

KEY FINDINGS SUMMARY

The Utah Transit Authority (UTA) moves millions of people to home, work, and experiences each year. UTA also generates jobs, spending, travel savings, and tax revenue that benefits individuals, businesses, and the entire state of Utah.

Utah's Economic Return from UTA Services (2023)

Investing in UTA benefits Utah's economy.

The economic return of UTA services impacts spending, travel efficiencies, transportation savings, job creation, market access, workforce participation, and tax outcomes.

\$1/\$5.11 ROI (value of goods and services produced per dollar of transit outlay)¹

For every \$1 invested in UTA operations and capital, Utah's economy is able to produce a \$5.11 in additional goods and services that could not have otherwise been possible.

\$9.6B a year in goods and services enabled by time and mileage savings

Because of time and mileage savings, Utah generated \$9.6 billion² in additional impact on goods and services that would not have otherwise been produced in 2023. This is the total value of goods and services generated due to time and mileage savings, market access, workforce participation, and UTA spending effects in 2023.

\$377M in state, federal, and local tax revenue generated in Utah³

UTA's service benefits on travel, spending, and business conditions generate an additional \$105 million in local taxes, \$126 million in state taxes, and \$146 million in federal taxes in Utah each year.

79,000 total jobs created⁴

UTA services were responsible for 79,000 direct, indirect, and induced jobs by saving money for drivers, connecting workforce to employers, providing workers access to higher earnings, and spending money on the economy.

10,000 jobs are created because of transportation money saved to Utah households and businesses as a result of UTA's activities

Because transit reduces congestion and other costs for cars and trucks, Utah firms could employ 10,000 more employees⁵.

24,000 workers⁶ depend on transit to access their jobs supporting an additional **31,500** workers⁷ whose jobs otherwise rely on these transit users every day

UTA services connected 24,000 people to jobs. The daily work of these UTA riders supports an additional 31,500 jobs for employees who depend on these transit users.

13,500 jobs⁸ created for UTA employees, suppliers, and other related businesses, earning **\$334M**⁹ and stimulating another **\$1.1B** in sales¹⁰ for other Utah businesses

As an employer, UTA operations, suppliers, contractors, and employees generate 13,500 jobs. These direct and indirect jobs resulting from UTA as an employer generate another \$1.1 billion in total sales for other Utah businesses.

UTA's economic impact benefits all Utahns, whether they ride transit or not.

UTA services reduce road traffic congestion on freeways and in town, benefitting everyone on the road through fewer miles traveled, fewer hours on the road, fewer car expenses, less tax dollars to road repairs, quicker travel times, less stress, access to more employers (and choice in employment), and cleaner air.

\$1/\$1.27 return in transportation savings.¹¹

Because of UTA's impact on reduced roadway travel including congestion, emissions, fuel use, and other cost of driving, Utah's economy (including drivers and others enjoying clean air and other effects) save \$1.27 in transportation costs for every \$1 spent.

\$717M in travel efficiency savings.¹²

The estimated time, travel, maintenance savings, and reduced air quality costs for Utah households and business travel totaled \$717 million in 2023.

\$595M in household income because of household and business travel savings combined.¹³

\$2.9B in household income earned from all effects of transit including reduced travel costs, increased productivity, workforce participation and UTA spending¹⁴.

Economic impact is one part of transit decision-making.

Economic impact is not the only factor in choosing to invest in UTA public transit according to the 2023-2050 Utah Unified Plan. Factoring it in can help prioritize and plan future investment for maximum benefits to Utah's economy.

Data shows UTA has an economic benefit in improving roadway capacity, land value, business and employment opportunities, and investment in infrastructure. In the 2023-2050 Utah Unified Plan, transit services provided by UTA account for over one-third of the entire unified plan's projected economic benefits. Investing in UTA will yield increasing returns for Utah's future economy. If 2023-2050 Utah Unified Plan is fully built out, in 2050, each \$1 invested in transit will enable Utah's businesses and workers to produce \$6.08¹⁵ worth of goods and services.

If the transit services in 2023-2050 Utah Unified Plan are fully funded, in 2050, the same \$1 invested in UTA will save Utah's households and businesses \$2.14.¹⁶ in transportation efficiency and market access, or double UTA's current rate of savings (2023).

Data and Methodology

The purpose of this report is to provide data to support early decision-making based on projected economic benefits, using data which otherwise would be available only after investment, or following project completion. To do this, the WFRC-MAG Travel Demand Model v.9.0.0 was used to analyze travel characteristics for various transit systems and projects at different investment levels outlined in Utah's Unified Plan 2023-2050. These characteristics include the total number of trips, travel time and distance, congestion levels, and modes of travel, among others. The analysis revealed:

- With higher investments in transit, the model is expected to show decreases in congestion, overall travel time, and emissions, leading to a more efficient transportation system in the Wasatch Front region. Reduced congestion, travel time, and emissions lower travel-related costs for Utah's households and businesses that rely on the transportation system for commuting, obtaining, and delivering goods.
- This efficiency translates into monetary savings, as specified by the US Department of Transportation's Benefit-Cost Analysis Guidance for Discretionary Grant Programs, 2023¹. These savings benefit Utah's households and businesses due to the more efficient transportation system.
- Households are likely to spend their savings in the local economy on sectors such as entertainment, recreation, and groceries, thereby supporting jobs, GDP, and the production of goods and services in the Wasatch Front and, by extension, Utah's economy. Businesses will use their savings from reduced trucking and delivery costs to enhance productivity, generating additional goods and services, which in turn contribute to increased employment, household income, and GDP in both the Wasatch Front and Utah's economies.
- On the other hand, increased transportation system efficiency results in businesses in the region having access to larger labor pool and supplier/customer market, resulting in productivity gains. This again translates to additional production of goods and services, employment opportunities, and value added to the regional economy.
- These direct, indirect, and induced impacts of transportation savings, market access improvements, direct spending, and workforce accessibility improvements have been estimated using the IMPLAN economic impact model².
- Please refer to Yellow Report, Page 3 (Methodology and Data) for further information on the data and methodology employed for this economic impact study.

¹ <https://www.transportation.gov/mission/office-secretary/office-policy/transportation-policy/benefit-cost-analysis-guidance>

² <https://implan.com/white-papers/>

End Notes and References

¹ Business Output Impacts Per Dollar (2023):

Impacts (Returns) Include: (1) Efficiency Savings: **\$1,889 million** [Yellow Report: Appendix I, Page xi] + (2) Market Access Gains: **\$12 million** [Yellow Report: Appendix II, Page xvi] + (3) Paratransit/MAAS/OnDemand: **\$43 million** [Green Report: Executive Summary, Page i, Table 1] + (4) Transit Spending: **\$1,129 million** [Yellow Report: Appendix IV, Page xxiv] = **\$3,073 million**.

Dollars Spent (Investment) Include: \$602 million of total UTA 2023 outlays (per UTA accounting, December 2023).

Impact Per Dollar Spent (Return on Investment): \$3,075 million/\$602 million = **5.11 per dollar of UTA outlay**

² Sum of Business Output Impacts of:

(1) Efficiency Savings: **\$1,889 million** [Yellow Report: Appendix I, Page xi] + (2) Market Access: **\$12 million** [Yellow Report: Appendix II, Page xvi] + (3) Workforce Participation: **\$6,593 million** [Yellow Report: Appendix III, Page xx] + (4) Spending Impacts: **\$1,129 million** [Yellow Report: Appendix IV, Page xxiv] = **\$9,623 million = \$9.6 billion**

³ Yellow Report, Appendix V: Fiscal Impacts, Page xxvi

⁴ Sum of Jobs Created by:

(1) Efficiency Savings: **10,000** [Yellow Report: Appendix I, Page viii] + (2) Market Access **78** [Yellow Report: Appendix II, Page xiii] + (3) Transit enabled Jobs **24,000** [Yellow Report: Jobs Supported by Transit, Page 40] + (4) Workforce Participation **31,500** [Yellow Report: Appendix III, Page xvii] + (5) Spending Impacts **13,500** [Yellow Report: Appendix IV, Page xxi] = **79,078 Total Jobs**

⁵ Yellow Report: Appendix I: Transportation Efficiency Benefits and Impacts, Page viii

⁶ Yellow Report, Jobs Supported by Transit, Page 40

⁷ Yellow Report, Appendix III: Workforce Participation, Page xvii

⁸ Yellow Report: Appendix IV: Transit Spending Impacts, Page xxi

⁹ Yellow Report, Appendix IV: Transit Spending Impacts, Page xxii

¹⁰ Yellow Report, Appendix IV: Transit Spending Impacts, Page xxiv

¹¹ Efficiency Benefits: **\$717.23 million** [Yellow Report: Appendix I, Page vi] / **\$565 million** in UTA's capital outlays (aside from Paratransit O&M Costs, per UTA accounting, December 2023) = **1.27 per dollar of UTA outlay**

¹² Yellow Report, Appendix I: Transportation Efficiency Benefits and Impacts, Page vi

¹³ Yellow Report, Appendix I: Transportation Efficiency Benefits and Impacts, Page ix

¹⁴ Sum of Household Income Impacts of:

(1) Efficiency Savings: **\$596 million** [Yellow Report: Appendix I, Page ix] + (2) Market Access: **\$4.2 million** [Yellow Report: Appendix II, Page xiv] + (3) Workforce Participation: **\$1,986 million** [Yellow Report: Appendix III, Page xviii] + (4) Spending Impacts: **\$334 million** [Yellow Report: Appendix IV, Page xxiv] = **\$9,623 million**

¹⁵ Business Output Impacts Per Dollar (2050):

Impacts (Returns) Include: (1) Efficiency Savings: **\$7,335 million** [Yellow Report: Appendix I, Page xi] + (2) Market Access Gains: **\$2,250 million** [Yellow Report: Appendix II, Page xvi] = **\$9,585 million** at RTP-Priority Needs investment level.

Dollars Spent (Investment) Include: **\$1,576 million** of total UTA 2050 outlays at RTP-Priority Needs investment level (as per UTA accounting, December 2023).

Impacts per Dollar Spent (Return on Investment): **\$9,585 million/\$1,576 million = 6.08 per dollar of UTA outlay**

¹⁶ Benefits Per Dollar (2050):

Savings (Benefits) Include: (1) Efficiency Savings **\$2,268 million** [Yellow Report: Appendix I, Page vi] + (2) Market Access Gains **\$1,097 million** [Yellow Report: Appendix I, Page xv] = **\$3,365 million**

Dollars Spent (Investment) Include: **\$1,576 million** of total UTA 2050 outlays at RTP-Priority Needs investment level (as per UTA accounting, December 2023)

Benefits per Dollar Spent: **\$3,365 million/\$1,576 million = 2.14 per dollar of UTA outlay**