Transportation for Michigan Webinar Series

PASSENGER RAIL IN MICHIGAN

GREAT LAKES CORRIDOR STUDY
CHICAGO TO PONTIAC

SEPTEMBER 2012
Webinar Logistics

- Please mute your phone line so we do not hear your background noise.

- Type questions in the chat function that you see on the left side of your screen.

- We will also be taking questions at the end of the webinar – at this time you can un-mute your line to ask a question.
Webinar Agenda

MOHAMMED ALGHURABI, MDOT
TIM FISCHER, MICHIGAN ENVIRONMENTAL COUNCIL
TIM HOEFFNER, MDOT
ALAN TOBIAS, HNTB
QUESTIONS
Study Introduction

MOHAMMED ALGHURABI

MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT)

PROJECT MANAGER
Amtrak in Michigan and the Midwest

TIM FISCHER
MICHIGAN ENVIRONMENTAL COUNCIL
DEPUTY POLICY DIRECTOR
TRANS4M MEMBER
A brief overview

- 8 annual ridership records in the last 9 years
- 44% more riders last year than in 2000
- Cut our debt in half since 2002
- 79% farebox recovery – best for a passenger railroad in the U.S.
- More than half our trains reach or exceed 100mph, including eight daily 110 mph Michigan trains.
Amtrak Operations in FY 11

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trains</td>
<td>10</td>
</tr>
<tr>
<td>Station Usage</td>
<td>880,664</td>
</tr>
<tr>
<td>Employees</td>
<td>153</td>
</tr>
<tr>
<td>Payroll</td>
<td>$12M</td>
</tr>
<tr>
<td>Procurement</td>
<td>$46M</td>
</tr>
</tbody>
</table>

Top Vendors:
Pettibone (Baraga) $952k
Compuware (Detroit) $939k
Total Plastics (Kalamazoo) $485k

Fuel Purchases: $31M (RKA, Romulus), $5M (Michigan Petroleum, Port Huron) and $3M (Spencer Oil, Roseville)

Michigan funds the *Pere Marquette* (Grand Rapids-Chicago) and *Blue Water* (Port Huron-Chicago), one daily round-trip each.
Building the Network

- Major service change on 3 downstate routes, November 2006
  - General Assembly doubled Illinois Amtrak funding
  - Trains added
- A successful service

### Daily Trips

<table>
<thead>
<tr>
<th>Route</th>
<th>06</th>
<th>07</th>
<th>08</th>
<th>09</th>
<th>10</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago-St. Louis</td>
<td>3</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
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</tr>
<tr>
<td>Chicago-Carbondale</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Chicago-Quincy</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

### Ridership Growth

- **Chicago-St. Louis**
- **Chicago-Carbondale**
- **Chicago-Quincy**

![Illinois Corridor Ridership Growth, 2006-2011](chart)
### Amtrak operations in Midwestern states

<table>
<thead>
<tr>
<th></th>
<th>Trains</th>
<th>Station Usage</th>
<th>Employees</th>
<th>Procure</th>
<th>Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All data FY11</strong></td>
<td>6</td>
<td>146,390</td>
<td>806</td>
<td>$18.2M</td>
<td>$51.8M</td>
</tr>
<tr>
<td><strong>Indiana</strong></td>
<td>4</td>
<td>57,880</td>
<td>3</td>
<td>$213k</td>
<td>$467k</td>
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<tr>
<td><strong>Illinois</strong></td>
<td>56</td>
<td>4,876,219</td>
<td>1,501</td>
<td>$139M</td>
<td>$103.8M</td>
</tr>
<tr>
<td><strong>Minnesota</strong></td>
<td>2</td>
<td>170,161</td>
<td>41</td>
<td>$9M</td>
<td>$3.5M</td>
</tr>
<tr>
<td><strong>Missouri</strong></td>
<td>18</td>
<td>678,505</td>
<td>80</td>
<td>$17.9M</td>
<td>$6M</td>
</tr>
</tbody>
</table>

In 2009, a Michigan DOT study found that Amtrak service brought on-line communities in the state some **$62M** of economic benefits annually – including benefits to local businesses, and to travelers and non-travelers alike.
Projects Under Way

- 110 mph segment for Chicago-St. Louis this year
- 110 mph service now on 64 miles in Michigan and 16 in Indiana
- Michigan Line purchase pending
- Rockford-Dubuque and Quad Cities planned for 2014-2015
- New bi-level equipment is coming
Amtrak Chicago Union Station:
3,393,695 passengers in FY11
What drives demand today?

- Changing conditions
  - Traffic
  - Environmental concerns
  - Attitudes
    - In 1983, 69% of 17 year olds could drive
    - In 2010, less than half have a license
- Rail’s niche is the sub-500 mile intercity market – and it’s a big market
  - More than 79% of ‘long distance’ (50+ miles) fall into this category
- Together, these indicators point to major coming changes in the way we travel

Where we can offer reliable and competitive service, Amtrak thrives - and helps create both macro- and micro-opportunities for community investment
What does the future hold?

Population
- 2000: 281M
- 2050: 420M

Distribution:
- 2000:
  - 60% in single-detached houses
- 2050:
  - 70% will live in megaregions surrounding urban areas

Americans living in urban areas expected to double to 300M by 2050
What are the implications?

- People are moving to areas where
  - Transportation network is stressed
  - Taxes and cost of living are high
  - Infrastructure and energy networks are already burdened – and it’s hard to build more

- Demand for everything is growing in areas where it’s hardest to satisfy

- Cheap and readily available oil underpins *everything*
  - Transportation
  - Economy
  - Daily life
New Buffalo, Mich.

- Built mostly with private funds
  - Some Amtrak and city support

- Envisioned as Transportation Oriented Development for premium-priced condos with an Amtrak connection to mid-Michigan and Chicago

- Triple the Amtrak service of the previous location since the 2009 opening

- On the 110 mph route shared by East Lansing/Port Huron and Ann Arbor/Dearborn/Pontiac trains

- City seeking federal funds for Grand Rapids connection
The New Normal

- Includes
  - Ticketing (Amtrak, bus transit)
  - Offices
  - Waiting areas
  - Food court
  - Retail
  - Information services
- ADA-compliant, LEED Silver-certified, accommodates cyclists and pedestrians
- Centerpiece of broader revitalization effort
  - Children’s Museum
  - Hotel and conference center
  - $80 million public investment has attracted $200 million in private investment
  - Improvements to make arteries cyclist and pedestrian-friendly
Saco, Maine

- **Downeaster** route has attracted investors and developers, particularly at Saco and Old Orchard Beach.
- Old mill property in Saco renovated as a $110 million retail, office, and residential complex.
- Developer actually built modern, environmentally friendly station for us at Saco:
  - Powered by a wind turbine
  - Geothermal heat
  - Passive solar design
The nation is also served by long distance trains

<table>
<thead>
<tr>
<th>State Name</th>
<th>% of rural residents served, 2005</th>
<th>% of rural residents served, 2010</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>92.4%</td>
<td>60.9%</td>
<td>-34%</td>
</tr>
<tr>
<td>Georgia</td>
<td>92.4%</td>
<td>66.1%</td>
<td>-28%</td>
</tr>
<tr>
<td>Kansas</td>
<td>71.8%</td>
<td>52.6%</td>
<td>-26.7%</td>
</tr>
<tr>
<td>Kentucky</td>
<td>70.7%</td>
<td>50.2%</td>
<td>-28.9%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>91.2%</td>
<td>72.7%</td>
<td>-20.3%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>93.8%</td>
<td>62.8%</td>
<td>-33%</td>
</tr>
<tr>
<td>Missouri</td>
<td>80.4%</td>
<td>69.6%</td>
<td>-13%</td>
</tr>
<tr>
<td>Nevada</td>
<td>85.3%</td>
<td>66.1%</td>
<td>-22.5%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>84.3%</td>
<td>61.0%</td>
<td>-27.6%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>95.0%</td>
<td>72.9%</td>
<td>-23.3%</td>
</tr>
<tr>
<td>North Dakota</td>
<td>50.7%</td>
<td>35.2%</td>
<td>-30.1%</td>
</tr>
<tr>
<td>Virginia</td>
<td>89.2%</td>
<td>68.0%</td>
<td>-23.8%</td>
</tr>
<tr>
<td>West Virginia</td>
<td>75.7%</td>
<td>46.2%</td>
<td>-38.9%</td>
</tr>
</tbody>
</table>

• About 40% of America’s rural population enjoys Amtrak access
• Number of Americans served only by Amtrak (i.e., no bus or air service) has tripled since 2005
• Amtrak’s long distance services are vital
  - Only Amtrak service on half our system
  - Carry 42% of the passengers with disabilities who use our services

Source: USDOT
The Amtrak System, as it is today.....
And as it would be without long distance service
A Better Travel Choice

Share of CO₂ Emissions, by mode

Source: US DOT, 2008 Trans Stats Annual Report

Passenger capacity per meter of infrastructure width

Source: U.S. DOE, Transportation Energy Data Book

Energy Intensity of competing modes

Source: UIC
Amtrak service can enrich our communities

• Amtrak can do a lot for your communities
• Investment can help our economy grow
• Trains can provide communities and people with travel choices
  ○ Providing an alternative in heavily congested urban areas
  ○ Serving rural populations with few alternatives
MDOT Rail Program Highlights

TIM HOEFFNER
MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT)
DIRECTOR OF OFFICE OF RAIL
Rail Program Highlights

- MDOT’s Office of Rail
- State Rail Plan
- Northern Michigan Freight Rail Needs Analysis
- Detroit Intermodal Freight Terminal
- Accelerated Rail Program
- Commuter Rail Program (Ann Arbor to Detroit & WALLY)
- Light Rail Program (M-1)
The Office of Rail

- Passenger Rail
  - Intercity Passenger Rail
  - Accelerated Rail Program
  - Commuter Rail
  - Light Rail

- Freight Rail Economic Development Programs
  - Freight Economic Development Program
  - Revolving rail-infrastructure loan program
  - Management of state-owned lines

- Rail Safety
  - Regulation
  - Railroad crossing projects
State Rail Plan

- Guides the future development of the rail system for passenger and freight rail over the next 20 years

- Developed with extensive public outreach

- Meets requirements for potential future federal funding
State Rail Plan

- Includes:
  - Profile of system
  - Needs identification
  - Benefit analysis of potential investments and recommendations

- Projects identified and prioritized into 4 funding investment packages (current levels to “best”)

- “Good” package recommended: $7.1B over 20 years

- Plan available online www.michigan.gov/mirailplan
Northern Michigan Freight Rail Needs Analysis

- To identify how rail infrastructure can be utilized as an economic development engine

- Northern Lower Peninsula, including Thumb

- Coordinated w/ MTU study of Upper Peninsula

- Anticipated November start
Detroit Intermodal Freight Terminal

- Consolidation & expansion of intermodal terminals
- Enhances Southeast Michigan’s economic competitiveness
- Public/private partnership
- West Detroit Connection Track Project
Michigan’s Accelerated Rail Projects

- Kalamazoo-Dearborn Line Acquisition & Corridor Enhancement
- Station Projects
- Midwest Next Generation Train Equipment Procurement
- Corridor Investment Plan
Commuter Rail Projects

- Ann Arbor to Detroit
  - Demonstration service
  - Connection to Dearborn, Detroit Metro & Ypsilanti

- Washtenaw & Livingston County Line (WALLY)
  - Demonstration Service on state-owned corridor
  - Ann Arbor to Howell
Light Rail Projects

M-1 RAIL

- Streetcar system on Woodward Avenue
- Connects Downtown Detroit to New Center Station
  - Supports multi-modal regional transit system, including proposed BRT
  - Public/private partnership

GOALS

<table>
<thead>
<tr>
<th>Jobs (job creation &amp; attraction of young professionals)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access/mobility for residents</td>
</tr>
<tr>
<td>Increase property values/tax revenues</td>
</tr>
<tr>
<td>Enhance downtown (density, livability, walkability)</td>
</tr>
<tr>
<td>Attract/retain business</td>
</tr>
<tr>
<td>Encourage investment &amp; development</td>
</tr>
<tr>
<td>Connect greenways &amp; bike paths</td>
</tr>
</tbody>
</table>
Questions?

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