



The Recommended FY 2025 Capital Budget Update is based on the City Council Approved FY 2025 Capital Budget with modifications as noted herein. The update provides recommended changes to the Approved FY 2025 Budget, which is the second year of the Approved FY 2024 - 2025 Biennial Capital Budget.

Please note: The Metropolitan Sewer District did not change its fiscal year in 2013 to align with the change in the City's fiscal year of July 1 through June 30. Therefore, the Recommended FY 2025 Restricted Funds Capital Budget Update includes the Calendar Year 2024 (January 1 through December 31, 2024) capital project amounts. The Capital Budget for the Metropolitan Sewer District is annually approved by the Hamilton County Board of County Commissioners each December.

ANALYSIS OF CAPITAL BUDGET EXPENDITURES

Cincy on Track

In June 2023, the Board of Trustees of the Cincinnati Southern Railway (the "Rail Board") entered into a First Amended and Restated Asset Purchase and Sale Agreement (the "Sale Agreement") with Norfolk Southern Railway Company ("Norfolk Southern"), and the Cincinnati, New Orleans, and Texas Pacific Railway Company ("CNOTP") proposing the sale of the Cincinnati Southern Railway (CSR) to Norfolk Southern for \$1,600,000,000, in addition to certain contractual payments owed by Norfolk Southern to the Rail Board. The sale of the Cincinnati Southern Railway was contingent on approval by the Cincinnati electorate, among other things.

On November 7, 2023, the Cincinnati electorate approved the sale of the Cincinnati Southern Railway with the proceeds from the sale to be placed in a trust with annual disbursements paid to the City for the rehabilitation, modernization, or replacement of existing infrastructure improvements. Unless the trust fund balance decreases by 25% from one year to the next, such distributions will, at minimum, equal the amount the City would otherwise receive if the lease remained in effect.

On March 15, 2024, the Rail Board closed on the sale of the Cincinnati Southern Railway. As a result, the Cincinnati Southern Railway will no longer generate lease revenue for the City. For the transition period of FY 2025, resources generated by certain contractual payments from Norfolk Southern to the Rail Board will more than cover the otherwise anticipated source of revenue under the former lease arrangement. The anticipated resources under the lease arrangement were \$26,360,000 for FY 2025. An additional sum of \$2,841,000 is possible due to the sale of the Cincinnati Southern Railway, for a combined resource totaling \$29,201,000 in FY 2025.

As indicated in the "Cincy On Track (COT): A Spending Plan for the Proposed Sale of the Cincinnati Southern Railway" report (Item no. 202302088), the investment of the Cincinnati Southern Railway sale proceeds is projected to at least double the annual amount received by the City from the previous CSR lease arrangement -- from \$26.5 million to a projected \$56.0 million. Disbursements from the trust will begin in FY 2026. The trust structure is intended to generate investment returns and protect the trust fund balance in perpetuity, providing the City with funding needed to address capital maintenance of core deteriorating infrastructure now and for generations to come. The amount of the FY 2026 disbursement from the trust must be certified by the Rail Board to the City no later than September 30, 2024, per Ohio Revised Code (ORC) Section 746.05.

Other than adjustments reflected in the FY 2025 Budget Update, the Approved FY 2024-2029 Capital Improvement Program (CIP) remains unchanged. Resources from the sale of the Cincinnati Southern Railway and subsequent trust disbursements will be taken into consideration with the development of the FY 2026-2031 Capital Improvement Program as part of the FY 2026-2027 Biennial Capital Budget.

Capital Improvement Program

Summary



Cincinnati Southern Railway - Existing Infrastructure

Proceeds from the sale of the Cincinnati Southern Railway to Norfolk Southern were placed in a trust with annual disbursements paid to the City starting in FY 2026. Disbursements from the trust will, at minimum, equal the amount the City would otherwise receive if the lease arrangement remained in effect-unless the trust fund balance decreases by 25% from one year to the next. Disbursements to the City from the sale are restricted to being used for the rehabilitation, modernization, or replacement of existing infrastructure improvements.

For FY 2025, revenue generated by certain contractual payments from Norfolk Southern to the Rail Board are included in the Recommended FY 2025 Capital Budget Update, totaling \$29,201,000, as indicated below.

The sum of \$26,360,00 matches the anticipated resources under the lease arrangement. The additional sum of \$2,841,000 in FY 2025 is possible due to the sale of the Cincinnati Southern Railway, as outlined in the “Cincy On Track (COT): A Spending Plan for the Proposed Sale of the Cincinnati Southern Railway” report.

Project Name	Amount
Recreation Facilities Renovation	2,376,500
Park Infrastructure Rehabilitation	2,719,000
Street Rehabilitation	12,916,500
Traffic Signals Infrastructure	1,435,000
Victory Parkway Complete Street	3,040,000
City Facility Renovation and Repairs	2,746,000
Facilities Renovation and Repairs	141,000
Health Property Structural Integrity	986,000
Subtotal	26,360,000
Outdoor & Athletics Facilities Renovation	1,300,000
Street Rehabilitation	541,000
Price Hill Health Center Parking Lot Expansion	1,000,000
Additional Subtotal	2,841,000
Grand Total	29,201,000

Note: For a breakdown of the FY 2025 Cincy on Track Plan, please refer to the sub-project information and infographic on the following pages.



Capital expenditures in the amount of \$29,201,000 were allocated to various projects across five departments (Health, Parks, Public Services, Recreation, Transportation & Engineering) based on the available FY 2025 resources from the Rail Board. Within those projects, each department provided a planned breakdown of sub-projects during capital budget development. While these projects are currently tentatively proposed, specific sub-projects are subject to change at any point in response to changes in operational needs (such as critical failures, etc.).

Recreation

Table with 4 columns: Project (Appropriation Level), Sub-Project, Primary Neighborhood, Project Amount. Lists 18 recreation projects with a total of \$3,676,500.

Transportation and Engineering

Table with 4 columns: Project (Appropriation Level), Sub-Project, Primary Neighborhood, Project Amount. Lists 25 transportation and engineering projects with a total of \$17,932,500.

Capital Improvement Program

Summary



Public Services

Project (Appropriation Level)	Sub-Project	Primary Neighborhood	Project Amount
City Facility Renovation and Repairs	CFM Headquarters (Beekman St) Garage Roof Replacement	South Fairmont	2,000,000
City Facility Renovation and Repairs	Police District 4 Parking Deck Restoration	Paddock Hills	541,000
City Facility Renovation and Repairs	Former Police District 3, Special Services (Warsaw Ave.) Roof Restoration	East Price Hill	205,000
Total \$			2,746,000

Health

Project (Appropriation Level)	Sub-Project	Primary Neighborhood	Project Amount
Facilities Renovation and Repairs	Northside Adult Provider Space	Northside	80,000
Facilities Renovation and Repairs	Burnet & King Roof Replacement	Corryville	61,000
Health Property Structural Integrity	Burnet & King Elevator #1 Replacement	Corryville	250,000
Health Property Structural Integrity	Bobbie Sterne Health Center (HC) HVAC	West End	250,000
Health Property Structural Integrity	Price Hill Health Center (PHHC) Air Handler	Lower Price Hill	120,000
Health Property Structural Integrity	Bobbie Sterne HC Cooling Tower	West End	120,000
Health Property Structural Integrity	Burnet & King Boiler	Corryville	60,000
Health Property Structural Integrity	Burnet & King Fire Pump	Corryville	40,000
Health Property Structural Integrity	Bobbie Sterne HC Fire Pump	West End	40,000
Health Property Structural Integrity	PHHC Generator	Lower Price Hill	30,000
Health Property Structural Integrity	Northside Generator	Northside	30,000
Health Property Structural Integrity	Bobbie Sterne HC Basement Structural Support	West End	30,000
Health Property Structural Integrity	Northside Parking Lot Restripe/Reseal	Northside	8,000
Health Property Structural Integrity	Bobbie Sterne HC Parking Lot Restripe/Reseal	West End	8,000
Price Hill Health Center Parking Lot Expansion	Price Hill Health Center Parking Lot Expansion	Lower Price Hill	1,000,000
Total \$			2,127,000

Parks

Project (Appropriation Level)	Sub-Project	Primary Neighborhood	Project Amount
Park Infrastructure Rehabilitation	Sinton Building - Eastern Operations Facility Renovation	Walnut Hills	1,219,000
Park Infrastructure Rehabilitation	On-going and Emerging Maintenance and Repair Projects	Citywide	750,000
Park Infrastructure Rehabilitation	Staff Reimbursements for Various Projects	Citywide	600,000
Park Infrastructure Rehabilitation	Washington Park Masonry and Concrete Repairs	OTR	150,000
Total \$			2,719,000



CINCY ON TRACK

FISCAL YEAR 2025 REVENUE ALLOCATION

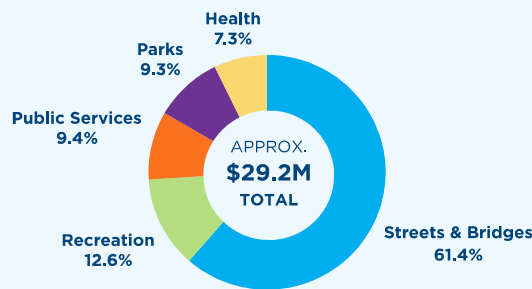
The infographic below highlights the City Manager’s Fiscal Year 2025 recommended spending plan for revenue received from the Cincinnati Southern Railway. Funding from this source can only be used on existing City infrastructure projects.

PROJECT CATEGORIES

Cincy on Track includes five (5) main categories:



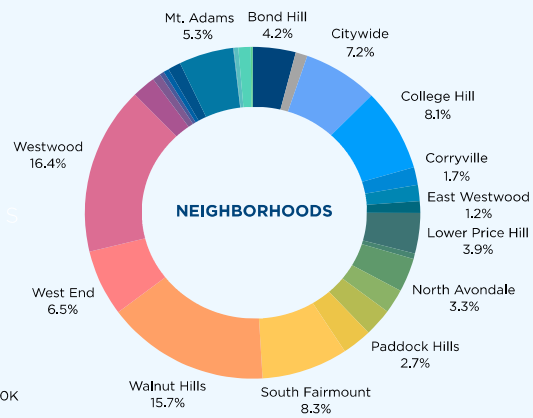
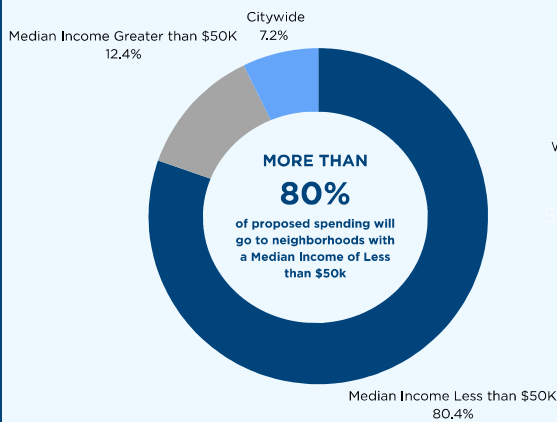
BREAKDOWN BY CATEGORY



In Fiscal Year 2025, the City will receive approximately \$29.2 million for existing infrastructure projects from the Cincinnati Southern Railway.

BREAKDOWN BY INCOME & NEIGHBORHOOD

The chart below shows spending by neighborhoods.



*Median Income Data reflects 2020 Census Data.



CINCY ON TRACK

FISCAL YEAR 2025 REVENUE ALLOCATION

The infographic below highlights the City Manager's Fiscal Year 2025 recommended spending plan for revenue received from the Cincinnati Southern Railway. Funding from this source can only be used on existing City infrastructure projects.

STREETS & BRIDGES

(Department of Transportation & Engineering)



\$17.9M

- Street Rehabilitation
- Traffic Signal Infrastructure Improvements
- Victory Pkwy Complete Street Project

PARKS



\$2.7M

- Park Infrastructure Rehabilitation

RECREATION



\$3.7M

- Recreation Facilities Renovation
- Outdoor & Athletic Facilities Renovation

HEALTH



\$2.1M

- Health Facilities Renovation & Repairs
- Health Property Structural Integrity
- Price Hill Health Center Parking Lot Expansion

PUBLIC SERVICES



\$2.7M

- City Facility Renovation & Repairs

FOR MORE DETAILED INFORMATION
ABOUT CINCY ON TRACK, PLEASE VISIT

bit.ly/cincyontrack