



**DATE: JULY 13, 2011**

**TO: MILWAUKEE COMMON COUNCIL**

**FROM: STEVE BAAS, V.P. OF GOVERNMENT AFFAIRS, METROPOLITAN MILWAUKEE ASSOCIATION OF COMMERCE**

**RE: STREETCAR**

The MMAC has long been actively engaged in the effort to find innovative and effective ways to leverage federal transportation dollars and deploy them in a way that increases our region's mobility, attractiveness and competitiveness. As such, we appreciate the city leadership's work to identify a downtown transit option aimed at meeting those goals. We realize this project continues to evolve and we believe continued input from the business community is critical to an outcome that achieves those stated objectives.

As you look at the current streetcar proposal before you, we urge you to take the time necessary to thoroughly review the entire project and all direct and indirect costs. Current project descriptions presented to the public have not included a detailed articulation of the possible significant disruptive impacts and costs associated with the project as envisioned on the currently proposed route. Specifically, we have concerns that the \$64.6 million price tag for the streetcar that has been publicly shared does not adequately address all the infrastructure costs associated with constructing this trolley route along Broadway Avenue. Broadway Avenue is at the very hub of the downtown steam infrastructure. It is also the epicenter of Wisconsin's statewide telecommunications switching infrastructure. Preliminary estimates we have received from utility providers suggest that the cost of modifying, rerouting, or removing this infrastructure along Broadway to accommodate the proposed streetcar project could run in the tens of millions. Presumably, these costs would have to be recovered from additional city funding or from businesses, residents and property owners of the city in the form of higher taxes. The magnitude of the infrastructure modifications required along the Broadway route could also likely have an impact on the proposed timeline for the streetcar project, delaying its implementation and operation.

As the Common Council reviews this project, we encourage you to involve all the impacted businesses, consider all of the infrastructure impacts of this project on this route. Given the differences between the city's cost estimates and the cost estimates from the utilities providing the steam, power and telecommunications infrastructure along the impacted route, we urge you to take the time to get all these questions definitively answered. We are concerned that failure to do so will undermine public confidence in this important project and damage the prospects of its eventual successful operation.

Thank you again for your attention to this important issue. We raise these issues not to throw a roadblock up to this project but as a cautionary note to ensure that the full cost of this project is accounted for in a transparent way that maximizes public awareness and confidence in the city's action.

###