

ECONOMIC IMPACT STUDY FOR ALL ABOARD FLORIDA

PURPOSE OF STUDY

All Aboard Florida – Operations LLC (AAF or All Aboard Florida), a subsidiary of **Florida East Coast Industries, LLC (FECI)**, is developing a privately owned, operated and maintained passenger railway network that will provide service along a 235-mile rail corridor between Miami and Orlando (**All Aboard Florida Project or Project**). AAF retained The Washington Economics Group, Inc. (WEG) to provide a comprehensive economic impact analysis of the Project and the related transit-oriented development (TOD) that will be developed by AAF at and around its three station locations in Miami, Fort Lauderdale and West Palm Beach.

WEG is an economic consulting firm with 20+ years of experience in preparing economic impact studies. The company is led by Dr. Tony Villamil, former U.S. Undersecretary of Commerce and Chief Economist, and has worked with a range of clients, including financial institutions, multinational companies and public entities, such as the State of Florida.

WEG’s study quantifies the economic impacts generated as a result of the significant investments to be made by AAF during the construction and subsequent operational phases of the Project. These investments will generate economic benefits to the counties in which the Project will be built and operated, as well as the State of Florida at-large, as a consequence of the direct, indirect and induced impacts stimulated by the Project. The study prepared by WEG examines those economic impacts on a county-by-county basis and in a state-wide context.

KEY FINDINGS OF THE STUDY

“The investments made by All Aboard Florida, a privately owned and operated company, will deliver significant economic benefits to the State in the form of increased jobs, labor income, and Federal, State and Local tax revenues. These impacts will be realized in all of the counties along the corridor through the construction spending and continued operational maintenance activities that will occur in the communities.” *Washington Economics Group, Inc.*

Statewide Impacts: The All Aboard Florida Project is of significant importance to the State of Florida’s economic development.

- \$6.4 billion in direct economic impact to Florida’s economy over the next eight years
- \$3.5 billion added to Florida’s GDP through 2021
- \$2.4 billion in labor income through 2021
- \$653 million in Federal, State, and Local governments tax revenue through 2021
- Over 10,000 jobs on average per year through rail line construction between 2014 and 2016
- Over 5,000 jobs on average per year after rail-line construction is completed through 2021

County Specific impacts: The economic benefits of the Project will be realized across the State of Florida. The counties that do not have stations will share in the overall results due to the specific

activities of construction spending, operating activity and maintenance activities that are related to the geography of the proposed Project. Approximately \$2 billion in economic impact from **the construction** of the rail will be spread across the eight counties through which the Project will travel, including Miami-Dade, Broward, Palm Beach, Martin, Indian River, St. Lucie, Brevard and Orange.

RAIL- LINE Construction Jobs Generated across the 8 counties

County	Jobs Generated	Labor Income (\$Ms)	GDP (\$Ms)	Federal, State & Local Revenues (\$ Ms)
Miami-Dade	457	\$51.4	\$75.4	\$14.6
Broward	488	\$54.8	\$80.4	\$15.6
Palm Beach	952	\$107	\$156.8	\$30.2
Martin	464	\$52	\$76.2	\$14.6
St. Lucie	398	\$44.6	\$65.6	\$12.6
Indian River	392	\$44.2	\$64.8	\$12.4
Brevard	1,444	\$161.8	\$237.6	\$46
Orange	1,799	\$201.6	\$296.2	\$57.4

The table above **does not** reflect the jobs generated as a result of TOD construction, Rail- line and TOD operations. Please see report for full jobs impact analysis.

ABOUT THE STUDY

The scope of AAF’s Project as studied by WEG:

- **Rail-Line Construction:** The construction of the 235-mile intercity passenger rail service comprising the Project, extending from a terminal station location in downtown Miami to a terminal station at the proposed intermodal facility to be constructed at the Orlando International Airport, including intermediate stations in downtown Fort Lauderdale and West Palm Beach.
- **Rail-Line Operation:** The operation of the Project from Miami to Orlando, offering hourly departures and 16 round trips per day originating at each terminal station for a total of 32 daily trips.
- **TOD Construction:** The completion of a TOD program comprising approximately 4 million gross square feet across the station areas in Miami-Dade, Broward and Palm Beach Counties that will include hospitality, residential, office, and retail uses.
- **TOD Operations:** The operation of the TOD real estate program in Miami, Fort Lauderdale and West Palm Beach that will bring jobs and opportunities to those cities and the surrounding neighborhoods.

Date of Study **Completed May 2014**

Methodology IMPLAN Input-Output (I/O) Methodology. The I/O Methodology is built on historical relationship of inter-industry linkages within an economy.

Conducted By **The Washington Economics Group, Inc. (www.weg.com)**
 An economic consulting firm specializing in comprehensive economic solutions for businesses, non-profit institutions and the public sector. Over 20 years of expertise in the economies of Florida, Latin America as

well as the global markets. Founded by former U.S. Under Secretary of Commerce, Dr. J. Antonio Villamil, in 1993.