

# Tri-Valley/San Joaquin Valley Regional Rail Authority

## Valley Link Project – APTA Economic Impact Analysis



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# Agenda

- Project Goals/Description
- American Public Transportation Association (APTA) - Economic Impact Tool
- Valley Link Project Inputs/Assumptions
- Results
  - Scenario A – High Range Costs
  - Scenario B – Low Range Costs
  - Economic Impact – Jobs and Revenues
- Sources

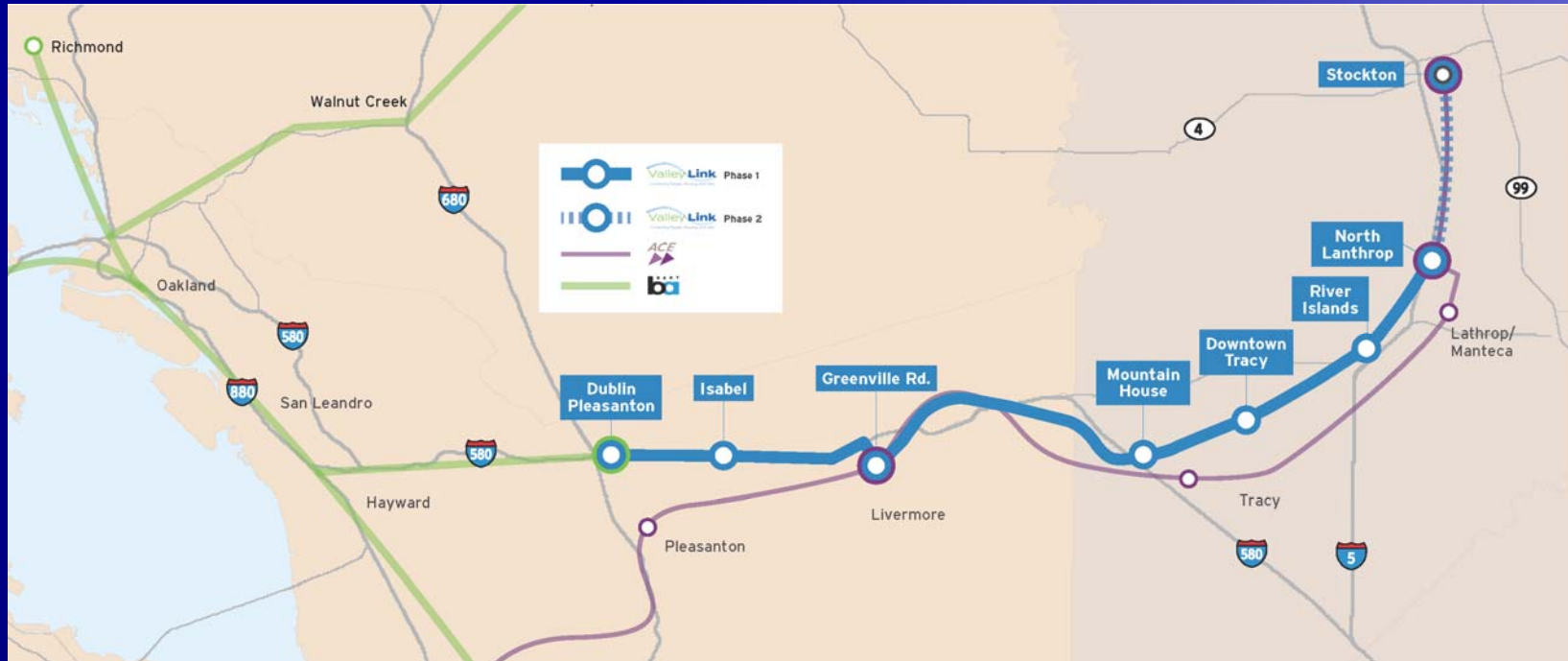


# Project Goals/Description

- Improve connectivity: Housing, People and Jobs.
- Provide rail connectivity between the BART system and the Altamont Corridor Express commuter service in the Tri-Valley.
- Implement a project that is fast, cost-effective.
- Execute a project that meets sustainability goals in design, construction, and operations.
- Support the vision of the California State Rail Plan to connect the Northern California Megaregion to the State rail system.



# Project Description



- Phase I
  - 42 miles from the Dublin/Pleasanton Station to North Lathrop
  - Facilities
    - Seven Passenger Stations
    - Operations and Maintenance Facility

# APTA – Economic Impact Tool

- **Calculates Economic Impacts of transit services through web**
  - Presents jobs, wages, sales, and value-added support to both Agency Operations and Capital Expenditures
  - Insight to direct and subsequent (multiplier) effects as Agency activities ripple through the local economy
  - Identify diverse occupational mix of jobs supported by Agency operations and capital activities
- **Establishes the role of the public transit agency plays in the service area**
- **Provides how Public Money invested in Transit returns economically, in terms of jobs and income, to the community**



# APTA – Economic Impact Tool

Uses regional economic data to translate agency activities into supported economic activity, tracking within broader economy

expenditures → directed effects → subsequent multiplier effects

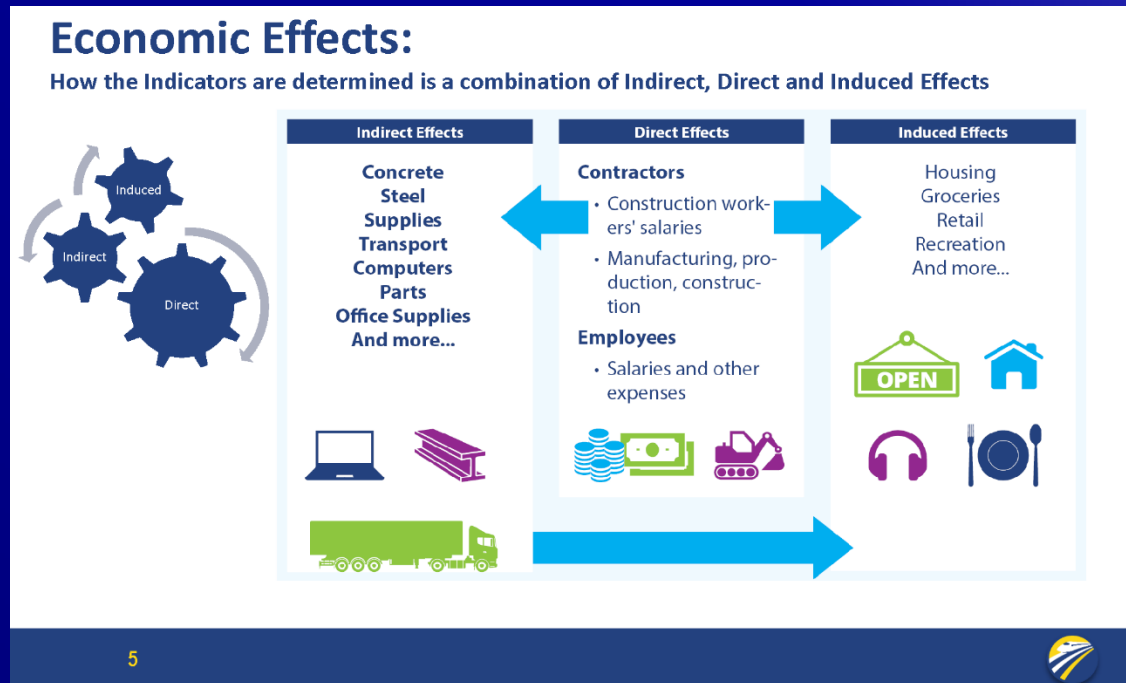


Illustration courtesy of California High Speed Rail Authority - 2019 ECONOMIC IMPACT REPORT

# APTA – Economic Impact Tool

- Inputs
  - Specific Geographic Study area - Alameda and San Joaquin Counties
  - Type of Service – Heavy Rail\*
  - Project Capital Costs – Valley Link Feasibility Report
  - Agency Operating Costs – Adjusted to current year\*\*
- Tool provides two (2) levels of data requirements
  - Standard Mode – requires detailed budget information
  - Easy Mode – requires basic information

## 12. Capital and Operating Costs

### Initial Valley Link Service Capital Costs

VALLEY LINK CAPITAL COST COMPONENT	CAPITAL COST (LOW RANGE FY18)	CAPITAL COST (HIGH RANGE FY18)	CAPITAL COST (LOW RANGE, IN \$YOE FOR 2022-2028)	CAPITAL COST (HIGH RANGE, IN \$YOE FOR 2022-2028)
Alignment	\$1.34 billion	\$1.83 billion	\$1.71 billion	\$2.33 billion
Stations	\$0.21 billion	\$0.27 billion	\$0.29 billion	\$0.36 billion
OMF	\$0.08 billion	\$0.10 billion	\$0.10 billion	\$0.13 billion
Hybrid MU Vehicles	\$0.25 billion	\$0.31 billion	\$0.31 billion	\$0.39 billion
<b>Total Cost</b>	<b>\$1.88 billion</b>	<b>\$2.51 billion</b>	<b>\$2.42 billion</b>	<b>\$3.21 billion</b>

\* Economic Impact Tool How-To Guide (page 6) recommends using Heavy Rail in Commuter Rail Projects

\*\* Adjusted to \$YOE 2018 applied ACE factors to O&M Cost



# Economic Impact Tool – Easy Mode

- Annual Operating Budget
  - Labor Expenses (e.g., Agency Payroll)
  - Purchased Transportation (e.g., O&M Outsourcing)
  - Other Operating Expenses (e.g., Fuel)
- Project Capital Expenditures
  - Construction (e.g., includes Design costs)
  - Vehicle Purchase (e.g., Rolling Stock)
  - Other Equipment Purchase (e.g., Non-revenue vehicles)

Reset	Bus	BRT	Light Rail	Heavy Rail	Paratransit	Ferry	Other	Totals
<b>Annual Operating Budget Amounts</b>								
Labor expenses (wages, benefits) (\$M)	0	0	0	2.92	0	0	0	3
Purchased transportation (\$M)	0	0	0	7.19	0	0	0	7
Other operating expenses (\$M)	0	0	0	17.21	0	0	0	17
<b>Annual Capital Project Amounts</b>								
Construction (\$M)	0	0	0	2,200	0	0	0	2,200
Vehicle Purchases (\$M)	0	0	0	310	0	0	0	310
Other Equipment Purchases (\$M)	0	0	0	0	0	0	0	0



# APTA – Economic Impact Tool – Results

- Detailed Results
  - Project Capital
  - On-going Operations and Maintenance
- Local Economic Impacts Categories
  - Employment – # of Jobs, not Full Time Equivalents
  - Labor Income – Total wages plus fringe benefits
  - Value Added – Business profit and personal income generated
  - Output (production) – Business Revenues or Sales
- Jobs by Sectors



# High Range Local Economic Impacts Summary

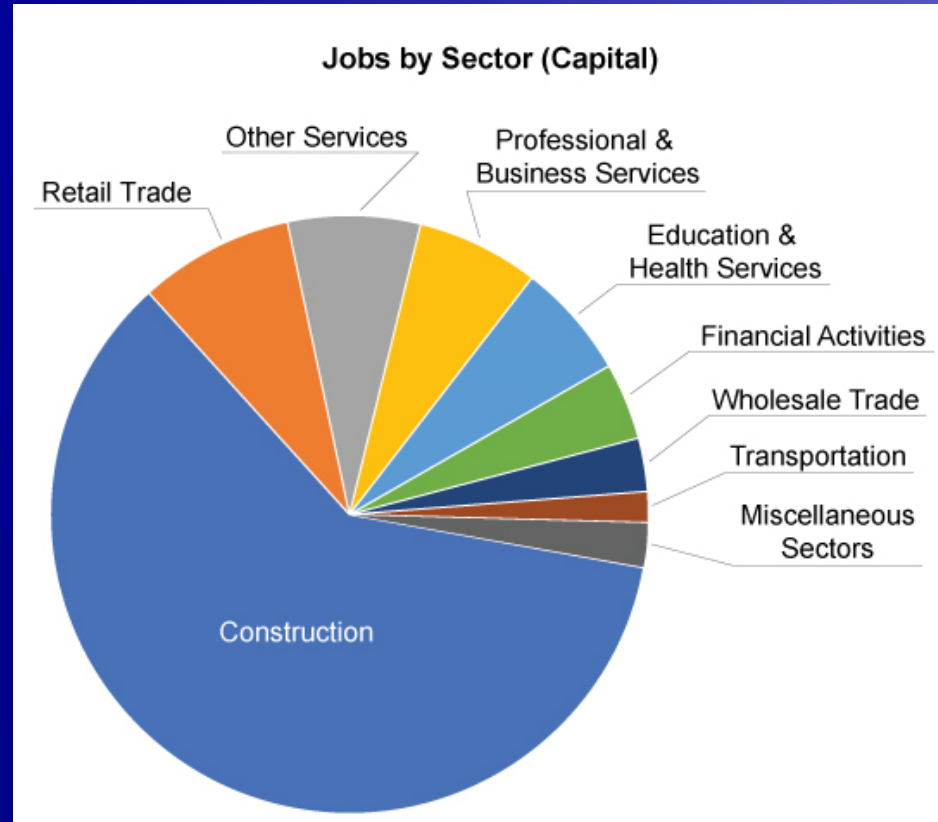
- Capital Project creates 22,000 jobs with worker income of approximately \$1.35 billion
- Capital Project generates \$3.5 billion of local business sales
- Operations supports approximately 400 jobs/year with labor income of over \$19 million/year
- Operations generates \$69 million of business sales annually

Local Economic Impacts Summary

Impact Type	Employment	Labor Income (\$M)	Value Added (\$M)	Output (\$M)
<b>Direct Effect</b>	<b>13,338</b>	<b>892.32</b>	<b>1,186.68</b>	<b>2,252.03</b>
Transit Operations & Maintenance	88	2.92	2.92	27.32
Transit Capital Investment	13,250	889.40	1,183.76	2,224.71
<b>Indirect (Supplier) Effect</b>	<b>3,850</b>	<b>221.49</b>	<b>354.89</b>	<b>598.76</b>
Driven by Operations & Maintenance	245	13.40	17.63	33.18
Driven by Capital Investment	3,605	208.09	337.27	565.58
<b>Induced (Income Responding) Effect</b>	<b>5,219</b>	<b>255.83</b>	<b>456.42</b>	<b>729.58</b>
Driven by Operations & Maintenance	63	3.08	5.50	8.80
Driven by Capital Investment	5,156	252.75	450.92	720.78
<b>Total Effect</b>	<b>22,407</b>	<b>1,369.64</b>	<b>1,997.99</b>	<b>3,580.37</b>
Driven by Operations & Maintenance	<b>396</b>	<b>19.40</b>	26.05	<b>69.30</b>
Driven by Capital Investment	<b>22,011</b>	<b>1,350.24</b>	1,971.94	<b>3,511.07</b>

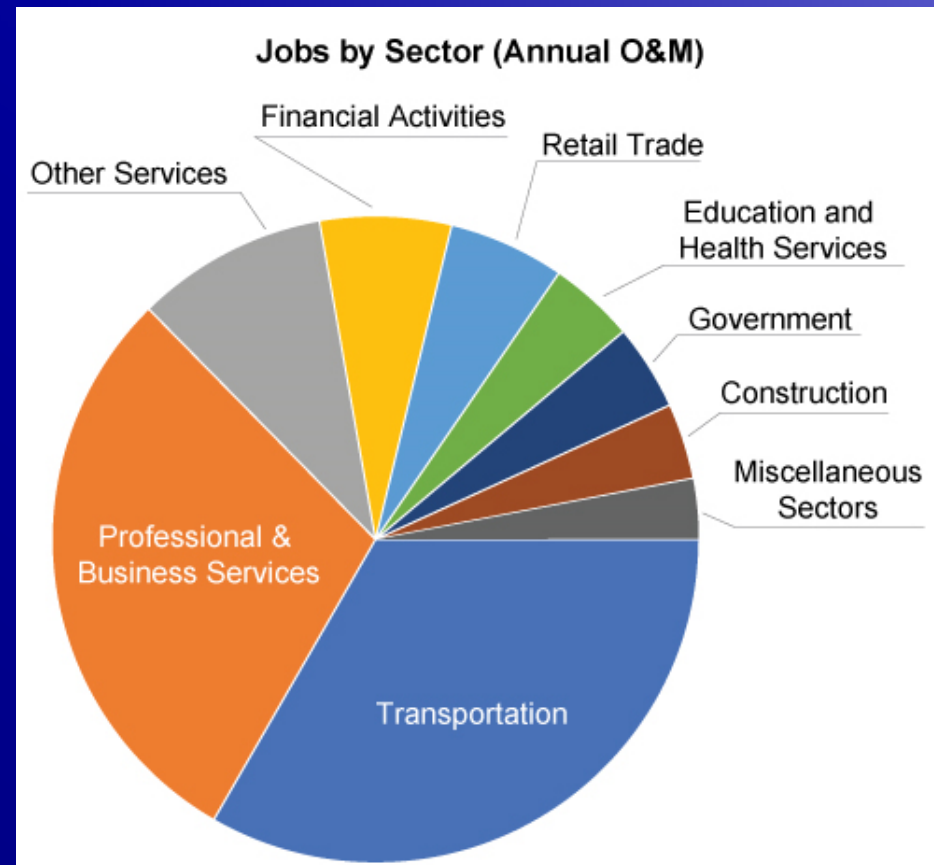
# High Range Jobs by Sector (Capital)

Jobs by Sector (Capital)		
SECTOR	JOBS	%
Construction	13,303	60.4%
Retail Trade	1,844	8.4%
Other Services	1,579	7.2%
Professional & Business Services	1,458	6.6%
Education and Health Services	1,380	6.3%
Financial Activities	914	4.2%
Wholesale Trade	635	2.9%
Transportation	366	1.7%
Miscellaneous Sectors		
Manufacturing	215	1.0%
Postal & Warehousing	138	0.6%
Media and Information	119	0.5%
Government	40	0.2%
Agriculture & Extraction	12	0.1%
Utilities	8	0.0%
<b>TOTAL JOBS</b>	<b>22,011</b>	<b>100%</b>



# High Range Jobs by Sector (Annual O&M)

Jobs by Sector (Annual O&M)		
SECTOR	JOBS	%
Transportation	132	33.3%
Professional & Business Services	116	29.3%
Other Services	38	9.6%
Financial Activities	26	6.6%
Retail Trade	23	5.8%
Education and Health Services	17	4.3%
Government	17	4.3%
Construction	15	3.8%
Miscellaneous Sectors		
Wholesale Trade	4	1.0%
Postal & Warehousing	3	0.8%
Utilities	2	0.5%
Media and Information	2	0.5%
Manufacturing	1	0.3%
Agriculture & Extraction	0	0.0%
<b>TOTAL JOBS</b>	<b>396</b>	<b>100%</b>



# Low Range Local Economic Impacts Summary

- Capital Project creates over 16,300 jobs with worker income of approximately \$1.0 billion
- Capital Project generates \$2.6 billion of local business sales
- Operations supports 330 jobs/year with labor income of approximately \$16.1 million annually

Local Economic Impacts Summary

Impact Type	Employment	Labor Income (\$M)	Value Added (\$M)	Output (\$M)
<b>Direct Effect</b>	<b>9,892</b>	<b>661.71</b>	<b>879.86</b>	<b>1,672.66</b>
Transit Operations & Maintenance	73	2.43	2.43	22.74
Transit Capital Investment	9,819	659.28	877.43	1,649.92
<b>Indirect (Supplier) Effect</b>	<b>2,878</b>	<b>165.53</b>	<b>264.85</b>	<b>447.19</b>
Driven by Operations & Maintenance	204	11.15	14.67	27.62
Driven by Capital Investment	2,674	154.38	250.17	419.57
<b>Induced (Income Responding) Effect</b>	<b>3,875</b>	<b>189.95</b>	<b>338.88</b>	<b>541.70</b>
Driven by Operations & Maintenance	52	2.57	4.58	7.32
Driven by Capital Investment	3,822	187.38	334.30	534.37
<b>Total Effect</b>	<b>16,645</b>	<b>1,017.18</b>	<b>1,483.58</b>	<b>2,661.55</b>
Driven by Operations & Maintenance	<b>330</b>	<b>16.15</b>	21.69	57.68
Driven by Capital Investment	<b>16,315</b>	<b>1,001.04</b>	1,461.90	<b>2,603.87</b>

# Economic Impact – Jobs and Revenues

	Jobs	Revenues
<b>Capital Project</b>	16,300 – 22,200	\$2.6 B – \$3.5 B
<b>O&amp;M (on-going)</b>	330 – 395	\$56 M – \$69 M

# Sources

- Tri-Valley Project Feasibility Report, October 2019  
[https://www.dropbox.com/s/fp34e3tr8uj4mut/Combined\\_ValleyLinkFinalFeasibilityReport\\_10-8-2019\\_Reduced.pdf?dl=0](https://www.dropbox.com/s/fp34e3tr8uj4mut/Combined_ValleyLinkFinalFeasibilityReport_10-8-2019_Reduced.pdf?dl=0)
- Altamont Corridor Express National Transit Database 2018 Agency Profile:  
[https://www.transit.dot.gov/sites/fta.dot.gov/files/transit\\_agency\\_profile\\_doc/2018/90182.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/transit_agency_profile_doc/2018/90182.pdf)
- American Public Transit Association “My Economic Impact Tool” (APTA membership required)  
<https://www.apta.com/research-technical-resources/my-economic-impact-tool/economic-impact-tool/>
- My Economic Impact Tool – How to Use it  
<https://www.apta.com/wp-content/uploads/Resources/resources/APTA-My-Economic-Impact-Tool-How-to-Use-It.pdf>
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THANK YOU