

13. Conclusion and Next Steps

13.1 Introduction

The MWRRS is both an enhancement to the Midwest region's transportation network and an engine for economic growth. The region's economy, like that of many other regions in the U.S., is experiencing significant growth. Trends in economic and population growth are expected to continue and it is essential that the region's transportation network keep pace with demand to sustain this growth. Because commercial and economic growth, to a large degree, is dependent upon travel within the region, mobility – for both passenger and freight – is key to sustaining the region's economic vitality and quality of life. The Midwest Regional Rail Service (MWRRS) will serve as a key component in achieving a 21st century transportation system for the region. The MWRRS is designed to provide a coordinated passenger rail network with attractive travel times, service reliability and the system-wide connectivity necessary to offer an attractive mobility option and to foster economic growth in the Midwest region.

13.2 MWRRS Benefits

13.2.1 Expanded Regional Mobility

The MWRRS will connect the major metropolitan areas and urban centers within nine Midwest states. It will encompass a rail network of more than 3,000 route miles and serve a population of almost 60 million people. More than 80 percent of the region's population will reside within an hour's drive of a MWRRS rail station or feeder bus terminal. The MWRRS will provide the travel time and travel-related amenities that appeal to business and leisure travelers. In many respects, the conveniences provided by the MWRRS will exceed those offered by passenger air service, including direct downtown-to-downtown service, access to smaller urban areas throughout the system and frequent connectivity to regional centers. The MWRRS will also fill the void created by the continuing decline of commercial air service to smaller urban areas in the Midwest region.

13.2.2 Increased the Attractiveness and Popularity of Intercity Rail Service

It is anticipated that the MWRRS could reverse the erosion of intercity passenger rail service that has taken place over the past several decades. The MWRRS has the potential to parallel the success of Amtrak's service on the Northeast Corridor. It will provide an opportunity to restore the value and utility of passenger rail service in the region by broadening stakeholder support (e.g., elected officials, businesses and travelers) and by providing a publicly popular service.

13.2.3 Environmental Benefits

Modal shift projections prepared as part of this study suggest that a large number of intercity trips will be diverted from auto to MWRRS trains. This will lessen congestion along several major highway corridors during peak travel times, thereby lessening the projected auto vehicle miles for the region and significantly reducing auto emissions levels.

13.2.4 Derived Economic Benefits

The MWRRS will generate significant user benefits and provide reasonable levels of resource savings in auto operating costs and in airport and highway congestion relief. The MWRRS 2000 plan reported a 1.7 ratio of total benefits to total capital costs, which represents the highest level

of economic benefit associated with investment in a passenger rail service outside of Amtrak's Northeast Corridor.

13.2.5 Derived Community Benefits

The MWRRS Economic Analysis conducted in 2000, showed that the system will generate significant economic growth in the region – 4,000 construction jobs associated with the implementation of the MWRRS and 1,500 new permanent jobs associated with the operation of the service. As a result of the construction and operating cost increases in the 2002 plan, these job creation estimates can only increase. There will be opportunities for redevelopment surrounding stations in urban areas, as well as \$9.1 billion in economic benefits that will generate substantial increases in employment in the service, commercial and tourism industries. The public and private sectors will be able to participate in joint development projects ranging from the construction of new multi-use terminals in major cities to new commercial, retail, and service facilities near suburban and intermediate stations.

13.2.6 Expanded Commercial Business Opportunities

Integral to the provision of a comprehensive and coordinated passenger rail service is the availability of passenger amenities and complementary transportation services to make travel on the MWRRS convenient and attractive. Service and patronage levels will support a wide array commercial business opportunities for large and small entrepreneurs. Examples of business opportunities include on-board food and business support services (*e.g.*, cellular phones and photocopying; dining and shopping facilities at stations) and ground transportation services (*e.g.*, taxis, buses, limousines and rental cars).

13.2.7 Other Benefits

In addition to fostering regional mobility, generating substantial new economic growth and contributing to improved congestion management and air quality, the MWRRS system will also:

- Provide a regional intercity passenger rail service for a capital investment of approximately \$2 million per mile for infrastructure
- Provide a competitive passenger rail system with vastly improved travel times, service frequencies and fares that can compete with the air and auto modes
- Offer its passengers a level of comfort and convenience superior to that of air travel
- Generate revenue surpluses after paying its operating costs that can offset part of the states' share of the capital costs
- Improve the safety and productivity of rail passenger and freight, by making track, signaling and grade crossing improvements – thus keeping the Midwest region competitive as a major transportation hub for the nation
- Improve the performance and travel times of long-distance Amtrak service by its use of the same improved track infrastructure and station facilities as the MWRRS trains

13.3 Challenges

A series of short- and long-term actions are necessary to advance the MWRRS plan towards implementation. The key challenges and requisite actions are summarized below:

13.3.1 Project Funding and Funding-Related Activities

Since the time the MWRRRI began planning for a passenger rail system in the region, aside from passenger rail corridor improvements in the west and the Northeast Corridor, the MWRRS was the *only* coordinated regional passenger rail improvement program moving towards implementation. Over the course of the past five or so years, this has changed. Today a number of southern, Gulf Coast and New England states, along with Florida, Washington state and California are in the process of developing their own passenger rail upgrade programs. While planning for the MWRRS has moved ahead, many of these other projects have successfully secured Congressional earmarks or federal funds to support planning, preliminary engineering and environmental analysis activities.

A vigorous action plan to obtain funding commitments for MWRRS implementation is now essential in project planning. Efforts are required to secure federal funding commitments to advance the project into the design, engineering and environmental review stages. Likewise, a coordinated multi-state effort must be launched to secure a dedicated, long-term, capital-funding source to support system-wide engineering and construction.

Action must also commence to gain federal agency approval to conduct an environmental review of the MWRRS in order to satisfy National Environmental Policy Act (NEPA) requirements and to position the MWRRS project for receipt of federal grant funding and TIFIA loans.

13.3.2 Project Advocacy

A regional stakeholder coalition is required to solicit active support for the MWRRS and secure the required levels of state and federal funding. This regional stakeholder coalition should consist of elected officials – mayors, legislators, governors and members of Congress – as well as private sector advocates and the public. Their foremost responsibilities include soliciting active support for the MWRRS and assuming an active role in securing federal and state funding.

Actions should be taken to establish a board of advisors representing major corporations and businesses throughout the Midwest region. Members would consist of the CEOs and senior staff representatives from the private sector. This board would provide a forum for presenting the economic benefits of the MWRRS and publicizing the MWRRS' contribution to regional commerce and economic growth. The voice of business is extremely powerful in soliciting the support from other businesses, local and national elected officials and the community-at-large.

In addition, consideration should be given to the creation of an external board of advisors comprised of a cross-section of interested Midwesterners. Nominated by the Secretaries of Transportation from the MWRRRI states, this board would serve as a vehicle to provide further stakeholder promotion and public feedback on the MWRRS. Meetings of the advisors would involve an exchange of information about the status of the project and comments, concerns and questions to the MWRRRI Steering Committee and to the state DOTs.

13.3.3 Interstate/Amtrak Cooperation and Institutional Arrangements

The phased implementation of the MWRRS will result in various states performing different activities during the same year. For example, during the initial phases of implementation, Illinois, Michigan, Minnesota and Wisconsin will be performing construction-related activities,

while Indiana, Iowa, Nebraska, Missouri and Ohio will be involved in design, environmental studies and pre-construction activities. To properly support these activities, the management and institutional structures required for the MWRRS must be flexible and evolve over time to respond to the changing needs of the states as their corridors progress from planning stage to revenue service.

The actual pace of the phasing plan hinges upon the capability of each state to proceed with project implementation activities. Since the federal government is the predominant funding source for infrastructure improvement costs, the MWRRS management structure will evolve over time in response to the level of funding and the complexity of the system being managed.

The MWRRS Steering Committee comprised of representatives from nine states and Amtrak has managed the concept and feasibility planning activities over the past several years. This Steering Committee should continue into the initial years of project implementation. Its role, however, will evolve from planning, coordination and review to one that is more involved in project funding, satisfying grant requirements and addressing implementation issues. At this stage of the MWRRS, it is essential that a strong working relationship be forged between the states, Amtrak, the freight railroads and the various labor unions to ensure that system needs are identified and that the underlying principles of the MWRRS vision are incorporated into the actual service provided.

The actual implementation of the MWRRS will remain the responsibility of the states. Once operational, the states may find it advantageous to broaden the roles and responsibilities of the MWRRS Steering Committee or to take action to establish a formal organization charged with operations and system oversight. There are various institutional structures in the Midwest and in other parts of the country that can serve as models for such a multi-state coordination. These models range from ad hoc multi-state committees, to committees established by multi-state agreement to a Joint Powers Authority established through legislative authority.

13.3.4 Shared Rights-of-Way with Freight and Commuter Railroads

While the 2004 Plan for the MWRRS was being developed, considerable progress was made in opening a dialog with freight railroads and considerable resources were expended in carrying out preliminary capacity studies. Continued dialogue with the freight and commuter railroads is needed. The key steps are to finalize agreement on planned right-of-way improvements, use of shared rights-of-way, and potential adjustments and refinements required to accommodate freight, commuter rail and proposed MWRRS operations.

Freight railroad support of the MWRRS is essential. Ongoing discussions with freight railroads on MWRRS infrastructure needs, operating requirements and service plans are essential to gain freight railroad support, and to coordinate actions between freight and commuter railroads and the MWRRS states. Some states have already initiated such discussions. These discussions will help the states gain a better understanding of freight operating requirements, schedules and other needs and develop more refined corridor-specific MWRRS operating plans.

A defined process should be put in place to establish ongoing working arrangements between the freight railroads and the MWRRRI states, with the objective of reaching consensus on capital and operating requirements and short- and long-term service needs.

The MWRRRI states should nurture the support of their respective governors and legislatures and continue to voice their support for, and assist in shaping, Congressional legislation favorable to intercity passenger rail. The MWRRRI states should adopt intercity/high-speed passenger rail policies advocating (1) a national system of which intercity passenger rail is an integral part, (2) a national intercity passenger rail system, (3) a dedicated federal multi-year funding source, (4) preservation of the integrity of the freight railroads, and (5) a competitive selection process among service providers.

13.4 Next Steps

There are many steps that the nine participating states need to take in order to continue the momentum toward implementation of the MWRRS. These actions can be separated into immediate, short-term, medium-term, *i.e.*, over the next two to three years, and long-term actions, *i.e.*, three years and beyond. Immediate and short-term actions include:

- Update the economic impact analysis to identify benefits to system users and the region
- Plan endorsement by the states
- Finalize the implementation plan
- Build grassroots support for the project
- Schedule further discussions with the freight railroads
- Secure federal/state funds for preliminary engineering and design and the required environmental reviews

Medium-term actions include:

- Secure federal/state funds for construction
- Refine and finalize the operating plan
- Develop marketing program
- Select construction projects

Long-term actions include:

- Construct Phases 1 through 7 over a ten-year period
- Manufacture and assembly of rolling stock
- Introduce full MWRRS service

Concurrent with continuing efforts to broaden and strengthen support for the MWRRS from local, state and federal stakeholders, the business community and citizens, there is a need to advance the technical planning for the proposed system, refine the financing plan and strategies and develop institutional arrangements related to the MWRRS. These additional activities are necessary to effectively define and position the MWRRS for funding and ultimately implementation. Work on these activities will be undertaken immediately following this study to enhance the case for the MWRRS.