

WALLY Commuter Rail

Status Report / Assessment of Stakeholder Support

June 2012

STATUS OF FUNDING AND EXPENSES FOR WALLY

On September 15, 2011, the AATA Board requested that staff confirm support for the WALLY project, and passed the resolution reproduced below.

Resolution 36/2011

EXPENDITURE OF WALLY FUNDS

WHEREAS, the Transit Master Plan (TMP) adopted, by the Ann Arbor Transportation Authority (AATA) Board of Directors in April, 2011, includes the Washtenaw and Livingston Railway (WALLY) project as a possible long-term commuter transportation improvement, and

WHEREAS, the AATA Board wishes to insure that future expenditures of public funds for WALLY are contingent upon there being viable, realistic, and sustainable public support for the project, and

WHEREAS, AATA will seek assurances and renewed commitments for WALLY from the State of Michigan, Livingston County, The City of Howell, the Ann Arbor Railroad, and others important to the success of the project, and from this information will draft an updated WALLY position statement, now therefore

IT IS RESOLVED, that funds contained in AATA's 2012 Fiscal Year Budget and designated for WALLY purposes will not be expended without the future express consent of the Board.

AATA staff has taken a number of actions in response to the Board's directive and this paper reports on the outcome of those actions.

FY2012 FUNDING AS BUDGETED

AATA's budget for Fiscal Year 2012 contains a \$230,000 line item for the WALLY project. The source of these funds is as follows:

Table 1 - FY 2102 WALLY FUNDING

Source	Amount	Purposes
Ann Arbor DDA	\$50,000	Grant to support WALLY project development (January 2010)
Washtenaw County	\$50,000	Grant to support WALLY project development (January 2010)
City of Howell DDA	\$37,000	Grant to support WALLY project development
Federal Section 5304 Grant	\$48,000	Grant facilitated by MDOT, to support station design work
AATA Budget	\$5,800	Match for 5304 Grant, to support station design work
Sub-Total Earmarked for Station Design Work	\$190,800	
AATA budget	\$30,500	Earmarked for consulting – railroad operations and liability issues (or to supplement the station design work described above) and supplies
AATA Budget	\$8,700	Estimated staff expense
Total 2012 Budget	\$230,000	

As indicated in the table above, \$190,800 is targeted for station design work, \$30,500 for other consulting, and \$8,700 for staff labor expense. Except for a small amount of staff time, none of these dollars have been spent, consistent with the Board's resolution.

The majority of the proposed expenditures relate to station design work. This was the subject of a Request for Proposals issued by AATA earlier this year. Proposals have been received and evaluated, and staff is now awaiting the Board's approval to spend money before entering into negotiations with the top-rated proposer. Another \$25,000 is tentatively earmarked for addressing operational and liability issues, particularly as they relate to the Ann Arbor Railroad's role in an eventual project.

STATUS OF LOCAL COMMITMENTS

Ann Arbor Railroad: On October 12th, 2011 Michael Ford and Michael Benham met with Jim Erickson, the President of Ann Arbor Railroad. Jim told us that AARR in general remains opposed to passenger service on AARR property, due to concerns about liability and community impacts. However, he stated that he will ‘work with us’ on the issue of train storage to the immediate west of milepost 47.5 (which is where AARR ownership begins). Jim also admitted to being concerned about the lack of shipper activity anywhere on the segment of interest (between MP 47.5 and Stadium Blvd.) and expressed a desire to grow the business. We asked specifically if he would entertain a ‘business proposition’ concerning the use of their tracks - one that includes addressing liability and community impact concerns – and his answer was yes.

MI Department of Transportation: In November 14th, 2011, Michael Ford and staff met with Tim Hoeffner, the Director of MDOT’s Office of Rail. MDOT remains fully committed to the WALLY project, as evidenced by the on-going rehab of commuter rail cars for the project and millions of dollars in track work that has taken place. MDOT has also assigned a staff person to work with AATA on WALLY matters, and facilitated the award of a \$48K federal grant to undertake station design work

Local Communities: Over the past year, Project Manager Michael Benham has been in touch with representatives of all of the primary communities in the WALLY corridor. These include: The City of Ann Arbor, Washtenaw County, The City of Howell, Genoa Township, Hamburg Township, and Northfield Township.

- **Washtenaw County:** The County provided a \$50K grant in 2010, which will contribute to the budget for the Station Design Study. In recent informal discussions, county staff remains supportive of the work and the project in general.
- **City of Ann Arbor:** The Ann Arbor Downtown Development Authority contributed \$50K to the station design study, and recent informal discussions indicate continued support for the project.
- **City of Howell:** Support from Howell remains very strong. The Howell DDA contributed \$37 K to the station design study, and the City recently wrote to AATA asking that WALLY be included in the 30-Year Transit Master Plan.
- **Genoa Township:** Genoa Township staff has indicated philosophical support for the project, but the Township has neither taken a formal position of support, nor contributed any funds to the project since 2008.
- **Hamburg Township:** The Hamburg Township Supervisor has voiced enthusiastic support for the project at a recent WALLY Coalition meeting. However, the township declined to make a funding contribution to the station design work, citing budget issues.

- **Northfield Township:** The Supervisor of Northfield Township has recently stated that the community does not support the project, although no formal action has been taken. Individual expressions of support continue to come from the Township however. The proposed station site for Northfield is owned by a private developer who has been an enthusiastic supporter of the WALLY project for many years and who has offered to build the station at his own expense and lease it back to the WALLY operation. He also has proposed significant mixed use (transit oriented) development at the site aimed at generating ridership.
- **Livingston County:** The last formal contact with Livingston County was in November 16th, 2009, when Michael Benham presented a WALLY status report to the County Planning Commission. Several Commission members expressed strong support for the project, but no action was taken. Staff is currently working with the City of Howell and the Howell Chamber of Commerce to arrange a briefing for the County Administrator and perhaps a presentation to the County Board of Commissioners.

University of Michigan

The University of Michigan continues to support the project, including a pledge to cover the cost of fares for its employees

CITIZEN SUPPORT- SELECTED EMAILS IN SUPPORT OF WALLY

Staff continues to receive emails from interested citizens in support of the project. A representative sample of these is reproduced below:

-----Original Message-----

From: XXXXXXX

Sent: Tuesday, January 31, 2012 9:57 AM

To: gWally

Subject: Please add me to the mailing list

My wife and I would really love to see this project happen.

Thank you,

XXXXXXX

From: XXXXXXXX
Sent: Saturday, January 14, 2012 10:14 AM
To: gWally
Subject: WALLY Support

I would gladly support the Wally Station program. As a resident of Howell, I believe there are so many advantages over automobile & bus travel.

Just to name a few...

Help existing community businesses survive, even thrive.

Bring more business & revenue back into downtown areas.

Save gasoline and harmful emissions.

Promote local community awareness & education.

Improve neighborhoods surrounding station location.

Trickle down from our area even farther when other communities recognize the benefits.

I love the downtown Howell area & spend a lot of time there. Wouldn't it be great for this plan to come to fruition quickly and be the first new commuter train in Michigan, bringing Livingston County out of this recession? It's not going to happen on it's own and I applaud the team that put this idea into a real plan.

I am surprised there are not flyers in downtown Howell to promote awareness and support. There should be a FaceBook page, which is free! Let's get the word out there. How can we help?

XXXXXXX
Howell resident

From: XXXXXXXX
Sent: Friday, July 01, 2011 7:26 AM
To: gWally
Subject: Support for Wally

I want to lend my support to Wally, being a commuter from Howell to Dearborn!!!

Thanks,

XXXXXXX

From: XXXXXXXX
Sent: Sunday, January 30, 2011 11:20 AM
To: Michael Benham
Subject: WALLY

Hi Mr. Benham,

My name is XXXXXX and I have been phoning you about WALLY but we have not been able to get a hold of each other. Shea Charles, city manager for Howell, gave me your info. I am a resident of Howell Michigan and would like to help out with the Wally project. Please, let me know if there is anything I can do?

Thanks

XXXXXXXX

From: XXXXXXXX
Sent: Thursday, September 16, 2010 7:03 PM
To: gWally
Subject: E-mail List!

Please put me on your e-mail list as address: sberry@wilsonwhitecompany.com

I want to keep informed about the progress of Wally as I plan to be one of the first passengers!

XXXXXXXX

Howell, MI

From: XXXXXXXX
Sent: Monday, August 08, 2011 8:43 AM
To: gWally
Subject: Wally Project Updates

I received this e-mail address from The Ride website regarding the WALLY commuter rail and would love to receive e-mail updates. I am hoping the train option will be available soon.

XXXXXXXX

From: XXXXXXXX
Sent: Tuesday, August 02, 2011 10:24 AM
To: Michael Benham
Subject: Re: email list

Thanks, Michael. If you're keeping track of us, I would be one of your advocates who lives in northern Livingston County and just became employed at U-M on Central Campus. I've also found you on Facebook.

From: XXXXXXXX
Sent: Monday, July 11, 2011 2:07 PM
To: Michael Benham
Subject: WALLY Volunteer

Hi,

I'm a resident in the city of Howell, Michigan and I'd like to know if there's any way I can volunteer or get involved with the WALLY train project. Any information would be appreciated.

Regards,

XXXXXXX

XXXXXXX

-----Original Message-----

From: XXXXXXXX **Sent:** Friday, May 06, 2011 8:47 AM
To: gWally
Subject: New to area

I am new to Howell an work at UofM children's hospital. I would be interested in train and would like kept up to date on info and when opening

Thank you
XXXXXXX

Sent from my iPhone

PROPOSED AATA POSITION ON THE WALLY PROJECT

In light of the foregoing, it is reasonable for AATA to continue to take a position of “qualified support” for the WALLY project. The following language is offered as a proposed AATA position statement regarding the WALLY project:

“AATA continues to support the WALLY project and appreciates the financial and technical support provided by the state of Michigan as well as by local communities. AATA will continue its support of the WALLY project as long as MDOT is supportive and as long as there continues to be a reasonable level of

support from the WALLY host communities. The WALLY project will also be examined as part of the AATA Transit Master Plan process to confirm whether the project has merit within the context of a county-wide system.

AATA recognizes that funding gaps exist for both capital construction and operating expenses. AATA will continue to support development of a WALLY demonstration service as long as 1) there is a reasonable expectation that these funding gaps can be closed using Federal, State, local public or other sources, and 2) there continues to be reasonably strong public support for the project.

AATA makes no commitment to providing either capital or operating funding at this time, and AATA currently takes no position regarding the start date of service due to the uncertainty with respect to funding. AATA will continue to work with MDOT and the local communities to seek and apply for federal funding of the project. Once funding issues are fully resolved, AATA will commit to a service start-up date.”

This language has been incorporated into a Board resolution – attached - for your consideration.