

# *Red Line crunch time brings out the real talks*

Written by Andrew Warfield  
Friday, 10 February 2012 00:01

Now things are getting interesting.

**This was point-counterpoint week as the vetting process for the Red Line Regional Rail Project proposal entered its second full month, with a goal having a unanimous accord among five municipalities, two counties, the State of North Carolina and the Charlotte Area Transit System by June 30.**

That's June 30 ... of 2012.

Together, all the participating "agencies" would assemble a joint powers authority to oversee the funding, construction and operations of the 25-mile hybrid commuter/freight rail line from downtown Charlotte to southern Mooresville and, eventually, beyond.

For some 18 months, the story was about the revival of the Red Line, thanks in no small measure to the state's keen interest in positioning North Carolina as a player in the evolving realm of global logistics, with the existing Norfolk Southern Railroad "O Line" as a key element.

Now, it's about the back-and-forth, which was fully on display this week. On Wednesday, Cornelius Commissioner Dave Gilroy's hand-picked opponent of all things government-owned commuter rail — and pretty much all government planning — Senior Fellow Randal O'Toole of the Cato Institute, traveled from his home base in Oregon to tell local officials and citizens why the Red Line cannot possibly work, and why local taxpayers will, one way or another, be left holding the financial bag for a project that will be long on promises and short on delivery.

That Wednesday morning special meeting of the Cornelius Rail Task Force was immediately followed by a rebuttal of sorts organized by the state's consultants in an obvious effort to diffuse, and defuse, O'Toole's anticipated remarks.

The Red Line's team went on the defensive the day before O'Toole's arrival, with Red Line Task Force Chairman John Woods holding an impromptu summit with the media Tuesday afternoon to provide an update of current Red Line events. Then on Wednesday night, O'Toole was invited to appear before the Lake Norman Transportation Commission, the multi-jurisdictional group partially credited with helping to revive the Red Line from life support.

Lost in all this tit-for-tat is perhaps the biggest obstacle Red Line proponents must overcome to bring the project to fruition — smaller property owners along the rail in the area called the unified benefits district. These folks will be part of a special assessment district — a critical step in raising necessary upfront capital for the \$452 million project — and many of them not only see no real benefit to paying upwards of 75 cents

per \$100 in property value, especially for a project that, if delivered as promised, will economically benefit a much wider group of commercial property owners.

Some Red Line insiders have said they see some sort of redesign of how the special assessment district would be structured — perhaps even feathering out beyond the half-mile radius between the station areas and currently slated developments, spreading assessment participation and reducing the impact on those properties immediately adjacent to the line.

And not appearing until this week is the voice of the larger developers and property owners, who have been characterized by rail opponents as either non-existent or disengaged with the process. Special assessments on their property and build-out tax increment financing, by design, would pay the lion's share of the project's costs.

While some critics have cited a couple of critical letters about the project from Norfolk Southern to the NCDOT, the railroad now has a representative attending Red Line Task Force meetings. That is an indication that it may indeed be interested in a couple hundred million dollars' worth of free upgrades to its tracks, as would be required to put the Red Line on the rails by 2017.

Back-channel meetings, sources say, between state officials and the railroad continue, but Norfolk Southern executives are adamant that, until a joint powers authority is established, they have no one with whom to negotiate. Put a plan together and form the group, they are saying, and then come back. Meanwhile, groundwork for any such negotiations, if they are ever held, continues to be laid.

Iredell County officials have also, via e-mail, expressed to Red Line Task Force members that, if the panel can provide satisfactory answers to their questions, assure the county that Mooresville's participation in the project cannot financially encumber the county, and provide them with a way to politically "save face" for reversing their initial opposition, they may not block the project.

The clock is ticking on the organized chaos, and there are fewer than 50 days left before a revised financing plan is due. Then in April, another 90-day clock will be wound up as all the jurisdictions will be asked to read, discuss, perhaps further tweak and unanimously approve a final plan that would, literally, set the wheels in motion in 2017.

In his Tuesday afternoon meeting with the media, John Woods said elected officials are being asked to do something they've never done before on a timeline they have never attempted: design the model for a new way of funding public infrastructure. Opponents, elected and otherwise, will be working to defeat the proposal.

It's probably going to be messy, but it will no doubt be an interesting 18 weeks.