



## La Pointe Harbor Commission Madeline Island

### Exploring Our Options

Island Gazette - Vol. 60, No. 2 - Published March 19<sup>th</sup>, 2023

Those of you who have marked the progress of the Harbor Commission in recent months will not be surprised to see that we are now entering a time when our decisions will be framed by the details of both a purchase agreement and, separately, an operating agreement. With the active engagement of the MIFL, the key elements are taking shape. While those agreements move towards completion, we have begun a separate, parallel order of work: defining our funding options. I am pleased to say that, as of this writing, they are plentiful. They run the gamut from private to public financing; from Federal grants to revenue bonds where debt is serviced with income from operations. Every option has its pros and cons. But none more obviously beneficial than securing a Federal Dept of Transportation RAISE grant to significantly underwrite the Harbor Commission's purchase of the MIFL.

As we spelled out in the last issue of the Gazette, we have focused our efforts on winning what is a competitive grant process, administered by the rigorous rules of the DOT. The RAISE Grant (Rebuilding American Infrastructure with Sustainability and Equity) as those of you who have dug into its language already know, is written to tackle much of the work Madeline Island has assigned to its Harbor Commission in its creation of what will be a publicly owned transportation utility. The introduction of the DOT's 'Notice of Funding Opportunity' describes the grant's purpose as, "for surface transportation infrastructure projects that will improve: safety; environmental sustainability; quality of life; mobility and community connectivity; economic competitiveness and opportunity including tourism; state of good repair; partnership and collaboration; and innovation." Within that mouthful we believe we have an opportunity to compete for funding that can significantly reduce public debt. Hence it is our first option. Our application has been written to support an \$11,000,000 grant. Because the Island is a rural location, it does not have to participate in cost sharing. Given the fact that funds from this year's pool are being sought by every state in the union and that these funds are finite, we are not pinning the Harbor Commission's mission on the need to win all or even some of these dollars. But we think you'll agree that it would be fiscally irresponsible not to ask and to ask as persuasively as we are able.

The application process encourages including letters of support. It doesn't spell out how many or from whom or what category of enterprise. I am delighted to report and we have received, to date, more than 20 from civic groups, local officials and businesses along with a bipartisan assembly of Federal, State, Regional and local elected officials. Something not commonly seen these days! When the list is final, we'll make a point of celebrating each of those who have taken the time and effort to support our Island's initiative.

Necessarily, we must move from hurry to wait as the evaluation process unfolds. It concludes with a 28 June announcement. Before then the DOT evaluators will be engaged in placing each application in one of several "tiers". It is possible but not certain that we will be asked for further information before the final award date.

While we wait, we will continue to pursue the terms of alternative funding mechanisms. As I noted at the outset, we are in the fortunate position to have options. I'll be reporting on them as we march into spring and summertime.