Florida Department of Transportation Research

A Synthesis of Economic Impact Assessment of Transit Services

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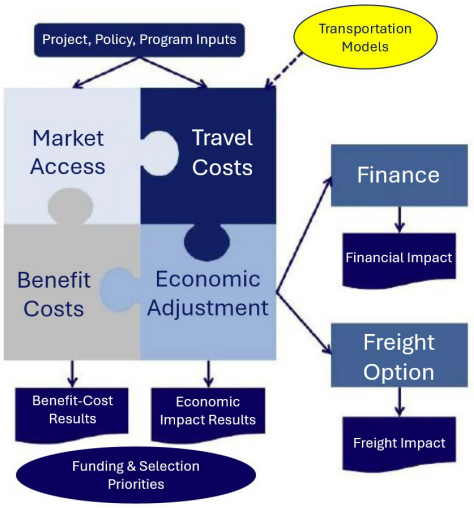
Current Situation

Public transit in Florida plays a crucial role in providing transportation options, supporting economic growth, and improving community transportation. However, assessing the economic impact of public transit can pose challenges, particularly when it comes to quantifying intangible benefits such as safety, commuter satisfaction, and enhanced employee morale.

Identifying the most effective tools to capture the tangible and intangible benefits and trends of the impacts of developing a robust public transit system in Florida could support planning for future investments.



The elements pictured are a part of the Transportation Economic Development Impact System (TREDIS) modeling system, which is designed to build a more holistic picture of how transportation activities affect economic growth, mobility, market access, and overall regional economic development.

Research Objectives

The goal of this research project was to provide a comprehensive guide for FDOT and transit agencies nationwide to leverage Benefit-Cost Analysis (BCA) and Economic Impact Analysis (EIA) methodologies for public transit. The project objectives included 1) review the latest literature on BCA and EIA methodologies used in public transit services, 2) analyze the economic impact of transit projects across different regions, 3) examine the influence of emerging transit modes, and 4) update and recommend best practices for economic assessment methodologies.

Project Activities

The University of Florida research team conducted an extensive literature review of technical reports and academic journal articles on the economic impact assessment of public transit, identifying key assessment methodologies, challenges, and the evolution of methods over time. The team then used BCA and EIA to conduct four case studies to examine economic assessments of public transit projects from 2003-2023 in major metropolitan areas and provided insights into how transit investments impacted different areas.

Project Conclusions and Benefits

The findings revealed that BCA and EIA are widely used for transit assessments across the U.S. BCA is often used to quantify tangible and intangible benefits, while EIA measures broader economic consequences using input-output models. However, both methods continue to face challenges, such as oversimplification of complex economic relationships and difficulties in accurately valuing intangible factors. The study also found that modes like microtransit and micromobility have not been comprehensively assessed using these traditional methods.

An integrated approach—leveraging software like the Transportation Economic Development Impact System (TREDIS) and others—that combines BCA and EIA, should be adopted for a more comprehensive evaluation of transit projects in Florida. Transit Agencies and FDOT could develop a standardized assessment model that combines key elements of both methodologies, with customizable factors. This integrated model would help agencies make more informed decisions, balancing financial feasibility with long-term social and environmental benefits.

For more information, please see fdot.gov/research.