**Point Counter Point**

*Affordable Transit for All* sent a postcard advocating for a less expensive and more efficient use of our transit dollars than the proposed 3.3B light rail. John Hammond sent these comments and *Affordable Transit for All* responds according to the latest GotTriangle information released.

**1. Tom (Affordable Transit) suggests that county taxpayers will be committed to a $935 Million dollar debt for 45 years to pay for the DOLRT**

***Comment:*** This is not accurate. The debt for Orange County in the draft Orange County Transit Plan is much smaller than what Tom is suggesting, and the revenues for the life of the plan are more than adequate to service the debt as well as operate the light rail and bus services supported by the half-cent sales tax.  The plan also includes a debt service reserve fund and an operating reserve fund to further help cushion us as taxpayers. For more information on this issue, in particular, see the Orange County Transit Plan Cash Flow for details (Orange County details start on page 5):

[http://ourtransitfuture.com/wp-content/uploads/2017/04/Appendix-A\_Cash-Flow-Detail\_v2.pdf](http://ourtransitfuture.com/wp-content/uploads/2017/04/Appendix-A_Cash-Flow-Detail_v2.pdf" \t "_blank)

***Response:*** $935 million is the combined debt for Orange and Durham.   If we include borrowing costs, i.e., the interest on the loan, local taxpayers—i.e., Durham and Orange County residents—will incur 55% of the project costs or $1.9 billion of the $3.3 billion project.  If Durham agrees to take on 82% of the project costs (up from 77%), the costs for Orange County will be $325 million. That’s up from $125 million in 2012 (year of expense dollars).

According to Davenport, using Moody’s baseline sales tax revenue forecasts, Orange County’s sales tax revenue will barely cover Orange County's 18% share of the costs.  Moody assumes sales tax revenues will increase every year by 3-6% and that there will be no down economic cycles in the next 45 years.  This assumption is untenable. For example, in 2009, 2015 and 2016, Orange County sales tax revenues declined. Operating reserves won’t help with capital shortfalls - and Orange County’s sales tax revenue forecasts will impact the project's debt coverage ratios and GoTriangle’s credit rating. If GoTriangle’s credit rating declines, borrowing costs will increase and these additional costs will be passed on to the taxpayers. These are the pressing constraints - not the debt service reserves.

**2. Tom (Affordable Transit) suggests that if the Light Rail costs more than present estimates, or if revenues are less than expected, then County funds for schools and affordable housing will be at risk.**

***Comment:*** The draft Orange County Transit Plan includes an entire appendix devoted to managing risk to avoid circumstances that would call on extra local property tax revenue to fund light rail. Those risk management strategies include cuts to the project to reduce cost, obtaining right-of-way donations from landowners along the line, and contributions from the private sector to the project. You can check out those details here:  
[http://ourtransitfuture.com/wp-content/uploads/2017/04/Appendix-B\_Transit-Plan-Risk-and-Mitigation.pdf](http://ourtransitfuture.com/wp-content/uploads/2017/04/Appendix-B_Transit-Plan-Risk-and-Mitigation.pdf" \t "_blank)  
  
A Community Collaborative has already been set up and is meeting regularly to work on identifying private donations of money and land.

***Response:*** Davenport’s report describes the imminent risks to Orange County taxpayers that would necessitate finding alternative funding. Right now, County property tax revenues, which are used for schools and essential services, are the County’s only available alternative source of funding.

<http://www.orangecountync.gov/departments/Davenport_Reviewv2.pdf>

As of last April 12 and in response to a Council member’s question, GoTriangle reported progress but could not list the contributions to date.

**3. Tom (Affordable Transit) suggests that the Light Rail will serve few Orange County residents leaving out working families, seniors and low-income communities without access to transportation.**

***Comment:*** This is also inaccurate. Two thirds of the residents of Orange County live in Chapel Hill/Carrboro or the unincorporated areas immediately surrounding our two towns. Some will be able to walk or bike to transit, others will be able to use re-adjusted Chapel Hill Transit routes to get to the light rail stations, while others will be able to park and ride.  
  
This suggestion by Tom also ignores that there is a higher percentage of low-income residents who live along the line in both counties compared to the average in either Durham or Orange county.  For more information on this, check out the map in this piece on the light rail posted on OrangePolitics:  
  
[http://orangepolitics.org/2016/07/correcting-record-durham-orange-light-rail-transit-project](http://orangepolitics.org/2016/07/correcting-record-durham-orange-light-rail-transit-project" \t "_blank)

***Response:*** Even with 15,000 additional bus hours, most of our citizens who want to use buses cannot. Service hours are too limited (e.g., there is no service on nights, weekends or when UNC is on recess),  service is too infrequent (hourly), and routes are ineffective unless you are traveling to UNC or Downtown Durham. Living along a rail corridor, with the associated noise and dangers, is very different than living near a station.  Low-income families who live near stations in Durham have already been displaced for luxury development, example Ninth Street.   In Orange County, DOLRT serves UNC properties and affluent communities (e.g., Meadowmont and East 54). Northside, Rogers Road, Estes Hills, New Hope, Fairview, Gateway and Efland are just some of the lower- and moderate-income communities that will not benefit, especially if the costs of light rail use up so much of our transit funding that we are unable to expand bus service.

**4. Last, Tom suggests that almost all of dedicated ½ cent sales tax transit tax monies will go to pay for light rail and long-term and short-term debt so other public transit will not be implemented.**

**Comment:** This is also not accurate. There are numerous bus service improvements in the plan, many of which have ALREADY been made.  Here are the improvements that have already been made to bus service for Chapel Hill Transit and GoTriangle:

<http://ourtransitfuture.com/progress/bus/>

{including that for the first time, a GoTriangle route, the 405, is serving Carrboro!}.

Chapel Hill Transit service has already been improved over the last several years specifically to assist our neighbors who are transit dependent, low-income, and/or work non-traditional hours.  
  
Here are the improvements yet to come for bus service, but that are in the draft Plan:  
  
[http://ourtransitfuture.com/projects/bus/](http://ourtransitfuture.com/projects/bus/" \t "_blank)  
  
Finally, there are plans for bus stop improvements and transit access projects, like sidewalks, that are also funded in the plan.  Read about them here:  
  
<http://ourtransitfuture.com/projects/facilities/>

***Response:*** The original plan committed to providing 34,000 new hours of bus service in the first 5  years. 15,000 hours have been implemented.  9,000 hours of the original 34,000 have been cut, because the funds were needed to make up shortfalls in bus funding.  That leaves 10,000 more hours to be implemented. However, the addition of 15,000 hours of new bus service has not increased ridership. To the contrary, ridership is down.  So obviously existing service is not good enough to encourage people to get out of their cars. 