



U.S. Department of Transportation
Federal Transit Administration



TIGER II Urban Circulator Impact Assessment

Background

Through the Transportation Investment Generating Economic Recovery (TIGER) grant program, the United States Department of Transportation (USDOT) has invested substantial resources to fund streetcar projects in major urban areas. The TIGER grant program awarded about 6% of the \$5.1 billion grant funds to streetcar projects.

A review of grant applications shows that the evaluation criteria and final selection of the projects considered short- and long-term economic development objectives. The belief is that shovel-ready projects can stimulate short-term job growth through construction multiplier effects, and long-term growth can be realized if new businesses locate in proximity to streetcar stations or if existing businesses increase their gross sales and employment levels.

Streetcar and urban circulator projects funded through TIGER grants and other USDOT programs provide a unique opportunity to assess the impact of streetcar systems on the built environment, the impact on economic development, and policies that lead to and result from projects of this type.

Objective

The objective of this study was to determine whether federal investments in urban circulator projects have a significant impact in creating, supporting, or preserving jobs, spurring local business growth, and increasing transportation accessibility among certain households. The urban circulator projects studied include the Cincinnati Bell Connector, Charlotte CityLYNX Gold Line, Sun Link Tucson Streetcar, Atlanta Streetcar, and Salt Lake Sugar House Streetcar. The results of this research will serve to inform policymakers about the extent to which streetcar investments support USDOT strategic goals.

This objective is achieved via thorough documentation of each selected case study and a research design that allows assessing and measuring impacts consistently across a selected number of case studies.

Findings and Conclusions

The analysis reveals that streetcar investments have a positive impact on residential, commercial, and vacant properties.

The study relied on the complex fusion of multiple layers of data covering the period 2007–2016 to assess the impact of streetcars through planning, construction and opening. For some of the systems, this timeframe covers 1–2 years of operation.

The analysis reveals that streetcar investments have a positive impact on residential, commercial, and vacant properties. The magnitude of impacts is not equally distributed across the five systems and project phases (planning, construction, and operation). Panel data models on establishment and employment growth confirm the hypothesis that streetcars can be a catalyst for economic development. The impact on establishment and employment growth is greater at project announcement and during construction, with decreasing but lingering effects at opening and during operation. The accessibility analysis reveals that streetcars do not inherently result in marked gains to households and workers, especially if the study area is currently well-served by an extensive fixed-route bus system. Streetcars that integrate with a regional light rail or metro system provide minor added accessibility gains.

Benefits

To assist USDOT in understanding the medium- to long-term impacts of streetcars, this study focused on assessing the economic and development impacts of these systems. The belief was that shovel-ready projects could stimulate short-term job growth through construction multiplier effects, and long-term growth could be realized if new businesses located in proximity to streetcar stations or if existing businesses increased their gross sales and employment levels.

As the streetcar systems mature, continued data collection, monitoring, and analysis would ensure fully capturing the long-term benefits of streetcar investments. In addition, as streetcar operating data are collected (e.g., ridership and system reliability), the inclusion of these data in the empirical models could further refine the impact estimates and provide additional insight on the long-term impacts of these investments.

Project Information

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