

## **Traffic congestion tying up economic development**

**BY LESLIE WIMMER**

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A recent study found the Dallas-Fort Worth region's economic output could increase by \$17 billion by eliminating traffic congestion.

The study, from the libertarian nonprofit organization Reason Foundation, focused on Dallas-Fort Worth's expected population growth and increased commute times and how those factors will affect the region by 2030.

The study further focused on five areas of Dallas-Fort Worth: downtown Dallas, the University of Texas at Dallas, North East Mall, Duncanville and Dallas/Fort Worth International Airport.

The study found the largest economic gains would come from eliminating congestion near universities such as the University of Texas at Dallas, which could add up to \$46 billion a year to Dallas-Fort Worth's regional economy and more than \$3 billion in annual tax revenues.

Improving mobility and eliminating congestion issues in suburbs, such as Duncanville, and major retail outlets such as North East Mall could produce \$17 billion to \$23 billion in economic benefits every year, the study found.

By eliminating traffic congestion near Dallas/Fort Worth International Airport and area convention centers, the region could see up to \$7 billion per year in economic gains as well, the study found.

"This report shows how important it is to prioritize taxpayer money on infrastructure projects with the best benefit-cost ratios," said Adrian Moore, vice president of research at the Reason Foundation, in a statement. "If you focus on the projects proven to improve mobility and eliminate traffic jams, your investment will be rewarded several times over."

Moore said shorter travel times increase worker productivity, create more jobs and help to create more shopping, entertainment and dining choices.

"Reducing traffic congestion by 10 percent improves productivity by over 1 percent," said David Hagen, the author of the report, in a statement. Hagen is a senior fellow at Reason Foundation and emeritus professor of transportation at the University of North Carolina at Charlotte. "One percent may sound small, but in a city like Dallas, it can mean tens of billions of dollars in economic gains."

Reason Foundation's study also found that Dallas-Fort Worth would benefit most by concentrating transportation funding toward projects that will increase accessibility to various locations, not just downtown Fort Worth or Dallas. The organization's study also recommends removing bottlenecks, which the Texas Transportation Institute cites as the worst cause of traffic congestion, and adding road capacity in and around the outer rims of cities.

"If you don't invest in infrastructure, then you're not going to have economic gains, end of story," said Russell Laughlin, the senior vice president of Hillwood Development.

Dallas-Fort Worth "will be No. 2 in terms of traffic congestion shortly, moving closer to Los Angeles," Laughlin said. "How much infrastructure investment is needed? It's huge, \$130 billion, and we don't have it... So that says to me intuitively that you're going to be in a position of losing economic development deals because your transportation stinks."

When an economic development deal falls through because of poor transportation, the decision often comes after company executives consider whether or not a business will be able to move its goods, whether employees can get to and from their jobs, and how a city's transportation affects quality of life, Laughlin said. Quality of life issues for employees could include the possibility of being stuck in traffic so often they run late for work or meetings, and how traffic congestion affects an employee's mood in their day to day work life.

The Texas Transportation Institute has said that as of 2007, an average "rush hour" traveler in the Dallas-Fort Worth region spends an extra 53 hours stalled in congested traffic every year, at a regional cost of more than \$2 billion.

AllianceTexas, where Hillwood Development is based, is a local example of how infrastructure investment can result in long-term job development and economic gains for a region, Laughlin said.

In the '80s, a combination of public funds from the federal government, the Texas Department of Transportation and the city of Fort Worth were paired with private dollars to invest in infrastructure development in the Alliance region, including highway, rail and airport development projects.

Today, businesses in the Alliance corridor, which is at about 30 percent build-out, employ about 28,000 people, and have an economic impact of almost \$3 billion. From 1990 to 2007, companies at Alliance have paid \$625 million in property taxes, Laughlin said.

Economic gains from Alliance's development also can be measured in the amount of property taxes employees pay on homes they own in north Tarrant County, and the sales tax resulting from those employees shopping in Dallas-Fort Worth.

The infrastructure investment made on Alliance in the '80s and the resulting economic development is an example of why further transportation improvements need to be made across the region, including rail, highway and public transportation improvements, Laughlin said.