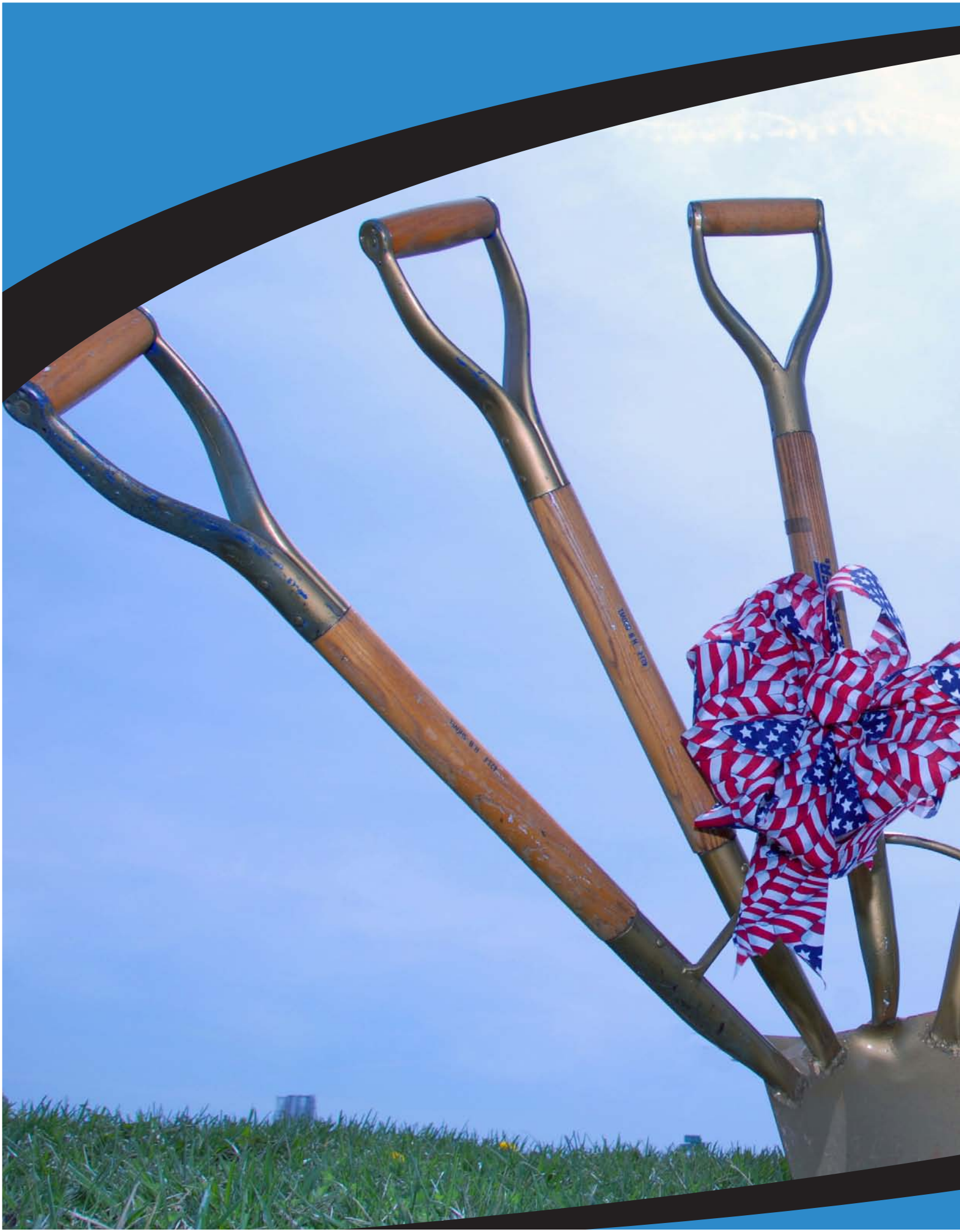


Advance Economic Development

Tangible Result Driver – Roberta Broeker, Chief Financial Officer

Transportation is essential to Missouri's economic well-being. It plays a critical role in creating jobs and stimulating lasting growth for Missouri. In addition, focusing on ways to advance economic development helps MoDOT achieve its mission of promoting a prosperous Missouri.

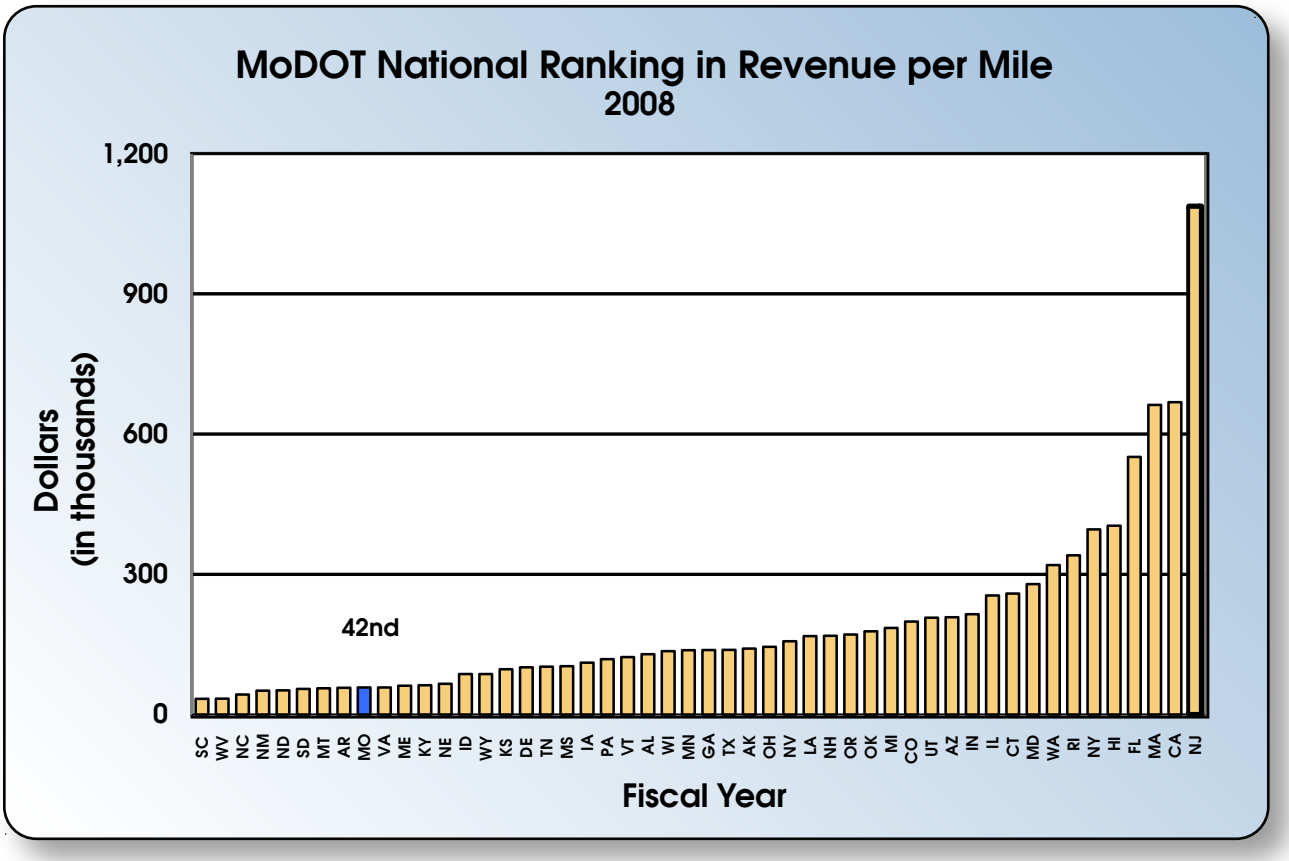
MoDOT national ranking in revenue per mile-7a

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Ben Reeser, Financial Resource Administrator

Purpose of the Measure:
The measure shows Missouri's national ranking in the amount of revenue per mile that is available to spend on the state highway system.

Measurement and Data Collection:
Revenue is the total receipts less bond proceeds as reported in the Federal Highway Administration's 2008 annual highway statistics report entitled "Revenues Used By States For State-Administered Highways." The mileage is the state highway agency miles as reported in the Federal Highway Administration's 2008 annual highway statistics report entitled "State Highway Agency-Owned Public Roads." Resource Management collects this information from the Federal Highway Administration. This measure is updated as the data becomes available from the Federal Highway Administration.

Improvement Status:
Missouri's revenue per mile of $57,843 currently ranks 42nd in the nation. Missouri has a very large state highway system, consisting of 33,677 miles, which is the seventh largest system in the nation. New Jersey's revenue per mile of $1,087,618 ranks first. However, its state highway system contains only 2,324 miles. MoDOT staff continues to communicate the need for additional transportation funding to the public. Missouri's transportation needs greatly exceed current available funding.



Economic return from transportation investment-7b

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Ben Reeser, Financial Resource Administrator

Purpose of the Measure:

This measure tracks the economic impact resulting from the state's transportation investments. Economists have found that transportation investments affect employment and economic output.

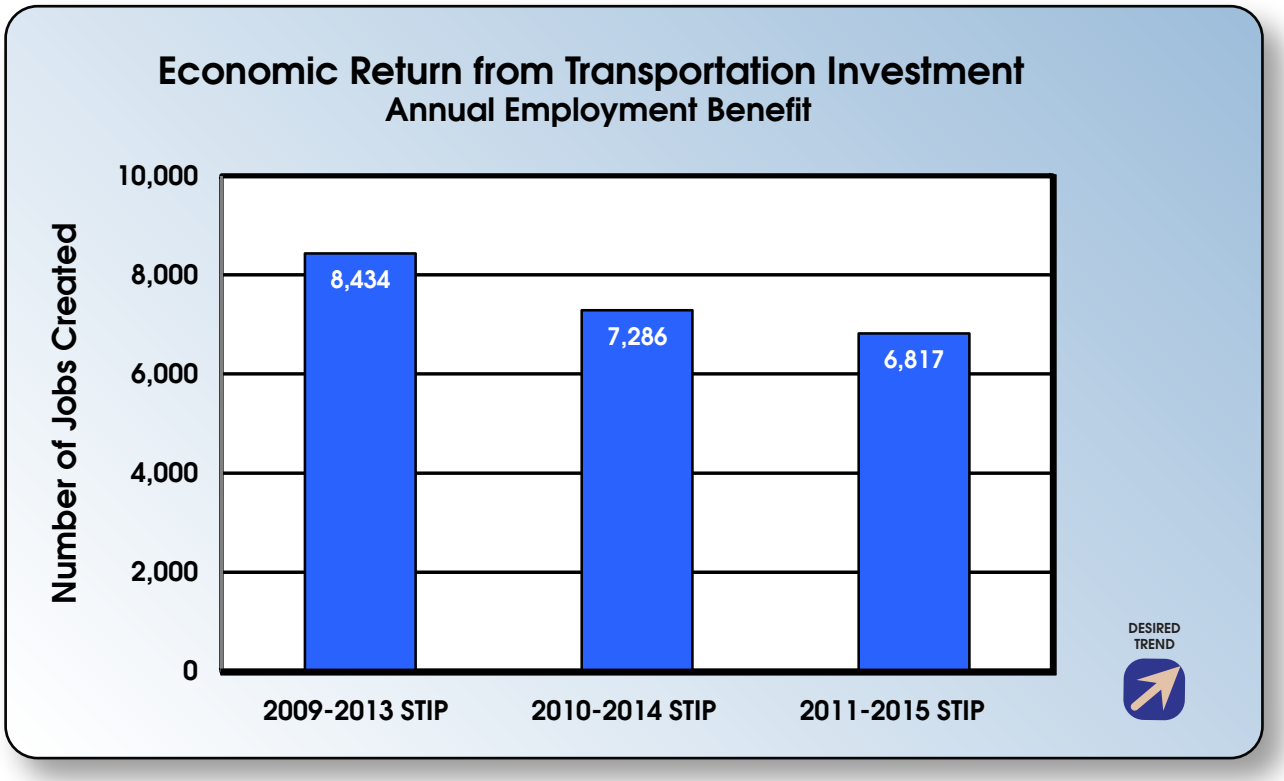
Measurement and Data Collection:

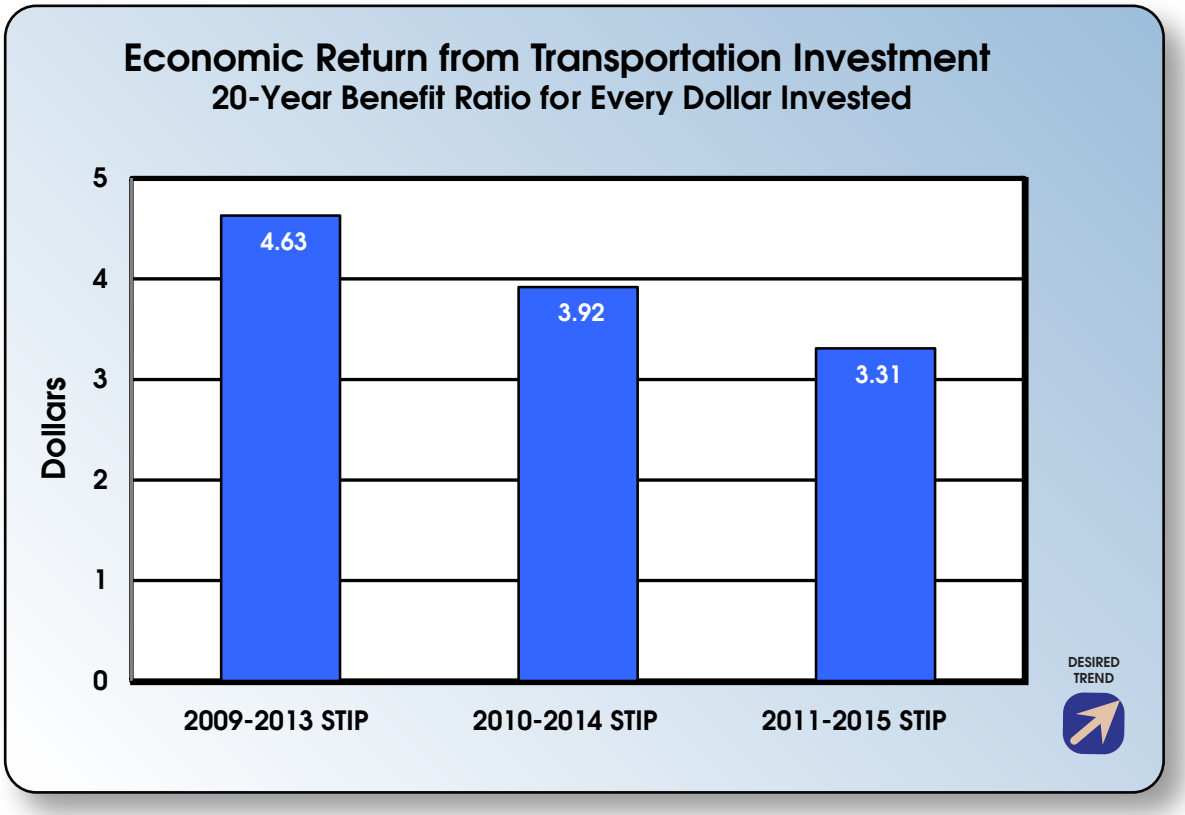
MoDOT works with the Department of Economic Development (DED) to perform economic impact analyses for the state's transportation investments. The analyses are performed using a model called the Regional Economic Modeling, Inc. (REMI). Through these efforts, the department can provide state and regional estimates to demonstrate economic benefits related to specific projects, corridors and program expenditures. This annual measure is updated each October.

Improvement Status:

The REMI model results demonstrate the strong link between transportation investment and economic development. An analysis of the Statewide Transportation Improvement Program (STIP) provides a summary of economic benefits related to transportation investments over the next 20 years. The 2011-2015 STIP will invest approximately $4 billion into highway and bridge projects across the state. On average, these STIP investments will create approximately 6,817 new jobs with an average wage of $30,785 per job. The 2011-2015 STIP projects will contribute $636 million of economic output for the state per year totaling $12.7 billion over the next 20 years. This equates to a $3.31 return on every $1 invested in transportation.

The 2011-2015 STIP has a lower economic return compared to previous STIPs due to decreased transportation investments and transitioning from large, major corridor improvement projects, to smaller, taking care of the existing highway system projects. MoDOT continues to work with DED to conduct economic impact analyses for the various transportation investments throughout the state. Additional studies can be found online http://www.modot.mo.gov/newsandinfo/EconomicImpactAnalysis.htm.




Economic Return from Transportation Investment
20-Year Benefit Ratio for Every Dollar Invested
Dollars
5
4
3
2
1
0
4.63
3.92
3.31
2009-2013 STIP
2010-2014 STIP
2011-2015 STIP
DESIRED TREND

KOMATSU
DEERE

Impacts of job creation for selected industries-7c

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Brenda Morris, Resource Management Director

Purpose of the Measure:

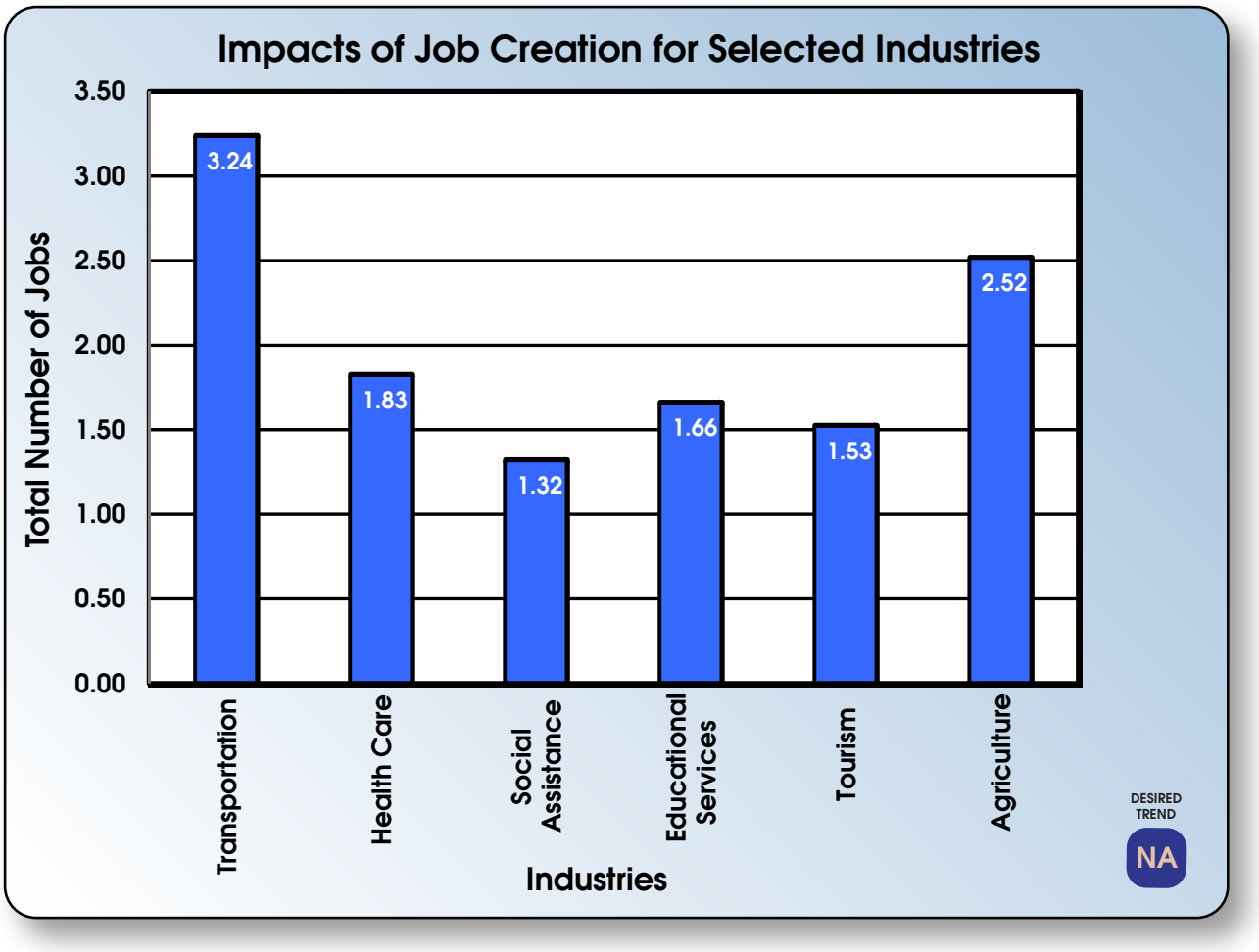
The measure tracks the impacts of job creation for selected industries.

Measurement and Data Collection:

The tool for estimating impacts of job creation for selected industries is the regional input-output model (RIMS II), which is produced every five years and updated annually by the Bureau of Economic Analysis, a division of U.S. Department of Commerce. The input-output model produces multipliers that can be used to estimate the economic impacts of changes on employment for the Missouri region. Multipliers for a given region are influenced by the economic structure as well as price levels. The regional economic multipliers are widely used by both the public and private sectors to study economic impacts.

Improvement Status:

The multiplier for transportation employment is 3.24, which indicates that every new transportation job will create an additional 2.24 jobs (a total impact of 3.24 jobs) throughout Missouri's economy. For example, when Missouri increases its investment into transportation and as a consequence the transportation industry adds 100 jobs, there will be an additional 224 jobs created (a total impact of 324 jobs). The latest data shows transportation investments create more jobs than investments in educational services, health care, social assistance and tourism.



Percent of public support by transportation funding source-7d

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Brenda Morris, Resource Management Director

Purpose of the Measure:

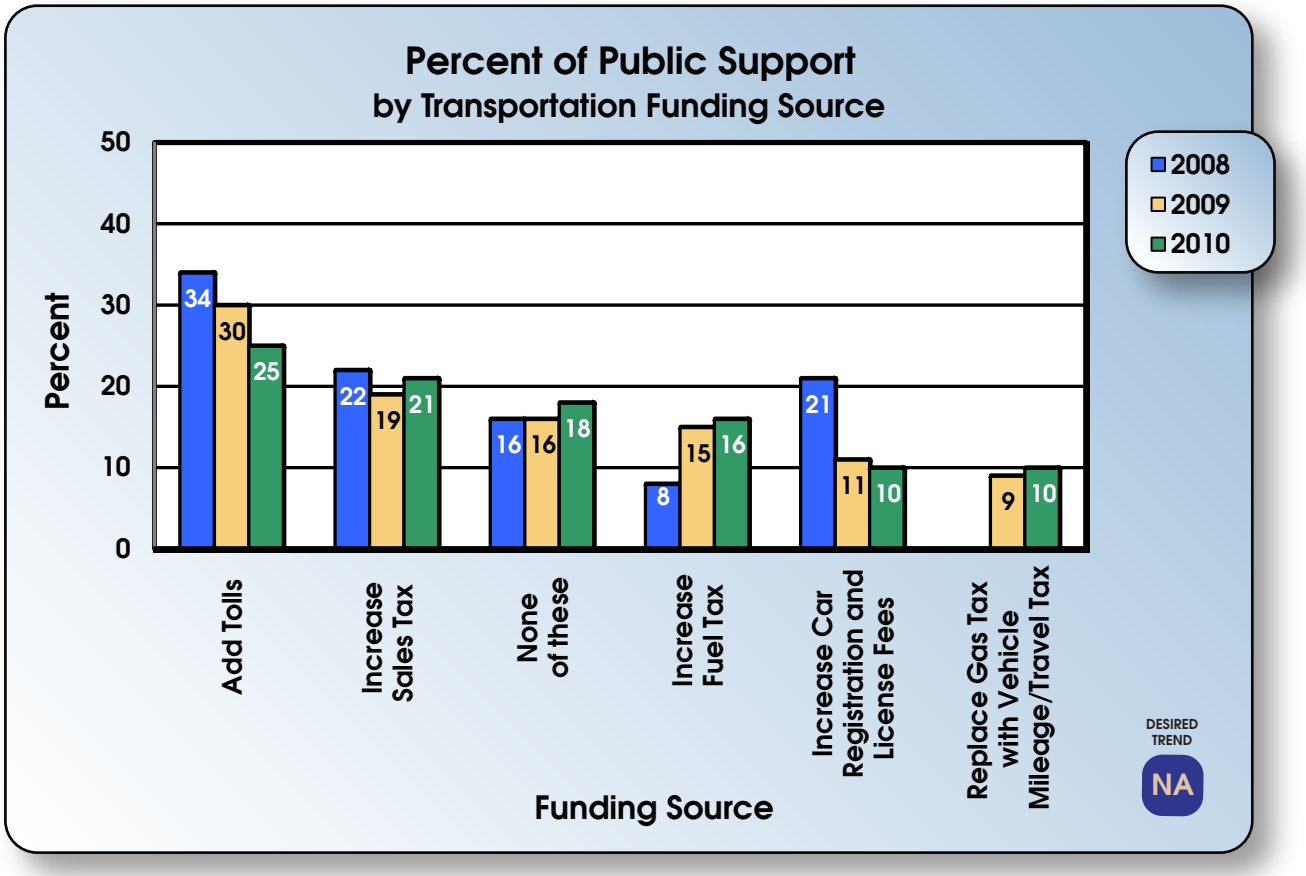
This measure tracks the public's preference in transportation funding sources.

Measurement and Data Collection:

MoDOT asks Missourians through an annual customer satisfaction survey, "If it was determined that the state needs to increase revenues to adequately fund Missouri state highways and roads, which one of the following methods would be most acceptable to you?". In 2009, the revenue source option of replacing the gas tax with vehicle mileage/travel tax was added to the survey. The 2010 survey contained the same questions asked in the 2009 survey. This is an annual measure updated in July.

Improvement Status:

The survey reveals the public prefers an increase in transportation funding from tolls or sales tax. For the past three years both tolls and an increase in sales tax have come in first and second, respectively. In 2008 and 2009, 16 percent of citizens polled did not support any of the funding sources and that number increased to 18 percent in 2010.



Number of jobs and businesses in freight industry-7e

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Ernie Perry, Administrator of Freight Development

Purpose of the Measure:

This measure tracks the number of jobs and businesses that are classified within the freight transportation industry. The data reflects the expansion or contraction of jobs and businesses as freight development and the associated employment continues in the state.

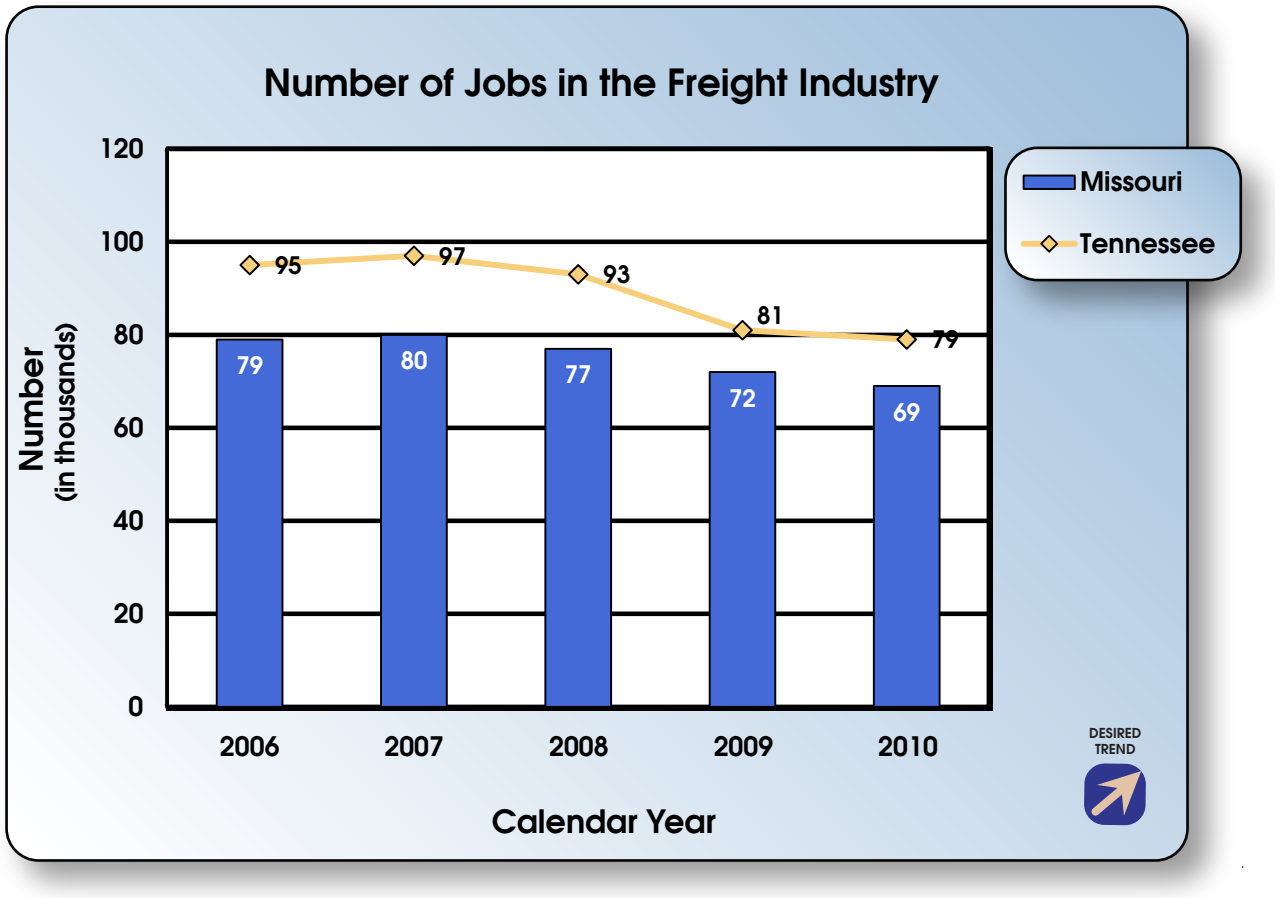
Measurement and Data Collection:

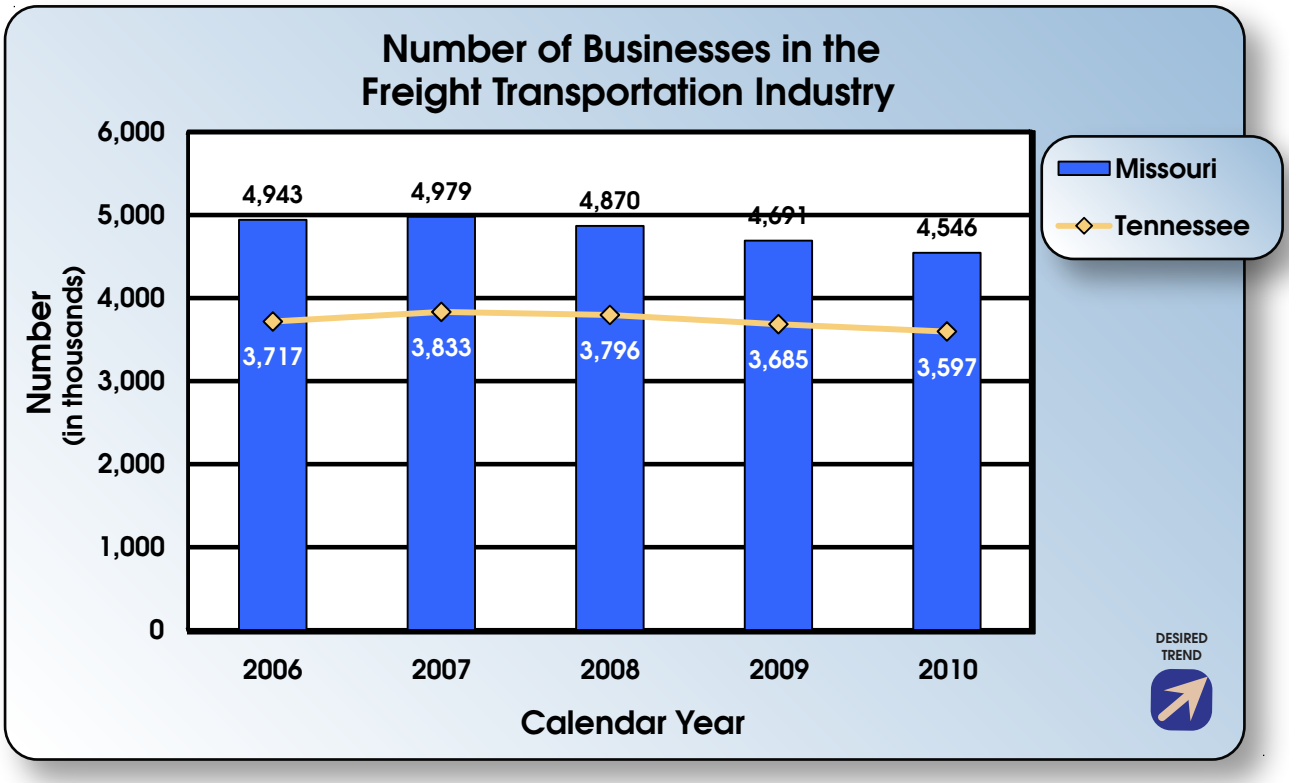
This measure is extracted from quarterly employment data collected by the US Department of Labor and managed and provided by the Missouri Department of Economic Development. Employment and businesses that fall within the freight business cluster include the employment classifications of: scheduled and non scheduled air freight, line and short haul railroads, inland water freight transportation, freight trucking – local and long distance, Less-Than-Truckload (LTL) trucking, specialized freight, heavy duty truck manufacturing, metal container manufacturing, truck trailer manufacturing, railroad rolling stock, ship building and warehousing. These businesses combined form the Freight Transportation Industry cluster.

This data is updated in April and October of each year. Data from 2008 to present has been updated based on changes in rail industry data.

Improvement Status:

A decrease in employment and business numbers continues and reflects the downturn in the economy in late 2007. As the economy re-establishes, the number of jobs and businesses in the freight industry can be expected to increase, to service the growing economy.





Freight Development Unit –to encourage freight development that results in a more prosperous Missouri.

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