

Study highlights financial benefits for I-73 communities

The proposed interstate, years from construction, would have a 10-year impact of \$8.1 billion.

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By Jeff Sturgeon | 981-3251
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A new business-backed study describes the proposed Interstate 73 as an economic bonanza for those Virginia communities where new pavement would be built.

It says construction of the roughly 70-mile segment would spawn travel services, businesses and warehouse operations while saving existing businesses a bundle on transportation and boosting government coffers.

"The cumulative benefits of I-73 will outweigh the costs in fewer than 10 years," said a report by Chmura Economics & Analytics, a Richmond firm.

The study put the economic impact over its first 10 years at \$8.1 billion in Martinsville, Roanoke and Salem and the counties of Franklin, Henry and Roanoke, divided about equally between construction and business activity generated during the first 10 years.

For instance, assuming the road is built between 2012 and 2020, I-73 is likely to spawn 141 service businesses by 2020 -- 44 hotels, 43 gas stations, 32 fast-food restaurants and 22 other restaurants, about half of them in the city of Roanoke, according to the study released Tuesday.

These businesses would employ 2,455 people and cause an annual economic impact of \$310 million, the report said.

That's not counting the warehouse and distribution operations that could also spring up.

Because the road would make the transportation of goods more efficient, businesses would save \$141 million to \$161 million a year, the report said.

Tax collections were predicted to come to \$15 million annually for Virginia and \$9.8 million for municipalities annually starting in 2020.

"Other benefits of I-73 are better market access, increased appeal for business relocations, faster population growth, increased tourism, better road safety and improved quality of life," the report said.

Officials at the Martinsville-Henry County Chamber of Commerce urged the Virginia Tobacco Indemnification and Community Revitalization Commission and Harvest Foundation of the Piedmont to undertake the study at their expense.

About \$85,000 went into completing the study, public relations to promote its findings and a Web site, said Amanda Witt, president of the Martinsville-Henry County Chamber of Commerce.

The proposed new interstate appears to be many years from completion, however.

Federal officials authorized the Virginia Department of Transportation last year to begin design, but VDOT is currently focused on addressing a lawsuit filed by project opponents calling themselves Virginians for Appropriate Roads, VDOT spokesman Jason Bond said.

"The lawsuit put a halt to everything," Bond said.

Meanwhile, the Henry County Board of Supervisors has asked the Commonwealth Transportation Board to change the approved route for I-73.

That request has yet to be heard by the CTB, Bond said. State officials have warned that consideration of route changes could push back commencement of design work and, therefore, delay construction.

It's still unclear how Virginia will pay to complete designs, a job that carries an estimated price tag north of \$300 million. VDOT has about \$13 million in hand, Bond said. The billions to build the road are also unidentified.

The economic forecast offers encouragement at a time of economic distress for several I-73 corridor communities.

Between 1995 and 2005, there was no change in the job supply in the corridor. Virginia as a whole saw a nearly 2 percent employment boost.

The economic picture is especially dire in Martinsville and Henry County, where employment fell 2.2 percent during the past 10 years, and Martinsville is losing population.

Barry Dorsey, the Martinsville-Henry County chamber's vice chairman of economic development, said in reaction to the report: "It obviously solidifies our interest in seeing the construction."