

House Committee on Natural Resources, Subcommittee on Federal Lands
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Room 1334 Longworth House Office Building

William M. Thomas, Chairman
Route 66 Road Ahead Partnership

Route 66 holds national historic significance, and the economic impact and potential of Route 66 are great. For these reasons, Route 66 should be designated a National Historic Trail.

Historic Significance

As noted in a 2012 Rutgers University *Route 66 Economic Impact Study*, "...Route 66 is an American and international icon, myth, carnival, and pilgrimage. This celebrated road has succeeded in mirroring the mood of the United States over nearly a century."

Because of its history, Route 66 is arguably the most famous road in the United States, if not the world. Historically, Route 66 has impacted America as much, if not more, than any other transportation route:

- When constructed in the 1920s, it was the shortest and most direct route between the Great Lakes and the Pacific Coast. It was America's first all-weather road connecting the Midwest to the West Coast.
- In the 1930s, those displaced by the Dustbowl used it in the hope of finding a better life in California.
- It was a vital military route during WWII, transporting men and materiel to the Pacific theatre, then bringing them home after the war.
- In the 1950s and 1960s, it was the route of both the great American family vacation road trip, and it attracted the "hippie" counterculture with thousands of the nation's disenchanting youth heading west, hitchhiking or packed in minibuses.
- Beginning in the 1970s, it struggled to stay economically relevant, as it was gradually replaced by the Interstate system.
- In 1984, the final section of Route 66 was bypassed by Interstate 40 at Williams, Arizona.

Over the past 30 years, however, Route 66 has been reborn as a domestic and international tourist destination, breathing new economic life into many of the Mother Road communities previously bypassed by the Interstate system.

The Rutgers study notes, "...the siren call of the Mother Road and its special sense of place, personality, and time continues to lure legions of United States and international tourists. To cite just one example, the Route 66 Museum of Clinton, Oklahoma (a community of about 9,000 located approximately 100 miles west of Oklahoma City), attracted approximately

35,000 visitors in 2009 (almost four times the local population), including some 10,000 international visitors.”

Since the 1980s, national and state volunteer associations have sprung up, dedicated to preserving and restoring Route 66. These include state-based Route 66 Associations in each of the eight Route 66 states, as well as the National Park Service Route 66 Corridor Preservation Program. These various organizations represent public, private, and non-profit groups focused on historic preservation, economic development, and tourism. In 2008, the World Monuments Fund weighed in on the historic importance of Route 66, listing it on its World Monuments Watch List, designed to draw attention to preserving both an iconic American cultural landscape and an historic American experience.

Economic Impact & Potential

In 2012 Rutgers, The State University of New Jersey, analyzed Route 66 with a focus on historic preservation, economic landscape, and heritage tourism.

Initial findings included the following.

The study identified \$132 million in annual direct economic effects from Route 66 spending, which included:

- \$38 million in tourism spending
- \$67 million in Main Street spending
- 27 million in museum spending

The eight states through which Route 66 runs [IL, MO, OK, KS, TX, NM, AZ, CA] garner roughly 70 to 80 percent of the national impacts from Route 66 noted above. On an annual basis, the in-state effects to the eight Route 66 states from the \$132 million investment in annual Route 66 spending include:

- 1,741 jobs
- \$62 million in income
- \$173 million in output
- \$87 million in gross state product (GSP)
- \$27 million in taxes (\$16.5 million federal and \$10.2 million state or local).
- \$79 million annually in net in-state wealth added to the economy (\$86.9 million GSP added, minus \$8.2 million in indirect business federal taxes)

When multiplier effects are taken into account from the \$132 million annual Route 66 investment, the total annual impacts to the nation include a net economic gain of:

- 2,401 jobs
- \$90 million in income
- \$262 million in overall output
- \$127 million in Gross Domestic Product (GDP)

- \$37 million in tax revenues

In addition to the above, \$923 million in direct economic effects (adjusted for inflation) were identified via the one cumulative, long-term spending program that was examined in the Rutgers study: the Main Street Program. This \$923 million in cumulative effects from the aggregate Main Street investment on Route 66 contributed:

- 15,606 jobs to the national economy
- \$1.817 billion in industrial output
- \$908 million in gross domestic product
- \$687 million in earned income
- \$276 million in taxes

The data above are national impacts. The eight Route 66 states benefited from the aggregate Main Street investment a total of:

- 10,587 jobs
- \$1.121 billion in output by the states' businesses
- \$596 million in new gross state product (GSP or gross wealth)
- \$460 million in added salary for the eight Route 66 states' residents
- \$80 million deposited in the tax coffers of state and local governments across the
- Overall, net in-state wealth (GSP minus federal indirect business taxes) grew by \$531 million as a result of the Route 66 Main Street program

Per the Rutgers study, almost all sectors of the nation's and the eight Route 66 state's economies saw payrolls and production increased from Route 66 economic activity. The major beneficiaries include the construction, service, retail trade, and manufacturing sectors, as a result of the interconnectedness of the economy and because both direct and multiplier effects were considered in the study. Other sectors of the economy, not immediately associated with Route 66 investment, were positively affected as well, such as agriculture, mining, and transportation and public utilities.

The Rutgers study involved original research including:

- Completing the first-ever national survey of travelers along Route 66, which included the distribution of 100,000 questionnaires along the highway's full 2,400 miles, of which 4,200 responses were received
- Mapping the Route 66 corridor in Geographic Information Systems (GIS) form.
- Conducting related census (2000) analysis
- Surveying 25 Main Street Programs (which involve combined historic preservation and economic development efforts)
- Surveying 33 museums along the Mother Road
- Implementing input-output models to quantify the economic contribution of Route 66.
- Completing 25 in-depth case studies of iconic Route 66 sites

The 25 case study sites included in the Rutgers study are prime examples of the positive economic impact of Route 66. The majority of the case studies focused on small towns, with a median population of 8,000. Though small, these towns regularly draw thousands of visitors each tourist season, with some achieving visitor numbers of almost six figures.

As reported in the Rutgers Study's 4,200 respondent surveys, Route 66 travelers, both domestic and international, are drawn to the towns along the Mother Road by the historic sites, restored cafes, gas stations, and motels found there. As "heritage tourists" they seek - and are able to find - authentic historic experiences on Route 66. Most importantly, the Rutgers Study notes that "...these mostly middle- and upper-income travelers spend on average \$1,500 to \$2,000 per travel party." The study further notes that, "A conservative estimate aggregate of annual expenditure by all Route 66 travelers in the United States is \$38 million. This spending in the communities along Route 66 is especially dear from an economic development perspective, because a not-insignificant share of the travelers (from 40 percent to 60 percent, depending on different data sources) do not reside locally (i.e., many live in other states or abroad); hence, their spending represents a valued "import" of economic stimulus."

In terms of having a positive economic impact, the Mother Road has nurtured the economic pocket book of jobs, income, and wealth, especially in those communities that have recognized the power of preserving, restoring and creatively using Route 66 related historic assets. The potential of leveraging Route 66 for even more economic development exists and will be greatly assisted by its designation as a National Historic Trail.

Even with such good economic news, challenges remain along Route 66; challenges that can be addressed by designating Route 66 a National Historic Trail. The Rutgers Study reports the following:

- Approximately 15 percent of the population in the Route 66 Corridor (i.e. census tracts on or within one mile of Route 66) is identified as impoverished
- In the 25 case study communities having some of the most iconic Route 66 resources, the poverty rate is at approximately 20 percent
- There are almost 200,000 empty housing units in the Route 66 Corridor

Such accomplishments and challenges as these, point to the still untapped opportunities for leveraging Route 66 for economic development purposes.

Case Study

Atlanta, Illinois, located midway between Chicago and St. Louis, reflects the national historic significance of Route 66 and demonstrates the positive economic impact and potential of the Mother Road.

Since the new "hard road" was built through the middle of Atlanta in 1924, Route 66 has been an important part of the town's history. It connected Atlanta's 1,600 citizens with the broader world, allowing them easy access to other towns and cities. It also brought many

travelers, who stopped on their way from Chicago to St. Louis. These visitors purchased gas, ate at the local cafes, and sometimes spent the night. Soldiers from Atlanta traveled Route 66 in the 1940s to reach the west coast and their tours of duty in the Pacific theatre. It was also the road the Greyhound buses followed to bring them home again. Over the next several decades, especially with the introduction of the Interstate highway system, Atlanta – like many other small communities – fell into economic decline as the freeway routed travelers past Atlanta’s businesses.

By the 1980s and 1990s Atlanta’s downtown business district was nearly deserted. The town had become essentially a bedroom community, with the majority of its citizens conducting their commerce in the larger communities where they worked. Desperate for a means of reinvigorating its economic base, Atlanta decided in the late 1990s to see if it could leverage the burgeoning interest of heritage tourists in Route 66. Atlanta began its efforts by preserving and restoring the Palms Grill Café, located in an historic commercial building in the middle of downtown on an original alignment of Route 66. The Grill, as the locals call it, opened in 2009 and became the basis for the creation of a tourism industry in the community.

The Grill originally opened in 1934, then closed in the late 1960s. Following a \$500,000 public/private fundraising effort, it was restored to its circa 1934 appearance, inside and out. Entering its front door, patrons step back in time to the late 1930s-early 1940s where they can enjoy the daily Blue Plate Special and a piece of homemade pie, served by waitresses in period uniforms. A recent guest book comment noted, “This is the best time machine in the business.”

The following photos illustrate the transformation of the Palms Grill Café specifically, and downtown Atlanta in general, resulting from the town’s decision to leverage Route 66 for economic development purposes.



The Palms Grill Café
Downtown Atlanta on Route 66
Circa 1940



The Palms Grill Café
Restoration Work Completed
2009



The Grill Interior – Circa 1935



The Grill Interior – Circa 2015

The Palms Grill Café has had a ripple effect, resulting in the following developments and impacts on Atlanta’s economic base:

- In 2009, for the first time ever, four tour busses stopped in Atlanta during tourist season. The recently completed 2017 tourism season saw 53 busses and large group tours come to Atlanta.
- When tourists began to come to Atlanta in 2009, an effort was made to track sales tax revenue during the tourism season, so it could be compared to the base year of 2008, when no tourists visited. Since 2008, sales tax revenue during the months of April-September has increased 43%.
- Two new, small shops opened across the street from The Grill, including the Arch Street Artisans shop, which opened in 2011. It houses products made by over 20 local craftsmen/women. The Artisans shop, open during tourism season only, had sales of \$7,128.98 its first year. During the 2017 tourist season, sales were \$32,445.76.
- In response to demand for a place to spend the night, another public/private partnership helped restore and create “The Colaw Rooming House”, a former family residence in town that used to rent rooms to Route 66 travelers and single school teachers during the 1940s. The property was restored to its circa 1947 appearance inside and out so visitors could experience a bit of Route 66 history. Due to the success of The Colaw Rooming House, a second property in Atlanta is now being restored to provide additional rooms.

Atlanta’s connection to its Route 66 history has strengthened over the past decade and a half. The town’s sense of community has been enhanced as once boarded up commercial buildings have been restored and brought back to life. Car cruise-ins, festivals, and other events hosted along Route 66 in downtown Atlanta have helped renew its sense of community. In September of this year, Atlanta hosted over 45 antique military vehicles making a six-week

trek, retracing the cross-country convoy path of Route 66 that was so important during WWII. Over 100 convoy participants mingled with Atlanta residents, ate at the Palms Grill Café, and created an energized experience for all those present.

Atlanta's success in leveraging Route 66 for economic development purposes has been repeated in other towns across the Mother Road, but much work remains to be done. Many communities are only beginning to recognize and appreciate the historic significance and the economic development potential of Route 66.

Conclusion

The Route 66 Road Ahead Partnership is a national collaboration of the eight Route 66 states, state departments of tourism, historic preservation agencies and organizations, transportation departments, and thousands of individual and business stakeholders across Route 66. After conducting a series of collaboration workshops with representatives from these groups during the summer of 2015, designating Route 66 a National Historic Trail was identified by workshop participants as the most important goal on which our Partnership should focus.

Because of both its historic significance and its proven and potential economic benefit, the Route 66 Road Ahead Partnership respectfully seeks National Historic Trail designation for Route 66.