

New Jersey Department of Transportation
Bureau of Research

Technical Brief



Economic Development Benefits of New Transit Service: RiverLINE

The RiverLINE is a recently built 34-mile interurban light rail line with 20 stations serving more than a dozen small towns along the Delaware River between Trenton and Camden, New Jersey. This study documents baseline conditions to determine the economic development and community benefits accrued during the first several years of operation. Additionally the study records how residents, local officials, business owners and others perceive the RiverLINE.

Background

Plans for NJ TRANSIT's RiverLINE light rail line were announced in 1999. Construction began in 2001 and the RiverLINE carried its first passengers in 2004. The line was designed to provide better connectivity between southern and northern New Jersey with the hope of helping to revitalize Trenton and Camden and the river towns along the route.

Research Objectives and Approach

The purpose of this study is to provide a preliminary account of the economic development benefits attributable to the construction the RiverLINE.

In order to document economic impacts resulting from the RiverLINE, researchers:

- Interviewed nearly 60 local officials, business owners and real estate experts;
- Surveyed households and firms;
- Investigated changes in local development regulations;
- Examined development activity trends prior to and after the start of RiverLINE operations; and
- Analyzed property value changes for single family homes.

Findings

- Local perceptions of the RiverLINE are largely positive. There are some indications that the line has had minor to



modest positive economic impacts.

- Households living near the RiverLINE generally view it very positively. A great majority of those living within a half-mile of stations believe that the line has improved the quality of life of their community.
- Proximity played a large role in whether or not someone rode the RiverLINE. However, only a small number of those surveyed named the RiverLINE as a factor influencing where they choose to live.
- About half of businesses reported that the RiverLINE played a role in their location decisions, though it was less important than other criteria.
- Proximity also played a large role in whether employees and customers arrived via the RiverLINE. Firms near stations were more likely to have employees and customers who arrived at the firm by the light rail line than firms located farther away
- Some municipalities have amended their zoning regulations or redevelopment zones in response to the RiverLINE, however, most of these changes have been modest.
- Using repeat sales of single family-owned homes, we found that RiverLINE access was not strongly associated with property value increases for most owned homes, suggesting that the economic impacts have been limited so far.
- Different property types were affected differently. Smaller homes and homes in lower income Census tracts seem to benefit most. The effects of the line tend to be neutral or negative for other properties, particularly larger single family homes and homes in higher income areas.
- Properties near high-ridership stations appreciated more slowly (or lost more value) than properties near other stations. Meanwhile, homes within a half-mile of stations with ample parking appreciated faster.

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A final report is available online at: <http://www.state.nj.us/transportation/refdata/research/>. If you would like a copy of the full report, send an e-mail to: Research.Bureau@dot.state.nj.us.

Economic Development Benefits of New Transit Service: RiverLINE NJDOT Research Report No: FHWA-NJ-2009-10