

# Ontario International Airport Difficulties & Potential



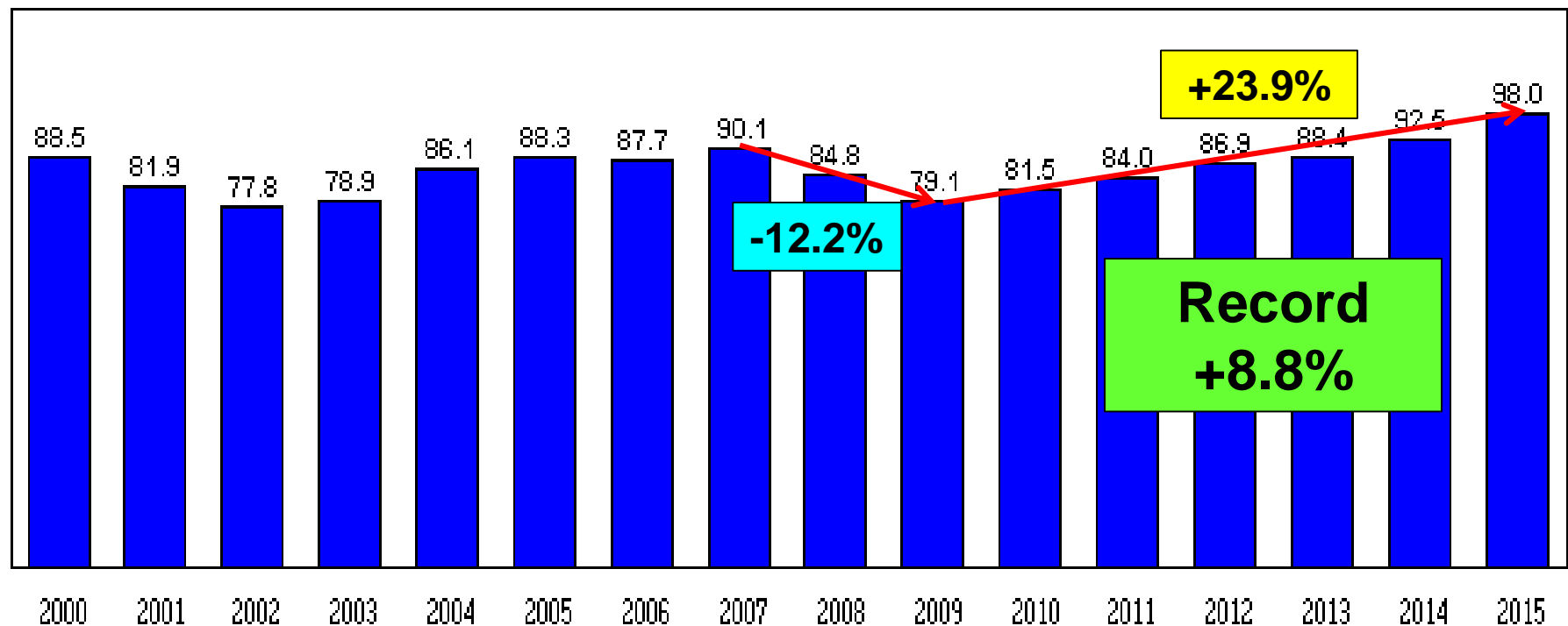
**John Husing, Ph.D.**

**Chief Economist**

**Inland Empire Economic Partnership**

# Southern California Air Traffic: Record Level Again!

Air Passenger Volume  
Southern California, 2000-2015



Source: Los Angeles World Airports, John Wayne Airport, Bob Hope Airport, Long Beach Airport, Palm Springs Airport

# Regional Policy

**Regional Airport Strategy To Lower Vehicle Miles Traveled In Southern California For Air Quality**

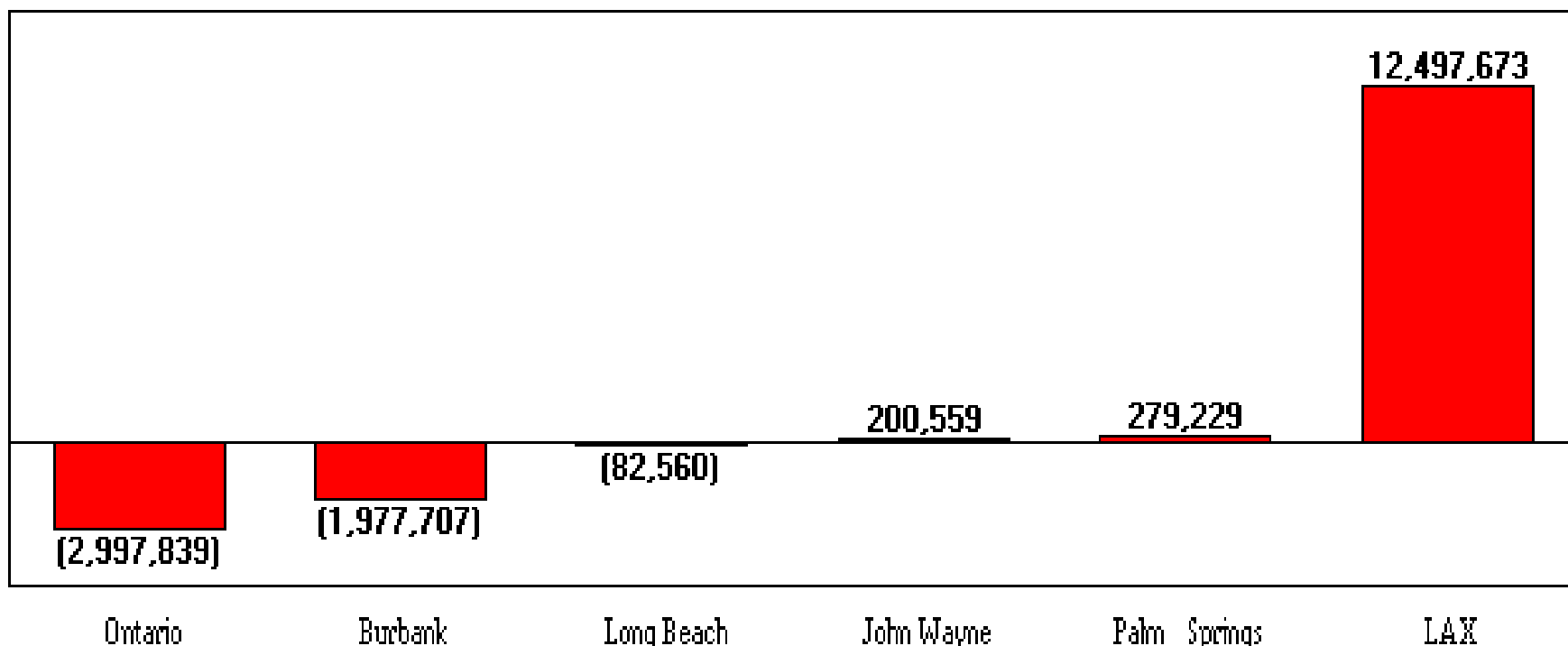
**Reduce Traffic Congestion Through Communities Between Outlying Areas & LAX**

**Increase Speed of Access To Air Travel For Cities Throughout Southern California ... Increase Their Competitiveness**

# **What Has Happened To Distribution of Air Passenger Travel?**

# Where Did Air Passenger Growth Occur, 2007-2015?

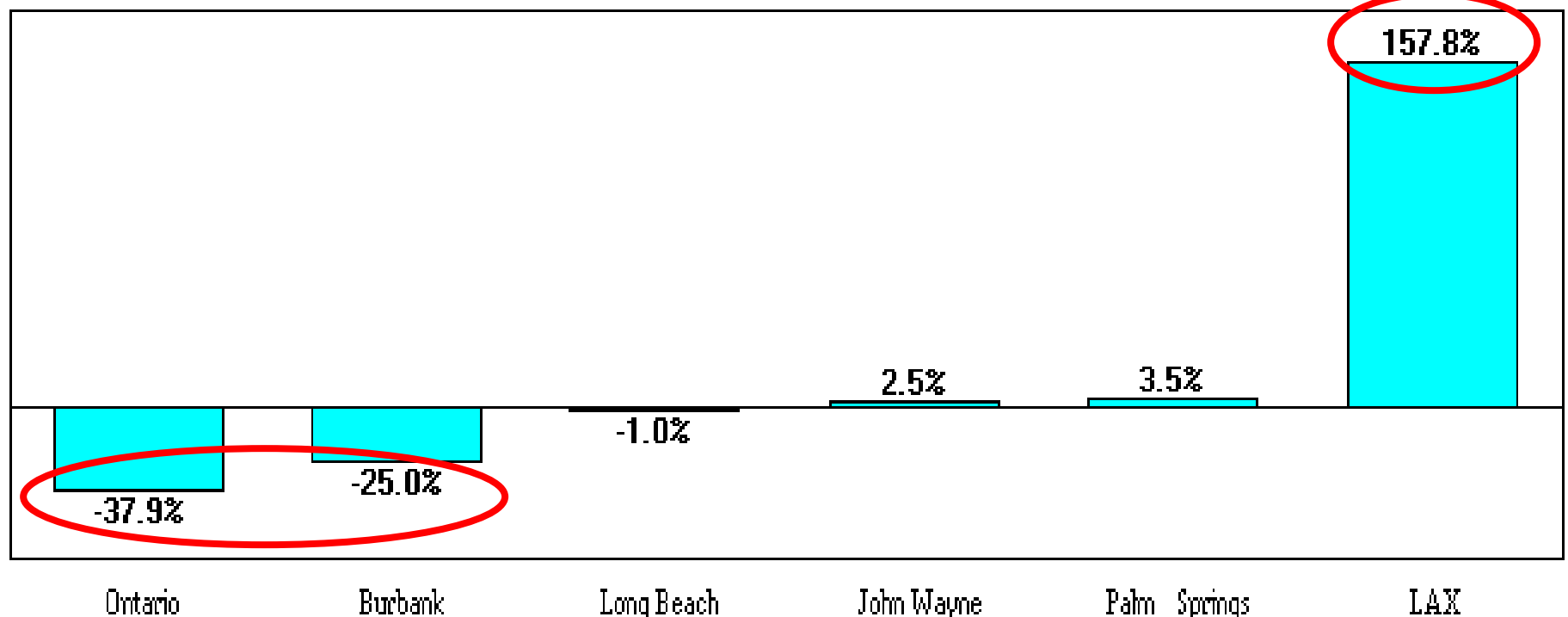
Growth of Air Passenger Market Share  
Southern California, By Airport, 2007-2015



Source: Los Angeles World Airports, John Wayne Airport, Bob Hope Airport, Long Beach Airport, Palm Springs Airport

# LAX Increasing Share, 2007-2015

Change in of Air Passenger Market Share  
Southern California, By Airport, 2007-2015

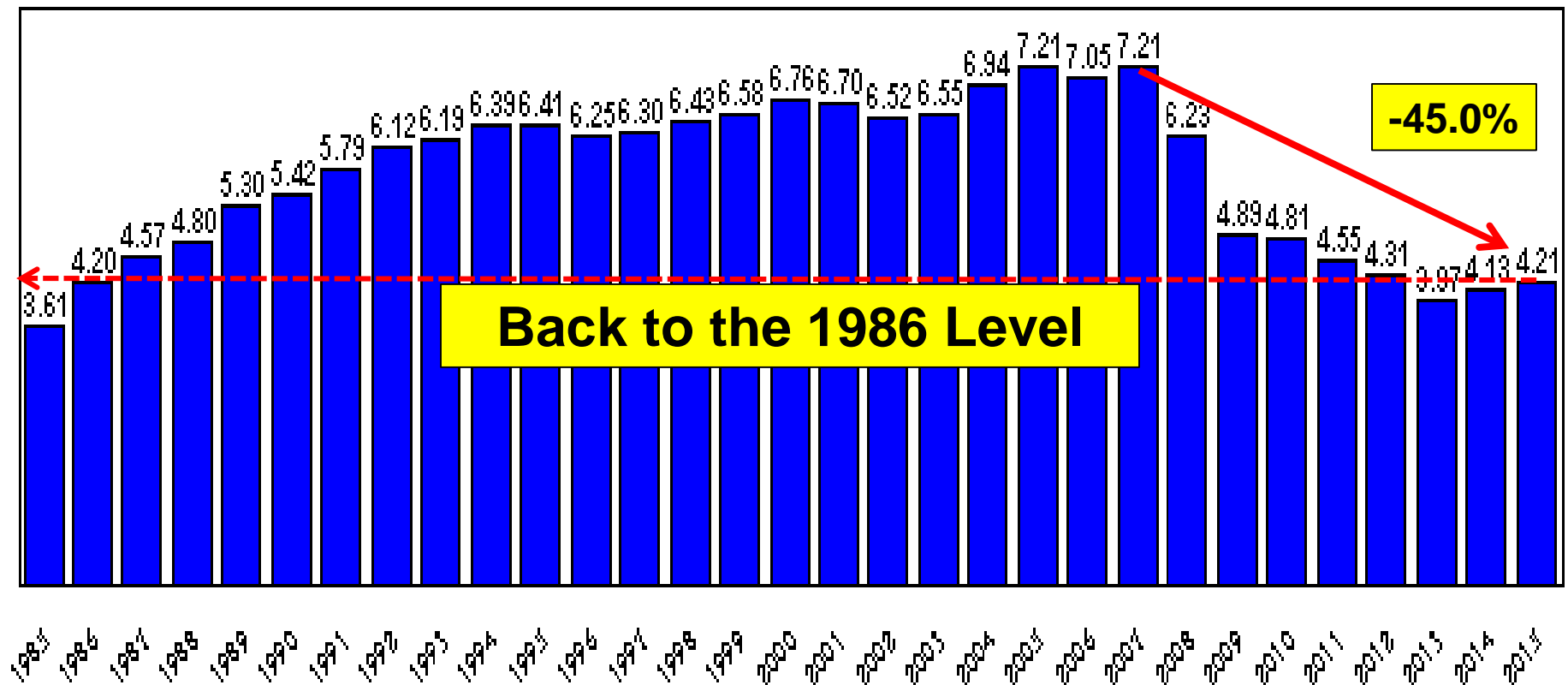


Source: Los Angeles World Airports, John Wayne Airport, Eob Hope Airport, Long Beach Airport, Palm Springs Airport

**What Area's Are Negatively Affected?**  
**San Fernando Valley**  
**San Gabriel Valley**  
**Inland Empire**

# ONT Air Passenger Traffic Has Plunged Despite A Small Recovery: 2012-2015

Air Passenger Service  
LA-Ontario International Airport, 1985-2015

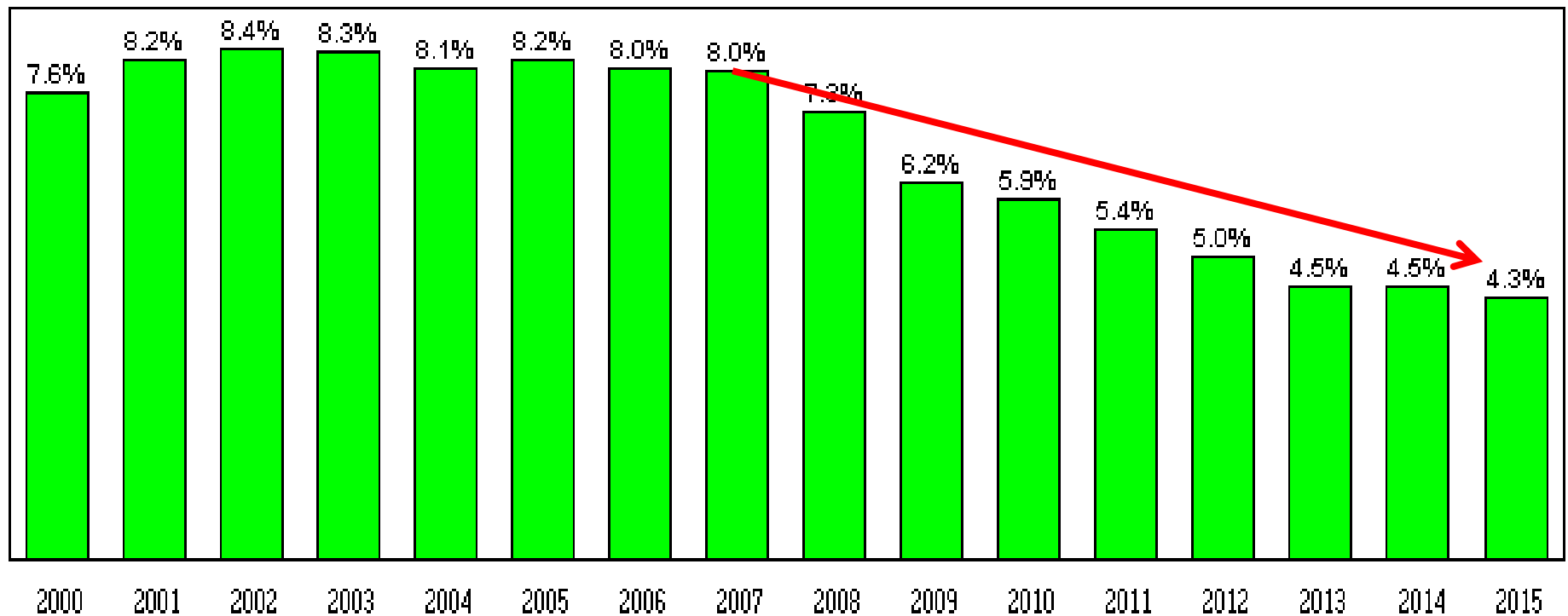


Source: Los Angeles World Airports



# ONT Market Share at Modern Low

Market Share  
LA-Ontario International Airport, 2000-2015



Source: Los Angeles World Airports, John Wayne Airport, Bob Hope Airport, Long Beach Airport, Palm Springs Airport

# **Impact of ONT's Decline**

# Traffic From IE/SGV to LAX



**2,000,000 Lost Passengers to ONT 2007-2015 (67%)**  
**30 Miles Extra Driving Each**  
**60,000,000 One Way Trips**  
**2 Round Trip**  
**120,000,000 Added VMT From IE to LAX**

# **Costs To Local Residents & Businesses**

- **\$ 48 Million A Year in Driving, Parking, Driving Time Lost**
- **\$128 Million A Year In Higher ONT Ticket Prices**
- **\$ 18 Million A Year In Time Lost Changing Planes**
- **\$194 Million A Year Cost to Inland Empire Air Passengers**

# **Economic Loss to San Gabriel Valley & Inland Empire**

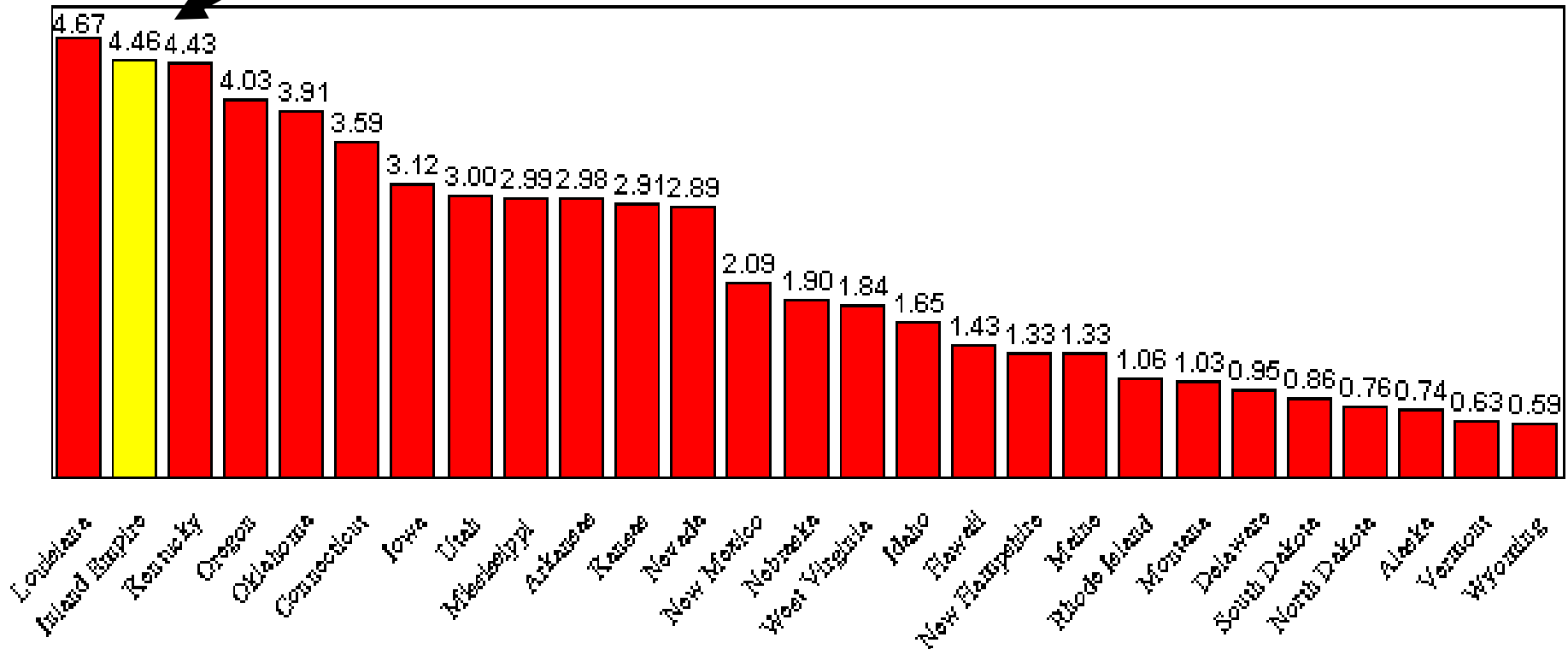
## **Updating 1992 ONT Study**

- 1. \$ 9.02 Billion Impact of ONT with 6.23 Million Passengers**
- 2. \$ 6.02 Billion Impact of ONT with 4.21 Million Passengers**
- 3. -\$2.80 Billion Impact of Change**
- 4. Returning to 6.23 Million Passengers Would Recoup That Loss to Local Economies**
- 5. Gains Should Be Larger As Economy Larger & More Sophisticated**

# Probability of Success

# IE More People Than 25 States!

Exhibit 123.-Total Population (millions)  
Inland Empire As A State, July 2015

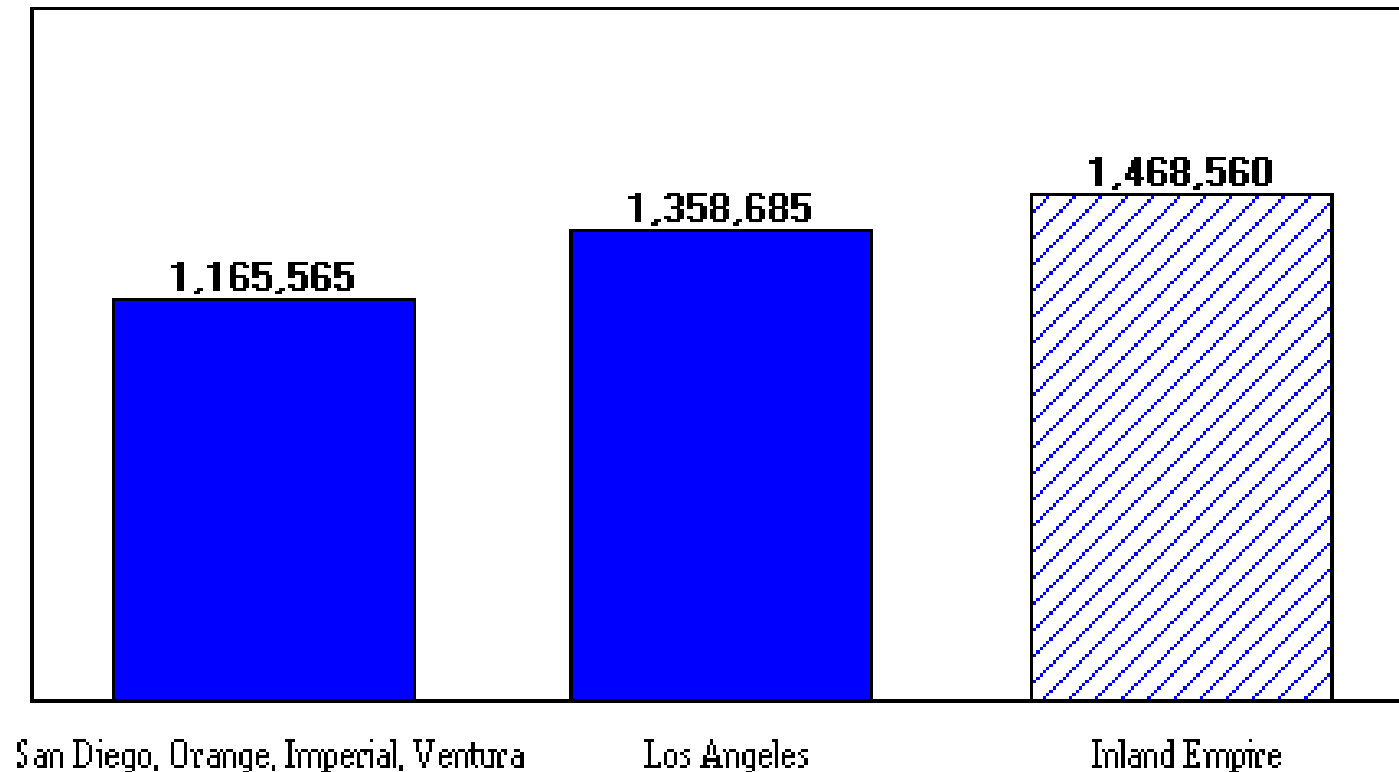


Note: Louisiana Ranked 25th

Source: U.S. Department of Commerce, CA Department of Finance

# Population Growth to 2040 Reaches 5.9 Million

**Exhibit 121.-Population Growth  
Southern California, 2015-2040**

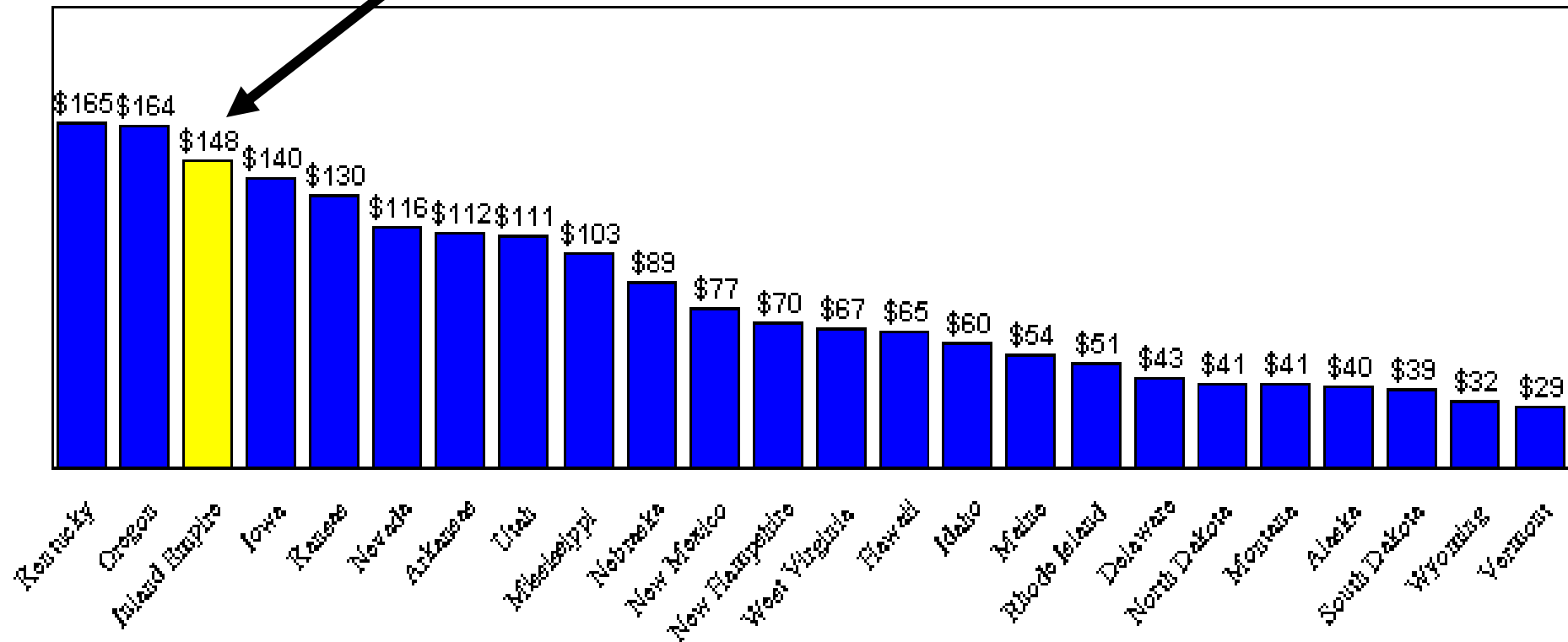


Sources: Souther Calif. Assoc. of Governments; San Diego Association of Governments



# More Income Than 21 States

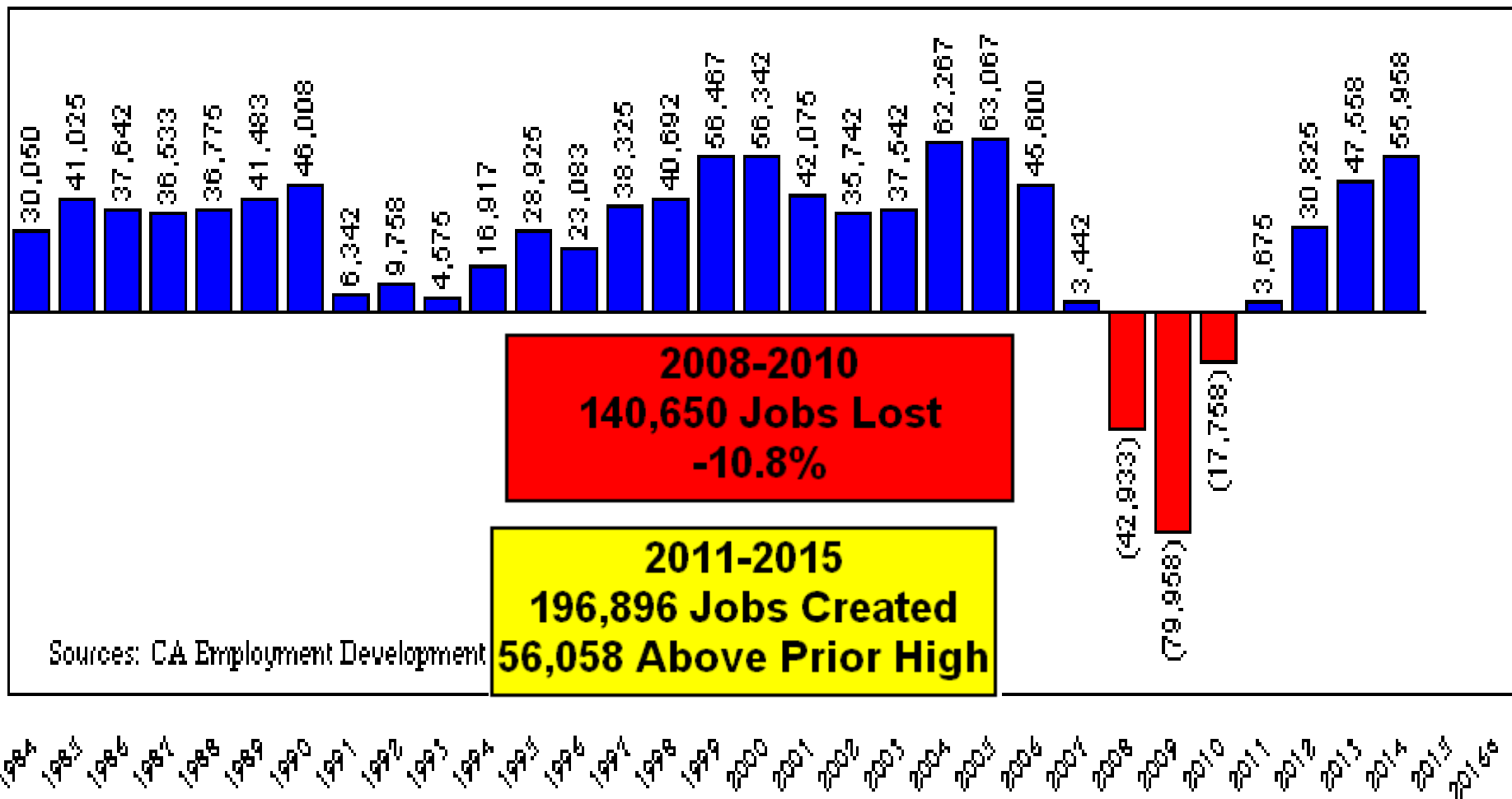
Exhibit 124.-Total Personal Income (billions)  
Inland Empire As A State, 2014



Note: Oregon ranked 29th  
Source: U.S. Bureau of Economic Analysis

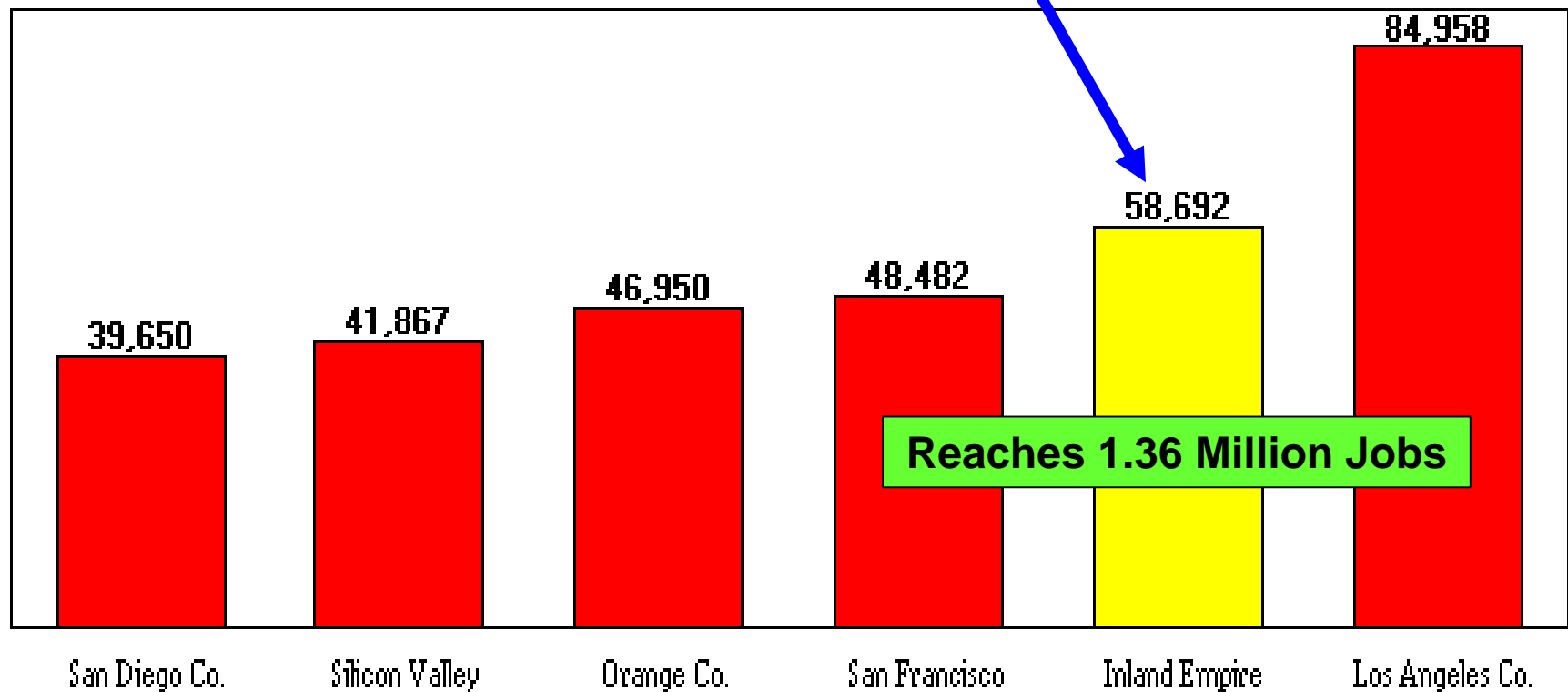
# Inland Empire Economy Gaining Strength!

**Exhibit 128.-Wage & Salary Job Change  
Inland Empire, Annual Average, 1984-2015**



# Inland Empire Growth was the 2<sup>nd</sup> Largest Absolute Job Gain in California in 2015!

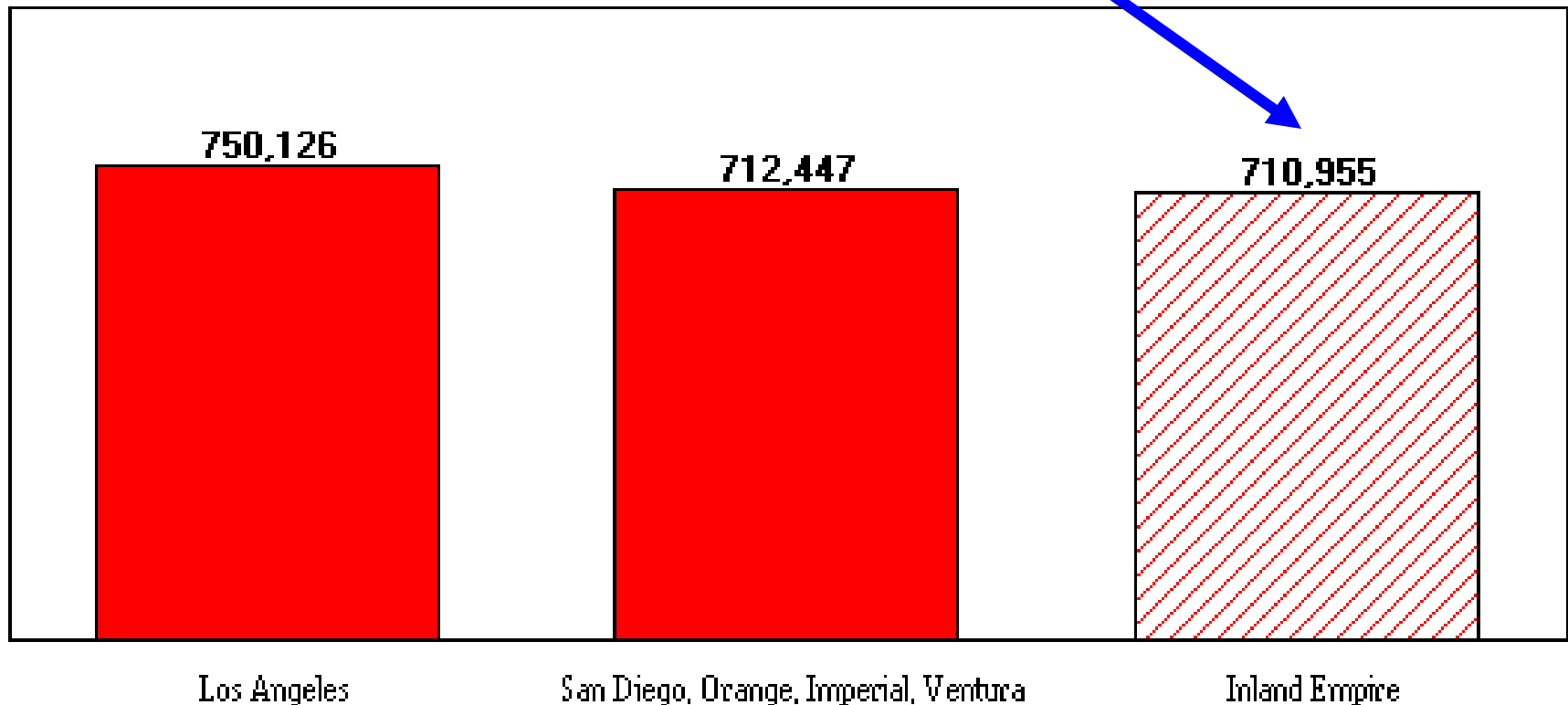
Exhibit 125.-California Job Gains  
By Major Markets, Annual Average, 2014-2015



Source: CA Employment Development Department

# Job Growth by 2040 Reaches 2,073,355

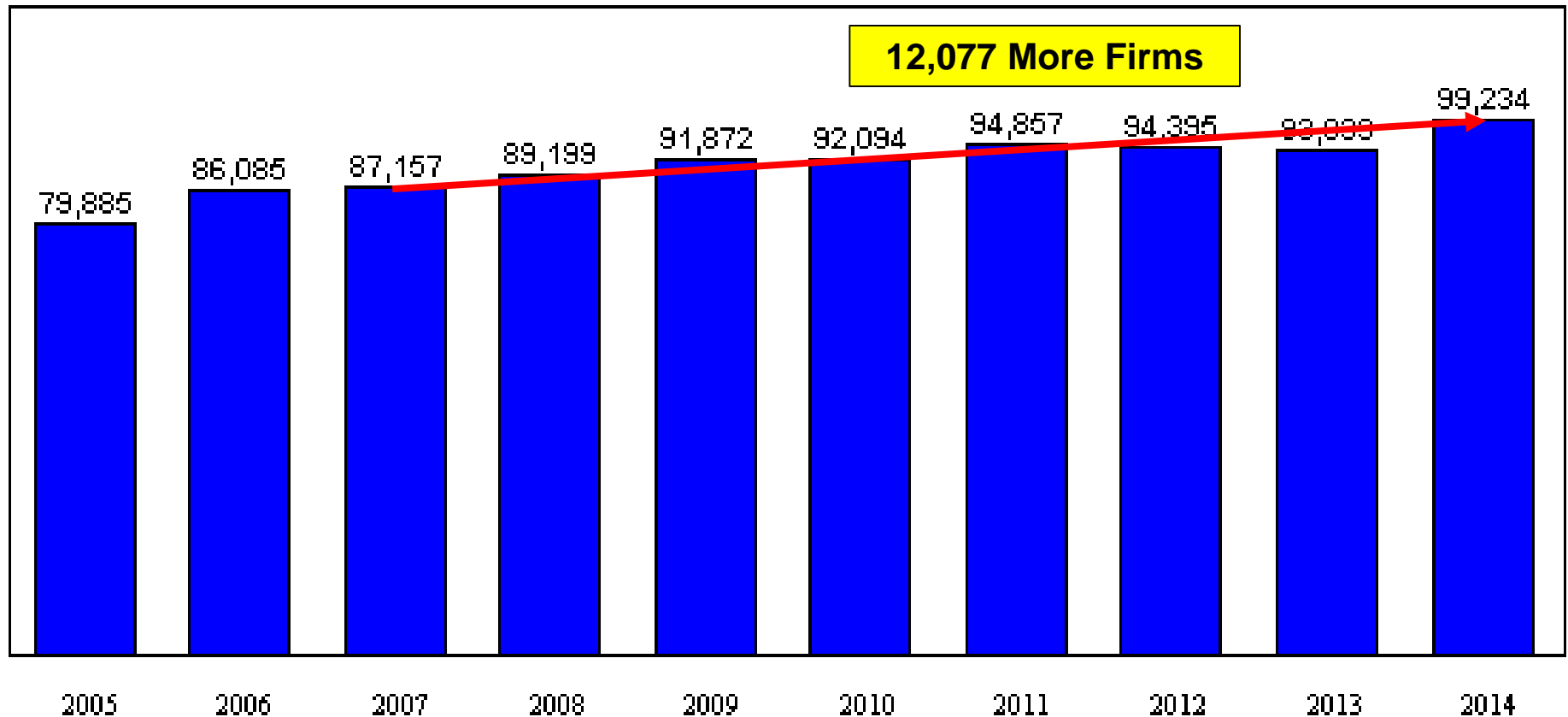
Exhibit 121.-Job Growth  
Southern California, 2015-2040



Sources: Souther Calif. Assoc. of Governments; San Diego Association of Governments

# Growth of Firms

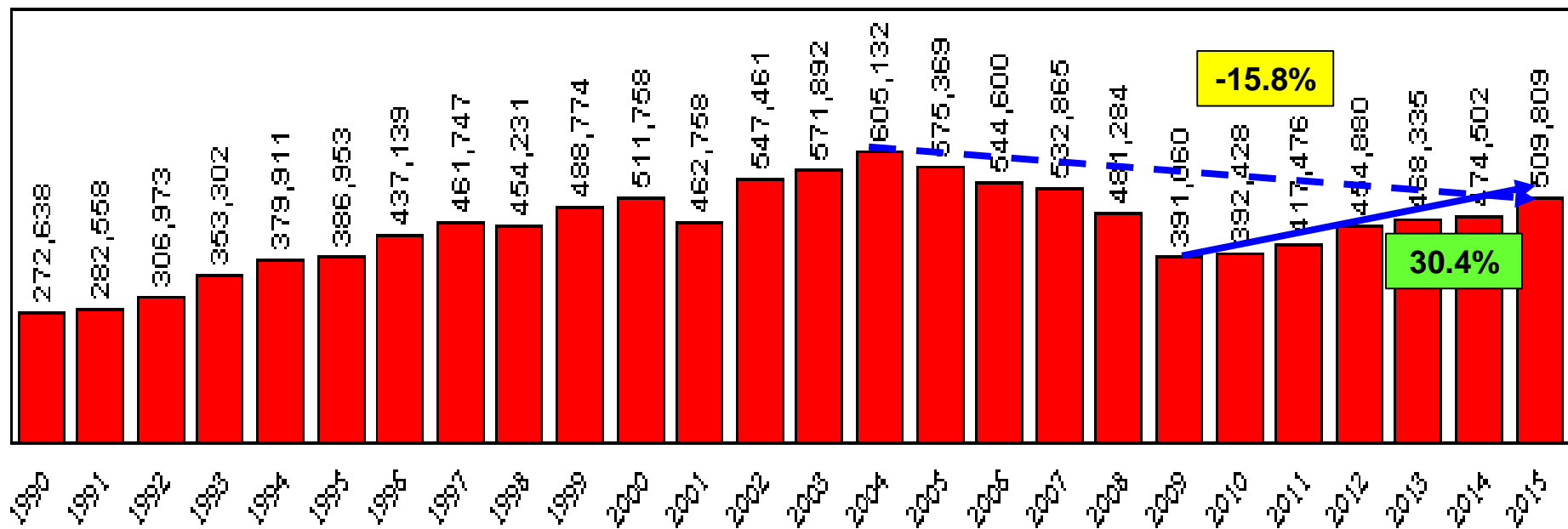
Number of Firms With Payroll  
Inland Empire, 2005-2014



Source: County Business Patterns, U.S. Census

# Air Cargo Coming Back As Local Logistics Sector Powerful

Exhibit 84.-Air Cargo Tonnage  
LA-Ontario International Airport, 1990-2015



Source: Ontario International Airport

# Strategy

- **Lower Costs of Operation**
- **Logistics Use of Idle Property**
- **Market to Airlines to Add Flights Based Upon Aggressive Regional Data**
- **Continued Growth of Air Cargo**
- **Should Take About Two Years To Show Impact Based Upon Past History**
- **Enforcement of Air Quality Strategy For Regionalizing Air Traffic**

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