

Nothing Sinister About Public-Private CSX Deal

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The Tampa Tribune

Published: April 10, 2008

As a 10-year resident of Florida, I am constantly amazed at the hash that is made of public/private partnerships, the latest being the current controversy over the sale of a CSX line to Orlando to the state with the subsequent redevelopment of a freight superhub in Central Florida.

The two major negatives to the project seem to be that such a development occurs in somebody's backyard and that state legislators were somehow "snookered" into giving CSX a \$500 million gift - all of this at the expense of the taxpayers. Once one leaves the emotion and subjectivity, the reality of the situation presents an entirely different picture, to wit:

1. Nobody is adding new rail right of way. The proposal shifts the rail freight traffic from a very crowded population center corridor to a less populated area.
2. If there were ever a corridor where passenger rail made sense, it is the line south into Orlando.
3. Both rail lines were there before the population centers existed. So why is anybody surprised that an economic entity, such as CSX, would want to optimize them?
4. There is plenty of precedent that these freight hubs benefit the local and regional populations by providing economic development and, frankly, lower transportation costs to the local area (Los Angeles; Alliance, Texas; Joliet, Ill.; and others)
5. Such a freight hub could disproportionately benefit the Port of Tampa in its effort to develop a large international container center in Tampa.
6. Much of the "cost" to the state of this project is road infrastructure improvements that are needed anyway.
7. If you look at the numbers, a large majority of the recent "increase" in the cost of the project has been in the road infrastructure as a result of increases in building materials.
8. The surface infrastructure of the United States and Florida in particular, requires renewal. This type of investment is almost exclusively the purview of the federal government and state, so Florida's "contribution" is entirely appropriate.
9. While Florida is expected to fund several hundred millions of dollars for the project, CSX will also fund several hundred millions. When was the last time a private company agreed to make this type of investment in Florida's surface transportation infrastructure under any circumstances?
10. Railroads in passenger and freight service use one-third to one-sixth of the fuel required to move a ton-mile of freight or a passenger versus a truck and a small fraction of that versus a single passenger in an automobile. Isn't that worth some consideration?

As a 35-year member of the freight transportation community equally divided between rail and truck, I can see only onrcontroversy that I can see regarding this project: Why it is taking so long

to get started. The real question that reasonable people should ask is, "Whose interests are served by objections to this project?"

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