

The New I-64 Economic and Regional Mobility Study

Quarterly Report
#8

October 2009 - December
2009



Before the Closure

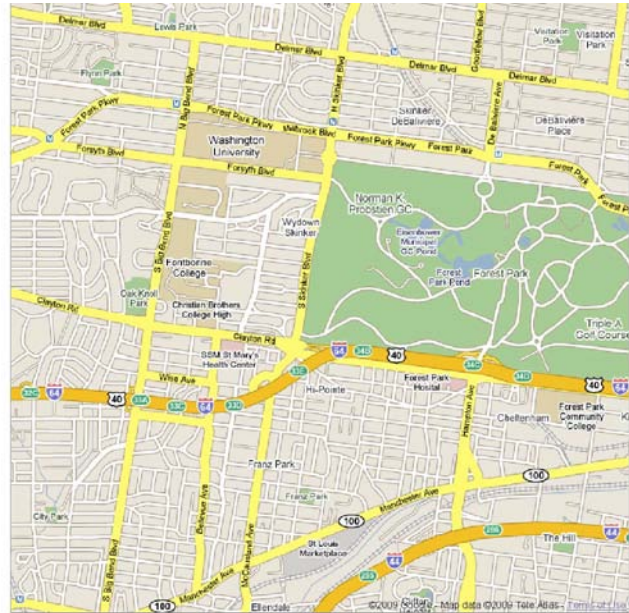
Please indicate how much time it takes you to make certain trips now compared to how long it took you before the closure.

	Has not changed or is shorter	Went from 10 to 15 minutes	Went from 15 to 20 minutes	Went from 20 to 30 minutes	Went from 30 to 45 minutes	Went from 45 to 60 minutes	More than 60 minutes
Commuting to and from work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medical Reasons	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shopping, errands, and other errands	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Traveling (including to work)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



1. Executive Summary

On December 7, 2009, the eastern section of I-64 between I-170 and Kingshighway Boulevard was re-opened. With this segment re-opened, the full closure construction component was completed for the New I-64 construction project. Partners again implemented their regional command center operations to ensure that any traffic flow conditions were addressed and responded to as the traveling public adjusted to the re-opening of I-64.



This quarterly report assesses the period October 2009 through December 2009 that includes the 22nd, 23rd and 24th months of the I-64 closure, evaluating the three key areas of **Communications** (MoDOT’s provision of information to the public, and the public’s response to the project), **Mobility** (the effects of the closure on travel behavior, choices, and traffic flow), and **Economics** (the effects of the closure on businesses within the corridor as well as the economic health of the region). With the eastern closure now in place during this quarter; the study will continue to focus its attention on potential differences between the eastern and western closures. In the 4th Quarter of 2009, the research team found the following information:

With the eastern closure now in place during this quarter; the study will continue to focus its attention on potential differences between the eastern and western closures. In the 4th Quarter of 2009, the research team found the following information:

Communications (pp. 2-4)	Mobility (pp. 5-22)	Economics (pp. 23-29)
<p>Surveys indicate that the overall satisfaction level remains high for how the project has been handled.</p> <p>The Eastern Closure appears to be having more of an impact on travel behavior based on responses from “where I shop”, “how often I travel to certain areas” and “how well I managed to move around St. Louis”</p> <p>TV News, Internet, Radio News and Roadway Signs were the leading ways to get out information on the construction project</p> <p>Information from Motorist Assist and I-64 Traffic Response on the two survey questions still remained higher than online surveys when asked the same question</p>	<p>Traffic volumes continue to be higher on the designated interstate routes and adjacent arterials. Daily volumes are up on Interstates 44, 64, 170 and 270 in certain sections.</p> <p>Average speeds were down slightly along certain corridors. The range varies from being plus (up) 31% on I-44 eastbound in pm peak period to being negative (down) 14% on I-70 westbound in the pm peak period.</p> <p>Travel times trends were similar to average speed being slightly up and down along certain interstate. Arterial travel times were mostly stable for the quarter with exceptions in October for Route 141(PM Peak) and Route D (AM Peak) showed an increase in travel times</p>	<p>Both corridor and non-corridor jobs and wages were lower in the 2nd Quarter of 2009</p> <p>Unemployment in the St. Louis area is tracking very similar to the national trends in both 2008 and most of 2009. In November, unemployment in St. Louis was 9.8% about 0.4% higher than national average.</p> <p>The 3rd quarter taxable sales decline following wages and employment trends. Annually the 3rd quarter declines and rebounds in the 4th quarter and 2009 is following this trend. Taxable sales in 2009 were down 9.1% when compared to 2008</p> <p>The taxable sales during 3rd quarter of 2009, when indexed to the 1st quarter of 2005 fell below the 1.0 index for corridor, non-corridor and St. Louis City; St. Louis County was already below 1.0 meaning all areas have taxable sales less than the 1st quarter of 2005</p>

2. Communication

In the 4th Quarter of 2009, 898 people have been surveyed to measure their opinions about the closure and how it may have changed their behavior. Two survey instruments were utilized in this research. The first, an online survey, was a detailed instrument designed specifically for this project. For the second instrument, two key questions were also added to the motorist assist surveys distributed by MoDOT operators after providing traffic assistance to motorists in need.

People accessed the online survey through MoDOT's New I-64 website. 102 responses were generated in October (24), November (29), and December (49). 95 of these responses were by first-time visitors to the survey. 4 people had taken the survey before and another 3 people were not sure if they had taken the survey before. This quarter, online respondents tended to be Caucasian (85.3%), male (74.3%), and a plurality (38.5%) made between \$60,000 and \$120,000 annually.

Motorist Assist respondents tend to be less affluent than most respondents. People in this income bracket are less likely to respond to mail surveys and online surveys, so two key questions were added to the standard surveys already distributed by motorist assist operators to ensure that the most important questions were asked of the lower income segment. 796 responses were obtained from the motorist assist programs (649 through MoDOT's Motorist Assist program and 147 through the county's Traffic Response program).

We will continue to assess information received on communication during the eastern closure in 2009 and compare it to the western closure information received in 2008. This comparison will show any consistency or inconsistency in the two data sets and may provide some additional in-sight into potential difference between the two closures.

Overall, the respondents have a high level of satisfaction with how the I-64 closure has been handled. As documented in previous quarterly reports, the Eastern closure had more of an impact on respondent's behavior than that of the Western closure. A sizable minority of respondents reported changes in their shopping and driving habits.

Online Survey

Based on the online data, the Eastern Closure is had a greater impact on respondent behavior than that of the Western Closure. "Satisfaction with how well managing to move around the St. Louis area with the closure" is noticeably different. Despite this reported increased impact, overall satisfaction with MoDOT remains very high – almost identical or slightly higher to the results received during the Western Closure. The Table below shows all responses received from online surveys for both the 2008 Western Closure and 2009 Eastern Closure for side-by-side comparison.

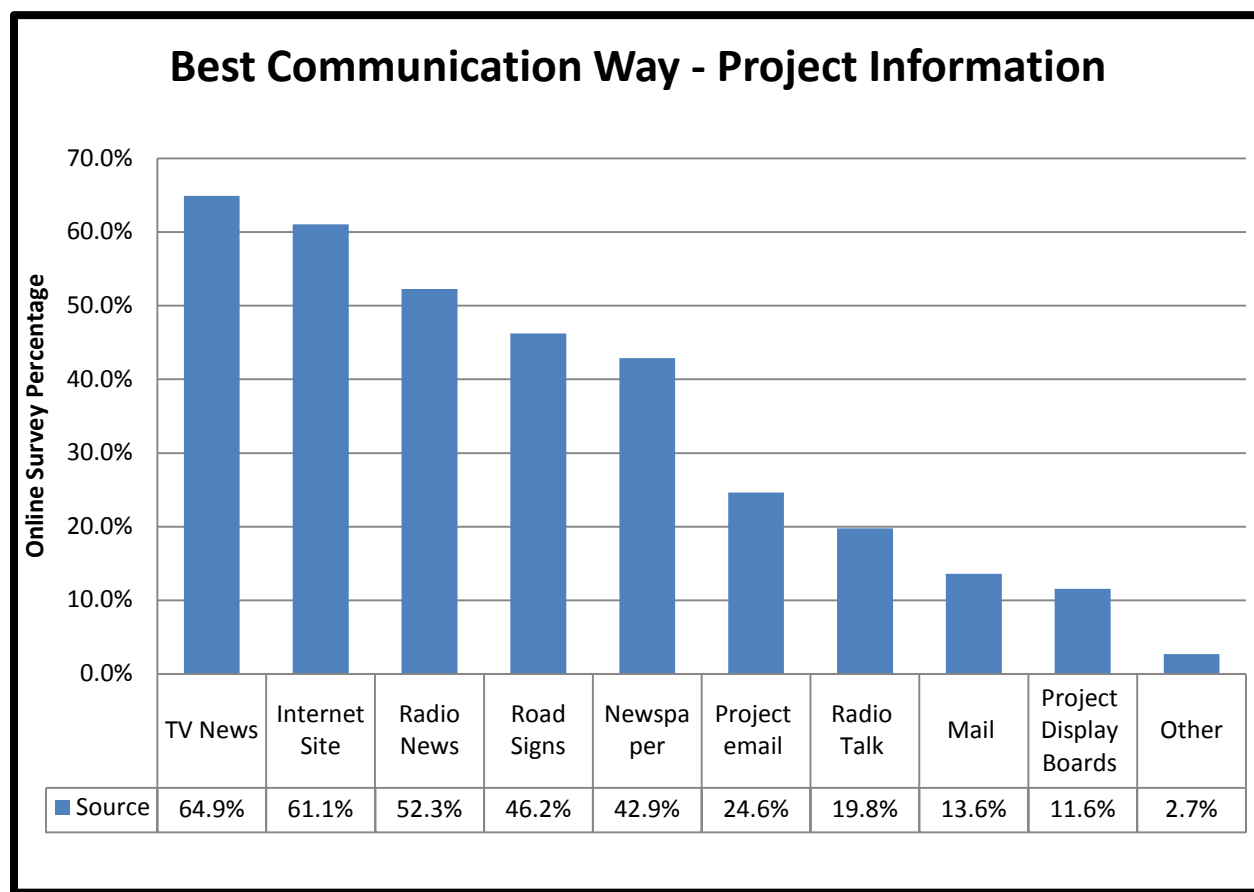
Key Public Indicators - Online Comparison of Both Closures	Western Closure	Eastern Closure	Total
Overall level of satisfaction with how the I-64 closure has been handled	76.7%	78.3%	77.1%
Satisfaction with how well the public kept informed about the new I-64 project	88.7%	85.5%	87.9%
Satisfaction with how well managing to move around the St. Louis area w/ the closure	69.7%	60.4%	67.4%
Satisfaction with timeliness of information being made available	87.5%	85.7%	87.1%
Agreement with “the closure has changed where I shop”	41.5%	47.0%	42.9%
Agreement with “the closure has changed how often I travel to certain areas”	73.3%	76.2%	74.0%
Satisfaction with decision to complete the work by closing I-64 for 2 years instead of 6-8 years w/ lane closures	76.5%	82.5%	78.0%
<i>Survey responses</i>	<i>1,362</i>	<i>444</i>	<i>1806</i>

Respondents are less satisfied with their ability to move around the St. Louis area. It was noticed they were more likely to state that the Eastern Closure has changed where they shop and how often they travel to certain areas. These responses could be the results of several different factors like the adjacent alternative transportation network, adjacent land use (commercial, business complex, residential, recreation, healthcare, etc.), lower response rate, second year of construction, etc.

The best ways to reach online respondents showed a slight change from the previous year with a move towards a more media driven source of information like TV, Internet and Radio. Road signing also saw a considerable jump in how information was received. The following table shows Western and Eastern closure results:

Best Way for MoDOT to Get Information to You	Western Closure	Eastern Closure	Total
TV News	62.4%	72.7%	64.9%
Internet Site	60.2%	63.7%	61.1%
Radio News	51.2%	55.6%	52.3%
Road Signs	43.2%	55.6%	46.2%
Newspaper	43.0%	42.6%	42.9%
Project email from MoDOT or I-64 Team	24.2%	26.0%	24.6%
Radio Talk Shows	19.8%	19.7%	19.8%
Receive Information in Mail	13.1%	15.2%	13.6%
Project Display Boards at Public Events	10.8%	13.9%	11.6%
Other	2.6%	2.9%	2.9%

The following chart presents the total column to graphically indicate the best way to reach these respondents based on the on-line survey tool.



Motorist Assist

Two key questions were asked in mail-in surveys given out by MoDOT's Motorist Assist program as another way of obtaining information. The change measured since the Eastern Closure has been minor, but in accordance with that of the other methods. People are still quite satisfied, especially with the decision to close I-64 for two years instead of six to eight years with lane closures. The following table shows the comparison made between the Western and Eastern closures:

Key Public Indicators - Motorist Assist Comparison of Both Closures	Western Closure	Eastern Closure	Total
Satisfaction with how well managing to move around the St. Louis area w/ the closure	90.0%	90.1%	90.0%
Satisfaction with decision to complete the work by closing I-64 for 2 years instead of 6-8 years w/ lane closures	93.8%	96.1%	94.9%
<i>Survey responses</i>	<i>3,837</i>	<i>3,666</i>	<i>7,503</i>

3. Mobility

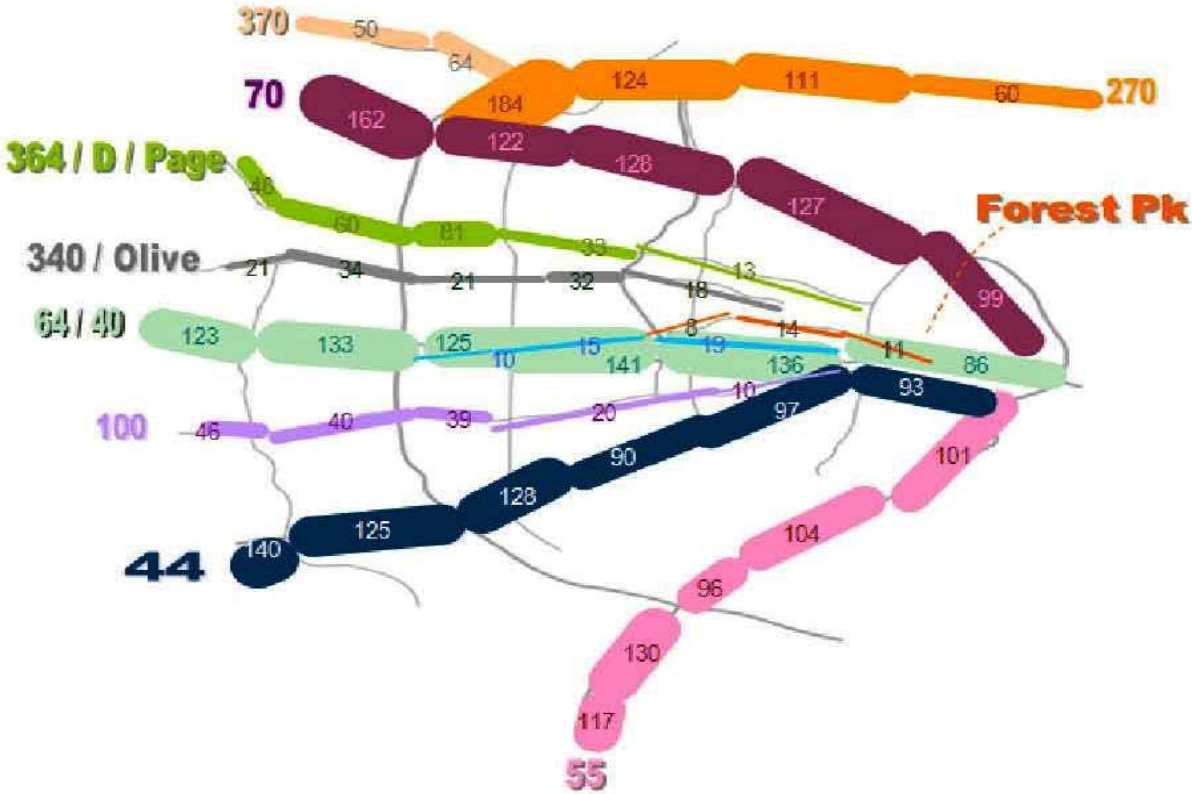
In this quarter, we obtained traffic data for both freeway and arterials. This information shows both baseline and quarterly traffic data for easy comparison of any changes in traffic conditions. Traffic data collected includes traffic volumes, speeds and travel times along various routes near the I-64 construction project.

Roadway sections by traffic volumes, average speed and travel times were developed. The tables and graphs will be introduced with a short summary of what was observed.

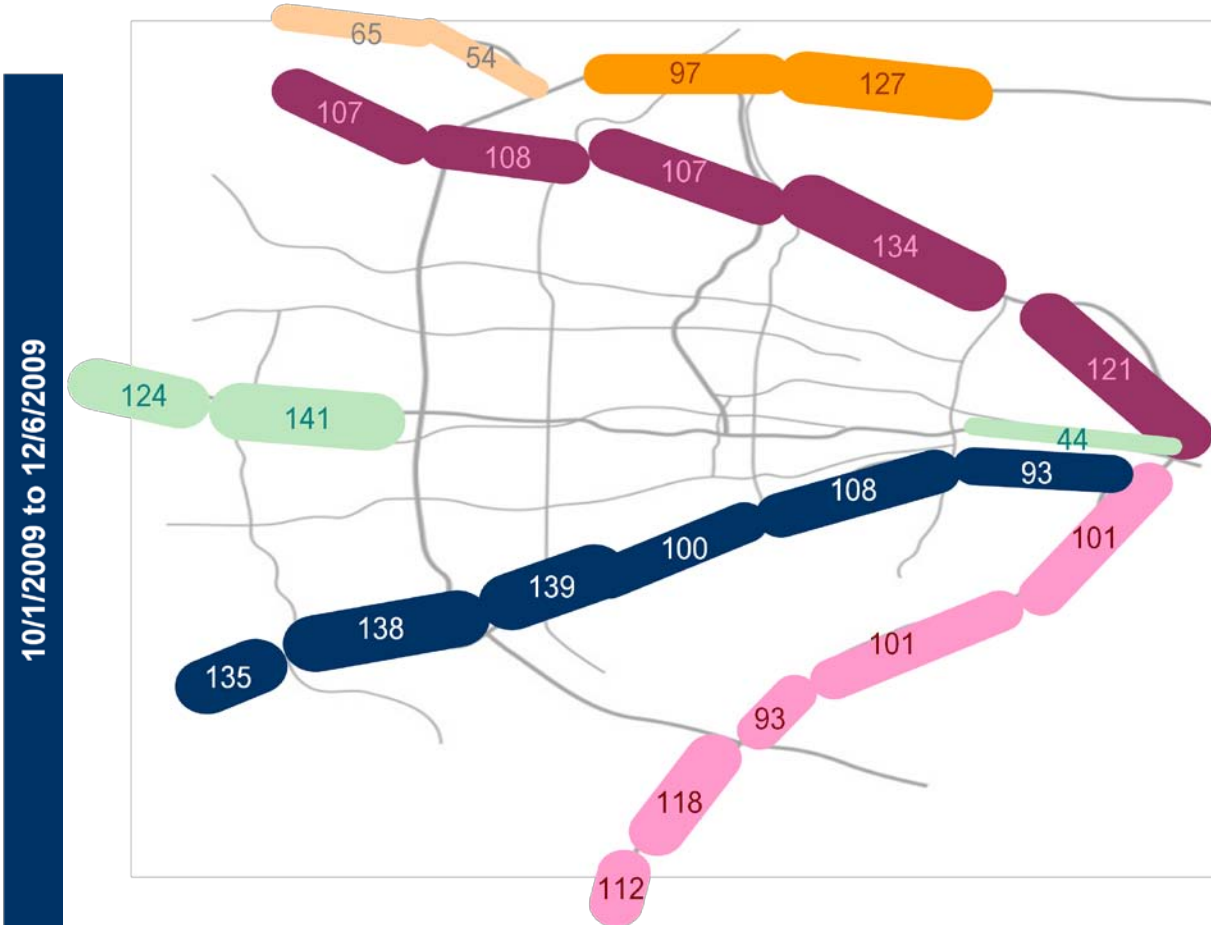
Freeways

We continue to notice increases in daily traffic volumes along I-44, I-70 and I-270 when compared to the baseline traffic volume data. Also, daily traffic volumes on I-64 west of I-270 are greater than the baseline (pre-construction) level. The four graphs show baseline and October through December 2009 traffic volumes:

EW Baseline

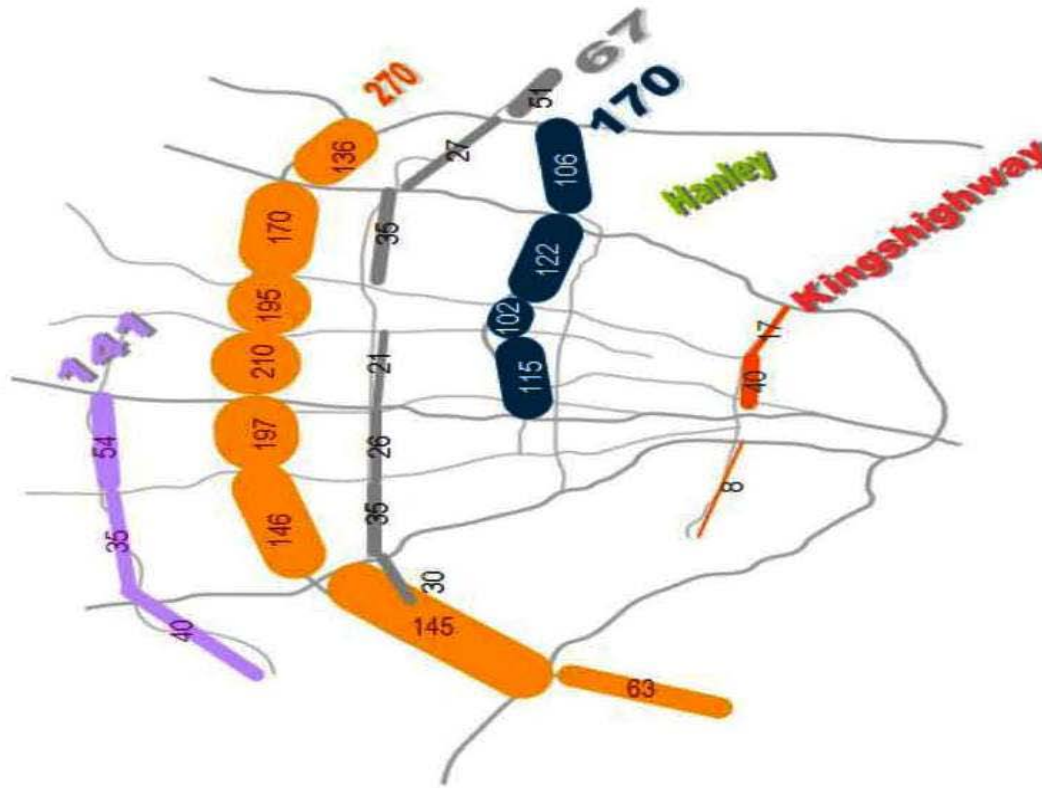


East-West Corridors Baseline Traffic Volumes



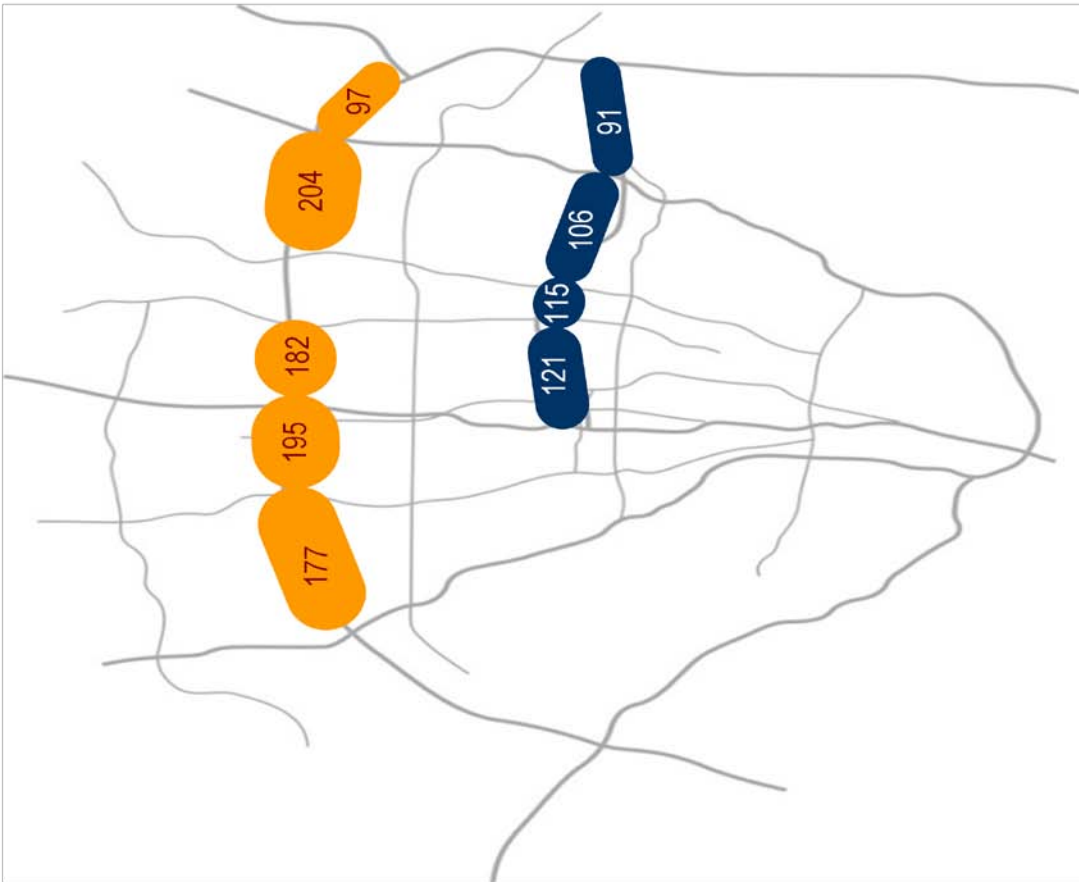
East-West Corridors 2009 4th Quarter Traffic Volumes

NS Baseline



North-South Corridors Baseline Traffic Volumes

10/1/2009 to 12/6/2009



North-South Corridors 2009 4th Quarter Traffic Volumes

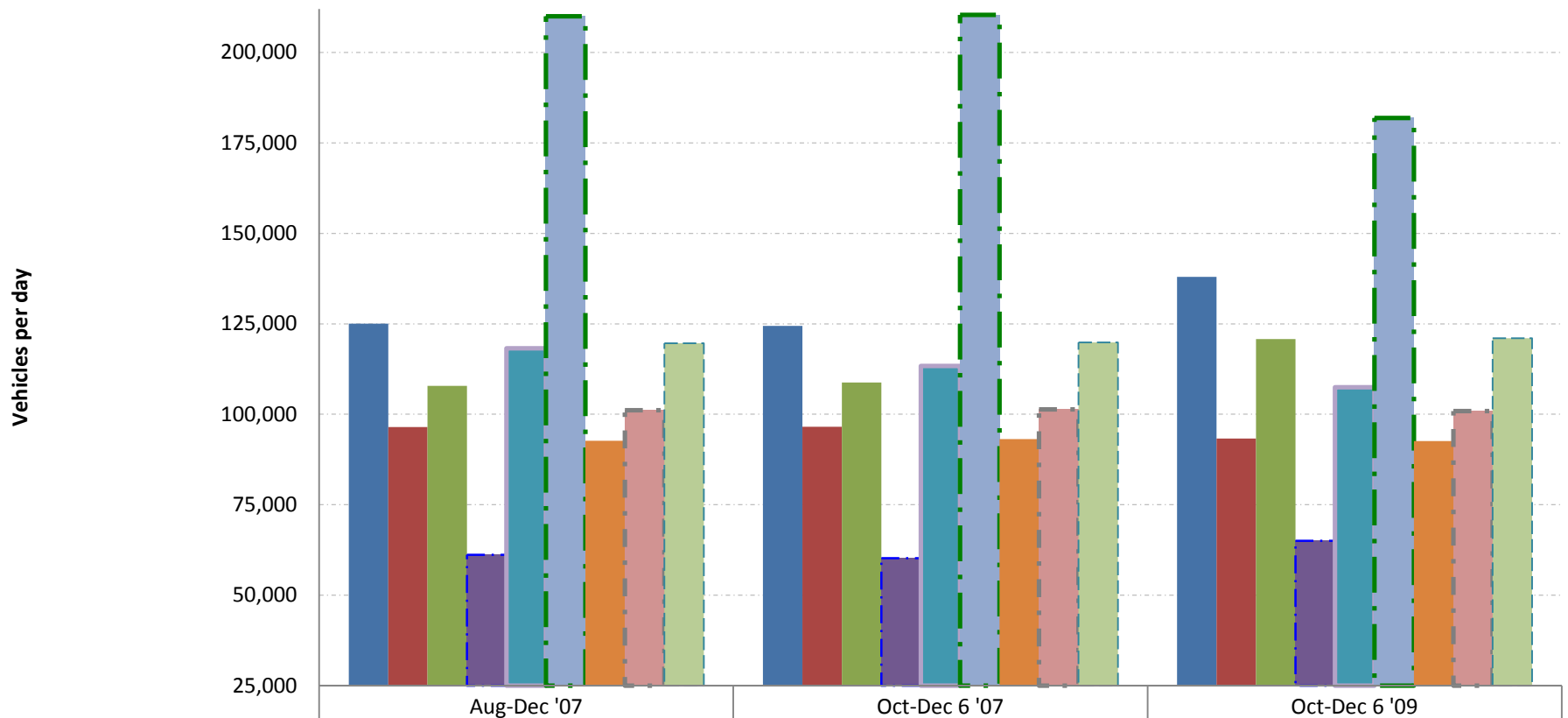
The following table shows daily traffic volumes, and average speeds and travel times information for the PM Peak periods. These selected sites were selected early in the study to designate some control sites to monitor that could potentially experience changes during the construction along I-64 corridor. These freeways were designated and signed with construction signing as alternate routes for potentially impacted traffic. By consistently monitoring the same sites, we can get a general understanding on how traffic is moving in the region. Index indicates how the 4th quarter of 2009 traffic conditions compared to baseline traffic conditions in 2007. Green highlighted index values show an increase in traffic condition measurement while the red highlighted index values show a decrease in traffic condition measurement.

I-64 Study Update - Freeway Information - Quarter 4 October - December 2009

		Volume (vehicles/day)			Index									
Route	Location	Aug-Dec '07	Oct-Dec '07	Oct-Dec '09	Oct-Dec '09/ Aug-Dec '07	Oct-Dec '09/ Oct-Dec '07							Oct-Dec '09/ Aug-Dec '07	Oct-Dec '09/ Oct-Dec '07
I-44	East of I-270	125,057	124,434	137,944	1.103	1.109								
I-44	West of Mississippi Ave	92,641	93,130	92,577	0.999	0.994								
I-55	South of Union Rd	96,447	96,559	93,295	0.967	0.966								
I-55	South of Broadway	101,093	101,336	100,910	0.998	0.996								
I-170	North of Page Ave	107,862	108,764	120,793	1.120	1.111								
MO 370	West of Taussig Ave	61,167	60,217	64,995	1.063	1.079								
I-70	East of Airfield Dr	118,242	113,362.2	107,434	0.909	0.948								
I-70	East of Adelaide	119,620	119,863	121,018	1.012	1.010								
I-270	At Ladue	210,012	210,335.2	181,896	0.866	0.865								

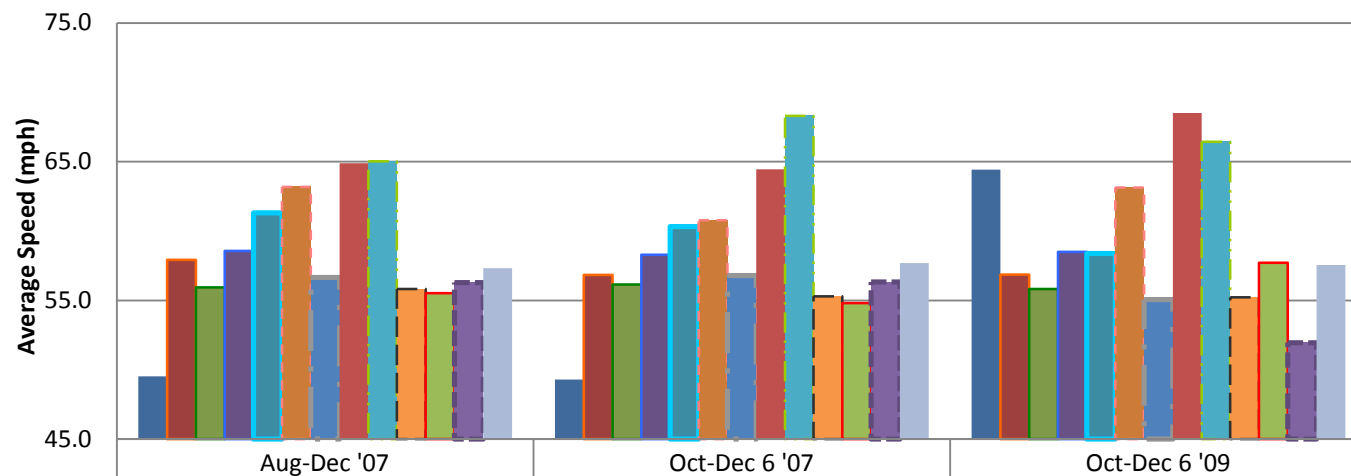
		Speed (mph)			Index				Travel time (minutes)		Index		
		Aug-Dec '07	Oct-Dec '07	Oct-Dec '09	Oct-Dec '09/ Aug-Dec '07	Oct-Dec '09/ Oct-Dec '07	Distance	Aug-Dec '07	Oct-Dec '07	Oct-Dec '09	Oct-Dec '09/ Aug-Dec '07	Oct-Dec '09/ Oct-Dec '07	
I-44 EB	East of I-270	49.5	49.3	64.4	1.301	1.307	I-44 EB	1.07	1.30	1.30	1.00	0.769	0.765
I-44 WB	East of I-270	57.9	56.8	56.9	0.982	1.000	I-44 WB	1.07	1.11	1.13	1.13	1.018	1.000
I-44 EB	West of Mississippi Ave	57.3	57.7	57.5	1.004	0.998	I-44 EB	2.89	3.02	3.00	3.01	0.996	1.002
I-44 WB	West of Mississippi Ave	58.6	59.0	57.4	0.980	0.973	I-44 WB	2.89	2.96	2.93	3.02	1.020	1.028
I-55 SB	South of Union Rd	55.9	56.1	55.8	0.998	0.994	I-55 SB	2.07	2.22	2.21	2.22	1.002	1.006
I-55 NB	South of Union Rd	58.6	58.3	58.5	0.999	1.003	I-55 NB	2.07	2.12	2.13	2.12	1.001	0.997
I-55 SB	South of Broadway	61.9	61.9	57.9	0.936	0.936	I-55 SB	3.87	3.75	3.75	4.01	1.069	1.068
I-55 NB	South of Broadway	60.6	58.5	59.4	0.981	1.016	I-55 NB	3.87	3.83	3.97	3.91	1.019	0.984
I-170 NB	North of Page Ave	61.3	60.3	58.4	0.952	0.968	I-170 NB	1.96	1.92	1.95	2.01	1.050	1.033
I-170 SB	North of Page Ave	63.2	60.8	63.1	0.999	1.039	I-170 SB	1.96	1.86	1.93	1.86	1.001	0.963
M370 EB	West of Taussig Ave	56.7	56.8	55.1	0.972	0.969	M370 EB	1.51	1.60	1.60	1.65	1.029	1.032
M370 WB	West of Taussig Ave	64.9	64.5	68.5	1.056	1.063	M370 WB	1.51	1.40	1.41	1.32	0.947	0.941
I-70 EB	East of Airfield Dr	65.0	68.3	66.4	1.022	0.973	I-70 EB	1.33	1.23	1.17	1.20	0.979	1.028
I-70 WB	East of Airfield Dr	55.8	55.3	55.2	0.989	0.999	I-70 WB	1.33	1.43	1.44	1.44	1.011	1.001
I-70 EB	East of Adelaide	60.8	60.3	71.9	1.183	1.194	I-70 EB	4.37	4.32	4.35	3.65	0.845	0.838
I-70 WB	East of Adelaide	55.6	54.9	47.2	0.850	0.861	I-70 WB	4.37	4.72	4.78	5.55	1.176	1.162
I-270 NB	At Ladue	55.5	54.8	57.7	1.040	1.053	I-270 NB	2.33	2.52	2.55	2.42	0.962	0.950
I-270 SB	At Ladue	56.3	56.3	52.0	0.923	0.922	I-270 SB	2.33	2.48	2.48	2.69	1.083	1.084

Average Daily Traffic (ADT)



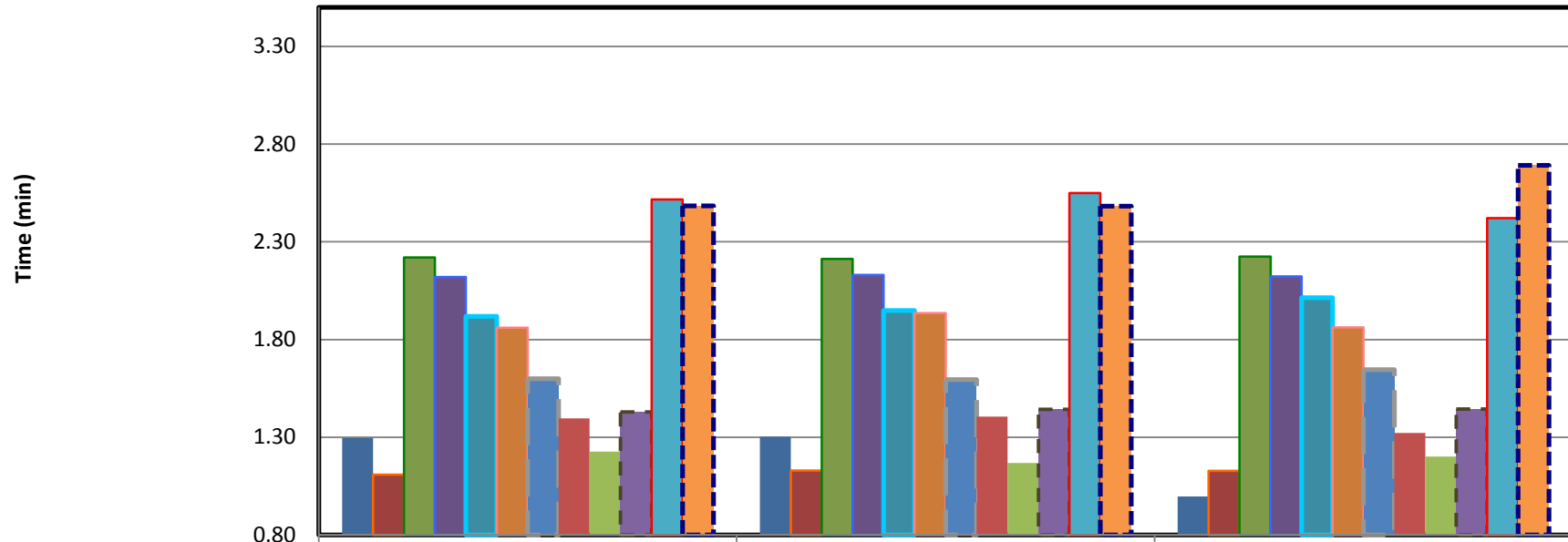
	Aug-Dec '07	Oct-Dec 6 '07	Oct-Dec 6 '09
I-44 East of I-270	125,057	124,434	137,944
I-55 South of Union Rd	96,447	96,559	93,295
I-170 North of Page Ave	107,862	108,764	120,793
MO 370 West of Taussig Ave	61,167	60,217	64,995
I-70 East of Airfield Dr	118,242	113,362	107,434
I-270 At Ladue	210,012	210,335	181,896
I-44 West of Mississippi Ave	92,641	93,130	92,577
I-55 South of Broadway	101,093	101,336	100,910
I-70 East of Adelaide	119,620	119,863	121,018

Freeway Speed at Selected Sites



■ I-44 EB West of S Elm Ave	49.5	49.3	64.4
■ I-44 WB East of I-270	57.9	56.8	56.9
■ I-55 SB South of Union Rd	55.9	56.1	55.8
■ I-55 NB South of Union Rd	58.6	58.3	58.5
■ I-170 NB North of Page Ave	61.3	60.3	58.4
■ I-170 SB North of Page Ave	63.2	60.8	63.1
■ MO370 EB West of Taussig Ave	56.7	56.8	55.1
■ MO370 WB West of Taussig Ave	64.9	64.5	68.5
■ I-70 EB East of Airfield Dr	65.0	68.3	66.4
■ I-70 WB East of Airfield Dr	55.8	55.3	55.2
■ I-270 NB At Ladue	55.5	54.8	57.7
■ I-270 SB At Ladue	56.3	56.3	52.0
■ I-44 EB West of Mississippi Ave	57.3	57.7	57.5

Travel Time along Selected Sections



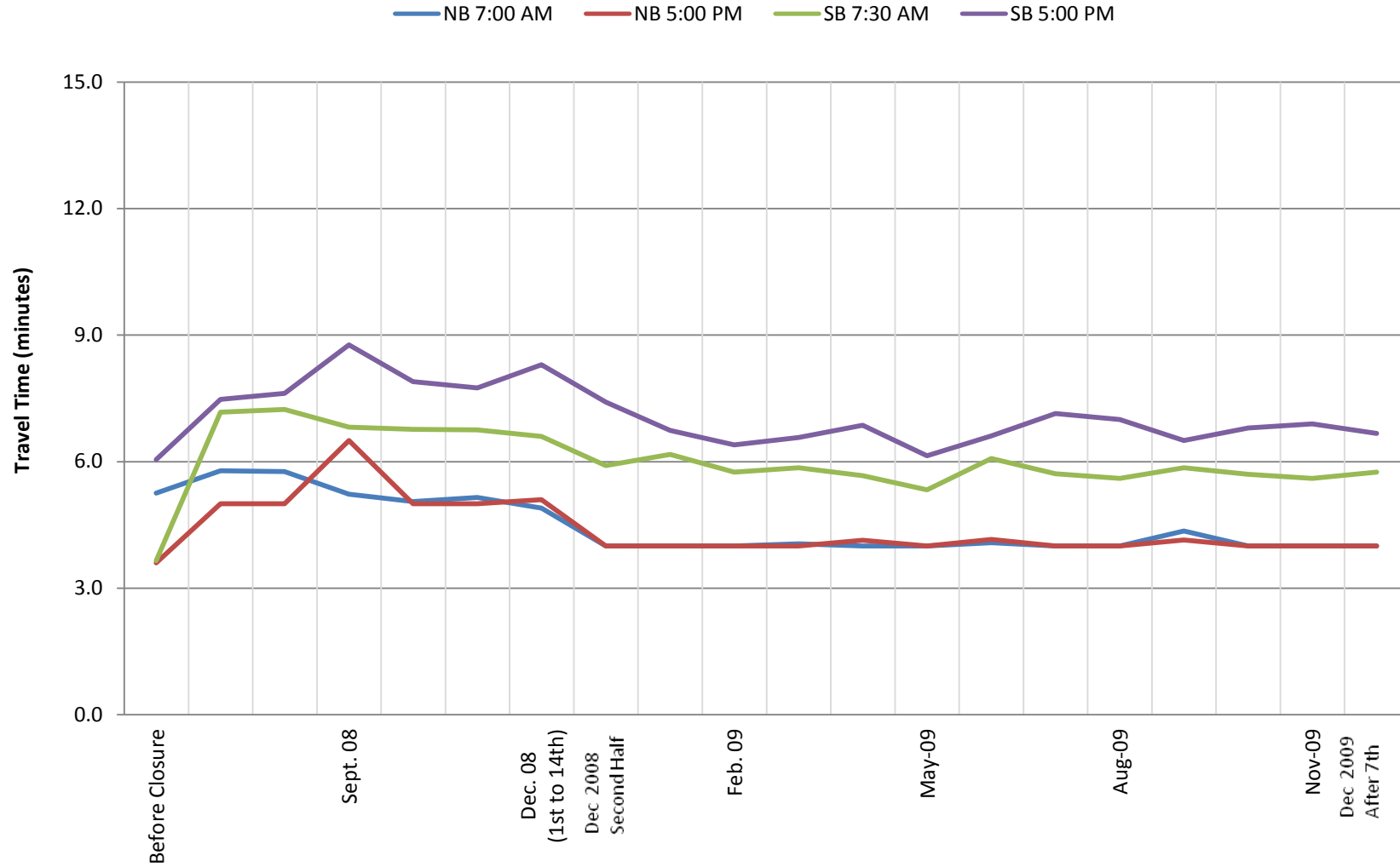
	Aug-Dec '07	Oct-Dec 6 '07	Oct-Dec 6 '09
I-44 EB East of I-270	1.30	1.30	1.00
I-44 WB East of I-270	1.11	1.13	1.13
I-55 SB South of Union Rd	2.22	2.21	2.22
I-55 NB South of Union Rd	2.12	2.13	2.12
I-170 NB North of Page Ave	1.92	1.95	2.01
I-170 SB North of Page Ave	1.86	1.93	1.86
MO370 EB West of Taussig Ave	1.60	1.60	1.65
MO370 WB West of Taussig Ave	1.40	1.41	1.32
I-70 EB East of Airfield Dr	1.23	1.17	1.20
I-70 WB East of Airfield Dr	1.43	1.44	1.44
I-270 NB At Ladue	2.52	2.55	2.42
I-270 SB At Ladue	2.48	2.48	2.69

Arterials

The study team continued to notice a slight increase in travel times along the two corridors being monitored during weekday peak periods. These corridors are major arterials and should provide an indicator of travel along the arterials near the I-64 construction project. The following is a table with average weekday peak periods travel times and their corresponding graphs:

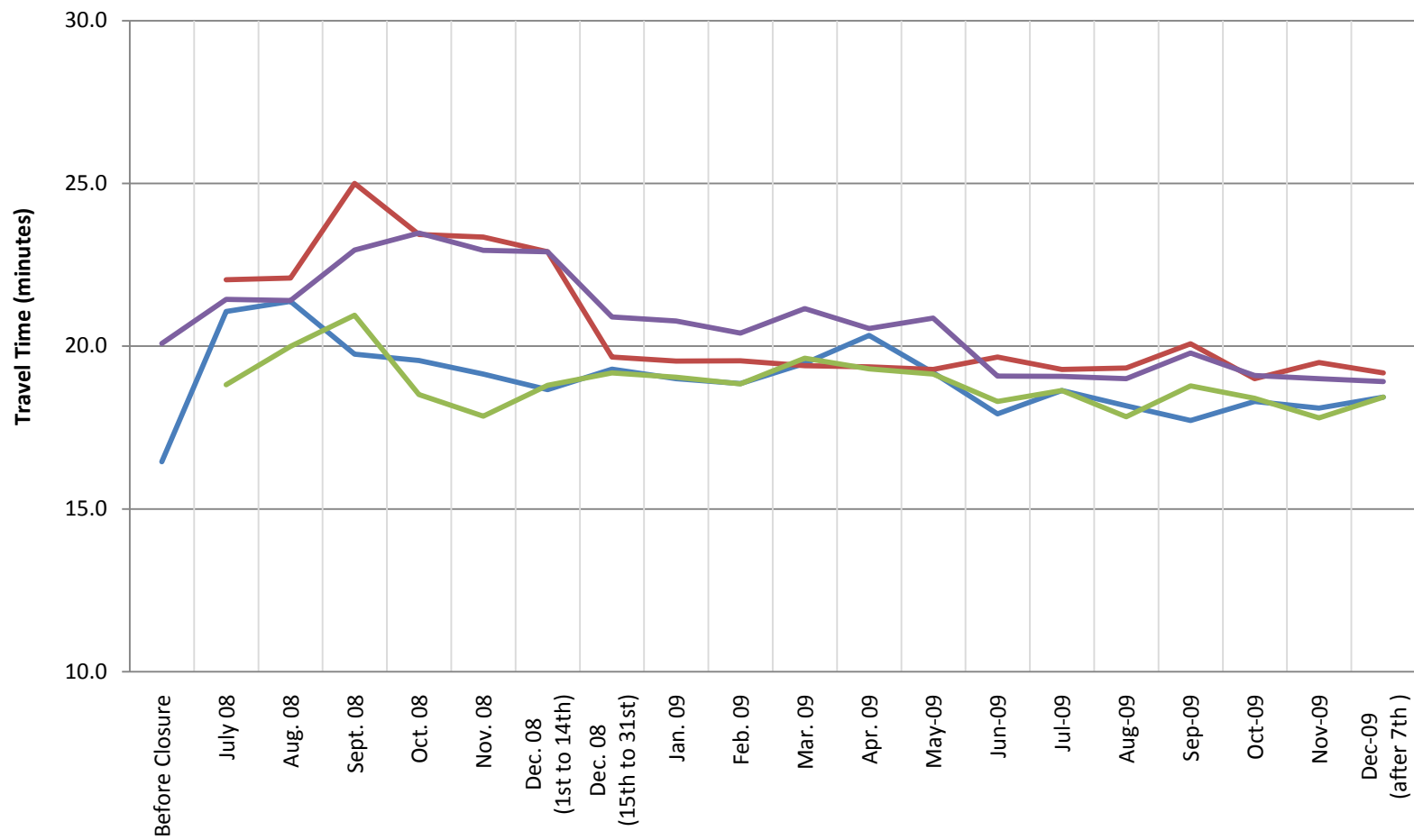
Route	Segment	Direction	Peak Period	Travel Time (Min)																					
				Before Closure	July 08	Aug. 08	Sept. 08	Oct. 08	Nov. 08	Dec. 08 (1st to 14th)	Dec. 08 (15th to 31st)	Jan. 09	Feb. 09	Mar. 09	Apr. 09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09 (after 7 th)		
US 61/67	100 to I-64	NB	7:00 AM	5.3	5.8	5.8	5.2	5.1	5.2	4.9	4.0	4.0	4.0	4.1	4.0	4.0	4.1	4.0	4.0	4.4	4.0	4.0	4.0		
			5:00 PM	3.6	5.0	5.0	6.5	5.0	5.0	5.1	4.0	4.0	4.0	4.1	4.0	4.1	4.0	4.0	4.0	4.0	4.1	4.0	4.0	4.0	
		SB	7:30 AM	3.7	7.2	7.2	6.8	6.8	6.8	6.6	5.9	6.2	5.8	5.9	5.7	5.3	6.1	5.7	5.6	5.9	5.7	5.6	5.7	5.6	5.8
			5:00 PM	6.1	7.5	7.6	8.8	7.9	7.8	8.3	7.4	6.7	6.4	6.6	6.9	6.1	6.6	7.1	7.0	6.5	6.8	6.9	6.7	6.7	6.7
100	Barrett to Hanely	EB	7:30 AM	16.5	21.1	21.4	19.8	19.6	19.2	18.7	19.3	19.0	18.9	19.5	20.3	19.2	17.9	18.6	18.2	17.7	18.3	18.1	18.4		
			5:00 PM	--	22.0	22.1	25.0	23.4	23.4	22.9	19.7	19.5	19.6	19.4	19.4	19.3	19.7	19.3	19.3	20.1	19.0	19.5	19.2		
		WB	7:30 AM	--	18.8	20.0	21.0	18.5	17.9	18.8	19.2	19.0	18.9	19.6	19.3	19.1	18.3	18.6	17.8	18.8	18.4	17.8	18.4		
			5:00 PM	20.1	21.4	21.4	23.0	23.5	23.0	22.9	20.9	20.8	20.4	21.2	20.5	20.9	19.1	19.1	19.0	19.8	19.1	19.0	19.0	18.9	
MO141	I-44 to I-64	NB	7:00 AM	11.7	12.6	14.2	15.0	12.7	13.0	13.4	13.0	13.3	13.6	13.4	13.3	12.7	13.0	12.7	14.2	13.4	12.8	12.8	12.9		
			5:00 PM	--	12.8	12.9	13.0	12.9	13.5	14.6	17.2	13.1	13.3	13.4	12.8	12.6	12.7	13.1	12.7	12.9	15.4	12.4	13.4		
		SB	7:00 AM	--	11.1	11.5	12.7	11.6	10.3	10.7	11.9	12.1	12.4	11.7	12.1	11.8	11.9	12.2	11.8	11.6	11.4	11.8	11.7		
			5:00 PM	14.0	11.7	12.4	14.8	13.2	13.1	13.0	16.1	15.0	15.1	15.2	15.4	14.9	14.1	15.1	14.5	14.3	14.9	14.8	14.8	14.6	
D (Page)	I-270 to I-170	EB	7:30 AM	9.8	9.1	10.1	7.6	8.2	8.1	8.4	8.3	7.9	7.9	7.6	7.6	7.7	8.3	9.5	8.0	8.4	8.0	7.9	7.9		
			5:00 PM	--	8.7	10.1	9.3	8.9	9.3	8.8	9.4	9.0	9.0	8.6	9.6	9.3	8.8	8.7	9.0	8.9	8.6	9.3	8.8		
		WB	7:30 AM	--	11.3	11.7	8.6	7.6	7.9	7.8	7.4	7.2	7.0	7.0	9.0	8.9	8.8	9.3	8.5	8.6	8.6	8.6	8.6	8.8	
			5:00 PM	10.6	11.2	11.6	8.5	8.7	8.4	8.9	9.3	8.0	7.9	8.0	9.2	9.7	9.7	9.9	11.4	9.6	10.7	9.6	10.0		
D (Page)	I-170 to Grand Ave.	EB	7:30 AM	--									17.0	17.2	17.9	17.9	17.9	18.3	18.8	18.4	18.8	18.5	18.5		
			5:00 PM	--									19.4	19.4	20.1	19.6	20.0	19.9	17.0	18.9	19.2	20.8	20.5		
		WB	7:30 AM	--										20.8	20.0	19.5	20.5	20.0	19.4	20.6	20.9	21.1	21.0		
			5:00 PM	--										19.1	18.5	19.0	18.4	18.2	18.3	18.7	19.8	18.7	18.7		

Routes US61/67 - Route 100 to I-64

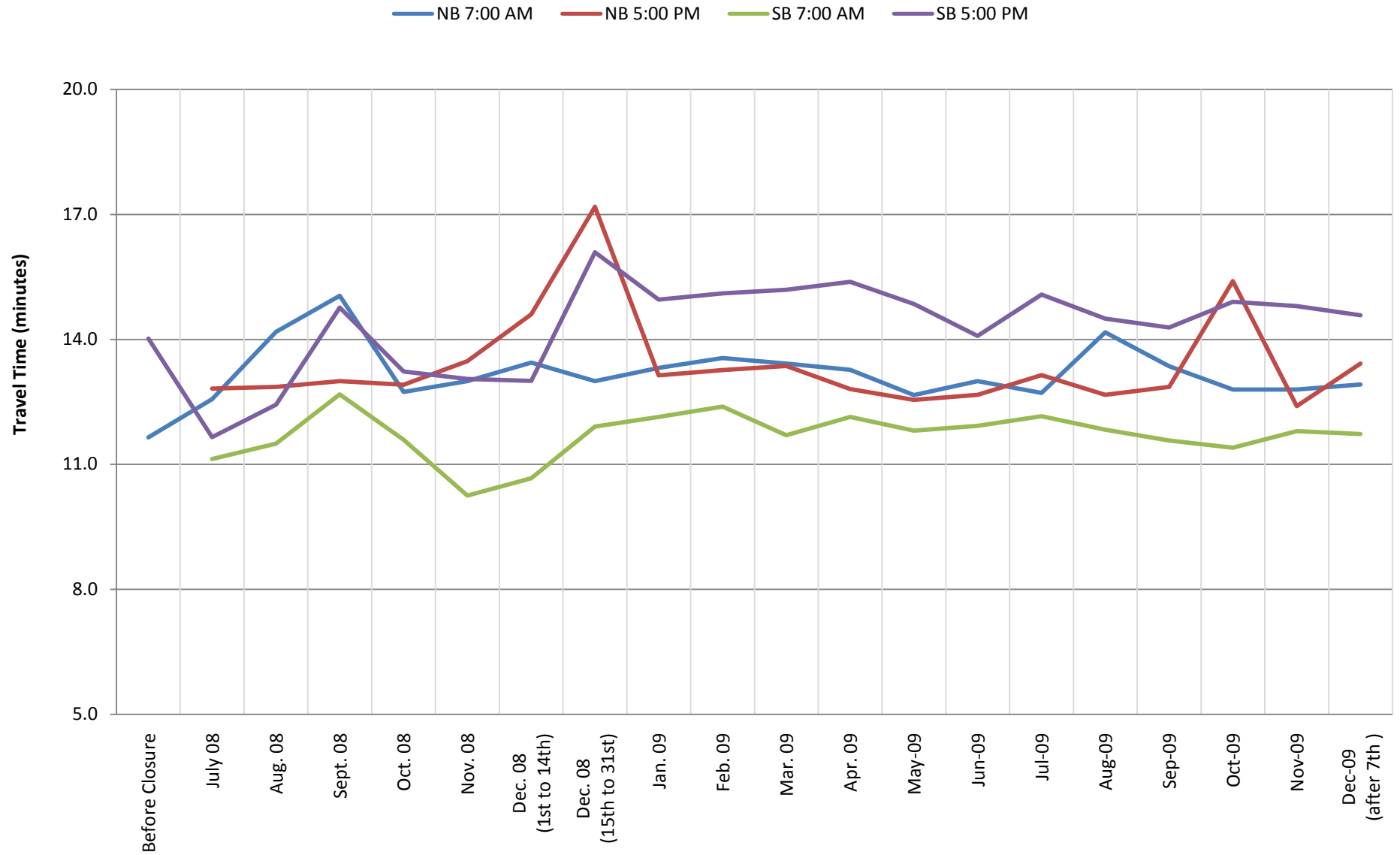


Route 100 - Barrett to Hanley

EB 7:30 AM EB 5:00 PM WB 7:30 AM WB 5:00 PM

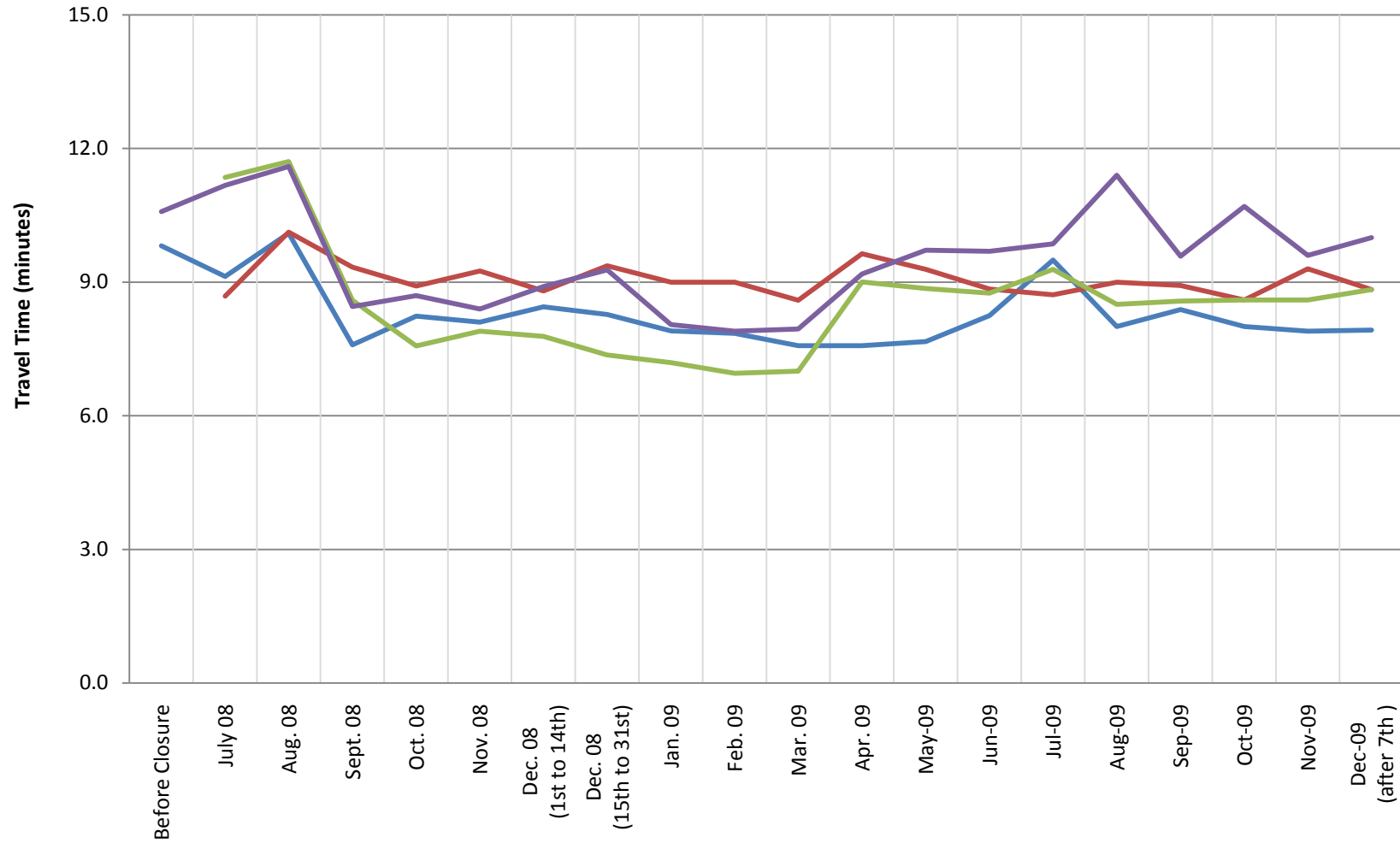


Route 141 - I-44 to I-64

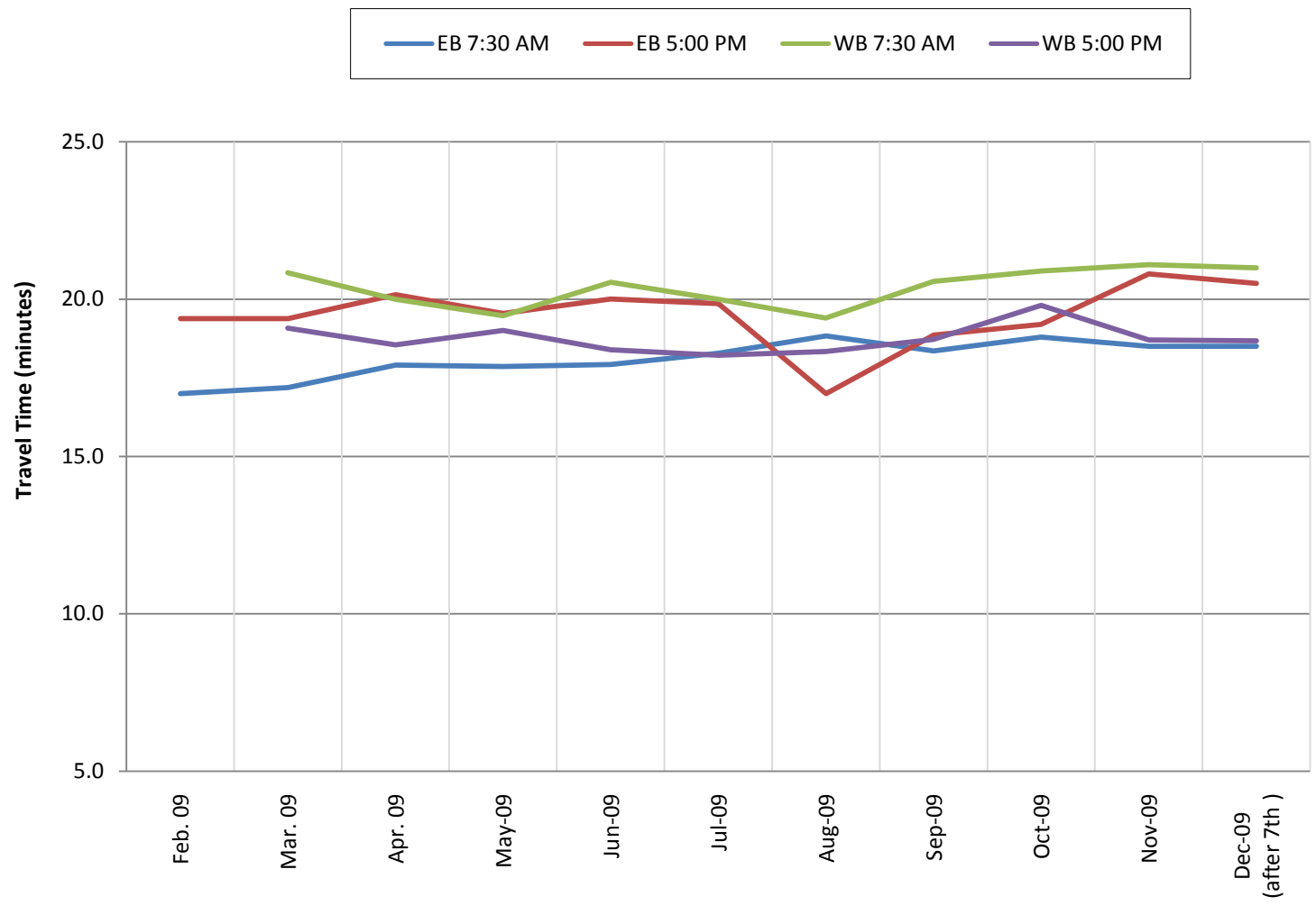


Route D (Page) - I-270 to I-170

— EB 7:30 AM
 — EB 5:00 PM
 — WB 7:30 AM
 — WB 5:00 PM

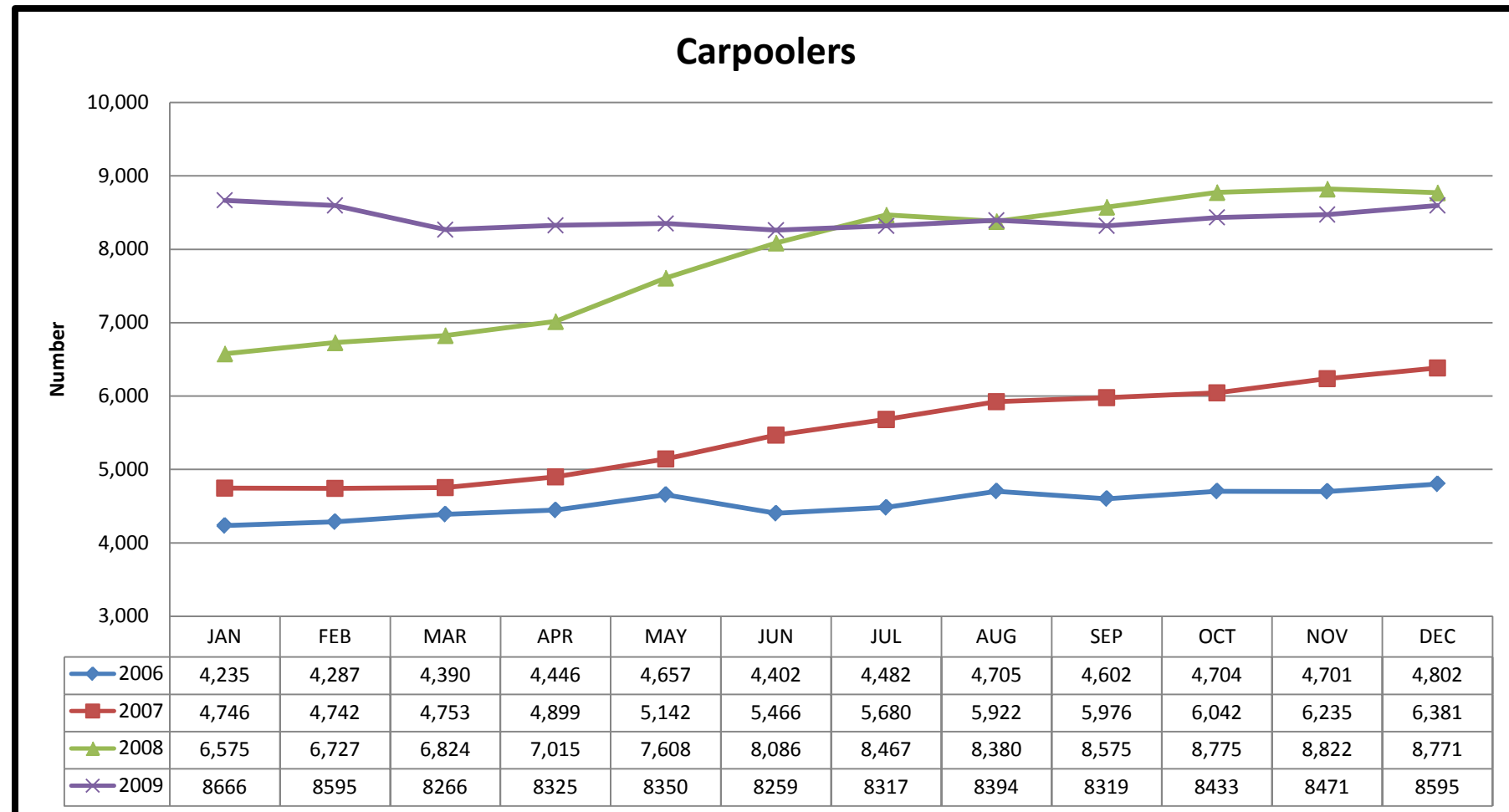


Route D (Page) - I-170 to Grand

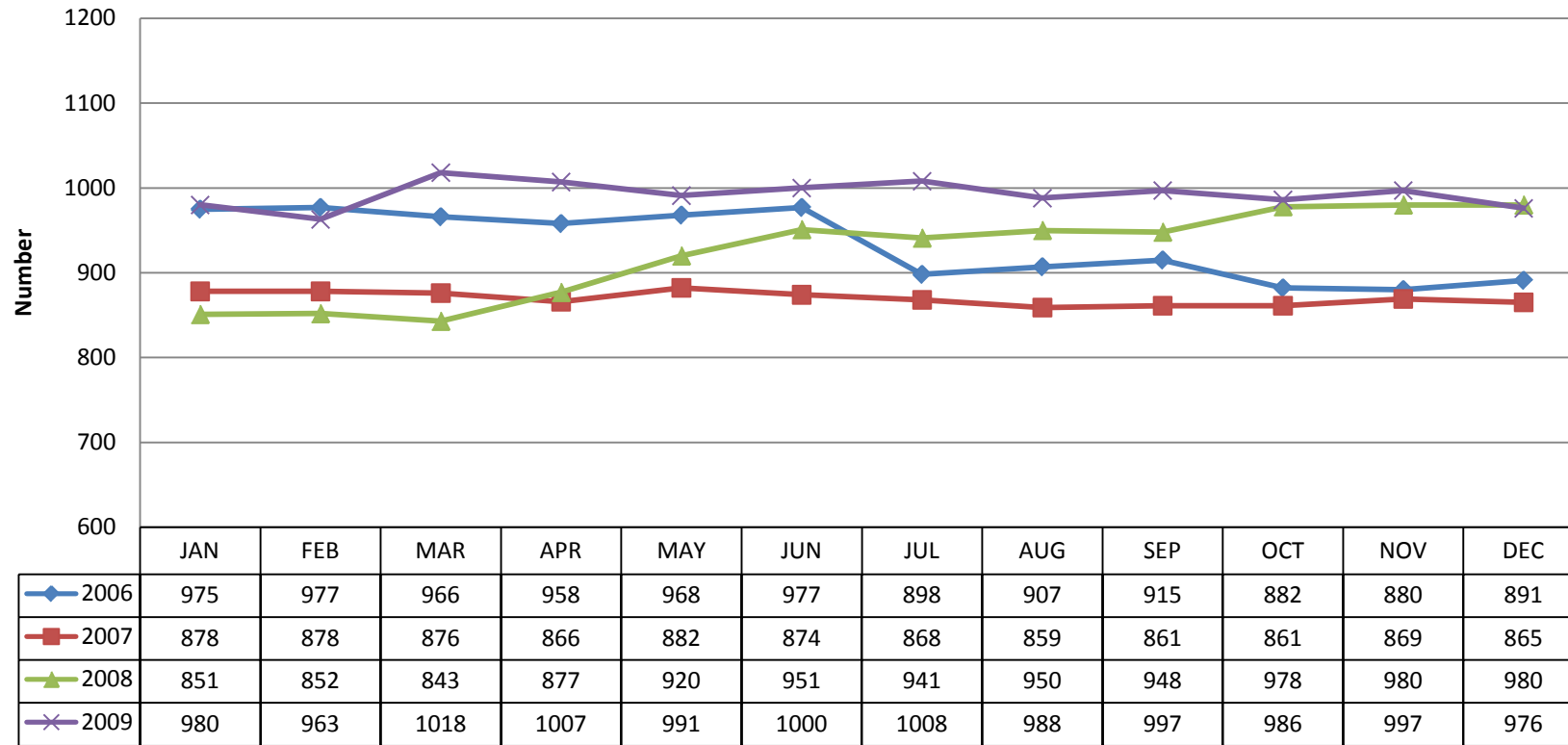


Rideshare

Regional utilization information from Rideshare shows a somewhat stable pattern for both carpooling and vanpooling during this quarter. Carpooling in 2008 and 2009 continues to show a significant increase over base years of 2006 and 2007. Vanpooling has fluctuated over the 3 plus years of evaluation with a low 843 vanpoolers in 2008 and a high of 1,018 in 2009. The usage of these regional services can be related to several factors including major roadway construction, economy and higher gas prices. As the study team moves towards the final report, we will use this information along with public survey, economic and other mobility information to assess what role it plays in improving regional mobility. The following tables and graphs provide a summary of information for carpooling and vanpooling.



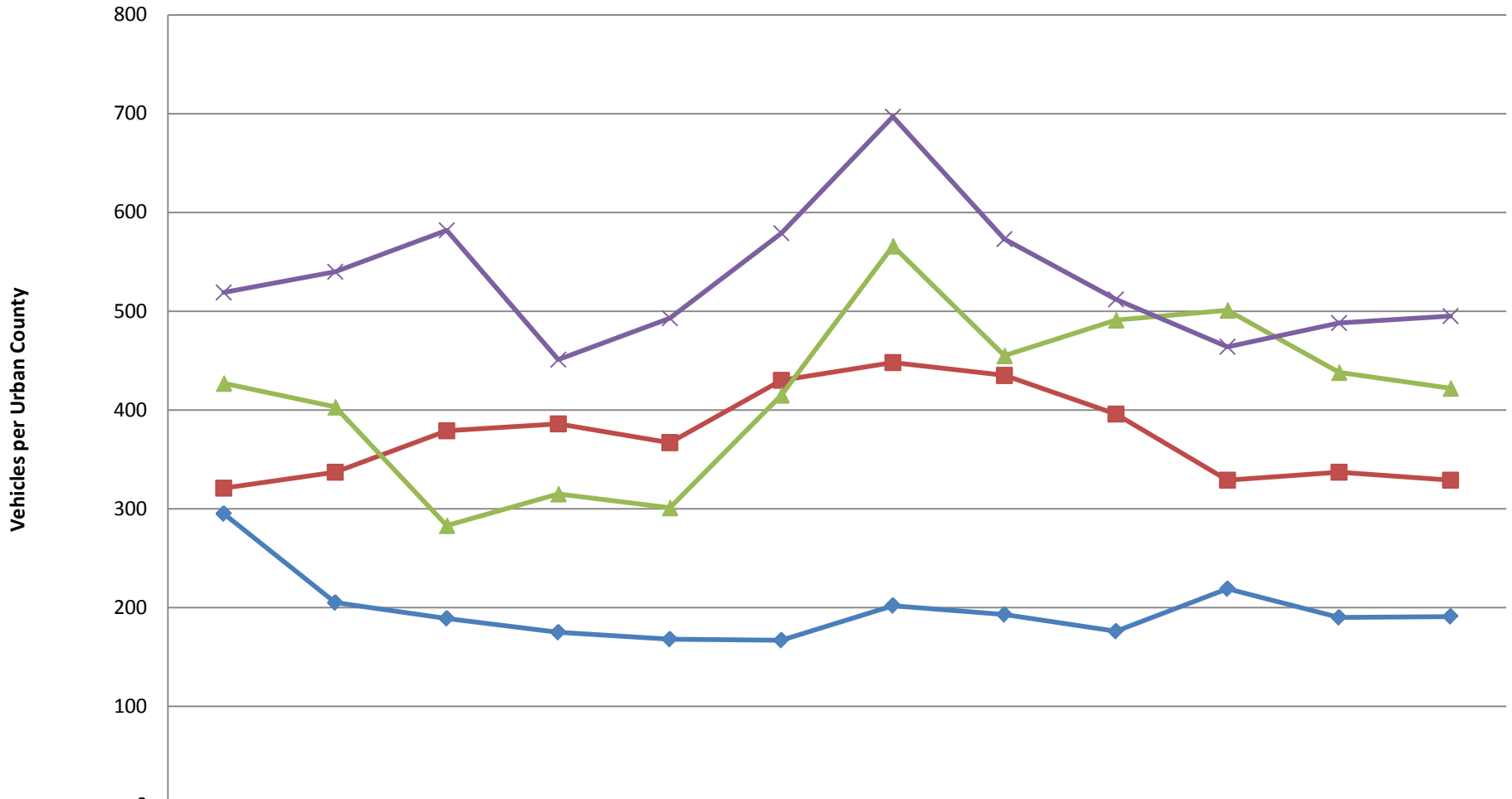
Vanpoolers



Park and Ride

Regional utilization information from MoDOT's 35 Urban Area Park and Ride lots show a peak usage in August of 2008 with declining usage trend by urban-area Counties since this peak. November 2009 was down 25% in usage when compared to the peak usage in August 2008. Decline in usage in Jefferson, St. Charles and St. Louis Counties have been significant (25 to 29%) while Franklin County has been fairly stable. Factors mentioned in the Rideshare section can also apply to the changes in public use of these park and ride facilities. These factors will be assessed in a similar manner as the final report is developed. The following table and graph includes usage from the first quarter in 2007 through the present.

MoDOT Park-and-Ride Usage



	Feb, 2007	May, 2007	Aug, 2007	Nov, 2007	Feb, 2008	May, 2008	Aug, 2008	Nov, 2008	Feb, 2009	May, 2009	Aug. 2009	Nov 2009
◆ Franklin	295	205	189	175	168	167	202	193	176	219	190	191
■ Jefferson	321	337	379	386	367	430	448	435	396	329	337	329
▲ St. Charles	427	403	283	315	301	415	566	455	491	501	438	422
× St. Louis	519	540	582	451	493	579	697	573	512	464	488	495

4. Economics

Economics Highlights

The collection, analysis, and tracking of economic data and financial indicators were the focus of this quarter's work effort. To date, MERIC has provided HDR with economic data from the first quarter 2006 through the second quarter of 2009. In addition, taxable sales data has been compiled up to and including the third-quarter of 2009. Because there is a time lag in available economic, real estate, and fiscal data, this quarterly report will only focus on the currently available and collected data.

Economic Analysis Progress

Current activities to date include:

- Collection of the identified and published economic and fiscal data.
- Receipt of ZIP-code-level data from MERIC for the second quarter of 2009. The economic data includes: industry employment, wage, and establishment data tabulations.
- Analysis of first and third quarter 2009 Taxable Sales Data from Missouri Department of Revenue (DOR).

Economic Analysis

The major economic information for the I-64 corridor and non-corridor regions of St. Louis City and County for the second quarter of each year from 2007 through 2009 is displayed in Table 1. As there typically is seasonal variation throughout the year, the table below compares the second quarters of each year. The second quarter of 2009 shows employment for the non-corridor has dipped below 2007 levels. Comparing the second quarter of 2008 with the second quarter of 2009 indicates that both regions combined experienced a loss of 44,708 jobs and \$847 million in wages. As in previous quarters, the decline in employment, wages, and taxable sales has been greater, in terms of value and percentage, for the non-corridor region than the corridor region.

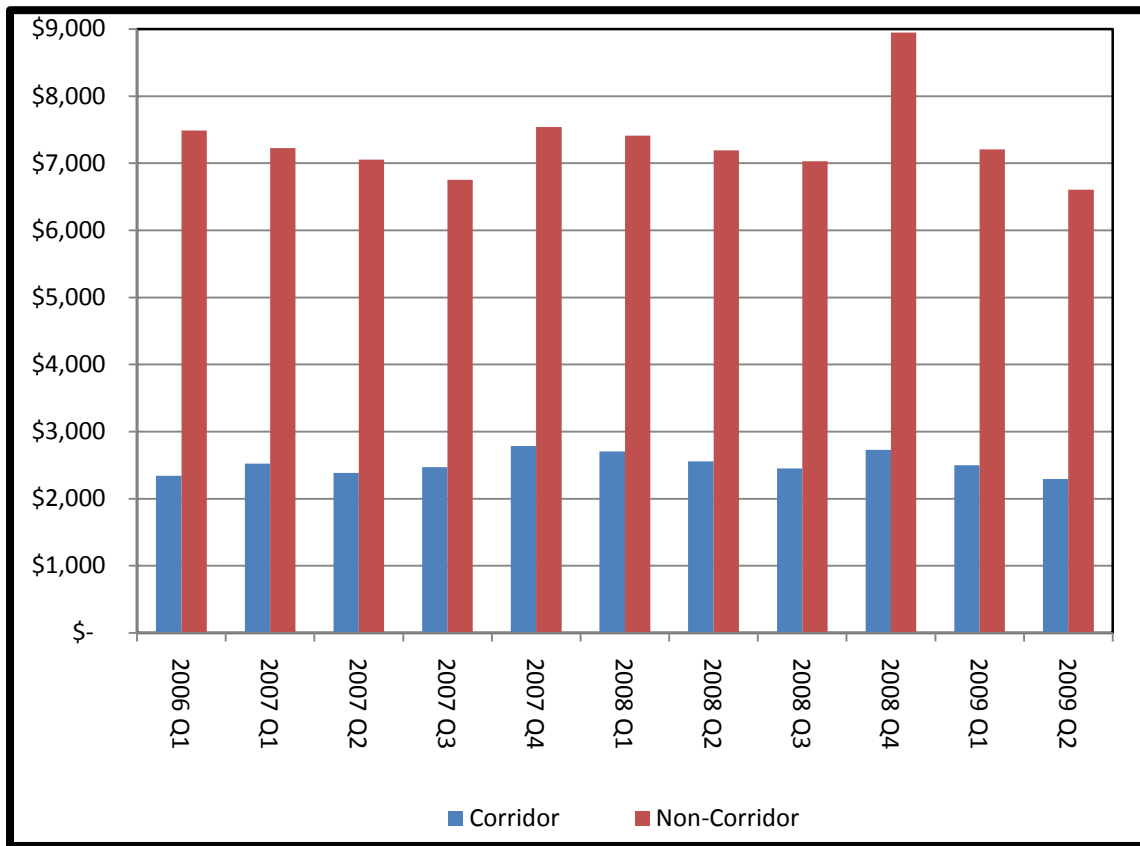
Table 1: St. Louis I-64 Corridor and Non-Corridor Economic Profile: Second Quarter of Each Year

	2nd Quarter 2007		2nd Quarter 2008		2nd Quarter 2009	
	Corridor	Non-Corridor	Corridor	Non-Corridor	Corridor	Non-Corridor
Jobs	201,778	636,941	201,577	631,271	191,098	597,042
# of Establishments	9,482	31,426	9,197	31,131	9,005	30,814
Wages (\$ Millions)	\$ 2,385	\$ 7,055	\$ 2,555	\$ 7,193	\$ 2,293	\$ 6,608
Taxable Sales (\$ Millions)	\$ 950	\$ 4,315	\$ 914	\$ 4,226	\$ 811	\$ 3,859

Source: MERIC and Missouri Department of Revenue

As displayed in Figure 1, the corridor region generates 26 percent of the total wages of the entire region; total wages for the first quarter of 2009 were \$2.5 billion, which then dropped to \$2.3 billion in the second quarter of 2009. The much larger non-corridor region generated \$7.2 billion in wages in the first quarter of 2009, but has since declined to \$6.6 billion in the second quarter of 2009. These dips are consistent with seasonal trends in the wage data for the previous years, where the wages declined from the first quarter through the third quarter of the year and then recovered in the fourth quarter. However, wages have declined below 2006 levels for both regions, suggesting that although these swings from quarter to quarter follow seasonal patterns, the impacts were more severe.

Figure 1: Total Quarterly Wages by Region in Millions of dollars¹



Source: MERIC QCEW

Employment trends on an industry basis are described below for the entire region including St. Louis County and City.

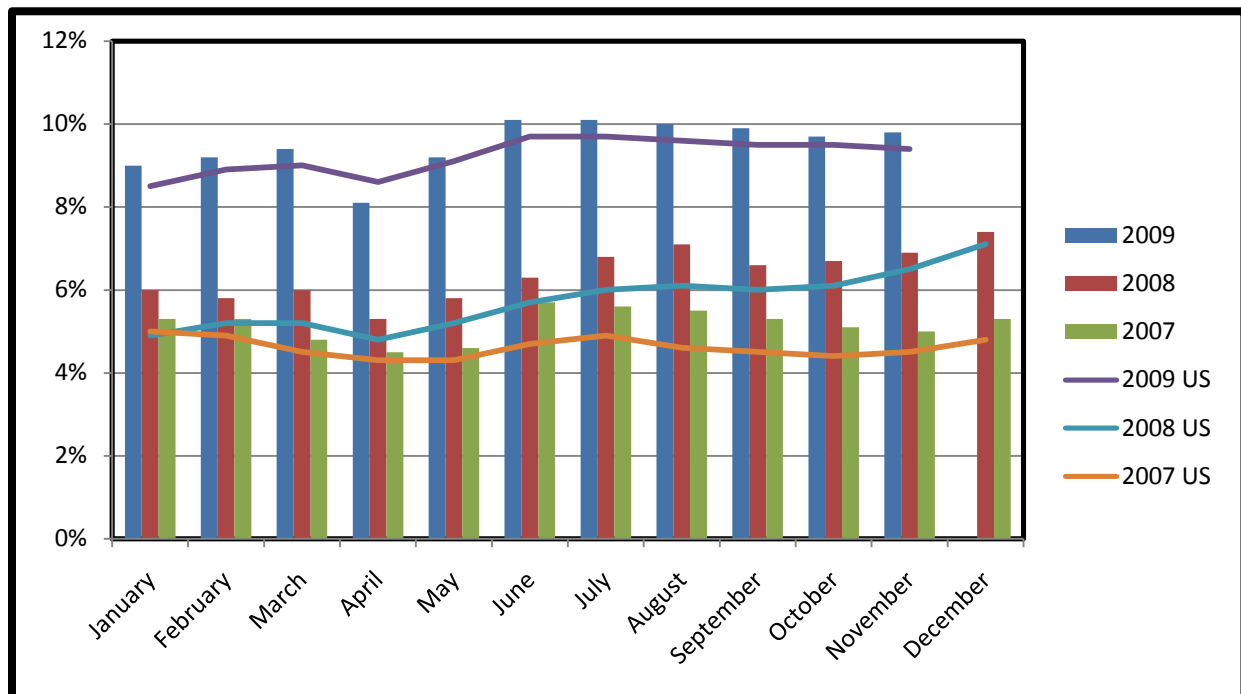
- Management and administration jobs peaked in third quarter 2008 at 90,018 jobs, but since have declined to 77,447 jobs in the second quarter 2009.
- Retail employment peaked in fourth quarter 2007 with 83,750 jobs, and has since declined with the exception of the fourth quarter of 2008 which coincides with the holiday shopping season. Despite the positive growth at the end of 2008, both quarters of 2009 have shown negative growth with the second quarter reporting 75,374 retail jobs. As expected, wholesale trade is following a similar trend.
- Manufacturing employment has declined in the region significantly since 2006. A year-by-year comparison of the second quarters of 2008 and 2009 shows a decline of 16% or loss of 8,980 jobs.
- Construction industry has experienced a decline coinciding with national trends. Comparisons between the second quarter of 2008 and 2009 show a decline of 18% or loss of 7,937 jobs.

¹ Data provided only includes first quarter of 2006

Unemployment

The total employment for the study area is 788,140, of which 24 percent is concentrated in the corridor region. Traditionally, employment trends for the region show a dip in employment in the first quarter, a small recovery in the second quarter, followed by a small contraction in the 3rd quarter, and a rebound in the fourth quarter. Since the second quarter of 2008, however, total employment for the entire region (corridor and non-corridor) has consistently declined, dropping below 2007 levels. From June 2009 through August 2009, unemployment rates climbed to more than 10% for the St. Louis metro². Figure 2 shows the monthly unemployment trends for the St. Louis, Missouri metropolitan area and the US for January 2007 through November of 2009. The bars in the figure represent the St. Louis metro area, while the lines represent the US. The figure shows that the unemployment rate in St. Louis was below the US in 2008. For most of 2009, however, unemployment in St. Louis has exceeded the nation. For November of 2009, the unemployment rate in St. Louis was 9.8 percent, 0.4 percentage points higher than the US unemployment rate.

Figure 2: Unemployment Rate: St. Louis, MO Metropolitan Area



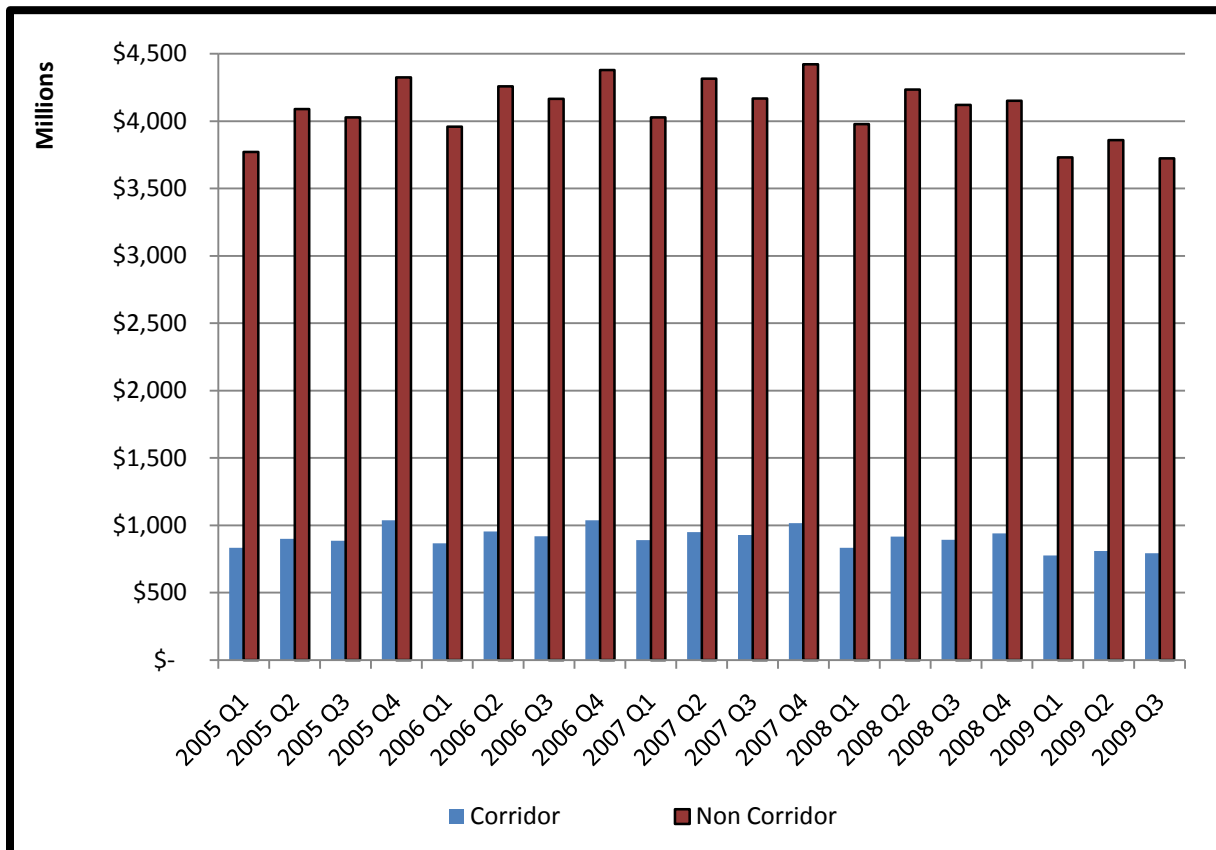
Source: MERIC

Taxable Sales

The combined taxable sales for the City and County of St. Louis were \$4.5 billion for the first quarter of 2009, and analysis of the second quarter 2009 shows total taxable sales increased to a combined total of \$4.67 billion. When compared on a year-by-year basis, the second quarter 2009 taxable sales revenues dropped \$469 million dollars from the second quarter of 2008. Third quarter 2009 taxable sales declined, following wage and employment trends, and falls short of the 2008 third quarter sales. Figure 3 below shows the total taxable sales for each quarter, from first quarter 2005 to third quarter 2009, in millions of dollars. The figure shows that taxable sales have dropped below 2005 levels.

² Missouri Side only

Figure 3: Taxable Sales by Region

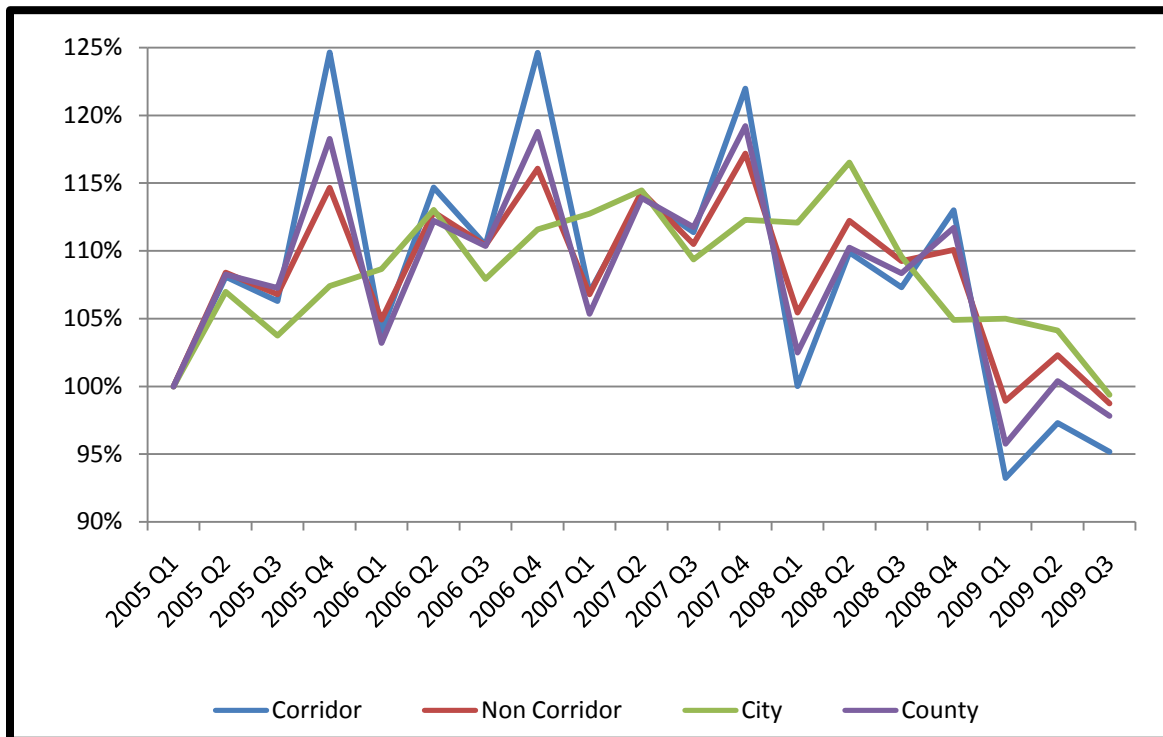


Source: Department of Revenue

The seasonal taxable sales patterns are best reflected in the taxable sales growth index presented in Figure 4. The index demonstrates quarterly taxable sales growth by region in the study area. Each year, sales follow a quarterly cycle where the lowest sales take place in the first quarter of the calendar year. The second and third quarter generally show some degree of recovery, and then the final quarter of the year has the largest sales, which are traditionally boosted by holiday spending.

The region’s growth followed a similar seasonal pattern, maintaining an overall level of positive growth until 2007, where the fourth quarter of 2007 growth fell short of the previous years and was followed by a significant drop in taxable sales in first quarter of 2008. Sales did recover during the course of 2008, but they remained below 2006 levels with the exception of the City of St. Louis in the second quarter of 2008. Taxable sales dipped below 2005 levels for the first portion of 2009, showing positive growth in second quarter of 2009, followed by negative growth in the third quarter of 2009.

Figure 4: Taxable Sales Growth Index by Region



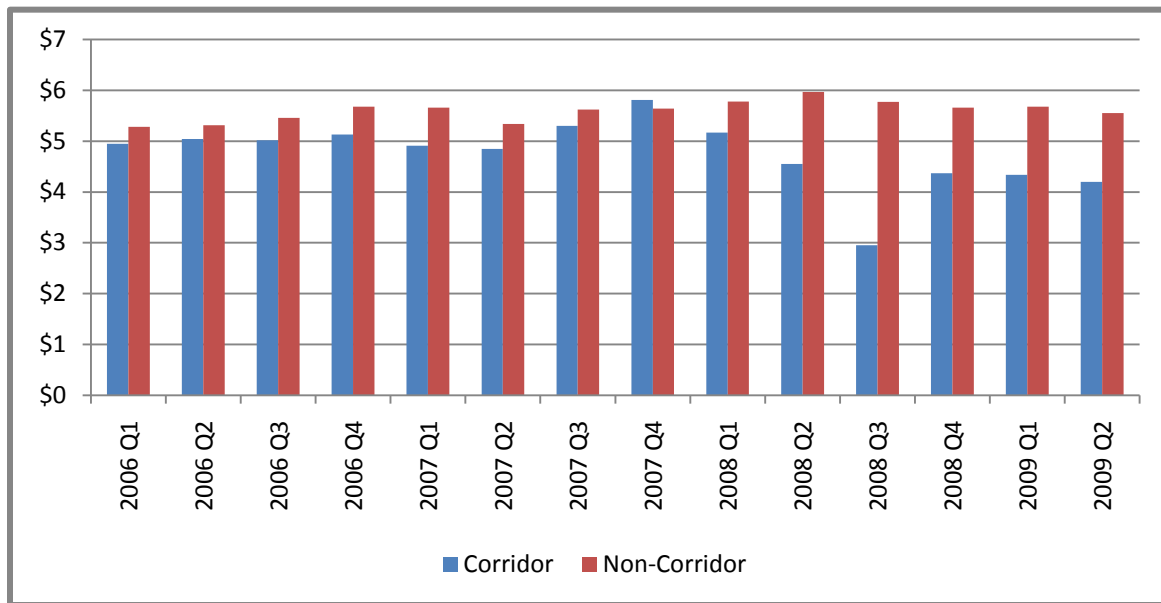
Source: Department of Revenue

Real Estate (Please note that since we have not received our second real estate dataset, we do not have any changes to report for the real estate market from the previous quarterly report)

TWR created a custom real estate database for the corridor and non-corridor regions, as well as the St. Louis metropolitan area. The data, based at the ZIP code level, provides vacancy rates, net and gross asking rent prices, the number of buildings, total stock, completions, net absorption, and availability rates for industrial and office real estate. Since the St. Louis metropolitan real estate market rates are mostly quoted in gross terms, over 95% for vacant office space, this analysis will focus on gross asking rates.

The TWR industrial data for gross asking price per square foot shows the gross asking price for industrial space peaked in the first half of 2008 for the non-corridor, whereas the corridor peaked in the last quarter of 2007, as shown in Figure 5. Industrial stock has not grown in the corridor area since the beginning of 2007, while the non-corridor region is showing a steady annual growth of 0.8% since 2000. In terms of total industrial stock, the non-corridor region has over 6.5 times the amount of industrial stock found in the corridor region. The figure also shows that prior to the second quarter of 2008, gross asking rents between both regions were within \$0.75 per square foot for industrial space, but following the second quarter of 2008 rates between the two regions widened to a difference of at least \$1.29 per square foot. The variation in prices for the corridor region in 2008 and the first half of 2009 is an indication of greater vacancies that are likely related to the economic downturn.

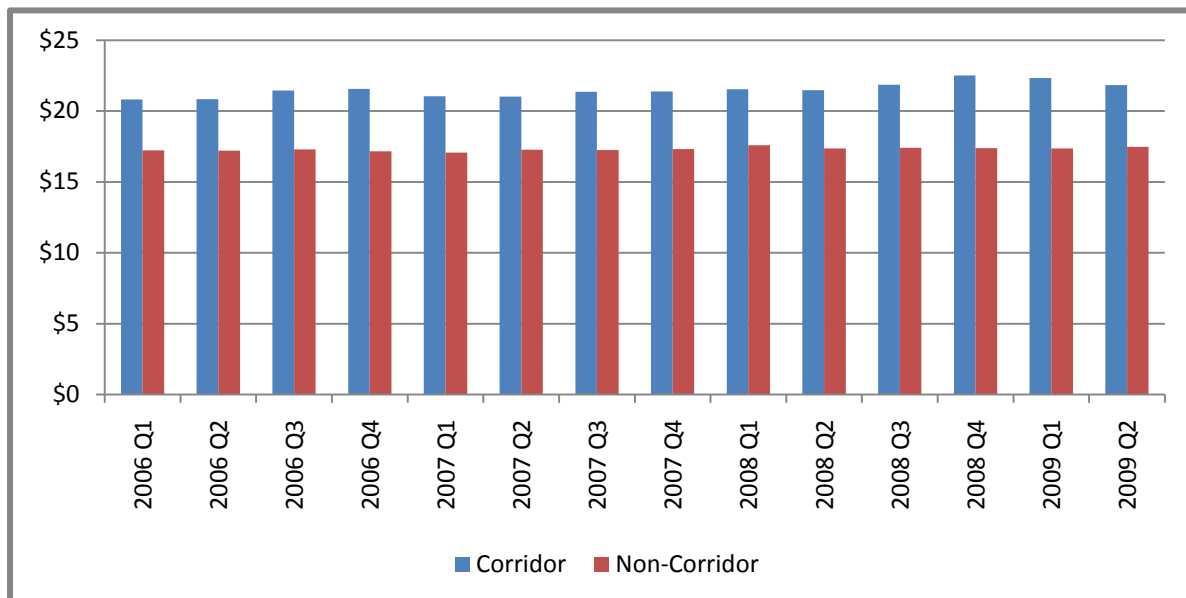
Figure 5: Gross Industrial Asking Rent per square foot



Source: TWR

While the non-corridor region has been established as the leading industrial real estate market, the corridor region is better suited for office real estate. Although the non-corridor region has an additional 10 million square feet of office space, the corridor region has higher asking rents and lower vacancy rates. The gross asking price for office space per square foot for the corridor has shown positive growth through most of 2008, with a slight dip in the second quarter of 2009, whereas the non-corridor office asking rent prices have remained relatively flat with limited variation in asking rents as illustrated in Figure 6.

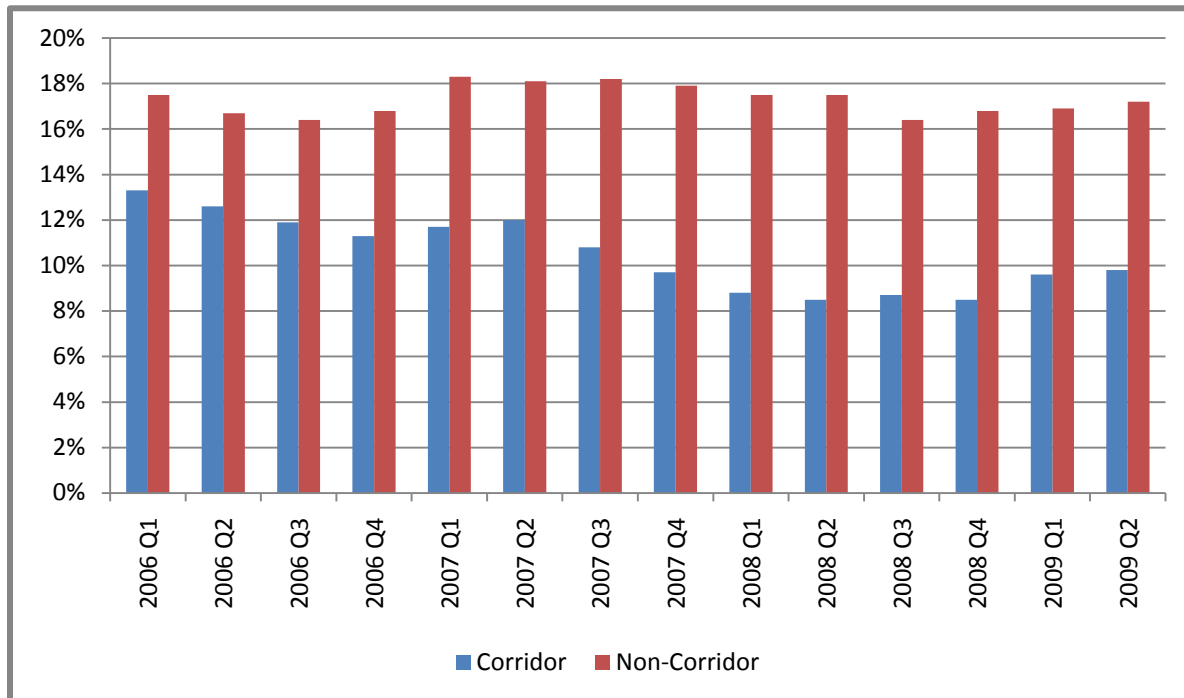
Figure 6: Gross Office Asking Rent per square foot



Source: TWR

In terms of office vacancies, the lowest office vacancy rates for both regions occurred during the middle of 2008, but began to rise at the end of 2008 through the second quarter of 2009. Since 2007, the corridor region's vacancy rate has been on average 7.7 percentage-points lower than the non-corridor region, as seen in Figure 7. The lower gross asking rents for office space are likely impacting the overall vacancy rates within both regions as they have not gone above first quarter 2006 levels.

Figure 7: Quarterly Office Space Vacancy Rates by Region



Source: TWR

Conclusions and Future Steps

Thus far, it is difficult to isolate the impacts of I-64 on the St. Louis economy from the larger national economic conditions. Additional analysis of the remaining 2009 economic, real estate, and fiscal data will help assess the implications of the I-64 closure and the overall economic health of the region. This information will be available in the annual report. In addition a third business survey has been developed and is scheduled for release in late January. The results of the survey will help ascertain how local businesses were impacted during the eastern closure of I-64 and after the reopening.

The assessment of economic cost attributable to changes in traffic, travel delay, and vehicle miles traveled (VMT) due to the western closure of I-64 will begin as additional data becomes available. The data and analysis in subsequent quarters will provide a better understanding of the magnitude of the transportation costs and their impact on productivity and competitiveness. Further analysis will offer insight on the project's effect on retail sales, customers and visitors, particularly among Corridor businesses. Finally, it will help to ascertain the extent to which national economic conditions are influencing the results.

Appendix A: Communications Data

- Online Survey Summary
- Online Responses