic levels for the first time since February 2020	NOV 8, 2021 U.S. reopens borders to EU, UK, Canada, and Mexico
	APR 14, 2020 TSA ² records the lowest passenger throughput (96% less than 2019)	MAY 18, 2020 Florida enters Phase I reopening	JUN 5, 2020 Florida enters Phase II reopening				APR 5, 2021 All Florida residents 18+ are considered eligible to receive COVID-19 vaccine	JUN 18, 2021 European Union lift travel restrictions on American citizens		

¹ World Health Organization (WHO)
² Transportation Security Administration (TSA)

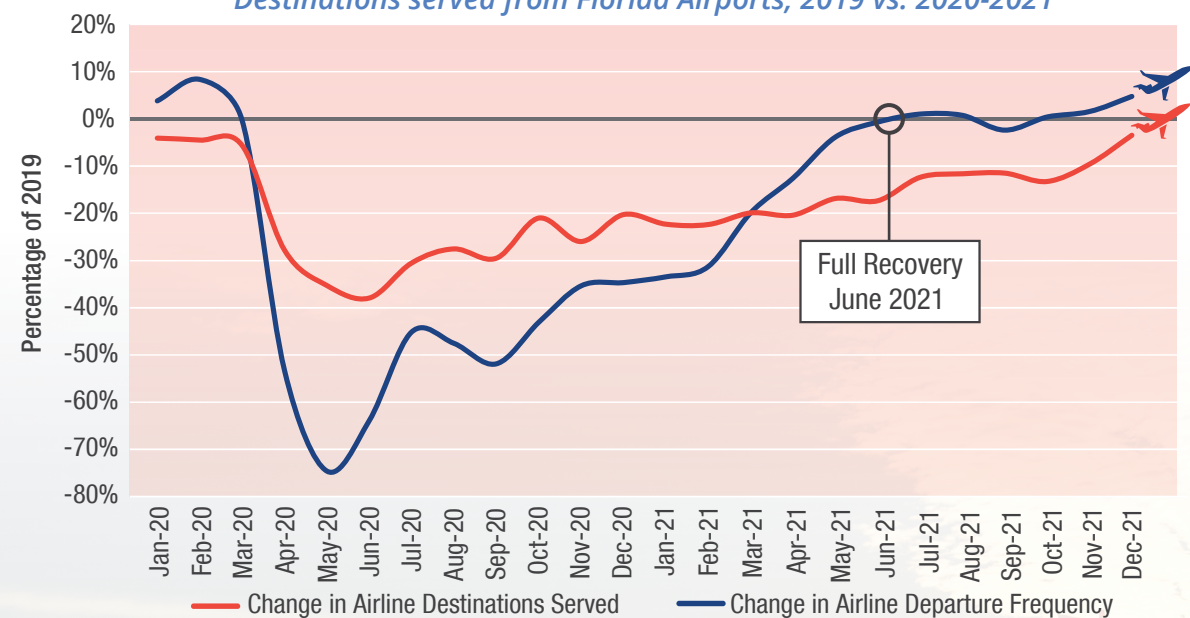
Note: Traffic levels reported for CA, NY, and TX are based on the five busiest airports in each state and therefore do not represent total enplanements within each of the three states. CA, NY, TX, and national enplanement data were obtained from the U.S. Bureau of Transportation Statistics, available online at: https://www.transtats.bts.gov/Data_Elements.aspx?Data=1 (accessed March 2022). CA, NY, and TX results represent only domestic traffic levels due to unavailability of full year international enplanement data. Florida's commercial airline passenger traffic includes international air service.

COMMERCIAL SERVICE AIRLINE SCHEDULE DATA

An analysis was conducted to evaluate monthly scheduled interstate departure frequency and the number of airline destinations served to identify changes in commercial passenger service due to the COVID-19 pandemic.

The following chart illustrates the statewide changes in combined international and domestic airline departure frequencies and the number of airline destinations served between calendar years 2019, 2020, and 2021. In total, airline flight frequencies fluctuated greatly throughout the pandemic with an over 70 percent reduction in departure frequency at the height. As shown, Florida rebounded quickly, matching average 2019 monthly statewide departure frequencies by June of 2021. Airlines have reintroduced many routes lost during the pandemic, as the number of airline destinations served statewide were within three percent of 2019 levels by December 2021.

Interstate and International Airline Departure Frequency and Airline Destinations served from Florida Airports, 2019 vs. 2020-2021

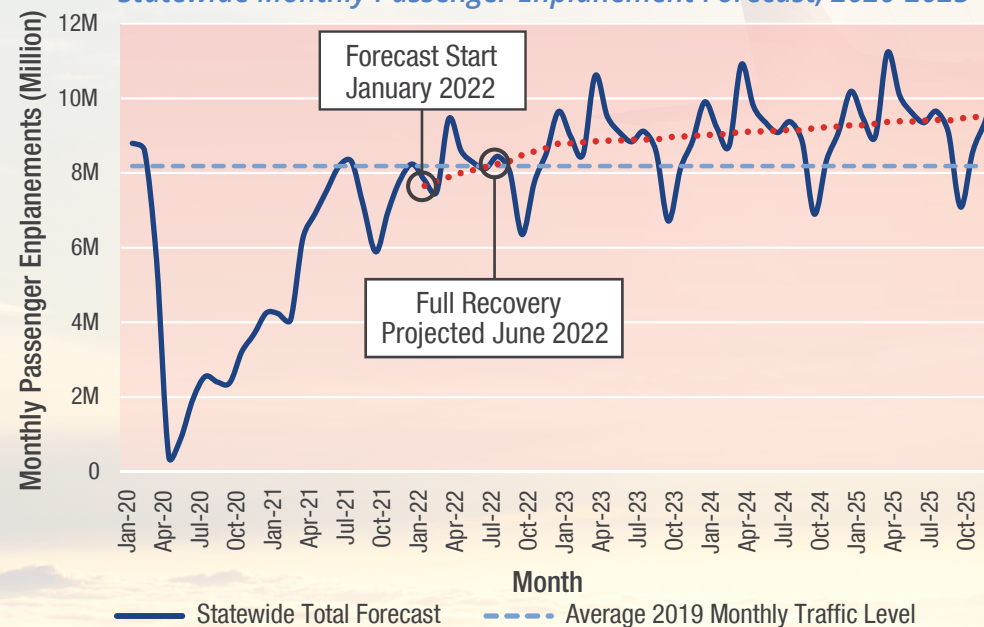


Sources: OAG Schedule Analyzer, Kimley-Horn, 2022

PASSENGER TRAFFIC FORECASTS

Using passenger traffic data reported by airports and insights from airport representatives, short term passenger traffic forecasts were developed for each of Florida's commercial service airports. Statewide, passenger traffic increased significantly since the start of the pandemic and is expected to recover to average 2019 monthly enplanement levels in June 2022. Thanks to Florida's robust airport system and economy, passenger traffic is projected to increase 15 percent above 2019 levels by 2025.

Statewide Monthly Passenger Enplanement Forecast, 2020-2025



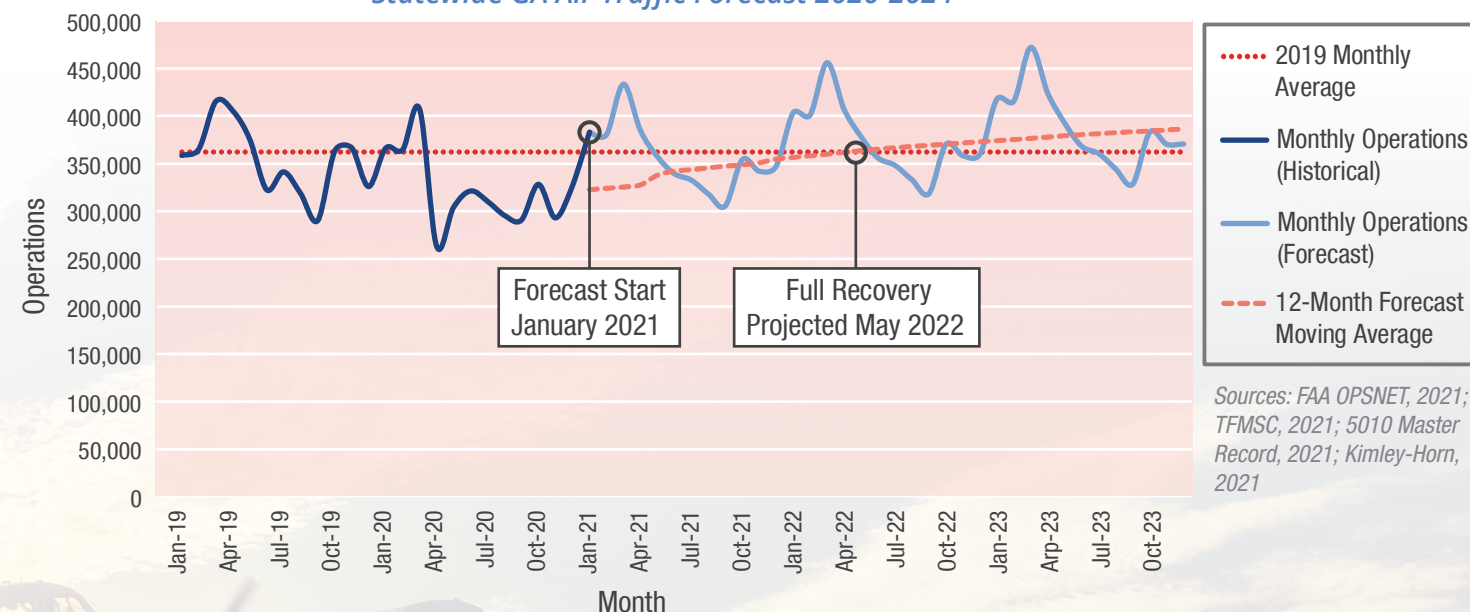
— Statewide Total Forecast — Average 2019 Monthly Traffic Level
 12-Month Moving Average

Sources: FDOT Monthly Passenger Boarding Sheets (2015-2020), 2021; Kimley-Horn, 2022

GA TRAFFIC FORECASTS

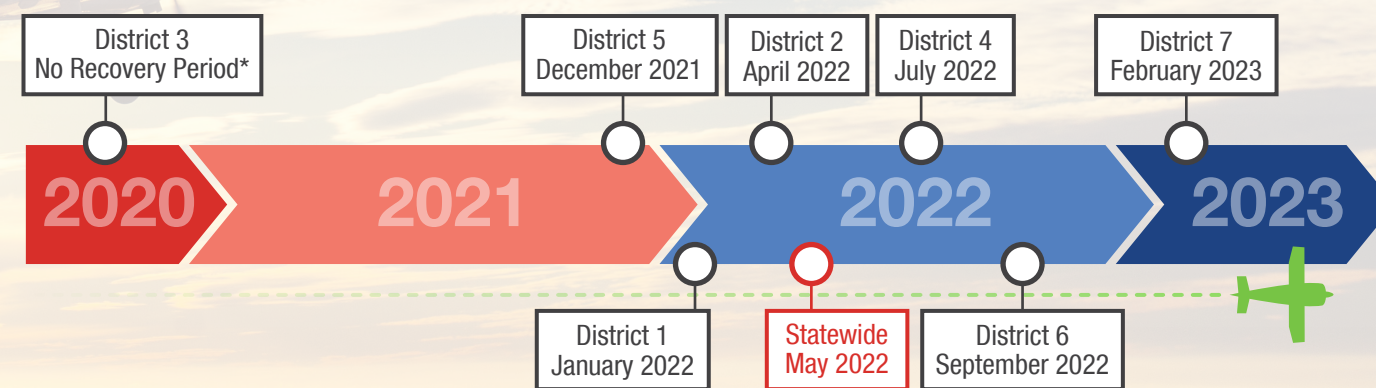
Traffic forecasts were also developed for National and Regional GA airports beginning in January 2021. FAA OPSNET data were used to identify YoY traffic changes between 2019 and 2020 resulting from the pandemic-related downturn and to establish historic traffic trends at the 25 towered GA airports in the state. For the 16 non-towered airports included in this analysis, historic traffic data were gathered from the FAA's Traffic Flow Management System Counts (TFMSC). Historic operational trends were identified from these sources and were utilized to project recovery and future activity levels. The resulting forecasts were developed at the statewide level and by FDOT District to illustrate how the GA industry in different areas of the state is projected to recover. Statewide, the GA airport system experienced an 8.9 percent decline in aircraft operations between 2019 and 2020, representing a loss of nearly 400,000 annual operations. Based on these historical trends, traffic at these airports is expected to grow by nine percent per year until the GA system recovers in May 2022. However, due to the regional characteristics of the pandemic, each FDOT District will recover at a different rate. Of the six FDOT Districts that experienced a decline, District 5 is expected to recover first while District 7 is expected to be the last to recover to pre-pandemic levels. It should be noted that, unlike many airports in the GA system, Destin Executive (DTS) actually reported an eight percent increase in traffic between 2019 and 2020.

Statewide GA Air Traffic Forecast 2020-2024



Sources: FAA OPSNET, 2021; TFMSC, 2021; 5010 Master Record, 2021; Kimley-Horn, 2021

Projected GA Recovery Dates, by FDOT District



Source: Kimley-Horn, 2021

*Note: Destin Executive (DTS) is the only National or Regional GA airport located in District 3. DTS reported an eight percent increase in traffic between 2019 and 2020 so there is no applicable recovery period. Details related to GA traffic forecasts are available in the technical report.



6

commercial airports set **annual passenger records** in 2020 or 2021

ECP, EYW, PNS, RSW, SRQ, VPS

10

commercial airports have **reached or exceeded** 2019 passenger traffic levels in 2021

ECP, EYW, MIA, MLB, PGD, PIE, PNS, RSW, SRQ, VPS

81,485,012 **passenger enplanements**

served at commercial service airports in 2021



15

commercial airports reported **increased operating revenues** between 2020 and 2021

13

commercial airports reported **staffing levels at or above 2019 levels** in 2020 or 2021



\$1.8 BILLION

in **relief funds** distributed to Florida commercial service airports from the CARES Act, CRRSAA, and ARPA

\$218 MILLION

in **funds** distributed to Florida **commercial airports** through the Bipartisan Infrastructure Law (BIL)

\$89 MILLION

in **funds** distributed to Florida **GA airports** through the Bipartisan Infrastructure Law (BIL)

