

City of Cincinnati "Streetcar" Charter Amendment Resolution -- *That the Cincinnati Association oppose the ballot issue that would amend the Charter of the City of Cincinnati to prohibit expenditures on rail public transportation until the end of the year 2020.*

1. Should the Cincinnati Association take a position on this ballot issue? (Circle.)

Yes No

2. If the Association takes a position, do you approve the above resolution? (Circle)

Yes No

Issue

Whether to amend the Charter to prevent the City from spending any money to build or operate a streetcar system prior to 2020.

Discussion

This resolution is proposed by the Excellence in Government Panel and is supported by the Executive Committee.

Various opponents of the City's planned streetcar -- such as COAST, the Cincinnati NAACP, the Green Party, the Cincinnati Tea Party, the police, firefighters, and CODE labor unions, the Baptist Ministers, and the Homeless Coalition -- support a petition which, if enough valid signatures are collected, will lead to a vote in November 2011 on the Charter amendment.

A similar Charter amendment was presented two years ago, was opposed by Cincinnati, and lost by about 12% in the voting. The key difference is that the earlier amendment banned all expenditures on rail transportation improvements in perpetuity while the newly proposed ban would expire in nine years.

At a recent Government Panel meeting, Mark Miller (COAST) and Rob Richardson (Cincinnatians for Progress) debated this ballot issue. They made these key points:

For the Charter Amendment:

- The streetcar is an unnecessary expenditure of public funds we can't afford to make.
- The City has enormous financial problems even without undertaking this project.
- The actual construction costs will be higher than projected, and funding is uncertain.
- There is no projection of future operating costs, which the City will have to subsidize.
- The City will have to borrow a lot of money for construction, hurting its bond rating.
- City politicians are committed to this wasteful spending and must be stopped.
- Barring streetcar spending thru 2020 will give the City time to recover from its current economic problems, fix its retirement pension plan, and make needed MSD repairs.

Against the Amendment:

- This is essentially the same ballot issue the public rejected two years ago.
- The ballot language is too broad, barring all rail improvements, not just a streetcar.
- It is unwise to put such a broad restriction on our elected officials in the Charter.
- This innovative investment spending will eventually improve economic development and lead to greater City revenues; there is a 3:1 return on such investments.
- Many other cities popular with the kind of young talent we want to attract have streetcars.
- Many growing cities have this kind of transportation option or are getting it.
- The ban on spending thru 2012 is simply arbitrary.

After considering these positions, the Panel voted to recommend that Cincinnatus oppose the Charter amendment for the same reasons that it opposed the prior ballot issue.

The Panel made no judgment on the merits of the current streetcar proposal [which, it should be noted, has been scaled back significantly after State funds were later lost]. Whether building a streetcar system is a wise or unwise use of public funds was not the issue.

Rather, the consensus view of the Panel was that this type of amendment to the City Charter should be opposed. It would tie the hands of City officials, precluding them from making the types of decisions they are chosen and authorized to make. And it would do so, not just for the streetcar project (whatever one may think about that), but also for other potential activities that could benefit the public.

Both the Panel and subsequently the Executive Committee concluded that Cincinnatus should go on record publicly in order to "protect the Charter" against such issue-specific amendments which unduly restrict the proper functioning of City government.