

*Reason Foundation*

## **Study: Dallas Could Get \$17 Billion Boost by Reducing Traffic Congestion**

Prioritizing infrastructure that reduces traffic jams can spur big economic gains

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With the economy stuck in a recession and Dallas facing a \$190 million budget deficit, a new Reason Foundation report finds that reducing traffic congestion and improving travel times could boost the region's economic output by as much as \$17 billion a year.

The Reason Foundation report examines the impact that population growth and longer commute times will have on five areas across Dallas-Fort Worth by 2030: downtown, the University of Texas at Dallas, North East Mall, Duncanville, and Dallas-Fort Worth International Airport.

Of those locations, the Reason study says the biggest economic gains would come from eliminating severe congestion around universities like UT-Dallas, which could add \$46 billion a year to the regional economy and over \$3 billion in annual tax revenues.

Improving accessibility around suburbs such as Duncanville and major retail sites like North East Mall could produce \$17 billion to \$23 billion in annual economic benefits. The report found similarly large economic benefits for suburbs in Atlanta, Charlotte, Denver and Seattle.

Reducing traffic around the convention center and DFW Airport could deliver up to \$7 billion per year in economic gains.

"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 Reason Foundation. "If you focus on the projects proven to improve mobility and eliminate traffic jams, your investment will be rewarded several times over. Shorter travel times increase worker productivity, spawn more jobs and help create more shopping, entertainment and dining choices."

"We studied eight cities and the findings are clear," said David Hartgen, author of the report, senior fellow at Reason Foundation and emeritus professor of transportation at the

University of North Carolina at Charlotte. "Reducing traffic congestion by 10 percent improves productivity by over one percent. One percent may sound small, but in a city like Dallas, it can mean tens of billions of dollars in economic gains. The biggest gains come from enhancing mobility around suburbs, universities and malls. Smaller economic increases are made around central business districts and airports."

Traffic congestion is going to have increasingly negative impacts on the Dallas-Fort Worth economy in the coming decades. The Reason Foundation says that by 2030 traffic congestion in Dallas-Fort Worth will be nearly as bad as it is in today's gridlock capitol of America, Los Angeles. Reason finds that if infrastructure investments are aimed at the projects that will relieve the most traffic, Dallas needs to spend approximately \$27 billion (in 2005 dollars) to eliminate severe traffic congestion by 2030. That figure is actually less than the \$45 billion the region plans on spending on transportation in its current long-range plans.

The study makes several recommendations, including:

- Pay more attention to the accessibility of various locations, not just downtown.
- Remove bottlenecks throughout the region. Relatively modest expenditures can have major impact on travel times, particularly if congestion is relatively concentrated geographically.
- Add road capacity in and around the rims of cities. Investment in suburban accessibility often offers a very good return rate.

The Reason Foundation study takes an in-depth look at traffic and economic growth in Atlanta, Charlotte, Dallas, Denver, Detroit, Salt Lake City, San Francisco and Seattle.

### **Full Report Online**

**[The full study is online here.](#)**

**[Reason Foundation's transportation research and commentary is here.](#)**

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