
Appendix A

Agency Comments on Final EIS

U.S. Army Corps of Engineers

U.S. Environmental Protection Agency

City of Milwaukee, Office of the Mayor

City of Milwaukee, Department of Public Works

Milwaukee Public Schools



DEPARTMENT OF THE ARMY
ST. PAUL DISTRICT, CORPS OF ENGINEERS
190 FIFTH STREET EAST
ST. PAUL, MN 55101-1638

April 23, 2008

REPLY TO

Operations
Regulatory (2006-00353-DJP)

Mr. Roberto Gutierrez
Wisconsin Department of Transportation
District 2
P.O. Box 798
Waukesha, Wisconsin 53187-0798

Dear Mr. Gutierrez:

We have completed our review of the Final Environmental Impact Statement (FEIS) that was prepared for the I-94 North-South Corridor (Interstate I-94, I-43, I-894, and STH 119 (Airport Spur) I-94/USH 41 Interchange to Howard Avenue), Project ID # 1030-20-00. The project is located in Kenosha, Racine, and Milwaukee Counties, Wisconsin; and Lake County, Illinois

Our evaluation of the FEIS included the review of the draft FEIS and copies of the Corps previous comments generated during our review of the preliminary EIS. We have determined that our previous general editorial and specific comments have been adequately addressed and incorporated within the FEIS.

Our December 19, 2007, letter commenting on the draft FEIS requested that copies of the indirect and cumulative effect report cited on page 4-3 be forwarded to the Corps. Appendix D of the FEIS indicates that copies of the requested document were provided. To date, we have not received the referenced document. Please forward a copy of the report to the following Corps Regulatory personnel:

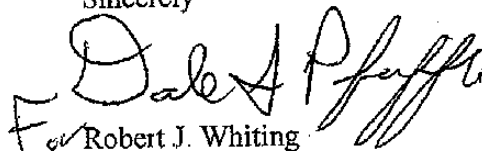
Dale Pfeiffle
Waukesha Field Office
First Federal Savings Bank Bldg. Room 101,
1617 East Racine Ave.
Waukesha, WI 53186

Tamara Cameron,
St. Paul District Office
190 E 5th Street
St. Paul, MN 55101

1. This oversight has been corrected. Copies of the indirect and cumulative effects report have been sent.

Thank you for the opportunity to review the FEIS. If you have any questions, contact Dale Pfeiffle in our Waukesha office at (262) 547-0868. In any correspondence or inquiries, please refer to the Regulatory number shown above.

Sincerely


For Robert J. Whiting
Chief, Regulatory Branch



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAY 01 2008

REPLY TO THE ATTENTION OF

E-19J

Mr. David Scott
Federal Highway Administration-WI Division
525 Junction Rd, Suite 8000
Madison, WI 53717

Mr. Roberto Gutierrez
Wisconsin Department of Transportation
Southeast Regional Office
141 N.W. Barstow St.
Waukesha, WI 53187-0798

Re: Final Environmental Impact Statement (FEIS) for the Interstate-94 North-South Corridor Study, Project LD 1030-20-00, Interstate I-94, I-43, I-894, and STM 119 (Airport Spur), I-94/USH 41 Interchange to Howard Avenue, Kenosha, Racine, and Milwaukee Counties, Wisconsin and Lake County, Illinois, CEQ#: 20080121

Dear Mr. Scott & Mr. Gutierrez:

In accordance with Section 309 of the Clean Air Act and the National Environmental Policy Act (NEPA), the U.S. Environmental Protection Agency (EPA) has reviewed the Final Environmental Impact Statement (FEIS) issued by the Federal Highway Administration (FHWA), for the project listed above.

U.S. EPA rated the preferred alternative of the Draft Environmental Impact Statement (DEIS) as EC-2, Environmental Concerns-Insufficient Information. Our concerns from the Draft EIS related to how wetland impacts and air quality concerns were characterized and how mitigation strategies would be evaluated. In the paragraphs below, we will discuss your responses to our comment letter on the DEIS. We appreciate that you highlighted all of the areas that were changed from the DEIS to the FEIS. This helped with our review immensely.

Impacts to Aquatic Resources (Wetlands and Streams)

We appreciate the incorporation of the description of the Advanced Identification (ADID) wetlands in Southeast Wisconsin on page 4-73 of the FEIS.

Thanks for including a table in the FEIS with more detailed information about wetland impacts in the I-94 corridor, which includes both mainline and interchange work evaluated in this project, other Wisconsin Department of Transportation-sponsored projects along I-94 and any frontage road work done along I-94 in these counties. This more complete description provides more context for wetland mitigation decisions.

We appreciate the clarity reached with the Federal Aviation Administration on the mitigation search to avoid restoring wetlands within 10,000 feet of larger airports (and 5000 feet for airports serving smaller aircraft only) as depicted (but not fully labeled) on Exhibit 4-7a.

Excluding a mitigation search beyond 10,000 feet should occur only with project-specific consideration of wildlife impacts.

1

The Least Environmentally Damaging Practicable Alternative (LEDPA) discussion, in section 4.11.7 of the FEIS, documents important information on the effort to reduce the wetland impacts of this project. As we suggested in our comments on the DEIS, you clarified the need for compensatory mitigation at a ratio of 2:1 for ADID wetland impacts and 1.5:1 for most other wetland impacts.

The FEIS presents the highlights of the search for compensatory mitigation sites. Thanks for your letter dated April 4, 2008 to Sherry Kamke, of my staff, which provides additional information about the search for compensatory mitigation sites. The letter provides information beyond that found in the FEIS. We will be responding to the letter in a separate correspondence. Because the search for compensatory mitigation sites is an issue still being worked on, our DEIS concerns will carry over to the Clean Water Act Section 404 permitting process. For the Section 404 permitting process, it will be critical to document the search for mitigation sites in the Des Plaines and Root River watersheds, as well as provide documentation for the search in other project-area watersheds. We continue to emphasize that the compensatory mitigation for this project should address the water quality values (services) that the lost wetlands have provided. We recognize that the search for good compensatory mitigation sites is an ongoing process with a number of constraints; we hope that some of your current leads on effective mitigation sites will prove to be practicable. Please include U.S. EPA in the key discussions for compensatory mitigation during the 404 permitting process.

2

Mobile Source Air Toxics (MSATs)

In addition to those MSATs explicitly discussed in FHWA's interim guidance, the guidance acknowledges numerous studies providing evidence that populations living near major roadways faced adverse health outcomes. The guidance also notes that FHWA cannot assess validity of these studies. However, numerous publications, including those of EPA and the Centers for Disease Control and Prevention, have reviewed available public health studies of current populations exposed to certain levels of traffic-related air pollution. The available reviews conclude that there is consistent evidence across a range of different studies for several health endpoints, including respiratory effects (lung developmental decrements, exacerbation of respiratory symptoms in asthmatics and non-asthmatics, and onset of asthma and allergic disease), cardiovascular disease or mortality, and all-cause mortality in adults (Adar and Kaufman, 2007; Salam et al., 2008; Samet, 2007). Available information suggests a portion of the observed health decrements and populations living near major roads may be attributable to mechanically-generated particles from brake and tire wear, ultrafine particles, or other pollutants not herein defined as MSATs.

3

At this time, we are not asking for additional MSATs studies to be done for this project. We do want to remind you that U.S. EPA can provide technical advice and assessments of available mitigation options to help alleviate any public health concern due to MSATs or mechanically-generated particles.

1. Extensive site searches within the 10,000 feet to 5 mile radius have not identified suitable wetland mitigation sites.
2. WisDOT will continue to document the efforts to secure acceptable compensatory mitigation sites. U.S. EPA will also be included in the key discussions for compensatory mitigation during the 404 permitting process.
3. Thank you for comments regarding the February 2006 interim guidance on MSATs.

Approved air quality models do not allow for a site specific comparison of MSAT levels between the alternatives.

If the study-area freeway system is widened and, as a result, moves closer to some receptors, the localized level of MSAT emissions could be higher than if the freeway were not widened, but this could be offset due to increases in speeds and reductions in congestion (which are associated with lower MSAT emissions). Also, MSATs will be lower in other locations when traffic shifts away from local streets. However, as shown with the MSAT results presented in Appendix B of the FEIS, on a regional basis, U.S. EPA's vehicle and fuel regulations, coupled with fleet turnover, will over time cause substantial reductions that, in most cases, will cause region-wide MSAT levels to be significantly lower than today.

Air-Quality Mitigation during Construction

4 —

We continue to recommend that FHWA and WisDOT make a firm commitment in the Record of Decision (ROD) to the air-quality mitigation measures for construction that we outlined in detail in our DEIS comment letter. In addition, we recommend that WisDOT formalize their actions by making a commitment to develop and implement a construction emissions reduction plan.

Thank you for giving us the opportunity to review the FEIS. Please send us a copy of the ROD. If there are any questions, please call Julie Guenther, of my staff, at 312-886-3172 or email her at guenther.julia@epa.gov.

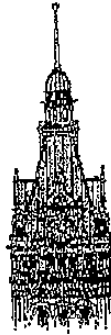
Sincerely,



Kenneth A. Westlake, Supervisor
NEPA Implementation
Office of Enforcement and Compliance Assurance

cc: Donald Reed, SEWRPC

4. Section 4.9.2 of the FEIS provided information about potential air-quality mitigation measures based on the information provided in the U.S. EPA's DEIS comment letter. These potential air-quality mitigation measures are reiterated in this Record of Decision. WisDOT will review these measures at the Plan, Specifications and Estimate phase for possible implementation during construction.



Tom Barrett
Mayor, City of Milwaukee

May 5, 2008

Roberto Gutierrez
WisDOT Project Manager
Wisconsin Department of Transportation
Southeast Regional Office
141 N.W. Barstow Street
Waukesha, WI 53187-0798

Dear Mr. Gutierrez:

We wish to submit public comments on the Federal Highway Administration's and the Wisconsin Department of Transportation's Final Environmental Impact Statement for the I-94 North-South Corridor reconstruction and expansion project.

1

Specifically, we must re-emphasize the need for a comprehensive and balanced approach to transportation in our region. The 2035 Regional Transportation Plan for Southeastern Wisconsin calls for investment in both freeways and mass transit alternatives. Additionally, local road infrastructure for municipalities faces many current challenges. There is no better time to consider these issues as part of a balanced transportation approach than during the I-94 North-South Corridor Study.

2

The I-94 reconstruction and expansion project is a \$1.9 billion effort -- the largest in the history of the State of Wisconsin. Given the enormous price tag, the skyrocketing costs of gas and energy, and the tremendous opportunity that this project presents to advance many modes of transportation, we must reiterate our continued disappointment that the DEIS and the FEIS for the I-94 North-South Corridor Study have not incorporated mass transit into the mix of alternatives.

3

The I-94 project represents yet another example of the State Department of Transportation's failure to invest in mass transit alternatives at a level on par with its commitment to freeway spending. A recent analysis by the City of Milwaukee found that in the period between 1992 and 2007, WisDOT spent \$19.2 billion on highways, yet rail and mass transit investment reached just \$2.2 billion. Clearly this does not represent a balanced approach, and WisDOT must play an equivalent lead role in regional mass transit initiatives as it does with freeway projects.

Office of the Mayor • City Hall • 200 East Wells Street • Milwaukee, Wisconsin 53202
(414) 286-2200 • fax (414) 286-3191 • mayor@milwaukee.gov

1. WisDOT concurs that the need for a comprehensive and balanced approach to transportation in the region is important. WisDOT also supports the findings of the 2035 Regional Transportation Plan for Southeastern Wisconsin.
2. The 2035 regional transportation planning process was designed and conducted to explicitly link the regional transportation planning conducted by SEWRPC with the subsequent NEPA studies for the plan's recommendations and in particular the recommendation for freeway reconstruction with additional traffic lanes. This included the range of alternatives considered in the regional plan, the way in which the travel impacts of the alternatives were considered, and the involvement of local officials and Federal and state resource agencies. This was done so that projects could be comprehensively and efficiently considered and implemented, and so that alternatives considered and dismissed in regional transportation planning would not have to be reconsidered in preliminary engineering. Federal and state resource agencies and local officials were directly involved in preparing the regional plan either on the Advisory Committee guiding, directing and approving the plan step-by-step and chapter-by-chapter or on a work group of Federal and state resource and transportation agencies, or both.

Additionally, the traffic forecasts assume a 100 percent increase in transit service and still show additional capacity on I-94 is required.

3. Several state statutes focus WisDOT's resources on highways rather than transit. Conversely, the state legislature has made it clear that mass transit is the responsibility of local governments or regional transit authorities.

At the same time, better balance in our regional transit strategy should also be applied to the State's investment in local roads. In 1999, the City of Milwaukee received \$27.8 million in State dollars for roads and streets; in 2008 the City received \$26.32 million -- when adjusted for inflation that represents a 32% decrease over the past 10 years.

Milwaukee, meanwhile, has increased its expenditures to cover this shortfall. The 2005 City Local Streets Capital budget was \$4.2 million; in 2008 it stands at \$5.5 million -- an increase of more than 31%.

These are the critical dollars that repair our streets and fix potholes that wreak havoc on our cars, buses and trucks. If we are to consider spending hundreds of millions of dollars for new freeway construction and expansion, we must also address how to upgrade and maintain our current infrastructure that is showing wear and tear -- wear and tear that is much more difficult to fix because of decreased local road aids to Milwaukee and other local communities.

The urgent need for better balance in State transportation spending assumes greater urgency when considering the I-94 North-South Corridor project. The Southeastern Wisconsin Regional Planning Commission has found that 94 % of all trips on I-94 between Kenosha and Milwaukee are local trips that start and end inside the region. This suggests that commuter rail service could accommodate much of the local travel demand along this corridor since the majority of trips do not go through the region, but rather are between cities along the I-94 North-South corridor. This could potentially preclude the need for freeway expansion, and ever-increasing gas prices only reinforce the need for greater mass transit alternatives like commuter rail.

Additionally, the FEIS itself acknowledges that freeway expansion in most sections of the I-94 North-South Corridor would result in little or no changes in drive times. Specifically the FEIS states, "Travel times would not vary by as much south of College Avenue. In Racine and Kenosha Counties, there would be little difference in travel times between the two alternatives (the Safety and Design Improvements with Added Capacity Alternative, and the Safety and Design Improvements Alternative)."

WisDOT estimates expanding the freeway from the Mitchell Interchange to the State Line from six to eight lanes would represent \$200 million of the project's total \$1.9 billion cost. In light of serious questions raised about the need for freeway expansion, this money could be better spent implementing a balanced transit strategy that includes mass transit alternatives and increased local road aids.

Let us be clear, it is not our suggestion that the State should halt investment in the I-94 North-South Corridor. We support freeway maintenance and believe WisDOT should invest \$1.7 billion on freeway reconstruction as planned.

4

5

6

4. Comment noted.
5. Traffic forecasts from SEWRPC have shown that even with an assumed 100 percent increase in transit service, additional capacity along I-94 will still be required.
6. Travel time is only one way to measure the benefits of added capacity. Adding capacity will provide a better level of service in Racine and Kenosha Counties. Improving level of service results in less congestion and improved safety on the freeway system by lowering crash rates.

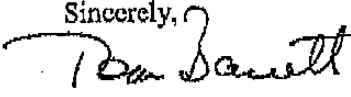
But the fact remains that WisDOT and the State Legislature continue to treat regional mass transit improvements as a local responsibility, and cap State funding for mass transit at levels far below those freely distributed for freeway construction. WisDOT and the State Legislature have also failed to keep local road aids on pace with inflation, putting additional strain and burden on municipal budgets. The time is now for WisDOT to be as proactive in identifying and securing the necessary funding for regional mass transit projects and local road aids as it is with freeway projects.

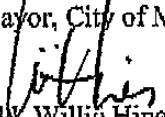
7 — The I-94 North-South Corridor project represents a tremendous opportunity to do just that — invest in our region's critical freeways, but also move forward on key mass transit projects and provide local municipalities the support they need to maintain local roads. Instead of spending \$200 million to reduce drive time by just 10 minutes for only those travelling southbound between Howard Avenue and College Avenue 30 years from now, WisDOT would better serve the public interest by investing these resources on important mass transit alternatives and increased local road aids that, in tandem with freeway reconstruction and renovation, move the region and Wisconsin forward.

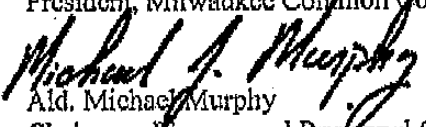
WisDOT's core responsibility is to provide the policy, resources and network to enable all segments of the State's residents to move freely around Wisconsin via the most effective and sustainable modes of transportation available, not just highways. Our region's and our State's growth must be planned with balanced, multi-modal transportation options — options such as mass transit and local road aids that are presented fairly, accurately and with the same vigor and support as are current freeway plans.

To that end, we urge the Wisconsin Department of Transportation to invest \$1.7 billion to reconstruct the I-94 North-South Corridor between the Mitchell Interchange and the State Line, and reserve \$200 million for mass transit alternatives and increased local road aids.

Sincerely,


Tom Barrett
Mayor, City of Milwaukee


Ald. Willie Hines
President, Milwaukee Common Council


Ald. Michael Murphy
Chairman, Finance and Personnel Committee


Ald. Robert Bauman
Chairman, Public Works Committee

7. The letter notes, correctly, that the Wisconsin Legislature treats regional mass transit improvements as a local responsibility. Several state statutes focus WisDOT's jurisdiction and status as "lead agency" on highways rather than transit capital projects. Wisconsin Statute 85.20 allows WisDOT to provide operating assistance to local transit operators, which it does to a greater extent than most states. However, the statute does not allow WisDOT to fund transit capital improvements.

Various regional modal choices have been outlined in the Regional Transportation Plan. WisDOT's role in implementing those transit recommendations is to fund a portion of transit system costs, once a locally-supported component or combination of elements are "approved". Further, Wis. Stat. 59.58(6) places responsibility for the "coordinating of transit and commuter rail programs in the region" on a regional transit authority rather than on WisDOT. Also, the state legislature in 2003 created a commuter rail grant program that caps WisDOT's funding of any commuter rail systems at 50 percent of the non-federal share or 25 percent of the total, whichever is less (Wis. Stat. 85.046).



Department of Public Works
Infrastructure Services Division

Jeffrey J. Mantes
Commissioner of Public Works

James P. Purko
Director of Operations

Jeffrey S. Polenske
City Engineer

May 5, 2008

Mr. Robert Gutierrez, Project Manager
Wisconsin Department of Transportation
Southeast Region
PO Box 798
Waukesha, WI 53187-0798

Subject: I-94 North-South Corridor Study
Project I.D. 1030-20-00
Final Environmental Impact Statement (FEIS)

Dear Mr. Gutierrez:

We have reviewed the Final Environmental Impact Statement (FEIS) for the I-94 North-South Corridor Study, sent on April 1, 2008. While we appreciate the explanations to our concerns, which we communicated to you in two letters dated December 28, 2007 and January 25, 2008, we are disappointed that the DEIS and the FEIS do not incorporate mass transit alternatives. We believe that WisDOT needs to take a more active role in the implementation of a balanced transportation system and not continue to focus on one component, the highway component, of the regional transportation plan. The I-94 North-South Corridor is the perfect opportunity to begin to incorporate a comprehensive and balanced approach for improving transportation in Southeastern Wisconsin.

In an effort to gain input from an outside review of the DEIS/FEIS, Smart Mobility, Inc., a consulting firm based in Norwich, Vermont, that integrates transportation and land use modeling, engineering, and planning, was hired. The Smart Mobility report (attached) supports the idea of a more balanced transportation system and questions the need for an expanded I-94 North-South Freeway due to shifting demographics, travel habits, and development trends. Smart Mobility also shares multiple successful examples of how other States in the US have taken proactive approaches to developing and maintaining a balanced transportation system through significant investment in mass transit strategies. We are submitting this report for your records and for your consideration.

In general, we fully understand the need to reconstruct the I-94 North-South Freeway and are supportive of select design improvements to increase safety. However, given WisDOT's core responsibility for providing intercity transportation facilities, we believe

1. The 2035 regional transportation planning process was designed and conducted to explicitly link the regional transportation planning conducted by SEWRPC with the subsequent NEPA studies for the plan's recommendations and in particular the recommendation for freeway reconstruction with additional traffic lanes. This included the range of alternatives considered in the regional plan, the way in which the travel impacts of the alternatives were considered, and the involvement of local officials and Federal and state resource agencies. This was done so that projects could be comprehensively and efficiently considered and implemented, and so that alternatives considered and dismissed in regional transportation planning would not have to be reconsidered in preliminary engineering. Federal and state resource agencies and local officials were directly involved in preparing the regional plan either on the Advisory Committee guiding, directing and approving the plan step-by-step and chapter-by-chapter or on a work group of Federal and state resource and transportation agencies, or both.

CEQ Guidance calls for all reasonable alternatives to be evaluated at a comparable level of detail. Section 2 of the EIS explains why transit-based alternatives, while considered, are not a reasonable alternative; it would not satisfy the purpose and need for the project. In short, the traffic forecasts assume a 100 percent increase in transit services and still show additional capacity on I-94 is required. WisDOT concurs with the need for a comprehensive and balanced approach to transportation in the region. However, while WisDOT partially funds other transportation modes, the highway component of the regional plan is the only component of the plan that WisDOT has jurisdiction over.

2. The Smart Mobility report describes several demographic trends in southeast Wisconsin such as an aging population, slower rate of employment growth, declining household size, and evolving housing preferences. The report states that these trends, and growing concerns over greenhouse gas emissions, may reduce automobile vehicles miles of travel in the future. The second part of the report proposes that the Safety and Design Improvements Alternative (6-lane reconstruction) coupled with the KRM commuter rail line would eliminate the need for added capacity.

For this study WisDOT and FHWA used SEWRPC traffic projections that are based on SEWRPC's fourth generation regional travel demand model. Because the Smart Mobility report raises several regional issues that are tied to the regional travel demand forecast, WisDOT asked SEWRPC to review the Smart Mobility report. Excerpts of SEWRPC's review of the Smart Mobility report are included here to help respond to the issues raised in the report.

"First, the consultant report suggests that the Kenosha-Racine-Milwaukee (KRM) commuter rail and other transit options could preclude the need for the proposed addition of two traffic lanes to I-94 as part of reconstruction projects programmed over the years 2009 to 2016. However, no data to support this position is provided in the report. In cooperation with the Wisconsin Department of Transportation and the City of Milwaukee, the Regional Planning Commission has, as part of the year 2035 Regional Transportation Plan and KRM commuter rail corridor alternatives analysis

planning efforts, analyzed in depth the travel and traffic impacts of the KRM commuter rail combined with an extensive expansion of public transit options. The conclusion of these planning efforts has been clear, specifically that the commuter rail and other public transit improvements may be expected to have only a modest impact on IH 94 traffic volumes and congestion. This finding was confirmed most recently in special traffic forecasting work for the IH 94 project. As a result, the regional transportation plan for the year 2035 recommends both the addition of two traffic lanes to IH 94 between the Wisconsin-Illinois State Line and the Mitchell Interchange and the KRM commuter rail service, along with an overall doubling of transit service in the southeastern Wisconsin region. We would note that the additional travel lanes, providing an increment of 33 percent in traffic carrying capacity at a marginal project construction cost of about 12 percent, not only have congestion reduction and safety value during peak travel periods, but provide substantial marginal capacity to carry traffic during accidents and other incidents and during the inevitable periods of pavement repair and resurfacing in the years to come.

The letter also questions the forecasts of increased traffic which support the need for additional lanes, noting that vehicle-miles of travel per capita increased in the past, but may not be expected to increase in the future, due to the projected increase in the elderly portion of the population, and an increased market for higher-density centralized development. The Commission's travel forecasts are based on a regional land use plan which recommends a departure from the historic trends of land development in southeastern Wisconsin, and specifically proposes that future developments be substantially more centralized and higher density in nature. Between 1972 and 2001, vehicle-miles of travel (VMT) per capita increased from 11.5 to 20.5 in southeastern Wisconsin, an 80 percent increase over 30 years. The forecast increase in VMT per capita in southeastern Wisconsin over the next 30 years from 2001 to 2035 is from 20.5 to 23.7, an increase of 15 percent over the next 30 years. Hence, the consultant's [Smart Mobility] comments are already reflected in the Commission's regional planning work.

The report also suggests that adding lanes to IH 94 between the Wisconsin-Illinois State line and the Mitchell Interchange will significantly increase vehicle-miles of travel. However, Commission travel simulation model analyses have indicated that the increase in vehicle-miles of travel in southeastern Wisconsin due to all regional plan proposed highway capacity expansion—127 miles of freeway widening, 13 miles of new freeway, 226 miles of surface arterial widening, and 75 miles of new surface arterials—is in total about 1 percent, and includes the potential effect of the rerouting of traffic (to take a longer, but faster route), of an increase in trip length (due to potential for faster travel), and of reduced transit travel (due to faster highway travel times).

Lastly, the report suggests the need for public transit improvement and expansion to be implemented along with freeway reconstruction. The

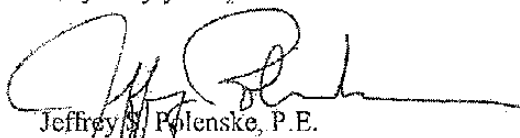
Commission certainly agrees. As noted above, Commission plans recommend freeway capacity expansion and KRM commuter rail, along with other substantial public transit improvement and expansion in the IH 94 corridor. Indeed, the Commission's regional transportation plan recommends freeway system reconstruction, including capacity expansion, and the significant expansion—a doubling—of transit service for the entire Southeastern Wisconsin Region. We would note that under State law, the freeway system is the primary responsibility of the State of Wisconsin. By contrast, the public transit system, including commuter rail, is the primary responsibility of local government, with the State providing financial aid. To achieve transit system expansion, it will be incumbent on local Milwaukee area governments in the coming months to collectively support, through State legislation, the creation of a permanent Regional Transit Authority in southeastern Wisconsin, and the provision to that Authority of a local/regional dedicated funding source adequate to maintain and expand the transit system. Nearly every other metropolitan area the size of Milwaukee has accomplished this goal and is in the process of building and operating areawide transit systems using a variety of transit technologies. The Smart Mobility report notes that compared to other states, Wisconsin has flexed, or transferred, a limited amount of Federal Highway Administration (FHWA) Surface Transportation (STP) and Congestion Mitigation and Air Quality (CMAQ) funds to public transit projects. We would note that in 2002, \$10.7 million of FHWA Surface Transportation Program—Milwaukee Urbanized Area funds were made available for the Milwaukee Downtown Connector transit project, but to date, the city and County of Milwaukee have yet to come to agreement on a project to use those funds."

Mr. Robert Gutierrez, Project Manager
May 5, 2008
Page 2

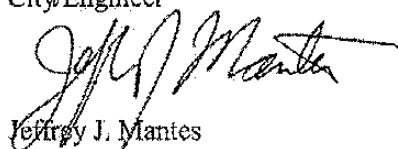
that the Smart Mobility report further warrants our recommendation of a multimodal approach within this corridor and continue to recommend the evaluation of mass transit improvements as alternatives to and in combination with freeway improvements within the subject corridor.

If you have any questions related to the Smart Mobility report please do not hesitate to contact us.

Very truly yours,



Jeffrey S. Polenske, P.E.
City Engineer



Jeffrey J. Mantes
Commissioner of Public Works

JSP:amh

Attachment(s)



Review of Draft Environmental Impact Statement
and Section 4(f) and Section 6(f) Evaluation (DEIS) for Interstate I-94, I-43, I-894
and STH 119 (Airport Spur from the I-94/USH 41 Interchange to Howard Avenue)

Prepared for:
City of Milwaukee

Prepared by:
Norman Marshall
Lucinda Gibson

Smart Mobility, Inc.

With contributions from:
Tony Smith
Johanna Nyden
S. B. Friedman & Company

DRAFT
February 21, 2008

1. Overview

We have reviewed the Draft Environmental Impact Statement and Section 4(f) and Section 6(f) Evaluation (DEIS) for Interstate I-94, I-43, I-894 and STH 119 (Airport Spur from the I-94/USH 41 Interchange to Howard Avenue). We also have reviewed other materials supplied by the Wisconsin Department of Transportation and the Southeastern Regional Planning Commission including regional travel demand modeling files and level-of-service analysis worksheets.

The core theme in the DEIS is that widening I-94 is required to accommodate future traffic growth and to promote economic development in the region. However, we believe that this is an incomplete picture of the travel needs in the region that does not adequately take into account shifting demographics, travel habits, and development trends. The recent past has been dominated by increases in suburban jobs and suburban housing, and resulting growth in freeway travel. Between now and 2035, the period covered by the DEIS, these trends will shift sharply. Over half of projected population growth in the region is in persons over the age of 65. With this aging population, the labor force will grow slowly. National data show that people over 65 are net sellers of homes, and are looking for different types of housing—specifically, maintenance-free units such as condominiums and townhomes located in walkable proximity to retail, amenities, and transportation. Nationally, the hottest real estate markets for both residential and commercial development are in urban areas with good transit systems. This region badly needs improved transit services to meet the needs of the aging population and the changing economic development environment.

The backbone of improved transit would be the KRM Commuter Link that would link the Milwaukee, Racine and Kenosha urban centers and provide connections to Chicago. The KRM Commuter Link is not just a transportation project but also an economic development project. The planning documents for the KRM Commuter Link estimate that development and redevelopment that “may be specifically attributed to the implementation of commuter rail” include 17,100 jobs and 12,800 residential units. As much as 71,000 jobs and 23,000 units could develop around rail stations.

Shifting development towards the rail station locations from more decentralized locations in the region would have significant transportation and environmental benefits. The DEIS modeling files show that widening I-94 will increase traffic volumes and congestion on intersecting local roads. Widening I-94 will also increase regional vehicle miles traveled (VMT) and associated greenhouse gas emissions. Shifting travel to transit and encouraging more compact transit-oriented development will help mitigate these negative impacts.

Other state Departments of Transportation contribute heavily to commuter rail. The Maryland Transit Administration (MTA), part of the Maryland Department of Transportation, operates a 200-mile, 42-station commuter rail system. Over 2/3 of MTA’s funding is from state sources. The Virginia state government contributes more than twice as much as local sources to the budget of the Virginia Railway Express (VRE) that provides commuter rail service from the Northern Virginia suburbs to Alexandria, Crystal City and downtown Washington, D.C.

In general, Wisconsin lags behind other states in transit funding. A striking example is in the share of flexible federal transportation funds that are spent on transit. Over the period 1992-2006, Wisconsin flexed only \$0.95 per person per year. This compares with a

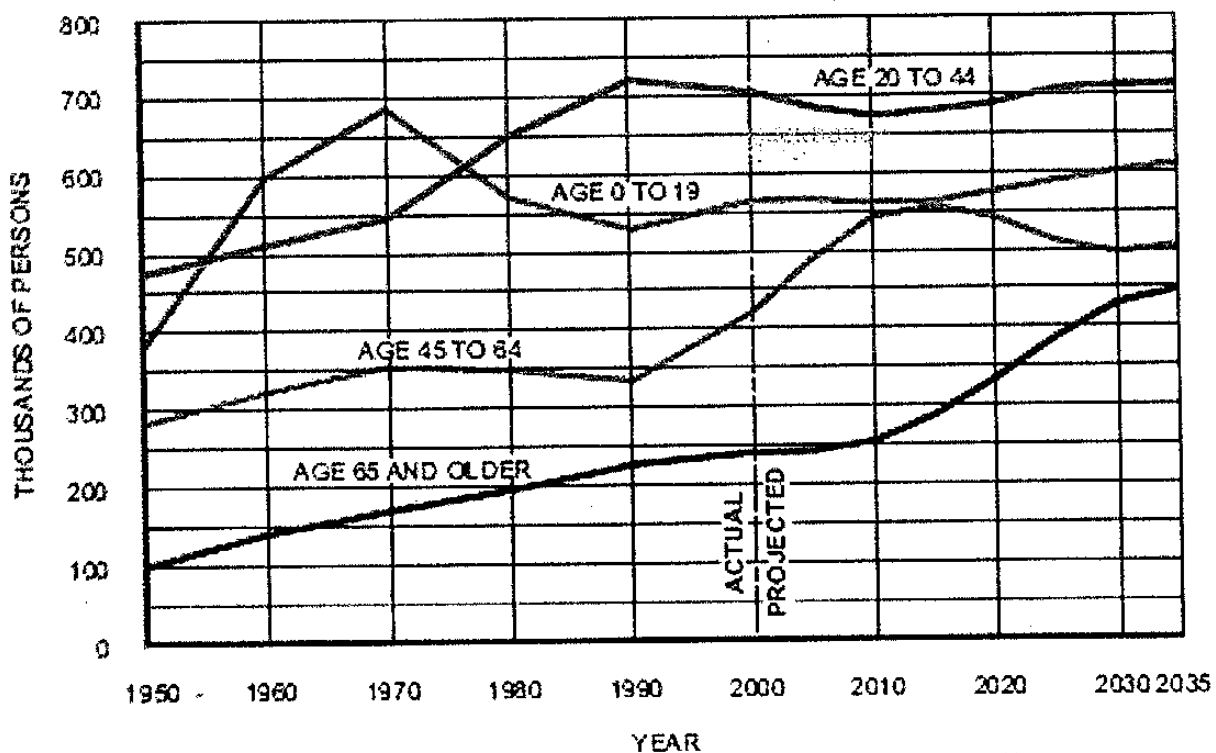
national average of \$3.25 per person per year. If Wisconsin had flexed at the national average rate, an additional \$185 million would have been available to support transit over the period 1992 – 2006.

2. The KRM Corridor in the 21st Century

2.1 Population

The greater Milwaukee region has a moderately-growing, aging population. The Southeastern Wisconsin Regional Planning Commission (SEWRPC) projects that population will grow from 1.931 million to 2.276 million between 2000 and 2035.¹ As shown in the Figure below, over half of the projected population growth between 2008 and 2035 will be people aged 65 and over. This contrasts strongly with recent history. The great majority of the population growth between 1990 and 2008 was among cohorts aged 45-64.

**ACTUAL AND PROJECTED POPULATION IN THE
REGION BY GENERAL AGE GROUP: 1950-2035
(INTERMEDIATE PROJECTION)**



Source: U.S. Bureau of the Census and SEWRPC.

Reproduced from SEWRPC, *Planning Report No. 48*, p. 116.

¹ Southeastern Wisconsin Regional Planning Commission. *A regional Land Use Plan for Southeastern Wisconsin: j2035 (Planning Report No. 48)*, Table 30, p. 114, June 2006.

This aging is consistent with national trends. The U.S. Census projects that the number of individuals age 65 or older will double from nearly 35 million today to more than 62 million by 2025. According to “Aging Americans: Stranded Without Options”, a report published in 2004 by the Surface Transportation Policy Project (STPP), a national transportation policy and advocacy organization, one in five older Americans do not drive and of these non-drivers, approximately 54% stay home on any given day for a variety of reasons.

This pattern, when combined with housing preference trends among aging Americans described later in this review, suggests that mobility strategies for the coming decades that emphasize transportation choice—specifically, provision of options that do not require driving. Further, the travel habits of these expanding older cohorts are likely to cause overall reductions in per-capita Vehicle Miles Traveled (VMT), thus affecting congestion levels and the need for new roadway expansion.

2.2 Employment

The employment growth rate is projected to be less than the population growth rate as the 65 and over population will reach retirement age and limit growth in future employment. A SEWRPC report states:

The future rate of employment growth in the Region is expected to be lower than occurred during the 1970s, 1980s, and 1990s, when jobs increased by an average of about 146,000 jobs per decade. Commission forecasts indicate that a leveling-off in the regional labor force—persons available to fill jobs—may be expected beginning in about 2015, as much of the baby-boom generation (those born from 1946 through 1964) reaches retirement age. The aging of the population, along with relatively stable labor force participation rates, may be expected to moderate the number of jobs able to be accommodated in the Region without substantial in-migration.²

SEWRPC projects 11.9 percent employment growth between 2000 and 2035 – or about 2/3 of the 17.9 percent projected increase in population.

2.3 Households and Housing

Household size has declined in the region and throughout the U.S. in recent decades as families have had fewer children and there are more 1 and 2-person households. SEWRPC projects these trends will continue and that there will be 23.6 percent more households in the region in 2035 than in 2000 (compared to a 17.9 percent increase in population).

An aging population is consistent with the household size decline projections because it includes a large number of 1-person and 2-person households. However, the aging population also suggests significant changes in the housing market. This issue is addressed in the current issue of the *Journal of the American Planning Association* in an article by Myers and Ryo. They write:

The giant baby boom generation born between 1946 and 1964 has been a dominant force in the housing market for decades. This group has always provided the largest age cohorts, and has created a surge in demand as it passed through each stage of the life cycle. As its members entered into home

² SEWRPC, *Planning Report No. 48*, p. 146, 149.

buying in the 1970s, gentrification in cities and construction of starter homes in suburbs increased. Their subsequent march into middle age was accompanied by rising earnings and larger expenditures for move-up.³

In contrast, the authors found that those 65 and over are net sellers of housing as shown in the figure below.

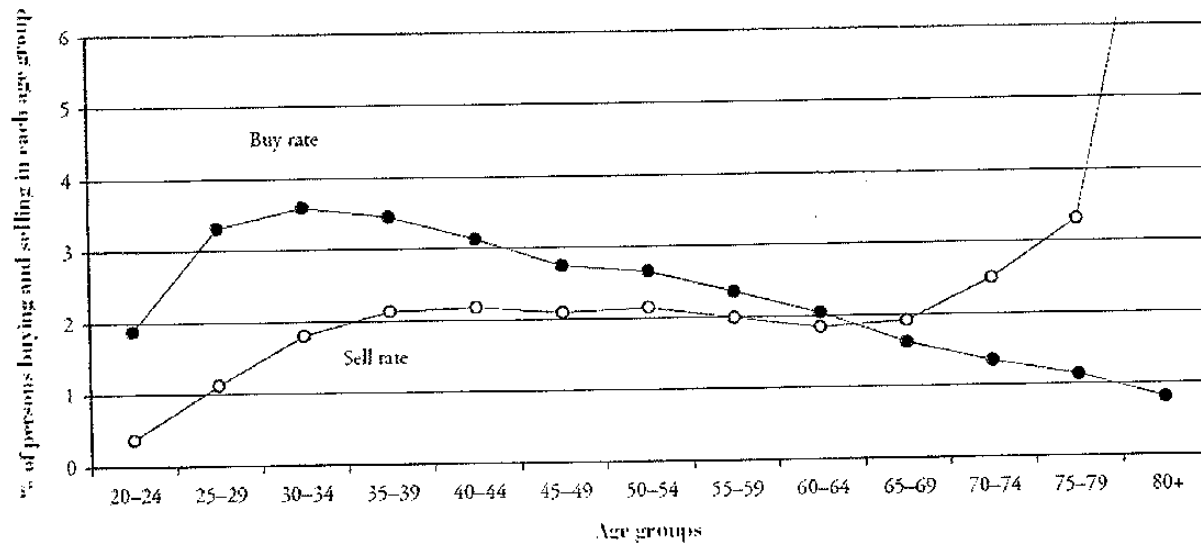


Figure 3. Average annual percent of persons buying and selling homes in each age group, for the United States, 1995 to 2000.

Source: Myers, Dowell and SungHo Ryu, 2008.

These senior citizens will need to live somewhere, but they will likely be downsizing and choosing housing that is different from the large lot, single-family housing that has dominated housing construction in recent years. In 2006, before the housing bubble burst, Nelson wrote:

With changing demographics, homeownership at a historically high rate, and rising energy and construction prices, maintaining the 2003 distribution of housing units by type may be unlikely. The preference survey results also suggest that the market is currently significantly oversupplied with detached single family homes on large lots relative to demand in 2025.⁴

2.4 Economic Development

In the latter parts of the 20th century, the hot land development areas were freeway-oriented – shopping centers, suburban office parks, and large residential subdivisions. In recent years, the hottest markets have been walkable, mixed-use urban centers. As they have reported in each of the past several years, the authoritative Urban Land Institute/PricewaterhouseCoopers annual *Emerging Trends in Real Estate 2008* report concludes:

The top markets to watch, according to the report, are those that have positioned themselves as 24-hour cities with a global pathway to international

³ Myers, Dowell and SungHo Ryu. "Aging Baby Boomers and the Generational Housing Bubble: Foresight and Mitigation of an Epic Transition." *Journal of the American Planning Association*, 74(1), Winter 2008.

⁴ Nelson, Arthur. "Leadership in a New Era", *Journal of the American Planning Association*, 72(4), Autumn 2006, p. 393-407.

markets. They all have a major international airport and/or shipping port, export-import hubs, an educated workforce and walkable residential neighborhoods. They have made a concerted effort to revitalize downtown areas or nearby "urban burbs" that have made them magnets for corporate headquarters, business elites, the best and the brightest of the workforce as well as the largest share of investor dollars.⁵

Chicago is a neighboring dramatic example of this phenomenon and the resurgence in downtown Milwaukee also is well underway. Downtown Milwaukee was listed as one of the top 20 places to retire nationwide in Kyle Ezell's book, *Retire Downtown: The Lifestyle Destination for Active Retirees and Empty Nesters* for its "dramatic natural setting on Lake Michigan, the Riverwalk, the city's attention to historic preservation and architectural innovation, Old World charm, fabulous festivals, and for being a city-lover's kind of city with a steady focus on downtown redevelopment."⁶

The hot urban markets in the U.S. either have high-quality transit systems already and/or are making major investments in them, and a major rationale for these investments is the economy. For example, the Denver area has committed to a 12-year \$6.1 billion FasTracks transit expansion program in 2004, which 79 percent of metro-area residents think was a good decision.⁷

Investments in rail transit, working in concert with shifting market preferences, have shown a strong influence in concentrating development activity in close walking proximity and in having significant impacts on property values.

In Dallas, the Dallas Area Rapid Transit (DART) rail system recently underwent a significant expansion, from 20 miles to 44 miles in total system length. As of 2003, new development around DART stations was estimated to be worth approximately \$1 billion. Moreover, between 1997 and 2001 the value of office properties near DART stations increased 53% more than similar properties not served by rail; and at the same time residential properties near rail increased 39% more than properties not served by rail.⁸

Midwestern cities are also recognizing the benefits of expanding existing rail service. The first leg of the Twin Cities' Hiawatha light rail line was completed in 2004 and includes 17 stations over 12 miles. Even prior to its opening, the anticipated construction of this new rail line resulted in significant development activity within close proximity to station sites. Between 2003 and 2007, 11,931 housing units and 1,054,436 square feet of commercial space were built, are under construction, planned, or proposed within a one-half mile radius of stations in Minneapolis.⁹

⁵ Press release, October 17, 2007.

<http://www.uli.org/AM/Template.cfm?Section=Home&CONTENTID=112985&TEMPLATE=/CM/ContentDisplay.cfm>

⁶ <http://www.milwaukeedowntown.com/news/articles/retire.html>

⁷ http://www.rtd-fastracks.com/main_1

⁸ Dittmar, Hank and Gloria Ohland. *The New Transit Town*, Washington: Island Press, 2004.

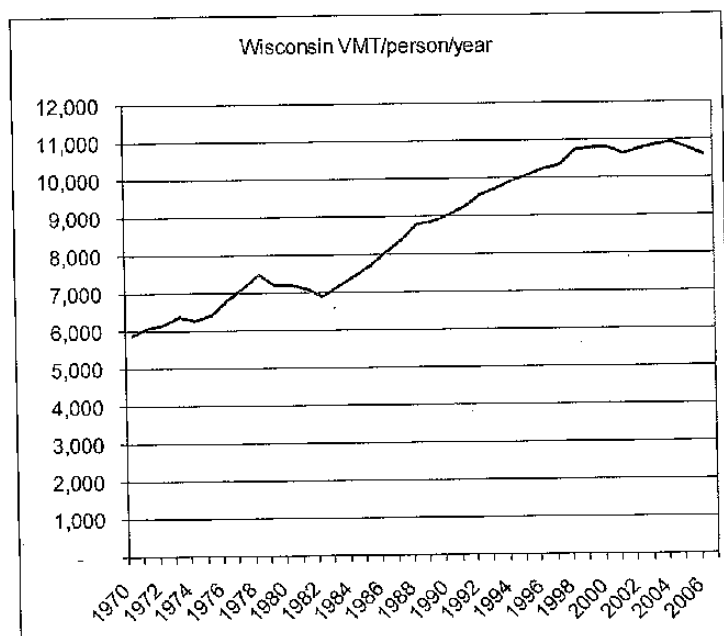
⁹ Reconnecting America. "Realizing the Potential: Expanding Housing Opportunities Near Transit" 2007.

In the Chicago suburb of Palatine, Illinois, a downtown development boom has occurred since 2000 following municipal and federal investment in a new Metra commuter rail station and parking facility. Since 2000, nearly 1,400 housing units have been built near the Metra station, as well as a substantial increase in retail square footage. The total station-area private real estate investment over this period is conservatively estimated at \$250 million.¹⁰

A 1998 study of 96 commuter rail and rapid transit stations in Metropolitan Chicago found that proximity to transit produced significant positive effects on residential property values. The study found that buyers of single-family homes located between 300 feet and one-mile from a rail station pay an accessibility premium of approximately one percent for every 100 feet closer to the station. As a result, a single family home 1000 feet away from a train station received a 20 percent increase in value versus a comparable property located a mile away.¹¹

2.5 Traffic Volume

The total amount of traffic is measured in total vehicle miles traveled (VMT), the two drivers of which are total population and VMT per capita. Between 1970 and 1998, total annual VMT for the State of Wisconsin grew steadily, in part through population growth, but primarily due to more driving per person. However, per capita annual VMT in Wisconsin has leveled off over the past 10 years, as illustrated in the figure below.



Sources: Wisconsin Department of Transportation (VMT) and Wisconsin Department of Administration Demographic Services Center (population)

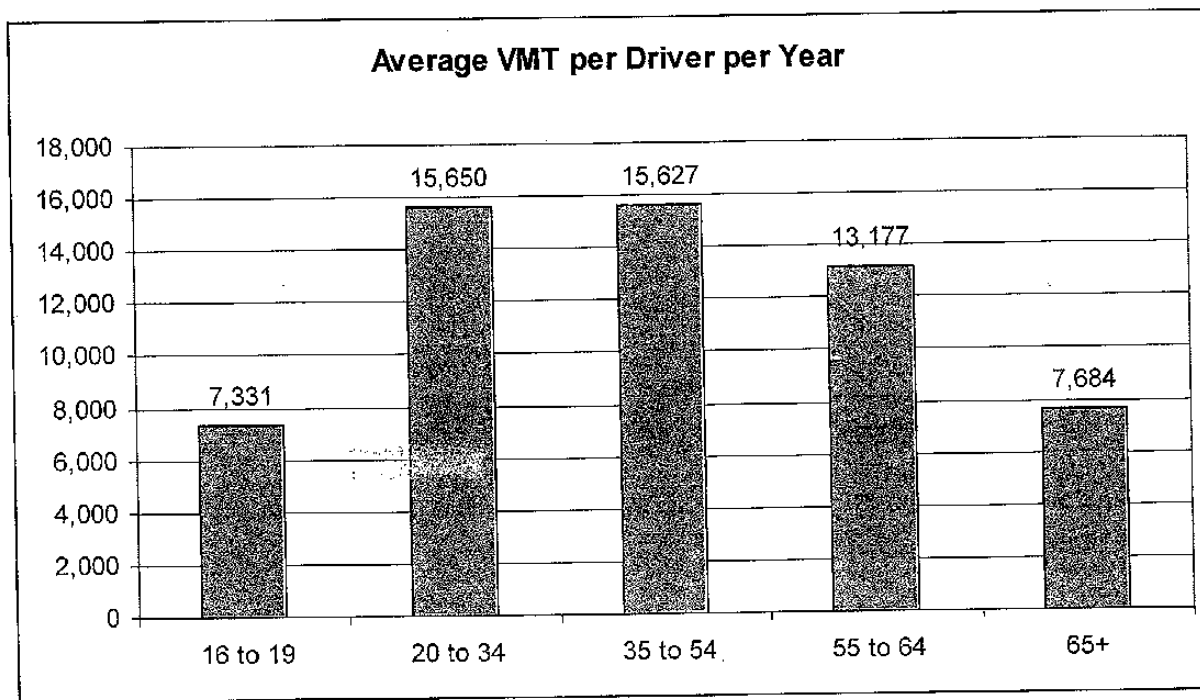
While year-to-year VMT frequently fluctuates due to short-term economic conditions, the underlying factors of this 10-year change are long-term and permanent. During the steep growth

¹⁰ Center for Transit Oriented Development. "Preserving and Promoting Diverse Transit-Oriented Neighborhoods," Collaboration of the Center for Neighborhood Technology, Reconnecting America, and Strategic Economics, 2006.

¹¹ Aaron Gruen and Deborah Jeans. "Transit Stations Influence Residential Property Values." Urban Land, May 1998.

period from the early 1980s until the late 1990s, labor force participation rates and vehicle ownership rates increased during a period of declining real gasoline prices. In the future, labor force participation rates are projected to decline due to the aging population. Auto ownership is already almost universal, and it is unlikely that gasoline prices will return to the low historical price levels. Therefore, there is no reason to expect a return to growth in VMT per person per year.

On the other hand, two factors may push VMT per person per year lower than it is today. The first is demographics. As discussed above, over half of the regional population growth projected is comprised of people aged 65 and over. As shown in the figure below, drivers aged 65 and over drive only half as much as those aged 20-55 on average. It should also be noted that this data is on a per-driver basis, and a significant proportion of those aged over 65 do not drive at all.



Source: 2001 National Household Travel Survey

Therefore, the aging of the population will tend to reduce average VMT per person.

The other factor likely to reduce future VMT is growing concern about greenhouse gas emissions. On April 5, 2007, Governor Doyle signed Executive Order 191 creating a Task Force on Global Warming. With the following mission:

- a. Present viable, actionable policy recommendations to the Governor to reduce greenhouse gas emissions in Wisconsin and make Wisconsin a leader in implementation of global warming solutions; and
- b. Advise the Governor on ongoing opportunities to address global warming locally while growing our state's economy, creating new jobs, and utilizing an appropriate mix of fuels and technologies in Wisconsin's energy and transportation portfolios; and
- c. Identify specific short term and long term goals for reductions in greenhouse gas emissions in Wisconsin that are, at a minimum consistent with the Wisconsin's

proportionate share of the reductions that are needed to occur worldwide to minimize the impacts of global warming;¹²

This Commission has been meeting regularly. At its December 18, 2007 meeting, one of the presentations was a "Transportation Policy Options Review."¹³ In the transportation area, the largest single reduction would result from adopting the California Tailpipe Emissions standards. The second largest reduction would be achieved through "Transportation Planning and Funding" including:

- Incentives for compact and infill development
- Economic development reforms
- "Fix it first"
- "Complete Streets"
- Model ordinance for market pricing of parking
- WisDOT planning methodology
- Technical assistance and
- Model ordinances

Another large reduction would be achieved through "Travel Demand Management" including:

- Provide employer incentives to promote alternative transportation modes
- Parking pricing mechanisms
- Promote commuting alternatives

Together, these initiatives are estimated to reduce Wisconsin VMT by about 15 percent in 2020 relative to the reference case. To achieve this level of reduction, it is likely that reductions in urban areas, including the greater Milwaukee region, would need to exceed this percentage, as it would be more difficult to achieve reductions in most rural areas with these techniques.

While it is too early to know whether these programs will be adopted now, it is likely that greenhouse gas regulation at the state or federal level, or both, will work to reduce future VMT during the time period covered by the DEIS (through 2035).

Any actions to reduce future VMT likely will have an even greater reducing effect on future I-94 traffic volumes. As is discussed below, a large percentage of I-94 traffic is comprised of local trips using circuitous routes in order to save time over local roadways. If future VMT is going to be reduced, this type of travel would be a primary target.

Without regulation, focusing transportation investments on freeway expansion will increase regional VMT. The DEIS shows increases in I-94 traffic volumes its Figure 4-3 reproduced on next page). The increase is greatest at the northern end of the project where traffic congestion is the greatest and there are more parallel routes to divert traffic from. At this northern end, the projected increase is 20,000 vehicles per day.

¹² <http://dnr.wi.gov/environment/protect/gtfgw/order191.html>

¹³ <http://dnr.wi.gov/environment/protect/gtfgw/documents/MiTF20071218.pdf>

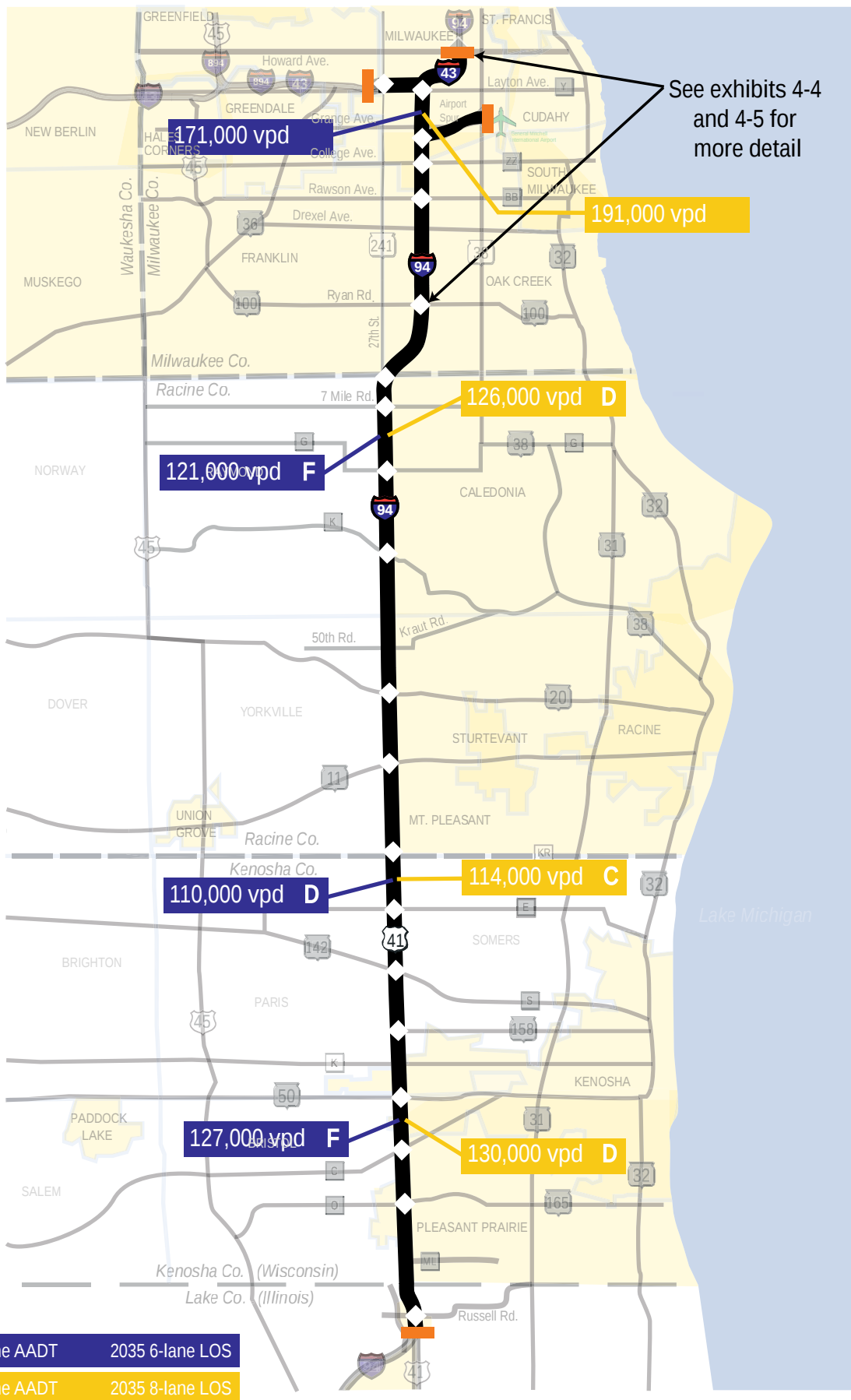


EXHIBIT 4-3
Future Traffic Volumes and Level of Service