

## Single-source financing for transportation called outmoded

BY CATHERINE LACKNER

Trains won't begin rolling into Miami Central Station for more than a year, but the partnership that put together the extension of Tri-Rail into downtown Miami is being hailed as a model that could fund other transportation advances. The project moved forward with contributions from multiple parties, both public and private.

Speakers at an Oct. 21 transportation-funding forum sponsored by the Greater Miami Chamber of Commerce said that pursuing single-source financing for projects is an outmoded strategy.

"The growing trend is diversification," said Tom Rousakis, an authority on infrastructure finance and public-private partnerships (P3s). He said a combination of proceeds from transit-tax districts and community redevelopment agencies, user fees, real estate and sales taxes, and state and federal dollars has made projects possible in other cities.

Increasingly, the answer is public-private partnerships in which the contractor takes some risk, he said. "It's performance-based; the contractor doesn't get paid unless the project is up and running." In one such project, the costs for this model come in at \$300 million less than what the municipality had projected in-house. "There is concern over



The Miami Central Station, shown in a rendering, is hailed as a model for transportation project funding.

the public sector's ability to deliver," Mr. Rousakis said.

"Is government ready to relinquish control to P3s?" asked Mitch Bierman, an attorney with Weiss Serota Helfman Cole & Bierman, who was moderator for the event. He chairs the chamber's Transportation and Infrastructure Committee.

"The dialogue has matured," said County Commissioner Esteban "Steve" Bovo Jr. "P3s should play a role, but not in every corridor. It will not work in every situation, and there will be a push by unions and by my colleagues [on the commission]. But the residents are jaded. There

is a total lack of trust, so it warrants us to explore P3s."

The public-private partnership that created the PortMiami Tunnel, he noted, has been successful, but it was not easily achieved.

"This is the way progress is going to happen," said Charles Scurr, executive director of the Citizens' Independent Transportation Trust. PTP 2.0, a plan he recently unveiled, recommends defining the best funding source for each corridor and applying a "lasagna" approach to layer funding where no one source can finance the job.

While she agreed it's important to come up with a combina-

tion of funding sources, "We also need to rank the corridors" to evaluate where the greatest need exists, said Alice Bravo, county director of the Department of Transportation and Public Works.

Ms. Bravo said her department is in the process of prioritizing corridors based on ridership and the cost per ride. "We'll bring a plan together in the next few months to get the most bang for our buck."

While there is a general reluctance to involve the federal government because of the inherent bureaucracy, money is available, Mr. Bravo reminded the group.



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**Alice Bravo**

The Federal Transit Administration's New Starts program finances local transit guideway capital investments. "From heavy to light rail, from commuter rail to bus rapid transit systems, the New Starts program has helped to make possible hundreds of new or extended transit fixed guideway systems across the country," according to its website.

"The FTA has billions in this program," Ms. Bravo said, "and there are not any applications from Florida on the list. We need to get in line. The community isn't going to stop growing, and we need to get our fair share."