

# Potential Economic Effects of Converting Portions of US380 in Collin County to a Limited Access Roadway

Summary of a Recent Study by The Perryman Group  
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# Study Overview

- The Perryman Group (TPG) was recently asked to estimate the economic and fiscal effects of converting US 380 in Collin County from the Collin-Denton County line to US 75 (the US 380 corridor study area) to a limited access highway.
  - The area has seen tremendous growth in population and the economy, and The Perryman Group's long-term economic forecast for Collin County indicates continued expansion at a rate far outpacing those of the state and nation.
  - Population in the area is projected to increase by almost one million through 2040, a 104.4% increase (a 3.02% annual rate).
  - Congestion, which is already an issue, will become a notable impediment without additional infrastructure, and one scenario being considered to help accommodate the future traffic increases is the expansion of US 380 to a limited access roadway.

# Scenarios Analyzed

The Perryman Group analyzed potential economic growth and land-use patterns under two scenarios:

- (1) if US 380 remains in its current structure as primarily a six-lane roadway and
- (2) the potential situation resulting from US 380 being converted to a limited access roadway.

The conversion to a limited access roadway was found to have significant economic and fiscal benefits.

# Benefits of Conversion

- Converting to a limited access roadway and the associated reduction in congestion would likely result in a notable **increase in economic indicators** including estimated gains as of 2040 of some \$14.8 billion in real gross product and almost 75,900 jobs in the study area as well as 160,600 jobs and \$19.4 billion in real gross product in Collin County as a whole.
- The total economic benefits stemming from construction activity associated with the conversion of US 380 to a limited access roadway include an estimated \$311.156 million in gross product (in constant 2016 dollars) and \$485.950 million in gross product (in current dollars at the time of anticipated construction) as well as 3,743 person-years of employment in Collin County. The state of Texas enjoys significant economic benefits from the construction as well.

# Potential Displacements

- Potential displacements and relocations due to the conversion of US 380 to a limited access roadway would lead to some losses in business activity. The Perryman Group estimates these effects to include a \$152.225 million reduction in gross product (in constant 2016 dollars) and 2,218 lost person-years of employment in Collin County. Texas would also experience a modest negative effect from the potential displacements and relocations as well.

# Changes in Development Patterns

- The limited access roadway would change land use in addition to enhancing economic growth, with a substantially greater relative concentration of office space and less single-family housing. The Perryman Group estimates that additional development and induced construction due to the conversion of US 380 through the study area to a limited access roadway would generate total economic benefits of \$19.245 billion in gross product (in constant 2016 dollars) and \$39.318 billion in gross product (in current dollars at the time of anticipated construction) as well as 235,887 person-years of employment in Collin County. The induced construction also generates notable economic benefits to the state of Texas.
- Collin County and Texas will enjoy notable ongoing benefits from the induced activity associated with the development of the US 380 corridor study area into a limited access roadway. The Perryman Group estimates the annual impact at maturity from this induced activity includes \$14.667 billion in gross product (in constant 2016 dollars) as well as 160,587 jobs in Collin County as well as \$16.780 billion in gross product (in constant 2016 dollars) and 180,442 jobs in Texas.

# Fiscal Benefits

- Converting portions of US 380 to a limited access roadway and the associated induced activity will generate a notable increase in tax receipts due to the economic stimulus the new development provides. Economic activity generates tax receipts through numerous channels including increased retail sales; in addition, incremental development will lead to a higher property tax base. The Perryman Group estimates that the annual fiscal benefits (at maturity) of converting portions of US 380 to a limited access roadway include
  - \$914.5 million for the State of Texas,
  - \$75.3 million for Collin County,
  - \$64.4 million for the City of Frisco,
  - \$96.0 million for Frisco Independent School District,
  - \$166.9 million for the City of McKinney,
  - \$185.1 million for the McKinney Independent School District,
  - \$62.1 million for the City of Prosper,
  - \$99.6 million for Prosper Independent School District, and
  - millions to other counties, cities, and schools in the state.

# Conclusion

The results of this study clearly indicate that converting US 380 into a limited access roadway has significant economic benefits compared to a scenario in which US 380 remains as it is today. Given the expectation of strong growth in Collin County, **it is likely that, without the conversion, congestion would be an increasing problem, eroding quality of life for current residents and decreasing the ability of the economy to continue to prosper.**



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