

TE Corner



THE NATIONAL TRANSPORTATION ENHANCEMENTS CLEARINGHOUSE NEWSLETTER
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Bringing the Message of TE to Washington

This Issue of TE Corner shares three recent presentations in our nation's capital about the economic importance of TE investments in local communities. On April 11th, 2011, Rep. Earl Blumenauer (D-OR) and Sen Jeff Merkley (D-OR) sponsored House and Senate briefings on *Making the Most of Federal Transportation Dollars: the Economic Benefits of Walking and Bicycling* (organized by [Rails-to-Trails Conservancy](#)). Speakers from Carmel, IN and Billings, MT articulated the impact of TE investment in their communities. The March 8-10 National Bike Summit, organized by [the League of American Bicyclists](#), drew hundreds of advocates and professionals from around the country to make their voice heard in Washington, DC. A small business owner from Hattiesburg, MS shared the story of how new transportation enhancements in his area transformed his business and the local economy. These three stories illustrate the individual and cumulative impact of TE projects in diverse communities around the country. Enjoy!

Billings: Montana's Trailhead

John Brewer, Billings Chamber of Commerce

Billings is located in south central Montana in Yellowstone County. Located within driving distance of Yellowstone National Park, Custer National Forest, and a multitude of other outdoor activities, Billings is a great place to explore. But Billings is more. As "Montana's Trailhead" it is also a great place to raise a family, launch a successful business, or grow an existing business to new levels.

John Brewer, CEO of Montana's largest [Chamber of Commerce](#) which represents more than 1,100 local businesses, spoke about the keys to creating a successful community. Entrepreneurs and creative workers alike seek locations with a high quality of life. Transpor-

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BILLINGS, MONTANA IS RANKED:

- > #1 small city to launch a business (Fortune Magazine 2009)
- > 3rd best place to raise a family (Nest Life Magazine)
- > #46 for best 2011 business tax climate (The Tax Foundation 2010)
- > 1 of 8 best cities for new careers (Where to Retire Magazine 2009)
- > Located near Yellowstone National Park, Little Bighorn Battlefield, site of Custer's Last Stand

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An ad featured in Delta Sky Magazine

tation is a huge part of the equation, including bicycle trails, safe routes for pedestrians, and creating a safe network of connections. Focusing on the unique competitive advantage provided by their geography, Billings has a 95-person Trails Committee focused on developing, sustaining, and educating citizens about trails. According to John Brewer this group is made up of members throughout the community who recognize that trails are no longer amenities, "they are essential infrastructure for business recruitment."

Since most jobs are tied to a particular place, Brewer explained employees expect to live and work in a city with a high quality

of life. This is exactly what helped U.S. Senator Max Baucus (D-MT) convince GE Capital to relocate to Billings. Brewer said, “Where quality of life was a ‘nice to have’ in business expansion and relocation decisions years ago, it is now one of the driving factors because young professionals demand it.” It is difficult to attract and retain a quality workforce with the right skills without a good quality of life. GE Capital now employs 400 Billings residents who enjoy the quality of life in Billings. Brewer noted that “one in four businesses in Montana was started after the owner visited Montana as a tourist.”

In addition to attracting businesses, trails help to maintain a healthy and productive workforce. Brewer mentioned a [2010 Yellowstone County Community Health Assessment](#) in which 59% of county workers sat for a majority of their day or performed little to no physical activity. Trails are a necessary tool for improving the health of citizens. Healthier workers are less likely to be absent or incur high health care costs. The Yellowstone County survey found that “there are not enough open outdoor spaces for physical activity—keep in mind this is in Montana—and the current paths can be dangerous, especially for those attempting to ride their bike to work.” Without the safe and accessible options of commuting to work, employees forgo healthy commuting options and are subject to the volatility of gasoline prices.

An employer interviewed in the Yellowstone County survey said, “...when I think of a healthy community, I think of better bike and walking paths and things like that. I’m not a big biker but I hear bikers are afraid to go out on their bikes because they know of someone who has been hit. There might be one main route, but it’s not a great one.” To address this infrastructure gap, Billings has matched \$7.8 million in Transportation Enhancements grants with \$4 million in local funds. These funds have gone towards design and construction of new hard surfaced paths, updated sidewalks,

bridges and underpasses, pedestrian shelters, and several other enhancements.

Brewer cited a 2009 Community Needs Assessment survey which showed that 82% of Billings residents believe multi-use trails are important. Brewer concluded by saying, “Federally-funded investment in our nonmotorized transportation system sparks private investment in trail projects, which lures companies, increases residential quality of life, and retains a qualified workforce.”

Carmel, IN: Edge City

Ron Carter, Carmel City Council

Ron Carter has a good understanding of transportation. Presently running as a Republican for a fifth term on the [Carmel City Council](#), he was previously the Executive Director for the Greenways Foundation of Indianapolis. Prior to that he was National Sales Manager for the maps division of Rand McNally. This experience is helping him to put Carmel on the map.

Carmel is a small town of around 8,000 located just north of Indianapolis. During Carter’s first year as a City Council member, the Mayor passed out Joel Garreau’s landmark 1992 book *Edge City*. The message of the book was clear to city leaders: Carmel could become a city in its own right if it developed amenities which would “make it a great place to live, work, raise a family, a great place to attract business.” Carter went on to explain that in a state with no mountains or oceans, Carmel needed to differentiate itself in order to draw new businesses, residents, and tourists. Carmel needed to be “a community where people want to live.”

With the help of Transportation Enhancements funds, Carmel and Hamilton County were able to develop the historic Monon Railroad into the [Monon Greenway](#). The railroad was a critical connection between Indianapolis and Chicago. With its conversion into a rail-trail, it now provides a valuable link for pedestrians and bicyclists be-



The Carmel Arts and Design District in downtown Carmel

tween Indianapolis and the suburbs.

Ron Carter spoke about the ability of transportation arteries to carry commerce. Railroads, roads, and canals have all helped to carry commerce, and Carter said, “the cargo that people carry now, when connected, is a piece of plastic in their left rear pocket.” He went on to say that many communities have little chance of attracting major industries back to their cities, but if they develop trails or greenways, “they can come back to the economic mainstream again because they’ve got a transportation artery now running by them.” This allows them to enhance their tourism industry or to attract new industries.

Transportation Enhancements have had significant benefits to the economy of Carmel. Carter spoke of this impact as he showed a group from Cary, North Carolina interested in Carmel’s downtown redevelopment efforts. They wanted to know if the efforts were paying off. Carter replied, “How many other communities do you go to where you see six cranes working right now? Six cranes in a community of 8,000 people? That’s what we’ve had going for the past three years!”

Carter is proud of the development in his community, and cognizant of the root of it. In his words, “half a billion dollars have been invested within six blocks of the Monon Greenway on either side.”

A brand new [Center for the Performing Arts](#) was recently completed and includes a 1,600 person concert hall, a studio theatre, and a theatrical stage. The center was located adjacent to the Monon Greenway because of its ability to bring people to together. In addition to the Center for Performing Arts, a 1,000 car parking garage, apartments, office space, and retail stores were built alongside the trail with plans to construct a 125-room luxury hotel and more office space. More office space is needed because the existing space filled so quickly. For example, Software Engineering Professionals relocated adjacent to the Monon because it is such an important amenity for

their employees. This is exactly what Carmel city officials desired when they began planning for the Monon.

TE funding covered 60% of the project costs for the Monon Trail in Marion and Hamilton counties. In Carmel, \$6.7 million in Transportation Enhancements funds were matched by \$4.6 million in local funds. These costs include acquisition of the abandoned Monon rail as well as the design and construction of the trail.

Carter ended his speech by highlighting the importance of Transportation Enhancements funding. He said, “As I look at what this has done for our community, one of the things that has been very important for us is the fact that we have been able to get grants through the TE program to help with the work we have done. And it has been very, very helpful. There are things that we would have not been able to do in the way of building the trail system we have as quickly as possible if it hadn’t been for the federal grants that were available.”



2010: Housing construction near the Monon Greenway

Longleaf Trace: Good Business

James Moore, Moore’s Bicycle Shop

One of the attendees of the 2011 National Bike Summit was James Moore, owner and CEO of [Moore’s Bicycle Shop](#) in Hattiesburg, MS. He shared the economic impact of federal investment on his shop with legislators during the summit. The League of American Bicyclists featured his remarks on their [blog](#) following the event.

The [Longleaf Trace](#) is a 40 mile rail-trail which stretches from Prentiss to Hattiesburg, MS with several towns along the way. The trail opened in 2000 with the help of two Transportation Enhancement grants. These grants not only helped to expand recreational and commuter activities for local citizens but also created new business opportunities. James Moore, owner and CEO of Moore’s Bicycle Shop can certainly attest to this. He opened his business in 1984 and operated the shop on his own, occasion-

ally with the help of a part-time employee. To say that the Longleaf Trace has helped his shop would be an understatement.

For years Moore hired one part-time employee to help run the business. The trail allowed him to expand payroll to include two full-time employees and three to four part-time employees. These part-time jobs provided a great opportunity for local college students at Southern Mississippi University to work while attending school. Moore's Bicycle Shop has employed over 30 college students since 2000.

Soon after the Longleaf Trace opened, the 1,400 square foot store Moore originally operated was inadequate to meet the demands of his customers. As a result, Moore purchased and renovated a vacant structure into a 4,500 square foot showroom with a 2,000 square foot warehouse. Additionally nine adjacent overgrown lots were cleaned up and now function as a test riding area for customers.

For Moore's Bicycle Shop increased business meant new jobs and opportunities which helped to generate additional tax revenue for state and local governments. Moore estimates that the extra business from the Longleaf Trace helped to generate \$175,000 in sales taxes with \$31,500

(18%) going to the city of Hattiesburg over a ten year period. On a larger plot of land, with a newly constructed shop, over \$6,000 more in property taxes are generated annually. Add to this the increase in payroll taxes and Transportation Enhancement funds have generated over \$750,000 in additional taxes from Moore's business alone.



The economic expansion of Moore's business enabled by the Longleaf Trace was not restricted to his business alone. Local restaurants, gas stations, hotels, bed & breakfasts, and many other businesses experienced the benefits of ecotourism. In addition to the higher property taxes Moore paid property values increased along the trail because of their proximity to such a desirable amenity.

The Longleaf Trace is just one piece of a group of revitalization efforts in downtown Hattiesburg, including art galleries, music venues, and restaurants. While housing is a missing element, residential and student housing are planned for the downtown area, as well as an extension of the Longleaf Trace to connect to campus of Southern Mississippi University. Access between downtown and the campus will mean students can easily commute to class or downtown for entertainment.

What's Your Story?

NTEC is seeking impact assessments, evaluations, surveys, and studies of any kind measuring TE projects. The measures might be economic, health-related, trip/travel-related, or other!

Please contact us with your data and stories, no matter how big or small.



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