

U.S. Department of Transportation

TRANSPORTATION INVESTMENT GENERATING
ECONOMIC RECOVERY - II
TIGER
GRANT APPLICATION

**GULF COAST PASSENGER RAIL
RESTORATION PLANNING PROJECT**

Type: planning grant

Location: Gulf Coast of Alabama, Florida, Mississippi and Louisiana

Sponsor: Southern Rail Commission

Sponsor Type: multistate compact

Request: \$1,000,000

Match: \$200,000

Contact:

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SOUTHERN RAIL COMMISSION



Table of Contents

Introduction	1
Project Description	3
Partners	6
Schedule	8
Budget	9
Primary Criteria	10
Economic Competitiveness	10
Quality of Life	14
State of Repair	17
Safety	17
Environmental Sustainability	18
Secondary Criteria	19
Partnership	19
Innovation	20
Attachments	



Introduction

On August 29th, 2005 Hurricane Katrina savagely hit the Coastal Southern US severing all transportation connections across in her wake. Highway, rail, and transit destruction left a gap from New Orleans well into Florida and disconnected people from jobs, health care, education and families. Missing transportation options hampered both evacuation as well as the delivery of relief. Today, all modes of transportation crossing the northern gulf coast between New Orleans and Jacksonville have been reestablished except for passenger rail.

Passenger rail service could greatly benefit the Gulf Coast corridor by threading together the important anchors of education, economy, healthcare, and employment; and serving as critical life safety needs during future natural disasters. In large part, the Gulf Coast has recovered economically from the devastating events of Hurricane Katrina and the BP Oil Spill. However the growing economic centers should be better linked, particularly to communities that need access to health-care, education, and jobs.

Commissioners of the Southern Rail Commission, appointed by the governors of Alabama, Louisiana, and Mississippi have taken on the challenge to see that passenger rail is restored to the Gulf Coast. The Commission has developed an alliance of local elected officials, business leaders, and civic leaders across the Gulf States that support the return of passenger rail service. Resolutions supporting the return of daily rail service along the Gulf Coast have been adopted by planning organizations, including the Okaloosa-Walton Transportation Planning Organization, West Florida Regional Planning Council, Florida-Alabama Transportation Planning Organization, Northwest Florida Regional Transportation Planning Organization, Bay County Transportation Planning Organization and South Alabama Regional Planning Commission. Following a summit of locally elected officials from communities across the Gulf Coast, in April 2013, twenty-two (22) mayors across the region joined in a letter calling on Congress to restore passenger rail service, including the mayors of New Orleans, LA; Slidell, LA; Gautier, MS; Bay St. Louis, MS; Ocean Springs, MS; Gulfport, MS; Pascagoula, MS; Biloxi, MS;

“The benefits of restoring passenger rail service in the region will extend beyond the Gulf States.”

*- Corrine Brown
Member of Congress
Florida 5th District*

Bay Minette, AL; City of Mt Vernon, AL; Atmore, AL; Mobile, AL; Pensacola, FL; Crestview, FL; Milton, FL; Chipley, FL; DeFuniak, FL; Tallahassee, FL; Madison, FL; Lake City, FL; Live Oak, FL; and Jacksonville, FL.

This alliance has spurred cities along the Gulf to address their own intermodal and transit connections preparing their communities to better integrate into the rail system. In particular due to the hurricane damage of 2004 and 2005 and the Deepwater Horizon Oil Spill disaster, once disconnected communities are now thinking and planning as a region. They see themselves as a linear economic center of the South along a spine of freight and passenger rail vitality. The leaders of the communities realize that the best future for all metropolitan areas along the Gulf Coast is to continue combining their economic strengths into a regional center for business and in-migration. Rail is a key component of that vision.

This is one of several projects across the region currently being studied to strengthen passenger rail service. The Baton Rouge Area Foundation, the New Orleans Regional Planning Commission and the Capitol Region Planning Commission recently hired HNTB consulting to study initiating passenger rail service between Baton Rouge and New Orleans. This study found that service could support 2 northbound and 2 southbound trains a day moving over 200,000 riders annually for an operating subsidy of \$6 million per year. This study has jumpstarted productive conversations with Kansas City Southern, whose tracks would be utilized should that service begin. Additionally the states of Texas, Louisiana and Mississippi are studying service that would connect the population centers of Dallas/Fort Worth, TX; Shreveport/Bossier City, LA; Monroe, LA; Vicksburg, MS; Jackson, MS; and Meridian, MS. This route would also connect to the Dallas-Fort Worth International Airport and Jackson-Evers International Airport in a region rapidly losing air service in smaller communities. Linking this region by rail will also connect with Amtrak's Texas Eagle, City of New Orleans and Crescent trains.

This TIGER grant would support an important part of the Southern Rail Commission's vision: to create a strong, multi-modal transportation network throughout the Gulf South. The effort and commitment by locally elected leaders and regional planners across state lines and municipal jurisdictions is seldom seen. A TIGER planning grant would provide vital resources to help support these efforts in a region of the country that is reinventing itself for the 21st century economy.



Project Description

The Southern Rail Commission is requesting \$1,016,000 in TIGER funding for a \$1,270,000 planning project - the Gulf Coast Passenger Rail Restoration Planning Project - to assess the feasibility of and intermodal needs for restoring suspended intercity passenger rail operations to a daily service level along the Gulf Coast.

Prior to Hurricane Katrina, the Sunset Limited served communities between New Orleans, LA and Orlando, FL, the service was not returned after the storm. The communities east of New Orleans that were serviced by the Sunset Limited – including Pascagoula, MS; Biloxi, MS; Mobile, AL; Pensacola, FL; Tallahassee, FL; Jacksonville, FL; and Orlando, FL – need passenger rail service. They need much better service than they had under the Sunset Limited. Today,



this corridor contains growing population centers, jobs, health care, higher education, beaches, casinos and multiple military bases. More than 2 million people reside in the suspended service area between New Orleans and Jacksonville. To access the only currently operating passenger rail services (Amtrak's Silver Service, Crescent and City of New Orleans trains) requires extended travel by car or bus. And none of these services connect the Gulf Coast communities with each other, which has caused large parts of this region to disregard passenger rail service as a convenient option, decreasing environmental, educational, and economic resilience.

The demand for rail service along the corridor has been demonstrated. According to the National Association of Railroad Passengers, in FY 2004, passengers using the New Orleans-Orlando segment generated 41% of the route's revenue, while being only 28% of the Sunset Limited's total miles. This was even true in spite of the fact that the service provided by the Sunset Limited was

inconvenient and infrequent, providing only three trains a week and often serving stations in the middle of the night. In many other parts of the country, Amtrak is currently providing sustained, reliable performance and seeing continued growth in ridership – carrying more than 31 million passengers in 2012 and 2013. The more than two million people within the gulf coast service corridor are seeking to join this environmentally and economically beneficial transportation choice.

A TIGER planning grant would be used to fund a feasibility assessment and a station area analysis around each of the stations along the line to determine appropriate stops and frequency of reestablished service and to identify the operating subsidy needs. In 2009, Amtrak conducted a preliminary analysis of restarting passenger rail from New Orleans to Florida as part of the Passenger Rail Investment and Improvement Act. While Amtrak's analysis showed daily service to have higher operating losses than simply restoring the Sunset Limited's pre-Katrina level service (three-times per week), their analysis looked at keeping all 19 stops between New Orleans and Orlando on every trip, maintaining the old stations without improvement and purchasing new train sets just for this service (which should no longer be necessary). Additionally, Amtrak's ridership estimates were probably too low due to historic ridership numbers, which were low due to major reliability problems caused due to freight operations. Since the Sunset Limited was suspended, CSX has made significant progress in reliability on their other lines and there is no reason to believe that would not happen along the Gulf Coast. Further, the law required Amtrak's analysis to include the cost of restoring a "non-Auto Train" station at Sanford, even though Amtrak's New York-Florida trains no longer serve Sanford. Finally, their analysis did not involve outreach to the communities, chambers of commerce or major employers in the corridor, nor did it consider any economic drivers, already undertaken or planned.

Demand for rail service along the Gulf Coast corridor has been demonstrated.

To be clear, the project sponsors are not interested in studying how to restart the Sunset Limited service, which was anemic and unreliable. Rather than recreating the poor service that once existed, this study would analyze how to bring daily service to the region, including issues from the appropriate corridor length to number of trains per day to the number of stops and possible express service as well as conditions of the rail and infrastructure enhancements that could improve on time performance, including dangerous rail crossings that need improvements. In the end, there should be strong, reliable passenger rail service to the region.

TIGER funds would also be used to examine the rail and station conditions as well as development and value capture opportunities along the corridor:

- Examine transportation gaps and linkages. TIGER funding would support a study of intermodal connectivity gaps and needs, including links to local transit and bike/ped infrastructure, which could boost access, safety and ridership in the area. The study will particularly focus on access to employment centers, health care providers, educational institutions, retail, and government services.
- Determine appropriate station locations. TIGER funds would allow the SRC to catalogue stations along the Gulf Coast corridor, including their locations, ownership and development potential. Some stations were inadequate before service was suspended

and will need improvements to support service when it returns. Other stations are in historic locations that may no longer be appropriate considering the development patterns of the communities over the last several decades. Especially if the stations are in poor condition, a TIGER grant would be used to determine whether it makes more sense to move stations closer to population centers, rather than upgrade a poorly situated station. Several stations have been repurposed or demolished since passenger rail service was suspended and may need additional improvements or reconstruction to effectively handle restored service.

- Identify capital needs. A TIGER planning grant would also be used to assess needed equipment, station rehabilitation or construction, and platform improvements to meet ADA requirements.
- Identify potential sources of funds and analyze opportunities for value capture. The study will include an analysis of funding sources for operating subsidies, including city and state governments, private industry and philanthropy. It would further assess regional economic development opportunities at stations and surrounding areas, including present and planned investments in station areas that could support value capture strategies.
- Conduct community outreach. In each task, a TIGER grant would support strong stakeholder involvement. This work would include charrettes to assess community preferences in terms of station area planning, coordination between the communities, and outreach to businesses in the corridor, such as military bases, shipbuilding and port operations, tourism venues such as casinos and hotels, professional and collegiate sports, and other major employers.
- Prepare and distribute a final report. The results of the above work will be compiled into a report with recommendations to help policy makers in the region move forward in restoring passenger rail service east of New Orleans.



Partners and Match

The Southern Rail Commission was established by an act of Congress in June 1982 (Public Law 97-213). The Commission is made up of seven members from each state, including the governor, state department of transportation, and five commissioners appointed by the governor. Its mission is to support the establishment and advancement of passenger rail services and facilities, while improving rail safety in the states of Louisiana, Mississippi and Alabama. Through efforts like the one in this application, the Commissioners seek to promote the safe, reliable and efficient movement of people and goods; enhance economic development along rail corridors; provide transportation choices; and facilitate emergency evacuation routes.

“It’s time to restore our passenger rail service and give better transportation choices across the Gulf Coast states.”

*- John R. Marks, III, Mayor
Tallahassee, Florida*

The Southern Rail Commission will provide \$100,000 in cash match and the cities of Mobile and Biloxi are providing \$50,000 of in kind match for this project. Additional spending in the areas of rail station will also benefit the project, including:

- the new streetcar connection to the Union Pacific Terminal in New Orleans;
- the new baseball venue and concert venue being built within a few blocks of the Biloxi station;
- the hundreds of millions that casinos are investing in upgraded hotels, walkable greenspace and beach amenities around the Biloxi station;
- new development around Tallahassee’s Railroad Square Art Park, which has over 50 shops, studios and galleries; a rock-climbing gym, a community theatre and a cafe uniquely housed in a real railroad caboose; and
- a possible complete re-development of the station and surrounding area in Crestview, FL, with new retail and commercial buildout, improved infrastructure and public spaces.

This project also enjoys strong support amongst elected leaders, transportation planning agencies, chambers of commerce and businesses in the corridor. The following are the elected leaders and organization that have attached their letters of support to this application. More letters of support are forthcoming and will be sent to USDOT after the deadline for TIGER applications passes.

- Corrine Brown, Representative, FL-5
- Sandy Stimpson, Mayor of Mobile
- Bob Wills, Mayor of Bay Minette
- A.J. Holloway, Mayor of Biloxi
- Jim Blevins, Mayor of Pascagoula
- Connie Moran, Mayor of Ocean Springs
- Freddy Drennan, Mayor of Slidell
- John Marks, III, Mayor of Tallahassee
- Guy Thompson, Mayor of Milton
- Bob Campbell, Mayor of DeFuniak Springs
- Nathan Boyles, Commissioner, Okaloosa County-District 3
- Alabama Dept of Economic and Community Affairs (ADECA)
- Harrison County Development Commission
- Mississippi Gulf Coast Chamber of Commerce
- Hancock County Chamber of Commerce
- Pensacola Chamber of Commerce
- Mississippi Hotel & Lodging Association
- Biloxi Bay Chamber of Commerce
- Mobile Area Chamber of Commerce
- West Florida Regional Planning Council
- South Alabama Regional Planning Commission (MPO)
- Mississippi Gulf Coast Regional Convention & Visitors Bureau
- Ohr-O'Keefe Museum, Biloxi, MS
- MGM Resorts (Beau Rivage)
- Grand Casino Biloxi Casino
- Hard Rock Biloxi Casino
- Treasure Bay Casino Resort Biloxi
- Palace Casino Resort Biloxi
- Margaritaville Casino Resort Biloxi
- Maritime & Seafood Industry Museum Biloxi



Schedule

	TIGER funding awarded ↓		Obligation deadline ↓				Project complete ↓			
	2014		2015				2016			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Rail Service Planning										
Sttation Area Planning										
Community Outreach										
Final Report										



Budget

Project Task	In-kind match	Cash match	TIGER grant	Total project costs
A. Rail Service Planning		\$80,000	\$145,000	\$225,000
Corridor alternatives				
Frequency alternatives				
Infrastructure improvements				
Ridership forecast and financial performance				
B. Station Area Planning	\$100,000		\$800,000	\$900,000
Station condition and location assessment				
Catalogue development opportunity				
Value capture study				
Intermodal gaps analysis and planning				
C. Community Outreach		\$10,000	\$40,000	\$50,000
D. Final Report		\$10,000	\$15,000	\$25,000
TOTAL	\$100,000	\$100,000	\$1,000,000	\$1,200,000



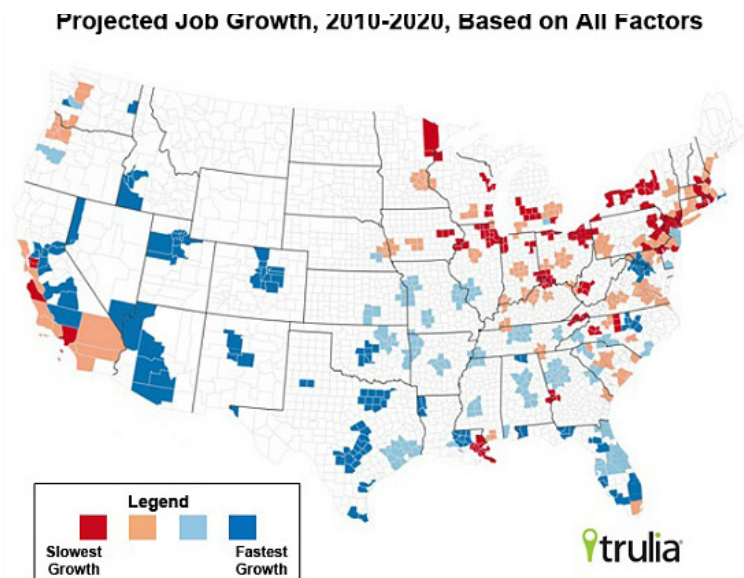
Primary Criteria

Economic Competitiveness

Supporting industry growth: The economy of the Gulf Coast is growing. Across the states, industries such as oil and gas, petrochemical, aerospace, and shipping have all seen significant growth in the past decade. And this growth is projected to continue. As the map shows, the job growth across the Gulf corridor between 2010-2020 will be some of the fastest in the nation.

Passenger rail service could provide important support to this growth. There are currently 8.3 million jobs in the Gulf Coast Region and more are coming. For example, Airbus is currently building its first A320 assembly line on U.S. soil at the Mobile Aeroplex. The facility will open in the summer of 2015 and employ 1,000 people when it reaches full annual production by 2018. In New Orleans East is NASA's Michoud Assembly Facility, a world-class manufacturing center providing vital support to NASA exploration and discovery missions that employs 2000 people.

In addition, there are multiple military installations across the region that support communities by providing jobs for military and civilians alike and attract support industry. Eglin Air Force Base, located 60 miles east of Pensacola, FL, employs more than 8,500 military and approximately 4500 civilians, with an additional 2200 jobs due to move to Eglin under the 2005 BRAC. Also, Keesler Air Force Base in Biloxi, MS, whose mission is to maintain medical readiness for worldwide contingencies, operates medical facilities that provide care for more than 27,000 enrollees, including



almost 7,500 active-duty members. In addition, the Medical Group commander oversees the Gulf Coast Multi-Service Market, which includes five military medical treatment facilities from Mobile, Ala., to New Orleans, coordinating care for 80,000 eligible beneficiaries along the Gulf Coast.

As the Gulf Coast Passenger Rail Restoration Planning Project assesses the best locations for stations and examines transportation gaps and linkages, particular attention will be paid to how rail service could support and serve this job growth. It will include outreach and consultation with major employers – such as Airbus, military installations and casinos – as well as small businesses along the corridor to determine what service would best support their needs. The goal is to better connect industry and talent across the Gulf Coast and support the developing regional economy.



Airbus facility similar to that being built in Mobile, Alabama.

The states along the Gulf Coast are growing and adding jobs faster than other areas of the country, with Florida rated 5th for job growth and a rate of 2.34 percent. Mississippi, Louisiana and Alabama follow close behind with job growth rates of (1.66, 1.59 and 1.54 percent, respectively). This growth is expected to continue, providing opportunities for generational change in some of the nation's poorest communities. Building a strong transportation network, including rail, will play a pivotal role in determining whether that potential is realized or the opportunity is missed.

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Attracting talent: The job growth occurring along the Gulf Coast means that industry will need to attract talented workers to the area. Transportation options are increasingly important to people as they make decisions regarding relocation. This is especially true for younger workers, or Millennials, who are attracted to areas with alternative transportation modes – including walking, biking, and rail service.

In 1985, adults age 21-34 bought 34 percent of all cars in the United States. But as of 2010, they accounted for only 27 percent according to a 2012 report by The Atlantic. Cars are often viewed as a hassle by Millennials because of the high cost of gas, parking, and maintenance. They also prefer to spend their discretionary cash on technology. According to a 2011 survey by Zipcar, a plurality of Millennials (35 percent) identified their computer as the thing they couldn't live without. Every other generation chose a car. However, that same survey found that a greater portion of each younger generation has tried to drive less in recent years than the generation before it. Finally, 77 percent of Millennials want to live in an urban core according to a 2012 study by RCLCO, a land-use economics firm in Washington, DC.

All of this means that for the Gulf Coast region to remain economically competitive and attract talent and jobs, it will have to invest in alternative forms of transportation, like regional passenger

rail, transit, walking and biking. The Gulf Coast Passenger Rail Restoration Planning Project will not only identify the requirements for restoring rail connections in the region, it will also analyze improvements to station-area connections with local transit, bicycle facilities, and pedestrian pathways—the kinds of services most likely to attract young talent to our region.

Spurring Economic Development: Rail service attracts investment and increases property values, often as soon as the service is announced and before it is begun. We have seen major development follow investments in passenger rail and rail stations, including:

- In Meridian, Mississippi, the City's investment of \$1 million in its historic train station leveraged \$5 million in federal, state, and private sector dollars, which resulted in \$135 million in nearby economic development.
- Using a combination of federal funding, local taxes, and tax-increment financing, the Town of Normal, Illinois built a multimodal transportation center to replace an aging train station, which has generated \$220 million of economic development in the Uptown Normal district, including two new hotels.

To optimize that development opportunity and ensure the benefits accrue to all area residents, communities need to start the planning early to choose the best location for each rail station; enhance the accessibility of the station to drivers, transit users, bicyclists and pedestrians; and consider the most appropriate development around the station to enhance the investment.

The Gulf Coast Passenger Rail Restoration Planning Project will also consider how rail service and station development can best support economic development in the communities this project would touch, while identifying steps that communities can take to ensure that residents of all ages and incomes will reap the benefits of that development.

Tourism: The Gulf Coast region has long been a tourist destination. In 2012, New Orleans alone welcomed 9.01 million visitors, the largest number in 10 years, who spent \$6 billion in the city. New Orleans is a top-flight destination for leisure, conventions and business. The city has internationally known events—including Mardi Gras and the Jazz and Heritage Festival—and regularly hosts major sporting events, including the Sugar Bowl, Bay ou Classic, the Super Bowl and Final Four.



Beau Rivage, Biloxi, Mississippi

On the other end of the potential rail line is Orlando, a leading tourist destination. Its world-famous theme parks and attractions and one of the largest convention facilities in the nation, Orlando attracts over 50 million visitors each year, with nearly 17 million to Disney World's Magic Kingdom alone. Visitors to Orlando come from all over the Gulf Coast, the United States and across the world.

Between New Orleans and Orlando are some of the most beautiful white sand beaches in the nation. From Pensacola, FL to Gulf Shores, AL to Biloxi, MS, people flock from all over the country to the region's beaches and the towns that serve those beaches starting in April for spring break, through the summer and into the early fall.

While tourism in southern Louisiana, Alabama, and Mississippi, was greatly affected by Hurricane Katrina in 2005 and the BP oil spill in 2010, it has rebounded. In fact the number of tourists visiting New Orleans is back to pre-Katrina numbers and vacancy rates at the Mississippi casino hotels are very low. Today, more than 5 million people annually visit the beaches of southern Alabama, alone, with similar numbers visiting the beaches of northwest Florida and southern Mississippi.



Gulf Shores, Alabama

In fact, the Alabama Gulf Coast broke its tourism record for the third consecutive year in 2013. Data from international market analyst Smith Travel Research Inc. showed that occupancy in hotels within 10 miles of the Gulf Coast was 11 percent higher in the first quarter of 2012 as compared with the same quarter in 2010, immediately before the oil spill.

Tourism is critical to the region's economy, generating 2.6 million jobs. In coastal counties and parishes, tourism jobs can account for 20-36 percent of all private sector employment. And over the past five years, tourism has been increasing with revenue per available

room growing by 27.1 percent in the Florida Panhandle, 20.2 percent on the Alabama Gulf Coast, 9.5 percent along the Mississippi Gulf Coast and 51.3 percent in Orleans Parish.

As these numbers show, there is significant momentum in the region, but without rail service, the region's transportation system will end up choking on its own success. I-10, the major interstate that spans the corridor, will become increasingly congested, making travel to the area less desirable for tourists. In addition, many of the tourists to both resorts and casinos are seniors. To make trips to these facilities, many senior residential communities or even the resorts themselves charter buses. Reliable passenger rail to these facilities could open up more affordable travel opportunities for seniors and further improve the tourism economy in these communities.

Finally, as Essential Air Service and intercity bus service is reduced in the region, people on the Gulf Coast are more and more reliant on regional airports for travel. This usually means Louis Armstrong New Orleans International Airport, which is slated for expansion, or the Orlando International Airport. In fact, the Greater Orlando Aviation Authority recently requested \$213 million to be used towards an Intermodal Transportation Hub at their airport as part of All Aboard Florida, which would eventually take passengers from Orlando to Miami via train. A TIGER grant would allow SRC to study connecting the Gulf Coast to that investment as well. Dependable passenger rail service would provide Gulf Coast residents with better access to better and cheaper air travel.

The Gulf Coast Passenger Rail Restoration Planning Project will identify the optimal rail service to further bolster the tourism industry, including access for workers, appropriate frequencies, express or local services, and convenient station-area linkages to beaches and airports.

Quality of Life

Improved Accessibility: Over 2 million people live in the service region with limited access to transportation alternatives. While these larger communities also have access to some local bus service, there is not significant service between communities in the area meaning that more than 95 percent of the total travel through this corridor is by private automobile. According to the tourism agencies of Louisiana, Mississippi, Alabama, and Florida, the majority of this traffic has its origin and destination within this corridor.

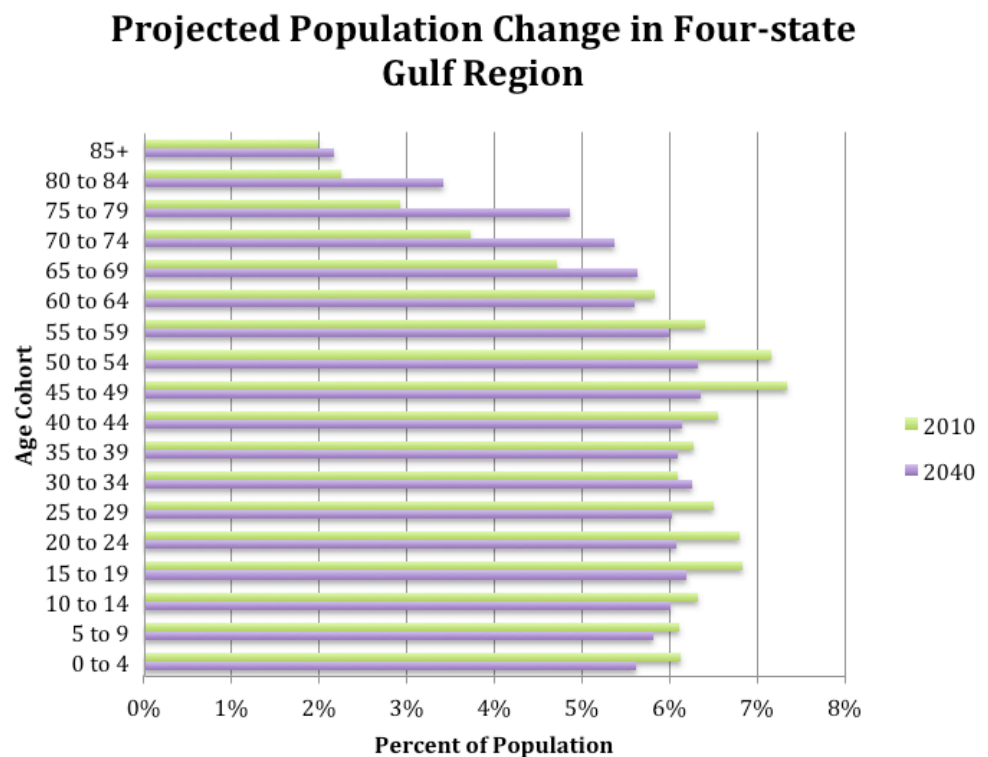
Restored passenger rail service along the Gulf Coast would also create access to education, job opportunities and services for those that cannot afford a car. Alabama, Louisiana and Mississippi have some of the highest poverty rates in the country (by household income it is 16.7, 18.3 and 20.1 respectively) with Florida at 11.1 percent. Rail service used to be a lifeline for many low-income residents in the region and would be again, providing access to opportunity and an evacuation route in times of emergency.

This lack of accessibility is particularly problematic for senior citizens—a growing demographic in the region. To enjoy a full quality of life seniors need more non-auto connections to recreation, health care and other necessities. The chart below shows how the region's elderly population will be increasing over the next 25 years.

Providing greater accessibility is also important as the region works to attract more young people insisting on transportation alternatives

and as the population of seniors grows and needs non-driving options. A key component of the Gulf Coast Passenger Rail Restoration Planning Project is to determine how passenger rail service can provide better accessibility to residents of and visitors to the Gulf corridor to jobs, education and essential services.

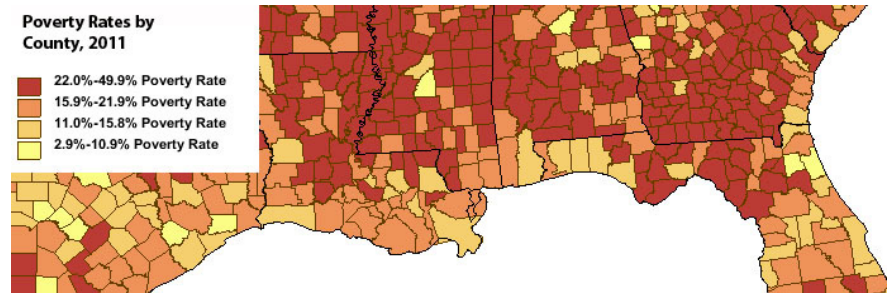
Ladders of opportunity: Gulf Coast communities deserve an opportunity to better connect their residents with employment and educational opportunities. Other than the growing number of job opportunities in the region, there are an array of educational institutions along the Gulf Coast, including Florida State University, Florida Gulf Coast University, Florida A&M University, Spring



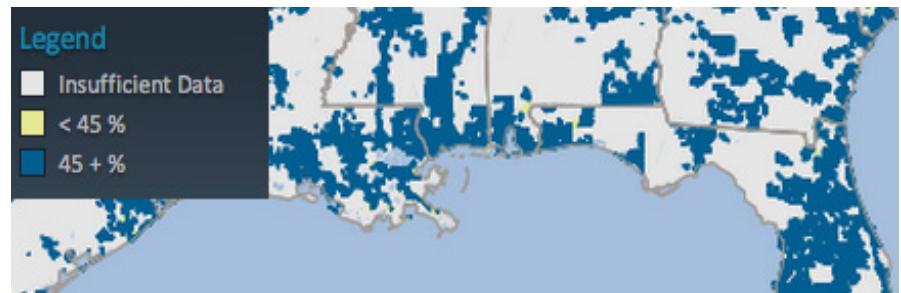
Sources: 2010 data - US Census; 2040 data - Weldon Cooper Center, Univ. of VA

Hill College, University of South Alabama, Bishop State Community College, University of Mobile, William Carey University, University of Southern Mississippi, the University of New Orleans, Xavier University of Louisiana and Tulane. Along with the many community colleges in the region, these academic institutions serve well over 100,000 students.

This access is especially important to lower-income populations. As the map below shows, the proposed rail corridor will serve communities with very high poverty rates.

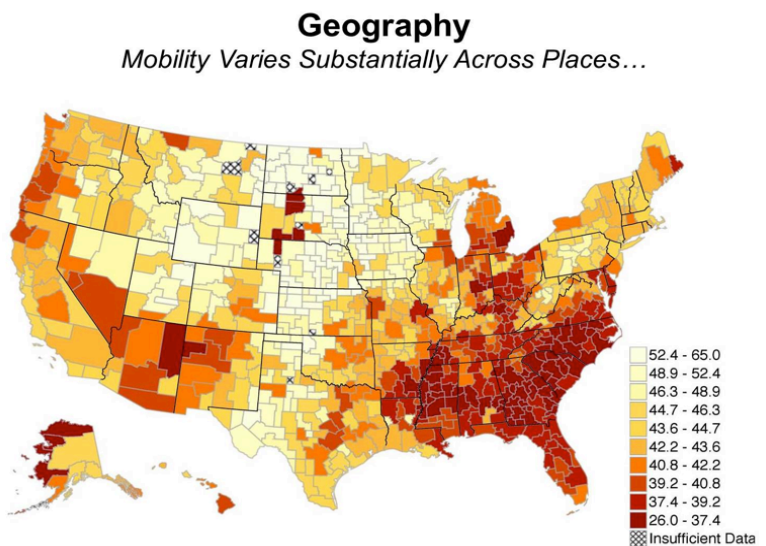


Especially in smaller communities, residents are often commuting long distances to jobs and education in larger metropolitan areas. The cost of this commuting—the cost of gasoline and car ownership and maintenance—can be high and particularly burdensome to lower-income residents. As the map below from the Center on Neighborhood Technology shows, in many communities along the corridor the cost of housing combined with the cost of transportation requires more 45 percent of a household's income.



According to the Location Affordability Portal created by the U.S. Department of Housing and Urban Development along with the U.S. Department of Transportation, transportation costs along the coast are extremely high. Transportation costs are usually the second highest expense in American households, averaging about 19 percent of household expenses. But along the Gulf Coast, you find areas where transportation costs alone are often 25 percent and as high as 32 percent of household costs.

In a landmark new study by Harvard's Raj Chetty, areas with greater mobility tend to have five characteristics: less segregation, less income inequality, better schools, greater social capital, and more stable families. The map below shows the average percentile rank of children who grow up in below-median income families across areas of the U.S. Lighter colors represent areas where children from low-income families are more likely to move up in the income distribution. Large



expanses of the area being studied by the Gulf Coast Passenger Rail Restoration Planning Project have darkest color, meaning low-income families in the study region are less likely to be able to access a ladder of opportunity.

The Southern Rail Commission and its partners believe that restarting passenger rail in the region is an important step to providing better ladders of opportunity to all residents of the Gulf Coast, but particularly for low-income populations. Creating those ladders is not just beneficial to the people benefitting directly but to the overall competitiveness of the region.

The Gulf Coast Passenger Rail Restoration Planning Project will explore how passenger rail can provide linkages between the many job centers and the area's workforce. The station-area analysis will also identify the linkages, such as local transit, that will be necessary to connect rail riders with their destinations. Because the cost of commuting can be high, the project will pay particular attention to how low income communities with high unemployment could be served.

State of Repair

One of the primary purposes of the Gulf Coast Passenger Rail Restoration Planning Project will be to identify sustainable sources of revenue to support passenger rail operations and maintenance —and eventually improvements. These improvements to the rail infrastructure in the corridor can further serve to improve speeds, accommodate more trains and attract riders.

Looking for joint development and value capture opportunities along the corridor can certainly help with operating subsidies in the near term, but over the longer term can also contribute to the maintenance of rail cars, track and stations along the corridor.

Further, the Gulf Coast Passenger Rail Restoration Planning Project will analyze the conditions of stations along the corridor to determine state of repair needs. Many of these stations will need improvements to support high quality rail service, including the Tallahassee station, which is one of the older railroad buildings in Florida (built in 1958); the Bay St. Louis station, which was built in 1929 but has been closed to the public; and the Biloxi stop, which has only a covered platform.



Train station, Tallahassee, Florida

Finally, passenger rail will serve as a contribution to the overall state of the transportation network, increasing capacity through this vital corridor.

Safety

The Gulf Coast Passenger Rail Restoration Planning Project will consider the best location for stations, needed station improvements including ADA accessibility, and all modal connections to those stations. The benefits of this work will certainly include higher ridership, improved quality of life and economic competitiveness. But the greatest outcome will be improvements to safety for those trying to access the service. Those safety benefits will accrue to those who eventually ride

the restarted Gulf Coast rail service as well as those who use the improved transportation system in the area.

This project will consider rail crossings that might be improved to support better passenger rail service and improve safety along the corridor or access to train stations. As there have been about 270 deaths a year at public and private grade crossings across the country, addressing those grade crossings for enhanced service and access will also have a positive impact on safety.

Environmental Sustainability

Of the options that would be available in the Gulf Coast region, rail travel is the least polluting. It uses less fuel and puts fewer pollutants into the air than automobiles or planes. A trip from New Orleans to Fort Walton Beach, FL (about 240 miles) would produce about 157 pounds of carbon dioxide if traveled by automobile. A similar trip by regional jet would produce 133.7 pounds of carbon dioxide per passenger, while that trip by high speed rail would produce only 32.1 pounds per passenger.

Additionally, restored rail service on the Gulf Coast would improve resilience by providing a critical evacuation route, especially for those that do not own cars, including many students and low income people. USDOT has recognized the importance of utilizing multiple modes of transportation for evacuation in emergencies in a 2006 report to Congress called "Report to Congress on Catastrophic Hurricane Evacuation Plan Evaluation." In this report, USDOT stated, "Even in urban areas where more modes are available, few plans recognize the potential role for intercity buses, trains, airplanes, and boats. These modes may be particularly important for persons who cannot evacuate in personal vehicles including persons with various disabilities, the elderly who cannot or prefer not to drive, low-income households that do not own automobiles, and those who are incarcerated or are in other institutions such as nursing homes or hospitals."



Secondary Criteria

Partnership

The Gulf Coast Passenger Rail Restoration Planning Project is an unprecedented collaboration for this region. Every community along this line would like to see passenger rail service restored and 30 elected officials, transportation agencies, chambers of commerce and businesses from across the corridor have attached letters of support to this application.

The Southern Rail Commission itself was created to foster partnership in support of passenger rail between the states of Louisiana, Mississippi and Alabama. And in the last couple of years, a rejuvenated commission has brought new focus to the possibility of passenger rail connections all across the region. The Commission along with the states of Texas, Louisiana and Mississippi are studying service that would connect Dallas, TX through Shreveport and Monroe, LA to Vicksburg, Jackson and Meridian, MS.

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The Commission's regional partners—the Baton Rouge Area Foundation, the New Orleans Regional Planning Commission and the Capitol Region Planning Commission—hired HNTB consulting to study starting passenger rail service for the first time since the late 1960s between Baton Rouge and New Orleans. This study led to productive conversations with Kansas City Southern, whose tracks would be utilized should that service begin.

This application is yet another sign of a region that is hungry for better transportation services and is committed to developing a transportation system to support a strong regional economy.

Innovation

The Gulf Coast Passenger Rail Restoration Planning Project is not just a feasibility study for rail service. It is also a corridor-wide economic development study focused on capitalizing on public facilities along the corridor and finding ways to capture the value of new development to support the rail service.

All of the communities once served by the Sunset Limited see this project as a way to jump-start development around the stations that passenger rail would serve. They would also like to find a sustainable source of funding to ensure that passenger rail service cannot be taken away from the region again. With the proper planning—the kind envisioned by this Project—both goals could be accomplished simultaneously.