



# Illinois Route 3 Corridor Community Impact Assessment Reveals \$20 Billion in Total Annual Business Revenue

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The Leadership Council Southwestern Illinois today released the findings of a study conducted in partnership with Heartlands Conservancy to measure the current economic impact that the Illinois Route 3 Corridor has on its communities and the broader bi-state St. Louis region. The findings revealed that the **total direct and indirect** annual impact of the Illinois Route 3 Corridor on the region tops **\$20 billion in annual business revenue**, supporting more than **215,000 total jobs** with an annual **payroll of \$9.2 billion**.

Illinois State Route 3 is essentially the backbone of the nearly 60-mile long, five-mile wide economic corridor in the levee-protected American Bottom area of southwestern Illinois that runs parallel to the Mississippi River and Interstate-255. Route 3 provides an inner-belt for the Illinois side of the St. Louis Metropolitan area, connecting businesses and consumers from north of Alton to south of Waterloo and providing access through the industrial heart of the region, including Wood River, Granite City, East St. Louis, Sauget and Dupo.

Leadership Council Executive Director Ellen Krohne embraced the study's findings. "Based on its central geographic location within the nation and the region, the convergence of multi-modal transportation assets, and the historic development of industry within the St. Louis market, we've long suspected that the Route 3 Corridor is a vital jobs and revenue generator for the entire St. Louis region, and this study finally provides the hard numbers to support that," said Krohne. "The findings shed new light on the impact of the Illinois Route 3 Corridor to the metropolitan area and underscore the importance of continued infrastructure investment to support the businesses and industries that are booming here."

**Direct and Indirect Jobs, Earnings and Revenue**

The **direct impacts** of the Illinois Route 3 Corridor include **1,380 businesses with at least 10 employees**, and combined **annual revenue of \$6.3 billion**. These corridor businesses provide employment for **a workforce of 75,000** and an **annual payroll of \$3.3 billion**. The dominant five zip codes for direct impacts were 62002 (Alton), 62040 (Granite City), 62006 (primarily Sauget), 62201 (East St. Louis) and 62095 (Wood River).

Each of these areas generates between \$400 million and \$1.5 billion in annual business revenue, and between \$200 million and \$810 million in annual payroll. The 62002 zip code in Alton accounts for the largest concentration of jobs with 18,310, followed 62040 with 14,099; 62006 with 5,516; 62201 with 4,592 and 62095 with 5,096.

The indirect impact of the area was calculated using the appropriate region-specific and industry-specific Bureau of Economic Analysis multipliers on the compilation of Route 3 Corridor data for jobs, business revenue, and personal wages/earnings. Multipliers recognize the impact that jobs, business revenue and wages have on the economy beyond the initial direct impact as dollars earned are spent and ripple through the local economy.

The combined direct and indirect impacts of the businesses within the corridor pushed the numbers to over \$20 billion in total annual business revenue, supporting more than 215,000 jobs with an annual payroll in excess of \$9 billion.

### **Jobs and Earnings by Place of Residence**

The economic reach of the Illinois Route 3 Corridor extends far beyond the region. While nearly 50 percent of workers in the corridor live within the area, remaining corridor workers live as far away as 260 miles to the north, 100 miles to the south, and 130 miles to the east in Illinois, and as far as 65 miles to the west in Missouri. Of the more than 215,000 workers, approximately 10 percent live in Missouri and commute daily to Illinois businesses served by Route 3.

### **Transportation, Manufacturing and Wholesale Related Industries**

The study showed that nearly every one of the United States Bureau of Economic Analysis's (BEA's) 61 industry categories are represented in the corridor. Excluding retail and service categories, the area is dominated by transportation, manufacturing and wholesale distribution business activity. That makes it a key component of the regional SITE (Southwestern Illinois Transportation and Enhancement) initiative being spearheaded by the Leadership Council to expand, promote and capitalize on the multi-modal assets that exist in Southwestern Illinois.

While the study as a whole was used to determine the overall impact of the Illinois Route 3 Corridor within the area, the final analysis also isolated the impacts of industry categories that were determined to be most dependent on the Route 3 Corridor's central location and man-made multi-modal transportation infrastructure. These included eight BEA transportation-related industry categories; all 16 BEA manufacturing-related categories found within the corridor; and one wholesale trade category.

The direct impact within the transportation related industry categories include 73 businesses, with 10 or more employees, accounting for approximately \$350 million in annual revenue, providing 4,400 jobs with close to \$200 million in annual wages. The direct impact of the 95 businesses within the manufacturing industry categories accounts for approximately \$1 billion in annual revenue, providing 9,000 jobs with \$400 million in annual wages. Direct impact in the wholesale trade industry category includes 65 businesses accounting for approximately \$500 million in annual revenue and providing 5,000 jobs with more than \$200 million in annual wages.

“The combined direct and indirect impact of the Route 3 transportation, manufacturing and wholesale trade industries on the region's economy is an estimated \$5.8 billion in annual business revenue, 70,600 jobs and \$2.66 billion in annual earnings and wages,” notes Mark Harms, Co-Chair of the Leadership Council's SITE initiative. “This equates to roughly 30 percent of the Route 3 Corridor's direct and indirect impact and underscores the opportunity that exists to grow this robust sector of our economy and generate additional multi-modal investment and jobs in Southwestern Illinois.”

One project already underway to help spur that growth is the \$35 million new south harbor currently under construction at America's Central Port, where Executive Director Dennis Wilmsmeyer expects the growth he's seen in recent years to continue. “Over the past decade, we've seen the number of tenants here soar from 12 to 75, and our thriving operations represent just one example of the high level of interest that exists along Route 3 in the American Bottom,” notes Wilmsmeyer.

## **Study Author and Methodology**

The Leadership Council Southwestern Illinois commissioned the Route 3 Corridor Community Impact Assessment. Heartlands Conservancy prepared the final report. The corridor was based on the availability of the most relevant data and defined using zip code boundaries, containing a total of 16 zip codes.

The study used Hoover's Dun & Bradstreet Report to compile information on the number of jobs and business revenue for all businesses in the Route 3 Corridor (as defined by zip code boundaries) with 10 or more employees, and concluding from these figures the number of jobs and revenue for businesses with less than 10 employees. The

jobs and revenue within the corridor were distributed by zip code based on the place of business. Personal wages, or earnings, were then calculated based on the average area wage of \$44,210. In order to understand the geographic extent of the economic impact of the Route 3 Corridor, the U.S. Census Bureau's "where workers live who are employed in the area" report by zip code was accessed to distribute jobs and wages /earnings throughout the region.

[Click Here to view the Study](#)

### ***About the Leadership Council***

*The Leadership Council Southwestern Illinois is a member-based, economic development corporation representing Madison and St. Clair counties. The Council works to unite business, industry, government, education and labor for economic growth in Southwestern Illinois. These effective partnerships serve as a driving force behind successful economic development efforts throughout the Metro East region. [www.leadershipcouncilswil.com](http://www.leadershipcouncilswil.com).*