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FOR INFORMATION CALL

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Ald. Michael S. D'Amato
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Major U.S. Cities Making Public Transit Projects A Top Priority

*Mayor's Veto of Milwaukee Connector Project At Odds With Projects Moving Forward
in Other Big Cities*

While Mayor Tom Barrett has vetoed a resolution to move forward with the most important public transit project in the history of the City of Milwaukee, other major U.S. cities have been moving full speed ahead with their own major transit projects.

Ald. Michael S. D'Amato said the mayor was aware of all of the attached information before he vetoed the Milwaukee Connector resolution passed by the Common Council on Tuesday (May 9), citing concerns about where the local matching funds for the Connector would come from.

The information includes:

Charlotte, NC – Charlotte residents are waiting for construction to begin on the 9.5-mile light rail line in 2007. Charlotte city government is already initiating regulations and policies to encourage transit-oriented development and is using smart-growth funds to buy land that could be used for affordable and working-class housing. Meantime, the city intends to support transit-oriented development by developing a TIF (tax incremental financing) policy, purchasing land, and aligning city programs to support small business development along transit corridors.

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Other Cities Finding Ways To Make Transit Projects Work/ADD ONE

Buffalo - Homebuyers in Buffalo can now qualify for a “Smart Commute” mortgage if they choose to buy a home within a half mile of a transit stop thereby qualifying for a low down payment of just 3% of the purchase price. Participants in the program receive two free Metro passes, good for either bus or rail service for six months. The rationale behind the national initiative introduced by Fannie Mae in 2001 and now offered in 33 municipalities is that you’ll have more money to spend on your mortgage if you ride transit.

West Dublin, Alameda County, CA - The \$60-\$70 million West Dublin BART (Bay Area Rapid Transit) station will be built along the existing extension of the Richmond Fremont line in part with \$15 million generated by the prepayment of the lease revenues on development planned for 18 acres around the stations, the rest will be paid by bonds to be paid back with revenues from parking garages at the station and property tax revenues from all development that occurs on BART owned property until debt is repaid.

Tampa -- Much of the city’ streetcar system’s \$1.3 million operating budget is funded with proceeds from a special assessment district and revenues from an endowment created when the owners of a failing monorail system bought their way out of a 17-year contract for \$5 million. The non-profit Tampa Historic Streetcar bought the system, demolished it for \$1 million and put \$4 million in the endowment (also, the sale of naming rights to cars and stations stops has added another \$2.3 million to the endowment). Properties along the streetcar route are assessed \$.33 per \$1,000 of assessed value; owner occupied residential properties are not assessed. There’s been tremendous economic growth in the district, increasing assessment and generating \$500,000 the first two years. Tampa Streetcar is also considering video advertising on vehicles and in stations and the joint development of city owned vacant land along the right of way.

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Other Cities Finding Ways To Make Transit Projects Work/ADD TWO

Fairfax County, VA - The extension of Metrorail from West Falls Church to Dulles International airport will run in an exclusive right of way along the Dulles Toll Road. The expected receipt of New Starts funds with the local share of \$850 million funded through a toll increase for drivers and an elongated tax district that runs alongside the line. Phase two is to be funded with another tax district, revenues from passenger facility charges at Dulles Airport, and Loudoun County Business and Professional Occupational License fees.

Las Vegas Monorail - The monorail that connects eight major resort properties and the convention center has been hugely successful in garnering private sector financial support through the sale of advertising, deals for the naming rights to the seven stations, and nine cars have been signed with ads from Coca-Cola, Bacardi, Hansen Beverage, Paramount Studios, Motorola, General Motors, and Bak West and others. They have sought \$1 million annually for each of nine trains, \$2 million annually for each of six stations, and \$4 million annually for the station at the Las Vegas Convention Center. Contracts with advertisers are estimated to bring the transit system about \$23 million a year in revenues. A deal with Nextel for rights to name the convention center station and one train was estimated at \$50 million over 12 years and included \$16 million for station construction. The monorail system is owned and operated by a nonprofit whose board is appointed by the governor.

Portland - The \$57 million 3-mile first phase of the streetcar system which opened in 2001 was financed with many and diverse funding sources including \$228.5 million from the sale of bonds backed by revenues from city-owned parking garages citywide, as well as \$2 million in revenue from those garages, \$9.6 million from a local improvement district that provided a one-time payment from property owners along the route, and \$7.5 million in tax increment financing monies from an urban renewal district served by the system.