

LONG ISLAND INDEX

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NEW REPORT REVEALS THAT 9.8 MILES OF NEW TRAIN TRACK ON LONG ISLAND CAN GENERATE MORE THAN 14,000 JOBS

Garden City, NY – May 6, 2014 – The *Long Island Index*, a project of the Rauch Foundation, today released a report on the economic benefits of the proposed Third Track – also called the “Fast Track” – on the Main Line of the Long Island Rail Road (LIRR). The report analyzes the projected economic impact of adding an additional track to a 9.8-mile segment of the LIRR Main Line between Floral Park and Hicksville to determine the value to the region of opening the bottleneck that is currently restricting rail traffic and limiting opportunities for reverse-commuting.

The *Long Island Index* commissioned the report, which is titled “The Economic and Fiscal Impacts of the Long Island Rail Road Main Line Third Track”. The report was conducted by HR&A Advisors, Inc., a leading economic development consulting firm that specializes in conducting economic and fiscal impact studies, and Parsons Brinkerhoff, Inc., a global planning and engineering firm with a leading practice in transportation forecasting, nationally and in the New York metropolitan region. The Regional Plan Association also provided valuable advice in the design of the study.

Job growth on Long Island has been sluggish for two decades, and a primary obstacle to growth is the lack of capacity for reverse-commuting on the Long Island Rail Road. Regular commuting (into New York City in the morning and back home in the evening) has been a major economic driver on Long Island for generations, contributing \$26 Billion in personal income to Long Island’s economy in 2011 alone. Reverse-commuting (as well as regular commuting), however, is expanding the economic opportunities for Northern New Jersey, Westchester, and Southern Connecticut, but not Long Island. That’s in part why a separate report by the *Long Island Index* recently revealed that Long Island has only 195,000 square feet of retail space under construction, compared to 3,765,000 sq. ft. in Northern New Jersey and 1,980,000 sq. ft. in Westchester/Southern Connecticut.

The proposed Third Track – or “Fast Track” – and its 9.8 miles would achieve the following:

- Improve reliability throughout the entire LIRR network.

- Allow significant levels of reverse peak and intra-Island service to Main Line stations, while increasing capacity for the Port Jefferson Branch, Montauk Branch, Ronkonkoma Branch, and Oyster Bay Branch.
- Achieve the full benefits of East Side Access.
- Expand and improve the Long Island workforce by providing a viable reverse-commute service, while also enhancing opportunities for transit-oriented development (TOD), creating live/work settings that meet the needs of new-economy firms and workers.

Based on the higher level of service enabled by the Third Track, including the facilitation of transit-oriented developments in station areas, the report projects the following net new economic and fiscal impacts of the construction and operation of the Third Track – meaning that, but for the existence of the Third Track, these impacts would not have occurred on Long Island.

- **One-time construction impacts**

Construction of the Third Track would represent a \$1.2 Billion investment in the Long Island economy over a five-year period. The investment would result in:

- **2,250 Average Annual Jobs;**
- **\$910 Million in Cumulative Personal Income;**
- **\$910 Million in Cumulative Gross Regional Product.**

- **Ongoing impacts**

The economic impacts of the Third Track’s operations would begin to accrue in 2025, when the track is assumed to be operational. The total ongoing benefits of the Third Track for Long Island derive from improved workforce access and better LIRR service. The Third Track would effectively increase the workforce available to Long Island businesses by making reverse-commuting viable. Travel time savings and increased ridership would stimulate Long Island’s economy by improving quality of life, reducing business costs, and promoting spending. The availability of more frequent reverse-commuter trains would attract more tourist dollars to Long Island.

The analysis assumed that six station areas in Nassau County and four in Suffolk County could accommodate transit-oriented development, facilitating additional economic growth by locating more residents and workers precisely where they can most benefit from increased service. The increased density of employment on Long Island encouraged by transit-oriented development would enhance the productivity of Long Island firms.

By 2035, 10 years after the Third Track’s completion, the impacts would be:

- **14,000 new jobs;**
- **\$5.6 Billion in additional Gross Regional Product (GRP);**
- **\$3.0 Billion in additional personal income;**
- **35,400 new residents to Long Island, of whom 39% would be in the 25-to-44-year-old age cohort, compared to only 20% of Long Island’s total forecasted 2035 population without the Third Track.**

Additionally, the Third Track would generate \$40 million in annual sales tax revenue and \$103 million in annual property tax revenue as of 2035.

The long-term benefits derived from the Third Track investment would generate a significant payoff for Long Island. In present-value terms, an investment of \$1.1 Billion produces cumulative benefits of:

- **\$7.7 Billion GRP + 4,000 Jobs by 2030;**
- **\$36.3 Billion GRP + 20,000 Jobs by 2040;**
- **\$67.9 Billion GRP + 25,000 Jobs by 2050.**

“The Fast Track’s positive growth potential for Long Island is enormous,” said Nancy Rauch Douzinas, President of the Rauch Foundation. “There is no other single project on the drawing boards that has the potential to increase Long Island’s economy more than this.”

Kevin Law, President and CEO of the Long Island Association and Co-Vice Chair of the Long Island Regional Economic Development Council, said: “The study commissioned by the *Long Island Index* provides further evidence that the Third Track project could be a game changer for our region by improving reliability for commuters, adding new jobs and facilitating economic growth and more transit-oriented development.”

“The Third Track will enable Long Island to attract and retain the jobs that our young people seek,” said Dr. Thomas Rogers, District Superintendent & CEO of Nassau BOCES. “We need to invest in our children’s futures the way our parents invested in ours.”

The report builds on a 2013 Long Island Index study, titled “How the Long Island Rail Road Could Shape the Next Economy”. For a copy of the new report or of either of the earlier reports mentioned here, visit www.longislandindex.org. For further information, contact Emma McKinstry at Goodman Media International: emckinstry@goodmanmedia.com.

About the *Long Island Index*

Now in its 11th year, the *Long Island Index* is a source of unbiased reliable data for businesses, nonprofits, civic organizations, educators, and townships throughout the region. Its overarching goals are to measure where we are and show trends over time, encourage regional thinking, compare Long Island’s situation with those in similar regions, increase awareness of issues and their interrelatedness, and inspire Long Islanders to work together to achieve shared goals.

About the Rauch Foundation

The Rauch Foundation (www.rauchfoundation.org), which funds the *Long Island Index*, is a Long Island-based family foundation that invests in ideas and organizations that spark and sustain early success in children and systemic change in our communities. The Foundation was established in 1961 by Louis Rauch and Philip Rauch, Jr. Funding for the Foundation was made possible by the success of the Ideal Corporation, an auto parts manufacturer founded in 1913 by their father, Philip Rauch, Sr.

In addition to funding the *Long Island Index*, the Rauch Foundation commissioned The Long Island Profile Report and a series of polls on Long Island to determine how the region is faring. The *Long Island Index* reports are available for download at www.longislandindex.org. The *Long Island Index* interactive maps, an online resource with detailed demographic, residential, transportation and educational information, as well as the Build a Better Burb website, are also accessible from the Index’s website.