

# ***NEWS***

## ***OHIO RAIL DEVELOPMENT COMMISSION***

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Six Economists and a Penguin Walk Into a Bar. The Penguin says, “Ladies and Gentlemen, if I gave you \$3.2-billion dollars to invest in a railroad, what’s my return?”

*(Columbus)* – ... The answer? Perhaps billions of dollars in benefits to Ohio’s economy.

Okay, there wasn’t a bar and the Columbus Zoo wouldn’t let us borrow a penguin. But The Ohio Rail Development Commission **has** engaged two teams of six noted economists to verify that answer and see exactly how Ohio may benefit from new business and development generated by building the

**Ohio & Lake Erie Regional Rail/Ohio Hub Plan.** The plan calls for establishing a system of fast, frequent passenger trains in up to eight corridors throughout Ohio and greatly expanded capacity and speeds for moving more freight by rail.

The two teams held a day-long conference in ORDC’s offices this week to determine strategy and ground rules for their tandem studies.

It may take up to a year to uncover the answers, but Ohio Rail Development Commission Executive Director Jim Seney believes there will be a significant and positive benefit to Ohio’s economy.

“We know all transportation projects are expensive”, says Seney. “That’s a given. But if we invest in re-developing Ohio’s rail infrastructure to move people and goods better and faster, we can create a multiple return beyond that investment in new jobs, new business, increased property

values, increased household incomes and put Ohio in an even stronger position in the national and global economy.”

On the basis of jobs alone, the original Ohio Hub Study, completed last year, indicates an economic impact of 6,000 construction jobs, another 6,000-plus permanent jobs tied to development and up to 1,800 railroad jobs. But Seney says those preliminary numbers don't tell the whole story. That's why these two teams of recognized experts in transportation-related economics have been brought on board, some of them with international experience in the field.

**Dr. Alex Metcalf** of Transportation Economics & Management Systems Inc (TEMS) hails from Great Britain and Economic Analyst **Dr. Lyudmila Bzhilanskaya** is from the former Soviet Union. Both have extensive experience in studying transportation systems both here and abroad and how they interact with the local and regional economies. Transportation Director **Dr. Chip Kraft** rounds out the TEMS team with over 25 years in the railroad business. TEMS developed the original Ohio Hub Study.

The second team is headed up by **Douglas Harnish** of GEM Public Sector Services, with over 23 years in real estate development and evaluation. Joining him are economist **Dr. Sam Staley** of Wright State University and former President of the Buckeye Institute for Public Policy Solutions, along with fellow Wright State University Professors **Dr. John P. Blair** and **Dr. Robert Premus**, all with deep experience with economic development and transportation policy.

“We approached this on somewhat of a ‘tag team’ basis”, says Jim Seney. “Each team will take a different approach toward examining the potential economic impact of the Ohio Hub Plan, but not before agreeing on a set of ground rules and then resolving any issues before producing a final report. What I believe we will get is an honest and very detailed look at not only how much Ohio may benefit from the Hub Plan, but also what industries, communities, businesses and other segments of Ohio's economy will benefit and by how much.”

Ultimately, says Seney, what makes their final report important “is that it will tell us whether we should pursue the Ohio Hub Plan into the Environmental Impact Study phase which, once completed, makes the Hub Plan an official federal transportation project that can be built and put into motion.”

*For more information on the Ohio & Lake Erie Regional Rail / Ohio Hub Plan, go to the ORDC website: <http://www.dot.state.oh.us/ohiorail/>*

*For background information on **Transportation Economics & Management Systems** or **GEM Public Sector Services**:*

*<http://www.temsinc.com/studies.htm>*

*or*

*<http://www.gemcompanies.com/>*

*(The Ohio Rail Development Commission is an independent agency operating within the Ohio Department of Transportation. ORDC is responsible for economic development through the improvement and expansion of passenger and freight*

***rail service, railroad grade crossing safety and rail travel & tourism issues. For more information about what ORDC does for Ohio, visit our website at <http://www.dot.state.oh.us/ohiorail/> )***