



October 8, 2019

# Economic Impact of Public Transit in the State of Missouri

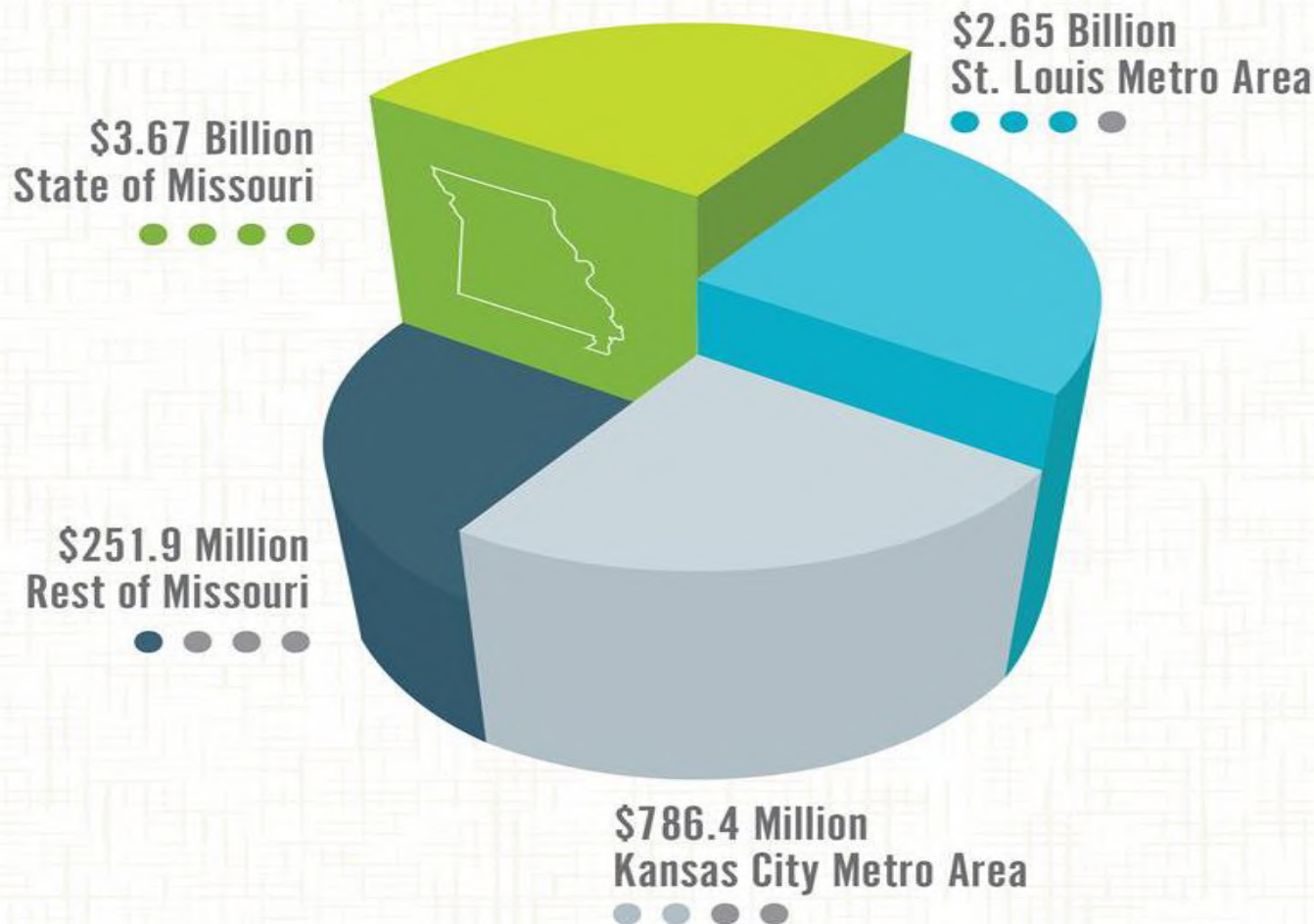


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Urban Planning & Development



# The Findings: Getting to the Good Stuff First

Supported By Public Transit's Annual Operations (2019 Dollars)



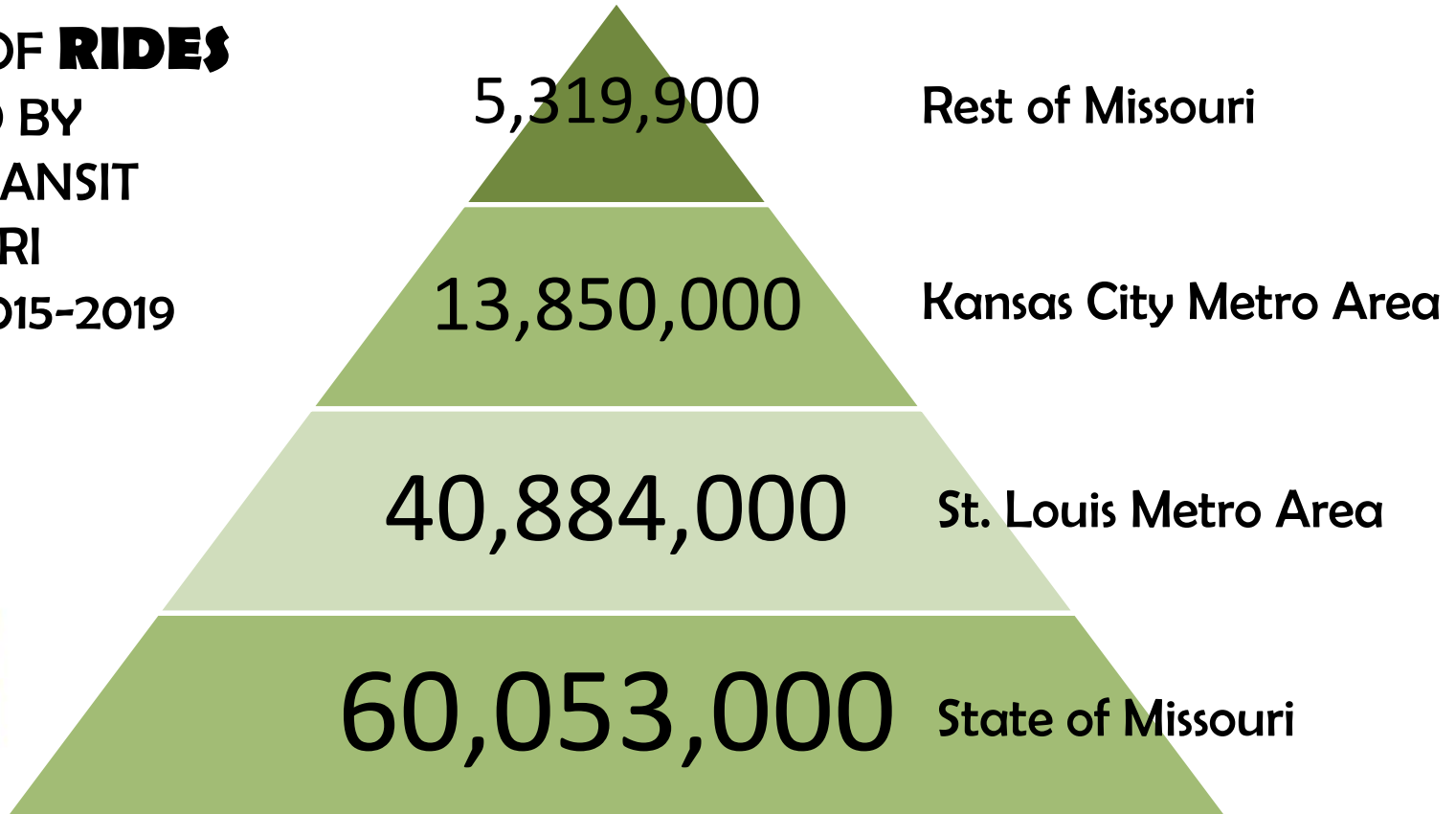
Almost 1.2% of Missouri's Gross State Product in 2018 (Source U.S. Bureau of Economic Analysis)

# The Findings: Key Direct Effects



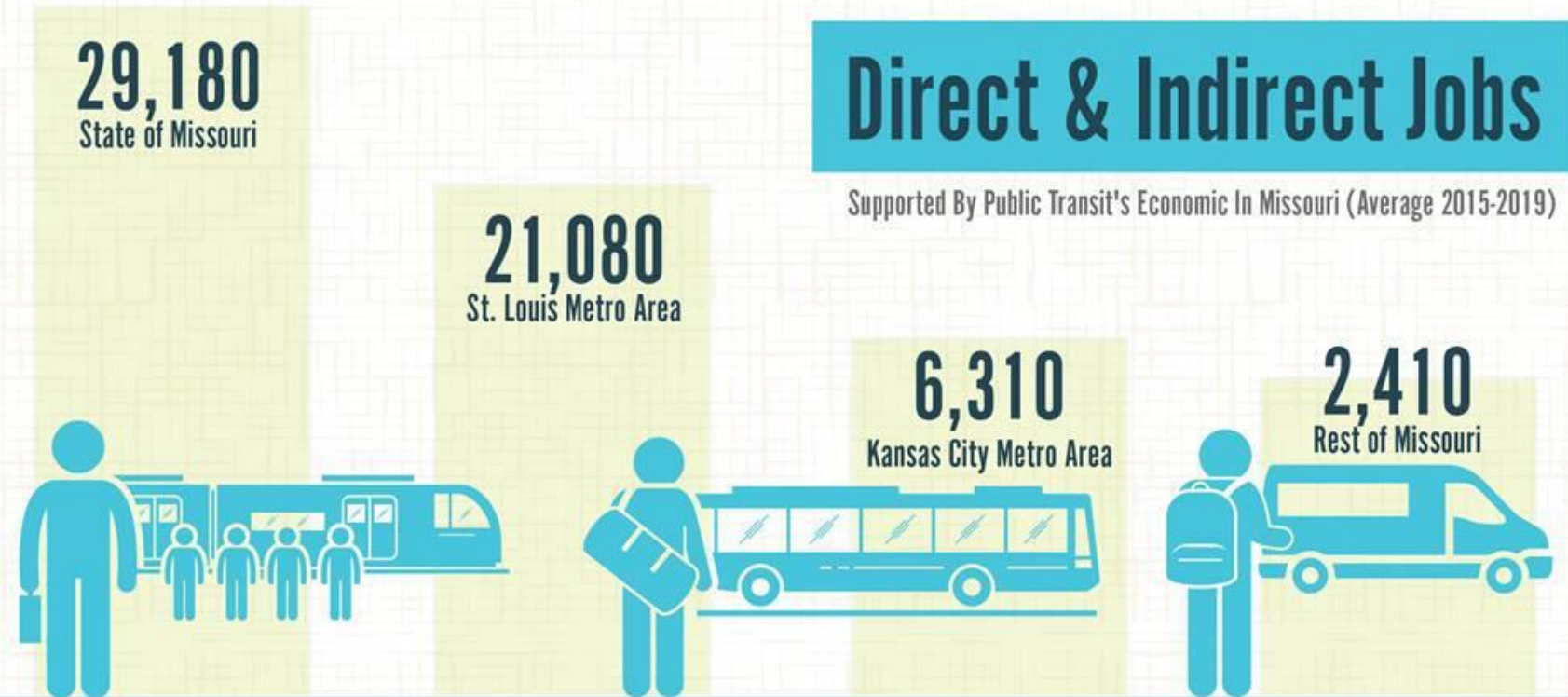
# The Findings: Distribution of Rides

NUMBER OF **RIDES**  
PROVIDED BY  
PUBLIC TRANSIT  
IN MISSOURI  
Average 2015-2019





# The Findings: Distribution of Jobs



# The Findings

## Benefits of Transit in Missouri:



Economic benefits to business owners and employers. Higher productivity, reduced parking needs, increase in foot traffic for street level business.



Decreased isolationism



Increased accessibility for all sectors of the market.



Improved equity for job, education and healthcare access.



Economic impact on property values

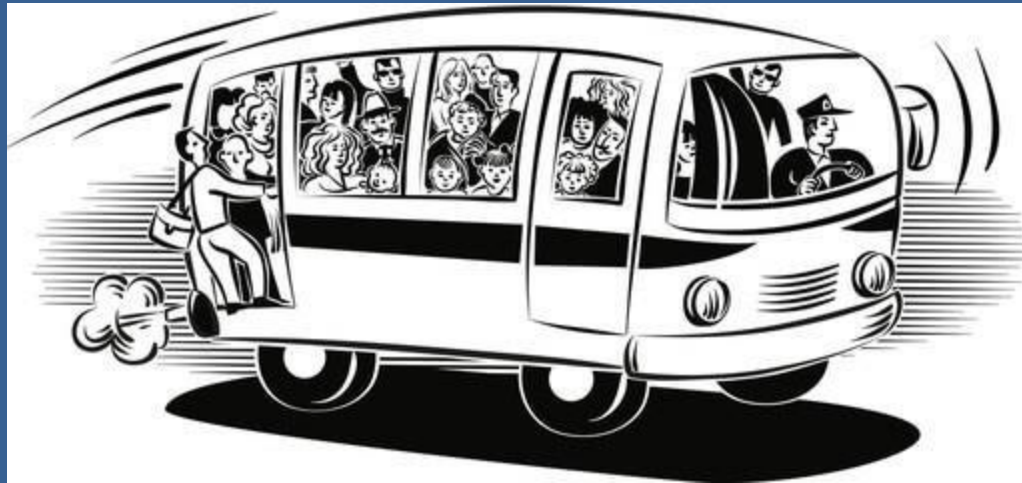


Economic benefits in terms of lower air and noise pollution



Improvement in land use efficiency including higher density buildings, less parking lots, and decreasing utility costs.

*Now. . .How Did We Figure This Out?*



# Why Economic Impact Measures are Important

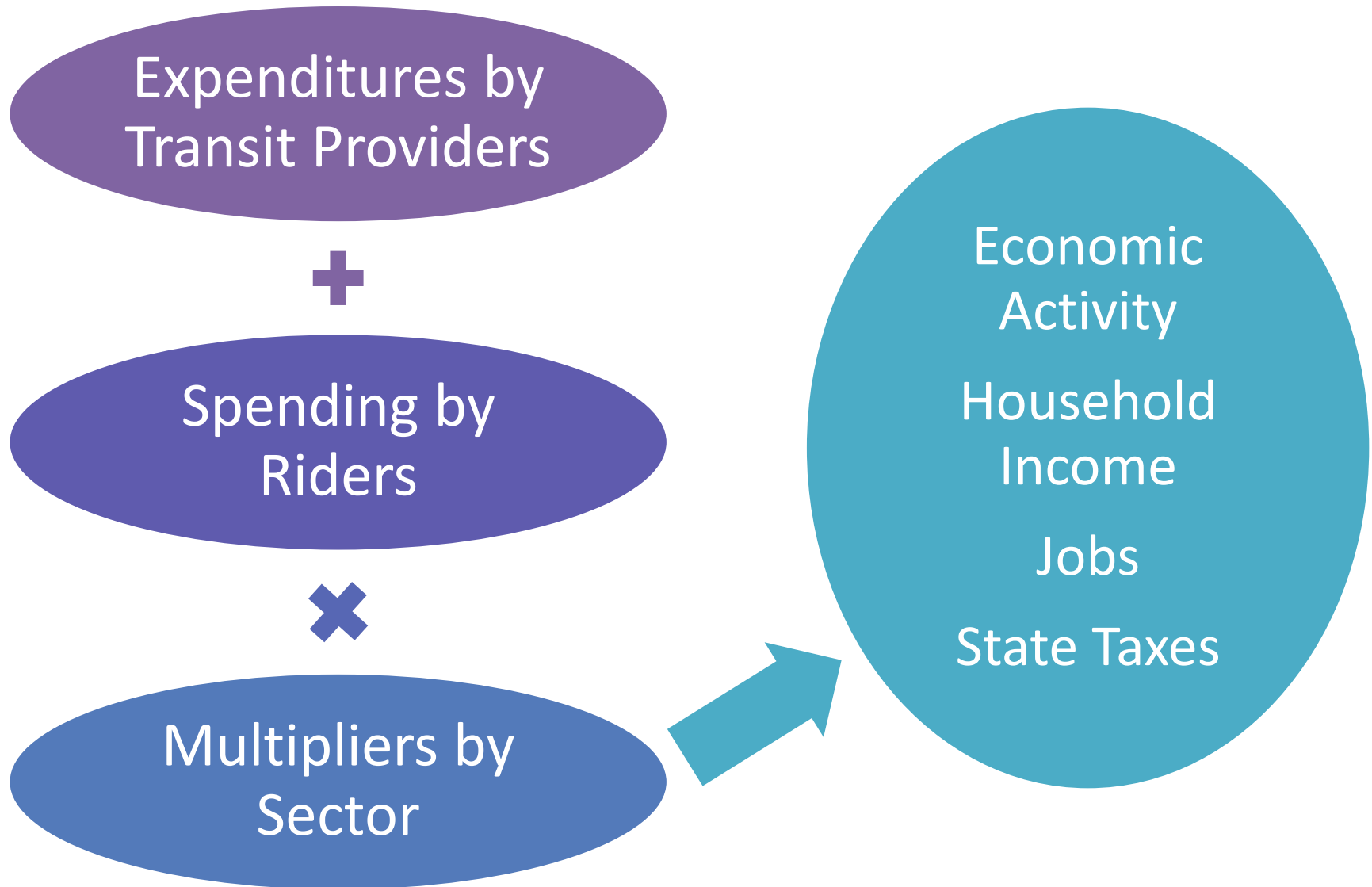
"People ride public transit for two reasons – to make money and to spend money. That's why public transit is an economic development program with social benefits."

...Oklahoma Transit Association

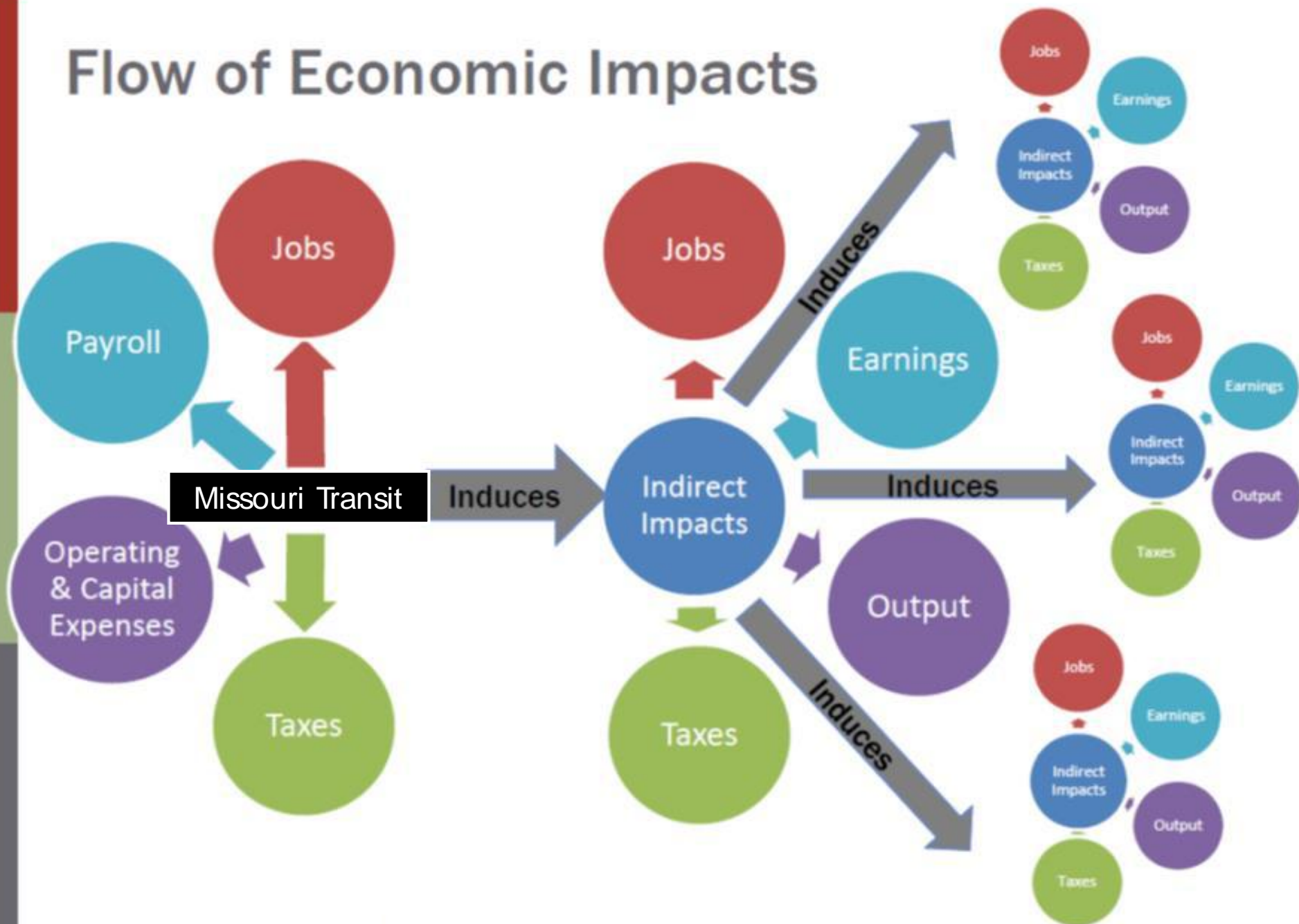
<https://oktransitassociation.com/>

1. Demonstrate Public Return on Investment
2. Demonstrate Effective Use and Management of Public Resources
3. Attract and Retain Sponsors and Funders
4. Set Baseline for Capital Campaign
5. Reveal Marketing and Services Improvement Opportunities
6. Benchmark Year-to-Year Success and Growth
7. Support Legislative and Policy Initiatives





# Flow of Economic Impacts



# Process

- Conducted Survey to Obtain “Inputs”
  - 19 respondents (MPTA members)
  - Capital, operations, & labor expenses for 5 years (used average)
  - Annual rides, out-of-pocket cost to ride
- Out-of-Pocket Cost Savings to Ride Transit
  - Ability to spend more *because of* transit ride
- Obtained RIMS-II Multipliers from U.S. Bureau of Economic Analysis
- Multiplied Inputs to Obtain “Outputs”
  - Statewide economic activity triggered by transit
  - Statewide increases in household earnings
  - Statewide increases in jobs
  - State government revenues

St. Louis Area Transit Repondents:  
Metro, St. Clair County, and OATS

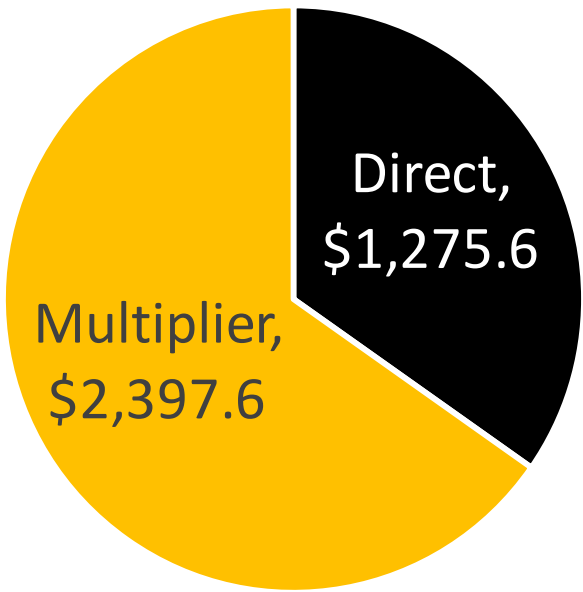
# Survey Respondents





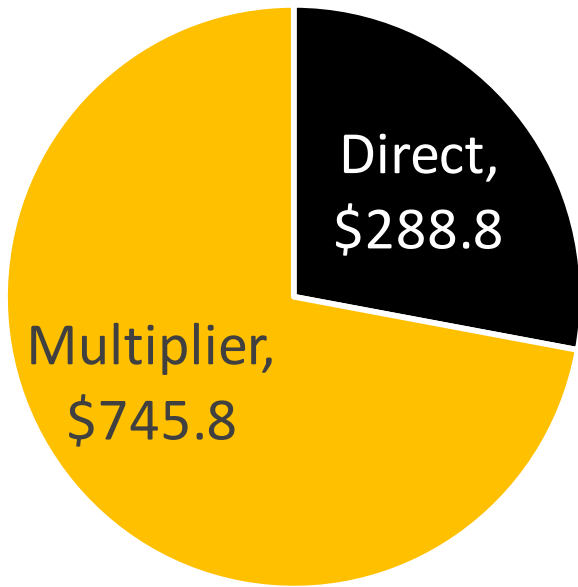
# Missouri Direct & Indirect Impacts from Transit

Output (millions)

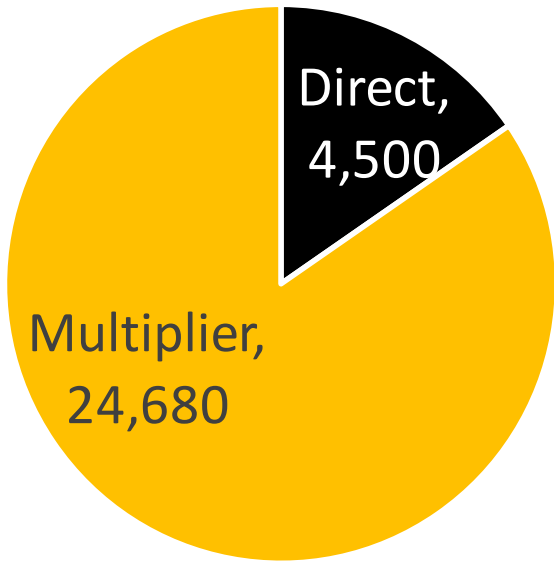


Blended Multiplier  
1.88

Earnings (millions)

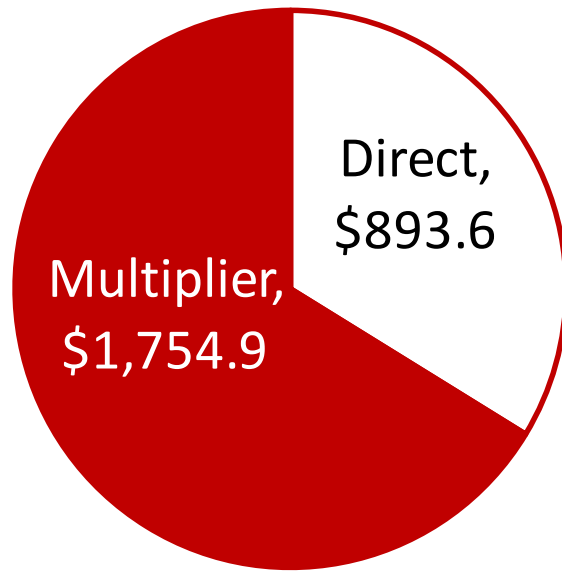


Jobs



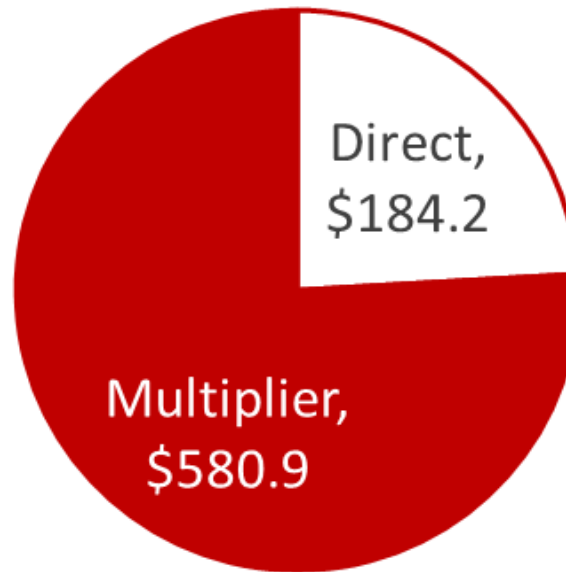
# St. Louis Direct & Indirect Impacts from Transit

Output (millions)

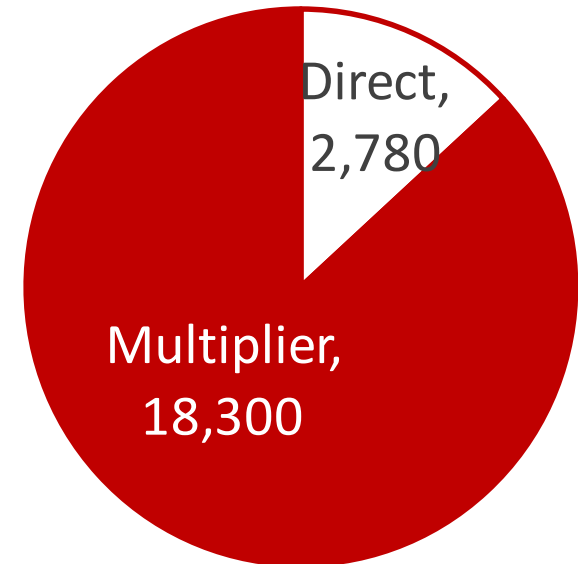


Blended Multiplier  
1.96

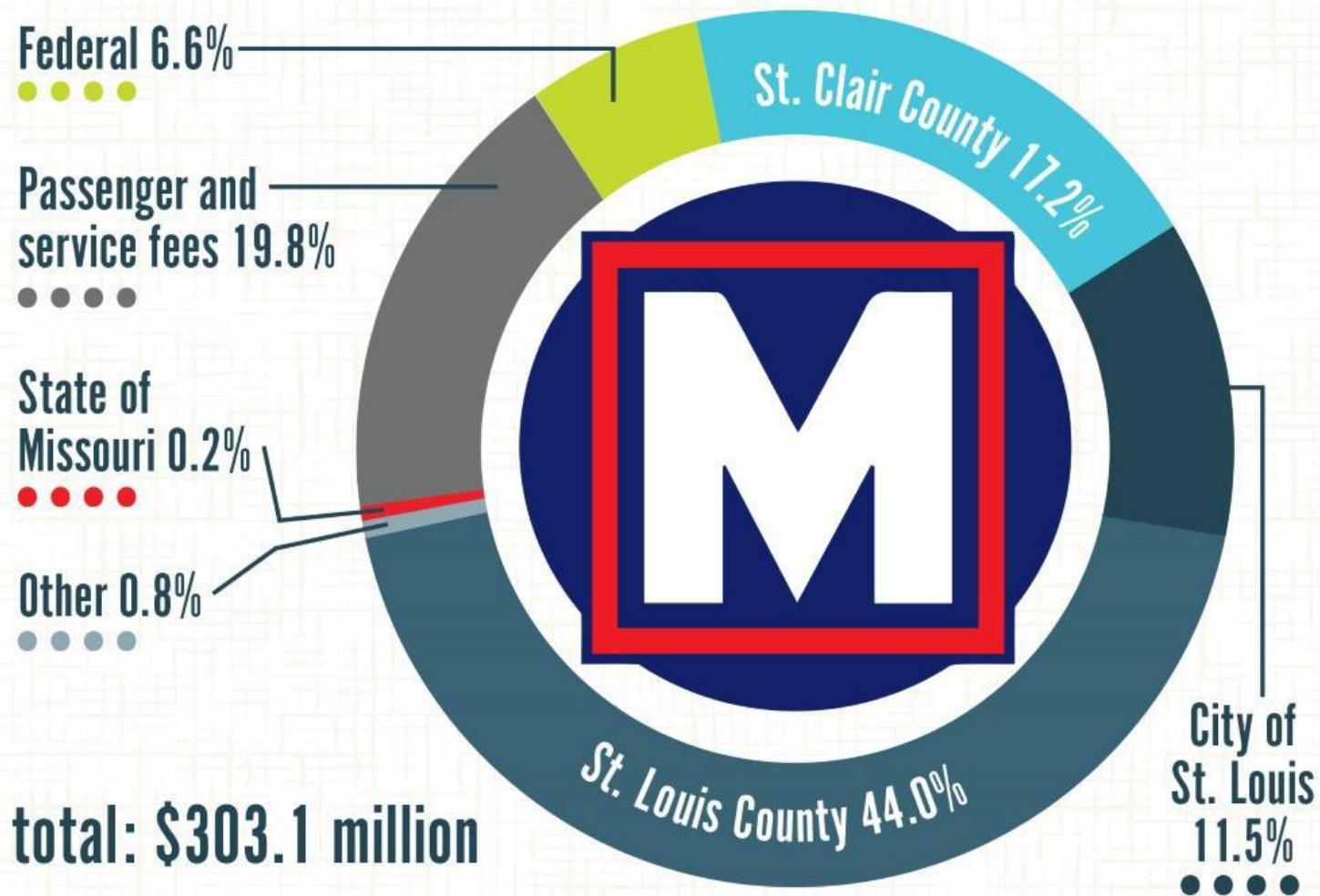
Earnings (millions)



Jobs



# Metro Transit's Operations Funding FY2017



# Missouri State Tax Collections (2019 Dollars)

Individual Income Tax

\$27,767,000

+

Corporate Income Tax

\$1,333,000

+

State Sales Taxes

\$13,775,000

+

All Other Taxes

\$5,967,000

Total State  
Taxes  
(Annual)

\$48,802,000

Missouri Annual Investment  
in Transit: \$1.75 million  
Rate of Return: 27.9-to-1



# Missouri State Tax Collections (from St. Louis Area)

Individual Income Tax

\$16,788,000

+

Corporate Income Tax

\$849,000

+

State Sales Taxes

\$8,304,000

+

All Other Taxes

\$3,614,000

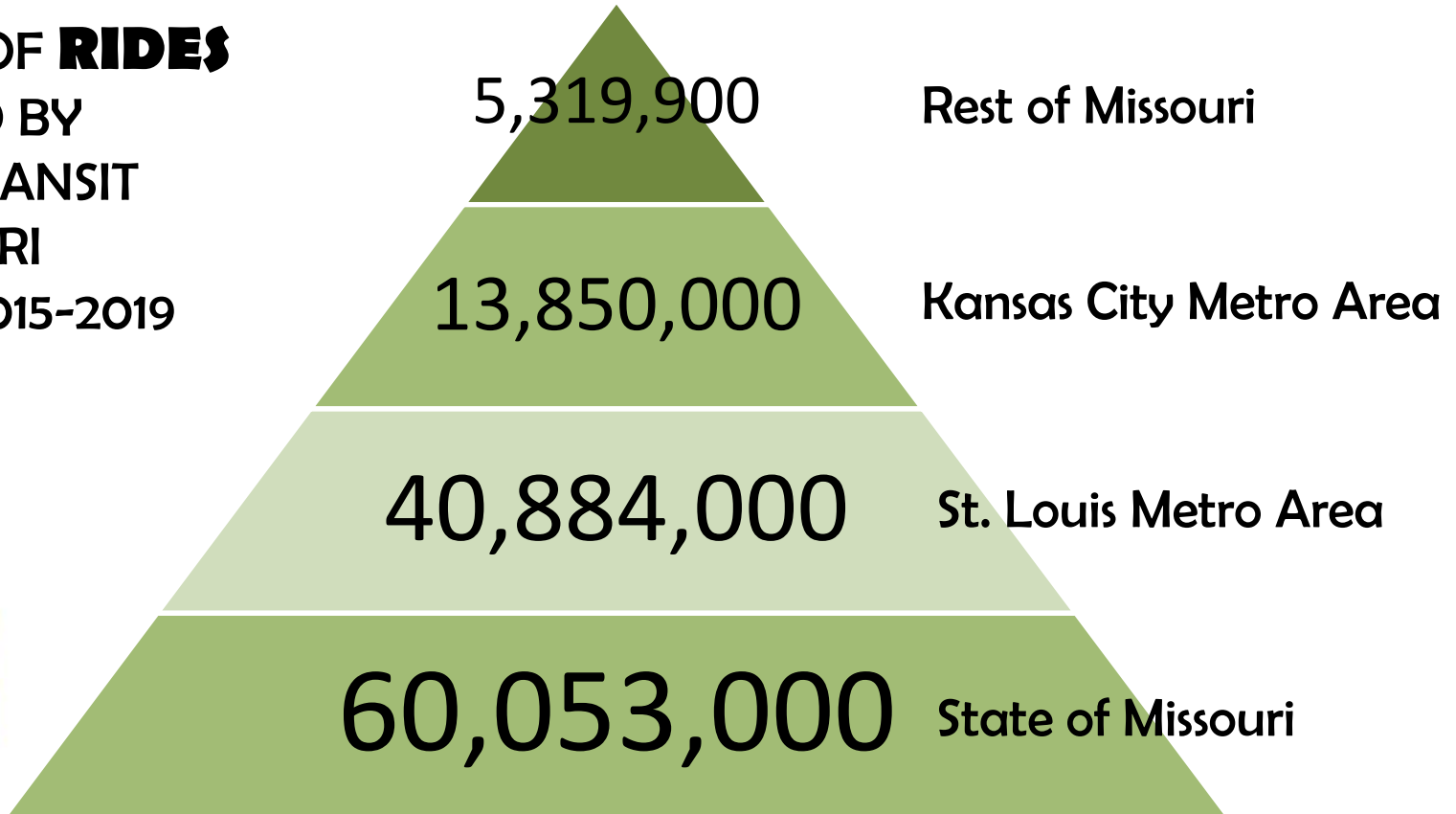
Total State  
Taxes  
(Annual)

\$29,255,000

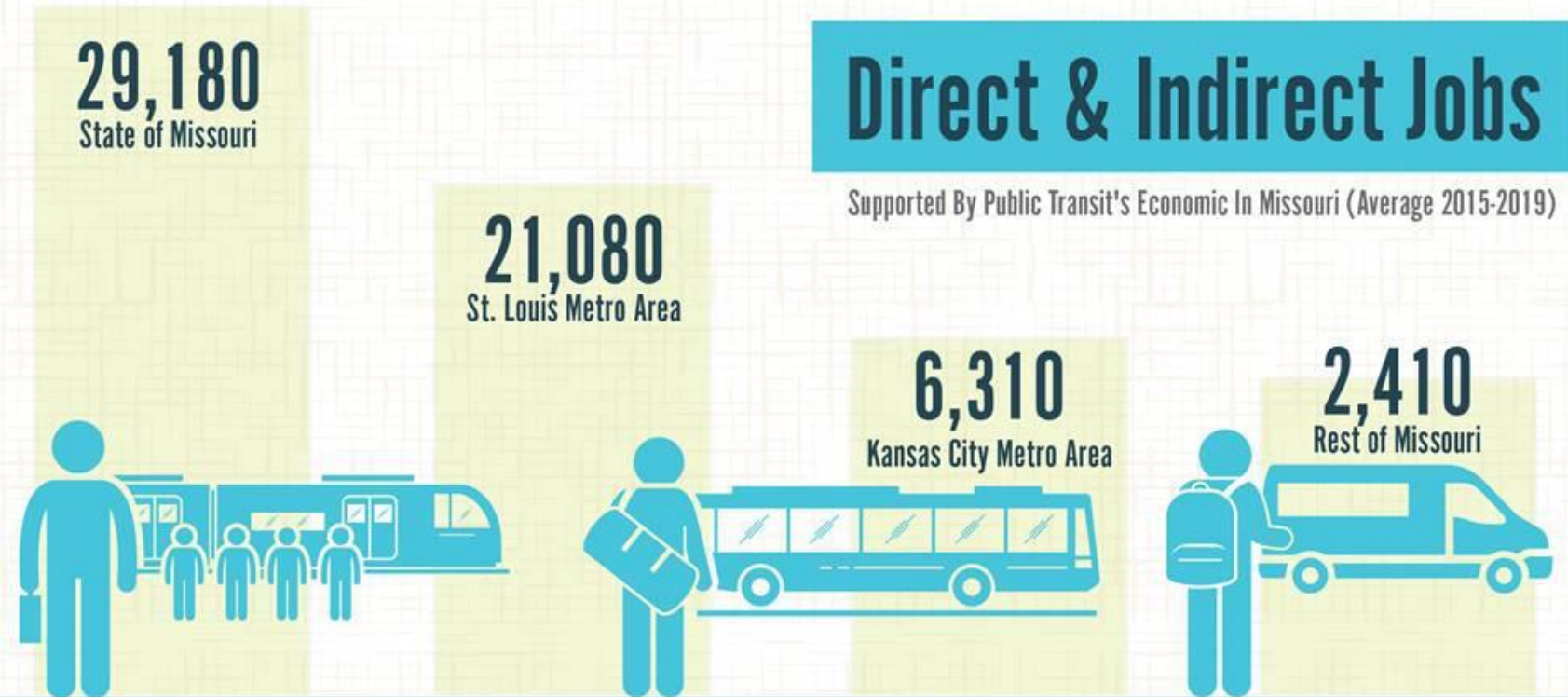


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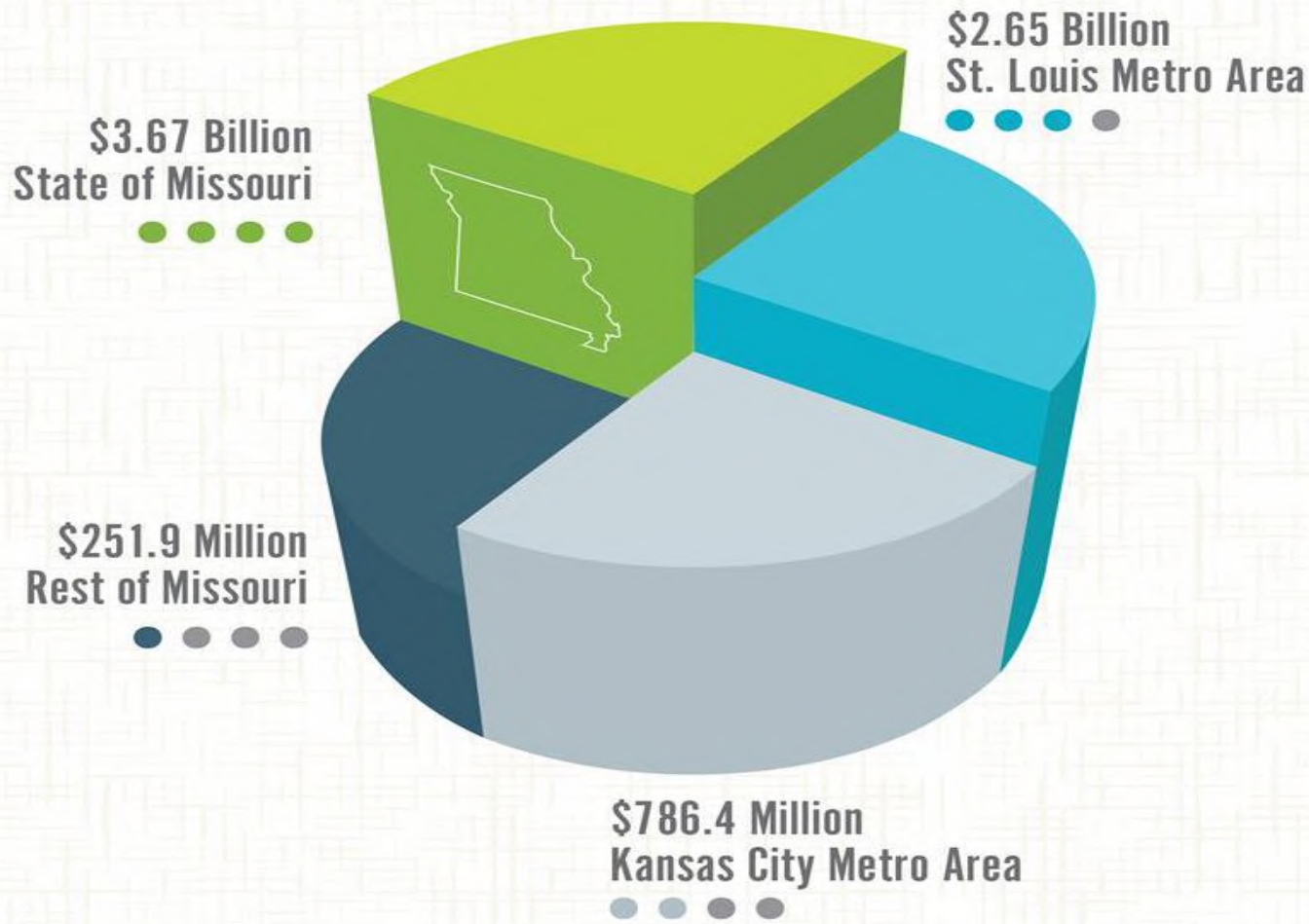


# The Findings: Distribution of Jobs



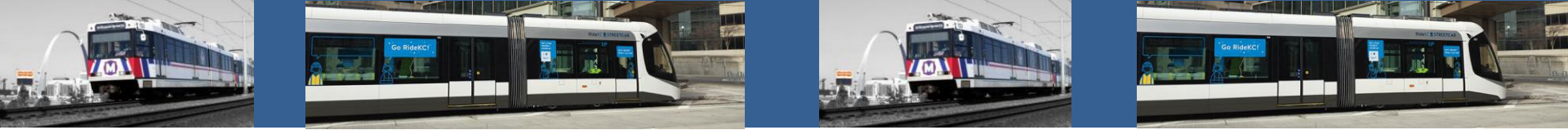
# The Findings: Overall Economic Impact

Supported By Public Transit's Annual Operations (2019 Dollars)



●●●● Almost 1.2% of Missouri's Gross State Product in 2018 (Source U.S. Bureau of Economic Analysis)





“Transportation is kind of like electricity and water. You don’t think about it until it’s not there. Then you think about it a lot.”

Southeast Missouri Transportation Service (<http://ridesmts.org/>)

