

The Benefits

The CDMP analyzes and estimates the transportation, economic, and fiscal impacts that will result from investments in the Port to Plains Corridor. Traditional benefit-cost analysis (travel time savings, accident savings, and other transportation benefits) was used to compare the value of transportation benefits to costs. This traditional approach produced a benefit-cost ratio of less than one.

The team then looked at benefit-cost from an economic perspective. The types of benefits that accrue through the road's construction, through its use, and from the market's response to the improved level of service that it affords are discussed in more detail below.

Construction Benefits

The initial effect of the Ports to Plains Corridor investment is generated by the direct expenditures associated with building the new highway. As building firms expand payrolls and purchase materials, construction spending increases the employment, earnings, and output for corridor communities for the duration of the construction process. The hiring associated with the project represents the direct effects of the corridor construction investment.

The earnings of these construction workers will translate into a proportional increase in consumer demand as these workers purchase goods and services in the region – generating additional jobs across a variety of industrial sectors and occupational categories as employers hire to meet this increase in local consumer demand. This later hiring represents an indirect effect of the project.

These are one-time benefits that last for the duration of the construction cycle.

NAFTA / Distribution

The Ports to Plains Corridor is a NAFTA trade corridor. Given its southern terminus at the port in Laredo, Texas, much of the economic development potential of the corridor stems from economic activity related to NAFTA trade. The improved



Capital Schedule for Groups shown on the next page.



The CDMP is the result of a partnership among the Departments of Transportation from Colorado, Texas, New Mexico, and Oklahoma with the Colorado Department of Transportation as project manager. The CDMP outlines a series of priorities and steps to improve the corridor and to serve as an essential tool for securing federal funding for corridor development.

highway will offer a reliable and less congested link with Mexico.

This improved alternative link increases the likelihood that distribution and other trade-related firms can locate in corridor communities and enjoy the lower business costs of a non-metro corridor location – but with reliable access to Mexico and the larger metro areas within the southwest United States.

Thus, as the corridor develops, freight traffic through the region will be augmented by freight traffic destined for businesses along the corridor.

Recreational Travelers

In addition to freight traffic, another identified source of economic benefits are recreational travelers. Given the nation's ever-increasing number of retirees, RV tourism is on the rise throughout the country. The corridor is an attractive route for RV travelers from the western states destined for their winter stays in South Texas.

Recreational travelers can be attracted to the route through community/corridor marketing. Increased expenditures can be expected throughout the corridor as visitors make stops.

**Economic
Benefit Cost Ratio
3 to 1**

Economic Benefits

Increased traffic translates into increases in spending on food, gasoline, lodging, and other retail offerings along the corridor. Construction and business expansion translates into increased salaries and business revenue. Comparing all the identified benefits versus the costs means that three dollars in benefits are produced for every dollar invested in the development of the corridor.