

Fiscal Year 2010 Economic Impact Analysis

01 Oct 2009 – 30 Sep 2010



Langley
Air Force Base



Preface

The 633d Air Base Wing, host unit of Langley Air Force Base, presents the Fiscal Year 2010 Economic Impact Analysis (EIA). The purpose of this analysis is to provide an estimate of the economic effect Langley has on the local area. The EIA presents financial data, local expenditure data, and employment information. An estimate of the number of secondary jobs created by Langley's presence in the Hampton Roads area is also presented.

The mathematical formulas used for the computations were developed by the Deputy Assistant Secretary of the Air Force for Cost and Economics, based on the Office of the Secretary of Defense EIA model. All data and computations fairly represent the economic impact of Langley Air Force Base. For those areas where actual data were not available, estimates were made using historical data and published U.S. Air Force or other federal government statistical factors.



Langley Air Force Base: A Brief History

Langley Air Force Base, Virginia, is the oldest continuously active air base in the United States. In 1916, the National Advisory Council for Aeronautics, predecessor to the National Aeronautics and Space Administration (NASA), established the need for a joint airfield and proving ground for Army, Navy and National Advisory Council for Aeronautics aircraft. National Advisory Council for Aeronautics determined that the site must be coastal for over-water flying and near an Army post. It also had to be flat and relatively clear for expansion and aircraft operations. In 1917, the new proving ground was designated Langley Field for one of America's early air pioneers, Samuel Pierpont Langley.

Throughout the 1930s, Langley Field played a key role in the Army's efforts to strengthen the offensive and defensive posture of its air arm. The small grassy field became a major airfield of the Army Air Corps, and many of the brick buildings we see today were constructed at that time. On 1 March 1935, Langley Field became the center of tactical aviation for the United States Army. On that day, the Army Air Corps underwent a major reorganization which created General Headquarters Air Force, commonly referred to as GHQ AF.

At the outbreak of World War II, Langley took on a new mission: to develop special detector equipment used in antisubmarine warfare. Langley units were pivotal in the sinking of enemy submarines off the United States coast during the war. On 25 May 1946, the headquarters of the newly formed Tactical Air Command was established at Langley. The Command's mission was to organize, train, equip and maintain combat-ready forces capable of rapid deployment to meet the challenges of peacetime air sovereignty and wartime air defense. The arrival of Tactical Air Command and jet aircraft marked the beginning of a new era in the history of the field, and in January 1948, Langley Field officially became Langley Air Force Base.

On 1 June 1992, Langley became the headquarters of the newly formed Air Combat Command, as Tactical Air Command was deactivated as part of the Air Force's restructuring. Air Combat Command acts as the primary provider of air combat forces in the war-fighting commands—responsible for fighters, bombers, reconnaissance and battle-management aircraft, intercontinental ballistic missiles, command and control, communications and intelligence systems.

On 7 January 2010, the 9th Air Force reactivated the 633d Air Base Wing and declared it to be the host unit for Langley AFB. At that point, the 633 ABW became the link in the joint basing initiative between Langley AFB and the US Army's Fort Eustis, which together are now called Joint Base Langley-Eustis.

Langley AFB Tenant Units

Air Combat Command

Air Force Atlantic Area Audit Office

Air Force Command and Control Integration Center

Air Force Doctrine Center

Air Force Liaison (NASA)

Air Force Material Command Liaison Office

Air Force Office of Special Investigations Detachment 201

Air Force Office of Special Investigations Field Investigations Region 2

Air Land Sea Application Center

Area Defense Counsel

Defense Logistics Agency, Defense Contracts Management Command

Defense Security Service

Document Automated Printing

Langley Composite Squadron, Civil Air Patrol

USAF Judiciary-Eastern Circuit, Northern Region

U.S. Army Corps of Engineers

158th Fighter Wing, Vermont Air National Guard

372nd TRS Detachment 18 (AETC)

71st Aerial Port Squadron (AFRES)

512d Mission Support Squadron (AFRES)

622d Communications Flight (622 CF)

307th Fighter Squadron

710th Combat Operations Squadron

735th Supply Chain Management Group



Langley Missions



HQ Air Combat Command

Mission Air Combat Command is the primary force provider of combat airpower to America's war-fighting commands. To support global implementation of national security strategy, ACC operates fighter, bomber, reconnaissance, battle-management and electronic-combat aircraft. It also provides command, control, communications and intelligence systems, and conducts global information operations.

As a force provider, ACC organizes, trains, equips and maintains combat-ready forces for rapid deployment and employment while ensuring strategic air defense forces are ready to meet the challenges of peacetime air sovereignty and wartime air defense. ACC numbered air forces provide the air component to U.S. Central and Southern Commands with Headquarters ACC serving as the air component to U.S. Northern and Joint Forces Commands.

633d Air Base Wing

Mission As the host unit at Langley Air Force Base, Virginia, the 633d Air Base Wing is comprised of three groups that provide installation support to more than 11,000 military and civilian personnel including Headquarters Air Combat Command and three operational wings. The Wing provides mission-ready expeditionary Airmen to combatant commanders in support of joint and combined operations worldwide. The activation of the 633 ABW as the new host unit for Langley Air Force Base on 7 Jan 2010, was the first step toward the creation of Joint Base Langley-Eustis.

1st Fighter Wing

Mission The 1st Fighter Wing operates and maintains the F-22 Raptor. To accomplish their mission, the men and women of the 1 FW work in either the Operations Group or the Maintenance Group. Eight squadrons comprise the two groups, which include two fighter squadrons: the 27th Fighter Squadron, known as the Fightin' Eagles, and the 94 FS, known as the Hat-in-the-Ring Gang.

480th Intelligence, Surveillance and Reconnaissance Wing

Mission Highly skilled Airmen conducting regionally-focused, globally-networked Intelligence, Surveillance and Reconnaissance (ISR) war-fighting operations, to meet combatant command, component and national needs in the 21st century...war-fighters of choice in the joint and coalition fight.

Provides global command and control for the processing, exploitation and dissemination (PED) of intelligence data received from a variety of sources, including U-2, RQ-4, MQ-1 and MQ-9 across a network of 14 sites. The wing executes PED for ISR operations from five distributed ground systems (co-located with its five ISR groups), seven federated sites and two distributed sites.

192d Fighter Wing

Mission The 192d Fighter Wing mission is to operate and maintain the F-22 Raptor at Joint Base Langley-Eustis through the 149th Fighter Squadron and support the ongoing intelligence mission through the 192d Intelligence Squadron.



**ECONOMIC IMPACT ANALYSIS
LANGLEY AFB - FY10**



**TABLE 1
PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION**

As of: **30-Sep-10**

CLASSIFICATION	LIVING ON BASE	LIVING OFF BASE	TOTAL
1. APPROPRIATED FUND MILITARY			
Active Duty	871	7,052	7,923
Air Force Reserve/Air National Guard	0	1,504	1,504
Non-Extended Active Duty Reserve/ANG	0	0	0
Trainees/Cadets	0	0	0
	-	-	-
TOTAL:	871	8,556	9,427
2. ACTIVE DUTY MILITARY DEPENDENTS			
	0	10,542	10,542
3. APPROPRIATED FUND CIVILIANS			
General Schedule			2,885
Federal Wage Board			143
Other (Senior Executive, Senior Level and General Manager)			222
		TOTAL:	3,250
4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESSES			
Civilian NAF			375
Civilian BX			255
Contract Civilians (not elsewhere included)			7
Private Businesses On Base, By Type:			
Branch Banks/Credit Union			14
		TOTAL:	651

**TABLE 2
ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION**

As of: **30-Sep-10**

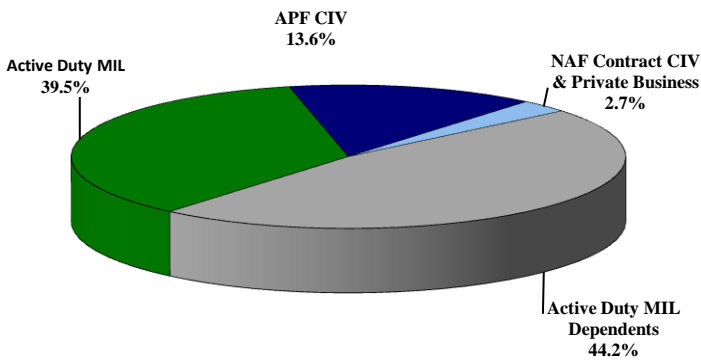


CLASSIFICATION	LIVING ON BASE (\$)	LIVING OFF BASE (\$)	TOTAL (\$)
1. APPROPRIATED FUND MILITARY			
Active Duty	16,188,085	437,213,142	453,401,227
ANG/Reserve	0	26,414,258	26,414,258
Trainees/Cadets	0	0	0
Non-Extended Active Duty ANG/Reserve	0	0	0
	-	-	-
TOTAL:	\$16,188,085	\$463,627,400	\$479,815,485
2. APPROPRIATED FUND CIVILIANS			
General Schedule			110,483,131
Federal Wage Board			7,922,721
Other (Senior Executive, Civ Intel, General Manager, etc.)			6,122,754
		TOTAL:	\$124,528,606
3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESSES			
Civilian NAF			11,473,169
Civilian BX			5,892,201
Contract Civilians (not elsewhere included)			284,214
Private Businesses On Base, By Type:			
Branch Banks/Credit Union			456,202
	TOTAL:		\$18,105,786
	TOTAL ANNUAL PAYROLL:		\$622,449,877

Langley AFB FY10 Personnel & Annual Pay

FY10 Personnel Classifications

(Table 1)

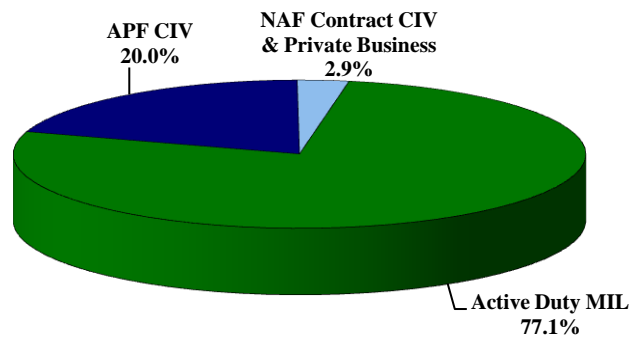


ACTIVE DUTY MILITARY (MIL) DEPENDENTS	10,542
APPROPRIATED FUND MILITARY	9,437
APPROPRIATED FUND (APF) CIVILIANS (CIV)	3,250
NON-APPROPRIATED FUND (NAF) CONTRACT CIV & PRIVATE BUSINESSES	<u>651</u>
TOTAL	23,880

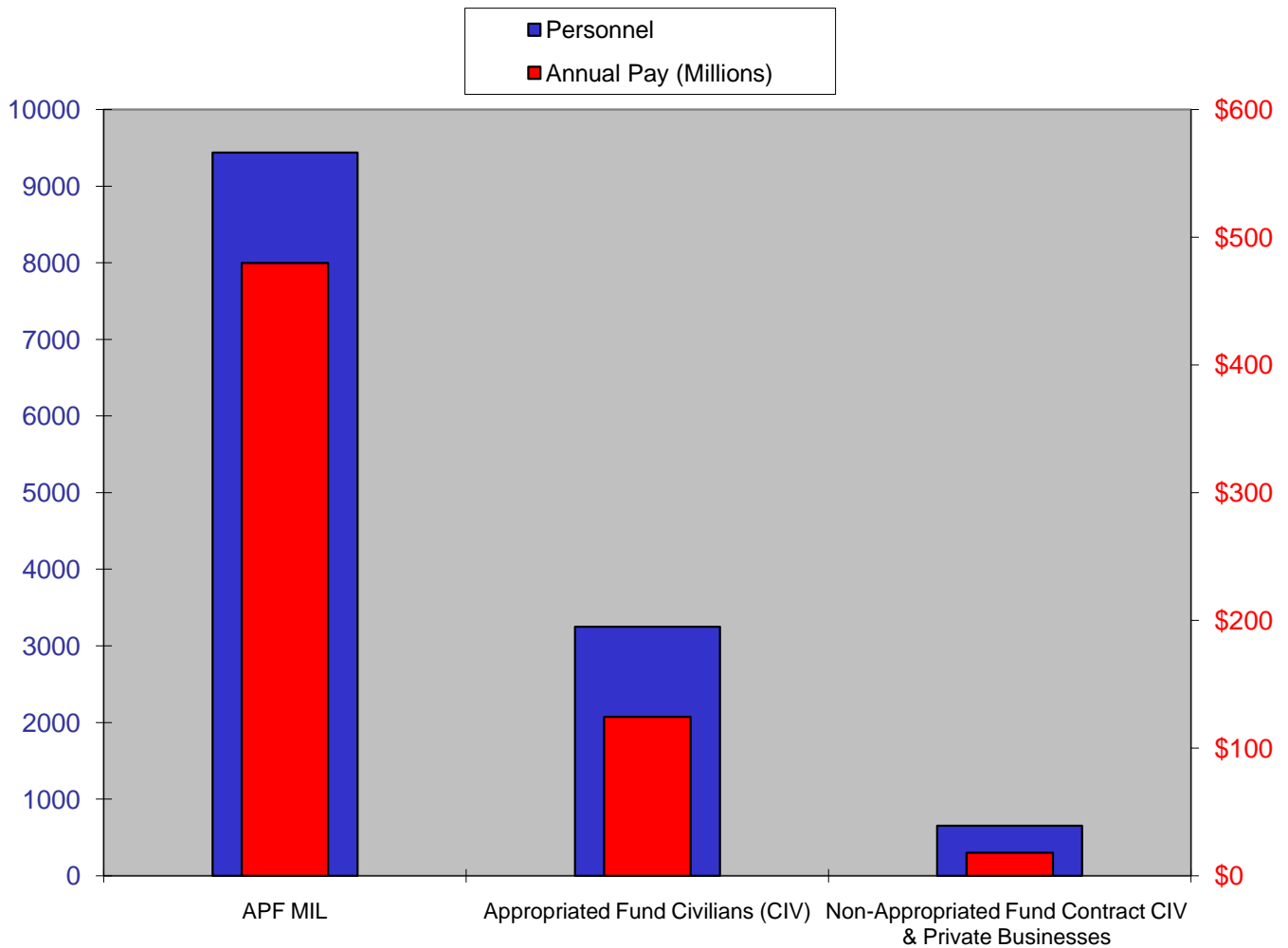
FY10 Annual Payroll

(Table 2)

MILITARY (MIL)	\$479,815,485
APPROPRIATED FUND (APF) CIVILIAN (CIV)	\$124,528,606
NON-APPROPRIATED FUND (NAF) CONTRACT CIV & PRIVATE BUSINESSES	<u>\$18,105,786</u>
TOTAL	\$622,449,877

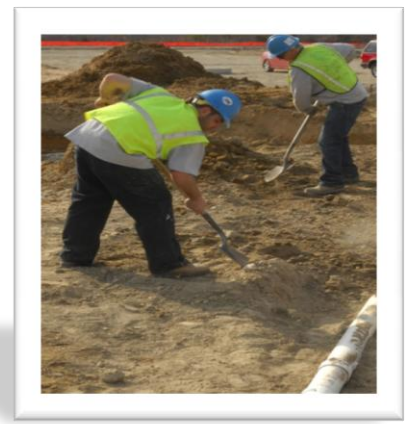


Langley AFB FY10 Personnel vs. Pay (\$M)



**ECONOMIC IMPACT ANALYSIS
LANGLEY AFB – FY10**

**TABLE 3
EXPENDITURES FOR CONSTRUCTION, SERVICES, AND
PROCUREMENT OF MATERIALS, EQUIPMENT, AND SUPPLIES
(Not including contracts for services supplied to other Air Force installations)**

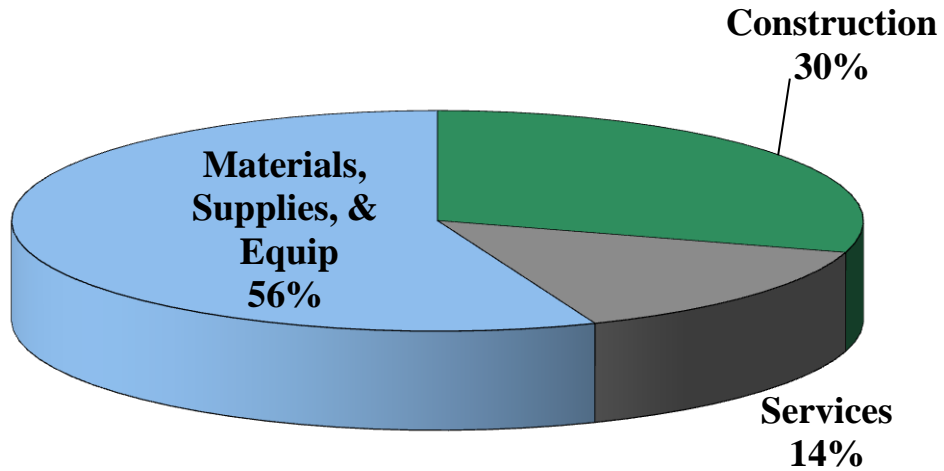


As of: 30-Sep-10

1. CONSTRUCTION	ACTUAL ANNUAL EXPENDITURES
Military Construction Program	24,767,365
Non-Appropriated Funds	10,341,270
Military Family Housing	881,335
O&M	57,024,366
Other	133,151
TOTAL:	\$93,147,487
2. SERVICES	
Services Contracts *	45,000,000
TOTAL:	\$45,000,000
3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT	
Commissary	1,820,284
Base Exchange (BX)	598,300
Health (CHAMPUS, Government cost only)	27,193,815
Education (Impact Aid and Tuition Assistance)	4,906,091
TDY	3,140,000
Other Materials, Equipment & Supplies (not elsewhere included)	138,261,224
TOTAL:	\$175,919,714
TOTAL ANNUAL EXPENDITURES:	\$314,067,201

* Includes only contracts in the local economic area or contracts requiring the use of locally supplied goods and services.

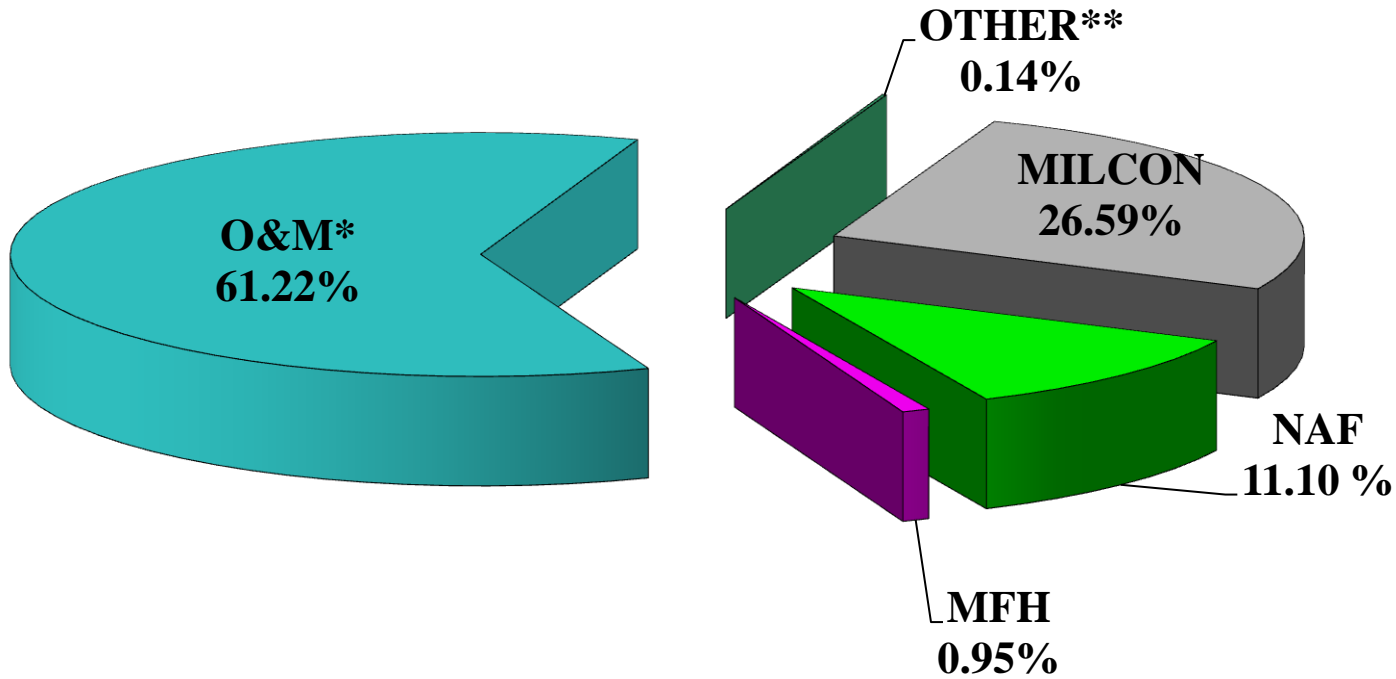
Langley AFB FY10 Local Expenditures



CONSTRUCTION	\$93,147,487
SERVICES	\$45,000,000
MATERIALS, SUPPLIES, EQUIP	<u>\$175,919,714</u>
TOTAL	\$314,067,201



Langley AFB FY10 Construction



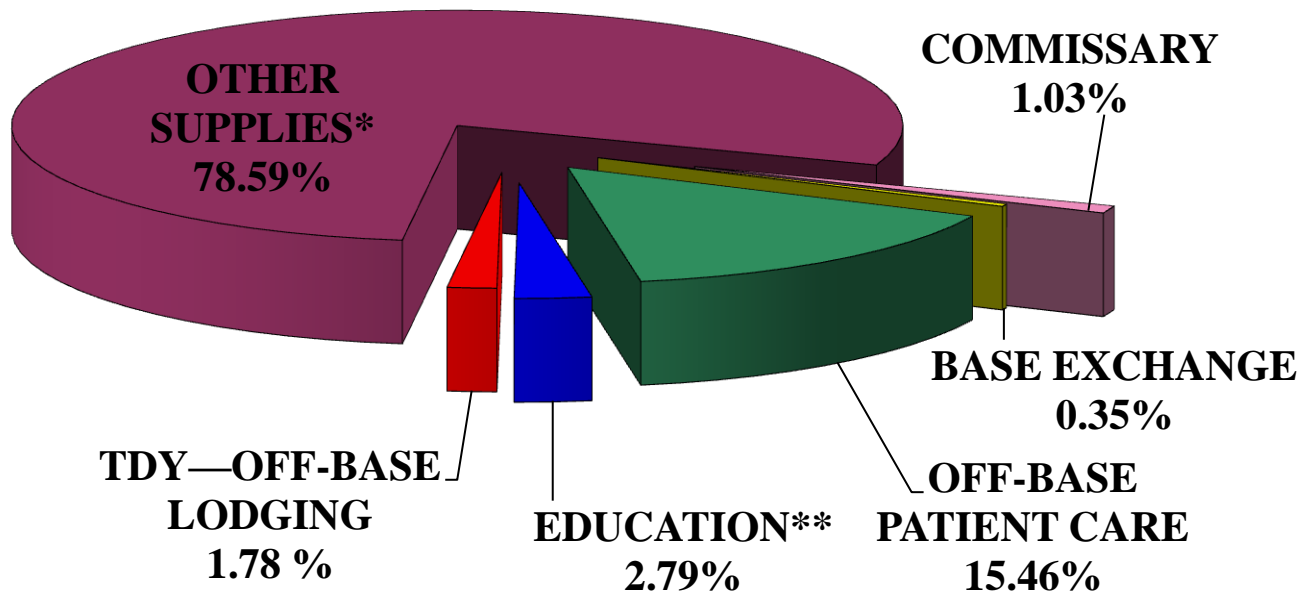
MILITARY CONSTRUCTION	\$24,767,365
NON-APPROPRIATED FUNDS	\$10,341,270
MILITARY FAMILY HOUSING	\$881,335
OPERATIONS & MAINTENANCE*	\$57,024,366
OTHER**	<u>\$133,151</u>
TOTAL	\$93,147,487

* Includes Facilities, Sustainment, Demolition, Restoration and Modernization

** Includes Environmental Conservation Investment Program

Data a/o Sep 10

Langley AFB FY10 Materials, Equipment, & Supplies Procurement



COMMISSARY	\$1,820,284
BASE EXCHANGE	\$598,300
HEALTH	\$27,193,815
EDUCATION	\$4,906,091
TDY	\$3,140,000
OTHER	<u>\$138,261,224</u>
TOTAL	\$175,919,714

* Includes fuels, GPC purchases, supplies, equipment, etc.

** Includes Tuition Assistance payments and Impact Aid payments

ECONOMIC IMPACT ANALYSIS

LANGLEY AFB – FY10

TABLE 4

ESTIMATE OF NUMBER AND DOLLAR VALUE OF INDIRECT JOBS CREATED

As of: 30-Sep-10

Type of Personnel	# of Base Jobs	Multiplier	# of Indirect Jobs
ACTIVE DUTY MILITARY	7,933	0.50	3,967
GUARD/RESERVIST/TRAINees	1,504	0.21	316
APF CIVILIANS	3,250	0.63	2,048
OTHER CIVILIANS	<u>651</u>	0.63	<u>410</u>
TOTAL:	13,338		6,741

ESTIMATED NUMBER OF INDIRECT JOBS CREATED: **6,741**

AVERAGE ANNUAL PAY FOR THE LOCAL COMMUNITY: **\$39,614**

ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: **\$267,037,974**

Data Sources:

Multipliers: LMI Economic Impact Database, Installations and Indirect/Induced Job Multipliers, Feb 95
Avg Annual Pay: Current tables for Average Annual Pay Levels in Metropolitan Areas and Average Annual Pay by State and Industry are accessible at: <http://stats.bls.gov:80/newsrels.htm#OEUS>



ECONOMIC IMPACT ANALYSIS

LANGLEY AFB FY10

TABLE 5

TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE

As of: 30-Sep-10



ANNUAL PAYROLL: \$622,449,877

Military	\$479,815,485
Federal Civilian	\$124,528,606
Other Civilian	\$18,105,786

ANNUAL EXPENDITURES: \$314,067,201

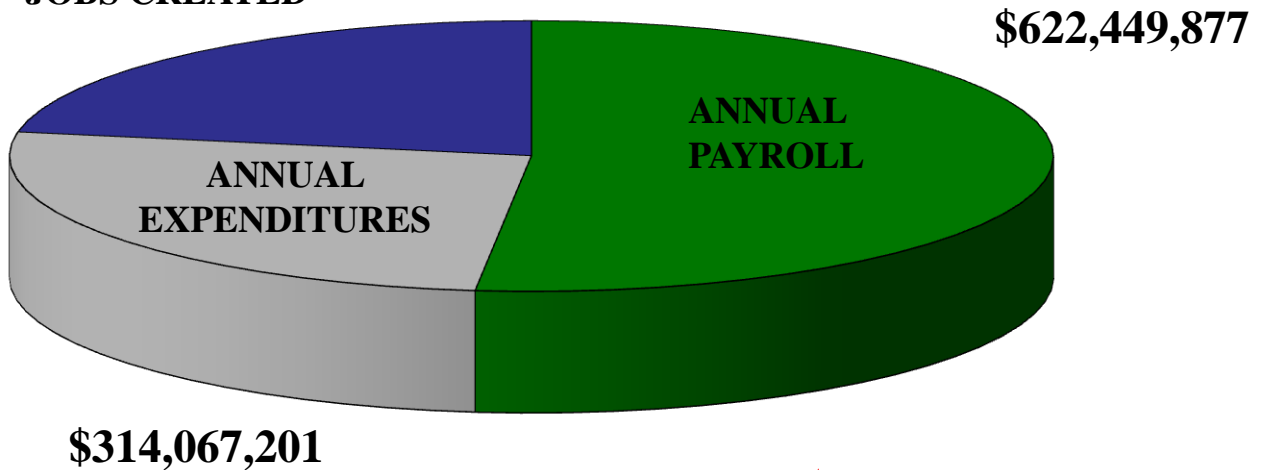
ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$267,037,974

Estimated Indirect Jobs Created	6,741
Average Annual Pay	\$39,614

GRAND TOTAL: \$1,203,555,052

Langley AFB FY10 Total Annual Economic Impact

\$267,037,974
ESTIMATED ANNUAL \$
VALUE OF SECONDARY
JOBS CREATED



**\$1.2B TOTAL
IMPACT
TO THE LOCAL
ECONOMY**

Lasting Partnership

Reaching our Community

Nearly \$1 Billion in payroll & local expenditures generated at Langley AFB in 2010 translated into \$1.2 Billion through secondary hiring and business opportunities

6,741 Secondary Jobs were sustained/created by our presence

Acknowledgements

The information presented in the report depicts the economic interdependence that Langley AFB, Hampton, and the surrounding communities share. Because the integration of Langley AFB and Fort Eustis was in progress throughout FY10, this report considers only the economic effects of Langley AFB in fiscal year 2010. Future year reports will include Fort Eustis data.

The EIA contains the combined efforts of financial managers throughout Langley Air Force Base, without whose assistance, the collection and publishing of this analysis would not have been possible. Data was provided by the following organizations: 633d Force Support Squadron, 633d Contracting Squadron, 633d Comptroller Squadron, 633d Civil Engineering Squadron, Air Combat Command Installation and Mission Support Directorate (A7), 192d Comptroller Flight, Defense Commissary Agency, and Army and Air Force Exchange Service, and the US Department of Education.

The data for Off-Base Patient Care were derived from a TRICARE report of Langley AFB enrollees who purchased care off-base. This was a different methodology than previous reports, which relied upon total Defense Health dollars spent within a 40 mile radius of the base.

Commissary sales were excluded from the calculations.

Due to the privatization of what was formerly considered “On-Base Housing”, the only residents considered to live in “On-Base Housing” for the purpose of this report were residents of the dorms.

Questions should be addressed to the 633d Comptroller Squadron, Financial Analysis Flight, DSN 574-4067, commercial (757) 764-4067.

