



Gov. Kasich is mistaken! Cutting the Cincinnati Streetcar funding only transfers federal money to a lower-ranked road project

FOR IMMEDIATE RELEASE — March 10, 2011

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CINCINNATI – Two nonprofit organizations contend that Gov. John Kasich and the Ohio Department of Transportation (ODOT) are making an ill-informed mistake by reportedly denying federal funds to the Cincinnati Streetcar – ODOT’s highest-ranking proposed transportation project. Cincinnati city officials relayed to local media yesterday that Gov. Kasich would likely not approve state funding for Cincinnati's streetcar project due to “shortfalls in state funds.”

However, All Aboard Ohio and the Ohio Environmental Council said the funds in question are not state funds – they are federal pass-through funds, most likely Federal Highway Administration dollars such as Surface Transportation Program (STP) and Congestion Mitigation Air Quality (CMAQ) funds administered by ODOT. Under federal law, these funds must pay for transportation projects or transportation programs only. They cannot be used for education, health care, prisons or other programs unrelated to transportation.

Earlier this month, the Kasich administration proposed a \$5.5 billion transportation budget that includes a substantial amount of flexible federal CMAQ and STP funds.

The Ohio House of Representatives is expected to vote on the measure next week. The transportation budget is separate from the state operating budget, which the governor is planning to unveil next Tuesday.

"Our governor is making a false argument that pulling back this federal money will save the state money," said Ken Prendergast, executive director of All Aboard Ohio. "The streetcar funding has nothing to do with the state's deficit. If it is not used for the streetcar, it will go to a lower-ranked Ohio road project."

Funding applications to ODOT's Transportation Review Advisory Council (TRAC) are ranked using a scoring process by whether a project will achieve a more balanced and integrated multi-modal transportation system, embrace environmental stewardship, promote community economic growth and development, and leverage state transportation investment. These goals are aligned with federal transportation investment programs.

All Aboard Ohio and the Ohio Environmental Council believe that a project may not be denied these funds if the project has met all existing scoring criteria established by and if there are sufficient federal funds available.

Ohio receives about \$50 million in federal CMAQ funds each year and many times more in flexible STP funds. The streetcar is seeking \$36.8 million in new federal funding.

The first phase of the \$129.8 million Cincinnati streetcar earned the highest score (84) of any transportation project, existing or new, anywhere in Ohio being considered by the TRAC (100 is the highest possible score). The second phase, extending the streetcar to the Uptown area for \$58.6 million, achieved a very high score of 71.5. The streetcar will be powered by electricity – a clean, affordable and domestically produced energy source.

"Why is our governor against redeveloping Cincinnati's downtown and Over-the-Rhine areas with the streetcar? Steel rails offer a far superior path to jobs and growth and clean air than yet another asphalt road pitted with potholes," said Jack Shaner, deputy director of the Ohio Environmental Council.

By comparison, Ohio's half of the \$2 billion Brent Spence Bridge achieved a TRAC score of only 44. And the three components of the \$632.2 million project to convert State Route 32 into an expressway in Greater Cincinnati's Eastern Corridor achieved scores of only 34, 39 and 48 (SOURCE: [http://www.dot.state.oh.us/trac/Documents/2011%20Draft%20TRAC%20List%20\(December%209,%202010\).pdf](http://www.dot.state.oh.us/trac/Documents/2011%20Draft%20TRAC%20List%20(December%209,%202010).pdf)).

"The Brent Spence Bridge and State Route 32 are costly, taxpayer-funded projects that will not create more long-term job growth for the region than the streetcar," Prendergast noted. "In the case of Route 32, it will use taxpayer money only to disperse existing jobs and residents farther out, while weakening the city of

Cincinnati's tax base, increasing our dependence on cars and foreign oil and making the region's traffic and pollution worse, not better."

Two studies estimate that the streetcar will stimulate new Downtown/Over-The-Rhine development worth \$1.5 billion, or roughly 15 times the cost of the streetcar.

"The related study results are loud and clear: The streetcar project will grow jobs and investment, raise property values, broaden the tax base, increase mobility, relieve congestion and reduce tailpipe emissions," Shaner added. "That's a formula for success, not derailment."

The TRAC last December recommended awarding \$36.8 million of ODOT's share of federal funds to two phases of the streetcar project. The first phase is slated to receive \$35 million of the state's allocation of federal funding in 2012, on top of \$15 million already awarded for 2011. The Uptown phase was recommended to receive \$1.8 million.