

Rochester Trolley & Rail Corp. *Greater Rochester Heritage Trolley*



Community Challenges



- ◆ Existing Public Transportation is not well suited to tourism and/or recreational uses / travel patterns; not attractive to students or workers
 - City / Suburbs
 - Irondequoit / Charlotte Waterfront– Summer Recreation
 - Erie Canal Corridor / Broad Street Corridor
 - Finger Lakes Region
- ◆ Abandoned, unused, underutilized railway and assets
 - E.g. historical Hojack Swing Bridge and Hojack Line right-of-way
 - River lines, East bank (BeeBee Line and trestle bridge, etc.)
 - Rochester Subway Tunnel, Broad Street Corridor
 - Falls Road Branch (Rochester to Brockport)
- ◆ Weakened Economy– economic development and regional tourism support needed
- ◆ Isolationism– little intermixing between City and suburb
- ◆ Loss of historical sensitivity and connection





The Solution

- ◆ Develop and operate heritage rail-based trolley and streetcar and interurban system
 - Waterfront to Downtown
 - Charlotte to Downtown / High Falls
 - Downtown routes in cultural and entertainment districts
 - Downtown Rochester via existing Subway Tunnel Corridor
 - Area Colleges and suburbs to Downtown
 - RIT to UR (Henrietta) to Downtown (East River Rd. & Erie RR ROW)
 - Nazareth to Fisher (Pittsford) to Downtown
 - MCC to Downtown
 - SUNY Brockport to Downtown (Falls Road Branch)
 - Airport to Downtown
 - “Great Lakes to Finger Lakes”: route
 - to Canandaigua and beyond
- ◆ Use existing assets and reuse rights-of-way



6/27/2008

© Rochester Trolley & Rail Corp. 3



Value Proposition

- ◆ Tourism, leisure travel and recreation activity support and growth
 - Boost success and effectiveness of Finger Lakes region
- ◆ Nostalgia and connection to important local history
- ◆ Economic Development
 - Job creation and local infrastructure investment
 - Vehicle conductors, ticketing, etc.
 - Local construction projects and ongoing operations and maintenance job creation
 - Establishes infrastructure available for future rail expansion
 - Reuse and redeployment of latent assets
 - E.g. historic Rochester Subway Tunnel
 - Unused or lightly-used Rights-of-way
 - Existing freight and passenger rail lines, as appropriate
- ◆ Alleviates worsening parking congestion challenges at popular destinations and attractions
- ◆ Efficient, clean, safe transportation
- ◆ Transfers, connections and intermodal options available



6/27/2008

© Rochester Trolley & Rail Corp. 4



Market Opportunity & Strategy

- ◆ Target Markets
 - Local travelers, commuters and Rochester visitors
 - Regional Tourism/ tourists
 - College students
 - Recreational and leisure riders
 - Waterfront residents
 - Families
 - Seniors
- ◆ Raise awareness locally for alternative means of mass transportation, especially given energy costs!
- ◆ Bring tourists and residents where they want to go for recreational and leisure activities



6/27/2008 © Rochester Trolley & Rail Corp. 5



Market Engagement

- ◆ Sell tickets to community workers, visitors, lakefront patrons, regional tourists, families and students
- ◆ Advertising– multimedia, billboards, pole banners
- ◆ Day passes for tourism and recreation
- ◆ Collaborations with
 - Local businesses, attractions, and developers
 - GRVA / tourism bureaus
 - City, County, State
- ◆ Co-development of stations, destinations and parking



6/27/2008 © Rochester Trolley & Rail Corp. 6



Product / Service

- ◆ Recreational transport: FUN!
- ◆ Public transportation: Practical, attractive, cost-effective
- ◆ Scenic rides and tourism
- ◆ Historical experience and nostalgia
- ◆ Inexpensive recreational transit to and from local points of interest
- ◆ Stations and supporting retail services



6/27/2008

© Rochester Trolley & Rail Corp. 7



Competitive Summary

- ◆ Nothing quite like it around Rochester
 - Currently no serious direct threat
- ◆ Traditional bus transit
 - Weak, indirect threat—lacks historic connection and appeal to leisure / tourism market; offers a very different experience and environmental challenges
- ◆ Proposed “Trackless Trolley” rubber-tired buses
 - Potentially significant direct threat—flexible and less expensive to implement—but lack historic accuracy and cachet, providing at best a vaguely similar experience
- ◆ Automobiles
 - Moderate threat for basic transportation, weaker threat for scenic recreation in areas served by trolley, gas costs!!!



6/27/2008

© Rochester Trolley & Rail Corp. 8

Accomplishments

- ◆ Partnerships Sought and/or Under Development
 - City of Rochester
 - County of Monroe
 - Genesee Transportation Council (GTC)
 - Rochester Genesee Regional Transport Authority (RGRTA)
 - State of New York & DOT
 - Federal DOT
 - CSX, other local rail freight carriers
 - Local and state politicians
 - Local municipalities
 - Land owners
 - Local transit and outdoor advertising firms (Lamar, Normal and CGI Communications)



6/27/2008

© Rochester Trolley & Rail Corp. 9

Accomplishments, cont'd...

- ◆ Basic financials evaluated
 - Trolley cars, \$1.25m each for *new* vehicles
 - Ridership pricing and scheduling benchmarks
 - Infrastructure costs, about \$1.25m/mile grade sep.
- ◆ Financials to be refined
 - Laying stone, ties, and rail for street-running
 - Electrification equipment
 - Right-of-way acquisition or lease
 - Tax abatement / property tax impacts
 - Grant funding options and amounts
 - Advertising revenues and sources
- ◆ Supporting efforts
 - Marketing studies will cost \$50,000
 - Engineering / Feasibility studies \$100,000+
 - Fundraising efforts



6/27/2008

© Rochester Trolley & Rail Corp. 10



Technology

- ◆ Basic rail-based passenger transport
- ◆ Electric trolley vehicles
 - 600 to 750 volts DC supplied by overhead wires and trolley pole (or internal generator)
- ◆ Human trolley car / streetcar operators
- ◆ Limited automated switching and signaling equipment, as appropriate



6/27/2008

© Rochester Trolley & Rail Corp. 11



Business Model-- Revenues

- ◆ Not-for-profit owns capital infrastructure; for-profit as operating company
- ◆ Ridership Revenues
 - One-way, Daily, Weekly, Etc.
 - Student, Senior rates
- ◆ Advertising Revenues
 - Trolley cars / streetcars
 - External signage
 - Internal rack ads
 - Route billboards along rights-of-ways
 - Utility Pole Banners
 - Rail bridge advertising at road crossings
 - Stations: displays, benches, etc.
- ◆ “Naming rights”– possible tax-deductibility
 - Ties, trestles, cars, seats and stations
 - One-time or periodic (like a lease)



6/27/2008

© Rochester Trolley & Rail Corp. 12




Business Model-- Costs

- ◆ Bridge and structure restorations
- ◆ Secure rights-of-way
- ◆ Track replacement
 - Track, ties, labor
 - Grade crossings
 - Grading
 - Switching and signaling equipment
- ◆ Stations
- ◆ Overhead electric and power distribution
- ◆ Property tax?
- ◆ Railway lease for shared rails
- ◆ In-road rails
- ◆ Trolley cars / streetcars
 - Acquisition
 - Parts and maintenance
 - Maintenance/ storage facilities
- ◆ Labor costs
 - Maintenance
 - Conductors
 - Station attendants
 - Bridge person (or automate?)




6/27/2008 © Rochester Trolley & Rail Corp. 13



Management Team

- ◆ CEO—Christopher Burns
- ◆ Advisory team
- ◆ Board of Directors
 - To be drawn from community stakeholders



6/27/2008 © Rochester Trolley & Rail Corp. 14



Financials

- ◆ Building capital model...
 - Capital investments in infrastructure and equipment
 - Operational Revenues vs. Expenses
- ◆ Basic operating financials drawn-up for beginning line(s)
 - Operating break-even (and slight profitability) is possible
 - Sensitive to ridership and advertising revenue



6/27/2008 © Rochester Trolley & Rail Corp. 15



Development funding & sources

- ◆ Phase I: Downtown Cross-Route via Subway Tunnel / Broad St. Corridor
- ◆ Phase II: Colleges & Airport to Downtown
- ◆ Phase III: Downtown Circulator
- ◆ Phase IV: Suburbs to Downtown
- ◆ Phase V: Suburbs to Finger Lakes Region
 - Federal
 - Department of Transportation: TEA-21/TEA-3
 - Federal Railway Administration: "New Starts" program
 - H.R. 1315: "The Community Streetcar Development and Revitalization Act" (U.S. Congressman Earl Blumenauer)
 - State
 - NYS Department of Transportation
 - Local match
 - Transfer of ROW ownership (City, County, CSX, RG&E)
 - Property tax abatement (City, County, Towns)
 - Individual private donations (tax deductible)
 - Local business and corporate support or donation (same)



6/27/2008 © Rochester Trolley & Rail Corp. 16



Investor / Community Payback

- ◆ NFP *Rochester Historic Railway Society*: businesses and individuals receive contribution tax-deductibility from 501c3 status.
- ◆ FP *Rochester Trolley & Rail Corp.*: investors share in revenue streams from ongoing operations
- ◆ **Employment**: significant job creation
- ◆ **Localities**: increased tax base and sales tax revenues from **tourism**



6/27/2008

© Rochester Trolley & Rail Corp. 17



To learn more, contact...

- ◆ Christopher Burns, *President & CEO*
- ◆ Christopher.burns@rochestertrolley.com
- ◆ (585) 234-3524
- ◆ P.O. Box 92207
- ◆ Rochester, New York 14692-0207



6/27/2008

© Rochester Trolley & Rail Corp. 18