

Pat Doyle, *Star Tribune*

No promises for prompt payment, almost half of the cost for the Central Corridor.

The federal government promised Tuesday to pay half of the nearly \$1 billion cost of the Central Corridor light-rail line between Minneapolis and St. Paul, touted as the largest public works project ever built in Minnesota.

"This really is a great day for the Twin Cities," said Federal Transit Administration head Peter Rogoff at a ceremony in St. Paul, where the agreement was signed.

But politically infused uncertainty lingers about the pace of future federal funding and whether delays could pressure local governments into picking up the rest of the tab.

Rogoff was joined by Democratic backers of the light-rail line, including U.S. Sen. Al Franken, U.S. Rep. Betty McCollum and Gov. Mark Dayton.

The signing occurred in a Capitol building on Robert Street, where initial work for the 11-mile line has been underway for months.

The agreement commits the Federal Transit Administration to pay \$478 million to help build the line that will connect the two downtowns and run through the University of Minnesota as well as the state Capitol complex. Congress has approved \$45 million for the project for this year. The Obama administration has budgeted \$200 million for 2012.

But opposition from many House Republicans to new spending on transit nationwide could slow the flow of installments scheduled through 2015.

"It's going to continue to be a fight," McCollum said after the ceremony.

Rogoff said afterward that the federal government has historically made good on transit funding when there's an agreement like the one signed Tuesday, although "sometimes not as quickly as the administration might ask in its budget."

"But we do pay off our federal commitment over time," he said.

Metropolitan Council Chair Susan Haigh said in a recent interview that "if there are cuts to those budgets, that may mean the federal share comes in over a longer period of time."

Who pays when is important

The funding pace is important because local taxpayers bear the upfront costs in the early years of construction, before federal money accelerates. Obama's \$200 million proposal was intended to relieve pressure on local governments.

Hennepin and Ramsey counties and St. Paul already are using property taxes to pay about 10 percent of the cost. The state also pays nearly 10 percent. A portion of sales taxes from five metro counties would cover 30 percent.

The federal government last year OK'd local financing of the Central Corridor in anticipation of approving federal funding to reimburse half of the costs. The project has spent \$185 million so far.

The Central Corridor line is expected to be ready in 2014. St. Paul Mayor Chris Coleman said Tuesday he's confident in the project but added, "There are a lot of pieces that still have to be filled in."

Salutes offered left and right

At the ceremony, attended by more than 150 people, supporters celebrated a watershed in what Haigh described as a 30-year effort to build a line between the two cities.

"I salute everybody who has been involved," Dayton told the crowd.

While DFLers have been ardent proponents of light rail and faced opposition from many in the GOP, Dayton gave credit Tuesday to former Gov. Tim Pawlenty and Peter Bell, his Met Council chair. Both are Republicans. Bell spearheaded the Central Corridor effort during his eight years as head of the Met Council. Pawlenty signed a public works bill in 2008 that approved borrowing \$70 million for construction.

Biggest project, big hopes

The Met Council says the \$957 million project is the biggest public works project in state history, exceeding the \$715 million Hiawatha light-rail line between Bloomington and downtown Minneapolis and the \$624 million north-south runway at Minneapolis-St. Paul International Airport.

Backers say the Central Corridor project will create 3,400 construction-related jobs in the next several years and spawn growth along a corridor with numerous boarded stores and low-end retail.

"This will create economic opportunity all over the place in this metro," Franken said.

Minneapolis Mayor R.T. Rybak and Hennepin County Commissioner Peter McLaughlin saw the Central Corridor deal as part of an expanding transit system that would include the proposed

light-rail line running from Minneapolis to the southwest suburbs.

"We should celebrate Central today, and get on with building that full system tomorrow," McLaughlin said.

However, expanding rail transit has run into opposition from Republican legislators who favor spending money on existing bus operations.