



Transportation and Economic Development

Stuart Anderson, Iowa Department of Transportation

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Overview

- Transportation System Summary
- Economic Impacts
 - Highway
 - Transit
 - Aviation
 - Trails
 - Rail
- Passenger Rail Presentation – Brad Neumann
- Discussion

Transportation System

- Highway: Over 114,000 miles
- Rail: Approximately 4,000 miles
- Aviation: 109 public airports (8 of which provide commercial service)
- Transit: 35 public transit systems
- Trails: Almost 1,500 miles of trails
- River: Almost 500 miles of navigable rivers

Iowa's Long-Range Transportation Plan

- Guiding Principle: “Safely moving people and goods through investments that strengthen our economic vitality”
 - Safety: To make Iowa a safer place to travel
 - Efficiency: To make the best use of resources
 - Quality of Life: To make Iowa a better place to live, work, and travel

Economic Impacts-Highway

- Direct job creation through construction activities
- Indirect job support
- Productivity gains
 - Reduced and consistent travel times
 - Reduced crashes
 - Reduced vehicle operating costs

Economic Impacts-Highway

- For every \$1 billion in highway investment 27,800 jobs are supported:
 - Construction jobs:9,500
 - Supporting industry employment: 4,300
 - Induced employment: 14,000

Economic Impacts-Highway

- Productivity Impacts
 - Highway investments more than pay for themselves when measured in terms of industry productivity benefits
 - On average, 25 percent of the yearly productivity growth rate in the US is due to highway improvements

Economic Impacts-Highway/Transit

- March 2005 Study by American Public Transportation Association
- “America’s surface transportation network produces over \$4 in direct benefits for each \$1 in direct costs”
- \$788 billion per year in direct economic benefits
 - Businesses: Lower costs and higher productivity
 - Individuals: Time saved commuting and additional income that can be earned by working farther from home

Economic Impacts-Aviation

- Payroll
- Increased productivity
- Output
- Sectors
 - Airport operations
 - Military aviation units
 - Agricultural aviation
 - Helicopter EMS providers
 - Aviation related businesses

Economic Impacts-Aviation

- 47,200 jobs
- \$2.7 billion in annual payroll
- \$5.4 billion in total annual output
- \$214 million in increased productivity for agriculture
- \$13 billion in increased productivity for Iowa businesses

Economic Impacts-Trails

- 1992 Study of the Heritage Trail in Iowa
 - Average trail user spends \$4 to \$11 per day
 - Annual impact per trail of \$1.2 million to \$1.8 million
- Every \$1 spent on trails produces \$3 of benefits

Economic Impacts-Rail

- Iowa freight railroads directly contribute \$223.1 million a year to the economy in wages and benefits to the 3,698 employees who live in Iowa. In addition, 9,640 retired railroad workers and family members receive \$122 million in retirement benefits each year. (2002)

Economic Impacts-Passenger Rail

- Chicago to Iowa City service
- For every dollar of public investment - \$1.70 returned in reduced costs for transportation, fuel and pollution.
- Attains \$7.4 million in highway safety benefits for first 30 years.
- Creates job growth estimated at 588 per year for the first four years during construction.
- Increases business activity estimated at \$25 million per year
- Encourages transit-oriented development



PASSENGER RAIL PRESENTATION

How can passenger rail service support economic development along the corridor?

Does the transportation system meet the economic development needs of the area?

If yes, in what way?
If no, what are the shortcomings?