

## **Press Release**

### **For Immediate Release**

#### **Florida Not All Aboard Meeting with the FDOT July 14, 2014, Tallahassee, FL**

Florida Not All Aboard (FNAA) reported today on a meeting last week with the executive staff of the Florida Department of Transportation (FDOT). “It was a good meeting,” said KC Traylor, Director of Florida Not All Aboard, “because most questions of concern were answered and our positions were given consideration.”

Ms. Traylor and a member of her staff, sat down with the Secretary of FDOT, Ananth Prasad, Fred Wise, and James Boxold, who is Secretary Prasad’s chief of staff. The purpose of the meeting was for FNAA to set forth the major concerns of Floridians about All Aboard Florida (AAF) and to learn the position of the FDOT.

AAF, a subsidiary of Florida East Coast Industries, is owned by the Fortress Group, a hedge fund from New York. AAF has applied for the largest federal loan in history (\$1.5 billion) to refurbish the railroad owned by the Florida East Coast Railway (FECRWY). After all the capital improvements are completed for FECRWY, AAF will be granted an easement for the part-time use of the tracks for a passenger rail service. The proposed passenger service would provide competition for AMTRAK’s already existing service from Miami to Orlando.

FNAA is a grass-roots organization opposing the loan because of the lack of feasibility to support another passenger rail service based on government studies and

historical experience. Ms. Traylor said, "I believe any serious observer would be skeptical of AFF succeeding on the basis of all private funding when history demonstrates that no passenger service has succeeded even with great subsidies and questionable accounting." Ms. Traylor emphasized that from living in Michigan she knew that not even the passenger service from Detroit to Chicago provide a precedent because it traveled through mainly sparsely populated rural communities.

FNAA is also opposing the project because the use of the loan would boost the capital rail assets of FECRWY (not AAF). FECRWY is the principal railway connection with the Port of Miami and Port Everglades near Ft. Lauderdale. Port Everglades has stated that, upon completion of the Panama Canal expansion this year, the freight hauling by FECRWY up to Jacksonville would almost double immediately and be on the way to tripling. Just this year, FECRWY announced it had ordered 24 new locomotives from General Electric. Ms. Traylor said, "That's why the opponents keep repeating 'It's all about freight.'" FNAA is basing its opposition on the conclusions of experts who have pointed to the damage that will be caused by greatly increased freight traffic. To date, they have focused on predictable harm to business and residential property values; disruption to boat traffic and the maritime industries on three rivers in South Florida; crossing delays interfering with ambulance service, police and fire response, and automobile traffic.

Here are some of the main points covered by FDOT's executives:

FDOT will require AAF to have sealed corridors as recommended by the FRA. According to Traylor, "This will help negate quiet zones in some instances, but not

all." The FDOT response did distinguish between the freight trains and the passenger trains. The freight trains will travel at 60 mph, while the passenger trains will travel 79 mph from Miami to West Palm Beach and then up to 110 mph from West Palm Beach up to Cocoa Beach. FNAA's focus is on the impact of the freight traffic. The railroads say the passenger trains will pass crossings in 60 seconds. However the railroads have said their freight trains will be from 1/2 to 2 1/2 miles long. The FDOT has never before paid for quiet zones until this year, but only \$10 million was appropriated for the whole State of Florida. The eastern communities along the FECRWY corridor will have to compete with other towns throughout the State, and the \$10 million is expected to go quickly. This response spotlights the overall funding issue. AAF and its partners have insisted that they willing to succeed "without subsidies." but some issues like local funding for all safety features at crossings have not been resolved.

The FDOT has made it clear that it will not provide state funding to AAF, and has written to AAF to emphasize this decision. Secretary Prasad was very clear that he does not want taxpayers to fund this project. He said he was originally excited about it because when AAF originally presented this proposal to the State of Florida, it relied on the many benefits for Florida, all at no cost to the State.

A related issue is that of Tri-Rail, the subsidized commuter service between Miami and West Palm Beach. Many have wanted it extended up to Jupiter. The FDOT said any coastal link is years off. The State of Florida has subsidized Tri-Rail in the past, but recently passed legislation to phase out some of the funding. Local governments will now need to provide 50 percent of the

**funding for Tri-Rail. If they do not, Florida will not supply the other half. Because local governments do not have the money to provide as much as 50 percent, it is expected that Tri-Rail expansion is years off at best. In a related matter it was explained that the non-compete agreement between Tri-Rail and AAF's passenger service has been resolved and is no longer an issue.**

**The hour-and-a-half meeting comes at a critical time. The loan application has been made to the Federal Railroad Administration (FRA), which has a requirement to issue an Environmental Impact Statement, upon which the public can comment. Expected in May, and now overdue, the release of the EIS will also be accompanied by public forums. The FDOT emphasized that it does not provide permits, but does have authority over safety regulations. All the concerns about safety and the harm that can come from the huge increase in railroad traffic must be presented to the FRA in response to its Environmental Impact Statement. Details relating to positions Florida Not All Aboard has taken are assembled on its website, [www.floridanotallaboard.com](http://www.floridanotallaboard.com).**

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