

NAHSR Minnesota / Preliminary Study / Public Communication

("Southern Minnesota Citizen Questions + Comments" were collected and transcribed from documentation distributed by a local citizens group in August 2015)

Southern Minnesota Citizen Questions + Comments

NAHSR Response as of 3.28.16

Does private money allow officials to deny public input to transportation projects?

A privately funded project would still require public comment during the environmental review process.

Is North American High Speed Rail (NAHSR) project the same as Zip Rail project the MnDOT presented at their public meetings and on their web site? What happened to Head of Passenger Rail Office, Dan Krom's promise to TAC and CAC members that the Zip Rail will not go to Chicago?

NAHSR's project and Zip Rail are two separate projects. Zip Rail was not planned to go to Chicago and NAHSR's current business concept considers the Twin Cities to Rochester corridor a Starter Line potentially extending to Chicago, Illinois in the future.

If "the project would be very different" and NAHSR does change its name as spokesperson Wendy Meadley stated in the 7/31/15 Post Bulletin, does that mean the process needs to start all over from scratch? Are we playing word games?

Any proposal from NAHSR would be required to follow a prescribed environmental review process. The NAHSR project is not an extension of the Zip Rail project, it is a new project.

Why are we considering any "exclusive rights" to a company (North American High Speed Rail) that was only formed August 14, 2014 and has never built anything or has any background in rail? What do we know about these people? Has this company been thoroughly vetted? Should we be concerned that "Advisors" previously listed on their web site were involved with Elk Run and the Vikings stadium? Or that others listed had no knowledge of their listing?

Any private company undertaking such an ambitious endeavor at no cost to the state or the public would reasonably request a period of time to fully evaluate the project from a technical and financial perspective during an exclusive window of time so as to protect its investment. Any private company would need to satisfy the state as to their capabilities and experience and demonstrate their financial capacity prior to a long-term commitment. Resources available to NAHSR include design and construction of over 19,000 KM of high speed rail and will have another 10,000 KM over the next 5 years. It is not unusual for major private endeavors of this magnitude to organize a new corporate structure and is the recommended approach. This is no longer relevant to the current NAHSR business plan which was revised in Q4 2015. NAHSR is currently working under a Miscellaneous Work Permit granted by the Minnesota Department of Transportation.

As a sponsor for Minnesota's bid for the World's Fair, does NAHSR have an ulterior motive for building Zip Rail? Can Minnesotans afford the permanent impacts to agriculture and the economy for a 3 month event? What does history tell us about the economic fortunes of past host cities?

A project of this scale could not be financed based on a singular 3 month event. Potential impacts to agriculture and the economy have not been established. Development of the project within the existing highway right of way could have a minimal impact on the agricultural community. Questions regarding the World's Fair are not relevant to NAHSR's Preliminary Study effort.

Why should the State consider granting eminent domain to NAHSR if indeed they say they don't need or want any public funding? Does granting eminent domain put taxpayers on the hook if the project fails? Once its built, is there ever any going back – or will there just be that horrible sound of money being sucked from our wallets.

There is no request for the State to grant eminent domain authority to NAHSR during this Preliminary Study phase. Upon moving forward into a Feasibility Study, NAHSR would review the need for eminent domain authority on a case by case basis.

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Is there a limit to MnDOT's ROW? Are they allowed to "annex" adjacent land to expand the ROW similar to when cities gobble up townships? If so, while MnDOT lulls the public to sleep with deception of "staying within the corridor," in reality, can they just keep "creating" more ROW/corridor – and there is really no end in sight as to where/how much land they can take?

There is a legal description to each highway right of way, so there is a "limit." Additional right of way is not "annexed." Corridors are generally areas of study within which a final alignment and more narrow rail right of way or easement is determined. Annexation generally refers to the expansion of political subdivision boundaries and is not related to a right of way or corridor.

The term air/subterranean rights is being used for airports and, for example, national monuments or "airspace" over the U.S. Capitol. There is probably a reasonably low limit to how high above or far below the highway ROW these "air/subterranean rights" can go, but do we know that for sure?

An airspace site as regards transportation is defined as any property within right of way limits of an existing highway that is capable of other development without undue interference with the operation and foreseeable future expansion of the transportation corridor for highway or other transportation uses without endangering the traveling public. Research and practice have shown that air rights development over highway corridors in the U.S. is not only feasible, but desirable. For the example of an elevated rail system, the trains and related structures can be described as an "envelope" with an areal extent in three dimensions (length, width, and height). The air or subterranean space occupied by this envelope becomes the limit within the airspace site to which the rail system is authorized to occupy.

Do these "exclusive air rights" which NAHSR is asking for have defined limitations?

As discussed previously, the air rights would have boundaries defined by the project envelope. No other rights along the corridor are implied. As there is no federal loan application anticipated, reference to other unrelated projects do not apply.

Obviously, any firm controlling the corridor will also control or dictate the development along this corridor and who/what firms will get the construction, etc. During the Rochester bypass fight, when the DM&E was requesting a loan, Rochester was accusing them of secrecy for not showing their financial position. They alleged DM&E was only worth 111 million and would not be able to repay the loan and that the extra capacity was not needed because the other carriers out of the Powder River Basin could handle any increase in coal traffic. We are very justified in all of the questions raised. Hwy 52 has lots of capacity. There are so many comparisons between the past and now with Zip, only thing different is who wants what.

Zip Rail was authorized to evaluate use of airspace within the existing right of way, as a MnDOT project, and as proposed several years ago. Use of the existing right of way by Zip Rail was included in the Final Scoping Decision Document for which only encouraging comments were received. Any enterprise with "air rights" would make lease payments into the highway fund. "Air rights" are not part of NAHSR's current Miscellaneous Work Permit.

Have the FAA, airlines, MN Air National Guard, Mayo Medivac been included in these discussions? Examples, will granting this request prohibit our own citizens from flying small drones across the ROW? (Should we perhaps have raised and addressed this question already, just for highway safety reasons?)

Questions regarding aircraft or drones flying in close proximity to a highway corridor or high voltage transmission lines should be addressed to the FAA.

For our utilities to have the ability to cross the highways with HV wires?

Questions regarding installation of electric transmission lines over a highway right of way should be addressed to the appropriate electric utility.

For emergency services access?

MnDOT rules do not allow use of air space that would impede the flow of traffic or create safety concerns along the highway.

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Similarly, what are “exclusive subterranean rights”? HSR footings, foundations, and supports located within our highway ROWs unavoidably will be a major impediment to the safety, use, maintenance, improvement and expansion of these highway corridors, and will – at the very least – dramatically complicate and increase the cost of their use, maintenance, improvement and expansion. Will potential HSR developers be required to continuously remain obligated to compensate for any and all of these ongoing consequential “costs” to the public, foreseen and unforeseen, into perpetuity?

Any structures, whether public or private, constructed within an existing right of way must satisfy the requirements of MnDOT and FHWA to as not to impede traffic flow or compromise safety requirements of the highway. Consideration of future highway improvements or expansion will be addressed in the lease agreement and during project design so as to not preclude the future planned improvements or expansion of existing highway systems.

This proposal will absolutely “limit” our ability to use our public highway transportation corridor from day one by congesting it with a high-speed train. Worse yet, what about in the future when we need to expand the highway to add lanes but have a train in that space?

Consideration of future highway improvements or expansion will be addressed in the lease agreement and during project design so as to not preclude the future planned improvements or expansion of existing highway systems.

Would the public be compensated appropriately for these rights?

In accordance with Minnesota statutes, lease payments for the airspace site are required to be directed to the Highway Fund.

Would the public receive a premium compensation for exclusive rights to these spaces? What if in the future we want to use that air/subterranean space for delivery of energy? For example, think HV transmission lines for an improved grid system. If we have already granted exclusive right to this space for high-speed rail, will that eliminate its use for these purposes? Or, will that new purpose be obligated to compensate the high-speed rail owners for the use of the space to which they have been granted exclusive rights?

As stated above, an airspace site as regards transportation is defined as any property within right of way limits of an existing highway that is capable of other development without undue interference with the operation and foreseeable future expansion of the transportation corridor for highway or other transportation uses without endangering the traveling public. A high voltage transmission line is not considered a highway or other transportation use and therefore could not occupy the airspace site, although crossing over the highway is permitted with approval.

How will the going/appropriate rate for these exclusive air/subterranean rights be determined? This being the first high-speed rail proposal to be located within existing highway ROWs, comparative sales of these rights for high-speed rail are pretty scant within the U.S. and the Midwest. How do you determine what’s the appropriate cost for a lease up to 99 years (maximum length) from now?

There are several examples of airspace leases in other states for high-speed rail constructed within the right of way. FHWA also provides guidance to cover the range of leases for highway air rights under Title 23. In addition to consultation with the FHWA and other states, an appraisal would likely be performed to aid in determining a lease value over time.

The more one considers all this, the more one realizes this whole thing is just a bad idea. Unless it is obvious that we already have reached a point where our existing transportation modes will no longer effectively serve the needs of the public, we simply should not be going there, period.

Transportation planning looks well beyond the current level of traffic and is based on population and employment projections and the need for future capacity. In considering future transportation capacity needs between Rochester and the Twin Cities, high speed rail provides a safe, affordable solution that is more efficient than automobile travel. Public-private partnerships providing efficient transportation systems and resources can effectively delay or eliminate future highway capacity improvements for which funding has been, and will continue to be, a significant challenge.

Pine Island is still paying for the \$34M bridge to no-where they got the last time MnDOT gave exclusive rights to a developer (currently in court on fraud charges) and told the public to trust them. The port-a-potty was the only building use fill [sic] procedural requirements, and the \$1B in private money never materialized.

We are not aware of any exclusive rights to highway right of way granted for the referenced project. The high-speed rail project is not related to the referenced project.

Why was there widely held skepticism and opposition to Zip Rail?

Trust factor – there was a perception of a lack of open, transparent dialogue with the public throughout this project's history.

The record does not reflect a lack of open and transparent dialogue. To our understanding, numerous public meetings were held, and public comments on documents answered. The project web site contains all documents produced in support of the required state and federal processes. Project staff were available via telephone and email to answer questions.

Apparent fast tracking of this project by MnDOT, without thorough engaging of the public through whose region it is proposed to be built (similar to the Cannon Falls Hwy 52 interchange issue) or Legislature.

Based on the public documentation we've reviewed, the Zip Rail high-speed rail project was not fast-tracked and followed a detailed, prescriptive state and federal process. The public had been engaged throughout the process as described above. Issues related to previous and unrelated projects are should be addressed elsewhere.

Purpose and Need is inadequate to justify this extremely costly proposal. There is no validation of any future expected inability to meet transportation demand with existing and improved transportation infrastructure. The need of visitors to the Rochester area for another mode of transportation is simply stated as fact.

Zip Rail's Statement of Purpose and Need was published and was in conformance with FRA requirements and was approved by FRA. The State Rail Plan identified the Rochester-Twin Cities corridor as a priority for study of a high-speed rail connection to meet future demand, for which high-speed rail is considered more efficient than automobile travel. The overall project cost and project economics will be developed in the Service Development Plan that is currently under development. Speculation as to the outcome of the studies is premature.

The proposed Zip Rail would be massively expensive for what it accomplishes compared to highways. It is extremely limited in the number of individuals who will be directly benefitting from it and no freight can be transported.

While the cost of high-speed rail is expensive, the resulting benefits outweigh the costs based on accepted criteria and data evaluation. Supported entirely by user fees, it is more cost-effective than a broad tax-based system needed to generate funds for highway construction and annual maintenance as well as the cost of borrowing funds for major expansions. Those benefitting directly from the project include passengers, workers, employers, new industries and jobs created as a result of the project, and increased economic opportunities for job seekers having a broader selection of job opportunities. That freight cannot be transported is an erroneous assumption.

True high-speed rail is not a good fit for this corridor of less than 100 miles. Worldwide HSR has only been proven successful in corridors between very large population centers (not cities like Rochester with around 100,000 people and essentially only one large employer) at distances of between 250-500 miles. Above or below that, it is very difficult to pull riders from other, more preferred, more convenient modes of transportation.

The ridership demographic between Rochester and the Twin Cities is sufficient to support the project. The size of the city pairs is certainly a barometer but the true measure of the viability of the project is the service demand between the city pairs which occurs at a consistent level that belies the assumptions based solely on population.

Ridership projections for this project are extremely optimistic, exhibit wide variation, and appear to be heavily influenced by the party(s) paying for the studies.

Ridership models are tested under a variety of inputs including speed, travel time, station location, travel demand factors, and other criteria. Interpretation of the various data-driven analyses requires significant experience and knowledge of how the ridership models behave and react to multiple variables, hence the wide variations that occur. Ridership models are repeated several times during the course of project development and, prior to project financing, are performed at a level sufficient to result in an investment grade analysis.

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Worldwide, ridership projections for passenger rail projects prior to construction have historically been overly optimistic by as much as 80%.

Ridership models worldwide are not standardized, thus any conclusion that numerous ridership studies from around the world exhibit any similarities or dissimilarities is an unsupported assumption. Ridership models used for HSR in the U.S. are considered very conservative so as to accommodate the multiple dependent and independent variables inherent to the model itself.

This proposal will not reduce traffic on existing transportation infrastructure. Even assuming the most optimistic ridership projections, high speed rail would only reduce Hwy 52 congestion by 1 vehicle in each direction.

The statement appears incomplete however, using CCARL's ridership estimate of 1,000-4,000 riders/day (2,000-8,000 trips/day) and using an average of 1.3 persons/vehicle, the annual vehicle trips between Rochester and the Twin Cities would be reduced by approximately 400,000-2,000,000 trips saving fuel, highway maintenance, and over 2,000,000 hours of annual drive time that travelers can spend as they choose rather than driving.

Construction costs per annual passenger mile for the suspended Zip Rail project calculates conservatively to around \$80. Attributing all construction costs to passengers transported on Hwy 52, and assuming all cars on that roadway are single occupancy vehicles, that cost per annual passenger mile on Hwy 52 is \$1.50 or less. This then also assumes none of the costs for construction will be attributed to the estimated over 13 million tons of freight transported on this highway every year.

There is no question that HSR is expensive and that roads are expensive. The measure of cost to the traveler is clearly different between the two options. Highway construction and maintenance costs are supported by broad-based taxes that subsidize our highway system and continue to be underfunded. The HSR proposals are based on user fees without public funding for construction or operations, with fares anticipated to be competitive with automobile travel. Travel modes for multiple passengers that ride share will continue to favor automobile travel but for trips of one or two passengers (the majority of trips) the cost of rail would be competitive with automobile travel while reducing travel time by over 50% and providing safe, efficient, reliable alternative under all weather conditions.

Placing high speed rail in existing public ROW interferes with ongoing maintenance, repair, and expansion of that infrastructure and increases their costs. Placing Zip Rail on an all new greenfield route would disrupt and destroy large amounts of irreplaceable prime agricultural farmland, divide farms and communities, and generate serious environmental concerns.

Any structures, whether public or private, constructed within an existing right of way must satisfy the requirements of MnDOT and FHWA to as not to impede traffic flow or compromise safety requirements of the highway. Consideration of future highway improvements or expansion will be addressed in the lease agreement and during project design so as to not preclude the future planned improvements or expansion of existing highway systems. NAHSR's business plan does not consider a greenfield corridor concept option.

The population living within the corridor will not benefit from high speed rail. No stops are planned for anywhere between the MSP area and Rochester, and they can't be or the train would not be a high speed train. If it were planned as a commuter train, the proponents of this project readily admit that it would fail to attract riders from other modes of transportation because they could travel to their destination faster by car.

NAHSR's corridor service concept is planned as a high speed rail, not a commuter rail. Considerable investment in ancillary facilities bring measurable benefits to host communities providing jobs and tax base are under consideration and analysis. Train scheduling will consist of express trains non-stop between termini as well as scheduled stops at the intermediate station, balanced in consideration of peak demand periods.