Haas Center
UNIVERSITY OF WEST FLORIDA

Pensacola International Airport

Economic Impact Assessment, August 2026

Key Findings

The UWF Haas Center estimates that key infrastructure investments, increased air service and expanded airport operations will **generate $1.72 billion** in total economic output.

These investments will support an **average of 609 jobs annually**, including 316 direct jobs and 293 additional jobs generated through supplier purchases and household spending.

Enhanced service at Pensacola International Airport **will promote long-term economic growth** by supporting industry diversification and strengthening the quality of life and economic vitality of Escambia and Santa Rosa counties and surrounding communities.

Expanding the Pensacola International Airport Represents Economic Value

Pensacola International Airport's Terminal Expansion and Modernization Program represents more than a response to increasing passenger volumes. After passenger traffic grew 104 percent over the past decade, PNS began planning a multiphase expansion that will add gate capacity, modernize security facilities, upgrade passenger amenities and improve supporting airport infrastructure. These investments are intended to relieve existing capacity constraints while positioning the airport to accommodate future growth in regional air service. The City of Pensacola created TransformPNS.com to provide passengers, businesses and other stakeholders with current information about the program's phases, construction milestones and anticipated benefits[1].

Additional gate capacity and more efficient terminal operations can provide the physical foundation needed to accommodate new routes, increased flight frequencies and larger passenger volumes. When these improvements translate into better connectivity, it can reduce the time and cost required for regional businesses to reach customers, suppliers, investors and professional partners. A Harvard Growth Lab analysis describes air transportation as enabling the greater exchange of services and know-how between regions.[2]

Improved air service also strengthens visitor access to the Pensacola region. Greater terminal capacity can support continued growth in leisure and business travel, helping sustain

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[1] City of Pensacola, 2025

[2] Frasheri, 2020

hotels, restaurants, attractions, meeting venues, transportation providers and other visitor-serving industries. At the same time, convenient air access can improve the region’s competitiveness when companies evaluate locations for new facilities, expansions and professional employment. Brueckner found that frequent airline service to a variety of destinations facilitates face-to-face business activity, helps attract firms and supports employment at established businesses.[3] Green similarly examined the relationship between airport activity and metropolitan population and employment growth using passenger boardings, originations, hub status and cargo volume[4]

The economic effects of airport investment may also vary across industries. Sheard found that airport infrastructure can influence the composition of metropolitan employment, particularly by supporting tradable service industries that depend on convenient interregional access, even when effects on total metropolitan employment are less pronounced.[5] This distinction is relevant to Northwest Florida’s key sectors: professional services, defense, aerospace, advanced manufacturing, healthcare, higher education and tourism, all of which depend on the efficient movement of people, expertise and time-sensitive goods.

Accordingly, the Terminal Expansion and Modernization Program should be understood as enabling economic infrastructure. Additional gates and improved terminal operations also depend on airline decisions, passenger demand, competitive fares and complementary regional-development efforts. However, by

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[3] Brueckner, 2003

[4] Green, 2007

[5] Sheard, 2014

removing capacity constraints and improving the efficiency and reliability of passenger movement, the modernization investments can strengthen the conditions under which expanded air service, business connectivity, visitor activity and regional economic development occur.

Economic Impact Assessment

The leadership team at the Pensacola International Airport (PNS) engaged the UWF Haas Center to assess and calculate the potential economic impact of expanding the Airport's Security Screening Checkpoint and adding up to 5 gates in a new concourse. This includes infrastructure improvements, new construction of baggage handling facilities, and other aviation services. Expansion of the airport will ensure its competitiveness against the neighboring $400 million airport improvements Mobile is undertaking and serve as a driving force for private sector development by addressing the region's growth.

By using an Input-Output model from 2022 to 2031, the UWF Haas Center estimates **$1.72** billion in total economic output, which includes $871.4 million in value added plus $533 million in labor income generated by the total expenditures. As a result, supporting on average 609 jobs annually with 316 direct jobs and 293 additional jobs created through supplier purchases and household spending. This not only would promote long-term economic growth by funding initiatives that diversify industries but also improve the overall quality of life and economic stability in Escambia County, Santa Rosa County, and the surrounding communities.

Model Assumptions

From 2022 through 2025, the PNS has invested a total of $261 million with $138 million in capital investments plus $123 million in operating expenditures. **Phase one**, completion of security checkpoint expansion, is scheduled to end December 2026, with a projected investment of $122 million – including $42 million in operating expenditures and $80 million in capital investments. **Phase two** anticipates a new concourse and connector way, expected to be completed by December 2027. This would have a projected cost of $138 million, including $48 million in operating cost and $90 million in capital investments. **Phase three**, the modernization of existing facilities, is anticipated to be completed in July 2028 with a total investment of $138 million. This includes $48 million in operating expenditures plus $90 million in capital investment. The final three years of the study, 2029 to 2031, $186 million in operating expenditures and $64 million in capital investments, which assumes a 10 percent, 15 percent and 20 percent increase, respectively.

Economic Impact

Researchers at the Haas Center use the IMPLAN model to assess the economic activity generated by Airport expenses. IMPLAN is a dynamic input-output model that estimates economic impacts resulting from current operations, construction activity, and other economic events. Researchers used the four years of historic airport expenses from 2022 to 2025, and six years of projected expenditures from 2026 to 2031. All dollar values are reported in 2031 dollars. **Table 1** displays the ten-year impact of direct, indirect, and induced effects for all expenditures. The table includes impacts from airport operations and business expenditures, as well as the impacts from design, construction, and capital expenditures.

Table 1: Economic Impact 2022-2031

All Expenditures (Operations + Construction)				
	Avg Annual Jobs	**Personal Income in Millions**	**Value Added in Millions**	**Output in Billions**
Direct	316	$ 325	$ 482	$ 1.02
Indirect	154	$ 119	$ 197	$ 0.39
Induced	139	$ 89	$ 193	$ 0.31
	609	**$ 533**	**$ 872**	**$ 1.72**

Airport Ops & Businesses (IMPLAN Code: 516)				
	Avg Annual Jobs	**Personal Income in Millions**	**Value Added in Millions**	**Output in Millions**
Direct	92	$ 113	$ 189	$ 495
Indirect	108	$ 83	$ 129	$ 266
Induced	64	$ 41	$ 88	$ 144
	264	**$ 237**	**$ 406**	**$ 905**

Design/Construction/Cap Ex (IMPLAN Code: 51)				
	Avg Annual Jobs	**Personal Income in Millions**	**Value Added in Millions**	**Output in Millions**
Direct	223	$ 212	$ 293	$ 524
Indirect	45	$ 36	$ 68	$ 128
Induced	76	$ 48	$ 105	$ 171
	344	**$ 296**	**$ 466**	**$ 823**

Direct effects represent economic activity generated by the airport's operations. **Indirect effects** result from business-to-business purchases throughout the supply chain. **Induced effects** result from household spending by employees and contractors.

The ten-year model estimates that expenditures towards **airport operations** generate $905 million in output, $406 million in value added to the area's GRP, $237 million in personal income, and approximately 264 jobs annually.

Design, construction, and capital expenditures for the airport, including construction and expansion, generate $823 million in output, adding $466 million to the regional GRP, $296 million in labor income, supporting approximately 344 jobs annually. The anticipated expansion (2026, 2027 and 2028) will allow the airport to increase passenger capacity, generate more revenue, and sustain long term jobs.

Direct activity accounts for $1.02 billion, or 59 percent, of total economic output. Indirect and induced effects add another $709 million, demonstrating a substantial economic multiplier. The Pensacola International Airport produces $1.72 billion in total economic output from 2022-2031. Through the ten-year timeframe, personal income gains are over $533 million, supporting 609 jobs annually, and $872 million garnered to the gross regional product.

IMPLAN Industry Impacts

The Pensacola International Airport is more than just a channel for tourism. Its operational presence generates significant impacts on government enterprises, hospitals, insurance agencies, and legal services. PNS operations also aid towards residential and local development, bolstering the output produces for real estate, housing, and even maintenance and repair on nonresidential structures. Petroleum refineries are also included in the top 10 industries for the operational impact, as they source jet fuel for passenger and cargo transport.

The new airport security checkpoint, concourse, and facility modernization is anticipated to open new employment opportunities for workers moving into the region. This expansion pushes demand for wholesale durable goods and retail building materials, mostly through construction of new structures, real estate, housing, and nonresidential structures. Petroleum refineries and truck transportation are also in the top 10 impacts, insinuating that the dollars invested to expand the airport will improve shipping and distribution channels for Pensacola as well.

Conclusion

This analysis quantifies the economic activity associated with the Pensacola International Airport's operations and their anticipated expansion from 2022 to 2031. Through its operations, supply chain purchases, employee spending, and Phase I-III expansion, PNS supports an estimated 609 jobs annually, $872 million in value added, and $533 million in labor income. The ten-year impact is expected to reach $1.72 billion by 2031.

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