Impact Analysis of Recreational Transit Services on Local Community Economic Development, Employment and Spending

Project No. 2012-21

(Proposals must be prepared in accordance with NJDOT’s Information and Instructions for Preparing Proposals. Please visit: http://www.state.nj.us/transportation/refdata/research/pdf/techprorespresproj.pdf Revised Proposal Evaluation Forms are available for your information on the website.)

Proposals will be based on the merit of the information contained in the proposal. Budgets will be evaluated separately. Please place three (3) copies of the budget for this project in a separate sealed envelope.

1. RESEARCH PROBLEM STATEMENT, BACKGROUND AND OBJECTIVES

This project will analyze and quantify the linkages between recreational transit ridership and local economic development and spending, including jobs and spending in the local community. Increasingly, transit services are providing a key access alternative for recreational travel in certain large scale applications like regional arenas, seasonal travel peaks, and entertainment facilities. This project will focus on three types of recreational venues which have significant transit ridership and bring increased spending and development to local communities. The project will survey users of the following major recreational venues: (1) Prudential Arena in downtown Newark, (2) Summer recreational travelers to the North Jersey Coast Line between Long Branch and Bay Head and (3) Recreational transit users who travel by bus to Wildwood from South Jersey/Philadelphia.

The project will quantify spending on local retail, entertainment, and other development, attributable to transit riders. This will include spending and economic development that is attributable to transit, and how increased accessibility generates additional tourist spending in these local communities and New Jersey as a whole, including secondary tax and job impacts. The project will also identify savings in congestion from transit, and improvements in access to venues like the beach and arenas which have accessibility issues. The surveys will take place during the peak summer season or during the winter period for several Prudential Arena events.

2. TASKS

PHASE I – Literature Search

Conduct a literature search of the current state of the practice. After the award of the project, a more comprehensive literature search should be conducted. At the completion of this literature search, the PI will make a presentation to the Research Project Selection and Implementation Panel to discuss their findings and to discuss the appropriate research approach.
PHASE II – Research Approach and Anticipated Results

Clear description of how you will solve the problem and implement anticipated findings. Work may be divided into phases (e.g., Laboratory, Field or Year 1, Year 2) as necessary to clarify tasks. Exit Criteria must be included in scope of services.

Task 1- Literature Search of Related Economic Impacts of Transit on Tourist Economies and Arenas

This task will focus on previous studies of the impact of tourist and Arena spending on the local economy in terms of employment impacts, public revenue (taxes) and secondary impacts in terms of spin off or related development. Literature review should focus on previous studies of the impact of transit facilities on employment, tax revenues, etc. as well as the impact of transit on accessibility and share of travel should be documented.

Task 2- Survey of Transit Riders using Seasonal Recreational Transit

This task will develop a survey of summer recreational riders on the NJ TRANSIT North Jersey Coast Line. The survey will encompass stations from Red Bank through Bay Head during a summer weekend period, preferably in July or early August. The selected research team will develop a survey instrument and survey plan in consultation with the sponsor NJ TRANSIT. A small pre-test of the survey will also be conducted with 1-2 focus groups to identify issues. The survey will take place on a Saturday, Sunday, and possibly a Monday AM to capture people who use the NJCL for both day trips and weekend travel.

The survey will include questions about travel to the NJCL shore area, including how travel would be made without rail service, transit captivity, access/egress, origin-destination, group size, demographics and local travel. In addition, the survey will ask about spending for the day, weekend and season, types of spending (hotel, retail, food, services, etc.) This data and other related questions will be used for economic impact analysis. Survey will be onboard with other methods to increase response rates considered, including incentives. Purpose of the survey will be to establish markets of transit users, and their impact on the local economy.

In addition to the rider surveys, a limited amount of secondary data will be collected with interviews with key local and recreational stakeholders. Other data from economic development and tourism agencies and state agencies will be collected as needed to support the local economic impact analysis.

Task 3- Survey of 2-3 events at Prudential Center

The team will survey at least two events at Prudential Center, one a Devils hockey game, and another non-sporting event such as a concert. NJT will work with Prudential Arena management to gain access to survey fans. Team should propose a survey plan that would increase response rates and methods to conduct the survey, and will work with NJT on developing a survey plan and questionnaire. Similar to Task 2, data on O-D, travel mode, demographics will be included. In addition, spending by patrons on restaurants and other uses both pre and post game will be probed. Secondary impacts such as increased travel to Newark because of attendance at games/events will also be included. NJT will share its previous surveys of Devils games and methods for consideration. Similar to task 2, consultant team will interview key Newark stakeholders on impact of Arena on local economy, and secondary data sources as appropriate will need to be developed to assess impact of Arena on local economy and transit usage.
Task 4- Development of Economic Impact Analysis and Techniques

The team will utilize the surveys and other analytic work from Tasks 2 and 3 to develop economic impacts of both the North Jersey Coast Line and the Newark Prudential Arena on the local economy. This will include a quantification of additional employment by major grouping (SIC one digit or two digit code) as a result of spending of transit riders for both venues. For the Newark Arena, spending by people driving will also be estimated. The team will also quantify the extent that transit reduces auto travel and VMT from the surveys, and the importance of transit to both increased accessibility to certain markets and travel that would not have taken place.

The study will identify potential methods to quantify economic and spending impacts based on the literature review and other data gathered. The team will recommend which techniques to utilize given their review of Tasks 1 through 3 and other data that they may have. The additional spending by transit users will also be used to estimate impacts on both local and state taxes, and additional secondary impacts through economic multipliers. The team should base this on previous work identified in Task 1 or other information developed in this task. The intent is not to create a new model but to utilize existing techniques.

A final product of this task will be a technical memo which outlines the techniques considered to perform the economic impact analysis, and the actual techniques utilized. The memo will also document the economic impacts of transit riders on the NJCL area local economy, including jobs, spending, secondary impacts, taxes, etc. The same will be done for the Newark Arena, except that both transit and auto users will be summarized.

Task 5- Draft Final Report and Presentation of Findings

This task will include preparation of draft final and final report, including related graphics and PDF’s. This task will include time spent for NJT review, and review of related agencies. Team will incorporate comments into Final Report. Team will also give up to 3 presentations, one to NJT management, one to Monmouth/Ocean county related interested parties, and one to City of Newark interests. These presentations will focus on major findings and outlines for further implementation steps to maximize or increase the impact of transit on the local economy.

3. IMPLEMENTATION AND TRAINING PLAN

The PI must meet with the Research Project Selection and Implementation Panel (RPSIP) and other NJDOT units to present the findings and as appropriate train these personnel in the use the project results.

The PI will develop an implementation plan as per the guidelines provided by NJDOT Research Bureau.

4. DELIVERABLES:

- Presentation of Summary of Literature Search Results
- Discussion to Support and Refine the Project Tasks
- Project work plan.
- Technical Memorandum on the survey results
- Technical memorandum on the measures that are working or not working
- Technical memorandum on actions taken
- Interim Status reports suitable for Senior Leadership if required
Quarterly Reports and Final report with appropriate tables, graphs and charts in hard copy version, PDF file format, Word, and on CD ROM. Two copies plus one per RSIP member of each presentation, technical memorandum, draft final report and Final Report (plus 7 copies).

The Final Report and Tech Brief are due three (3) months before the end date of the project to allow time for review by the Research Project Selection and Implementation Panel. The Final Acceptance will be granted upon receipt of seven copies of the approved final report.

5. **CONTRACT TIME:**

The PI must provide the anticipated research study duration based on the proposed tasks. Consideration should be given to potential impediments so that adjustments are incorporated into the schedule minimizing the need for time extensions.

**A 12 - 24 months time frame would be preferred.**

6. **CONTACTS:**

Questions on this topic **shall not** be directed to any Research Project Manager, Research Customer, or any other NJDOT person. All questions are to be directed to Camille Crichton-Sumners by sending an e-mail to Camille.CrichtonSumners@dot.state.nj.us, or by phone (609-530-5966).

A meeting may be scheduled with interested parties after the RFP’s are distributed to refine the objectives and deliverables and to promote a better understanding of the research needs. **This must be requested on or before March 30, 2012.**

7. **DEADLINE**

| Proposals (10 single-bound copies) are due at the NJDOT Bureau of Research | no later than 5:00 p.m. on 4/27/2012 |

**Authorization to Begin Work: TBD**

8. **PROPOSAL DELIVERY INSTRUCTIONS:**

For private, paid messenger services such as Federal Express, DHL, UPS, etc., or for hand-carried deliveries:

2012 PROPOSAL-NJDOT
New Jersey Department of Transportation
Bureau of Research
1035 Parkway Avenue
Trenton, New Jersey 08625-0600

**For U.S. Postal Service mail:**

New Jersey Department of Transportation
ATTN: Camille Crichton-Sumners
Manager, Bureau of Research
**P.O. Box 600**
Trenton, New Jersey 08625-0600