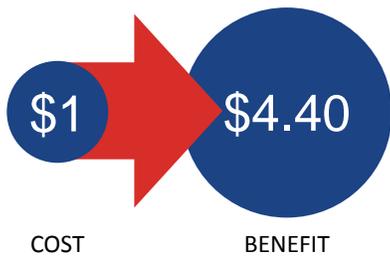


RETURN ON INVESTMENT



The impact of transportation improvements is a robust \$4.40 in economic benefits for every dollar invested. In addition to construction jobs, transportation improvements support thousands of long-term jobs. FDOT continues to improve the estimation of return on investment for individual transportation projects as well. The department’s macroeconomic model estimates the long-term economic benefits associated with the capital projects in FDOT’s Work Program. The model quantifies the benefits of highway, transit, seaport, and rail projects. This provides useful information for FDOT’s Executive management and other decision makers throughout Florida.



Benefit-Cost Summary of FDOT Work Program
(all figures in present value)

BENEFITS	
Personal Income Benefits	\$ 76.00
Non-Business User Benefits	\$ 65.70
Total Benefits	\$141.70
COSTS	
Total Costs	\$ 32.10
Benefit-Cost Ratio	4.40

KEY STRATEGIES: FDOT will help ensure that continued progress is made to improve its core measure of economy through these strategies:

- Support the development of Florida as a major international trade hub with targeted investments in the capacity of and connectivity among Strategic Intermodal System (SIS) hubs and corridors.
- Develop and streamline mechanisms for expedited funding and implementation of projects that meet economic growth criteria.
- Include economic development opportunities in setting priorities for transportation investment on the SIS and regionally significant transportation facilities.
- Enhance and refine methods for integrating engineering, environmental, safety and economic analyses that encompass community livability/quality of life/attractiveness to generate better estimates of return on investment (ROI) for major projects.

- Provide technical assistance to transportation partners seeking to enhance and expand their use of economic analysis to improve their own decision making processes.
- Provide options for raising sustainable local, regional, and state transportation resources and investing those resources in projects that have the greatest need and benefit.
- Promote funding flexibility to respond quickly to economic opportunities—particularly for industries that are transportation dependent.
- Identify transportation needs, revenues, and shortfalls across all modes—maintain this information and communicate it broadly to foster a greater understanding of transportation challenges and needs.
- Maximize the return of federal transportation funds to Florida and the flexibility to use those funds consistent with state, regional, and local priorities.
- Improve the efficiency and connectivity of the supply chain serving Florida’s businesses.

CONTEXT: FDOT and other transportation system operators support economic competitiveness by providing essential access and mobility.

DETAILS: The SIS accounts for more than 73 percent of truck traffic and 56 percent of total traffic on the State Highway System. SIS improvements also include extensive private and local investment—underscoring the importance of these facilities to communities and business. SIS facilities carry more than 99 percent of all commercial air passengers and cargo, virtually all waterborne freight and cruise passengers, all rail freight, and 89 percent of all interregional passengers.

Of the \$12.7 billion programmed for SIS capacity funding in the current 2016 to 2020 Work Program, \$11.4 billion has been programmed for highway improvements, \$490 million for aviation and spaceports, \$277 million for seaports, \$264 million for rail, \$149 million for intermodal, and \$110 million for Transit New Starts.