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Michigan Ccould Seek Private Partners to Develop High-Speed Rail Line.

A proposed Detroit-Lansing-Holland passenger rail line could be built through a public-private partnership, according to a feasibility study requested by the Michigan Department of Transportation.

Three potential rail line routes were examined in the study, which was managed by the Michigan Environmental Council. Routes that would run through Ann Arbor and either Jackson or Howell are feasible from a financial standpoint but a third route that calls for bypassing Ann Arbor, is not, the research indicates.

The rail line would cost from \$130 million to \$540 million to build, depending on the highest speeds the track would accommodate. The fastest — 110 mph — rail line would be more expensive to build because faster trains need more infrastructure and safety upgrades to function at road crossings and to travel around curves, than do slower ones, reported MLive on Feb. 23.

However, the additional cost of accommodating faster trains could be offset over time by the up to \$14.4 million per year in increased revenues they could generate, whereas the slower trains would have to be subsidized annually. The more expensive but revenue-generating high-speed rail option also would give planners flexibility in deciding how to finance the project, the study indicates.

If "the system is generating a positive cash flow, a Private-Public Partnership or other innovative financing methods can be used to construct and operate the system. This absolves the local entity of any need for providing an operating subsidy but, more than this, it is not uncommon for the operating cash flow to be sufficient to cover the local match requirement as well," the report's authors wrote.

The rail line is likely to take seven to 10 years to complete, which includes time needed to identify funding sources and conduct potential environmental impact studies, but the rail line is "viable and worth looking into," said Liz Treutel, a transportation expert with the Michigan Environmental Council.

"I think the biggest thing the report revealed is that, yes, the ridership potential is there and the costs are relatively reasonable for a transportation project," she said, according to The Detroit News.

By NCPPP

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