
Executive Summary:

Economic Impact of I-73 Alignments on Roanoke

Prepared for the City of Roanoke, Office of Economic Development
Prepared by Economic Development Research Group
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Objective. The City of Roanoke engaged Economic Development Research Group to assess the likely economic impacts on the city of alternative alignments for the planned location of I-73 through or around Roanoke. The primary objective for this report is to identify how any of those alternatives may affect the city's economic base and tax revenues, and whether any of the alternatives may lead to dis-investment in established commercial areas in the City.

Alternatives. The proposed I-73 is intended primarily to serve interstate traffic movements as a priority corridor for the national highway system. There are many alternative alignments for I-73 through the state of Virginia, but this report concerns only the alignment options in the vicinity of Roanoke. The current routing alternatives may: (1) go through the center of Roanoke, referred to here as the "Central Alignment," (2) bypass the city to the west, referred to as the "West Bypass Alignment," or (3) bypass the city to the east, referred to as the "East Bypass Alignment." Each of these alternatives is compared to conditions under a "No Build" scenario.

Findings. From the viewpoint of the City of Roanoke, there is no perfect choice for alignment of I-73. Each of the alternative alignments entails some tradeoffs amongst positive and negative impacts, and involves some risks. General findings are as follows:

The "No Build" Scenario, which assumes that I-73 is not built, has significant economic disadvantages for the City. Without any widening of I-581 or construction of bypass routes or development of other transportation alternatives by the City, traffic congestion along I-581 will worsen and become severe by the year 2020. That will serve to degrade access to the downtown area, and make the City much less attractive for visitors, local shoppers and for business locations. The "No Build" scenario will also keep Roanoke's interstate access focused on I-81's northeast-southwest direction, with travel times northwest (to Ohio and Michigan) over 100 minutes longer and travel times southeast (to North Carolina) nearly 60 minutes longer than would occur under any of the I-73 alternatives. That is likely to further constrain the area's ability to continue growing as a major regional distribution center. It would also forgo additional tourism and visitor-related activity that could be achieved by attracting I-73 pass-through traffic.

The Central Alignment has the greatest potential benefits to the City, but also some risks. With additional lanes along much of the I-581 / US-220 route, traffic flow is actually forecast to be better than under the "no build" alternative. Potential economic benefits to the City are created by limiting the supply of competitive suburban development sites and by increasing the potential visitor traffic for highway-serving businesses within the City. This option, if properly designed, could increase demand for central city sites near interchanges for business locations. That would increase the value of those sites and the amount of development in the City, adding jobs and tax base. The risk of losing commercial development and tax base to suburban sites would also be minimized. To realize such advantages, however, the City must take proactive steps to improve