From:	Linda
To:	All Alders
Subject:	Legistar 93777, Agenda #23
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The $37M payment would be deposited in a new transportation special revenue fund "for the purpose of transportation-related **operating costs** and capital improvements." If there is a solid reason for a jurisdictional transfer, the special revenue fund should be limited to capital improvements.

Using the special revenue fund for transportation operating expenses could close the projected 2027 structural deficit. Even using part of that fund could help close the gap, whether in 2027 or future years. Advantageous to the City but not to property taxpayers. Those taxpayers would, in the future, need to pay more to cover debt service on road improvements which should have been covered by the special revenue fund.

The reasons for this jurisdictional transfer, as stated in staff materials, are not that compelling.

- "More logical route for 151 that matches travel patterns"
  - This is irrelevant since people traveling can easily bypass Madison using GPS.
- "Full design control for City of Madison"
  - There has not been an adequate explanation of why full design control is needed.
  - Staff told the Transportation Commission (April meeting) that WisDOT has been a good partner in making the Park Street reconstruction a good multi-modal design.
  - WisDOT told the Transportation Commission in February that Madison can do many safety improvements without involving the State, including items such as pedestrian-activated crosswalk warning systems. WisDOT also pointed out that it allowed narrower lanes on E Washington when that street was reconstructed.
  - Only one design related reason was provided at the various City meetings – a traffic signal at Burr Oak and Park. At the April Transportation Commission meeting, staff told the Commission that WisDOT's initial response was that they do not approve this traffic signal. Was it an initial response, one which could have been overcome with explanation? Did it ever become a final response? Or was the issue dropped since the jurisdictional transfer was moving right along?
- "Up front payment for reconstruction"
  - The City has managed to deal with not getting up front payments for many years. And it will continue to deal with that issue for East Washington, since staff said that street would be too expensive for the City to take on. The upfront payment merely allows the City to reconstruct on its schedule

rather than the State's schedule.

40% of the $37 million, or $15M, would go Munis #13665, the North-South BRT, because the City must demonstrate its available budget in order to receive federal funding. While past City budgets did not reflect state funding of $10M, the financial plan presented to the FTA included the $10M from the State (along with $15.14M in GO funding repaid from property taxes, $5M in TIF, and $1.5M from Fitchburg). Will the City be informing the FTA that there will not be any State funding? And, if so, will the City be required to demonstrate $25.1M of available budget?
https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-03/WI-Madison-North-South-BRT-Project-Profile-AR25.pdf

The final clause of the resolution cancels carryforward budget authority of $40M in federal funds for the N-S BRT. Where will that $40M come from if not from federal funds – City taxpayers? The 2026 budget said: "The total project cost for North-South Bus Rapid transit is $204.0 million." (About a 39% increase compared to the City's proposed financial plan submitted to the FTA - $146.9M, not including finance charges.) The 2024 budget had about $14M in borrowing. The 2026 budget had about $28M in taxpayer supported funding. Adding $40M to the $28M would be a substantial increase.

In short, this jurisdictional transfer seems to address budgetary issues, not real problems in working with the State. And it puts taxpayers on the hook forever for capital costs. The presentation to the Finance Committee included a chart on future costs. This chart projected about $70M over the next 25 years in resurfacing/reconstruction costs for the roads subject to this jurisdictional transfer. If these roads remained a connecting highway, the State would cover about $42M and taxpayers would cover $28M. And for the long-term future, after 25-30 years, taxpayers would cover the full cost. Yes, STP-Urban funds are theoretically available for funding after 10 years, but those are limited funds (if used on a road subject to this jurisdictional transfer, funding may not be available for other City roads).

Respectfully Submitted,
Linda Lehnertz