

The Economics of Commuter Rail Transit: Important to Our Recovery?

The Facts: Nov. '07 to Aug. '10

- State of Florida: Lost 821,800 jobs
 - Equivalent to “losing” 80% of Orlando MSA or 90% of Broward County
- Orlando/Tampa/Lakeland: Lost 252,600 jobs
 - Equivalent to “losing” Seminole County
- 3 to 4 years worth of job growth at peak 2003-2004 levels would be necessary to get back to where we were in 2007

The Question of Florida Recovery

- How?
 - Yesterday's model won't work tomorrow (growth fueled by low-cost housing & loose mortgages)
- Central Florida Especially Vulnerable
 - Less economically diverse than S. Florida
 - 31% of Florida's job loss occurred in the Tampa/Orlando corridor
 - Interstate 4 is the only major transportation connection between Tampa and Orlando

The Question of Florida Recovery

- What Does Rail do for the Central Region?
 - Provides enhanced linkage between vital economic hubs of Orlando and Tampa
 - Stimulates considerable construction employment
 - Generates sustained economic expansion in close proximity to transit stations
 - Creates permanent spin-off employment from these direct impacts

Rail Economic Impacts

- Construction Employment:
 - Orlando/Tampa High Speed: 9,000
 - Orlando & Tampa Commuter Rail: 2,000
- Permanent Employment:
 - 2,000 to 4,000 jobs within ½ mi. radius of each transit station
 - 1.5x regional employment multiplier

Commuter Rail TOD Case Studies

- Dadeland North, Miami, Florida
- Mockingbird Station, Dallas, Texas
- Eastside Village, Plano, Texas
- Atlantic Station, Atlanta, Georgia

Dadeland North, Miami, Florida

- South portion of MetroRail system
- Transit System Development Zone established in advance of the system to guide development efforts
- Many studies conducted to establish design guidelines
- Considerable mixed-use development since 1996
 - 850,000 SF retail center
 - High density residential (apt./condo)

Mockingbird Station, Dallas, Texas

- 1st mixed-use project in Texas designed & built for a light-rail station (1997-2008)
- Urban village, upscale with office, retail & residential; almost 700,000 SF
- Developer built \$6m in additional parking and \$1m of infrastructure
- Market forces stimulated development more than public participation
- DART assigned liaison for the project

Eastside Village, Plano, Texas

- Two-phase effort, downtown mixed use redevelopment (2000 - 02)
- City spearheaded many of the efforts, including planning, design, and financial investment
- 1,000 du, 50,000 sf retail
- TIF created, City donated land for pkg.
- City also waived some impact fees and awarded impact fee credits

Atlantic Station, Atlanta, Georgia

- 138 acre redevelopment of former steel mill along MARTA line
- Largest US urban brownfield redevelopment, large scale mixed-use
- City of Atlanta took a lead role in predevelopment activities
- Special district for utilities
- Financed mostly with private investment, but also w/ govt. support
- Over 1m SF office & retail developed

Case Studies - Theme

- High density, mixed use
- Local govt. participation usually very important, although not always
- The development efforts do not occur overnight, they can and often do require years, because of the need for:
 - Land assemblage
 - Planning and design activities
 - Active and passive financial support
 - Favorable macroeconomic conditions

Things to Consider..

- The Orlando, Tampa, and Lakeland MSAs, if combined, would represent the 10th largest metro market in the United States
- Comparable with Miami/Ft. Laud./WPB, Washington D.C., and Atlanta
- Larger than Boston, Detroit, Phoenix, or San Francisco
- Every one of the 10 largest U.S. metros has a local passenger rail system of some form