#### Economic Effects of the Potential I-35 Conversion in Downtown Duluth





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U.S. ECONOMIC DEVELOPMENT ADMINISTRATION



#### **Research Team**

Bureau of Business and Economic Research

#### **Labovitz School** of BUSINESS and ECONOMICS

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University of Minnesota **EXTENSION** 



## Methodology

- Stakeholder engagement
- Case studies
- Literature review



## Study Area



Source: Jordan van der Hagen





#### Survey & Stakeholder Interviews

- Level of support for redesign
- Reasons for support, reservations, or concerns
- Which groups might be positively or negatively impacted
- Economic development priorities for the area

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#### Survey & Stakeholder Interviews

- Virtual interviews (30 responses)
- Qualtrics online questionnaire (109 responses)
- Mix of multiple choice and open-ended questions
- Sidewalk Days tabling (350+ responses)



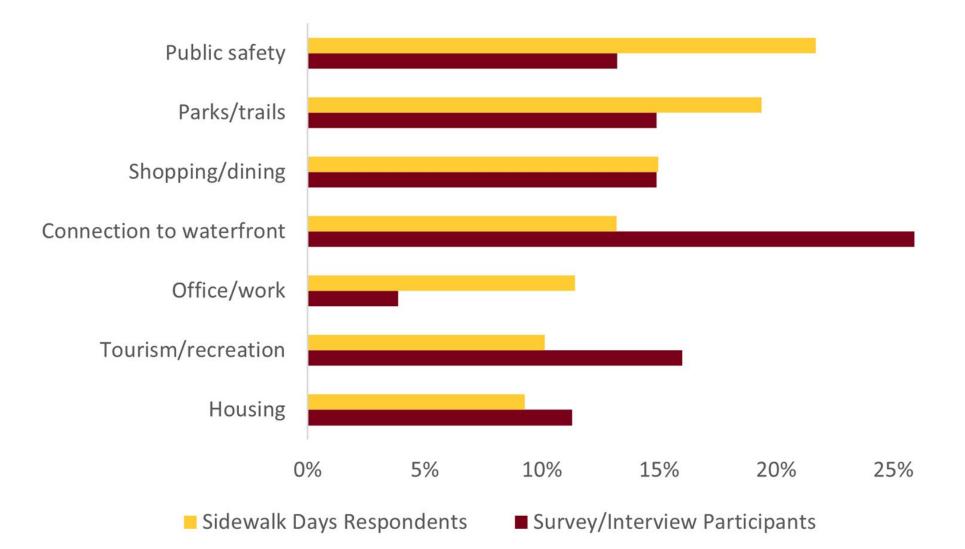
## Sidewalk Days

"In your opinion, which of the following should community leaders prioritize for the downtown waterfront area?"





#### **Community Priorities**



#### **Peer Cities – Case Studies**

- **1. Riverfront Parkway** (Chattanooga, Tennessee)
- 2. Park East Freeway (Milwaukee, Wisconsin)
- **3. I-195 Expressway** (Providence, Rhode Island)
- **4. Inner Loop Expressway** (Rochester, New York)
- 5. Robert Moses Parkway

(Niagara Falls, New York) ECONOMIC EFFECTS OF I-35 CONVERSION



Riverfront Parkway – Chattanooga, Tennessee (2001-2005)

Sources: FHWA, Alliance Realty



Inner Loop Expressway (East) - Rochester, New York (2014-2017)

Sources: Congress for the New Urbanism



## **Peer Cities Findings**

- Rightsizing led to economic development investments
- Investments take many years to materialize
- Results reflect city's strategies/priorities



#### **Literature Review**

Damage and Deterioration Condition Met Locally Condition Partially Met Locally Obsolescence Neighborhood Connectivity Condition Not Met Locally Economic Development/Revitalization Local Community Demand Power Structure Support Window of Opportunity **Financial Viability** Strong Advocate for Teardown **Business Support** Academic Association Support



#### Economic Development and Revitalization

Most common reason for supporting a redesign.

"Continue to grow the vibrancy, walkability, and connection the waterfront has with the downtown core. The waterfront is such a major tourism and activity-rich environment; it would greatly be improved with this connection for tourists and residents."





## **Neighborhood Connectivity**

*"I-35 divides two of our most crucial"* business corridors. Having a freeway that divides the two economic engines allows for little cohesion and reduces business activity since there is less access for pedestrians and tourists. This redesign would be crucial for the economic development of Duluth."





## Local Community Demand



Based on what you know currently, how supportive are you of a major transportation redesign for the I-35 corridor through Duluth's downtown waterfront? (n=126)

- Very supportive 48%
- Moderately supportive 12%
- Supportive with reservations 29%
- Not supportive 11%



# Strong Advocate for Teardown

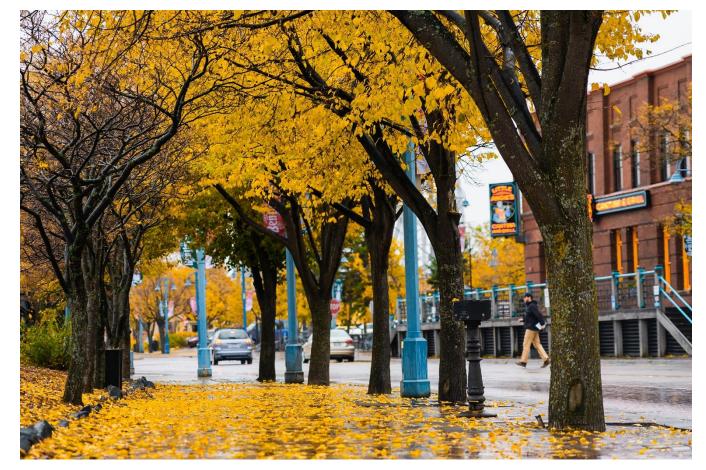
- The Duluth Waterfront
   Collective (DWC) serves as
   a strong advocate for the
   teardown option.
- The group's membership includes planners, activists, and citizens.

Duluth Waterfront Collective



## Power Structure/Academic Support

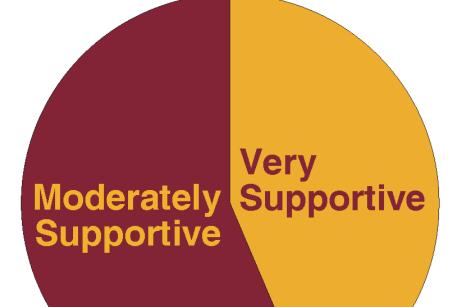
- There is not currently an entity in power that is advocating for the project.
- No academic
   associations have taken
   a stance in favor of the
   project.





#### **Business Support**





Local business entities have not taken a strong stance in favor or a redesign, but most business representatives surveyed were supportive or very supportive.

Level of support among survey respondents who identified as members of the business community.



**ECONOMIC EFFECTS OF I-35 CONVERSION** 

## **Damage and Deterioration**

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- MnDOT sees no need to replace the downtown segment.
- The Fifth Avenue
   West bridge needs
   replacing in 10-20
   years.



Source: Dan Williamson / Duluth News Tribune



#### Obsolescence



Averaged 30,000 vehicles a day in 2021, down from peak of 49,000

#### 1998: Peak Traffic 49,000 AADT

Traffic congestion during high-traffic events

Average Annual Daily Trips since I-35 was built

1996: I-35 Opens 36,100 AADT

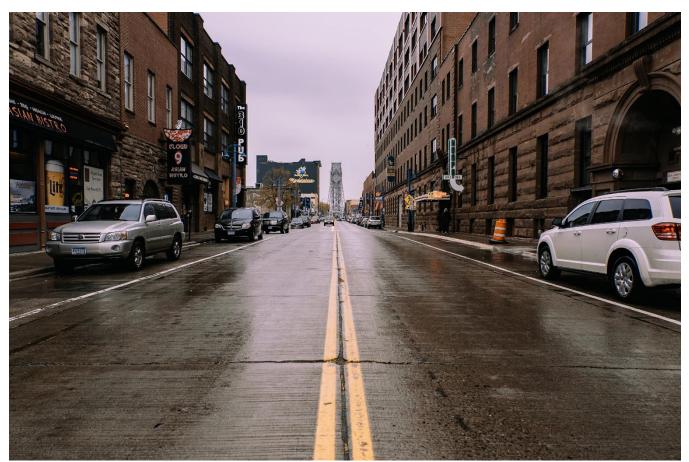
2021: Lowest Traffic 29,512 AADT



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## Window of Opportunity/ Financial Viability

The Reconnecting **Communities Pilot** Program could provide a funding opportunity. The program requires a minimum nonfederal match of 20%.





2



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Economic Effects of the Potential I-35 Conversion in Downtown Duluth <u>Full Report</u> and <u>Executive Summary</u>

