

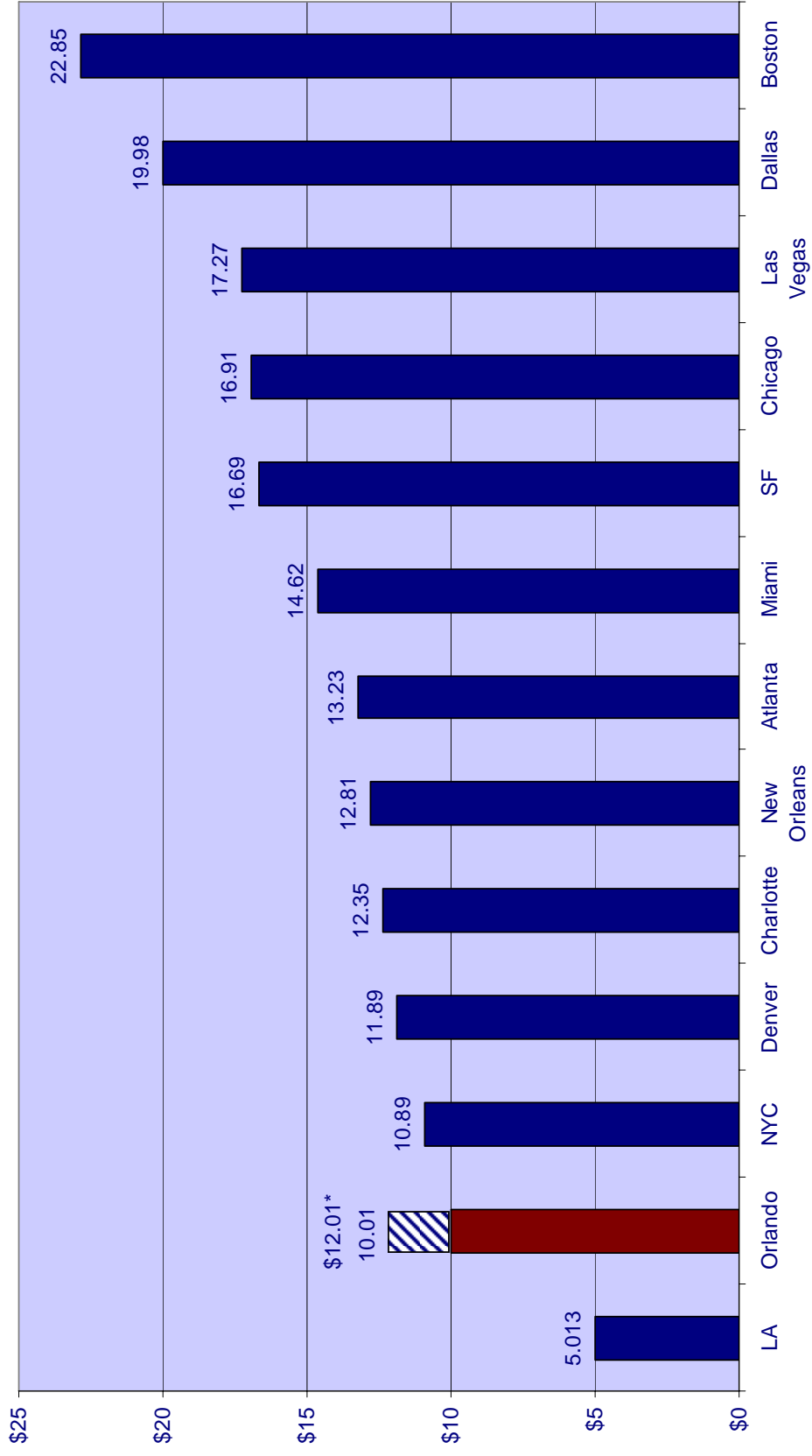


LOCAL OPTION RENTAL CAR SURCHARGE (LORCS)

FACT SHEET

- Local elected officials need local control to meet local needs. With state funding being directed to state facilities through the development of the Strategic Intermodal System (SIS), local elected officials must be provided with options to fund local projects, including state-owned arterials.
- Implementation of a \$2 per day LORCS in Orange, Osceola and Seminole Counties would yield the tri-county region approximately \$40 million each year; used as the local match for the Transportation Regional Incentive Program (TRIP), LORCS could potentially generate \$80 million a year for Central Florida.
- According to the Orlando/Orange County Convention & Visitors Bureau, a record number of tourists visited Central Florida in 2004—47.7 million people. The CVB forecasts increasing demand, with 51.8 million visitors in 2006.
- In 2005, all major theme parks in Orlando raised their ticket prices, with the price of one-day, one-adult admission increasing by \$5.00.
- Since 1990, the surcharge on rental cars has remained at \$2.00. From 1990 to today, admission to major theme parks has increased 106%, from \$29.00 per day to \$59.75.
- A study by the Florida Department of Transportation found that on any given day, approximately 50,000 rental cars travel on Central Florida roadways.
- The population of the tri-county region is approximately 1.5 million—yet on any given day, an additional 500,000 visitors place increased demands on our transportation infrastructure. These additional users of our transportation system are not accounted for in federal and state funding formulas.
- According to the Florida Transportation Commission, every dollar (\$1.00) invested in transportation yields \$5.50 in economic benefit for the state of Florida.

Estimated Daily Rental Car Taxes and Fees



*Total taxes/fees with \$2 Local Option Rental Car Surcharge

Source: METROPLAN ORLANDO, December 2005

Four Ways Traffic Congestion Harms Economic Development

Transportation *is* economic development. Investments in transportation help the economy, but traffic congestion impedes economic development.

1. Development and Homebuilding

Many roads in Central Florida are currently rated as Level of Service F (failing). And population projections, both residents and visitors, indicate that this situation will degrade in coming years. Given the stricter concurrency requirements and pay-as-you grow policies put in place through the new growth management act, development, including homebuilding, will be impeded. Without new sources of transportation funding, traffic congestion could create a moratorium on growth, which will be severely harmful to Central Florida's economy.

2. Workforce

When major companies look to relocate, their number one consideration is availability of labor. In researching available workforce, companies consider where their employees will live and how long it will take them to commute to work. Traffic congestion causes longer commute times, which limits the geographic area from which employers can recruit workers. Congestion also has negative impacts on employee retention and productivity.

3. Tourism

Central Florida is the world's premier tourist destination. Central Florida enjoys a world-wide reputation as a fun destination. Traffic congestion, however, can harm this image and ruin the "Orlando experience." Having tourists stuck in traffic is not good for business. Given the importance of Orlando's tourism industry to the entire statewide economy, providing adequate transportation facilities in Central Florida is imperative.

4. Freight Movement

Everything we buy is delivered to market by truck. Traffic congestion, though, increases delivery times, which increases the cost to deliver freight, goods and services. These costs are passed on to the consumer and are especially harmful to small businesses.

Development, workforce, tourism and freight movement all depend on an efficient transportation system. Without immediate increased investments in transportation infrastructure, economic development will suffer. The viability of Central Florida's economy—and the economy of the entire state of Florida—depends on new funding for transportation.

Traffic Congestion: A Growing Problem

Over 1.5 million people live in Orange, Osceola and Seminole Counties, and over 50,000 new residents move to the region each year. And as the world's premier tourist destination, millions more come to visit. Last year, 47.7 million tourists visited the region. On any given day, an additional **500,000 tourists travel on our roads** and other transportation facilities. With the growing number of residents and visitors, the burdens on our transportation system continue to increase. Consider the following:

- From 2000 to 2004, the population of the Orlando Urban Area increased by 15%.
- During the same period, the number of registered vehicles increased by 17%.
- The number of vehicle miles traveled (VMT) increased by 35%.

Furthermore, growth in the region will continue. By the year 2025:

- Residential population will increase by 53%.
- Tourist population will increase 129%.
- Deficient roadways will increase 61%.

As more and more people move and travel to the region, more demands will be placed on an already overburdened transportation network. In order to meet this demand, new sources of transportation funding must be identified and implemented. If nothing is done **now** to solve the problem, economic development will decline, quality of life will suffer and the safety of our residents and visitors will decrease.

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