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Pumping billions into the region

DART Rail Expansion Bolsters Economy

The region's long-term investment in the Dallas Area Rapid Transit (DART) Light Rail System has generated more than \$7.4 billion in regional economic impact, according to a new study of the agency's capital spending between 2003 and 2013.

The study examined \$4.7 billion invested thus far in the light rail system expansion, which includes the 28-mile Green Line from southeast Dallas to Farmers Branch and Carrollton, and the 14-mile Orange Line through Irving. Along the Blue Line, DART added a stop at Lake Highlands Station and a 4.5-mile extension from downtown Garland to Rowlett. At the peak of construction in 2010, DART was responsible for more than a quarter of all light rail construction in North America.

"Even through difficult economic times, DART has demonstrated its ability to boost the North Texas economy through its capital spending, daily operations, and attracting private investment," said Terry L. Clower, Ph.D., director of the Center for Economic Development and Research at the University of North Texas, which released the study.

Rail construction proves a good investment

In the 11-year period studied, the agency grew the light rail network from 44 miles and 34 stations to 85 miles and 61 stations. DART Rail reigns as the longest light rail system in the country.

"In the midst of a decade (2000 to 2010) when sales tax revenue remained essentially flat, DART moved ahead with a massive capital expansion that doubled the size of the DART Rail System," said DART President/Executive Director Gary Thomas.

The rapid growth resulted from considerable investment. The UNT study notes that DART's capital spending on light rail was almost \$5.63 billion, or \$4.7 billion in inflation-adjusted 2013 dollars. During that time, the expansion generated \$7.4 billion in regional economic activity, as measured in direct indirect and induced spending - a notable 157 percent return on investment.

Spillover spending and economic activity have generated \$236 million in revenue for state and local taxing jurisdictions from sales and use taxes, property taxes, fees

Within this period, the country plunged into a recession, particularly in 2008-09. DART was in the midst of construction of the Green Line, which opened in phases in September 2009 and December 2010. The agency's combined capital and operations spending in FY 2008 and FY 2009 provided a much-needed boost to the local economy and employment. DART generated nearly \$3.9 billion in economic activity that supported an average of 15,700 jobs each year of this two-year period.

for licenses and permits, and other government revenue.

Capital expansion continues through FY 2017

View the study:

Through Recession
and Recovery:
Economic and Fiscal
Impacts of Capital and
Operating Spending by
Dallas Area Rapid
Transit



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The DART Rail Blue Line extension to Downtown Rowlett Station opened December 3, 2012.

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In 2014, DART opens DFW Airport Station and a nearly five-mile extension of the Orange Line. By the end of 2016, the agency will extend the Blue Line south from Ledbetter Station to new stations at Camp Wisdom Road and the University of North Texas at Dallas, adding almost three miles to the system. When complete, the light rail network will comprise 64 stations and 93 miles of track.

To encompass these projects, the researchers extended the analysis time line to include future capital spending through FY 2017. They concluded that DART's capital improvement program will total more than \$5.6 billion, expressed in 2013 inflation-adjusted dollars.

The rail expansion ultimately will boost regional economic activity by almost \$8.8 billion, increase labor income by \$3.9 billion, and support more than 63,700 person-years of employment - an average of about 4,250 jobs per year for 15 years. Total state and local government revenues associated with this spending will approach \$281 million.

Expanded operations increase fiscal impact

With the capital campaign nearly complete, DART's light rail operations have expanded greatly. More than 700 employees were added to the agency payroll between 2003 and 2013.

From FY 2003 through FY 2013, DART's recurring day-to-day operations of the system generated almost \$7.4 billion in economic activity, supporting more than 70,000 person-years of employment and boosting regional labor income by \$4.7 billion. Total tax revenues paid to state and local entities over this period exceeded \$305 million.

In FY 2013 alone, DART's recurring operational spending exceeded \$490 million. Operating the DART System generated almost \$750 million in annual regional economic activity and supported more than 7,100 direct, indirect and induced jobs. Total regional labor income from DART's operations is now nearly \$492 million annually, and local and state government entities will receive more than \$31 million in recurring annual revenue from DART-related operational activities.



DART's new Compressed Natural Gas (CNG) buses began arriving in 2013.

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DART's economic impact reports are available at DART.org/EconomicDevelopment.