



Economic Impacts of West Central Florida's 2025 Regional Transit Needs Assessment

This study identifies potential benefits to the economy of expanding public transit in the West Central Florida region. The West Central Florida MPO Chairs Coordinating Committee (CCC) includes a range of bus, bus rapid transit (BRT), and light rail services and facilities in its 2025 Regional Long-Range Transportation Plan (LRTP) Needs Assessment. This analysis estimates the economic benefits that would accrue to the region if the 2025 Needs Assessment transit projects were fully implemented, as compared to implementing only the transit services for which funding has been committed through 2009. Key findings include:

- Ridership** - The 2025 Regional Transit Needs Assessment projects are expected to have a significant impact on transit ridership, with an estimated increase of 12 million annual transit trips in 2025.
- Construction Activity** - The economic impacts associated with the construction of the expanded transit network would be an additional 6,485 jobs, a \$486 million increase in gross regional product, and a \$400 million rise in personal income in 2025. These benefits would cease once the transit projects are completed.
- Travel Time Savings** - Direct user benefits on the transit and highway system related to increases in ridership, improved transit service and connectivity, and reduced highway congestion are projected to reach \$104 million in 2025.
- Increased Business Productivity** - Regional economic impacts include a \$42 million annual increase in gross regional product and a \$32 million annual increase in personal income. Cumulatively for the 2010-2025 period, gross regional product increases by \$343 million, a figure that more than doubles in the following 10 years (\$761 million during 2010-2035) as the transit projects are fully implemented and operational by that time. Similarly, cumulative personal income increases by \$238 million during 2010-2025, and by \$556 million during 2010-2035.



- **Air Quality** - Reduced vehicle emissions include: carbon monoxide, 2,300,000 less kilograms per year; hydrocarbons (contributing to global warming), 129,000 less kilograms per year; nitrous oxide (contributing to smog), 83,000 less kilograms per year. While this represents only about a 0.4 percent reduction, transit does play a role in stemming the continued growth in airborne pollutants.



This report also looks at a range of economic benefits that have been experienced by other regions as they expand public transit. Similar benefits may be expected in West Central Florida and include the following:



- **Real Estate Development** - Other metropolitan areas have reported new development around rail and busway projects valued at \$160 million to \$2.4 billion. In Tampa, private sector investment in the corridor around the TECO Line Streetcar, since the streetcar project was announced, is estimated at over \$600 million.
- **Property Values** - The market value of properties nearby transit stations has been estimated to be ten percent to 38 percent higher than similar properties located farther away from stations, in areas such as Washington, D.C., Dallas, Atlanta, St. Louis, and suburban New Jersey.

- **Travel Time Savings Due to Travel Demand Management** - The 2025 Regional Transit Needs Assessment includes an expanded commuter assistance program to facilitate carpooling, flex-time, telework, and other alternatives to driving alone. A similar commuter assistance program in Washington State estimates that if the 13,480 vehicles removed from the Puget Sound region's highways by participating employees each morning were added back, overall morning delay per vehicle would be increased by 6.3 percent, or a total of 719,000 hours. This translates into an economic benefit to the Puget Sound region of \$24 million in reduced travel delay.



Public transit system expansion also has the potential to generate significant benefits in these areas:

- Business Access to Labor and Resources** – The region’s attractiveness to businesses is enhanced by good access to workers, suppliers and vendors, and academic institutions. The proposed transit expansion would bring at least 100,000 additional people and almost 27,000 additional jobs within one-half mile of a transit line.



- Creative Workers** – An enhanced transit system is an important (though not the only) component of vibrant urban environments that are attractive to educated young people. Attracting and retaining highly skilled and innovative members of the workforce puts West Central Florida in a better position to spawn new companies and attract high-paying industries to the region.



- Self-Sufficiency for the Disadvantaged** – Over nine percent of West Central Florida’s populace does not drive because of age, disability, or poverty. Expanding transit improves access to jobs and services. In Orlando, where Lynx carries about half the trips of the West Central Florida Needs Assessment network, the value of lost wages if the transit system were to stop abruptly was estimated at \$16 to \$122 million in only a few months.



- Disadvantaged Trip Cost-Effectiveness** – An expanded transit system would reduce reliance on the expensive door-to-door paratransit services provided in each county to seniors and the disabled who cannot access local bus service. The cost saving potential is significant. Today, a paratransit trip in Hillsborough County costs \$28.47 versus \$3.71 for a bus trip.



- Tourism** – Transit facilitates the mobility of tourists, who support a \$9.2 billion industry today in West Central Florida.



- Parking – Improved transit can reduce the demand for parking in downtown areas, freeing land for more valuable uses. Salt Lake City estimated its most aggressive transit improvement scenario would eliminate the need for 13,500 parking spaces.
- Urban Growth and Infrastructure Costs – Transit has an effect on urban development patterns, facilitating smart growth and limiting the public infrastructure costs associated with sprawl. Nationally, the savings on roadways, water/sewer lines, housing costs, and public services from more compact development patterns is estimated at \$22 to \$24 billion per year.



In summary, transit investments in the West Central Florida region are expected to yield significant benefits to both business and personal travel. As the region continues to grow quickly, public transportation improvements will play a role in reducing congestion, serving the mobility needs of the local population and visitors, and enhancing West Central Florida's economic vitality.

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