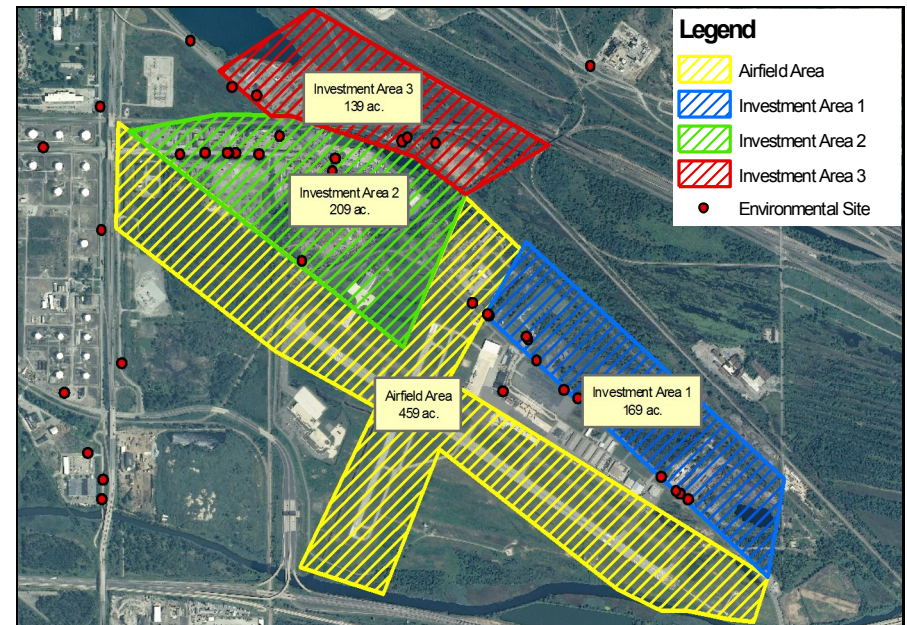
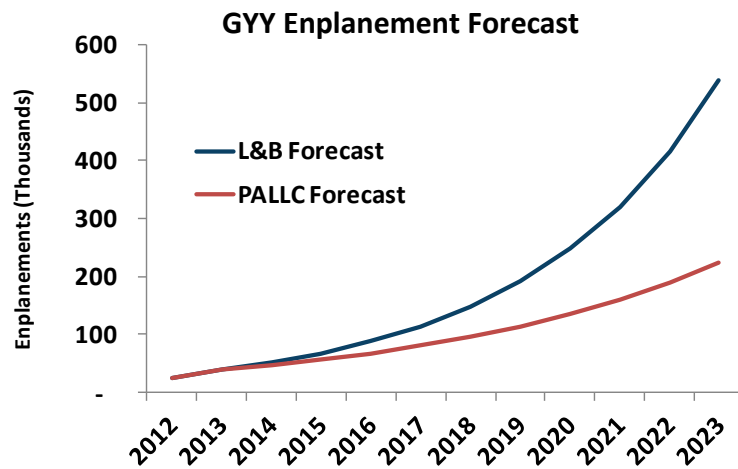


Gary Chicago International Airport

Ongoing Impact

Once the runway extension project is complete, the ongoing economic impact of the airport will take two forms: increased operational spending within the airport footprint, and industrial development on adjacent sites.

The operational spending impact involves all airport commercial employment, including vendors, concessionaires, air service personnel and airport staff. Gary's fixed base operator, the Gary Jet Center, services, fuels and maintains many of the private and corporate aircraft that take-off and land at GYY. It is expected that the FBO's operations will grow as the airport develops. An enplanement forecast, conservatively based on the Landrum and Brown strategic business plan forecast, was developed to project this increased level of activity. The forecast is developed to reflect GYY's current strategy to service charter and low frequency scheduled service, and does not anticipate the airport acquiring high-frequency, regularly scheduled commercial service within the timeframe of the analysis.



Increased airport activity is likely to attract industries that rely on being closely located to an airport. Companies in the aviation, manufacturing, warehousing and shipping/logistics industries may have a strategic incentive to locate near an airport. GYY currently large areas of adjacent properties that are either vacant or underused. The above map illustrates the nearby areas that could be converted to commercial/industrial use.

To project the impact of follow-on business activity, an illustrative build-out scenario was developed. This scenario posits industrial investment in manufacturing, warehousing, and transportation in the areas adjacent to the airport, as seen in other airport developments around the nation..

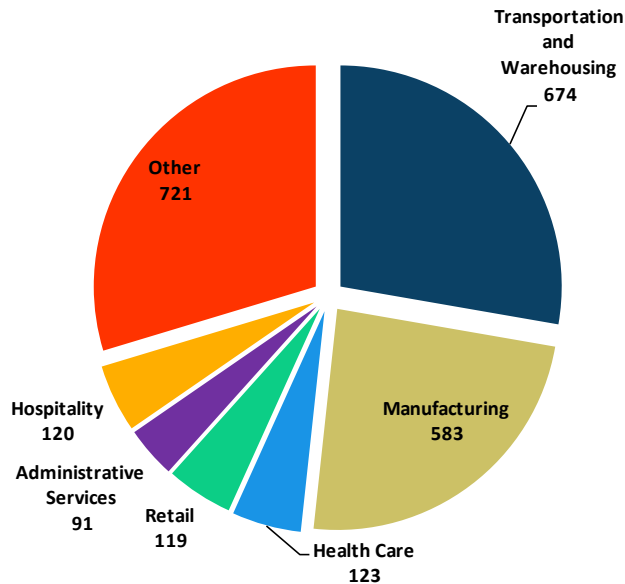
Gary Chicago International Airport

Ongoing Economic Impact

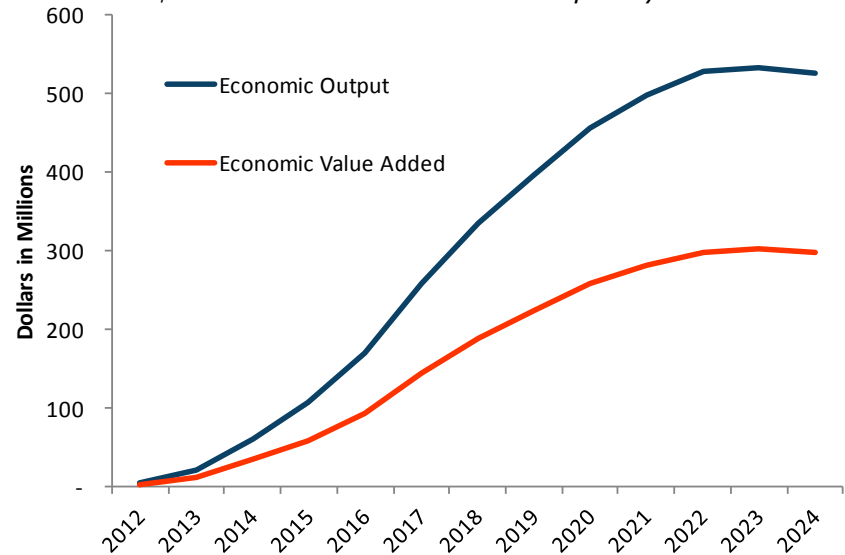
The ongoing airport and business operations projected in the development scenario result in approximately 2,430 new jobs for the northwest Indiana region by 2025. The same activity is projected to generate \$527 million in economic output and \$169 million in disposable income.

Because the airport primarily serves as a catalyst, most of the economic impact comes from the projected follow-on investment and business activity. The direct employment largely targets the manufacturing and logistics industries, but “spin-off” effects will generate additional employment throughout the economy.

Ongoing Employment Impact 2,430 total annual jobs by 2025



Ongoing Economic Impact of Airport Investment \$526M in Annual Economic Output by 2025



The employment impact of the follow-on airport investment is significant, but reasonable when viewed in context of the expected development. The increased airport activity, in conjunction with strategic economic development planning from the City of Gary is expected to open up significant amounts of property to development. Most of this property has been dormant for decades, but will be targeted for development as the runway extension takes place.