



# GREEN LINE AND DOWNTOWN ATLANTA MULTIMODAL PASSENGER TERMINAL FISCAL AND ECONOMIC IMPACT ASSESSMENT

## SUMMARY OF DRAFT REPORT FINDINGS

August 17, 2011



# Study Scope of Work/Methodology

- Define the MMPT “Project” components, construction costs & phasing
- Identify and model the direct effects of transit system improvements supporting the MMPT
  - **Relevant capital costs**
  - **Annual O&M Costs**
  - **System user benefits to transit riders & auto travelers**
- Estimate resulting direct redevelopment impacts on Downtown Atlanta
  - **Define the “Build” Scenarios**
- Forecast Economic impacts (including multiplier effects) using the TREDIS economic impact model
  - **Evaluate the regional distribution and source of impacts**

# Types of Economic Impacts Measured

- **Average annual construction spending** on the MMPT, public amenities and related regional transit systems
- **Redevelopment impacts** (also construction spending) on property surrounding the MMPT
- **Permanent employment/business growth** resulting from occupancy of new Downtown office and commercial space
- **Annual spending on O&M** of the MMPT and related regional transit services
- **The economic value of user benefits** to transit riders and highway users from reduced congestion, improved mobility and access to employment
- **Fiscal impacts** on the City of Atlanta and Fulton County

# Reporting Matrix

- Two Build Scenarios were defined
  - “Partial Build” & “Full-Build” of the MMPT & support amenities
- Two snapshot years reported: 2020 & 2040
- Impacts are expressed as a change from the “No-Build” condition
- Economic impact measures reported – including secondary and induced effects:
  - Output
  - Value Added (Gross Regional Product)
  - Employment

This summary focuses on 2040 Impacts of the “Full-Build” Scenario on the State of Georgia

# Summary of Direct Effects

Construction Effects

Travel Savings Effects

Downtown Redevelopment Effects

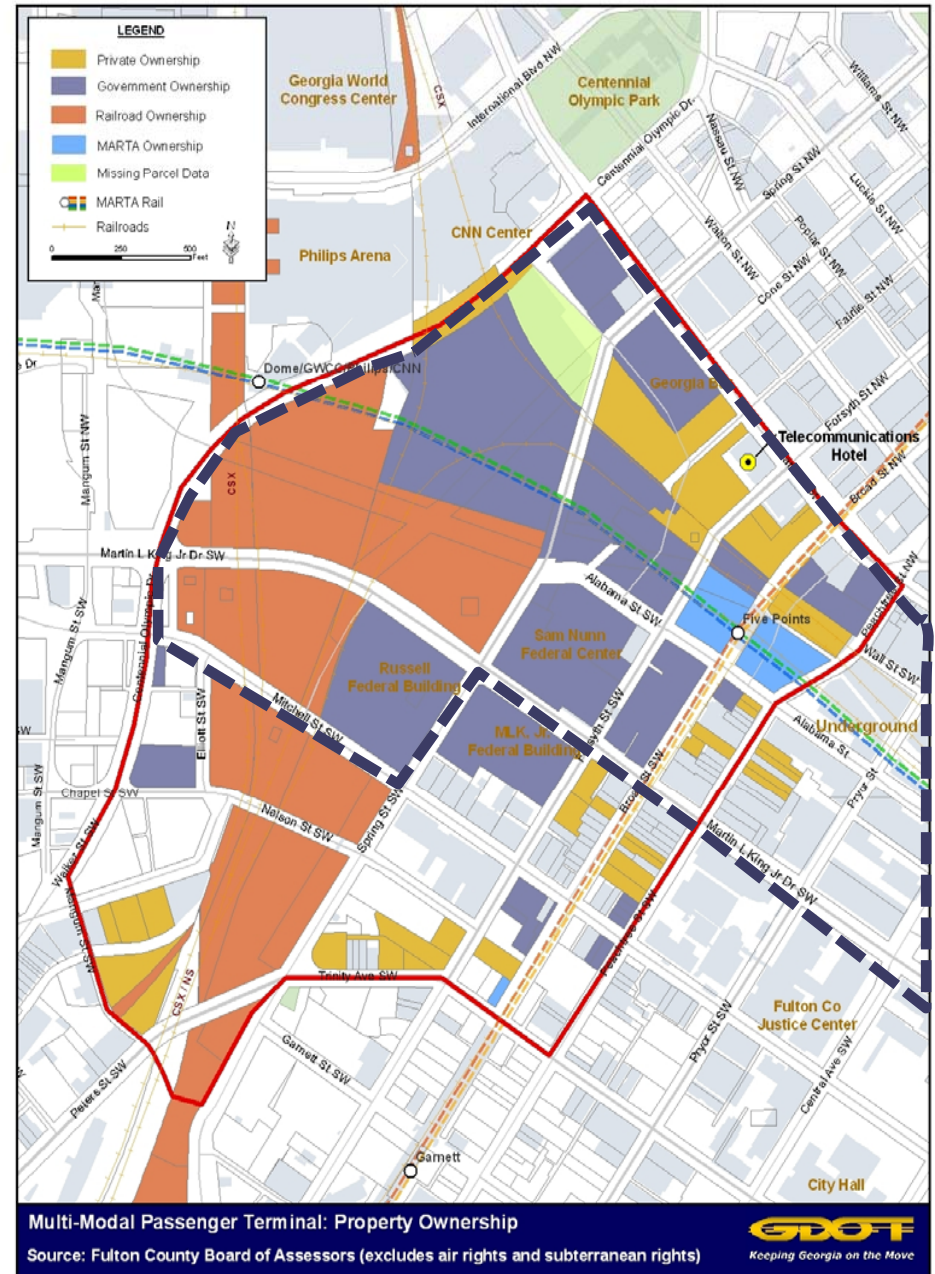
## Summary of Transportation User Benefits

- At completion, the MMPT and related transit investments are projected to:
  - Generate 22.5 million annual transit trips
  - Reduce annual automobile trips by 13.4 million
  - Remove 568.1 million vehicle miles from area highways
  - Reduce the time Atlanta commuters spend in automobiles by 77.6 million hours – mostly during periods of peak congestion
- Save truckers 7.1 million hours of travel time in and through the Atlanta Region
- Generate annual travel cost savings of nearly **\$2.2 billion** to residents and businesses including:
  - Annual trucking cost savings of nearly \$280 million
  - Total annual cost savings to businesses of \$1.1 billion

Source: ARC Travel Demand Model and TREDIS

# Study Area Build Out Potential

- The 124 acre Study Area has the physical potential to support 19.6 million SF of total buildings & structures
  - 8.1 million SF existing
  - 10.9 million SF of total potential new construction
    - (6.0 million SF +/- on the P3 overbuild sites)
- Office, retail and residential uses comprise the bulk of the potential



## Direct Redevelopment Effects: (Full Build)

- In comparison to the No Build Scenario, **fully** implementing the MMPT and associated amenities could:
  - **Increase investment in Downtown Atlanta by nearly \$3.1 billion**
  - **Create nearly 15,700 more jobs within the Study Area**
  - **Attract 8.6 million SF of additional development**
  - **Produce \$65 million more in local annual tax collections by 2040**
- The terminal and associated public improvements represent less than 15% of the total net gain in investment (public and private) in this Scenario: (a 6:1 return)

Indicator	Comparison of 2040 Conditions		Difference	% Change
	No Build	Full Build		
<b>Total Buildings/Structures (SF)</b>	<b>10,176,166</b>	<b>18,772,770</b>	<b>8,596,604</b>	<b>84.5%</b>
Developed Office Space (SF)	5,620,059	8,639,440	3,019,381	53.7%
Developed Retail Space (SF)	875,557	1,476,776	601,218	68.7%
Residential SF (Including Student Housing)	1,346,605	3,321,950	1,975,345	146.7%
Permanent On-Site Employment (Jobs)	30,565	46,229	15,664	51.2%
Average Annual Construction Employment	177	1,101	923	521.5%
<b>Total 30-Year Investment (\$Billions)</b>	<b>\$ 0.6</b>	<b>\$ 3.6</b>	<b>\$ 3.1</b>	<b>521.5%</b>
Annual Local Tax Collections	\$ 13,826,366	\$ 78,964,580	\$ 65,138,215	471.1%
2040 Study Area FAR	1.9	3.5	1.6	84.5%



# Summary 2040 Economic Impact Forecast

(Including Multiplier Effects)

# Source of 2040 Economic Impacts

## 2040 Impact Summary: **Full-Build Scenario** State of Georgia

Average Annual Impact	Direct Effects			Total Economic Impacts		
	Output (2011\$)	Value-added (2011\$)	Jobs	Output (2011\$)	Value-added (2011\$)	Jobs
<b>Statewide</b>						
Redevelopment Phase	\$ 76,261,409	\$ 32,709,476	592	\$ 134,914,446	\$ 67,516,891	1,053
MMPT Development Phase	\$ 38,069,461	\$ 18,108,647	325	\$ 66,737,500	\$ 35,192,338	547
Transit O&M Spending	\$ 269,712,469	\$ 166,912,812	5,174	\$ 662,739,118	\$ 410,420,887	8,090
Permanent Jobs_2040	\$ 1,541,816,520	\$ 1,042,273,804	12,604	\$ 2,617,192,803	\$ 1,666,816,286	22,111
Travel User Benefits_2040	\$ -	\$ -	-	\$ 1,397,628,690	\$ 755,872,999	11,525
Transit Capital Investment	\$ 171,855,693	\$ 73,073,152	1,455	\$ 465,071,063	\$ 251,402,618	3,605
<b>Grand Total</b>	<b>\$ 2,097,715,551</b>	<b>\$ 1,333,077,891</b>	<b>20,150</b>	<b>\$ 5,344,283,620</b>	<b>\$ 3,187,222,020</b>	<b>46,931</b>

The economic impacts to the State are almost equally split between regional transportation benefits and downtown redevelopment effects

## Summary Conclusions - Full Build Scenario

- By 2040, economic impacts resulting from the project could:
  - Add nearly 47,000 jobs to the Georgia economy (including multiplier effects)
  - Increase the State's annual economic output by more than \$5.3 **b**illion in 2011\$.
  - Generate nearly \$3.1 billion in net additional investment/ building construction in “the Gulch” over 30 years

## Summary Conclusions - Full Build Scenario

- Of the 47,000 jobs created Statewide (Including Multiplier Effects):
  - 22,000 jobs result from new employment activity locating in Downtown Atlanta
  - An average of 5,200 jobs/year supported by construction of the MMPT & transit systems
  - 8,100 jobs/year supported by transit system O&M
  - 11,000 jobs/year created as a result of savings to automobile and truck travelers

89% of job creation effects are related to permanent employment gains rather than construction spending

## Distribution of Statewide Job Impacts (Including Multiplier Effects) 2040 Full-Build Scenario

Supported Jobs by Source/Type	Transit System Improvement Effects	Downtown Redevelopment Effects	Total Job Impacts
<b>Supported by Avg. Annual Construction Spending</b>			
MMPT Terminal & Amenities	547		
Transit System Development	3,605		5,206
Downtown Redevelopment		1,053	11.1%
<b>Permanent Jobs - at Completion</b>			
System O&M Spending	8,090		41,726
System-wide travel benefits	11,525		88.9%
Downtown Atlanta Business Activity		22,111	
<b>Total Job Creation</b>	<b>23,767</b>	<b>23,164</b>	<b>46,931</b>
<b>Annual Output (Billions 2011\$)</b>	\$2.6 49%	\$2.8 51%	\$5.3

## Summary Conclusions - Full Build Scenario

- Focusing **only** on investment in the MMPT and the associated public transit improvements
  - Has a positive economic impact on the State of nearly \$2.6 billion (representing 49% of Total Output gained)
  - Responsible for nearly 23,800 of the 47,000 total job gains by 2040
- The largest share of these economic impacts benefit the rest of Fulton and the suburban counties surrounding Atlanta

## Summary Conclusions - Full Build Scenario

- Focusing only on redevelopment effects of the MMPT on Downtown Atlanta:
  - Has a positive economic impact on the State of more than \$2.7 billion (representing 49% of Total Output gained)
  - Responsible for nearly 23,200 of the 47,000 total job gains by 2040
  - Approximately 95% of that impact is projected to occur in the City of Atlanta
- Redevelopment impacts focus only on the Study Area
  - Redevelopment impacts on outlying areas along the transit improvements serving the MMPT are not addressed in this analysis, but could be substantial