

## **A Tale of Two Closures: Economic Impacts of Highway Closures in St. Louis and Appalachia**

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Transportation analysts often study and predict the future economic impacts of highway improvements. These studies typically rely on a combination of traffic demand and economic models to forecast economic impacts. Much less common is the opportunity to examine the economic and transportation impacts of highway closures. There are a number of reasons for highway closures including major rehabilitation, or natural disasters that require reconstruction. This presentation focuses on the economic analysis of two recent highway closures: 1) reconstruction of I-64 in St. Louis which was completed in an accelerated two-year period (2008/2009) by completely closing all lanes in each direction; and 2) rock slides in the Tennessee/North Carolina area in the fall of 2009 that closed two highways in Appalachia – I-40 and U.S. Route 64. The presentation includes a brief overview of each highway closure and the resulting effects along with lessons learned about why the impacts varied significantly. An unique aspect of this analysis includes the opportunity to estimate economic impacts in “real time” based on actual measurable effects to businesses and transportation patterns. Each study used a combination of published economic data, traffic data on trip diversions, and business surveys and interviews to estimate impacts. Differences in the impacts relate to: a) alternative route options for travelers; b) industry mix in the corridor; c) the shares of local and through traffic; and d) programs to mitigate the effects of closures.