



## THE RISE OF COMMUTER RAILS IN FLORIDA

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Florida's population is growing much faster than that of the nation, largely due to the migration of residents from other states, and is expected to continue growing steadily for the next 25 years.

Twenty-eight percent of the population growth by 2040 is expected to concentrate in Miami-Dade, Orange, and Hillsborough counties.<sup>1</sup> The state's existing infrastructure and transportation channels will be stressed due to the rapidly growing population, and it will pose more challenges to the daily commute of millions of Floridians in those regions.

Florida has been making changes to its traditional transportation system in order to decrease vehicle congestion, and to provide new transportation and recreation amenities to residents and visitors alike. One piece of many proposed solutions for the long-term transportation needs of the state may be passenger rail service.

New commuter rail projects are underway in Central and South Florida.

### CENTRAL FLORIDA: SUNRAIL

The first commuter rail system to open in the United States in three years, SunRail started operations on May 1, 2014, connecting the town of DeBary with the Sand Lakes Road station, near Orlando International Airport. This newly inaugurated Phase I is 32 miles long, and includes 12 stations with stops at two large Orlando hospitals and medical complexes, and at the Amway Arena.<sup>2</sup> When completed, it is expected to spread across 61.5 miles in four Central Florida counties: Orange, Osceola, Seminole, and Volusia.

The new SunRail commuter rail system has been made possible through a public-private partnership. Phase II is expected to begin construction in late 2015, and will extend the line north to DeLand and south into Poinciana, servicing five additional stations.<sup>3</sup>

SunRail is designed not to conflict with rail travel of freight, as goods will still move to and from the region on a separate upgraded line.

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<sup>1</sup> Florida Office of Economic and Demographic Research.

<sup>2</sup> Reuters. "New commuter rail link ready to roll in central Florida" <http://www.reuters.com/article/2014/04/13/us-usa-florida-railway-idUSBREA3C0AA20140413>

<sup>3</sup> SunRail. About SunRail. <http://business.sunrail.com/welcome/page/aboutsunrail>

A significant amount of public funds has already been allocated to these projects. In order to share tracks and prevent disruption of freight service, the state agreed to pay \$432 million to CSX Corporation for the track upgrades and for terminal costs. The state also agreed to pay \$66 million for operating costs and maintenance over the first seven years of service.<sup>4</sup> In addition to state funds, public funds were provided by all four counties benefited by the system, and the City of Orlando. The federal government provided 50 percent of the funding of Phase I through a federal transit grant.<sup>5</sup>

Like any major transportation investment, SunRail has generated economic activity. Phase I of the project has created 17,000 construction and permanent, nonconstruction jobs combined, and has helped produce about \$1.7 billion worth of new and planned development along the rail lines.<sup>6</sup> An HDR Engineering Inc. study stated that the project would pour \$10 billion in economic impact over 10 years into the impacted areas.<sup>7</sup>

Commuters have already begun to use the commuter rail service, and the Florida Chamber of Commerce reported that 12,000 tickets were pre-sold to consumers.

SunRail has plans to eventually be linked to the proposed All Aboard Florida rail line, in order to connect the South and Central Florida regions, expecting to facilitate the travels of about 50 million people per year.<sup>8</sup>

4 Bloomberg. "Scott Heeds Disney in Backing Orlando Commuter Rail Line"

5 Sunrail Press Release. [http://business.sunrail.com/uploads/docs/U.S.\\_DOT\\_Secretary\\_LaHood\\_to\\_Attend\\_Signing\\_Ceremony\\_.pdf](http://business.sunrail.com/uploads/docs/U.S._DOT_Secretary_LaHood_to_Attend_Signing_Ceremony_.pdf)

6 Florida Chamber of Commerce. "New Rail Gives Florida Edge".

7 The Tampa Tribune. "New CSX terminal will bring big changes".

8 Reuters. "New commuter rail link ready to roll in central Florida"



Image Source: <http://www.bizjournals.com/orlando/blog/2012/09/design-set-to-start-for-sunrails.html>

## SOUTH FLORIDA: ALL ABOARD FLORIDA

All Aboard Florida would connect Miami, Fort Lauderdale, West Palm Beach, and Orlando upon completion. This proposed commuter rail system will be the first privately-owned, operated, and maintained passenger rail system in the U.S in 50 years. Developed by Florida East Coast Industries (FECI), this system is intended to connect about 9 million residents along the rail line corridor.

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The initial phase will service the 66.5 miles of the FECI corridor connecting stations in Miami and West Palm Beach. A recent study by The Washington Economics Group reported that All Aboard Florida will deliver more than \$6 billion in economic impact for Florida over the next eight years, creating an average of 10,000 jobs per year during the rail line construction. Work on the first phase of the track is set to start this year, and the train is expected to start operating between Miami and West Palm Beach in mid 2016.

## **PASSENGER TRAINS OFFER POTENTIAL BENEFITS AND DRAWBACKS**

There are several advantages that the commuter trains could bring to Floridians and visitors. In addition to the jobs created during rail line construction and for their operations, these new transportation systems have the potential to enhance the tourism experience for visitors, and to increase the travel opportunities of Florida residents.

However, the projects do have potential drawbacks. Many people have expressed concern about the negative impact of a new commuter rail on corridor communities. Residents are concerned about falling property values, which would reduce local government revenues and restrict economic growth during the post-Great Recession recovery period.

Additionally, the railroad tracks along the corridor bisect many cities along the eastern coast, which impacts the ability for

residents to navigate through the city and causing additional traffic congestion. This could severely impact residents' access to emergency medical care, as access to hospitals can be delayed by passing trains.

Finally, though South Florida's newest rail line is privately funded, public money will still be needed for a variety of related projects, including local governments bearing the cost of rail crossing upgrades, and the current state budget includes \$10 million to establish quiet zones at certain crossings. Essentially, unfunded mandates require cities and counties to pay for the upgrades needed at approximately 320 grade crossings between Miami-Dade and Brevard counties due to higher safety standards resulting from the increased rail traffic.<sup>9</sup>

## **CONCLUSION**

The current commuter train projects in Florida have generated some economic activity and job growth in Central and South Florida, though major concerns exist for residents living and working near the rail lines and many taxpayers around the state. Commuter rail is one option for Florida to invest in to enhance transportation infrastructure in anticipation of the state's rapidly growing population; however, the costs should be weighed against the benefits and other options should be explored to ensure the smartest and most beneficial solution to Florida's long-term transportation needs.

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<sup>9</sup> Treasure Coast Regional Planning Council. "Memorandum; Southeast Florida Passenger Rail Update." Sept. 20, 2013

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