

Our View | Streetcar Project

# Let's get Milwaukee's streetcar project off the ground

Nov. 20, 2014

Milwaukee has a choice to make, and it shouldn't be a hard one: Remain a transport backwater or get on board along with many other cities that understand the benefits of a modern system. We support a streetcar line for downtown. Similar lines are operating or under construction in 11 major U.S. cities, including Atlanta, Cincinnati and Seattle. A streetcar is one piece of a system that also includes cars, buses, bike lanes and Amtrak service.

Mayor Tom Barrett is going all in — [pushing for a bigger project](#) that will feature the original downtown loop plus an extension to the lakefront including the proposed \$122 million Couture project on the site of the Downtown Transit Center at E. Michigan St. and Lincoln Memorial Drive.

Detractors say no one will ride the streetcar, that fixed rail systems aren't flexible, that it's a waste of money. Some legislators are even questioning the use of tax incremental financing for the project.

The critics are wrong. [An analysis](#) by the Southeastern Wisconsin Regional Planning Commission estimates that the proposed 2.1-mile downtown Milwaukee streetcar line, which is the first piece of a larger system, would provide about 1,840 rides each weekday. The line will spur additional development, which is what has happened elsewhere, to go with billions of dollars of projects either underway or soon to begin in the downtown and near downtown area.

At \$1 a ride, people will use it. People in other cities use this brand of mass transit: Why not here?

"To say that you are in favor of mass transit does not mean that you are opposed to cars," Barrett told us. "I'm betting on the future of downtown. We have a situation where we have lots of young people who want to move downtown. They are delaying the purchase of a home; they are delaying the purchase of an automobile.... We've got a lot of young people in the heart of the city, and I want them to have a good feeling and good transportation in the city."

Neither the cost nor the mechanism for paying for the streetcar is unrealistic. The new price tag weighs in at \$123.9 million, but that includes moving utility lines, which had been a major hurdle. Those costs for utility relocation have been trimmed to \$22.7 million and may be even less.

To pay for construction, Barrett proposes using:

- \$54.9 million in federal dollars left over from a pot of money that was divided up several years ago with Milwaukee County.
- \$9.7 million from a previously approved restructuring of a tax incremental financing district.

- \$49.3 million by expanding an existing TIF district on E. Erie St. along the Milwaukee River and creating a new one on E. Michigan St. that would include the Couture project (that project also would benefit).
- \$10 million in a federal grant that the city is applying for.

Operating and maintenance costs are projected to be \$2.4 million a year, the SEWRPC analysis says. Revenue from fares would bring in about \$588,800 a year to underwrite a portion of the operating costs while corporate sponsorships and advertising would generate another \$250,000. The city is betting revenue from parking could make up a large portion of the rest.

"I recognize that people are going to drive cars. I am not opposed to cars," Barrett said. "We have been supportive of Northwestern Mutual's efforts to purchase the (O'Donnell Park) parking structure from the county."

The city also [has filed a lawsuit](#) seeking to reverse an unfortunate decision in April by the state Public Service Commission that the city must pay costs of all utility relocation for the streetcar project. The city is right to take that decision to court. State law and precedent is on the city's side.

Ald. Bob Donovan, a candidate for mayor in 2016, opposes the streetcar and [has asked Rep. Dale Kooyenga](#) (R-Brookfield), a member of the Legislature's Joint Finance Committee, to block use of the TIF districts to build the streetcar line.

The Legislature should not get involved. This is a local project that will be funded locally. And tax incremental financing is designed specifically for this purpose: public improvements and infrastructure near developments. Donovan's argument just doesn't wash. The city helped the new Northwestern Mutual tower get out of the ground using a TIF, which will help improve local streets. And the TIF was used to pay for a parking structure at the Manpower headquarters building on the other side of downtown; the garage was a key to persuading Manpower to come downtown. Same thing for the Milwaukee Intermodal Station. Why is TIF suddenly a dirty word for the anti-rail crowd? We hope Kooyenga sidesteps Donovan's all-too-obvious political move.

And we hope that soon Milwaukee moves closer to a 21st-century transport system.

*What is your view on Mayor Tom Barrett's streetcar proposal? To have your opinion considered for a letter to the editor, email [jsedit@jrn.com](mailto:jsedit@jrn.com). Please see letters guidelines.*

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