

Message of the

HON. HECTOR LUIS ACEVEDO

Mayor of San Juan
Capital City of Puerto Rico

before the

**FIRST AMERICAN
RAIL TRANSIT CONGRESS**

December 3, 1992

San Juan, P.R.

LADIES AND GENTLEMEN:

FIRST OF ALL, LET ME WELCOME ALL OF YOU TO SAN JUAN, CAPITAL CITY OF PUERTO RICO AND BY FAR, ONE OF THE MOST COSMOPOLITAN CITY IN THE ENTIRE CARIBBEAN.

ONE BY-PRODUCT OF OUR ECONOMIC GROWTH HAS BEEN TRAFFIC CONGESTION. THE TREN URBANO PROJECT ARISES FROM THE NEED TO ALLEVIATE AUTOMOBILE CONGESTION THAT HAS BECOME INTOLERABLE IN THE SAN JUAN REGION. SAN JUAN HAS A POPULATION DENSITY OF 8,559 PERSONS PER SQUARE MILE AND OUR ONLY ALTERNATIVE FOR MEETING GROWING TRAVELL DEMAND IS TO CONSTRUCT A FIXED GUIDEWAY SYSTEM

AS A CENTRAL, HIGH-CAPACITY
ELEMENT OF A WELL-INTEGRATED
MULTIMODAL SYSTEM.

SUCH A SYSTEM, INCORPORATING
BUSES, "PUBLICOS" AND FIXED
GUIDEWAY CONSTRUCTION, WILL
PERMIT US TO SUPPORT A GROWTH
PATTERN THAT REDUCES SUBURBAN
SPRAWL AND REVERSES THE DECLINE
OF TRADITIONAL URBAN CORES IN
METROPOLITAN SAN JUAN. BOTH THE
LOCAL AND COMMONWEALTH
GOVERNMENTS HAVE THEREFORE
STARTED URBAN DEVELOPMENT AND
SPRAWL-CONTROL PROJECTS, BUT
THEIR EFFECTIVENESS WILL BE
SEVERELY IMPAIRED WITHOUT THE
"TREN URBANO" PROJECT.

I AM SURE THAT, EVEN DURING THE BRIEF PERIOD OF TIME THAT YOU HAVE SPENT ON THE ROAD IN SAN JUAN, YOU HAVE HAD AT LEAST SOME FIRST-HAND EXPERIENCE WITH THE TRANSPORTATION PROBLEMS THAT PLAGUE US. IN PUERTO RICO, IN 1950, THERE WAS 1 CAR FOR EVERY 38 PERSONS; IN 1960 THE RATIO WAS 13.1; 4.4 IN 1970; ALMOST 3 IN 1980; AND IN 1990 WE HAD 1 CAR FOR EVERY 2 PERSONS. FURTHERMORE, ONLY THE DRIVER IS IN THE CAR IN 77% OF THE TRIPS TAKEN. THAT IS, 4 OF EVERY 5 CARS TRAVELING IN OUR ROADS HAS ONLY ONE PASSENGER. A VERY INNEFICIENT INVESTMENT.

THIS IS NOT SUBSTANTIALLY DIFFERENT FROM THE TREND TOWARDS AUTOMOBILE-DEPENDENCY THAT HAS OCCURRED ELSEWHERE; A MODEL OF URBAN DEVELOPMENT THAT STRESSED INDIVIDUAL HOUSING UNITS, HOMOGENOUS TYPES OF NEIGHBORHOODS, AND NON-MIXED USE OF LAND--MINIMALLY PLANNED GROWTH THAT DEMANDED CONTINUOUS ROAD CONNECTIONS.

WHILE THE PHENOMENON MAY NOT BE UNIQUE, IT IS CERTAINLY, AND UNFORTUNATELY, EXTREME. PUERTO RICO HAS 92 VEHICLES PER KILOMETER OF ROAD, AS COMPARED TO AROUND 29 IN THE U.S., 47 IN JAPAN, 55 IN SPAIN, AND 60 IN

GREAT BRITAIN. THE ECONOMIC, SOCIAL, AND PSYCHOLOGICAL IMPACT IS A DAILY ENORMOUS BURDEN AND DRAWBACK.

IN A SMALL ISLAND WE HAVE BEEN LOSING VALUABLE LAND IN ROAD CONSTRUCTION; WE HAVE BEEN LOSING VALUABLE LAND IN DETERIORATED URBAN CENTERS SUCH AS SANTURCE AND RIO PIEDRAS, WE HAVE BEEN SUB-UTILIZING VALUABLE INFRASTRUCTURE IN SUCH URBAN CENTERS, WE ARE FIGHTING A BATTLE AGAINST INCREASED HOUSING COSTS, INCLUDING THE COSTS OF PARKING FACILITIES.

PRODUCTIVE TIME IS LOST IN
ENDLESS TRAFFIC JAMS, DELAYING
ECONOMIC ACTIVITY AND ERODING
LEISURE TIME AND FAMILY TIME. AN
AVERAGE OF 40% OF FAMILY INCOME
IS DEVOTED TO GETTING AND
MAINTAINING CARS. THE ELDERLY
ARE DE FACTO OBLIGATED TO KEEP
DRIVING BEYOND THEIR AGE OR
HEALTH CAPABILITIES.

WE HAVE BEEN SEARCHING FOR,
AND WORKING TOWARDS, A SOLUTION
SINCE THE 1960'S. EVEN BACK THEN
THE RECOMMENDATION WAS
CONSTRUCTION OF A RAIL SYSTEM FOR
SAN JUAN. IN THE MID-70'S A
PROPOSED METRO REACHED THE
PRELIMINARY DESIGN STAGE.

IN SPITE OF THE NEED, THE PROJECT
FIZZLED OUT DUE TO THE LACK OF
POLITICAL CONSENSUS AND REDUCED
LOCAL-SHARE CAPACITY IN
FINANCING.

THE COMMONWEALTH HAS UPDATED
ITS TRANSPORTATION PLANNING FOR
SAN JUAN OVER RECENT YEARS,
THROUGH DEVELOPMENT OF A STATE-
OF-THE-ART MULTI-MODAL COMPUTER
MODEL THAT HAS CONFIRMED THE
CONCLUSION'S REACHED 25 YEARS AGO
ON THE NEED FOR FIXED GUIDEWAY
TRANSPORTATION.

THE PHASE 1 SYSTEM WILL
SERVE A CORRIDOR WITH 74% OF THE
SAN JUAN REGION'S EMPLOYMENT AND
50% OF ITS POPULATION. BY 2010,

BASED ON CONSERVATIVE HISTORIC-TREND PROJECTIONS, OVEN ONE-THIRD OF THE REGION'S EMPLOYMENT WILL BE LOCATED WITHIN A THIRD OF A MILE OF THE PHASE I AND II CORRIDOR. PHASE I WILL SERVE SUCH CRITICAL DESTINATIONS AS THE HATO REY AND NUEVO CENTRO FINANCIAL AND OFFICE DISTRICTS, THE MAIN CAMPUS OF THE UNIVERSITY OF PUERTO RICO (WITH OVER 20,000 STUDENTS), THE RIO PIEDRAS BUSINESS DISTRICT, PUERTO RICO LARGEST MEDICAL COMPLEX, AND THE BAYAMON TOWN CENTER. IN THE HATO REY TO RIO PIEDRAS SECTION ONLY, AROUND 100,000 EMPLOYEES AND 90,000 RESIDENTS WILL BE WITHIN

WALKING DISTANCE OF THE SYSTEM.
THE CONVERGENCE OF EXISTING
FERRY, BUS AND "PUBLICO" SERVICES
AT KEY POINTS ALONG THE CORRIDOR
WILL EXTEND QUALITY MASS TRANSIT
SERVICES PROVIDED FROM A FIXED
GUIDEWAY INVESTMENT.

THE TRANSPORTATION PROGRAM
AIMS AT MAXIMIZING OUR BUS
SERVICE AND THE EFFORTS OF OUR
"PUBLICO" SYSTEM. HOWEVER, WE
NEED MORE CAPACITY AND HIGHER
LEVELS OF SERVICE IF WE ARE TO
COMPETE AGAINST THE GROWTH IN
AUTOMOBILE TRAFFIC IN SAN JUAN.

THE PUERTO RICO HIGHWAY AND
TRANSPORTATION AUTHORITY (PRHTA)
ACT WAS RECENTLY AMENDED TO WIDEN

THE SCOPE OF ITS RESPONSIBILITIES WHICH NOW INCLUDE ROAD, TRANSIT AND PARKING INVESTMENT. IT DERIVES REVENUES FROM GASOLINE TAXES, VEHICLE REGISTRATIONS, TOLLS, FEDERAL FUNDS AND INVESTMENTS. A SIGNIFICANT SHARE OF THE PRHTA'S REVENUES ARE DERIVED FROM TOLLS AND RECENT CHANGES IN ITS BONDS INDENTURES WILL NOW PERMIT THESE REVENUES TO BE BONDED. THE RESULT IS AN INCREASE IN THE DEBT CAPACITY OF THE PRHTA OF OVER \$400 MILLION. PRHTA INTENDS TO DEVOTE A SUBSTANTIAL SHARE OF THIS INCREASE TO THE "TREN URBANO" INVESTMENT PROGRAM.

IN ADDITION, SAN JUAN'S APPORTIONMENTS UNDER THE FEDERAL HIGHWAY PROGRAM HAVE INCREASED SIGNIFICANTLY, AND A PORTION OF THESE RESOURCES POTENTIALLY WILL BE TRANSFERRED TO THE FIXED GUIDEWAY INITIATIVE OR ITS COMPLEMENTARY SYSTEMS.

TOGETHER, LOCAL AND FEDERAL HIGHWAY-RELATED FUNDING SOURCES WILL CONSTITUTE MORE THAN FIFTY (50%) PERCENT OF THE REVENUES TO SUPPORT CONSTRUCTION OF THE PHASE I "TREN URBANO". THE SIGNIFICANCE OF THE PRHTA LEADERSHIP IN UNDERTAKING A FIXED GUIDEWAY INVESTMENT PROGRAM IS UNIQUE AND RECOGNIZES OUR

CONSENSUS THAT THE ONLY WAY TO
IMPROVE MOBILITY IS THROUGH
INTERMODAL FLEXIBILITY. THESE
FUNDING AND INSTITUTIONAL
ARRANGEMENTS CAN SERVE AS A MODEL
FOR THE OTHER STATES AND
LOCALITIES IN IMPLEMENTING THE
ISTEA LEGISLATION.

THE BALANCE OF THE RESOURCES
FOR "TREN URBANO" WILL BE DERIVED
FROM THE PRIVATE SECTOR, FROM THE
COMMONWEALTH'S PUBLIC UTILITY
CORPORATIONS AND LAND HOLDINGS
ALONG THE CORRIDOR AND FROM
FEDERAL FUNDS ALLOCATED BY
FORMULA.

ON APRIL 29, 1992 I RENDERED
A TESTIMONY BEFORE THE HOUSE
APPROPRIATIONS COMMITTEE,
SUBCOMMITTEE ON TRANSPORTATION.

THIS PROJECT HAS HAD
CONSISTENTLY THE SUPPORT OF THE
MAYORS OF THE FIVE METROPOLITAN
CITIES, THAT IS: RAMON LUIS
RIVERA FROM BAYAMON; JOSE APONTE
FROM CAROLINA; PEDRO PADILLA FROM
TRUJILLO ALTO; ALEJANDRO CRUZ
FROM GUAYNABO; AND THE MAYOR OF
SAN JUAN. THAT IS A PRECEDENT IN
THE COMMITMENT OF DIFFERENT
POLITICAL PARTIES TO THIS TYPE OF
PROJECT. ALL GUBERNATORIAL
CANDIDATE ALSO EXPRESSED THEIR
BACKING TO THIS INITIATIVE. THE

PRIVATE SECTOR HAS PROMOTED THE PROJECT THROUGH SEVERAL STUDIES AND HAS EXPRESSED ITS BACKING TO THIS INITIATIVE.

AT THAT TIME, HAVING REACH IN THE ISLAND A POLITICAL CONSENSUS TOWARD THIS PROJECT, I REQUESTED THE SUBCOMMITTEE THEIR SUPPORT TO THE FOLLOWING THREE MECHANISMS:

FIRST, THAT THE COMMITTEE ADOPT LEGISLATIVE AND/OR COMMITTEE REPORT LANGUAGE INDICATING ITS SUPPORT FOR THE DESIGNATION OF SAN JUAN'S "TREN URBANO" PROJECT AS ONE OF THE TURNKEY DEMONSTRATION PROJECTS

UNDER SECTION 3019 OF THE FEDERAL
TRANSIT ACT.

SECOND, WE REQUESTED AN
EARMARK OF FROM THE SECTION 3
DISCRETIONARY BUS PROGRAM TO FUND
A PORTION OF THE INVESTMENT
PROJECT TO DEVELOP THE BUS SYSTEM
IN CONSONANCE WITH THE RAIL
PROJECT. PUERTO RICO WILL MATCH
THESE FUNDS, ACTING RAPIDLY TO
ENHANCE PRESENT AND FUTURE BUS
SERVICE.

FINALLY, WE REQUESTED THAT
THE COMMITTEE INCLUDE LEGISLATIVE
AND/OR COMMITTEE REPORT LANGUAGE
GIVING PUERTO RICO THE HIGHEST
PRIORITY FOR THE ANNUAL
REDISTRIBUTION OF UNOBLIGATED

FUNDS MADE BY THE FEDERAL HIGHWAY ADMINISTRATION, UNTIL OUR HIGHWAY TRUST FUND BALANCES ARE DRAWN DOWN TO A LEVEL CONSISTENT WITH THE LEVELS OF OTHER STATES. THESE FUNDS WOULD BE DEVOTED TO FIXED GUIDEWAY INVESTMENTS, AND WE RECOGNIZE THAT PRHTA'S REGULAR APPORTIONMENTS WILL HAVE TO BE OBLIGATED BEFORE WE CAN QUALIFY FOR THE ADDITIONAL ALLOCATIONS EACH YEAR.

BOTH THE HOUSE AND SENATE APPROPRIATIONS COMMITTEES HAVE RESPONDED FAVORABLY TO PUERTO RICO'S PROPOSAL, AND I AM PROUD TO QUOTE THE TERMS WITH WHICH OUR

TREN URBANO WAS DESCRIBED BY
CONGRESS:

"THE COMMITTEE BELIEVES THIS
PROJECT EXEMPLIFIES THE QUALITIES
THE FTA SHOULD EMPHASIZE IN
SELECTING TURNKEY DEMONSTRATION
PROJECTS UNDER SECTION 3019 OF
THE ISTEA: EXCELLENT RIDERSHIP
POTENTIAL, EXTENSIVE LOCAL
FINANCIAL COMMITMENT, LOCAL
CONSENSUS TO UNDERTAKE THE
PROJECT AS PROPOSED,
INTEGRATION/EVOLUTION OF BUS AND
FIXED GUIDEWAY SYSTEM, STRONG
HISTORY OF PLANNING AND TRAVEL
DEMAND STUDIES, INTERMODAL
COORDINATION BETWEEN HIGHWAY AND
TRANSIT FUNDING, AND WILLINGNESS

TO FAST-TRACK THE PLANNING,
ENVIRONMENTAL AND ENGINEERING
STUDIES PRIOR TO INITIATING THE
TURNKEY PROCUREMENT".

ON THE BASIS OF THIS
EXTREMELY POSITIVE ASSESMENT, THE
COMMITTEES HAVE DIRECTED FTA TO
GIVE SAN JUAN'S TREN URBANO
PRIORITY CONSIDERATION AS ONE OF
THE INITIAL TURNKEY DEMONSTRATION
PROJECT. THIS IS A GREAT TRIUMPH
FOR PUERTO RICO, A TRIBUTE TO
PERSEVERANCE AND THE PURSUIT OF
EXCELLENCE, AN ACHIEVEMENT MADE
POSSIBLE BY THE WILL TO DRIVE OUR
COUNTRY FORWARD AND OUR PEOPLE
UPWARDS. ADDITIONALLY,
APPROPRIATED SIX MILLION DOLLARS

FOR THE COMPLEMENTARY BOTH
SYSTEM.

NOW WE LOOK FORWARD TO START
WITH YOU THE IMPLEMENTATION OF
THE EARLY PHASES OF THIS PROJECT.

LET ALL OF US CONTRIBUTE TO
ONE OF THE KEY PROJECT IN THE
FUTURE OF THIS CITY.

LET ALL OF US POSITION SAN
JUAN FOR THE CHALLENGES OF THE
NEW CENTURY IN A HIGHLY
COMPETITIVE WORLD AND REGIONAL
MARKET.

PUBLIC LIFE HAS TRUE
SIGNIFICANCE WHEN IT BRINGS NEW
OPPORTUNITIES AND QUALITY OF LIFE
TO THE NEXT GENERATION. THIS IS
THE QUEST AND PURPOSE OF THE TREN
URBANO PROJECT.

THANK YOU VERY MUCH

**CAMARA DE REPRESENTANTES
DELEGACION DEL PNP
OFICINA DE ASESORES LEGISLATIVOS**

10 de junio de 1992

Comunicado de Prensa

La promesa de campaña de la senadora Victoria Muñoz Mendoza de iniciar en 1994 la construcción de la primera fase de un sistema de tren liviano a un costo de \$580 millones, sufrió un duro revés cuando un asesor legislativo del PNP reveló que el margen prestatario que tiene disponible la Autoridad de Carreteras es de solamente \$180.3 millones, según lo confirma el último informe del Banco Gubernamental de Fomento sobre la deuda pública.

"Considero irresponsable que la senadora Muñoz Mendoza trate de allegar votos a su candidatura mediante promesas espectaculares, pero engañosas, que distan de la realidad financiera del gobierno de Puerto Rico. No cabe dudas de que el establecimiento de un sistema de transportación colectiva debe ser parte de la agenda del gobierno a mediano o largo plazo, pero es un engaño prometer que se invertirán \$580 millones en 1994 para esos propósitos. Ese dinero ni siquiera existe y tampoco se podrá tomar prestado en los mercados financieros" dijo Pedro Figueroa, asesor de la delegación del PNP en la Cámara y candidato oficial a representante por acumulación.

Figueroa indicó que es imposible emitir bonos por \$580 millones para la primera fase de ese proyecto en 1994 como anunció la senadora Muñoz Mendoza "porque a junio de 1990 la Autoridad de Carreteras tenía una deuda acumulada de \$844.2 millones y el Informe sobre la Deuda

abril de este año, revela que el margen que tiene disponible esa corporación pública para la emisión de bonos, es de solamente \$180.3 millones" explicó.

Figueroa sostuvo, además, que por necesidades rutinarias de mejoras al sistema de carreteras existentes, ese limitado margen prestatario de \$180.3 millones se verá reducido dentro de los próximos dos años fiscales. "Es decir, que la promesa de la senadora Muñoz Mendoza ni siquiera cuenta con esos fondos porque no debe pretender que la Autoridad de Carreteras abandone por completo el mejoramiento de las vías públicas".

"Lo que la senadora Muñoz Mendoza propone es que dentro de dos años la Autoridad de Carreteras emita bonos por casi el 70% de lo que actualmente es el total de su deuda acumulada como resultado del desarrollo del sistema de carreteras en todo Puerto Rico. Tengo la impresión de que las encuestas políticas están obligando a la senadora Muñoz Mendoza a hacer promesas sin saber lo que está diciendo, o está mintiendo deliberadamente" dijo Figueroa.

Para más información: 722-0458