

\$63M in US funds make streetcar a go

CONSTRUCTION OF [STREETCAR] LINE IN TUCSON'S HEART IS SET TO START THIS YEAR

by Rob O' Dell Arizona Daily Star |
Thursday, February 18, 2010



Artist rendering of the new streetcar. Funding for light rail has been secured. \$63M from US Department of Transportation; \$87.7M from RTA and \$4M from Grijalva earmark.
Courtesy of City of Tucson.

Downtown revitalization, the University of Arizona and the whole Tucson region got a shot in the arm Wednesday with the U.S. Department of Transportation award of \$63 million to help build the city's modern streetcar.

That federal stimulus money provides Tucson with nearly all the funding it needs to pay for the \$150 million, four-mile streetcar line that will connect downtown to the University of Arizona.

The rest comes from the Regional Transportation Authority, through the transportation plan that voters approved in 2006, and from an earlier federal grant.

RTA Executive Director Gary Hayes said the city's award is big enough that the RTA will release its half of the funding - something it was unwilling to do until it was sure the federal allocation was in place. That means the city is in a position to start construction by the end of the year, with a goal of having it running in 2012.

Transportation Secretary Ray LaHood will formally announce the grant at a press conference at downtown's Historic Train Depot today.

Mayor Bob Walkup spent the first several minutes of Wednesday's City Council meeting announcing the award, to the applause of the audience. Walkup said Tucson's award was the fifth-biggest amount among the TIGER (Transportation Investment Generating Economic Recovery) grants announced on Wednesday. He said the streetcar project was ready to start construction and that the city will do the work fast and "get people to work."

"It's the biggest day since I've been mayor," Walkup said. "It really cleared some major hurdles for downtown redevelopment."

Key link

The four-mile streetcar route is planned to run from near University Medical Center through downtown to the west side of the Santa Cruz River.

Developers from the east end of downtown to the west side have touted the streetcar as the reason they plan to spend millions to try to revitalize downtown. The UA is also basing plans to expand student housing opportunities downtown, as well as

relying on the streetcar to help alleviate traffic on campus.

Jerry Dixon, who is developing several projects on the west side, including the Mercado at Menlo Park, said he could hardly put into words the meaning of the streetcar funding and the fact that it could soon be under construction.

"How do I jump higher or say anything more positive?" Dixon asked. "It's a real game changer."

Schedule and budget

Transportation Director Jim Glock said the city hopes to finish building plans for the first two segments by early fall in order to get a contractor on the job by the end of the year. He hopes to have final plans for the other two segments done within six months.

"Now that we have the funding in place, everything will jell," Glock said.

The estimated construction cost for the line is \$150 million. With the new grant, \$75 million from the RTA and \$6 million received from earlier federal grants, that would still leave the city about \$6 million short.

But Glock said he hopes the project will come in under budget - as many government construction jobs have done recently - so it can be completed without having to seek additional funds.

Glock said that instead of seeking federal money for the current plan's rail line, the city may next seek funds for extending the line along South Sixth Avenue and on North and South Campbell Avenue.

The Regional Transportation Plan and tax approved by voters in 2006 also anticipated providing \$13 million for initial operating costs. Glock estimated the initial operation of the streetcar could cost \$2 million a year.

The final bill also includes \$14.5 million for a Cushing Street bridge to take the streetcar over the Santa Cruz River.

National politics

Hayes said he was surprised that the city received nearly all of the federal money it requested, given that requests totaled \$57 billion and only \$1.5 billion in funding was available. He credited Walkup for his hard work lobbying congressional leaders on the project.

"We're really surprised that was the amount, but it's really good news," Hayes said. "The match is there. That was the whole key."

The city had sought federal money before with no success, in part because the project did not meet U.S. standards for cost-effectiveness - although those standards were just waived by LaHood.

U.S. Rep. Raúl Grijalva, D-Tucson, is a key vote on the President Obama's health-care bill, and U.S. Rep. Gabrielle Giffords faces a tough re-election fight. Both backed the city's request.

Terry Bracy, Tucson's lobbyist in Washington, D.C., said those kinds of political considerations didn't come into play. "I don't think it was done for those reasons at all," he said. Instead, he gave Walkup "tremendous credit" for coming up with the idea of an "all-American" streetcar and using an Oregon ironworks company to design and build the system.

That got the Oregon delegation on board with Tucson's pitch, he noted. He said Grijalva and Giffords worked hard, but he also gave kudos to U.S. Rep. Ed Pastor, a Phoenix Democrat, who carries clout as the only member of the state delegation to sit on the Appropriations Committee.

"This just shows what you can do if you ignore the negatives and turn off the background noise and work together," Bracy said.

Walkup also said he was somewhat surprised that the streetcar was nearly fully funded, but he too believed the merits of the city's project and the fact that it was planned-out and ready for construction were the reasons the city received nearly all the money it was seeking.

"The White House wants to see workers getting back to work," Walkup said.

By the numbers

Modern streetcar project:

- Total project cost: \$177.5 million
- Local funding: \$88 million from the Regional Transportation Authority (\$75 million for construction, \$13 million for initial operations) and \$14.5 million from the city to build the Cushing Street Bridge.
- Federal funding: \$63 million in stimulus money. \$6 million in prior federal grants. \$6 million yet to be identified.