

September 28, 2023

Bridging the Gap: Capping Fort Washington Way

Budget Narrative



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PROJECT BUDGET

The City of Cincinnati is requesting \$149.81 million in FY 2023 Reconnecting Communities and Neighborhoods (RCN) funds to design and fully construction the \$187.27 million **Bridging the Gap** project. If successful, the RCN funds will be supported by \$37.45 million in local match funds sourced 1/3 from the City of Cincinnati, 1/3 from Hamilton County, and 1/3 from business and civic leaders raised by the Cincinnati Chamber. Letters of commitment for each source of local match funds are included in the first pages of this application. This project is the culmination of more than 20 years of planning and community support and provides a great example of City, County, State, and Private stakeholders coming together to reconnect communities that will improve quality of life for all Cincinnatians.

Since FWW was reconfigured in the late 1990s, the City of Cincinnati, Hamilton County, and private sector partners have discussed the viability of converting the space above FWW to provide a public benefit. As part of the ODOT project, foundation pilings were built in the ground with the intention of one day using them to support an elevated highway cap park, as envisioned in the 2000 Central Riverfront Urban Design Master Plan.

While it's difficult to quantify all previously incurred costs, it is worth noting that the entire \$10 million dollar cost of the design and construction of the pilings was privately raised with hopes that this long-term, visionary investment would help spur the reconnection of the CBD and Ohio River waterfront. That investment is equivalent to more than \$17 million today when adjusted for inflation. Furthermore, since interest in the project has been reinvigorated over the past few years, the City and its partners at the Chamber have funded all planning-level work completed to-date from local funds.

Emphasis on Contingency and Risk Aversion

The City of Cincinnati understands the potential risks associated with estimating costs before commencing design and environmental work and has allocated a generous 50% construction contingency to the overall project cost. This approach to risk aversion is also evident in the proposed project construction schedule shown in the project readiness section. While the City anticipates expediting construction to reach project closeout in under three years, it has shown four years on the project schedule to allow ample time to address any unforeseen issues.

Sources and Uses of Funds

Table 1 summarizes the RCN sources and uses of funds. Budget categories are grouped by project tasks, including: Design and Environmental, Structure Construction, Tunnel System Construction, Park and Streetscape Construction, Civil Construction, and a generous 50% construction contingency. All non-federal funds will be sourced from multiple existing funding streams, including:

- City and County Capital funding via local operating budgets,
- Joint City and County State of Ohio capital funding grants (2024, 2026, 2028),

- State funding and entitlements granted to MPO,
- City-established Tax Increment Financing district,
- Voter-approved sales tax levy to the local Transit Infrastructure Fund,
- Grants and endowment-financing via Cincinnati Parks,
- Private fundraising led by the Cincinnati USA Regional Chamber

The local match funds will be used to fund 20% of each project task as shown below in table 1.

Table 1: Project Budget Summary by Source and Use, Future Eligible Costs

FUNDING SOURCE	Design and Environmental	Structure Construction	Tunnel System Construction	Park and Streetscape Construction	Civil Construction	Construction Contingency	TOTAL	%
RCN Funds	\$9,173,237	\$35,755,094	\$39,118,718	\$17,098,559	\$560,000	\$48,106,623	\$149,812,231	80%
Other Federal Funds							\$ -	0%
Non-Federal Funds	\$2,293,309	\$8,938,773	\$9,779,679	\$4,274,640	\$140,000	\$12,026,656	\$ 37,453,057	20%
Total	\$ 11,466,546	\$ 44,693,867	\$ 48,898,397	\$ 21,373,199	\$ 700,000	\$ 60,133,279	\$ 187,265,288	

Table 2: Expenditures by Fiscal Year

Project Element	FY-23 and Prior	FY-24	FY-25	FY-26	FY-27	FY-28	FY-29	FY-30	TOTAL
Design & Environmental	\$0	\$0	\$7,644,364	\$3,822,182	\$0	\$0	\$0	\$0	\$11,466,546
Right-of-Way	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$13,607,702	\$27,215,403	\$27,215,403	\$27,215,403	\$20,411,552	\$115,665,463
Contingency	\$0	\$0	\$0	\$7,074,503	\$14,149,007	\$14,149,007	\$14,149,007	\$10,611,755	\$60,133,279
Total	\$0	\$0	\$7,644,364	\$24,504,387	\$41,364,410	\$41,364,410	\$41,364,410	\$31,023,307	\$187,265,289

Match Funding Commitments

The City of Cincinnati's request for \$149.81 million in Reconnecting Communities and Neighborhoods Program Capital Construction Grant funding is matched by \$37.45 million in local funds from the City of Cincinnati, Hamilton County, and the Cincinnati USA Regional Chamber (Cincinnati Chamber) to fully fund the design and construction of **Bridging the Gap** project for \$187.27 million. The local funding source is dedicated and available for this project and cannot be diverted for other purposes or the implementation of any other project.

While local match funding has been secured and will be provided by the City of Cincinnati and its project partners, a lack of FY23 RCN funding could mean the Project would be competing with other City and ODOT projects that are ready to start construction but also require additional funding. The proposed Project schedule would be met, and the described benefits could be delayed. If RCN funding is not secured, the City of Cincinnati will continue to work with its regional partners and the State of Ohio budgeting process to identify additional federal

funding that may be programmed in future years. Thereby, delaying the completion of this project and delivery of essential community benefits described in this application.

The City of Cincinnati annually manages hundreds of millions of dollars of federal, state and local funding for transportation projects, services, and has the full legal, technical, and financial capability of managing funds awarded from the FY23 RCN Grant Program. The City also has the technical expertise and capacity to manage the financial requirements of the RCN funds as demonstrated by the Federal Highway Administration and the Federal Transit Administration grants currently administered by the city's awarded FHWA funds used for major and critical infrastructure projects.

A letter of local funding commitment can be found as the cover letter in the Application Narrative document and in Appendix D.