

MILWAUKEE COUNTY'S TRANSIT CRISIS



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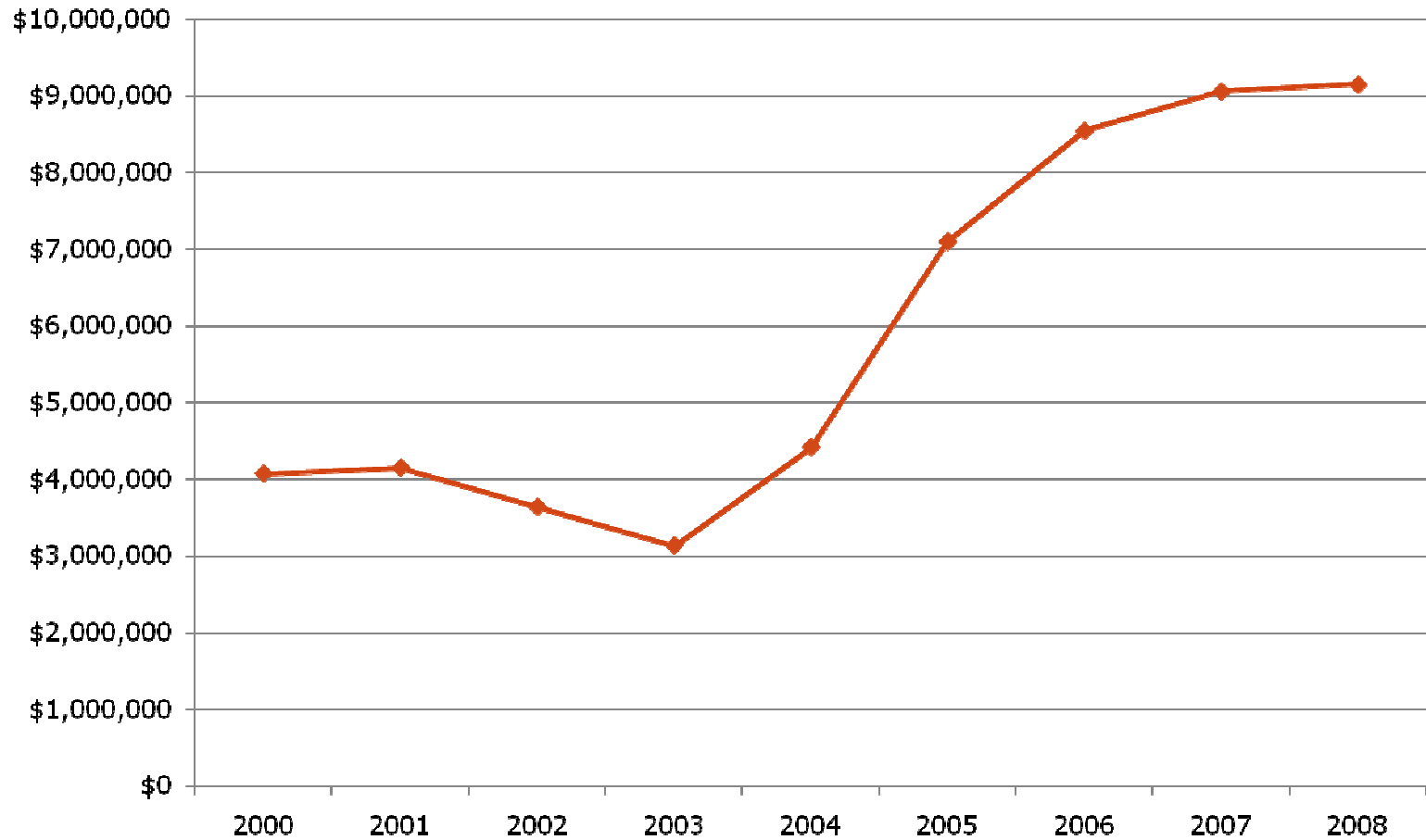
Key Issues

- Milwaukee County Transit System (MCTS) Funding Crisis
- Regional Transit Authority
- KRM Commuter Rail
- Connector Study

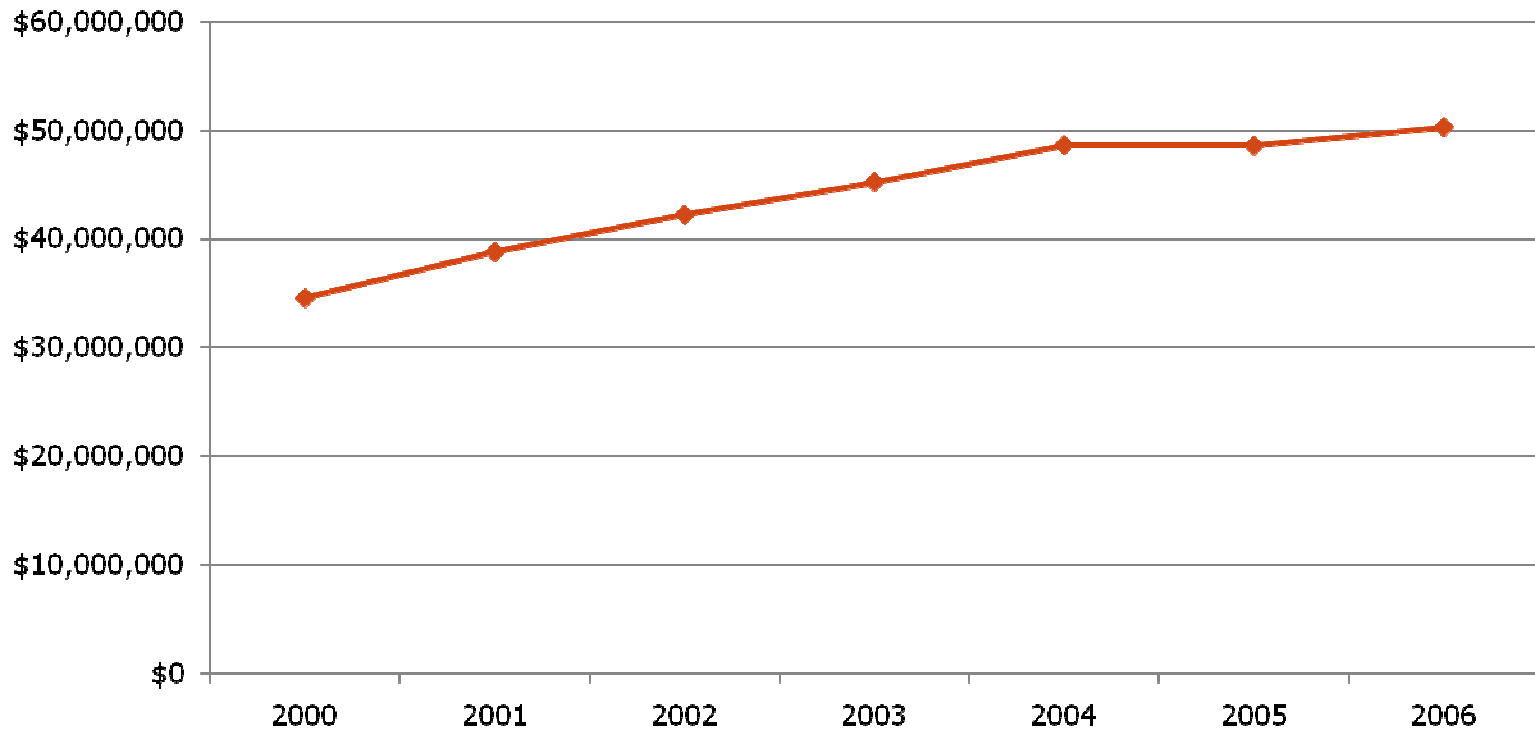
MCTS Funding - History

- County funds gap between farebox, State/Federal assistance and actual costs.
- As a “discretionary” County program, transit has always competed with Parks, Culture, Safety Net.
- Federal operating assistance increased only about 11% over past 8 years, while State operating assistance increased 1.4% annually between 2000-2005 (source:SEWRPC).

MCTS fuel expenses, 2000-2008

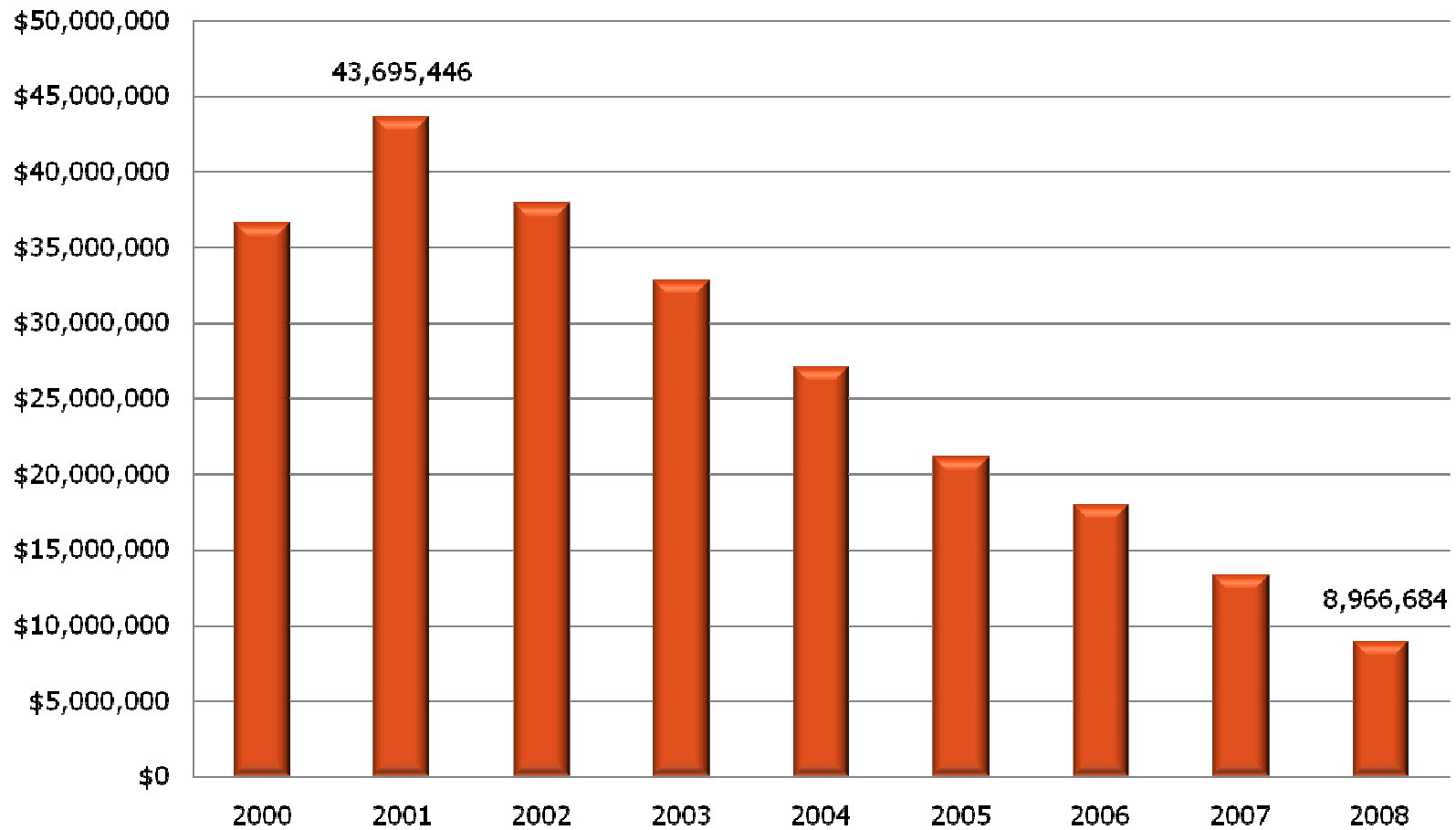


MCTS fringe benefit expenses

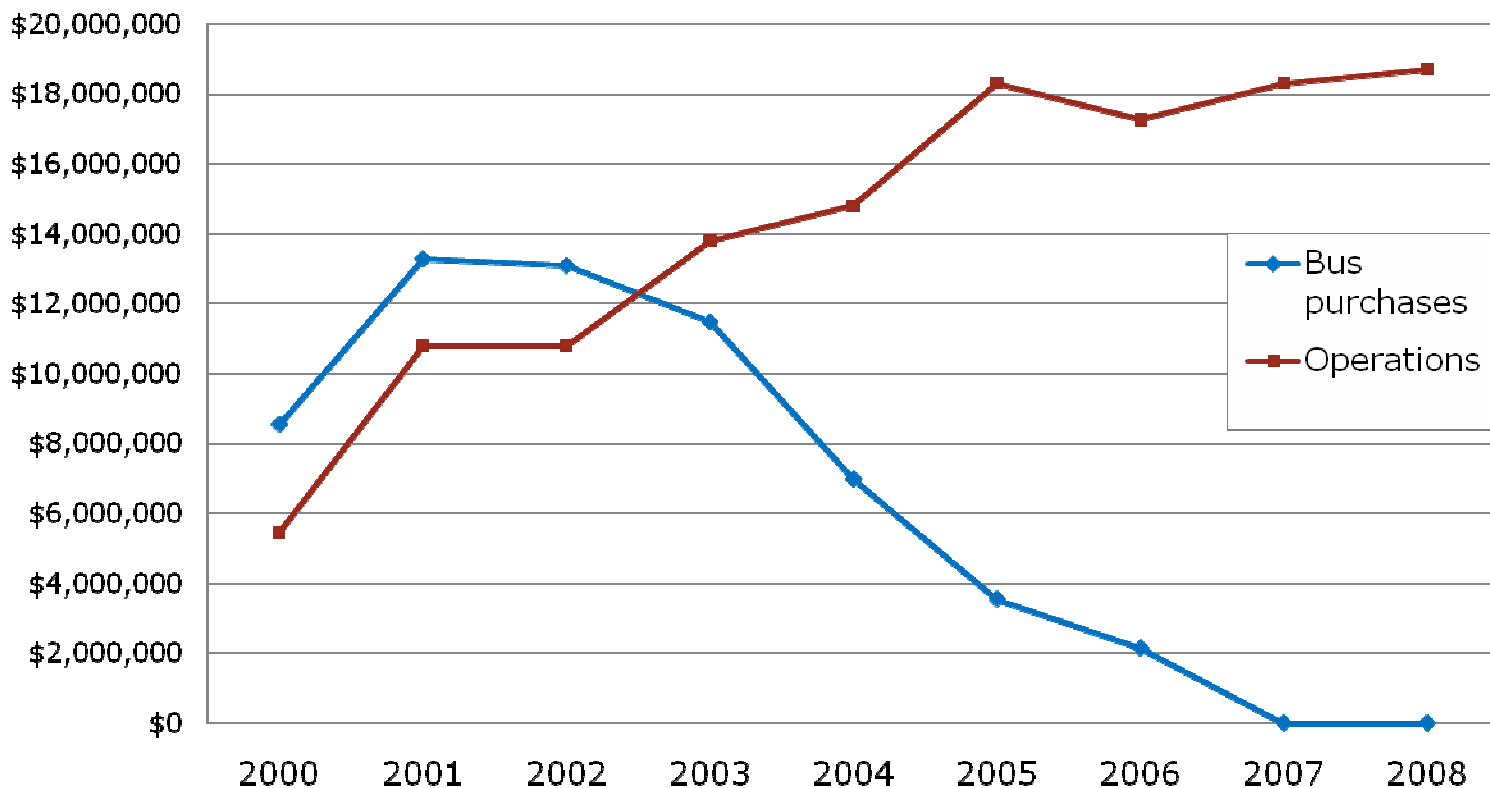


Source: National Transit Database

Federal funds available



Use of federal funds: new bus purchases vs. operations



MCTS funding projections (millions)

	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget
Revenue					
Passenger Revenue	\$43.5	\$44.9	\$46.2	\$47.6	\$49.0
Other Transit Revenue	\$3.5	\$3.6	\$3.7	\$3.9	\$4.0
Total Operating Revenue	\$47.1	\$48.5	\$49.9	\$51.4	\$53.0
Expenses					
Employee Expenses	\$115.7	\$119.8	\$124.0	\$128.3	\$132.8
Bus Repair Parts	\$2.8	\$2.9	\$3.0	\$3.1	\$3.2
Fuel	\$9.2	\$9.5	\$9.8	\$10.1	\$10.5
Other Transit Expenses	\$6.7	\$7.0	\$7.2	\$7.5	\$7.7
Total Operating Expenses	\$134.4	\$139.1	\$144.0	\$149.0	\$154.2
Public Funding					
Federal (Capitalized Maintenance)	\$18.7	\$19.0	\$4.3	\$0.9	\$5.8
State Operating Assistance	\$55.4	\$56.8	\$58.2	\$59.7	\$61.1
Local (Milwaukee County Tax Levy)	\$13.0	\$13.0	\$13.0	\$13.0	\$13.0
Other State and Federal	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Total Public Funding	\$87.3	\$89.0	\$75.7	\$73.8	\$80.2
Surplus/Deficit	\$0	(\$1.6)	(\$18.3)	(\$23.7)	(\$21.1)

Regional Transit Authority - History

- ❑ SEWRPC survey in early 1990s showed that of the nation's 35 largest urban areas, Milwaukee was 1 of 4 with no RTA.
- ❑ SEWRPC case study of 13 RTA's found that all had a dedicated funding source, with most using a sales tax.
- ❑ 1991-93 State Budget created temporary 7-county RTA in SE Wisconsin to study & make recommendations.

Regional Transit Authority - History

- ❑ Permanent 7-county RTA recommended to collect/distribute revenue for both roads and transit and potentially administer transit; .4% sales tax & 5-cent gas tax.
- ❑ Rejected by 6 of 7 counties in 1992-3; Milwaukee approved with condition that gas tax be statewide.
- ❑ Why?
 - Opposition to new taxes/"tax island" concern.
 - Fear that counties wouldn't get back own revenue.
 - Opposition to new government agency.
 - RTA labeled a trojan horse to fund light rail.

Regional Transit Authority – Today

- ❑ 3-county RTA (Milwaukee, Racine, Kenosha) created by State in July 2005, funded w/\$2 rental car fee.
- ❑ Consists of reps from 3 major cities and 3 counties and appointee of Governor.
- ❑ Purpose:
 - Identify regional funding source for local share of KRM commuter rail & transit & distribution methodology.
 - Recommend whether RTA should simply collect funding or operate transit.
 - Recommend whether permanent RTA should exist.
 - Report by Nov. 2008.

KRM Commuter Rail – History

- ❑ SEWRPC's regional transportation plans have identified commuter rail as a rapid transit alternative for the 33-mile Kenosha-Racine-Milwaukee (KRM) corridor.
- ❑ 2003 study recommended extension of commuter rail service from Kenosha to Milwaukee; State-sponsored, funded w/Federal & State dollars.
- ❑ Legislation adopted later in 2003 defined prospective State role: provide capital & operating assistance to *locally* sponsored commuter rail w/*local* funding share required.
- ❑ In 2005, County Execs and Mayors of Kenosha, Racine & Milwaukee, along with SEWRPC and WisDOT, formed Intergovernmental Partnership to study and discuss funding options.

KRM Commuter Rail - Costs

- ❑ Capital cost \$198 million; local share \$36 to \$41 million.
- ❑ Annual operating cost \$10.9 million, net cost \$6.3 million minus fares.
- ❑ RTA proposed \$15 rental car fee to pay local share, but Legislature has failed to act; sales tax to fund both KRM and regional transit also originally proposed and still being discussed.

KRM Commuter Rail - Route



Source: SEWRPC

KRM Commuter Rail - Today

- ❑ Legislature failed to include proposed rental car fee or other funding source in 2007-09 State Budget.
- ❑ RTA asked Feds to put PE application on hold due to lack of funding source.
- ❑ RTA plans to re-submit request once funding source secured.
- ❑ Earliest system could be on line is 2014.

Connector Study – History

- ❑ Precursor was East-West Corridor study, launched in early 1990s after Congress appropriated \$289 million for transit improvements in the Milwaukee-Waukesha corridor.
- ❑ Study plagued by controversy, \$48 million lost by mid 1990s after decision-makers failed to act.
- ❑ Study culminated in \$1.86 billion E-W Corridor proposal: \$444 million for light rail from Downtown to the Zoo and Capital Court; \$1.32 billion for reconstruction of I-94 w/special HOV lanes; \$90 million for bus improvements.
- ❑ P.E. endorsed by Milwaukee County Board and Exec and Waukesha County Board but vetoed by County Executive Finley. Provision in State budget torpedoed P.E. plan in Oct. 1997.

Connector Study - History

- In April 1999, Gov. Thompson, Mayor Norquist and County Executive Ament agreed on plan for \$241 million:
 - \$150M for Marquette Interchange reconstruction, Park East Freeway demolition, 6th Street Viaduct replacement and Lakefront park.
 - \$91.5M to fund solution recommended by Wisconsin Center District study of transit connector for downtown attractions.

Connector Study - History

- ❑ Connector study formally launched in 2000 with participation of Wisconsin Center District, MMAC, City and County.
- ❑ In 2003, Connector study ruled out light rail, and instead focused on 12-mile, \$300 million system of guided electric buses.
- ❑ In May 2006, Mayor Barrett vetoed a Council-passed resolution to move proposal into P.E.

Connector Study - Today

- ❑ Mayor Barrett & County Executive Walker have developed competing plans for use of \$91.5M plus required local match.
- ❑ Connector Study Committee first decided to study Barrett plan, but now plans to study melded version of both plans.

Connector Study - Today

□ Barrett Plan:

- \$55.06M for Bus Rapid Transit: modern buses, priority lanes, GPS tracking, improved shelters, payment kiosks. Two routes: UWM-Regional Medical Center & Midtown- Airport.
- \$52.59 million for 3-mile downtown streetcar circulator, which would connect Amtrak Station, Midwest Airlines Center, Bradley Center, Summerfest.

□ Walker Plan:

- \$70 million for pilot Bus Rapid Transit – two initial routes: UWM-Medical Center & Bayshore-Oak Creek.
- \$32 million reserved for future route from NW side through downtown to State Fair.

Connector Study – Today



Bus Rapid Transit

Source: County Executive Walker Presentation

Downtown Streetcar

Source: Mayor Barrett Presentation



Conclusions

- ❑ Until recently, most attention focused on whether/how to build and pay for KRM, how to utilize \$91.5M.
- ❑ But both issues tie back to MCTS funding crisis – many who may be inclined to support KRM/RTA and downtown connector want solution first for bus transit.
- ❑ Highway and other regional projects traditionally impacted by transit controversies – likely to happen again.