

PalmBeachPost

Rail Expert Lauds All Aboard Florida

By Kimberly Miller

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Skepticism of All Aboard Florida's success by transportation experts has buoyed foes, but one analyst says the express rail project has the potential to be the first profitable passenger service in the country.

Robert Poole, the South Florida-based director of transportation for the Reason Foundation, said All Aboard Florida "appears to have identified a market niche" in which passenger trains are faster than auto travel and less of a hassle than air travel.

In a July newsletter for the Libertarian-leaning foundation, Poole calls All Aboard Florida a "worthwhile effort" and denounces accusations of ulterior motives as "silly" conspiracy theories. He notes that Amtrak trains making the same trip top out at 79 mph, while All Aboard Florida will hit 125 mph in some areas.

"This project represents an excellent case of 'value capture' by the parent company, since it expects to make a lot of money via its real estate investments in and around the new stations it will build," Poole wrote. "That is the key to the success of Hong Kong's profitable Mass Transit Railway Corp."

All Aboard Florida owns or controls about 21 acres in downtown West Palm Beach, Fort Lauderdale and Miami, where it plans to build its train stations and related development, such as retail and housing.

While initial response to the express service from Miami to Orlando on the Florida East Coast Railway tracks was positive, Poole said it has come under a variety of attacks in recent months by people who believe it is only a "Trojan horse" for All Aboard Florida's parent company to improve its freight services.

Many All Aboard Florida opponents fear the noise, traffic congestion and safety threats that 32 additional trains per day will cause the communities bisected by the tracks. But some are also dubious of the company's motives considering no passenger rail system in the nation is profitable, while ports in Miami and Fort Lauderdale are readying to accept

bigger freight loads expected with the expansion of the Panama Canal.

All Aboard Florida is asking for nearly \$1.6 billion in collateralized federal loans to pay for its plan. It used a \$405 million bond to begin the construction on its Miami-to-West Palm Beach leg, which it plans to open by late 2016. The West Palm Beach-to-Orlando portion will open in early 2017.

"The conspiracy buffs expect the passenger project to tank, with the (Federal Railroad Administration) loans turning into de facto grants to Florida East Coast Railway's freight operation. That's silly," Poole wrote. "Most FRA loans already go to freight railroads. So there was no need to create a passenger rail service in order to get the loans."

Randal O'Toole, a rail expert and senior fellow at the Cato Institute, said Poole is a respected source for transportation issues and strongly opposes government subsidies.

"With respect to All Aboard Florida, he supports it as long as it is privately financed," O'Toole said. "Personally, I think his tenuous endorsement of the proposed loan to All Aboard Florida is misguided, but I respect him a lot so I won't criticize him personally for it.

"(Poole) is willing to give them the benefit of the doubt since they aren't asking for an outright handout," O'Toole said.

At least three formal groups have emerged to fight All Aboard Florida including Citizens Against Rail Expansion, Florida NOT All Aboard and Citizens Against the Train Fund, which debuted a TV commercial Monday in opposition to the project.

Citizens Against Rail Expansion, a coalition of affluent Treasure Coast and Jupiter communities, has hired Washington, D.C.-based attorney Stephen Ryan, who has experience fighting rail projects.

"Our goal is to protect the quality of life on the Treasure Coast, and we see All Aboard Florida as a real threat," said Merrill Snyder, a board member with The Guardians of Martin County, which created Citizens Against the Train Fund.

Poole says an increase in trains is a "real concern" to communities along the FEC tracks. But, he's mostly unsympathetic to their plight.

Crist skeptical on All aboard

Democratic gubernatorial candidate Charlie Crist said Friday he has "serious questions" about All Aboard Florida, including concerns about noise and bridge closures and the role of Gov. Rick Scott's chief of staff, Adam Hollingsworth, a former employee of All Aboard Florida's parent company.

"Any kind of ability to better be able to transport people around Florida I'm very interested in, but we're interested in it being done right and not shoved down anyone's throat," Crist said.

Scott's campaign criticized Crist for supporting taxpayer-financed high-speed rail.

"So Charlie favors a rail project that is paid for entirely with taxpayer funds, and will cost the taxpayers of Florida additional millions of dollars, but he opposes a rail project that will not cost the taxpayers of Florida a penny?" said Scott campaign spokeswoman Jackie Schutz.