

2011

FY10 Davis-Monthan AFB  
Economic Impact Analysis



355th CPTS

Davis-Monthan Air Force Base, AZ

**MESSAGE FROM THE 355th FIGHTER WING COMMANDER**



Davis-Monthan Air Force Base (DM AFB) is pleased to present its Economic Impact Analysis for fiscal year 2010. The Wing's mission is clear - provide attack airpower, expeditionary combat support, and medical forces ready for worldwide deployment to combatant commanders; produce highly-trained A-10C pilots to meet the Combat Air Forces, Air National Guard and Air Force Reserve requirements; support 12th Air Force (AFSOUTH) operations, an Air National Guard air sovereignty mission, four combat operations groups, and the 309th Aerospace Maintenance and Regeneration Group; and ensure the readiness of all forces to fly, fight and win in support of the joint fight.

Members of DM AFB live, work and educate their children in the Tucson area. They take advantage of the vast recreational opportunities and are involved with local charities and organizations. The Economic Impact Analysis is an annual publication designed to inform the reader of the economic impact DM AFB has on the surrounding communities.

Davis-Monthan Air Force Base could not succeed in its mission without the contribution and support of our local communities. We are proud to be a part of a community that faithfully and consistently supports our military.

A handwritten signature in black ink, appearing to read "John A. Cherrey".

JOHN A. CHERREY, Col, USAF  
355th Fighter Wing Commander

## MESSAGE FROM THE DM AFB COMPTROLLER



The 355th Comptroller Squadron annually prepares the Economic Impact Analysis (EIA) for Davis-Monthan Air Force Base (DM AFB) to provide unclassified information to the public concerning our significant economic impact on the local area. Though we consistently deliver a product every year, the EIA is no longer an Air Force requirement. The Office of the Secretary of Defense developed the EIA model in order to provide decision makers with a reasonable, fair, and consistent tool to compare the potential economic impacts of alternative 1995 Base Realignment and Closure (BRAC) Commission recommendations. In other words, the EIA provided a substantial argument for Air Force Bases on the verge of closure.

The EIA provides the reader with an understanding of the vital economic and personal relationship between DM AFB and the surrounding communities. Items addressed include: personnel assigned to or employed by the base; annual payroll of all assigned and employed personnel; expenditures for construction, services and procurement of materials, equipment and supplies; and estimated number and dollar value of indirect jobs created by the DM AFB presence.

A handwritten signature in black ink that reads "Douglas E. Pierce".

DOUGLAS E. PIERCE, LtCol, USAF  
Comptroller

## **US AIR FORCE CORE VALUES**

***Integrity first, service before self, and excellence in all we do!***

### **355th FIGHTER WING MISSION**

***Provide attack airpower, expeditionary combat support, and medical forces ready for worldwide deployment to combatant commanders.***

***Produce highly-trained A-10C pilots to meet the Combat Air Forces, Air National Guard and Air Force Reserve requirements.***

***Support 12th Air Force (AFSOUTH) operations, an Air National Guard air sovereignty mission, four combat operations groups, and the 309th Aerospace Maintenance and Regeneration Group.***

***Ensure the readiness of all forces to fly, fight and win in support of the joint fight.***

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## HISTORY OF DAVIS-MONTHAN AFB

Davis-Monthan Air Force Base, a key Air Combat Command installation, has a colorful history and a long tradition of excellence in service to our country. The base was named in honor of Lieutenants Samuel Davis and Oscar Monthan, two Tucsonans and World War I-era pilots who died in separate military aircraft accidents. Davis, who died in a Florida aircraft accident in 1921, attended the University of Arizona prior to enlisting in the Army in 1917. Monthan enlisted in the Army as a private in 1917, was commissioned as a ground officer in 1918, and later became a pilot. He was killed in a crash of a Martin bomber in Hawaii in 1924.

In 1919, Tucson had the proud distinction of opening Tucson Municipal Flying Field, the first municipal owned airport in the nation. The land was four miles south of the city on Nogales Highway, and is now home to the Rodeo Grounds. In 1925, the Tucson City Council purchased 1,280 acres of land southeast of the city to relocate the airport in hopes that the military would reconsider establishing an aviator branch in Tucson. This new site would later become the nucleus of Davis-Monthan AFB.

As a result of the expanding conflict in Europe, the War Department officially announced a decision to establish an Army Air Base in Tucson on September 29, 1940. Initially named Army Air Base Tucson, work began with the arrival of Lieutenant Colonel Ames S. Albro on February 4, 1941. Two months later on April 17, Tucson officially activated, and on May 1 the first Bombardment Wing Headquarters assumed command of the field. In late May, personnel and aircraft from the first assigned units, 1st Bombardment Wing (BW), 41st Bombardment Group (BG), and 31st Air Base Group, began arriving. The first aircraft assigned were mostly obsolete Douglas B-18 *Bolos*, LB-30s, A-29s, and Stearman PT-17 trainers. The new base commander, Brigadier General Frank D. Lackland, arrived on May 30 and assumed command the next day. Exactly six months later, on December 1, the base was formally named Davis-Monthan Field.

The outbreak of World War II brought major changes to Davis-Monthan beginning with elements of the 1st Bombardment Wing and 41st Bombardment Group departing for the Pacific. In January 1942 jurisdiction of the field transferred from 4th Air Force to 2nd Air Force. In the following month, the 39th Bombardment Group arrived and immediately began training B-17 *Fortress* and B-24 *Liberator* units and crews, initially as an Operational Training Unit (OTU) and later as a Replacement Training Unit (RTU). By mid-year B-24 *Liberator* training became the sole mission of the 39th BG as all other flight training was phased out. B-24 *Liberators* would fill the skies over the Old Pueblo until late 1944 when the Army Air Force's latest bomber arrived. In December, Davis-Monthan became home to the B-29 *Superfortess* until Victory of Japan Day in August. With the Japanese surrender came drastic mission changes for Davis-Monthan Field.

Non-stop flight line operations fell silent with the war's end as Davis-Monthan's mission transitioned from training to separation and aircraft storage. The period of inactivity ended in March 1946 with the newly activated Strategic Air Command (SAC) assuming control

of the base. Two months later two B-29 bombardment groups, the 40th and 444th, arrived and once again the sights and sounds of the B-29 *Superfortress* filled the skies of the Old Pueblo. Both the 40th and 444th BGs were inactivated with the activation of the 43rd BG. Davis-Monthan entered the “Jet Age” in February 1953 when the 303rd BW received four Lockheed T-33 *Shooting Stars* training jets. The following month three B-47 *Stratojets*, the first all jet bomber, arrived and was assigned to the 303rd BW.

The decade of the 1960’s brought sweeping changes to Davis-Monthan with the transfer of the 43rd BW and inactivation of the 303rd BW. It was also during this time that the U.S. Air Force’s first operational *Titan II* missile wing, the 390th Strategic Missile Wing (SMW), activated at Davis-Monthan AFB. Reconnaissance and Combat Crew Training (CCT) also returned to Davis-Monthan AFB during this decade with the arrival of the 4080th Strategic Reconnaissance Wing (SRW) and 4453rd Combat Crew Training Wing (CCTW).

The 1970s was a busy decade at Davis-Monthan AFB. On July 1, 1971, the Air Force reactivated the 355th Tactical Fighter Wing (TFW) at Davis-Monthan AFB with the Vought A-7D *Corsair II* as the primary weapon system. In early 1975, the 355th TFW prepared for conversion to the nameless Fairchild Republic A-10. It would be three years before the name *Thunderbolt II* was officially selected for the A-10. In October 1975 the 355th Tactical Training Squadron activated to conduct A-10 academic training. Four months later, on March 2, 1976 the wing received the first A-10. In the midst of constant change, jurisdiction of Davis-Monthan AFB was officially transferred from the Strategic Air Command to Tactical Air Command on September 30, 1976. It was also on this day that the 355th TFW became Davis-Monthan AFB’s host wing. Before the close of the decade two additional changes would occur. On September 1, 1979 the 355th TFW was designated the 355th Tactical Training Wing and on October 2, the last A-7D mission was flown ending an eight-year presence at Davis-Monthan AFB.

The 1980s brought several diverse missions to Davis-Monthan AFB. The 836th Air Division activated January 1, 1981 and took jurisdiction over all assigned base units. Shortly thereafter, the base welcomed the 868th Tactical Missile Training Group, which trained the crews to operate, maintain, and defend the Ground Launch Cruise Missile system. The 41st Electronic Combat Squadron, equipped with the EC-130H *Compass Call* aircraft, arrived next on July 1, 1980, and reported to the 552nd Airborne Warning and Control Wing. One year later, the 868th Tactical Missile Training Squadron made Davis-Monthan its home. Next, the 602nd Tactical Air Control Wing, responsible for the Air Force’s Tactical Air Control System west of the Mississippi River, stood up at Davis-Monthan AFB on September 1, 1982. In 1984 the *Titan II* wing inactivated, while the cruise missile mission terminated in 1990. Resulting treaties between Russia and the United States concerning cruise missiles meant the base was subject to inspection under the Intermediate-range Nuclear Forces and Strategic Arms Reduction Treaty agreements.

In the 1990s, the 355th TTW continued to train A-10 crews for assignments to units in the United States, England and Korea. During this period, the 355th TTW deployed Airborne Forward Air Controllers (FAC-A) in their OA-10 aircraft to Operation DESERT STORM, providing nearly 100 percent of this capability to the war. The next change occurred on

May 1, 1992 when the Air Force policy of “one base-one boss” was implemented. This resulted in all Air Divisions, including the 836th AD, being inactivated. With this action, the 355th FW was once again Davis-Monthan’s host wing. Other changes occurred on this day with the 41st Electronic Control Squadron (ECS) and 43rd ECS, flying EC-130E *Compass Call* aircraft, being assigned to the 355th FW, this resulted in its designation as the 355th Wing (WG).

The attacks on September 11, 2001, led to the initiation of three missions--Operation ENDURING FREEDOM (OEF) in Afghanistan, Operation IRAQI FREEDOM (Renamed Operation NEW DAWN), which Davis-Monthan AFB currently continues to support, and Operation NOBLE EAGLE. After the execution of OEF eight A-10s from the 355th WG were deployed to Bagram Air Base, Afghanistan to fly close air support missions supporting multinational ground forces. Other deployments to Bagram would follow in 2003, 2005, and 2007. In 2009, the 355th made history deploying the first A-10 unit to Kandahar AFB, Afghanistan. In September 2002, the 48th, 55th, and the 79th Rescue Squadrons (RQS) transferred under control of the 355th Wing, equipped with HC-130 aircraft and HH-60 helicopters. At the same time, the 41st and 43rd ECS were realigned under the control of the 55th Electronic Combat Group (55th ECG). While personnel and aircraft remained on Davis-Monthan AFB, operational control of the 55th ECG was assumed by the 55th Wing at Offutt AFB, Nebraska. Another wing realignment occurred on October 1, 2003 with the activation of the 563rd Rescue Group (RQG) on Davis-Monthan AFB. Control of the 48th, 55th, and 79th RQS was passed to the new group with the 23rd Wing assuming operational command of the unit. With only fighter aircraft assigned, the 355th WG was once again designated as a Fighter Wing on April 26, 2007.

Other units currently assigned to Davis-Monthan AFB are 12th Air Force Headquarters (AFSOUTH), 309th Aerospace Maintenance and Regeneration Group, 55th ECG, 563rd RQG, 162nd Arizona Air National Guard Alert Detachment, and Operation Snowbird. Other federal agencies using the base include the Federal Aviation Administration, the U.S. Customs Service Air Service Branch, the U.S. Corps of Engineers, the Federal Law Enforcement Training Center, and a detachment of the Naval Air Systems Command. Approximately 7,000 military and 2,500 civilian employees work at Davis-Monthan AFB and over 18,000 military retirees reside in the Tucson area.

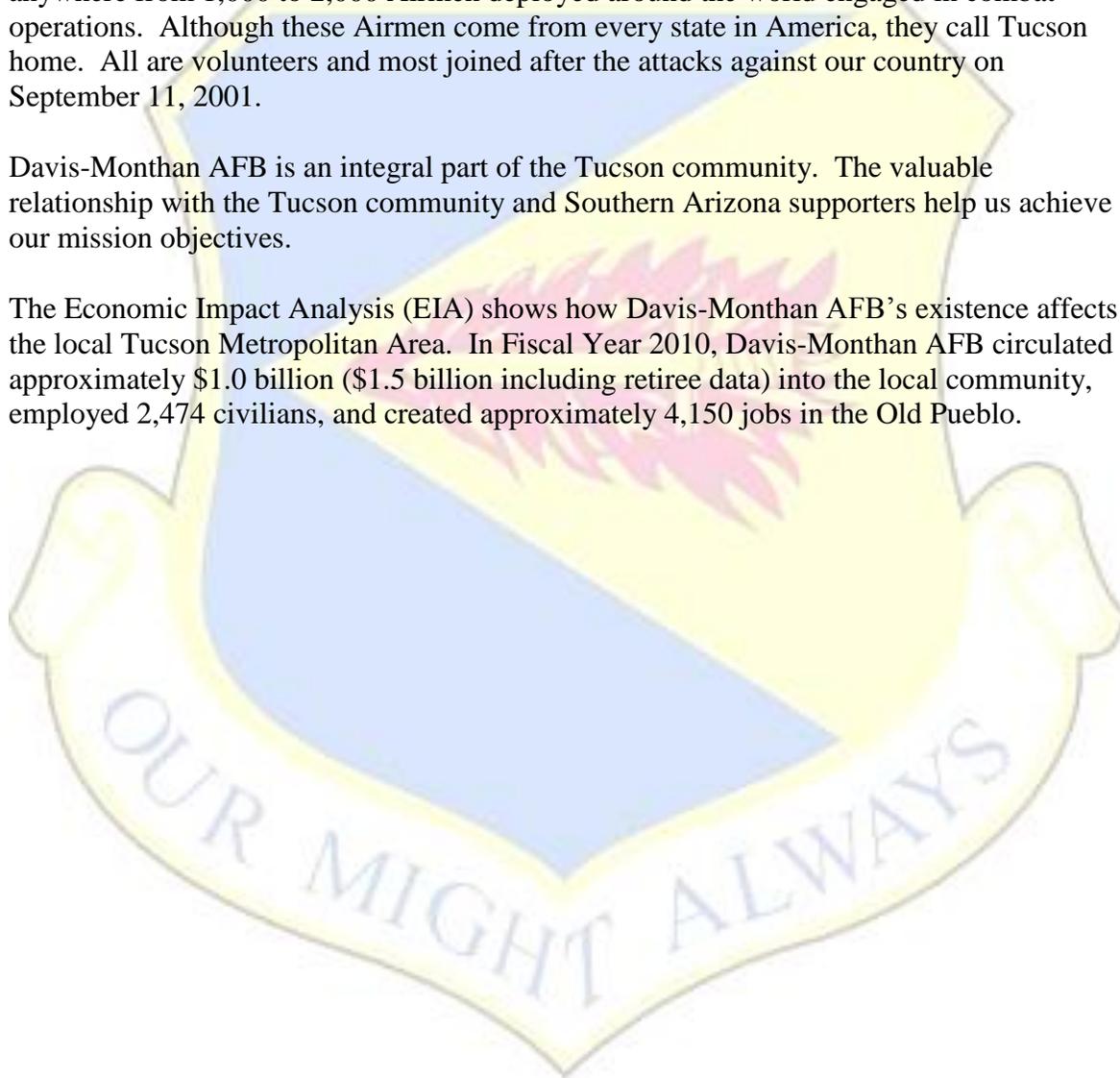
## FOREWORD

### DAVIS-MONTHAN ECONOMIC IMPACT ANALYSIS FY10

Davis-Monthan AFB is home of the 355th FW and its nine major tenant units, to include 12th Air Force Headquarters (AFSOUTH). At any given time, Davis-Monthan AFB has anywhere from 1,000 to 2,000 Airmen deployed around the world engaged in combat operations. Although these Airmen come from every state in America, they call Tucson home. All are volunteers and most joined after the attacks against our country on September 11, 2001.

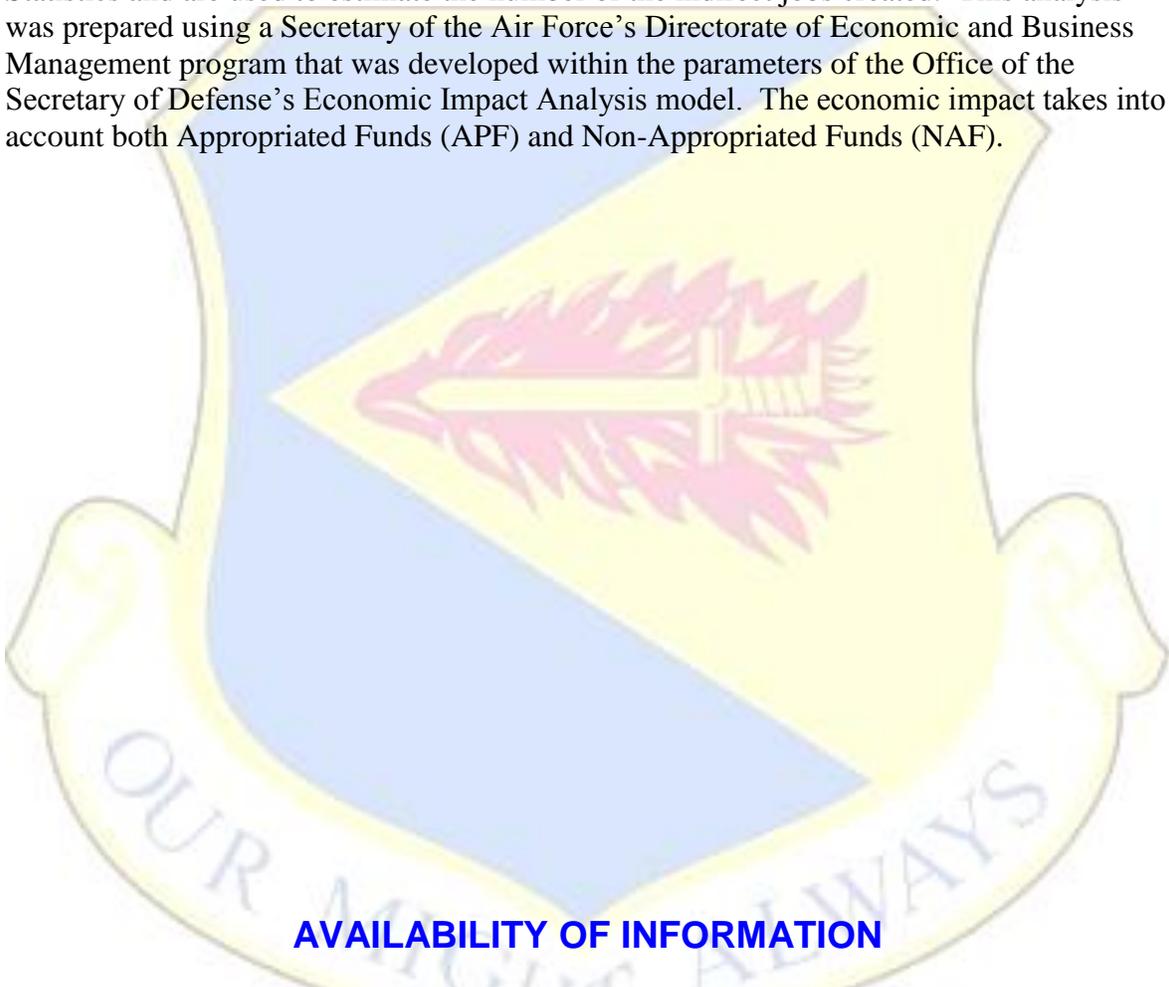
Davis-Monthan AFB is an integral part of the Tucson community. The valuable relationship with the Tucson community and Southern Arizona supporters help us achieve our mission objectives.

The Economic Impact Analysis (EIA) shows how Davis-Monthan AFB's existence affects the local Tucson Metropolitan Area. In Fiscal Year 2010, Davis-Monthan AFB circulated approximately \$1.0 billion (\$1.5 billion including retiree data) into the local community, employed 2,474 civilians, and created approximately 4,150 jobs in the Old Pueblo.



## METHODOLOGY

The total economic impact of a base on its economic area is computed by summing annual base payroll, annual base expenditures, and the estimated dollar value of indirect jobs created. An economic area is generally defined as a Metropolitan Statistical Area (MSA). Each MSA has unique indirect job multipliers that are calculated by the Bureau of Labor Statistics and are used to estimate the number of the indirect jobs created. This analysis was prepared using a Secretary of the Air Force's Directorate of Economic and Business Management program that was developed within the parameters of the Office of the Secretary of Defense's Economic Impact Analysis model. The economic impact takes into account both Appropriated Funds (APF) and Non-Appropriated Funds (NAF).



## AVAILABILITY OF INFORMATION

This Economic Impact Analysis (EIA) provides key unclassified information about the resources and economic impact of Davis-Monthan AFB on the surrounding communities. Release of this document to non-military individuals must be approved by the 355th FW's Public Affairs Office at (520) 228-3406, or DSN 228-3406. Questions concerning the content of this analysis should be directed to the Public Affairs Office.

Information contained in this analysis is current as of September 30, 2010. This analysis was prepared by the 355th Comptroller Squadron, Financial Analysis Flight, (520) 228-6617 or DSN 228-6617.

## SYNOPSIS

### ECONOMIC IMPACT ANALYSIS

The Davis-Monthan AFB's Economic Impact Analysis (EIA) is a useful resource for Air Force planners and a source of information for community leaders, legislators, and installation visitors. It presents the total economic impact and number of off-base secondary jobs supported by Air Force expenditures in the Economic Impact Region. In addition to the total economic impact and although not normally captured in the EIA, retiree data was included to illustrate the growing number of veterans that call Tucson home.

The information presented in this pamphlet is updated annually by fiscal year.

THE TOTAL ECONOMIC IMPACT OF DAVIS-MONTHAN AFB ON THE SURROUNDING COMMUNITY IN FISCAL YEAR 2010 WAS:

*\$1,027,259,699*

INCLUDING RETIREES, THE TOTAL ECONOMIC IMPACT OF DAVIS-MONTHAN AFB ON THE SURROUNDING COMMUNITY IN FISCAL YEAR 2010 WAS:

*\$1,504,043,699*

OFFICE OF PRIMARY RESPONSIBILITY:

355th Comptroller Squadron  
Financial Analysis Flight  
5275 E. Granite St.  
Davis-Monthan AFB, AZ 85707  
Telephone (520) 228-6617  
DSN 228-6617

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

	<b>LIVING ON BASE</b>	<b>LIVING OFF BASE</b>	<b>TOTAL</b>
1. APPROPRIATED FUND MILITARY	1,742	5,345	7,087
2. ACTIVE DUTY MILITARY DEPENDENTS	1,016	7,565	8,581
3. APPROPRIATED FUND CIVILIANS			1,375
4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS			1,099
<b>TOTAL PERSONNEL</b>			<b>18,142</b>

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

	<b>LIVING ON BASE</b>	<b>LIVING OFF BASE</b>	<b>TOTAL</b>
1. APPROPRIATED FUND MILITARY	\$76,031,199	\$304,105,967	\$380,137,166
2. APPROPRIATED FUND CIVILIANS			\$80,381,030
3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS			\$22,230,016
<b>TOTAL PAYROLL</b>			<b>\$482,748,212</b>

**TABLE 3**  
**EXPENDITURES FOR CONSTRUCTION, SERVICES, AND PROCUREMENT OF**  
**MATERIALS, EQUIPMENT, AND SUPPLIES**

	<b>ACTUAL EXPENDITURES</b>
1. CONSTRUCTION	\$111,157,380
2. SERVICES	\$45,235,320
3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT	\$213,877,012
<b>TOTAL EXPENDITURES</b>	<b>\$370,269,712</b>

**TABLE 4**  
**ESTIMATE OF NUMBER AND DOLLAR VALUE OF**  
**INDIRECT JOBS CREATED**

	# of Base Jobs	Multiplier	# of Indirect Jobs
1. ACTIVE DUTY MILITARY	6,624	0.41	2,716
2. RESERVE/ANG/TRAINEEES	463	0.16	74
3. APF CIVILIANS	1,375	0.55	756
4. OTHER CIVILIANS	1,099	0.55	604
<b>TOTAL JOBS</b>	<b>9,561</b>		<b>4,150</b>
<b>AVERAGE ANNUAL PAY FOR THE LOCAL COMMUNITY<sup>3</sup></b>			<b>\$41,986</b>
<b>ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED</b>			<b>\$174,241,776</b>

**TABLE 5**  
**TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

<b>ANNUAL PAYROLL:</b>		<b>TOTAL</b>
		<b>\$482,748,212</b>
	Military	\$380,137,166
	Federal Civilian	\$80,381,030
	Other Civilian	\$22,230,016
<b>ANNUAL EXPENDITURES:</b>		<b>\$370,269,712</b>
<b>ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:</b>		<b>\$174,241,776</b>
	Estimated Indirect Jobs Created	4,150
	Average Annual Pay	\$41,986
<b>GRAND TOTAL:</b>		<b>\$1,027,259,699</b>
	Retiree Pay	\$476,784,000
<b>GRAND TOTAL W/ RETIREES:</b>		<b>\$1,504,043,699</b>

**TABLE 6**  
**CAPITAL ASSETS**

<b>Buildings/Facilities</b>	<b>Number of Buildings</b>	<b>Sq Ft</b>
Petroleum Distribution	12	10,327
Communications/Nav Aids/Airfield Lighting	16	11,568
Land Operations Facilities	57	611,348
Training Facilities	14	94,009
Maintenance Facilities	134	1,235,410
Explosive Facilities	35	89,928
Storage Facilities	118	592,657
Medical Facilities	12	167,172
Administrative Facilities	58	620,494
Dormitory Quarters and Dining Facilities	13	335,580
Personnel Support	43	655,441
Morale/Welfare/Recreation-Indoors	30	278,950
Services-Outdoor	16	50,636
Electricity and Heating	7	9,696
Misc Other Facilities (Includes Real Property)	39	22,968
<b>TOTAL</b>	<b>604</b>	<b>4,786,184</b>

**TABLE 7**  
**LAND, RUNWAY, DORMITORY QUARTERS**

<b>Land</b>	<b>Acres</b>
Government Owned	6,011
Easement, Right-of-Way, Leased	4,578
<b>TOTAL</b>	<b>10,589</b>
<b>Runway</b>	<b>Width (ft)/Length (ft)</b>
Entire Runway	200/13,643
<b>Dormitory Quarters</b>	<b>Quantity</b>
Temp Lodging Facilities	6
Distinguished Visitor Facilities	1
Visiting Quarters	2
VAQ	1
<b>TOTAL</b>	<b>10</b>

Figure 1

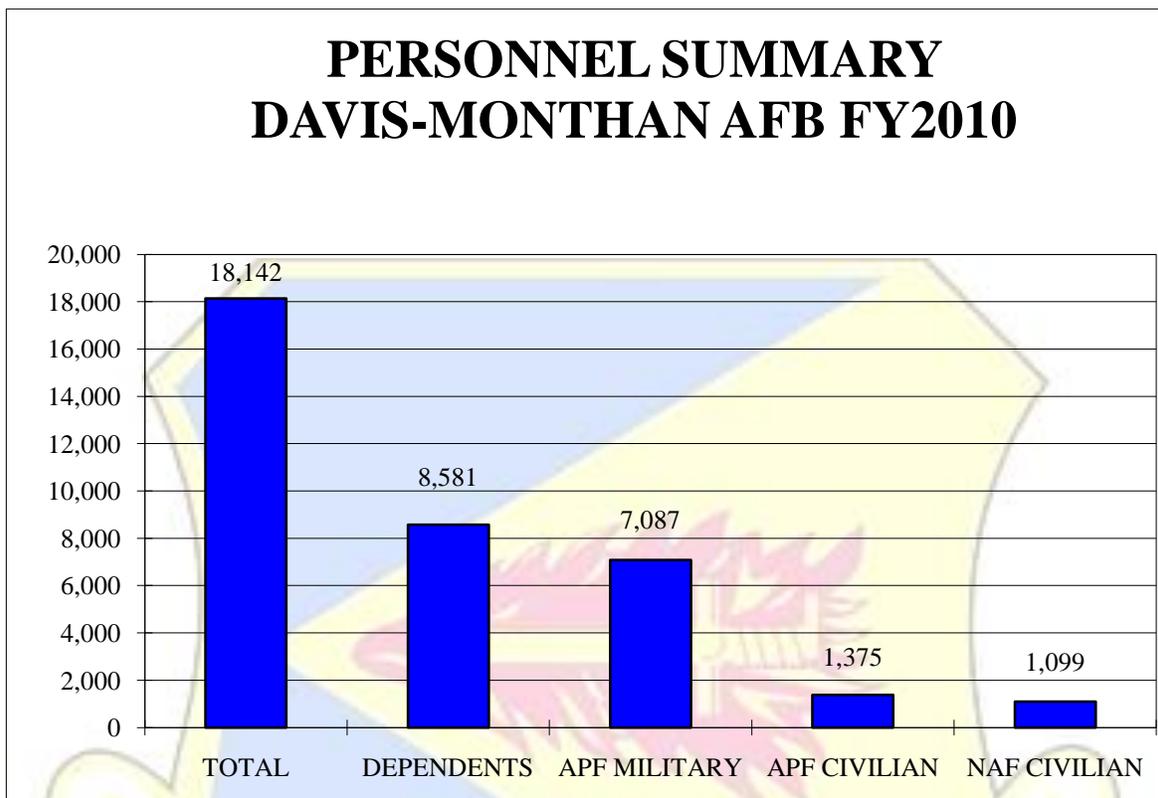


Figure 1 Description: In total, DM AFB has an estimated 18,142 personnel. To the right of the Total column, the respective subcategories are displayed.

Figure 2

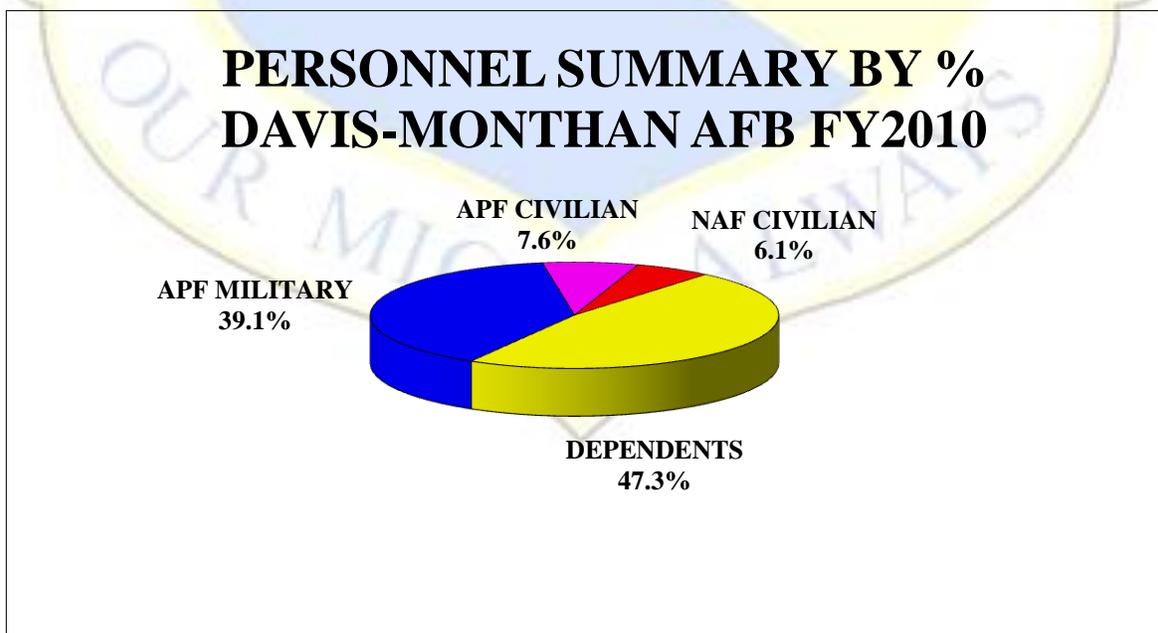


Figure 2 Description: Each subcategory is broken out as a percent of the total number of personnel on DM AFB. For example, APF Military accounts for 39.1% of the total population on DM AFB.

Figure 3

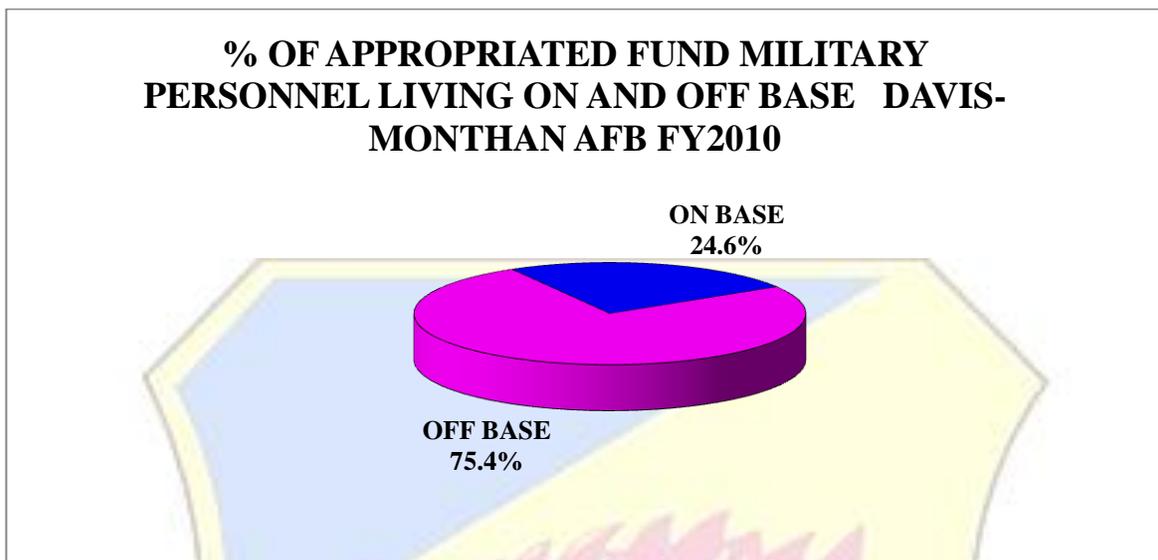


Figure 3 Description: Of the total number of APF Military personnel on DM AFB, 75.4% live off base and 24.6% live on base.

Figure 4

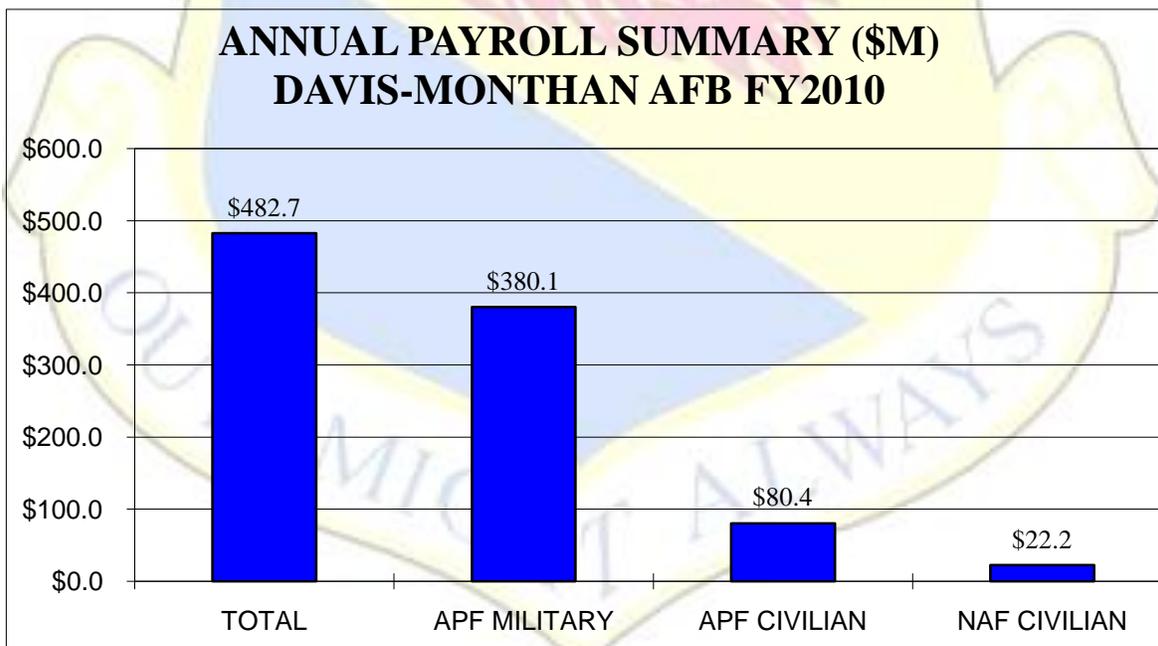


Figure 4 Description: In total, DM AFB has an estimated \$482.7M in total payroll. To the right of the Total column, the respective subcategories are displayed.

Figure 5

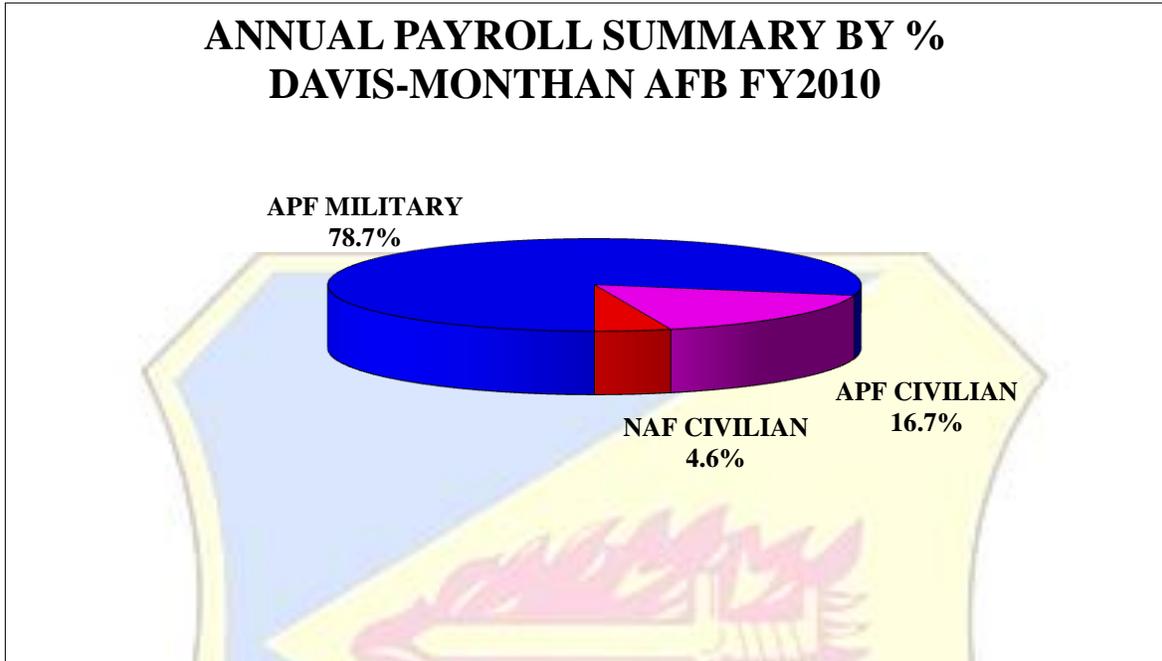


Figure 5 Description: Of the total \$483M payroll of all personnel on DM AFB, 78.7% are APF Military, 16.7% are APF Civilian, and 4.6% are NAF Civilian.

Figure 6

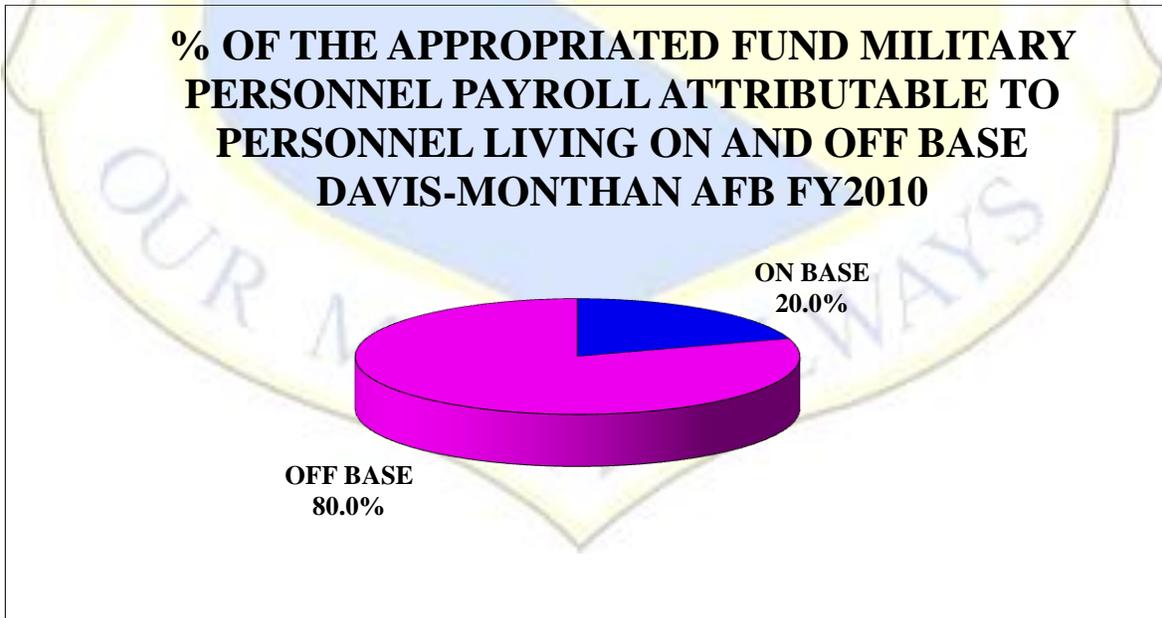


Figure 6 Description: Of the total \$380M APF Military payroll, 80% of the payroll belongs to off-base personnel and 20% belongs to on-base personnel.

Figure 7

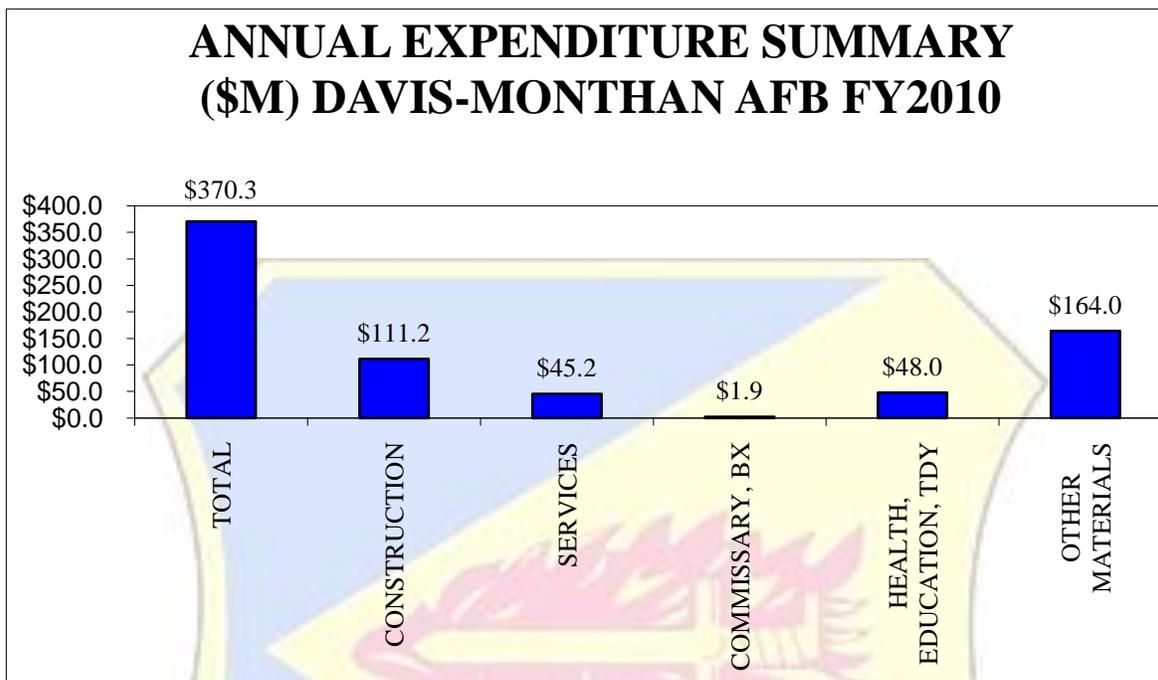


Figure 7 Description: In total, DM AFB has an estimated \$370.3M in expenditures. To the right of the Total column, the respective subcategories are displayed.

Figure 8

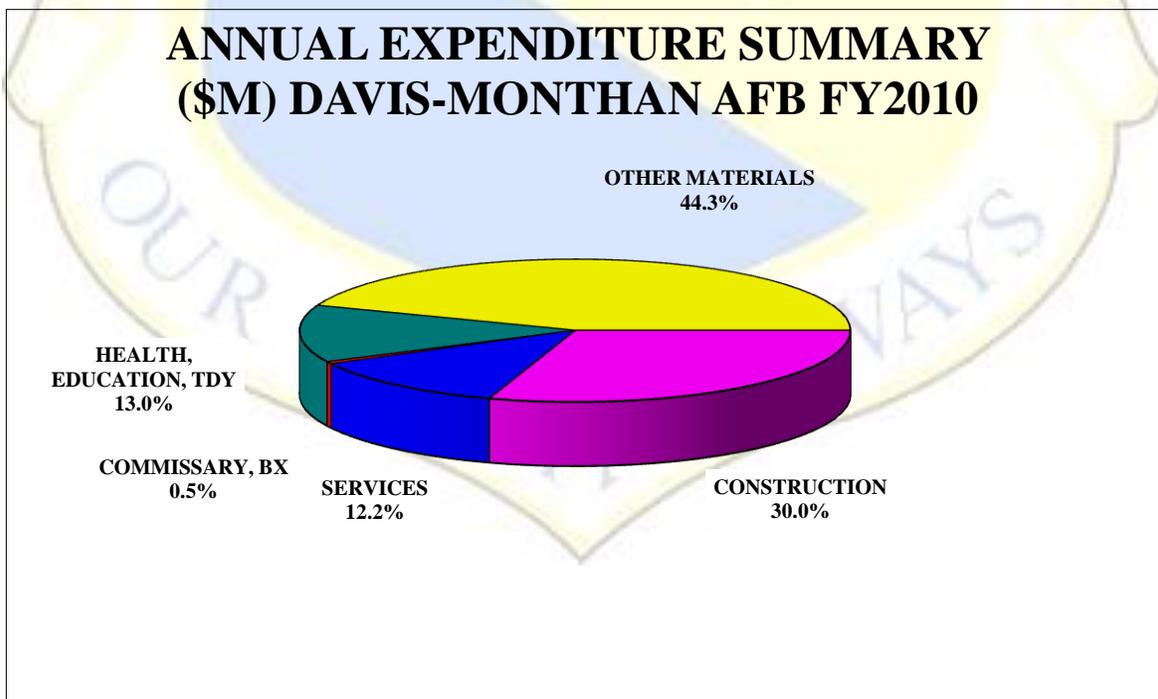


Figure 8 Description: Each subcategory is displayed as a percentage of the total \$370M in expenditures on DM AFB. For example, 30% of expenditures are classified as construction.

Figure 9

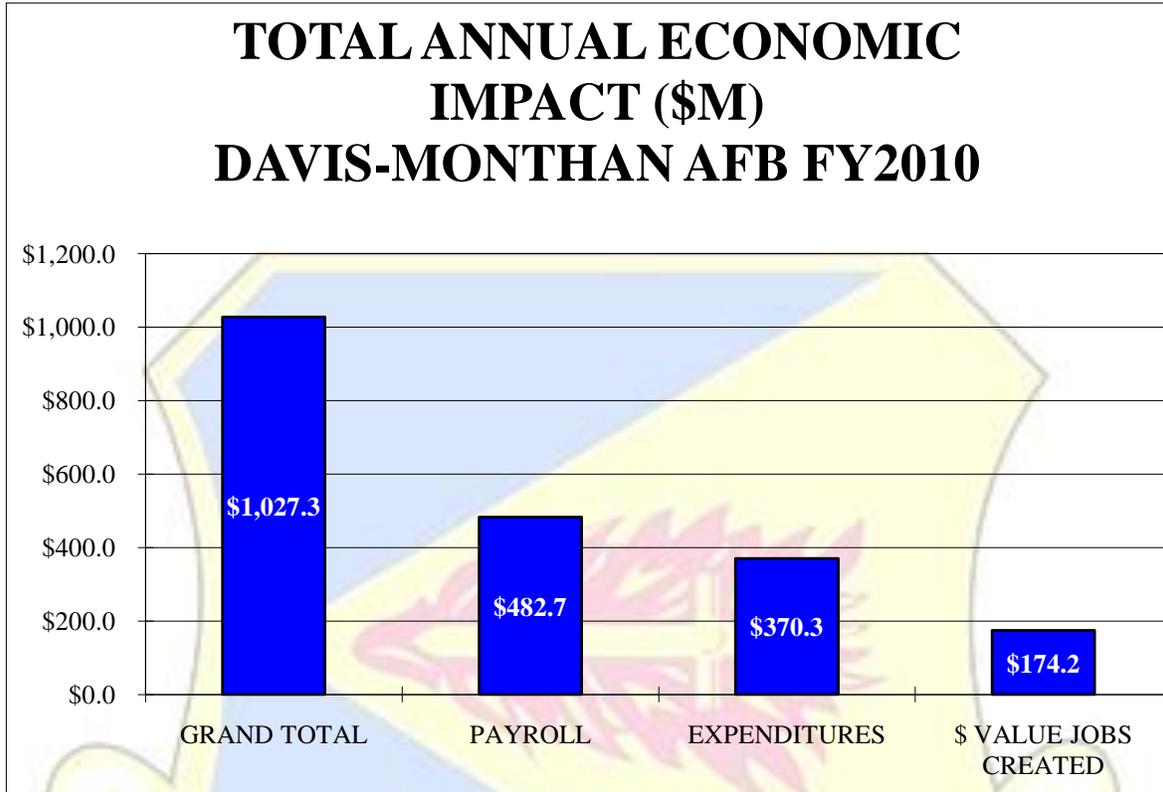


Figure 9 Description: In total, DM AFB has an estimated \$1,027.3M impact on the Tucson area. To the right of the Total column, the respective subcategories are displayed including payroll, expenditures, and the dollar value of jobs created.

Figure 10

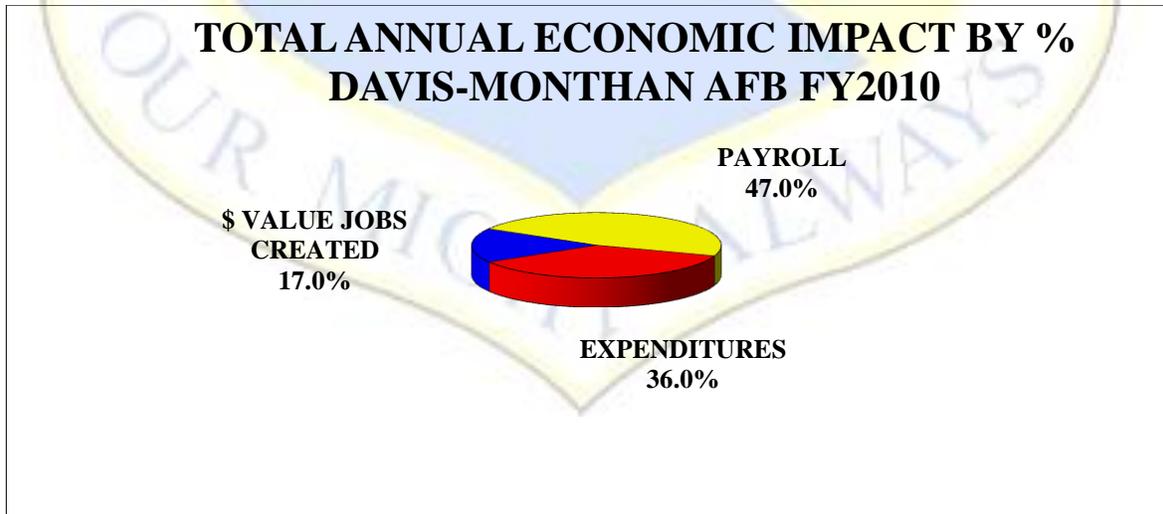


Figure 10 Description: Of the \$1.0B total impact on the surrounding community, expenditures, value of jobs created, and payroll account for 36.0%, 17.0%, and 47.0% respectively.

Figure 11

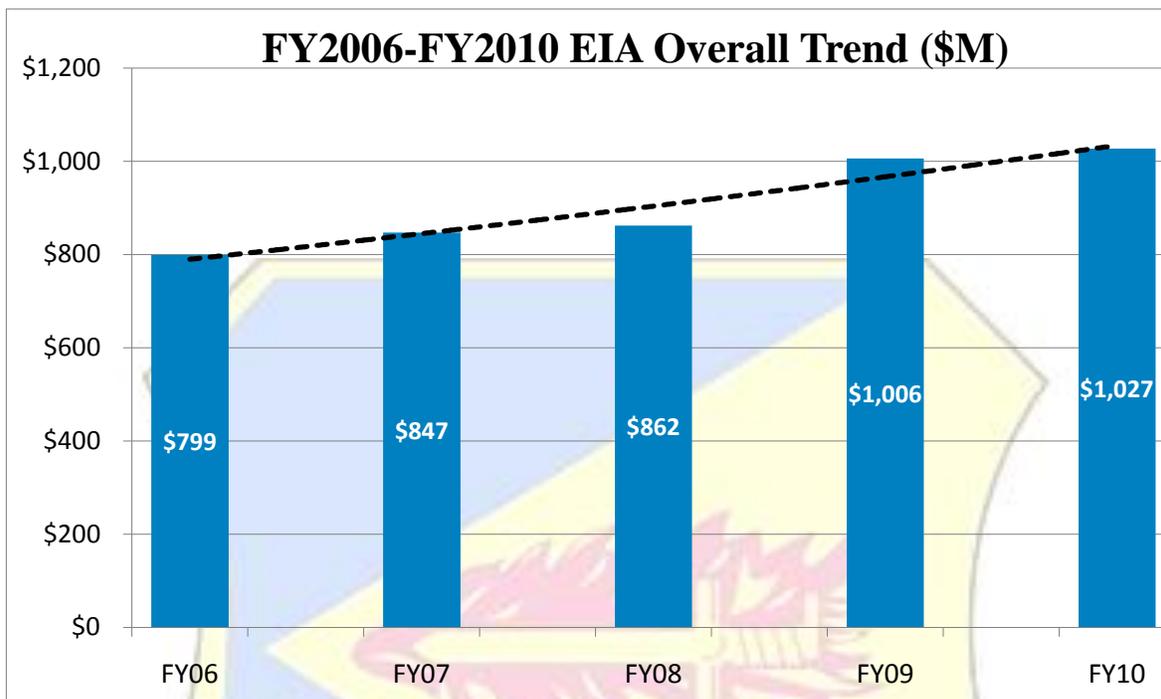


Figure 11 Description: Shows the past five fiscal years of total economic impact on the Tucson community.

Figure 12

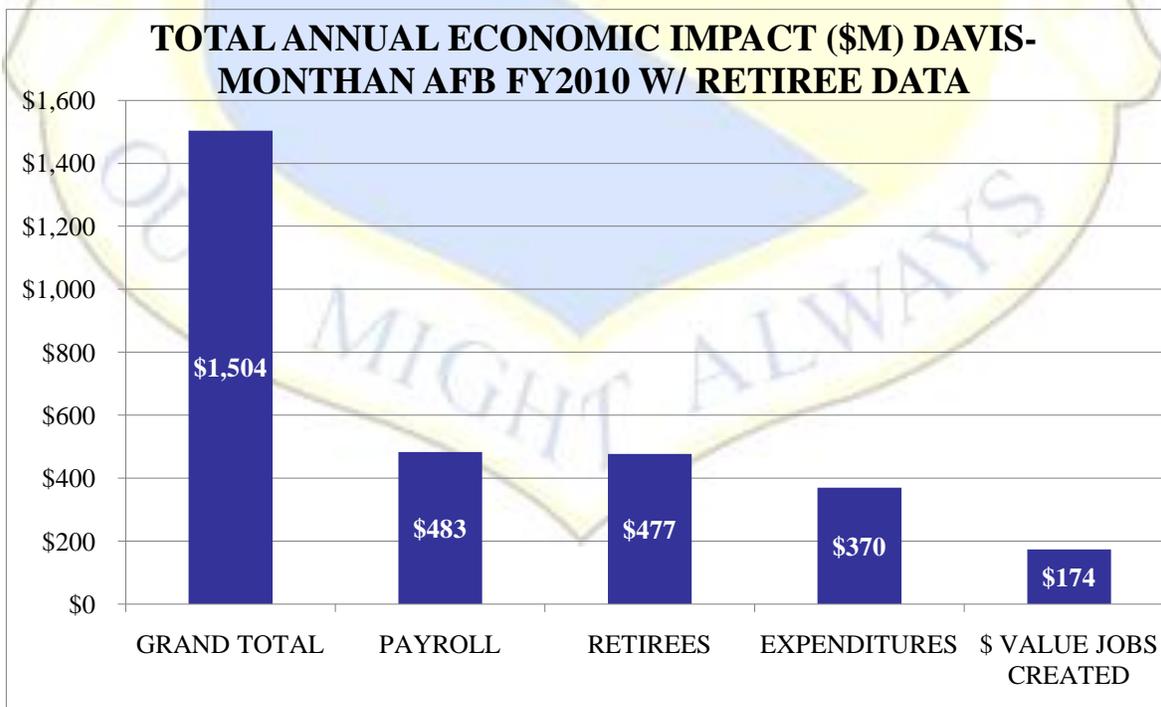


Figure 12 Description: Including retirees, DM AFB has an estimated \$1,504M impact on the Tucson area. To the right of the Total column, the respective subcategories are displayed including payroll, retiree pay, expenditures, and dollar value of jobs created. It includes retirees from all service branches, including Air Force, Coast Guard, Navy, Marines, and Army.

**ECONOMIC IMPACT ANALYSIS  
DISTRIBUTION**

DM AFB

DM AFB Leadership

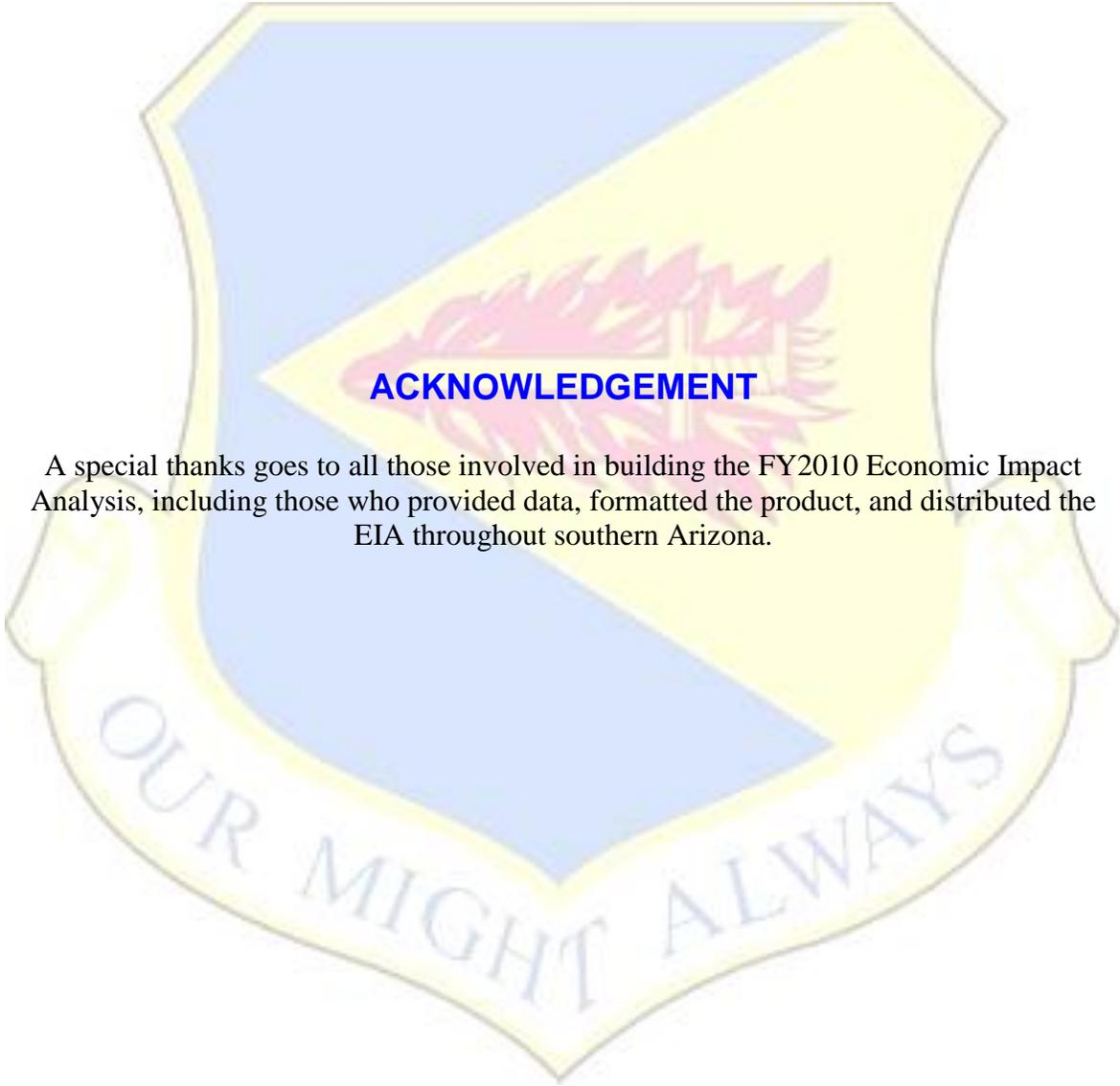
GOVERNMENT

Arizona Governor's Southern Arizona Office  
Pima Association of Governments  
Pima County Board of Supervisors  
City of Tucson, Mayor and Council  
Tucson City Manager  
Arizona Governor's Military Affairs Commission  
Tucson Metropolitan Chamber of Commerce  
Davis-Monthan 50

Senator John McCain  
Senator Jon Kyl

Congresswoman Gabrielle Giffords  
Congressman Raul Grijalva  
Congressman Jeff Flake  
Congressman David Schweikert  
Congressman Ed Pastor  
Congressman Ben Quayle  
Congressman Trent Franks  
Congressman Paul Gosar





**ACKNOWLEDGEMENT**

A special thanks goes to all those involved in building the FY2010 Economic Impact Analysis, including those who provided data, formatted the product, and distributed the EIA throughout southern Arizona.

