



CITY OF MILWAUKEE

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## **Do You Believe Us Now?**

*The Milwaukee Streetcar Will – Sooner Rather Than Later – Need Your Tax Dollars*

**Statement from Aldermen Bob Donovan and Mark A. Borkowski  
June 27, 2019**

For years, we have said that the time would come when all the corporate good will in the world and all the promises of sponsorships would not be enough to keep the Milwaukee Streetcar in operation. And, when that time came, we said with equal certainty, that it would fall to Milwaukee's tax-payers to make up the difference.

We knew it. Our constituents knew it. And yesterday, at the meeting of the Public Works Committee, representatives of Mayor Barrett's administration admitted that it could be so. What was shocking was not the admission itself, although it was refreshing to finally hear it from the administration, but just how soon our already-scarce revenues might be needed.

Next year.

Mr. Dave Windsor, the system's manager, told the Committee that his 2020 operating budget is facing a shortfall of as much as \$1.5 million. It is true that he said the City was seeking revenues from informational kiosks and other forms of advertisement. It is also true that the City continues to seek corporate sponsorships. The sad fact, however, is that he could put a hard dollar amount to none of these. Far worse, when pressed on what he would do if this new money was not forthcoming and the streetcar's existing resources ran out, he said flatly that he would turn to the Parking Fund. For those unfamiliar, this is money regularly used for other purposes. This is real City revenue that would be directed to the streetcar.

How many police officers could we hire to patrol our streets for \$1.5 million? How many potholes could we fill? How many streetlights could we replace? How many alleys could we pave? How many homes could have lead paint removed from their walls and windows? By the way, this number will only increase as the grants underwriting the streetcar's operation expire and the generous contribution of the Potawatomi is spent. How can we, with a straight face, ever complain about not receiving our fair share of state revenue when we are unwisely willing to spend money we do receive on a failed system?

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How do we know it is failing? In its coverage of yesterday's meeting, the local media focused on a different aspect of Mr. Windsor's testimony than we discuss above. They focused on his astonishing remark that the streetcar's operators have decided – with very little fanfare – to keep the streetcar fare-free through 2020. In fact, he testified that they had not even let the contract to install the fare collection devices for which they had budgeted \$400,000. Why did they make this decision? He cited a concern that the imposition of a fare would cause a significant downturn in ridership and might not even be worth the cost of installing the collection equipment.

Translation: the streetcar will never pay for its own keep.

The Milwaukee Streetcar is now, for all to see, a failure built on a foundation of magical thinking, wishes, and mismanagement. Even at this late date, the Common Council must work to ensure that is ended. Streetcar proponents worked mightily to prevent the project from being submitted to a referendum. We all know why. It is, therefore, fitting that all of our seats are up in April 2020, mere months after council members will have to vote on an annual budget that could, based on what we mention above, include City revenue for the streetcar.

Our constituents will be watching, and they may yet get their referendum after all.