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# Railroad sale opponents don't want to say 'we told you so' | Opinion

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The [results of the Nov. 7 election](#) were tragic for those of us who opposed the sale of the Cincinnati Southern Railway and for the city itself. The decision of the voters to sell the railroad is permanent, and there is no way to reconsider even if residents come to regret their choice. So, for the sake of Cincinnati and those who both supported and opposed the sale, we must make this decision by the voters work.

There are several things that the city must do to avoid what would be a double tragedy – losing the railroad and then squandering the proceeds on non-critical or ineligible projects at the expense of the city's true infrastructure needs. The sale of the Cincinnati Southern Railway will be finalized in March 2024. Between now and then, we are recommending that the city demonstrate that it is truly serious about addressing the city's critical infrastructure needs by taking the following actions:

## **Establish a hard floor for spending**

Establishing a "hard floor" based on current Fiscal Year 24 budget levels for the Capital Improvement Program (\$76.4 million), adjusted annually for inflation going forward. The guaranteed \$26.5 million a year disbursement from the trust fund will replace the current Norfolk Southern lease payment. The additional disbursement from the trust fund, which by law is supposed to only be used for "existing infrastructure," will then represent a true increase in infrastructure obligations and spending. In other words, establish budget formulation rules that guarantee real, verifiable increases in Infrastructure spending over FY24 spending levels and restrict moving money from the Capital Improvement Program to other purposes.

For example, at the Oct. 3 Budget Committee meeting, when the city unveiled its "City on Track report," the city manager was already proposing transferring \$3 million in the future from the Capital Improvement Program to other purposes. She also suggested that the amount could increase depending on how much is disbursed by the trust fund trustees beyond the guaranteed disbursement. That is contrary to the purpose of the sale and assurances made by city officials. The purpose of the sale was to increase capital spending not "adjust" capital spending.

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## Further define 'existing infrastructure'

The provisions of the law that requires that the sale proceeds can only be used for existing infrastructure were described as a "safeguard." One railway board trustee remarkedly called it the strictest safeguard they had ever seen. In reality, it's not a safeguard at all, it's simply an authorization for what the money can be spent on.

A very simple way for the city to further define "existing infrastructure," for example, would be to go on record as to what specific projects are not included in the definition of "existing infrastructure." City Council could adopt a resolution that existing infrastructure does not include spending associated with a streetcar extension, a new arena, covering Fort Washington Way and any other grand develop designs for the city now or in the future. In that way, the city could take those specific concerns raised during the campaign off the table and continue to add to the list of what existing infrastructure is *not*, as development proposals surface. Stick to infrastructure as understood by the man-on-the-street, not the developers or politicians seeking reelection.

## Establish a baseline of infrastructure needs

Over the past year and during the campaign, the amount of "deferred maintenance" and "critical infrastructure needs" were described in various dollar amounts ranging from \$190 million as stated in the mayor's November 2022 State of the City speech to \$500 million at various times during the campaign. We heard \$300 million, \$400 million and \$500 million, but we were never provided with a comprehensive itemized inventory and

associated projected costs that total \$500 million, or whatever may be the true projected cost.

The "City of Track" report, for example, includes 50 projects totaling an estimated cost of \$250 million. The city manager called the report "notional," existing only in theory or as a suggestion or idea. The dollar projections in the report were simply budget numbers and not true estimates. Since the projects didn't total \$500 million, it was confusing and, to many, appeared to be hyped to justify the sale of the railroad.

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The city needs an honest inventory and an identification of priorities that is based on a "whole city" approach. This means, instead of "spreading the money around" for political purposes, target spending on the highest priorities and get them done. The city also needs accurate cost estimates for these priorities with sufficient contingencies and adjustments as necessary, realistic, yet aggressive schedules for those priorities, a performance management system specifically designed to measure performance progress on those priority infrastructure projects and publish monthly reports on those priorities as well as all capital improvement spending on a dedicated part of the city's website.

## **Put someone in charge of the infrastructure crisis**

The city's deferred maintenance and critical infrastructure needs were basically declared a crisis by the mayor during the campaign. Usually when there is a crisis, a crisis manager is appointed. That is what is needed here.

Give the crisis manager the necessary authority, latitude and independence from the bureaucratic politics of the city government necessary to publicly recommend priorities absent the politics that wastes time and money, and provide compliance assurance and sufficient oversight of infrastructure projects. This would include the authority to audit and administratively investigate projects as necessary.

The crisis manager should report directly to the mayor and interact directly with City Council and the city departments strictly on infrastructure matters. The crisis manager would be responsible for periodic progress reports, including the status of established

performance metrics. As the saying goes, what is important gets measured, what gets measured gets managed, and what is managed gets done.

## **Get transparency, community engagement right this time**

Opponents of the railroad sale argued during the campaign that compared to an annual lease payment, complexities, uncertainty, and likely controversy will always characterize the amount of additional revenue that can be disbursed to the city by the trust fund. At this point, there is not much the city can do about the complexities and uncertainties of the operation of the trust fund. But there is a great deal the city will be required to do to prevent or minimize controversy through greater transparency and community engagement.

In their effort to advocate for the sale of the railroad, proponents raised expectations that substantially more money would flow to every neighborhood and community in the city for just about any purpose. Even replacing playground equipment was recently cited by the vice mayor as part of this infrastructure crisis. Hopefully, we did not sell the railroad in order to buy new playground equipment.

The city will have to continually communicate and explain the need to focus on priorities that may not include every neighborhood in the near term and continue to be present to engage with every community. The key to making the sale succeed is to forgo political pandering about how we would "like" the money to be spent and build a consensus among city residents about how we "need" the money to be spent.

The 40,000-plus voters who opposed the sale of the railroad, want nothing but the best for Cincinnati. Above all else, they do not want to say, "we told you so." We all need to make this work.

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