

Monetary Valuation Of Hard-to-quantify Transportation Impacts



Client

Facts

Period 2008

Project Country

**Valuing Environmental, Health/Safety and Economic Development Impacts
by Economic Development Research Group for the National Cooperative Highway
Research Program, NCHRP 8-36-61, 2007.**

A major problem confronting benefit-cost analysis is the problem of whether it is possible to reliably assign dollar values to changes in environmental, health and economic development impacts. These classes of impact are often considered to be "hard-to-quantify" factors, yet it is also recognized that merely dismissing them merely undermines the usefulness of benefit-cost analysis. The American Association of State Highway and Transportation Officials (AASHTO) sought advice on this problem, and turned to its National Cooperative Highway Research Program for research and advice.

In project NCHRP 8-36-61, Economic Development Research Group conducted a comprehensive review of the state of the art and science of monetary quantification (assigning a dollar value) to impact factors that are usually hard-to-quantify. This included examination of existing forms of performance measurement techniques for these classes of impact, and examined the types of conversion factors and models being used. The study then assembled case studies showing how some transportation planning organizations are now increasing the degree to which they are converting performance metrics into dollar terms. Finally, the study developed guidance for transportation agencies on useful approaches to improve performance measurement.

Statewide Planning Overview, May 2007

Working Paper, Economic Development Research Group, August 2008

Journal Article, Evaluation and Program Planning, Volume 32, Issue 4, November 2009 (\$19.95 fee)

Contact Persons