

Feds support Detroit rail project

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Detroit may be one step closer to a light rail system after the U.S. House passed a provision in a bill Dec. 10 clearing a key funding hurdle for the city, the Detroit News reports. The provision means that \$125 million private donors would pay for one part of the \$430-million project could be counted toward the match the city has to come up with to get federal funding for a two-part rail system that would run along Woodward from downtown to Eight Mile, said U.S. Rep. Carolyn Cheeks Kilpatrick, D-Detroit.

"I am confident that we will be able to break ground on this project by summer," she said.

Detroit Mayor Dave Bing called the action "an important development for the future of mass transit" in the city. "This legislation would allow once and for all a true public-private partnership to be formed for light rail on Woodward Avenue," he said.

The provision, which Kilpatrick secured in a \$1.1-trillion omnibus spending bill, was passed by the U.S. House by a vote 221-202.

The plan for Detroit's light rail system would consist of two separately funded sections; one financed by private sources that would run 3.4 miles from downtown Detroit to Grand Boulevard. The second would run from Grand Boulevard to Eight Mile, with 80 percent picked up by the federal government and the remaining 20 percent locally. The cost of the project is an estimated \$430 million.

Although there have been no formal announcements about who the private investors might be, the most common names heard are Penske Corp. founder Roger Penske; Peter Karmanos Jr., founder of Compuware Corp; Mike Ilitch, owner of the Detroit Tigers, Detroit Red Wings and Little Caesars Pizza; and Quicken Loans/Rock Financial founder Dan Gilbert.