



Top 50 Surface Transportation Projects to Stimulate Michigan's Economic Recovery:

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Executive Summary



Michigan's transportation system has played a significant role in the state's development, providing mobility and access for residents, visitors, businesses and industry. The state's roads, highways and transit systems are the backbone of a transportation system that made Michigan a 20th Century global leader in the automotive and manufacturing sectors as well as in agriculture, education and healthcare. Michigan's transportation system also provided for a high quality of life and made the state a desirable place to live and visit. Today, Michigan must transform its economy to meet the demands of the 21st Century and overcome its severe economic challenges. The condition and quality of its transportation system will play a critical role in the state's ability to recover from a decade of economic decline.

To achieve sustainable economic recovery, Michigan must proceed with numerous projects to improve key highways, bridges and transit routes. Enhancing critical segments of Michigan's surface transportation system will boost the state's economy in the short-term by creating jobs in construction and related fields. In the long term these improvements will lead to economic competitiveness by reducing travel delays and transportation costs, improving access and mobility, and stimulating sustained job growth, improving the quality of life for all Michigianians.

In this report, TRIP examines the recent transportation and economic trends in Michigan and provides information on the surface transportation projects in the state that are most needed to support economic growth. Sources of data include the Michigan Department of Transportation (MDOT), the Southeast Michigan Council of Governments (SEMCOG), the Grand Valley Metro Council (GVMC), the Tri-County Regional Planning Commission (TCRPC), the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), the U.S. Bureau of Transportation Statistics (BTS), and the U.S. Census Bureau. All data used in the report is the latest available.

TRIP has identified the state's 50 surface transportation projects that are most needed to support Michigan's economic recovery. These projects are located throughout the state and include improvements to roads, highways, rail, transit systems and border crossings.

- The most needed surface transportation projects in Michigan include road, bridge, rail and transit projects and international border crossings. The needed projects are geographically diverse, including numerous urban projects in the Detroit, Lansing and Grand Rapids areas and projects as far north as the Upper Peninsula.
 - TRIP ranked each transportation project based on a rating system that considered short-term economic benefits, including job creation; the level of improvement in the condition of the transportation facility, including safety improvements; the amount of improvement in access and mobility; and, the long-term improvement provided in regional or state economic performance and competitiveness.
 - Michigan's 10 most needed surface transportation projects for economic recovery are as follows. A full list of the 50 needed projects for economic recovery is included in Appendix A of the report.
1. **Detroit River International Crossing (DRIC)** This new international crossing would span from I-75 in Wayne County to Canada 401 in Windsor, Ontario. It would provide freeway-to-freeway border connection and ease congestion while making significant improvements to the efficiency, reliability, redundancy and cost-competitiveness of international traffic in the Detroit-Windsor trade corridor. The construction of a new border crossing in the Detroit-Windsor trade corridor is expected to create 10,000 construction jobs and preserve or attract up to 25,000 jobs in Michigan and up to 97,000 jobs in the U.S.
 2. **Widening I-94 from six to eight lanes in Wayne County.** Spanning from I-96 to Connor Avenue, this project would widen a 6.7-mile section of I-94, and includes new bridges and service drives. This congested section of I-94 connects three U.S.-Canada border crossings and five major freeways and provides access to downtown Detroit, the Detroit Cultural Center, Wayne State University, Detroit City Airport and Detroit Metro Airport. The I-94 corridor project is estimated to create 15,200 jobs during the multi-year construction phases while easing congestion and enhancing the region's economic competitiveness.

3. **Improvements to I-75 in Oakland County from 8 Mile Road to M-59.** This 18 mile corridor would be widened to include HOV lanes during peak hours, new ramp configuration and geometric changes to the I-75/I-696 Interchange, the 12 Mile Road and 14 Mile Road interchanges, improvements to the M-102 ramps, a new drainage system to accommodate the lane addition, Intelligent Transportation Systems (ITS) improvements for effective traffic management, bridge replacements and the reconstruction of the existing three lanes of freeway. The project will provide better access to residential, commercial and recreational destinations and serve as an important gateway to Michigan's manufacturing sector. The I-75 corridor project is estimated to create 7,200 jobs during the multi-year construction phases.
4. **Construction of the Woodward Avenue light rail line in the Detroit area.** The Woodward Avenue light rail route would provide additional travel options for residents, students, and workers traveling along the corridor and connect to other proposed rapid transit lines. The project would generate temporary construction jobs and some long-term operational jobs, and would generate economic stimulus in the form of transit-oriented development.
5. **Widening I-94 in Jackson County and interchange replacement.** This project would widen eight miles of I-94 from four-to six-lanes between M-60 and Sargent Road in Jackson and replace several functionally obsolete interchanges. It would ease congestion and enhance mobility in the corridor from Detroit to Chicago and is estimated to create 5,150 jobs during the multi-year construction phases.
6. **Reconstruction and widening of I-196 in the Grand Rapids area.** This section of I-196 from US-131 easterly to I-96 would be widened from four to six lanes, adding capacity, correcting existing geometric deficiencies and improving deteriorating pavement conditions. The major commuting route from suburban Grand Rapids into the city would be enhanced while creating 4,630 jobs during the multi-year construction phase.
7. **Detroit Intermodal Freight Terminal.** This project includes the construction of an intermodal freight terminal to serve the four Class I railroads. It also includes the improvement of rail lines and local roads would allow for more efficient transfer of freight from rail to truck, which would attract business and industry freight shipping originating from and destined for Michigan; and would improve the economic viability of the surrounding community. Upon project completion, the DIFT project is projected to generate 4,500 permanent new jobs in Michigan with 1,500 of those jobs in the terminal area, and 2,300 jobs in the city of Detroit.
8. **Blue Water Bridge Plaza at U.S./Canadian border.** Located at the fourth-busiest crossing between the U.S. and Canada, the plaza project would provide additional space for inspection booths, offices, docks to inspect and unload cargo, new security measures, and parking for cars and trucks needing inspection. It would also improve the connecting roadways, reduce congestion and reduce delay for vehicles crossing the bridge. The Blue Water Bridge Plaza project is estimated to create 6,350 jobs during the multi-year construction phases.
9. **Mackinac Bridge Deck Replacement.** The project would include the design and construction of a new deck system on the suspended portion of the Mackinac Bridge and would allow this economic pathway to remain open for commerce to pass freely between the two peninsulas of Michigan. During the construction phase, an estimated 1,630 jobs would be created.
10. **US-23 widening and bridge replacement in Ann Arbor.** The project would widen US-23 from four to six lanes and replace several obsolete and deteriorated interchanges and structures over the freeway. This project is estimated to create 4,400 jobs during the construction phase and would provides access to Ann Arbor from the north and provide north south access from the state line to I-75 north of metro Detroit. This corridor is also on the US Strategic Highway Network (STRAHNET) and serves as a national defense route.

Surface transportation projects that improve the efficiency, condition or safety of a highway or transit route provide significant economic benefits by reducing transportation delays and costs associated with a deficient transportation system. The benefits of transportation improvements include the following.

- Improved business competitiveness because of reduced production and distribution costs as a result of increased travel speeds and fewer mobility barriers.
- Improvements in household welfare as a result of better access to higher-paying jobs, a wider selection of competitively priced consumer goods, additional housing and healthcare options, and improved mobility for residents without access to private vehicles.
- Gains in local, regional and state economies as a result of improved regional economic competitiveness, which stimulates population and job growth.
- Increased leisure/tourism and business travel as a result of enhanced conditions and reliability of a region's transportation system.
- A reduction in economic losses from vehicle crashes, traffic congestion and vehicle maintenance costs associated with driving on deficient roads.
- The creation of both short-term and long-term jobs.

- Transportation projects that expand roadway or transit capacity produce significant economic benefits by reducing congestion and improving access, thus speeding the flow of people and goods.
- Transportation projects that maintain and preserve existing transportation infrastructure also provide significant economic benefits by improving travel speeds, capacity, load-carry abilities and safety, and reducing operating costs for people and businesses. Such projects also extend the service life of a road, bridge or transit vehicle or facility, which saves money by either postponing or eliminating the need for more expensive future repairs.

While the nation entered a significant economic downturn in 2008, Michigan has suffered financial distress for nearly a decade and has the nation's highest unemployment rate. Michigan faces a significant challenge in achieving sustained economic growth, which will likely require a transformation of the state's economic structure.

- From 2000 to 2008, Michigan's gross domestic product, when adjusted for inflation, decreased by nine percent. The national average increase in GDP during this time frame was 52 percent.
- Michigan's unemployment rate increased from 3.4 percent in January 2000 to 14.1 percent in February 2010, the highest unemployment rate in the nation. During this period, the number of jobs in Michigan dropped 16 percent, from approximately 4.97 million to 4.16 million, and the number of unemployed increased nearly fourfold, from 175,000 to 684,000.
- The loss of employment in Michigan has contributed to a loss of population in the state as residents seek employment elsewhere. From 2000 to 2007, Michigan's population increased slightly, from 9,950,000 to 10,050,000. However, the state's population decreased to 10,000,000 in 2008 and 9,970,000 in 2009.
- A recent analysis of U.S. Census Bureau and Internal Revenue Service data found that Michigan is getting less populated, less educated and poorer because those leaving Michigan tend to be the people that the state can least afford to lose – the young and college-educated.
- As a result of the state's economic woes, the rate of vehicle travel growth in Michigan has slowed significantly since 2000. From 1990 to 2000, vehicle miles of travel in Michigan increased by 21 percent, but from 2000 to 2008 vehicle travel in the state increased by just two percent.
- As Michigan begins to rebuild its faltering economy, it is likely that the state will need to adopt an economic model that is less reliant on manufacturing jobs and more reliant on higher-paying, knowledge-based employment, such as tourism, education, healthcare, entertainment, engineering and information technology.
- While nearly half of Michigan's jobs were manufacturing-related in the early 1960s, today approximately 18 percent of the state's employment is in the manufacturing sector, which is still a share approximately 50 percent higher than the national average.

Michigan's economy is served by an extensive surface transportation system that has significant deficiencies. The state's roadways carry the majority of freight shipped in the state.

- Michigan is served by a system of 121,595 miles of roads and 10,921 bridges, maintained by local, state and federal governments, which carry 100 billion vehicle miles of travel annually. The state's surface transportation system also includes 79 public transit agencies, including 20 urban public transit agencies.
- More than a third of the state's major roads are deficient, with 18 percent of Michigan's major roads rated in poor condition in 2008 and another 17 percent rated in mediocre condition.
- In 2008, fourteen percent of the state's bridges were rated structurally deficient and another 12 percent were rated as functionally obsolete.
- Many of Michigan's largest urban areas experience significant traffic congestion on key routes, with 39 percent of the state's urban highways rated as congested in 2007.
- Every year, \$389 billion in goods are shipped annually from sites in Michigan and another \$407 billion in goods are shipped annually to sites in Michigan, mostly by truck.
- Seventy-eight percent of the goods shipped annually from sites in Michigan are carried by trucks and another seven percent are carried by courier services, which use trucks for part of the deliveries. Similarly, 83 percent of the goods shipped to sites in Michigan are carried by trucks and another nine percent are carried by courier services.

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The full report is available at: www.tripnet.org