



Ohio Senate Local Government and Elections Committee
FY 2022-2023 Budget

Matthew Dietrich, Executive Director

April 28, 2021

Chair Gavarone, Ranking Member Maharath, and members of the Ohio Senate Local Government and Elections Committee:

I am Matthew Dietrich, Executive Director of the Ohio Rail Development Commission. Thank you for the opportunity to address you today and provide you with information about the ORDC's Fiscal Years 2022-2023 budget.

The ORDC supports rail-related public safety and economic development efforts. In addition, we facilitate railroad interaction with ODOT projects when needed. The Commission consists of 15 members appointed by the Governor and the General Assembly. The Directors of the Ohio Department of Transportation and the Ohio Development Services Agency also serve on the Commission. The Commission appointments are volunteer appointments. Commissioners receive no salary or OPERS benefits. They are here because they all think that rail is a necessary component to a balanced transportation system for the State of Ohio.

While the Commission staff works on a variety of issues involving rail throughout the state, the Commission's work focuses on two primary objectives: grade crossing safety and economic development.

The majority of the funding the Commission receives is federal highway funding for grade crossing safety. Funding for this program was appropriated in the Transportation Budget Bill (Am. Sub. House Bill 74), but I would like to take a moment to thank you for your support and tell you how we use these funds. ORDC's Grade Crossing Safety projects largely install new or upgraded lights and gates at public road crossings around the state. In the most recent two-year period, ORDC initiated 115 safety improvement projects including the installation of lights and gates at rail-highway grade crossings and the reconstruction of crossing surfaces. These projects are shown on the attached map and total \$34.5 million. Since 1994, crashes at rail-highway crossings have been reduced from 216 to 68 in 2019 and fatalities decreased from 38 to 7 in 2019.

However, we know that just installing lights and gates does not guarantee success. Unfortunately, in 2019, 85% of the crashes at grade crossings occurred at locations with active warning devices, either flashing lights or lights and gates. Following the data led ORDC to look at other improvements beyond lights and gates to improve grade crossing safety. Additionally, blocked crossings and rough grade crossing surfaces can quickly develop from a nuisance to a public safety issue. While the federal funding has limitations, ORDC does everything it can to



remediate all of these safety issues. Most of our projects consist of new or upgraded lights and gates at high-hazard crossings. While the primary project selection tool is a hazard ranking formula, I am also very happy to report that many of our projects are the result of you, your colleagues and your constituents bringing issues to our attention.

The situation for our economic development programs is no less dynamic. Approximately 20% of site searches evaluated by JobsOhio require rail access. Ironically, one of the difficulties is to make sure that everyone knows where the good rail sites are in the state and, if there is not a site that is directly rail-served available to meet the companies' needs, then identifying transload facilities (truck to rail, water to rail) as an alternative. We work very closely with the regional economic development organizations such as TeamNEO, the Regional Growth Partnership and One Columbus to assist companies needing rail service.

The most important funding for ORDC's economic development efforts is the \$2 million in General Revenue Funds contained in House Bill 110. The flexibility of GRF allows ORDC to respond to companies' needs. In FY 19-20, ORDC approved funds for freight rail projects that are expected to result in 711 new jobs created, 1,028 jobs retained, and 7,364 jobs supported, for a total impact of 9,104 positions in the state. Funding from ORDC will help to leverage nearly \$1.5 billion in capital investments in Ohio. The locations of these projects are shown on the attached map. Notable projects include:

- A grant to support a \$300 million new facility investment by AMG Vanadium in Zanesville. The incentives from ORDC and other state and local partners are secured by a commitment from the company to create 100 new jobs.
- Rehabilitation grants to the Ashland Railway, the Ohio South Central Railroad, the Village of Greenfield, and the West Central Ohio Port Authority supporting more than 1,000 jobs *each* at rail-served companies.

The rail industry is not homogenous. It consists of railroads with national networks and small ones serving one or two counties. While we work with all of the railroads to improve safety and development opportunities in Ohio, of the 35 projects approved for ORDC grants in the last two fiscal years, all but one project went to either an individual Ohio company trying to access or improve their rail infrastructure or a short-line railroad improving their rail lines in the state. These 34 projects represent 92% of our grant funding. The one remaining project with Norfolk Southern railroad was for ORDC's share for a federal grant to improve a rail line serving a new proposed facility in Ohio. Norfolk Southern is providing over 30 times the ORDC amount for the non-federal share of the federal grant.

This past year, logistics supply chains have been severely impacted by the pandemic. We have been working with JobsOhio to identify ways to mitigate or improve Ohio's position as a logistics center.

Finally, I am very proud of ORDC's recent success with competitive federal grants. These grants allow ORDC to leverage our funding against both private and federal sources. In 2020, ORDC received four Federal Railroad Administration competitive grants totaling \$11.5 million. These federal funds will secure \$9.5 million in direct private investment as matching funds.

Governor DeWine's Executive Budget proposal continues ORDC's programs at the same levels as the current budget. The chart on the next page shows how ORDC's budget is split across the Transportation Budget Bill (HB 74) and the Main Operating Bill (HB 110).

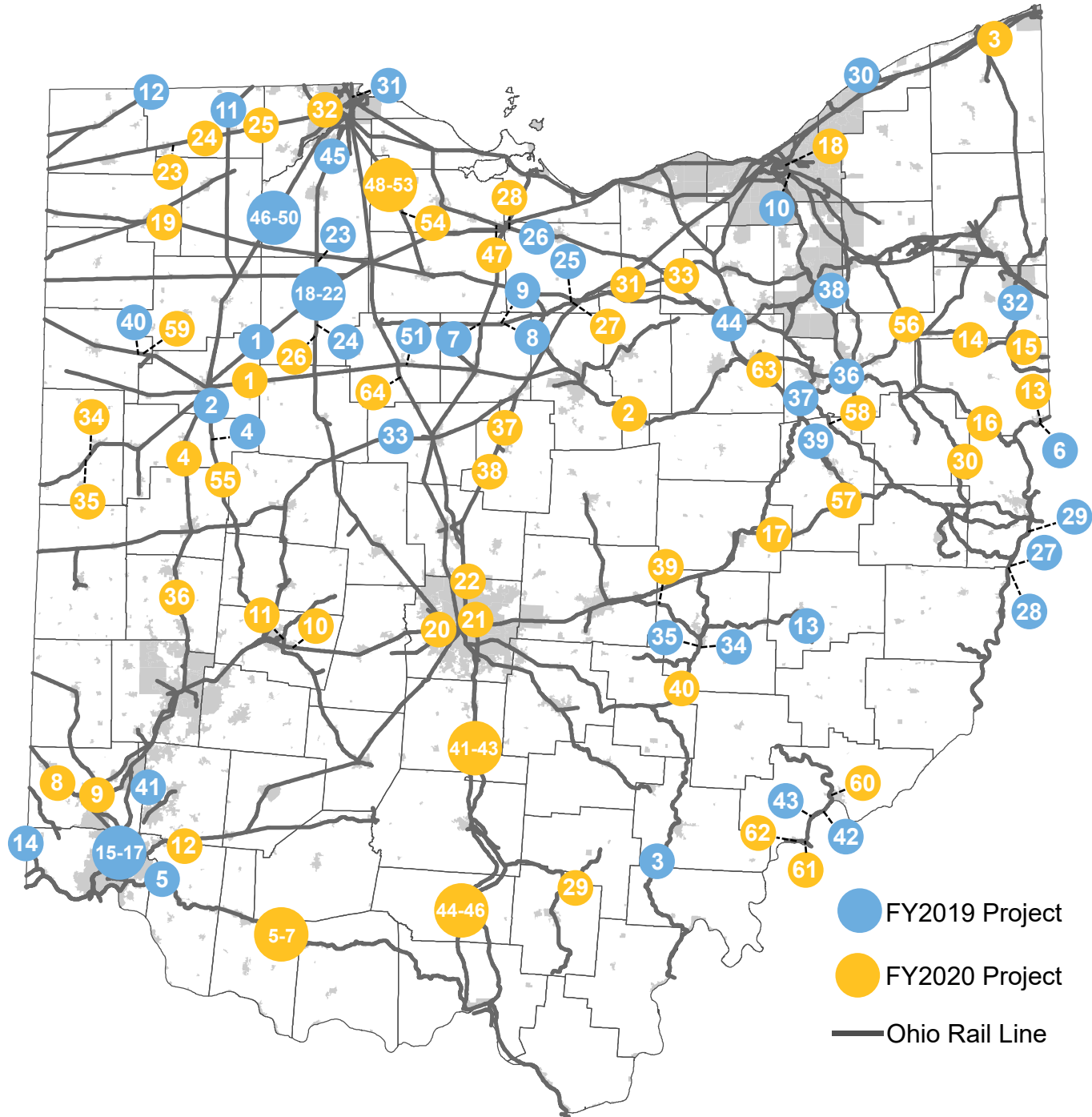
Funding Source (Fund, ALI)	Grade Crossing Safety (Annually)	Rail Infrastructure and Economic Development (Annually)
Grade Crossings – Federal (7002, 776462)*	\$14,103,000	
Highway Construction – State (7002, 772421)*	\$1,100,000	
Highway Construction – Federal (7002, 772422)*		\$1,000,000
Rail Development – State Special Revenue (4N40, 776664)*		\$2,875,800
Ohio Rail Development Commission (GRF, 776465)^		\$2,000,000
Program Total	\$15,203,000	\$5,875,800

*Transportation Budget Bill, HB 74

^Main Operating Bill, HB 110

While the share of ORDC’s funds before you in House Bill 110 is a small proportion of the Commission’s total budget, it is essential for our economic development efforts. I respectfully request the Committee’s support of the ORDC funding in HB 110, which maintains our programs at last biennium’s pre-pandemic levels.

Chair Gavarone and members of the Committee, thank you again for the opportunity to provide testimony in support of the ORDC’s budget for Fiscal Years 2022-2023. I am happy to answer any questions that you have.

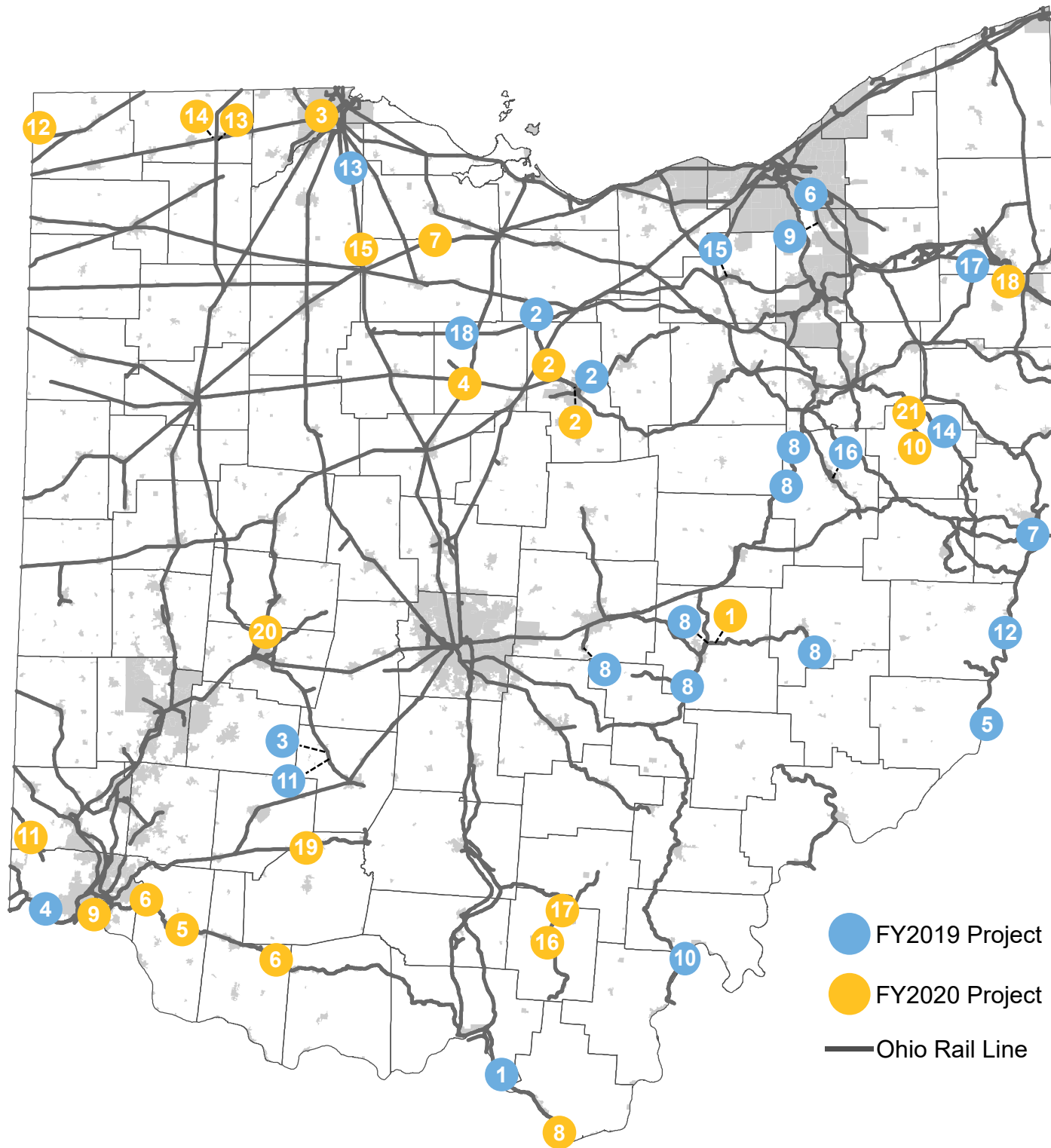


County	Route	Improvement	County	Route	Improvement	County	Route	Improvement
1	ALL SR 103-1.62 / Jefferson St.	lights & gates	18	HAN Sandusky Street	lights & gates	36	STA Market Street S	lights & gates
2	ALL TR 144 / E. Hume Rd.	lights & gates	19	HAN Sandusky Street	other	37	STA TR 322 / Baymere Ave.	lights & gates
3	ATH CR 13 / Carpenter Rd.	lights & gates	20	HAN Western Avenue	lights & gates	38	SUM Gilchrist Road	lights & gates
4	AUG CR 150 / Middle Pike	lights & gates	21	HAN CR 84	lights & gates	39	TUS TR 424 / Mt. Pleasant Rd.	lights & gates
5	CLE CR 106 / Round Bottom Rd.	lights & gates	22	HAN TR 212	lights & gates	40	VAN TR 199 / Bockey Rd.	lights & gates
6	COL Virginia Avenue	closure	23	HAN TR 114 / Barnhouse Rd.	lights & gates	41	WAR SR 63	other
7	CRA SR 4-19.61	lights & gates	24	HAN TR 37 / Vanzandt Road	lights & gates	42	WAS SR 7	lights & gates
8	CRA Center Street	lights & gates, surface	25	HUR US 224-15.67	lights & gates	43	WAS TR 482 / Gravel Bank Rd.	lights & gates
9	CRA SR 602-14.25 / Kibler St.	lights & gates	26	HUR SR 99-14.43 / Ridge Street	lights & gates	44	WAY CR 504	lights & gates, surface
10	CUY E. 116th St. & Harvard St.	other	27	JEF CR 2 / Public Road	other	45	WOO SR 199 / McCutchensville Pk.	lights & gates
11	FUL CR M	lights & gates	28	JEF CR 2 / Public Road	other	46	WOO TR 23 / Jerry City Rd.	lights & gates
12	FUL US 127 / Meridian Road	lights & gates	29	JEF Penn Street	flashing lights	47	WOO TR 55 / Bays Rd.	lights & gates
13	GUE TR 4382 / Hope Ave.	flashing lights	30	LAK CR 518 / Headlands Rd.	surface	48	WOO Railroad Street	lights & gates
14	HAM State Street	flashing lights	31	LUC Chase St. & New Albany St.	lights & gates	49	WOO South Street	closure
15	HAM Zinsle Avenue	flashing lights	32	MAH TR 1698 / Maple Ave.	other	50	WOO Sugar Street	lights & gates
16	HAM Highland Ave.	lights & gates	33	MAR Main Street	lights & gates	51	WYA TR 60	lights & gates
17	HAM CR 257 / Deerfield Road	lights & gates	34	MUS SR 719	other			
			35	MUS Maysville Road	other			
						42	PIC West Mill Street	closure
						43	PIC East Huston St.	closure
						44	PIK Market Street	lights & gates
						45	PIK Mill Street	lights & gates
						46	PIK US 23 / Market Street	other
						47	SAN CR 308 / Flat Rock Road	other
						48	SAN Stone Street	lights & gates
						49	SAN W. Stevenson Street	lights & gates
						50	SAN SR 600-4.90 / W. Madison St.	lights & gates
						51	SAN W. Yeasting Street	lights & gates
						52	SAN W. Kemmerling Street	lights & gates
						53	SAN SR 300-2.78 / S. Main Street	lights & gates
						54	SAN CR 41 / Greensburg Pike	lights & gates
						55	SHE SR 274 / E. Pike Street	surface
						56	STA TR 18 / Gaskill Road	lights & gates
						57	TUS CR 39 / Wolfes Crossing	lights & gates
						58	TUS CR 102 / Fort Laurens Rd.NW	lights & gates
						59	VAN TR 205 / John Brickner Road	lights & gates
						60	WAS TR 50 / Westview Ave	lights & gates
						61	WAS Depot Street	lights & gates
						62	WAS Farson Street	lights & gates
						63	WAY TR 137 / Bair Road	lights & gates
						64	WYA CR 58C	surface

FY2019 Projects: 51
 FY2020 Projects: 64
Total: 115

FY2019 Spending: \$14,040,110
 FY2020 Spending: \$20,491,520
Total: \$34,531,630





● FY2019 Project
● FY2020 Project
— Ohio Rail Line

FY19 Project	ORDC Funding		Other Funding		Total Funding	Job Impact			Total Jobs
	Grant	Loan	Private	Public		Created	Retained	Supported	
1 Altivia Petrochemicals Rail Yard Expansion	\$ 100,000	\$ -	\$ 125,000	\$ -	\$ 225,000	-	136	-	136
2 ASRY Bridge 84.1 & Culvert 262.9 Repairs	\$ 49,796	\$ -	\$ 49,796	\$ -	\$ 99,592	-	-	1,000	1,000
3 Bluegrass Farms Reach Stacker Acquisition	\$ -	\$ 553,097	\$ -	\$ -	\$ 553,097	-	-	-	-
4 CIND Rehabilitation	\$ 355,855	\$ -	\$ 941,011	\$ -	\$ 1,296,866	-	-	-	-
5 CMQ Omal Yard Connections	\$ 124,703	\$ -	\$ 124,703	\$ -	\$ 249,406	-	-	320	320
6 OmniTRAX CCRL Rehabilitation	\$ 554,374	\$ -	\$ 554,375	\$ -	\$ 1,108,749	-	-	85	85
7 FeX Processing Spur	\$ 50,000	\$ -	\$ 3,350,000	\$ -	\$ 3,400,000	15	9	-	24
8 G&W Northeast Region Bridge Repairs	\$ 142,475	\$ -	\$ 142,475	\$ -	\$ 284,950	-	-	-	-
9 Jamen Corp. Transload	\$ -	\$ 500,000	\$ 800,000	\$ -	\$ 1,300,000	-	-	160	160
10 KNWA Hobson Yard Improvements	\$ 174,930	\$ -	\$ 174,930	\$ -	\$ 349,860	-	-	6	6
11 Menard Inc. Spur	\$ 200,000	\$ -	\$ 62,800,000	\$ 2,000,000	\$ 65,000,000	161	-	-	161
12 Norfolk Southern Ohio River Rail Improvement Project	\$ 520,000	\$ -	\$ 14,500,000	\$ 16,862,843	\$ 31,882,843	-	-	550	550
13 NSG Glass North America Spur	\$ 200,000	\$ -	\$ 259,800,000	\$ -	\$ 260,000,000	150	-	-	150
14 Ohi-Rail Bridge 49.83 Repairs	\$ 37,000	\$ -	\$ 37,000	\$ -	\$ 74,000	-	-	-	-
15 Ravago Americas Spur	\$ 100,000	\$ -	\$ 34,750,000	\$ 150,000	\$ 35,000,000	40	35	-	75
16 RJ Corman Marlite & Deflecto Leads Rehabilitation	\$ 163,040	\$ -	\$ 163,040	\$ -	\$ 326,080	-	-	105	105
17 Taylor Coil Processing Spur Rehabilitation	\$ 56,125	\$ -	\$ 56,125	\$ -	\$ 112,250	-	67	-	67
18 WLE Crawford Siding	\$ 400,000	\$ -	\$ 3,100,000	\$ -	\$ 3,500,000	-	-	-	-

FY20 Project	ORDC Funding		Other Funding		Total Funding	Job Impact			Total Jobs
	Grant	Loan	Private	Public		Created	Retained	Supported	
1 AMG Vanadium	\$ 150,000	\$ -	\$ 296,150,000	\$ 3,700,000	\$ 300,000,000	100	-	-	100
2 ASRY Mansfield Yard Expansion and Willard Line Defect Remediation	\$ 735,882	\$ -	\$ 735,882	\$ -	\$ 1,471,764	-	-	1,000	1,000
3 Brenntag Spur	\$ 75,000	\$ -	\$ 13,945,000	\$ 980,000	\$ 15,000,000	45	-	-	45
4 Bucyrus Railcar Repair Second Expansion	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000	-	-	80	80
5 CCET Mt. Carmel Stabilization Spur Rehabilitation	\$ 75,000	\$ -	\$ 76,500	\$ -	\$ 151,500	-	-	-	-
6 CCET Stone Transload	\$ 200,000	\$ 500,000	\$ 1,300,000	\$ -	\$ 2,000,000	-	-	-	-
7 Church & Dwight Expansion	\$ 75,000	\$ -	\$ 37,145,000	\$ 780,000	\$ 38,000,000	60	240	-	300
8 Engines, Inc. Lead Track Rehabilitation	\$ 58,300	\$ -	\$ -	\$ -	\$ 58,300	-	84	-	84
9 Fulton Railroad Co. Frontloader Acquisition	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000	-	-	-	-
10 Griffeth Trucking Transload Facility	\$ 100,000	\$ -	\$ 1,100,000	\$ -	\$ 1,200,000	40	30	-	70
11 IERR Rehabilitation	\$ 145,251	\$ -	\$ 145,251	\$ -	\$ 290,502	-	-	69	69
12 Indiana Northeastern Track Upgrade	\$ 267,939	\$ -	\$ 334,706	\$ -	\$ 602,645	-	-	-	-
13 IORY Delta Yard Expansion	\$ 300,000	\$ -	\$ 3,584,000	\$ 3,284,000	\$ 7,168,000	-	-	600	600
14 North Star BlueScope Steel Expansion	\$ 100,000	\$ -	\$ 695,900,000	\$ 4,000,000	\$ 700,000,000	90	397	-	487
15 Ohio Logistics-CGS Spur Extension	\$ 75,000	\$ -	\$ 133,829	\$ -	\$ 208,829	10	20	90	120
16 OSCR Beaver Pike Crossings	\$ 25,964	\$ -	\$ 25,964	\$ -	\$ 51,928	-	-	-	-
17 OSCR Bridge & Grade Crossing Surface Repairs	\$ 128,659	\$ -	\$ 128,660	\$ -	\$ 257,319	-	-	1,300	1,300
18 United Freezer Spur Improvements	\$ 21,000	\$ -	\$ 21,000	\$ -	\$ 42,000	-	10	-	10
19 Village of Greenfield Line Rehabilitation	\$ 713,789	\$ -	\$ -	\$ 3,350,586	\$ 4,064,375	-	-	1,200	1,200
20 WESTCO Urbana Line Bridge 124.67 Bridge Reconstruction	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ 400,000	-	-	1,800	1,800
21 WLE Oneida Bridge Repairs	\$ 235,225	\$ -	\$ 235,225	\$ -	\$ 470,450	-	-	70	70

	Grant	Loan	Private	Public	Total Funding	Created	Retained	Supported	Total Jobs*
FY19 and FY20 Totals	\$ 6,910,307	\$ 2,153,097	\$ 1,432,429,472	\$ 35,307,429	\$ 1,476,800,305	711	1,028	7,365	9,104

*Total jobs impacted over FYs 19-20 may not equal individual projects due to some jobs being supported by multiple projects

