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Streetcar Plans Plow Ahead

Cities Use Federal Funding to Back New Routes but Some Call Projects a Waste

Caroline Porter | August 15, 2012

Cities from Los Angeles to Atlanta are making big bets to revitalize their downtowns by bringing back a form of transportation many abandoned decades ago: the streetcar.

Some cities are counting on help from federal stimulus dollars, but a few are going it alone.

Late last month, about 500 residents in one part of Kansas City, Mo., voted to create a special taxing district to raise \$75 million over about two decades for a streetcar. In the same week, Cincinnati officials passed a measure to allow about \$15 million to be spent on a 3.6-mile loop. And in Los Angeles, the city council approved a plan to ask voters if they are willing to pay additional taxes for a four-mile downtown streetcar loop.

Proponents say the streetcars would boost economic growth and catch the fancy of younger generations.

“Kansas City’s downtown has bled jobs, people and buildings for decades,” said David Johnson, a 38-year-old engineer and co-founder of Streetcar Neighbors, a residents group that advocates for streetcars in that city. “We’re trying to reinvigorate the downtown.”

But others see a waste of tax dollars on projects that, they say, offer little more than a way to move downtown workers from their offices to lunch.

“I would love a rail system that actually gets people to work, not just to buy a sandwich,” said Josh Spring, the director of the Greater Cincinnati Homeless Coalition, which opposes the project there, which is backed by about \$40 million in federal dollars.

Streetcars, which typically run as single-car, electric-powered units on steel tracks in a condensed area, once were a common part of the urban landscape. But most cities’ tracks were ripped out to make more room for automobiles on busy streets. Streetcars are distinct from trolleys, often vintage vehicles that cater to

tourists, and light-rail systems, which typically travel to and from a city's suburbs and carry more people in multiple cars.

The revival in streetcar projects comes in part because of federal backing. In 2009, Transportation Secretary Ray LaHood pledged \$280 million for urban-transit projects, such as streetcars. During the past four years, the Department of Transportation doled out more than \$450 million to 12 streetcar projects across the country, according to the Federal Transit Administration.

Atlanta and Salt Lake City already have broken ground on streetcar projects with a total of \$74 million in federal funding.

Minneapolis is preparing to apply for more federal money to get a project under way after receiving a \$900,000 federal planning grant in late 2010, said Peter Wagenius, a policy director for Mayor R.T. Rybak. "These streetcar lines are short not because they should be, but rather because cities have been doing what was possible with available funding," Mr. Wagenius said.

Many cities point to streetcar projects like the one in Portland, Ore., which opened its first leg in 2001 and is expected to expand to 7.3 miles of track next month from four miles now. City officials in a 2008 report cited the streetcar as impetus for more than 10,000 new housing units and 5.4 million square feet of office, institutional, retail and hotel construction within two blocks.

"Portland wasn't like a mecca before. It was another dirty midsized city," said Mr. Johnson of Kansas City, who says he has no problem paying an extra \$200 per year for the streetcar to roll into his city of 480,000.

But some experts say not every city can be turned into the next Portland. Randal O'Toole, a senior fellow with the Cato Institute, a libertarian think tank, published a paper in June titled "The Great Streetcar Conspiracy," in which he calls streetcars the "latest urban planning fad," claiming that operation costs per mile for streetcars are double those of buses. "Putting 125-year-old technology into modern cities is going to create more congestion, dangerous situations for pedestrians and divert taxpayers' money from transit that people really need to transit that is silly," Mr. O'Toole said.

Mr. O'Toole has said \$435 million in city business incentives helped Portland's celebrated Pearl District, celebrated for its economic development, while other areas served by the streetcar faltered without help from the city.

Other cities have had less operational success with their projects. Last year, officials in Tampa, Fla., scaled back the hours of operation and the frequency of rides in order to balance the annual \$1.3 million operating budget for a 2.7-mile streetcar, according to Marcia Mejia, public information officer for the area's regional transportation agency. Ridership numbers for a streetcar in Little Rock,

Ark., were 112,000 per year, rather than the estimated 130,000. City officials say construction work hampered its usage.

Kansas City officials plan a 2.2-mile streetcar route now budgeted at \$100 million. Danny Rotert, a spokesman for Mayor Sly James, said \$75 million will come from the property- and sales-tax increases voters approved last month, and \$25 million will be cobbled together with city funds. The city was hoping for \$25 million in a federal grant competition this year but didn't win.

"We're trying to recruit young, entrepreneurial talent," Mr. Rotert said, who acknowledged that the streetcar is a sizable investment but believes its long-term growth will prove its worth. "It's about getting residents and visitors to and from the main destinations around the downtown area."

But Sue Burke, 58, owner of an industrial-filter wholesaler in Kansas City, is against the streetcar project. The line on Grand Boulevard would go right by the front stoop of her business, and she said construction traffic and the extra taxes would leave her business facing an uncertain future. "It's way too much money for the anticipated ridership," she said. "If I have to leave the district because of this, I'm leaving Kansas City."

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