

AGENDA

Chippewa-St. Croix Passenger Rail Commission
Wednesday, May 17, 2023, at 8:30 A.M.
Dunn County Administration Building
3001 US Highway 12 E., Lower-Level Room 054 • Menomonie, WI 54751

Hybrid Meeting

Access:

<https://dunncountywi.zoom.us/j/99079470803?pwd=OWVCcmNKOWxycFVNaWU3cFBKaklYZz09>

Meeting ID: 990 7947 0803

Passcode: 076281

1. Call to Order and confirmation of meeting notice
2. Roll Call with municipality
 - * Voting Members
 - * Ex-officio Members
3. Public Comment
4. Review/Approval of Meeting Minutes – **Discussion/Action**
 - March 15, 2023
5. Market Sounding Update – Mason Baxter -**Information/Discussion**
6. Final FRA Corridor Application Submittal Update- **Information/Discussion**
7. WisDOT Update- **Information/Discussion**
 - Other FRA Applications
 - TCMC Second train update
8. Ramsey County Update- **Information/Discussion**
 - Federal State Partnership Application
9. Establish Transportation Oriented Development (TOD) Committee– **Discussion/Action**
 - Consider separate TOD committee appointment (Reference March 21, 2023, RBC letter)
 - Station site selection
10. Agenda items for future meetings – **Discussion**
11. Future Meeting Dates – **Discussion**
 - Wednesday, June 14, 2023, at 8:30 a.m.
12. Adjourn

MINUTES

Chippewa-St. Croix Passenger Rail Commission
Wednesday, March 15, 2023, at 8:30 A.M.
Dunn County Administration Building
3001 US Highway 12 E., Lower-Level Room 054 • Menomonie, WI 54751

Hybrid Meeting

Present (Members): Ann Schell, Jim Dunning, Gary Stene, Scott Rogers, Gretchen Yonko, Jeremy Gragert, Taylor Greenwell

Present (ex-officios): Ethan Osten, Bambi Pattermann, Eric Anderson, Lindsey Douglas, Lisa Stern

Others: Samantha Kraegenbrink – Committee Clerk, Mason Baxter, Sharon McIlquham, Kathryn Schauf, Krista Vind, Terry Brown, Greg Mathis, Kendra Ellner, Gregg Baxter, Julie Neuhaus, Daniel Elder

Call to Order and confirmation of meeting notice at 8:30 a.m.

Chair Dunning called the meeting to order at 8:30 a.m. and confirmed meeting notice.

Roll Call

The roll was called and is listed above under present.

Public Comment

No members of the public wished to make comment.

Review/Approval of Meeting Minutes from February 15, 2023

Motion by Gary Stene. No deletions, additions or corrections. All in favor, minutes approved.

Election of Commission Chair and Commission Vice-chair

Motion by Gary Stene to elect Jim Dunning as chair, seconded by Scott Rogers. Gary Stene motioned to close nominations, seconded by Scott Rogers. All in favor of electing Jim Dunning as chair.

Motion by Scott Rogers to elect Gary Stene as vice-chair, seconded by Ann Schell. Motion by Scott Rogers to close nominations, seconded by Ann Schell. All in favor of electing Gary Stene as vice-chair.

Resolution to authorize the subcommittee to complete and submit the FRA application

Scott Rogers provided background on the resolution to authorize the subcommittee to complete and submit the FRA application. Scott Rogers motioned to approve, seconded by Gary Stene. No further discussion, all in favor.

Request for Letters of support

Scott Rogers discussed letters of support that are proposed to be provided to WisDOT and Big Sky Rail authority from the Commission. Scott Rogers motions to support sending letters, seconded by Ann Schell. All in favor.

Market Sounding, March 7, St. Paul - Report from participants

Mason Baxter and Scott Rogers provided a report to the members on the Market Sounding event that was held March 7 in St. Paul, MN.

Update on FRA Corridor Identification and Development Program

Lisa Stern provided a WisDOT update on applications into the FRA program. Scott Rogers also advised that work continues on the FRA application. The deadline is March 27, 2023. A decision is tentatively expected in August or September.

Agenda items for future meetings

- Potential Station locations
- Discussion/input on what we need to be thinking about for station siting.

Future Meeting Dates

The next meeting will be May 17, 2023, at 8:30 a.m.

The meeting was adjourned at 9:02 a.m.

Respectfully submitted by,

Samantha Kraegenbrink – Eau Claire County Assistant to the County Administrator

ATTEST:

Jeremy Gragert, Commission Secretary

Application
 Federal Railroad Administration
 Corridor Identification and Development Program (CID)
Chippewa-St Croix Regional Corridor
Eau Claire, Wisconsin, to Twin Cities, Minnesota

Application submitted by
 Eau Claire County as administrative and fiscal agent for the
Chippewa-St. Croix Rail Commission
 March 2023

FRA Corridor Identification and Development Program
 Chippewa-St Croix Regional Corridor (Eau Claire, WI to Twin Cities, MN) - Project Corridor & Potential Stations Map



Chippewa-St. Croix Rail Commission

*A joint Transportation
Commission formed under
Wisconsin Statutes 66.0301
to advance the public
interest by pursuing
passenger rail service for the
St. Croix and Chippewa
Valley regions of Wisconsin*

Members

- Dunn County
- Eau Claire County
- St. Croix County
- City of Altoona
- Village of Baldwin
- City of Eau Claire
- City of Hudson
- City of Menomonie
- City of New Richmond
- West Central Wisconsin
Rail Coalition

Ex Officio Members

- West Central Wis Regional
Planning Commission
- Wisconsin DOT
- Minnesota DOT
- Union Pacific Railroad
- Ramsey County (MN)
Regional Railroad Authority
- Washington County (MN)
Regional Railroad Authority
- Chippewa Valley Technical
College
- Northwood Technical College
- University of Wisconsin
- Eau Claire
- University of Wisconsin
- River Falls
- University of Wisconsin
- Stout

Chair

Jim Dunning, Eau Claire County

Vice Chair

Gary Stene, Dunn County

Secretary

Jeremy Gragert, City of Eau
Claire

Administrative/Fiscal Agent

Eau Claire County, WI
c/o County Administrator
721 Oxford Ave.
Eau Claire, WI 54703
715-839-5106
admin@eauclairecounty.gov

Corridor Identification and Development Program (CID)

Chippewa-St Croix Regional Corridor

Eau Claire, Wisconsin, to Twin Cities, Minnesota

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I. COVER PAGE

Application: FRA Corridor Identification and Development Program (CID)

Chippewa-St Croix Regional Corridor
Eau Claire, Wisconsin, to Twin Cities, Minnesota

Corridor Title	Chippewa-St. Croix Regional Corridor
Applicant	Eau Claire County, WI, as administrative and fiscal agent for the Chippewa-St. Croix Rail Commission. Members: Wisconsin Counties of Dunn, Eau Claire, St. Croix; Municipalities of Altoona, Baldwin, Eau Claire, Hudson, Menomonie, New Richmond; West Central Wisconsin Rail Coalition.
Was a Federal Grant Application Previously Submitted for this Corridor?	No
Other sources of Funding for the Corridor?	This application is for the \$500,000 grant under the Corridor Identification and Development Program.
City(-ies), State(s) Where the Corridor is Located	Wisconsin: Eau Claire/Altoona, Menomonie, Baldwin, Hudson; Minnesota: Oak Park Heights, Lake Elmo, St. Paul, Minneapolis
Congressional District(s) Where the Corridor is Located	WI-003, WI-007, MN-004, MN-005
Is the Corridor currently programmed or identified in: State rail plan, or regional or interregional intercity passenger rail systems planning study?	Wisconsin State Rail Plan 2030 Draft Wisconsin State Rail Plan 2050 Minnesota State Rail Plan 2015 Long Range Transportation Plan 2040, Chippewa-Eau Claire MPO Metropolitan Council Thrive MSP2040 FRA Midwest Regional Rail Plan Amtrak ConnectsUS plan
Is the applicant working with other entities in support of the Corridor?	Yes: Wisconsin DOT, Minnesota DOT, Chippewa-Eau Claire MPO; WI counties Dunn, Eau Claire, St. Croix; MN County RR Authorities Ramsey, Washington; WI municipalities Altoona, Baldwin, Eau Claire, Hudson, Menomonie, New Richmond

II. CORRIDOR SUMMARY

The Chippewa-St. Croix Rail Commission (hereinafter “Commission”), created by three counties and six municipalities under Wisconsin Statute 66.0301, submits this application for the development of the Chippewa-St. Croix Regional Corridor. The Commission intends to work with host railroad Union Pacific (UP), WisDOT, MnDOT, and the Ramsey and Washington County Regional Railroad Authorities in Minnesota, to undertake planning for a multi-frequency intercity corridor that would initially provide service between the Eau Claire, WI, area, and St. Paul Union Depot, with dedicated connections to other nearby key travel-generating centers. It is complementary to the Milwaukee to Madison to Eau Claire to Twin Cities Hiawatha Service Extension Corridor being submitted by WisDOT.

The Chippewa-St. Croix Regional Corridor is in many aspects akin to the Chicago-Milwaukee Hiawatha Corridor at the other end of the overall Chicago-Twin Cities route. A discrete, but complementary, corridor designation is sought in order to pursue the following unique opportunities:

- Provide valuable passenger transportation in the distinct West Central Wisconsin to Twin Cities market area in order to provide transportation to unserved and underserved urban and rural populations, area institutions of higher education, tourism, and area population centers that are among the fastest growing in Wisconsin. At the same time, it will create benefits including regional talent attraction, economic development, and job creation.
- Create a competitive process for selecting a contract operator for the service, developing a pilot program that would provide benefits to the sponsor through transparent and more certain cost management and the benefits of competition.
- Pilot a negotiated Direct Access Model with the host railroad, purchasing track capacity at market rate, potentially resulting in a significant reduction in the need for initial capital investments, and to achieve more reliable service performance.
- Consider utilizing zero-emission equipment, such as trains powered by hydrogen fuel cells.
- Provide sufficient service frequency for Transportation Oriented Development at station sites, also creating additional potential for value capture economic benefits.

III. CORRIDOR FUNDING

3.1 Availability and Sources of Non-Program Funding

This application does not include any funding outside of the Federal Corridor Identification and Development funding, a 100% federal funding opportunity.

3.2 Dependencies or Relationships of Non-Program Funding

This application does not include any funding outside of the Federal Corridor Identification and Development funding, a 100% federal funding opportunity.

3.3 Previous or Concurrent Funding Requests

The purpose of this grant request is to secure the \$500,000 grant, with no local match required, to pursue the opportunities listed in the corridor summary and to work with key partners to undertake planning towards a Step 2 Service Development Plan. As this stage is completed, sources for local matches for the SDP will be part of the analysis. The State of Wisconsin, with the Hiawatha Corridor and TCMC, has a successful state passenger rail program for which expansion is being pursued through this and other CID applications. As Step 1 is completed, the Commission expects to work closely with WisDOT, MnDOT, and other partners to pursue state and other funding programs to provide local matches for further planning and implementation

steps. The Commission is also interested in identifying value capture concepts and local funding related to station development.

There have been no previous funding requests for this corridor. WisDOT has a concurrent CID application for the Milwaukee to Madison to Eau Claire to Twin Cities Hiawatha Service Extension Corridor. It is anticipated that the Commission will work closely with WisDOT to coordinate planning activities for these complementary corridors.

IV. APPLICANT ELIGIBILITY

4.1 Applicant Eligibility

The Chippewa-St. Croix Rail Commission (hereinafter “Commission”) is applying as a regional passenger rail authority. It was created in 2021 under Wisconsin Statutes Section 66.0301 that allows municipalities to enter into agreements for the purpose of intergovernmental cooperation, including the development of joint transportation commissions. The purpose of the Commission is to advance the public interest by pursuing implementation of passenger rail service and other public transportation improvements to serve the St. Croix and Chippewa Valleys. Entities who passed resolutions to create the Commission include Dunn, Eau Claire, and St. Croix Counties and the municipalities of Altoona, Baldwin, Eau Claire, Hudson, Menomonie, and New Richmond. All of the above would be individually qualifying entities as political subdivisions of Wisconsin. The West Central Regional Planning Commission is also an ex officio member of the Commission, and serves as the Chippewa-Eau Claire Metropolitan Planning Organization. Eau Claire County is acting as the administrative and fiscal agent for the Commission.

The fact that all major government entities on the Corridor belong to the Commission, representing the entire population along the Wisconsin portion of the Corridor, creates a strong support base for the project.

4.2 Corridor Eligibility

The Corridor is a new intercity passenger rail route of less than 750 miles.

The Commission anticipates utilizing an existing freight rail line with a qualified operator and current commercially-available passenger equipment.

V. DETAILED CORRIDOR DESCRIPTION

5.1 Basic Characteristics of Corridor

The Corridor spans 86 miles, from Eau Claire, WI to St. Paul Union Depot, St. Paul, MN, primarily on the Altoona Subdivision of the Union Pacific (UP). Potential stops will include the cities of Eau Claire, Menomonie, Baldwin, Hudson, Oak Park Heights/Stillwater, Lake Elmo, and St. Paul. A future service extension to Minneapolis is also anticipated. (See cover map)

5.1.1 Key Travel Markets

A wide variety of potential users and trip purposes would be served by this Corridor. Trips include business travel, tourism, university students, culture/entertainment activities, and visiting friends and family. There are four major state universities in the Corridor, including UW-Eau Claire, UW-Stout, UW-River Falls, and the U of Minnesota, totaling over 76,000 students, with as many as 50% of a university’s students crossing the state line between their residence and their university. In addition, there are a large number of technical and private colleges in the Corridor. There are also a large number of businesses and corporations with a significant presence in various locations in the Corridor, such as JAMF Software, Royal Credit Union, 3M,

Anderson Windows, etc., with need to move employees and visitors between locations. Entertainment activities include countless fine arts opportunities on both ends of the Corridor, highly attended sporting events of almost any type, bike trails, festivals and frequent special events attracting participants from all parts of the region.

5.1.2 Potential Service Characteristics

It is the goal of the Commission to establish all day service with the frequencies needed to generate sufficient public convenience and ridership, including enough economic activity to provide opportunities for Transportation Oriented Development (TOD). The working number for initial service is four trips per day in each direction, with expectations of future frequencies of six or more per day, pending further study in Step 1 to secure contemporary ridership estimates at various service levels and schedules. This will also be affected by analysis of the operating characteristics of the line and its ability to support various schedule scenarios based upon infrastructure condition, existing capacity, and additional capital requirements. Part of the analysis funded by Step 1 would also include identifying the economic value/ROI of any anticipated public investments. Initial service would be 79 mph. Trip travel time is estimated to be around 1 hour and 20-30 minutes with intermediate station dwell times of two minutes.

The preliminary intention is to start with train service between the Eau Claire area and St. Paul Union Depot, including first mile-last mile transit connections at station cities, plus dedicated shuttle connections to offline points that are important traffic generators, such as River Falls (UW-River Falls), downtown Minneapolis, Chippewa Falls, and other locations. A desired future phase would be extension of trains to downtown Minneapolis.

5.1.3 Potential Geographic Routes

The route is 86 miles between Eau Claire and St Paul on Union Pacific, an existing freight rail line. Operations would likely start at the railroad yard in Altoona, 3 miles east of Eau Claire, with potential stops in Menomonie, Baldwin, Hudson, Oak Park Heights (Stillwater) and Lake Elmo, pending further study of ridership and operations. A future service extension 10 miles to Minneapolis would be desirable, as well as integration with through service from Chicago and Milwaukee. The route is paralleled by Interstate Highway 94 from Eau Claire to Hudson, then crosses the St. Croix River to Oak Park Heights, and then to St Paul. The route traverses Westminster Jct. east of St. Paul Union Depot, which involves crossing and joining the BNSF Railway St. Paul Subdivision for about two miles. (See cover map)

5.1.4 Potential Capital Improvements

The Commission proposes to implement a Direct Access Model with Union Pacific that involves the contracting for the use of current track capacity at an acceptable market rate, which will minimize the need for capital improvements to start service. The line has seen significant investment by Union Pacific in track structure and signaling, including PTC. Part of the Step #1 study will include modeling and assessment of conditions to estimate actual capacity, operating speeds and schedules, and the need for further improvements such as sidings, CTC, and required safety improvements of at-grade rail/roadway crossings. There is also a need to consider future capital improvements as frequencies are increased at Westminster Jct. east of St. Paul. Except for St. Paul, there are no existing station facilities. It is the intent of the Commission to explore Transportation Oriented Development and work with municipalities on station sites.

5.2 Corridor Readiness

In 2022, the Commission engaged consultant RBC Associates to undertake a Market Sounding process to advance the concepts that are part of this application including designing a service to meet the transportation needs of the Corridor, creating a competitive process for selecting an operator, piloting a Direct Access Model with the host railroad, considering utilization of zero-emission equipment, liability and insurance, and railway labor.

Specific Market Sounding sessions focused on 1) Access over the host railroad; 2) Liability and Insurance; 3) Operator Selection; 4) Manpower and Labor; 5) Equipment. There were also discussions on ridership estimates, facilities, track improvements, station location and transportation-oriented development. Representatives of the Commission met with UP in Omaha on December 12, 2022. A General Market Sounding with key stakeholders was conducted at St. Paul Union Depot on Tuesday, March 7, 2023, to review the overall plan prior to submission of the Application.

Following conversations between UP and the Commission, it is becoming clear that the Corridor can be made ready to receive passenger trains with minimal infrastructure improvements and no disruption to existing freight service.

The Commission is working to plan a low-risk start with a tightly managed budget to launch operations at the earliest time. The strategy will be to grow the service as it proves successful. In piloting a concept that involves a commercial agreement with the host railroad for use of existing capacity (making the service a desirable “customer” similar to a freight shipper) and competitive selection of an operator, the Commission seeks to achieve an efficient and reliable service with transparency in costing. The aim is that the efficiency and transparency of the operating side, combined with sufficient frequency to generate ridership and local economic activity, will result in an operation that provides clear, effective use of any public investments, generates economic benefits, and minimizes the need for ongoing financial operating support. In other words, the Commission’s use of commercial agreements with the host railroad for access, metrics, and standards as well as operator competition provides the opportunity to create a new model for launching intercity corridor service.

The Commission, and the Association of Innovative Passenger Rail Operations (AIPRO), an organization of independent operators and rail labor, established a collaborative relationship with UP for the purposes of developing this project. A Market Planning session was held in Omaha in December 2022. The new Direct Access Model was adopted and agreed to for this project. Continued Commission negotiation with UP will be through the Direct Access Model including access fees, metrics and standards. Given the many unknowns of a new service, cost control will be essential for the start-up. The Direct Access Model will permit far less infrastructure modification than would be possible through the traditional Amtrak model in which the host railroad would likely require significant infrastructure improvements that maintain all of its existing freight capacity, whether currently utilized or not. While these discussions are not complete, it is likely that no or few significant changes would need to be made for the current infrastructure to accommodate both current freight levels and the new passenger service envisioned by the Commission. The model allows for startup of new services with reduced upfront capital costs. It avoids sunk costs that could reach hundreds of millions of dollars and allows for easy off-ramps if ridership or the services do not meet expectations. The goal is to

reach agreements in FRA Step #1 on Commission access to current excess capacity. UP has been cooperative and is most supportive of the project.

The Commission anticipates partnering with Independent Operators and labor in a competitive process. During the pre-application Market Sounding process, the Commission consulted both with independent passenger operators and rail labor. Once the Step #1 application is approved, the Commission is ready to move forward on all of these activities.

5.3 Previously Completed Development Activities

There have been 13 previous studies for passenger service between Chicago, Milwaukee, Madison and the Twin Cities. The initial study including this corridor was the Tri-State High Speed Study, which was a rudimentary study that defined the preferred route between Chicago and the Twin Cities for expanded passenger rail service. In 1994 Translinks 21 was issued, which was the first statewide 20-year multimodal plan. Other studies released were: The Midwest Regional Rail Initiative Phase 1 and 2 in 1998, the 2000 the Tri-State II Study, the 2001 the Midwest Regional Rail Initiative Phase 3 Study, the 2002 Eau Claire and Janesville Corridors Feasibility Study, the 2004 Midwest Regional Rail Initiative Phases 4 and 5, the 2008 Midwest Regional Rail Initiative Phase 6 Study, the 2009 Connections 2030 (statewide 20-year multimodal plan), the 2010 the Twin Cities to Chicago Statewide Freight and Passenger Rail Plan, and the 2010 Midwest Regional Rail Initiative Phase 7.

The 2002 Eau Claire and Janesville Study concluded that an additional Twin Cities to Chicago route segment through Eau Claire would positively add to the financial performance of the Midwest Regional Rail Initiative. It suggested two options both which added value to the Twin Cities to Chicago service. Option 1 was an extension from the Twin Cities to Eau Claire (“Eau Claire West”) of up to six daily round trips, and Option 2, an alternating full service connection to Chicago via Eau Claire (“Eau Claire Plus La Crosse”).

“Both the ‘Eau Claire Plus La Crosse’ and ‘Eau Claire West’ routes were considered likely to produce ridership and revenue figures that could improve the overall financial performance of the base Midwest Regional Rail System,” according to the Wisconsin DOT, 2004 Rail Issues and Opportunities Report, page 22.

The 2010 Twin Cities to Milwaukee Study was a bi-state study funded by both Minnesota and Wisconsin DOTs and a match by the FRA. This study conducted a deep look at the Twin Cities to Chicago service by initially analyzing 25 passenger rail routes which were in existence in 1950 and processing those routes down to a core 10 routes which potentially would meet the Study’s purpose and need. The core 10 were then analyzed further for what was considered untenable factors which precluded any further analysis. This left four routes (including the Camp Douglas-Twin Cities routing via Eau Claire), plus the no build scenario, for further deeper analysis which included service populations, environmental impacts, at grade rail crossings, track grades, etc., with the goal of recommending a preferred alternative with a Tier 1 environmental document. It was at this final analysis phase of the Study that an administration change canceled WisDOT’s participation in the Study. This left MnDOT to conclude the Study’s preferred alternative with no input from Wisconsin.

The Minnesota State Rail Plans 2010 and 2015 not only included the Eau Claire-Twin Cities route as part of its

planned Phase I network, but the original plan from 2010 also includes Technical Memo 3 and Technical Memo 10 which detail operating scenarios that show four daily round trips. Their estimates of ridership and modal diversion are among the highest of all the routes examined.

5.4 Intended Passenger Operator

The Commission intends to select the operator competitively. The Association for Innovative Passenger Operations (AIRPO), composed of four independent passenger operators and rail labor, together with UP, will recommend a competitive process for selecting a qualified passenger operator. The recommended process will be vetted with the full range of key stakeholders including FRA and the host railroad prior to a recommendation to the Commission. This will be followed by a Request for Information and a modern procedure for operator selection.

5.5 Applicant Experience and Capability

The Commission is advancing this project through a cooperative effort that includes the host railroad, experienced potential contract operators, passenger rail equipment suppliers, local governments, railway labor, and insurance experts, with anticipated close planning with WisDOT, MnDOT, Washington County, and Ramsey County. It has engaged a consultant, RBC Associates-LLC, which has been involved in freight and passenger rail work for 40 years. The project stakeholders team includes the Union Pacific Railroad as well as unions that hold a Board seat on AIPRO – BMW and BRS.

The four operating passenger railroads on the Board of AIPRO carried 80 million passengers on 250,000 trains in the year of the last survey (2019). These carriers transport billions of passengers world-wide on everything from buses, streetcars, light rail, high performance passenger commuter rail and high-speed rail. The first mile-last mile experience is extensive both in the United States and Europe. This team brings extensive experience and capability to the design of this project.

5.6 Transportation Challenges

There are several existing transportation challenges in the Corridor. These include traffic congestion on Interstate Highway 94, including an increasing percentage of freight truck traffic (now up to 32% in sections of the corridor), lack of transportation alternatives other than personal vehicles, limited crossings of the St. Croix River, and significant and growing commercial relationships between the Twin Cities and all communities along this corridor. In addition, part of the corridor is the fastest growing area in the State of Wisconsin, with residential and commercial/industrial development locating in economically suitable locations.

5.7 Expected Users and beneficiaries

Beneficiaries include businesses with employee and visitor travel throughout the Corridor, tourism, university students, culture/entertainment activities, and visiting friends and family. The states of Wisconsin and Minnesota have reciprocal public university tuition. This results in many students from one state attending a university in the other state. There are three four-year universities along this corridor in Wisconsin, and University of Minnesota in Minnesota. The implementation of passenger rail service will provide better utilization of an existing infrastructure assets, providing business for the railroad operator and employment opportunities, as well as adding travel option and capacity.

5.8 Potential Scaling/Phasing

The initial scale would be to introduce full service between St. Paul and Eau Claire with four round trips per day and phase to an additional two trips per day for a total of six trips per day. Additional frequencies and destinations are also possible with the implementation of the complementary Milwaukee-Madison-Eau Claire-Twin Cities Hiawatha Extension Corridor proposed by WisDOT, and the route eventually could be part of the Chicago-Milwaukee-Madison-Twin Cities Core Express Corridor of the FRA's Midwest Regional Rail Plan.

5.9 Relationship to Other Corridors Submitted by Applicant for Program Funding

No other corridors have been submitted by the Applicant. However, the applicant is aware of and supports the application by the Wisconsin Department of Transportation for identification of the Milwaukee-Madison-Eau Claire-Twin Cities corridor.

5.10 Additional Information

Several Letters of Support are being provided as Attachments to this application.

VI. CORRIDOR LOCATION

The Corridor is located in west central Wisconsin and eastern Minnesota, between the Twin Cities and Eau Claire. The majority of the route is in close proximity to Interstate Highway 94, along the UP's Altoona Subdivision.

VII. EVALUATION AND SELECTION CRITERIA

7.1 Evaluation Criteria

7.1.1 Corridor Benefits

7.1.1.1 Projected Ridership, Revenues, Capital Investment, and Operating Funding Requirements

The 2002 Eau Claire and Janesville Study provided estimates for ridership, capital investment and operating funding. The 2010 Minnesota State Rail Plan Technical Memo 3 and Technical Memo 10 detailed operating scenarios that show four daily round trips. They estimated ridership and modal diversion that were among the highest of all the routes examined. A gap analysis would need to be completed to update this information with current data and costs etc. This would be a primary activity of Step #1 pre-work leading to a Service Development Plan.

7.1.1.2 Anticipated Public Benefits

Public benefits will include reduced carbon emission, congestion mitigation, increased accessibility to safe and reliable travel for all population groups. The I-94 corridor is currently experiencing high traffic volumes with truck percentages of 32% in portions of the corridor creating delay and safety challenges. In addition, The Twin Cities is a large metropolitan area with extensive shopping, cultural, and entertainment activities. At this time, persons must have access to a personal vehicle to experience these activities and amenities. Passenger rail service would allow many more people the opportunity to experience these opportunities with improved mode choices.

7.1.1.3 Projected Trip Times and Model competitiveness

Trip times are expected to be approximately 1 hour and 30 minutes, which will put the rail passenger rail mode in a competitive time frame with auto traffic. Current auto trip time is around 1 hour and 15 minutes in

ideal conditions, but longer and less predictable when traffic congestion or adverse weather is present. The previously mentioned 2002 Eau Claire and Janesville Study also determined the St. Paul to Eau Claire segment would have vehicle modal diversion of between 1 and 3 percent depending on the specific segment of highway.

7.1.1.4 Anticipated Economic and Employment Impacts

At this time, it is anticipated that passenger rail service along this corridor will increase property values and commercial activity around train stations, contribute to talent attraction for businesses, and expand employment opportunities for those along the Corridor.

The Commission is determined to ensure that the Corridor has the highest quality of operations and the safest environment for its passengers and employees. A key strategy to attain these goals is to create quality jobs for the employees of the service. A key component will be the relationship between the operator and employees. The operator will be covered under the existing railroad labor laws- RLA, RUIA and RRA. The operator will commit to not interfere with the employees right to determine for themselves whether to become represented under the RLA. A strong working relationship between employees and managers will be important to this new operation. During the Step #1 Study we will seek a formal mechanism whereby men and women employed in the operation will be consulting partners in this new enterprise. As an example, labor will be involved in discussions regarding the location and design of layover facilities.

7.1.1.5 Benefits to Rural Communities

One of the many strengths of this application is that the project includes the 16th largest urban area in the country (Minneapolis-St. Paul, MN) and several small urbanized areas, along with a large rural area that will have easy access to the proposed train stations along the Corridor. There will be a significant benefit to rural communities. Stations in Eau Claire, Menomonie, Baldwin, Hudson, and near Stillwater will provide the areas' rural residents a better opportunity to find employment and access to more activities. (See map on page 10).

7.1.1.6 Service to Unserved, Underserved, and Low Income areas

This Corridor has a number of areas that are home to a variety of disproportionately low-income populations that are either underserved or unserved by alternative transportation modes. These low-income population concentrations include college students, racial and cultural minorities including Hmong, Amish, and Mennonite concentrations, and generally lower-income rural areas.

7.1.1.7 Connectivity with Other Modes

There are traditional public transit options in Eau Claire, Menomonie, and St. Paul. In addition, shared-ride taxi options exist in Hudson and River Falls. Stations in these cities will have connections to transit. In addition, all stations will have adequate bicycle parking. The Commission intends to consider integrated first mile-last mile transportation connections to key traffic-generating locations as part of the implementation of the corridor, such as Hudson-River Falls, Eau Claire-Chippewa Falls, and others.

7.1.1.8 Service to Top 100 Metropolitan Areas

The Twin Cities is the 16th largest metropolitan area in the U.S. In the future, the hope is to connect to Milwaukee, Madison, and Chicago. Chicago is the 3rd largest metropolitan area in the U.S., Milwaukee is the 40th largest, and Madison is the 89th largest.

7.1.1.9 Enhance Passenger Rail Regional Equity and Diversity

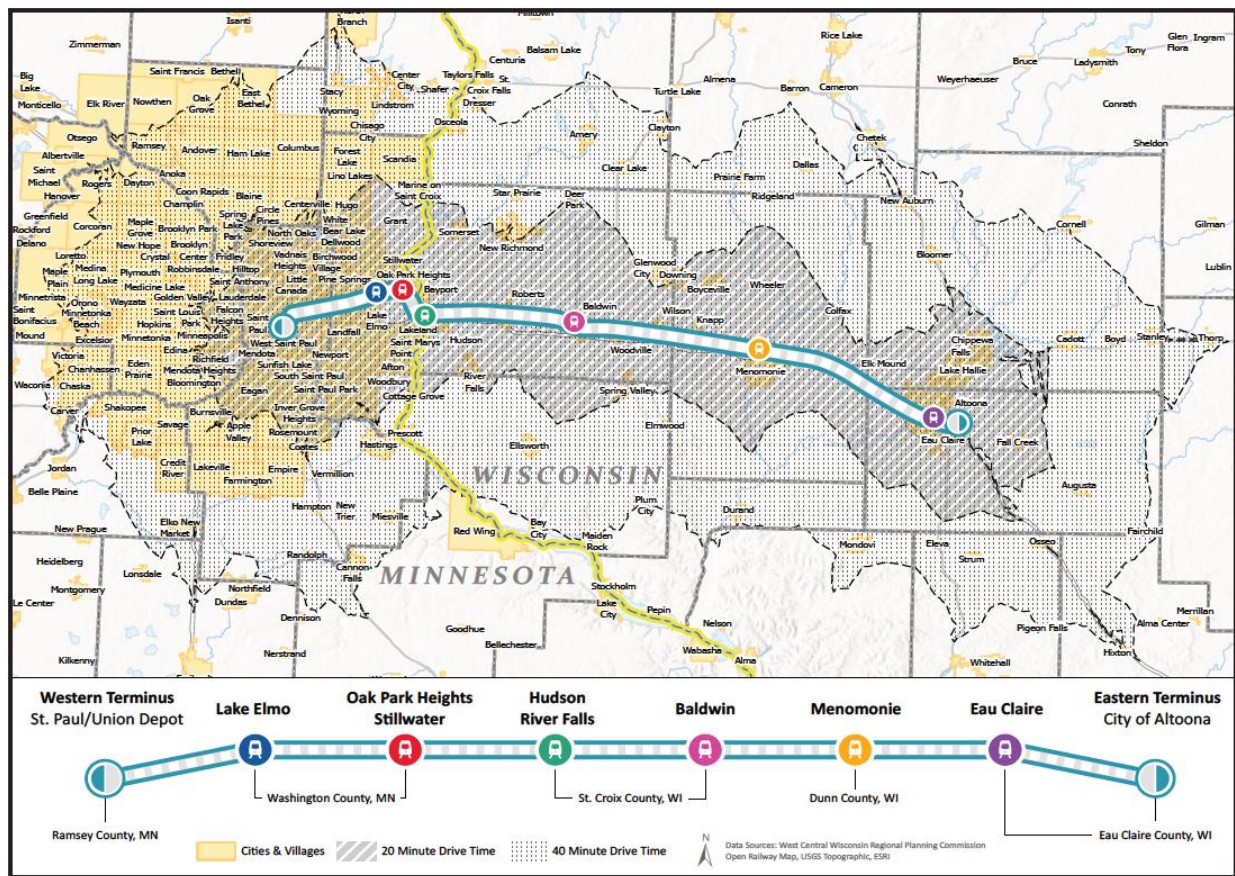
This corridor has a wide variation in density and demographics. Most of the rural areas along this corridor are unserved by non-personal vehicle transportation options. In addition, this corridor has a number of areas that are home to a variety of disproportionately low-income populations. This includes college students, racial minorities, and low-income rural areas. Improvements will be particularly appreciated by Amish, Mennonite, Hmong, rural, low income, and other zero-vehicle households, all of which have significant population concentrations along and adjacent to the corridor.

7.1.1.10 Integration with the National Passenger Transportation System

Integration will occur with St. Paul Union Depot. This corridor has the greatest potential for the initial segment build of the anticipated FRA Core Express Corridor of the Midwest Study. Further segment extensions to Minneapolis, Madison, Milwaukee and Chicago will then complete the Core Express Corridor providing alternative competitive travel times with the Air and Vehicular mode between Chicago and St. Paul/Minneapolis.

FRA Corridor Identification and Development Program

Chippewa-St Croix Regional Corridor (Eau Claire, WI to Twin Cities, MN)- Municipalities & Station Drive Times



7.1.2 Technical Merit

7.1.2.1 Applicant Readiness

The Commission will be ready to commence activities upon approval of the grant. To help ensure that, the Commission has and continues to work closely with WisDOT, MnDOT, and Washington and Ramsey counties in Minnesota. It has undertaken the Market Sounding process to advance all key aspects of developing the corridor and is ready to continue this work upon awarding of the corridor designation and planning grant.

7.1.2.2 Technical Qualifications

The Commission and the partners/stakeholders with whom the Commission is working have technical qualifications and experience to lead and perform the technical efforts. One of the strengths of the application is that the Commission continues to be in close communication and work closely with WisDOT, MnDOT, and Ramsey and Washington Counties, along with the cooperation of the host railroad, prospective contract operators, labor unions, and municipalities.

7.1.2.3 Applicant Commitment to Corridor Implementation and Operation

The activities undertaken by the Commission and the commitment of its members, along with planning activities that have already taken place, demonstrate the strong commitment to moving forward with this project. Obtaining passenger rail service for the region has been an aspiration of government, business, education, and community leaders for more than 20 years.

7.1.2.4 Part of Regional or Interregional Planning Study

This Corridor has been included in a number of regional and interregional planning studies, including but not limited to both, Wisconsin and Minnesota, current state rail plans. In addition, there is a long history of inclusion of the Corridor in planning studies, including: Midwest Regional Rail Initiative Phase 1 and 2 (1998), Phase 3 Study (2001), Phases 4 and 5 (2004), Phase 6 (2008), and Phase 7 (2010); Eau Claire and Janesville Corridors Feasibility Study (2002); Connection 2030 (WisDOT, 2009); and Midwest Regional Rail Initiative Phase 7 (2010). The Corridor is also identified in the Chippewa-Eau Claire MPO's Long Range Transportation Plan (2018).

7.1.2.5 Availability of Non-Federal Funding

There is currently no non-federal funding committed to this Corridor. It is anticipated that operations would be funded through operating revenues and with state dollars to cover the operating deficit, as municipalities in Wisconsin currently have limited options for revenue generation. More will be determined on this issue during Phase 1 of the CID process. The Commission also anticipates pursuing Transportation Oriented Development which may create value capture opportunities.

7.1.2.6 Part of a State Rail Plan

The proposed project is included in the current WisDOT and MnDOT State Rail Plans.

7.1.2.7 Passenger Rail Operator Support

The passenger rail Operator will be selected in a competitive process prior to the completion of Step #1 of the Corridor ID Program. In developing information for the project, the Commission retained consultant RBC Associates, which built a team, primarily through the Association for Innovative Passenger Rail Operations (AIPRO) to vet options for Operator selection. AIPRO is composed of four passenger operators (these companies operated 250, 000 trains in America in 2019), rail maintenance and construction firms, and

international rail labor unions. The UP is also involved in this discussion as the operator must be acceptable to the host railroad. During Step #1, this team of railroad experts will make a recommendation to the Commission as to the most reasonable process for selecting the best qualified Operator. The Commission will hold at least one public hearing prior to adopting an operator-selection process. The Commission/Authority is then expected to solicit Requests for Information. The designated Operator will be under contract to the Commission or Authority managing the Corridor.

7.2 Selection Criteria

7.2.1 DOT Strategic Goals

7.2.1.1 Safety

Safety is of absolutely primary importance for passengers, employees, and residence of communities along the Corridor. All safety precautions will be taken for this project, including but not limited to necessary improvements at all highway-rail grade crossings.

7.2.1.2 Economic Strength and Global Competitiveness

The addition of the proposed passenger rail line would give this corridor even more economic strength and global competitiveness. This corridor currently has economic activity with a wide range of industry, commerce, and higher education. The addition of passenger rail along this corridor would enhance its strength and competitiveness. Many businesses along this corridor are in favor of this project and realize that accessibility and increased quality of life will enhance this corridor and region as an even more desirable place to work and live. These improvements will be felt by those in large cities, smaller cities, and rural areas.

7.2.1.2.1 Infrastructure Investment and Job Creation

Infrastructure - The required infrastructure investment for this Corridor is a work in progress. In terms of initial cost control, the Commission does not believe significant investment in the infrastructure will be required to get the service started. This assumes agreement can be reached with UP to lease excess capacity for passenger operations that currently exists on the line. These discussions began in Omaha in December 2022. We expect the main investment will be in stations or other passenger related facilities and crew quarters. While we are at an early stage, we are working toward a plan that would result in significant Transportation Oriented Development around new stations. As allowed by the law we may seek USDOT Build America Bureau innovative finance for this TOD commercial development. We are certain that new walkable environmentally friendly communities along the line can prosper and, thanks to low cost, BAB financing can create value-capture to support the stations and rail operation. We believe this will especially be true for new communities within good proximity of the St. Paul-Minneapolis metropolitan area. This will be further developed in Step #1 of the Corridor ID process.

Whether the initial infrastructure outlay is great or modest, the Commission is committed to the proposition that all construction associated with this project will be consistent with President Biden's Executive Order 14052, which requires "building infrastructure that is resilient and helps combat the crisis of climate change." High labor standards will be applied including the application of prevailing wage and Labor Project Agreements as appropriate. This would apply to both rail construction and TOD commercial infrastructure.

The Operator and the Employees - The Commission's plan is to produce good railroad jobs on this corridor. The primary relationship here will be between the Operator, which has not yet been selected, and

employees. The Consultant has met with operating railroad executives and labor leaders in a series of Market Sounding Planning sessions. One Market Sounding planning session, conducted in the headquarters of the BMWED/BRS in Washington, DC over two days, addressed options for workforce development. The recommendation is that Corridor comply completely with President Biden's Executive Order 14025 concerning worker organizing and empowering. Not only will workers be fully informed of their rights, but will be collaborators in negotiations developing the operation. The selected Corridor Operator must commit to excellence of service on the Corridor. The standard will be the safest and highest quality of operations for its passengers and the safest work environment and highest quality of working conditions for its employees. To this end, the Operator shall be an employer/operator that is a carrier covered under the Railroad Laws including RLA, RUJA and RRA. Additionally, the Operator will not interfere with its employees' right to determine for themselves whether to become represented for purposes of collective bargaining under the RLA should its employees engage in an organizing effort to be represented by a bargaining representative (labor union). Furthermore, the Operator will not question any employee's support or non-support for any labor union and will further not interfere with any labor union that engages in any organizing activities of the employees. The carrier will voluntarily certify, with the National Mediation Board, any labor union that engages in a successful organizing campaign of the employees. Beyond this, however, the workers will play a more significant role in this new enterprise itself. It is certain that as a startup there will be great challenges. Labor and Management will be expected to create a formal structure for collaboration. While this "formal structure" will be further developed as a part of the FRA Step #1 Study, it will be a mechanism where together labor and management will seek solutions to assure the new Corridor is operated safely, skillfully, and efficiently to assure it survives and prospers as an important part of an emerging high-performance network of intercity corridors. Innovation will be a central focus.

7.2.1.2.2 Resilient Supply Chains and Economic Opportunity

The specifics of supply chain and economic opportunity improvements will be studied as a part of this grant. It is obvious, however, that several distribution centers are open and under construction in the Corridor. This will lead to even more increases in truck traffic on I-94, increasing congestion and safety challenges. Passenger rail in the corridor will allow the truck traffic a better flow with reduced passenger vehicle interaction, as well as offering a safer option for those employed in the expanding job market.

7.2.1.3 Equity

This corridor has a wide variation in density and demographics. Most of the rural areas along this corridor are unserved by non-personal vehicle transportation options. In addition, this corridor has a number of areas that are home to a variety of disproportionately low-income populations. This includes college students, racial minorities, and low-income rural areas. Improvements will be particularly appreciated by Amish, Mennonite, Hmong, rural, low income, and zero-vehicle households, all of which have significant population concentrations along and adjacent to the corridor.

7.2.1.4 Climate and Sustainability

The project will help reduce the harmful effects of climate change by reducing single occupant vehicle travel in the corridor. Also, the project will help reduce carbon emissions, promote energy efficiency, increase resiliency, and reuses existing infrastructure.

Furthermore, the Commission intends to explore the feasibility of utilizing zero-emission vehicles for the service, such as the hydrogen fuel cell technology available from Stadler for its FLIRT trains sets now going into US operation. Because of its length and contemplated frequency, the corridor may be ideal for a test of this, or similar technology in an intercity application.

Additionally, other major entities in the region, such as the City of Eau Claire, Eau Claire County, and Xcel Energy, have 2050 zero-carbon climate goals which would be supported by the introduction of this service and diversion of travel to this mode.

7.2.1.5 Transformation

Implementation of this corridor will provide a beneficial expansion of the availability of rail passenger service to unserved communities, utilizing an existing right of way and transportation asset in an enhanced and effective manner. It adds travel capacity and alternatives in an increasingly-busy highway corridor and provides better utilization of an existing transportation asset.

7.2.2 Previous Federal High Speed Rail Corridor Designations

The Intermodal Surface Transportation Efficiency Act of 1991 designated 11 high speed rail corridors. Included was Chicago-Milwaukee with an extension from Milwaukee to Minneapolis St. Paul.

7.2.3 Other Factors

7.2.3.1 Incremental Improvement of an Existing Service

In its Expression of Interest, the Commission joins with Minnesota and Wisconsin and supports expanding current service, which consists of a daily Amtrak Thruway bus between St. Paul Union Depot and Eau Claire. Adding passenger trains to the Twin Cities to Eau Claire region will represent a significant improvement to the existing service.

7.2.3.2 Domestic Preference Requirements

These requirements will be met by the Commission. For example, equipment contemplated to be used for the service would be built in the U.S.

7.2.3.3 Reporting Requirements

The applicant is aware of and will meet all reporting requirements.

VIII. DOT STRATEGIC GOALS

8.1 Climate and Sustainability

By nature, passenger rail service will deliver climate and sustainability benefits from the implementation of this corridor to include reduced carbon emissions, congestion mitigation, and increased accessibility to safe and reliable travel for all population groups. In addition, the Commission intends to consider utilizing zero-emission equipment, such as hydrogen fuel cells. By fostering the opportunity for Transportation Oriented Development around stations, it will also promote fiscally responsible land use.

8.2 Equity and Barriers to Opportunity

Most of the rural areas in and adjacent to this corridor are underserved or unserved by non-personal vehicle transportation options. In addition, this corridor has a range of low-income areas that are home to a variety of disproportionately low-income populations. This includes college students, racial minorities, and poorer

rural areas. This will be enhanced with Amish, Mennonite, Hmong, rural, low income, and zero-vehicle households, all of which have significant population groups along and adjacent to the corridor. Extensive public engagement over the past several years has been a factor in the strong interest along the corridor in obtaining the benefits of passenger rail service. The West Central Wisconsin Rail Coalition has convened a number of well-attended events to get input and discussion options and benefits for such services. The Commission's meetings have been open to the public with available public comment periods. It is the intent of the Commission to extensively engage the populations cited here as plans are developed for service levels, access, station locations, and supplier opportunities.

8.3 Economic Strength and Global Competitiveness

8.3.1 Advance Good-paying jobs and promote Workforce inclusion

In undertaking planning for the corridor through the Market Sounding process, the Commission and its consultant have directly engaged rail labor and are committed to the creation of good-paying jobs with the free and fair choice to join a union and the incorporation of strong labor standards, and training and placement programs.

8.3.2 Enhancing Economic Vitality

It is the intent of the Commission to design a service that will provide sufficient frequency to generate significant economic activity at station sites to make it possible to pursue Transportation Oriented Development. This will enhance and benefit from the already-existing economic revitalization, including housing and commercial development, occurring in the cities that are expected to be stops on the route.

ATTACHMENTS – Letters of Support for the Corridor

Association for Innovative Passenger Rail Operators
Brotherhood of Railway Signalmen
Eau Claire Area Chamber of Commerce
Minnesota Department of Transportation
Ramsey County, Minnesota
Union Pacific Railroad
Washington County, Minnesota
West Central Wisconsin Rail Coalition
Wisconsin Business Coalition for Passenger Rail
Wisconsin Department of Transportation



RBC - LLC

Ray.chambers@aipro.org

202 257 4099

7203 Park Terrace Drive
Alexandria, Virginia 22307

To: Scott Rogers
Cc; Mason Baxter
From: Ray Chambers
Date: March 21, 2023

Subject: Chippewa TOD

In the FRA Application we suggest Chippewa will engage Transportation Oriented Development and referenced it in several places. At the St. Paul Market Sounding it was proposed we put together a TOD Committee under the Commission. This will be a complicated exercise and we should get started sooner rather than later.

My recommendation is the Chair name a Commission TOD Committee with its own chair.

- Recommend locations for a Community surrounding one or two stations on the Chippewa Line.
- Begin the design of the community that is tied into the rail operation. (consult with urban planner).
- Make TOD implementation an integral part of the FRA Step #1 Study
- Begin exploring federal Build America Bureau (RRIF-TIFIA) low-cost financing for the commercial development.

This could be a transformative undertaking. Several of us in the policy arena are preparing to push for a national TOD program along Bipartisan Infrastructure Law (BIL) passenger corridor extensions. This could result in a national network of sustainable, walkable communities each of which will make a small contribution to climate change. We will propose this be a primary objective of the robust new national rail program. Hopefully, the Chippewa Corridor will be early in the race!

ATTACHMENT

Chippewa-St. Croix Regional Corridor Application for the Corridor Identification and Development Program (CID)—Transportation Oriented Development and Communities of the Future. Final Draft of March 21, 2023

APPLICATION EXCERPTS

p. 2 Corridor Summary -provide sufficient service frequency for Transportation Oriented Development at station sites, also creating additional potential for value capture economic benefits.

p.3 Corridor Funding. -the purpose of this grant request is to secure the \$500,000 grant to undertake planning (including) identifying value capture concepts and local funding related to station development.

p. 4 Potential Service Characteristics. It is the goal of the Commission to establish all day service with frequencies needed to generate sufficient public convenience and ridership, including enough economic activity to provide opportunities for Transportation Oriented Development TOD.

p. 4 Travel Markets a wide variety of potential users... would be served by this corridor. Trips include business travel, tourism, university students, culture/entertainment activities, and friends and families. There are beneficiaries...businesses and employee and visitor travel... tourism, university students, culture/entertainment activities and visiting family and friends ...major state universities in the corridor... including the U of Minnesota with over 76,000 students.... in addition there are a large number of private colleges in the corridor, entertainment activities include countless art opportunities, highly attended sporting events and almost any type of bike trails, festivals and frequent special events. part of the analysis funded by step. 1... would also include identifying the economic value ROI of any anticipated public investments.

p. 5 Basic Characteristics of the Corridor

The Commission is also interested in identifying value capture concepts and local funding related to station development

p. 7 Transportation Challenges. (These include) traffic congestion including increased truck traffic, lack of transportation alternatives other than personal vehicles... and significant commercial relationships between the Twin Cities and all communities on the corridor. In

addition part of the corridor is the fastest growing area in the state of Wisconsin, with residential and commercial industrial development locating in economically suitable locations.

p.8 Availability of non-federal funding. It is anticipated operations would be funded through operating revenues and with state dollars to cover the operating deficit, ... the Commission also anticipates pursuing transportation oriented development which may create value capture.

p. 11 Infrastructure and Job Creation. We expect the main investment will be in stations or other passenger related facilities and crew quarters. While we are at an early stage, we are working toward a plan that would result in significant transportation oriented development around new stations. As allowed by law we may seek US DOT Build America Bureau innovative finance for this TOD commercial development. We are certain that new walkable environmentally friendly communities along the line can prosper, and thanks to low cost, BAB financing can create value capture to support the stations and rail operation. We believe that this will especially be true for new communities within the proximity of the Saint Paul Minneapolis metropolitan area. This will be further developed in step one of the corridor ID process.