

McANA, HEC & SWPCA

The Case For Proposal 647, 2004 -Opposing I-69 Through Perry Township

*Indianapolis Community Report to
the Indianapolis-Marion County
City-County Council*



November 16, 2004

TABLE OF CONTENTS

McANA, HEC & SWPCA	1
Our Position	1
Our Involvement in I-69	2
I-69 Route 3c	3
Route Options in Marion County	3
The Proposed Route Through Perry Township	4
Unprecedented Public Opposition	5
Public Comments	5
INDOT Public Comment Period – July 31 to November 7, 2002	5
Decatur Township I-69 Meeting – September 9, 2002	6
Perry Township I-69 Meeting – July 24, 2003	7
Elected Officials Opposed to Route 3c	8
The Effect of I-69 Route 3c on Perry Township	10
Traffic Will Quadruple Because of I-69 Through Perry	10
Impact of I-69 on Metropolitan Indianapolis Air Quality	11
Air Quality Analyses	11
Economic Fallout From Pollution	11
Stricter, Health-Based Air Quality Standards Now Taking Effect	12
Risk to the Perry Township Wellfield	14
INDOT Overlooked The Perry Aquifer Before Choosing Route 3c	14
Public Drinking Water Supply	15
Prevention of Contamination Should Be A Priority	16
Community Impacts of I-69 Are a Heavy Price To Pay	17
Destabilized Neighborhoods	17
Eminent Domain Taking of Businesses Will Lead to Job Loss	18

Increased Problems for Essential Services	19
Reduction in Assessed Value	20
Common Sense Route is Better For Indiana, Too	21
I-70/US 41 vs. Route 3c – Using INDOT’s Own Data	21
Not a Clear Choice...	21
...Except for Cost and Upkeep	23
Construction Costs	23
Annual Operating & Maintenance Costs	24
Other Costs	24
Additional Costs Not Included in the I-69 Route 3c Estimates	25
Statewide Costs Not Included in I-69 Route 3c Estimates	25
Local Costs Not Included in I-69 Route 3c Estimates	26
Analyses Cast Doubt on Economic Benefit of I-69 Route 3c	27
New Terrain I-69: Jobs Created are Few, But Expensive	27
Cost-Benefit Analyses Show a Loss on Investment with I-69	28
Job Loss	30
Local and State Funding	32
Where Will the Money Come From? – Hoosier Taxpayers	32
Transportation Funding Dollars	32
Where Will Marion County Come Up With The Money	34
Increasing Tax Burden in Marion County	34
Conclusions	36
Perry Township Will Become An I-69 Donor Region...	36
...While No Clear Benefits Exist for the Rest of Indiana	37

The Case For Proposal 647, 2004

-Opposing I-69 Through Perry Township

*Indianapolis Community Report to the
Indianapolis-Marion County City-County Council*

McANA, HEC & SWPCA

Our Position

We support Council Proposal 647, 2004, opposing I-69 through Perry Township.

We believe that, if I-69 route 3c is built, Perry Township will become an unwilling and unnecessary I-69 'donor' region, sacrificing quality of life, public safety and economic vitality based on the assumption that another area will prosper. Perry will suffer large losses of assessed value and jobs. The Township will see a damaging reduction in number of businesses locating in the current SR 37 corridor and interruption of essential services. Neighborhoods will be catastrophically impacted for decades and the existence of this proposed roadway will pose an unacceptable risk to the Perry Township aquifer that supplies much of central Indiana with clean drinking water.

It might be necessary to debate the merits of demanding this 'donation' from Perry Township if no alternatives were available, or, because the benefits to an economically depressed area of the State would be greater than our losses. Neither of these are the case.

In this document, our overview will show that another route for I-69 will better serve the entire State of Indiana; however, our focus will be the overwhelmingly negative effects of I-69 Route 3c on Perry Township and Indianapolis.



Our Involvement in I-69

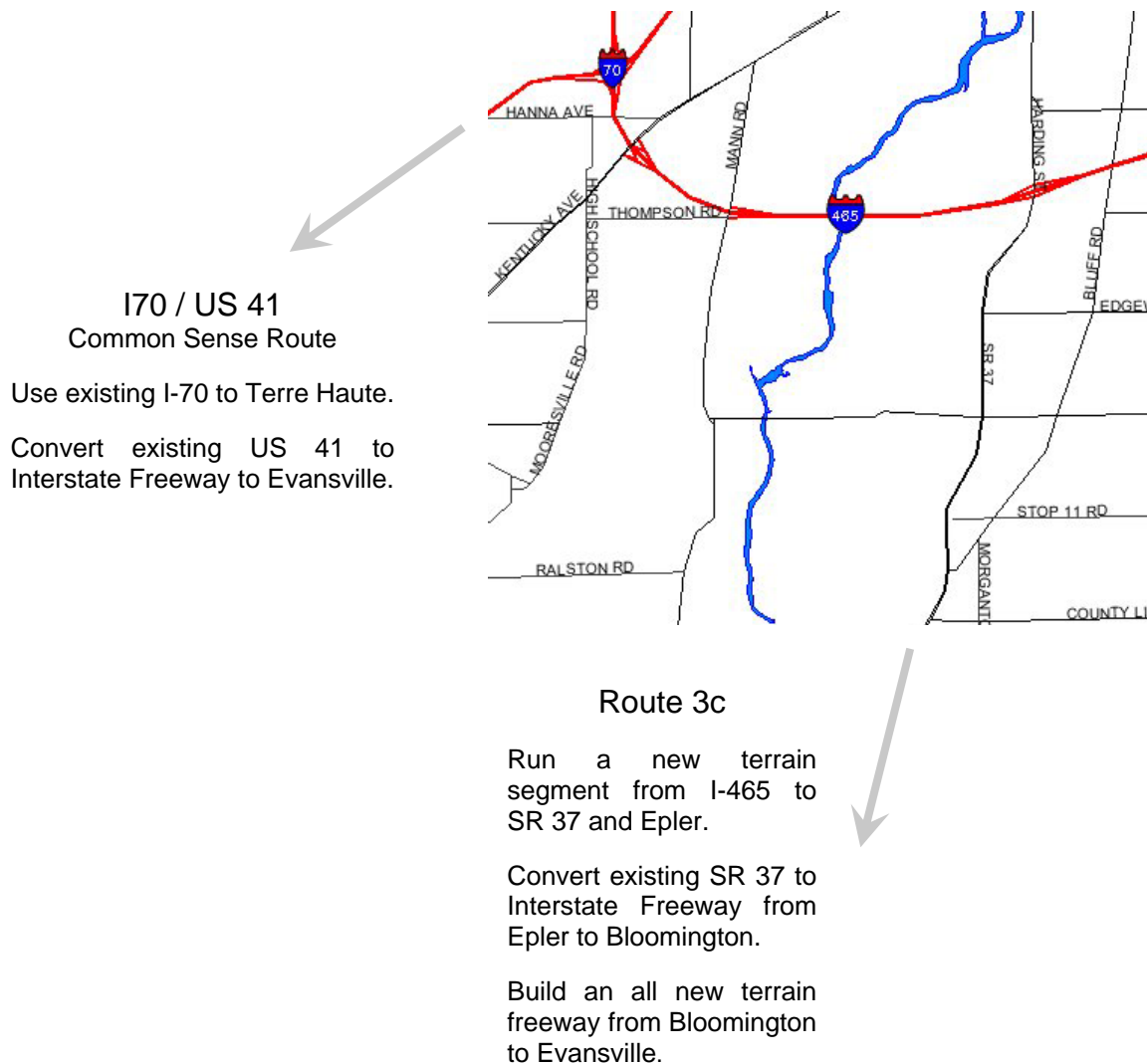
The Marion County Alliance of Neighborhood Associations adopted its position against I-69 through Perry Township, Marion County, in May 2000. The Board has seen no reason to change that policy.

The Hoosier Environmental Council has been involved with the statewide efforts on I-69 since the early 1990's. HEC opposes the Route 3c option for I-69 and supports the I-70/US 41, or 'Common Sense', option.

The Southwest Perry Civic Association formed in response to INDOT's decision to pursue I-69 route 3c through Perry Township. Nearly 200 people came out for the organizational meeting in September 2003.

Route Options in Marion County

At various times, three routes leaving Marion County have been considered. There is the I-70/US 41 Route, also known as the 'Common Sense' Route. Route 3c is one of dozens of 'new terrain' routes compared by INDOT. Route 3c mostly follows SR 37 through Perry Township. In addition and now off the table, was a New Terrain route following Mann Road in Decatur Township.



The Proposed Route Through Perry Township

- Interchanges:**
 - I-465
 - Epler Avenue??
 - Southport Road
 - County Line Road
- Overpasses:**
 - Epler Avenue??
 - Banta Road
 - Wicker Road



Map from: I-69 Section VI website

Unprecedented Public Opposition

Public Comments

INDOT Public Comment Period – July 31 to November 7, 2002

Number of Respondents	Per Cent	Opinion
368		No clear route preference expressed
21,873		Expressed a route preference
1,406	6%	Supported a new terrain route
20,467	94%	Opposed new terrain or supported I-70/US 41
138,588		Signatures opposing new terrain

Table. Results of public comments submitted to INDOT from July 31 to November 7, 2002

These data were compiled through analysis of letters, postcards, comment cards, emails and transcripts of phone messages to the project's hotline as well as statements at public hearings. Representatives of the Hoosier Environmental Council and Citizens for Appropriate Rural Roads obtained the information by filing a Freedom of Information request to INDOT. INDOT refused to share this information prior to that filing.

"INDOT repeatedly has assured us that public comments matter. Well, the public has said very clearly that the state doesn't need to waste up to a billion dollars to build a wasteful and destructive new highway."

*-- John Moore, Senior Attorney,
Environmental Law and Policy Center, April 2003*

“With a highway project of this magnitude and consequence, I would hope that highway officials would go well beyond the requirements of the law in engaging and informing affected communities and landowners about potential routes. In fact, I believe that every farm owner and farm family affected by I-69 planning options should have ample notice of vulnerability from the planners or an appropriate branch of government while there is time for public comment and a reasonable opportunity to change the plan. The public is best served by vigorous debate on these issues, and I will contribute my voice to these public deliberations.”

-- Richard Lugar, from letter in his capacity as a citizen, to J. Bryan Nicol, October 23, 2002

Decatur Township I-69 Meeting – September 9, 2002

After learning that the Mann Road corridor was put on the table in the 11th hour as a possible route segment for I-69, the Decatur Township Civic Council held its own hearing. This was necessary because the last public meetings in Terre Haute and Bloomington were held 48 hours after Decatur Township became aware of the proposal. This was the only way that the Decatur public was going to get a chance to air their opinions. Over 400 people attended. Written comments were collected at the meeting.

Number of Respondents	Per Cent	Opinion
228		Expressed a route preference
213	93%	Supported no-build or I-70/US 41

Table. Analysis of written comments submitted at the Decatur Township I-69 meeting

Perry Township I-69 Meeting – July 24, 2003

As part of the public process conducted by the Metropolitan Planning Organization to discuss the implications of including I-69 Route 3c into the long term Regional Transportation Plan, a meeting was held at the Rosa Parks Elementary School on July 24, 2003. This was the very first time that the citizens who could be most affected in Marion County, had a hearing in their own back yard.

The opinions express at the Perry Township I-69 meeting were all against I-69.

“The Question/Comment Period consisted of approximately 30 speakers who, without exception, criticized either 3C’s [Perry Township New Terrain route] impacts on Perry Township or INDOT’s handling of the I-69 extension project.”

-- From: CAC Minutes: Reporting on Citizens Advisory Committee Meetings, regarding the July 24 2003, CAC MPO meeting at Rosa Parks Elementary School, published by the Indianapolis Metropolitan Planning Organization

“It is truly sad that there was no meeting in Perry Township until after the proposed route was scheduled. That is suspect in itself. At that public meeting on July 24, 2003 there was not one person of the 250-300 people in favor of the project. Not one.”

Councilor Dr. Philip Borst, Indianapolis-Marion County City-County Council, in letter to MDC, August 5, 2003

Elected Officials Opposed to Route 3c

Elected officials and governmental bodies have come out against New Terrain options. Those along the I-70 / US 41 corridor want I-69 to be build along this 'Common Sense' route. The 4 poorest counties in Indiana are on US 41 and they and Terre Haute officials fear loss of business by the diversion of up to 44% of their current traffic flow to a new terrain I-69 route.

The following Mayors and governmental bodies have taken a stand either against a new terrain route, or in favor of I-70 / US 41:

Mayor Kevin Burke, Terre Haute	Bartholomew County Commissioners
Past Mayor Judith Anderson, Terre Haute	Benton County Commissioners
Mayor Dorman W. Clark, Jasonville	Bloomington City Council
Mayor Sonya L. Margerum, West Lafayette	Clay County Commissioners
Mayor Terry McDonald, New Haven	Decatur County Commissioners
Mayor Terry Mooney, Vincennes	Fountain County Commissioners
Mayor James Trobaugh, Kokomo	Fulton County Commissioners
Mayor Mark Kruzan, Bloomington	Hendricks County Commissioners
	Johnson County Commissioners
Knox County Commissioners	Putnam County Commissioners
Parke County Commissioners	Sullivan County Council
Sullivan County Commissioners	Vigo County Commissioners
Tipton County Commissioners	Vincennes City Council
Terre Haute City Council	Vigo County Council

“Economic development in one part of the state must not be furthered at the expense of another.”

*U.S. Representative Julia Carson,
in letter to Governor Frank O'Bannon, September 27, 2002*

The following local elected officials and governmental units have spoken out either against a new terrain route, or in favor of I-70 / US 41:

Mayor Nanette Tungent, Southport	Perry Township Board
Decatur Township Board	Johnson County Commissioners
Hendricks County Commissioners	Congresswoman Julia Carson
State Senator Lawrence Borst	State Representative Robert Behning
State Representative David Frizzell	Dr. Philip Borst, City-County Council
Bob Cockrum, City-County Council	Lance Langsford, City-County Council
Lonnell Conley, City-County Council	Katherine Price, Perry Twp Assessor
Steve Rink, Decatur Twp Trustee	Jack Sandlin, Perry Twp Trustee

"The homeowners of Southern Dunes need to be made aware of the disastrous impact the governor's I-69 proposal will have on our community."

*The Southern Dunes HOA newsletter, Tribal Times
October, 2004*

The Effect of I-69 Route 3c on Perry Township

Traffic Will Quadruple Because of I-69 Through Perry

The I-69 Final Environmental Impact Statement (FEIS) reported an analysis of the various routes on major thoroughfares. In the table below are listed the traffic impacts on the freeways in and around the south side of Marion County.

Per Cent Change in Traffic Caused by I-69		
	I-70/US 41	Route 3c
I-70		
SR 267 – Six Points Road	1	-9
Six Points Road – I-70	1	-8
I-465		
Airport Expressway – I-70	0	3
I-70 – SR 67	1	4
SR 67 – SR 37	0	23
SR 37 – US 31	0	20
SR 37		
SR 144 – Bluff Road	-3	188
Bluff Road – I-465	-2	327

Table. Data from: I-69 FEIS, Table 5.8: Year 2025 Percentage Change in Vehicle-Miles of Travel on Major Corridors

Noise, congestion, and air and water quality are all impacted when traffic increases. These lead to a destructive impact on the quality of life of citizens and the ability of a neighborhood and a community to thrive. While these are handled elsewhere individually, it needs to be recognized that they stem from the 4.4 times increase in traffic proposed for SR 37 from I-465 to Bluff Road predicted by INDOT as a result of the Perry Township New Terrain route. INDOT predicts no significant change in traffic load with I-70/US 41.

Impact of I-69 on Metropolitan Indianapolis Air Quality

Air Quality Analyses

In July, 2002, the Metropolitan Planning Organization (MPO) conducted an air quality analysis of the various routes INDOT was studying in its DEIS. That analysis used INDOT's own data. That analysis found that route 3c in the Indianapolis metropolitan area failed the air quality test for nitrogen oxides, a major component of ozone, or smog. The I-69 alternative using I-70 to the west was found to pass the air quality test.

In the summer of 2003, the MPO has conducted another air quality test for INDOT for the impact of route 3c on air quality in our area. While the MPO again used INDOT's own data, INDOT also asked the MPO to use different assumptions in the computer model. This new analysis showed that route 3c now passed the air quality test. There has been no explanation as to how the new INDOT assumptions in the computer model affected the outcome of the analysis, nor discussion regarding the mathematical validity of those assumptions.

To date, no air quality analysis has been done using the new standards and the new metropolitan area designated boundaries. Yet these are the standards and boundaries that must be used to qualify our metropolitan area as being either in or out of compliance with air quality standards.

Economic Fallout From Pollution

A non-attainment designation brings restrictions on industrial development in the form of more stringent air pollution permitting requirements. A business may be required to do such things as install expensive equipment to clean exhaust before it exits the facility, if it wishes to locate in a 'non-attainment' area. In addition, there is usually a stigma associated with areas having poor air quality. Many businesses and industries are concerned about quality of life issues for their employees and prefer to locate their facilities in areas with good air quality. The Life Sciences and Information Technology industries, currently targeted by Indianapolis for long-term economic development advantages, are industries well known to consider quality of life issues heavily in their decisions of where in the United States they should locate. Additionally, lost work time and decreased worker productivity due to lung disorders decreases overall economic health.

Stricter, Health-Based Air Quality Standards Now Taking Effect

A new, more protective, health standard for ozone took effect in April, 2004. Indianapolis and all of the surrounding counties are designated as “non-attainment” meaning that the area will be out of compliance with the new health standard. Indeed, the Indiana Department of Environmental Management made its recommendation to EPA in July, 2003, to designate Marion and eight surrounding counties as non-attainment for the new standard.

Neither of the air quality analyses conducted by the MPO at the request of INDOT have examined how any I-69 route would impact the region’s efforts to comply with the new standard. Both air quality analyses only examine the older, less strict, air quality standard.

The following table demonstrates the considerable size of the local population who are at risk from ozone pollution.



“Children with asthma have long been recognized as particularly sensitive to outdoor air pollution. Many common air pollutants, such as ozone, sulfur dioxide, and particulate matter are respiratory irritants and can exacerbate asthma.”

--From: ‘Asthma and the Environment, A Strategy to Protect Children’ by the President’s Task Force on Environmental Health Risks and Safety Risks to Children, 1998

County	Groups At-Risk From Ozone Pollution				
	Total Population	Age 14 & Under	Age 65 & Over	Pediatric Asthma	Adult Asthma
Boone	46,107	10,890	5,450	722	2,516
Hamilton	182,740	48,289	13,659	3,111	9,561
Hancock	55,391	12,116	6,226	813	3,099
Hendricks	104,093	24,204	10,138	1,613	5,684
Johnson	115,209	26,131	12,638	1,733	6,366
Madison	133,358	26,454	19,898	1,757	7,746
Marion	860,454	187,144	95,534	12,263	48,339
Morgan	66,689	15,035	7,100	1,004	3,688
Shelby	43,445	9,552	5,279	641	2,422
TOTAL	1,607,486	359,815	175,922	23,657	89,421

Data from: American Lung Association: 'State of the Air 2003'

In its letter to INDOT just as the Public Comment period came to a close in 2002, the Environmental Protection Agency said the following:

"It should be noted however, that the [air quality] impacts of the final selected alternative segments must be included in the long range plans for these areas and must be modeled to demonstrate conformity before the final Tier 2 decisions are issued."

-- From: 'EPA Review and Comments on I-69 Evansville to Indianapolis, Indiana Tier 1 Draft Environmental Impact Statement (DEIS)', November 7, 2002

Risk to the Perry Township Wellfield



Map of Perry Township Wellfield, from: GIS mapping feature at Indianapolis City website, www.indygov.org

INDOT Overlooked The Perry Aquifer Before Choosing Route 3c

Alternatives	Open Water	Impaired Streams	Sinking Basins (acres)	Sinkholes (acres)	Public Water Supplies	Public Wells	Wellheads
I-70/US 41	7-9	2	0	0	0	1-4	4
Route 3c ¹	7-10	1-2	15	35	0	0	0
Route 3c ²	13	1	14	36	0	2	2

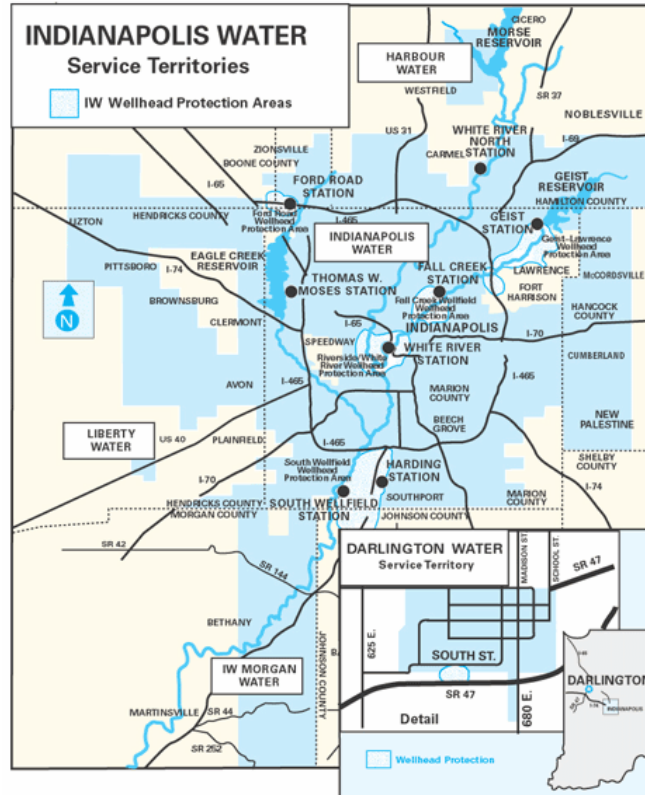
Table. Data from: ¹ I-69 DEIS Table 5.24-1: Comparison of alternatives for potential water quality impacts. ² I-69 FEIS Table 5.24-1: Comparison of alternatives for potential water quality impacts.

Many people familiar with the existence of the Perry Wellfield relayed the need for INDOT to include and evaluate its existence through participation in the 2002 public comment period. This included our own Indianapolis MPO. The impact of the Route 3c on the public drinking water supply for Central Indiana was NOT evaluated prior to a decision in favor of this route. This omission speaks to the inaccuracy of INDOT's study and the failure to fairly evaluate all alternative routes.

"It is important as well, to note that existing SR 37 passes through a protected wellfield area. Any alternative that utilizes SR 37 would increase the likelihood of further impacts to this wellfield area."

-- Indianapolis MPO comments on I-69 DEIS, November, 2002

Public Drinking Water Supply



Map from: Indianapolis Water Company website: www.indianapoliswater.com

The Indianapolis Water Company and the Indiana-American Water Company supply clean drinking water to a large part of central Indiana. The Indianapolis Water Company is now owned by the City of Indianapolis, who now has direct responsibility for preservation of water quality.

The Perry Wellfield, a water source for the Indianapolis Water Company, is the largest in Marion County and the Indiana-American Water Company has 16 wells just to the south in Johnson County. The Perry Wellfield produces 45 million gallons of clean drinking water per day.

Prevention of Contamination Should Be A Priority

INDOT appears to believe that its experience with cleaning up hazardous waste spills allows them to ignore the benefits of the prevention of contamination. INDOT did not include either the Perry Wellfield or the public wells in Johnson County in its evaluation PRIOR to the selection of route 3c. July 30, 2003, was the first time INDOT publicly addressed Marion County's public drinking water supply. Unfortunately, they were more interested in discussing their hazardous materials clean-up abilities than attempting a real evaluation of the expected risk to the Perry Wellfield from I-69 route 3c.

"The point is, the important point, is that water quality is a major concern. It is standard operating procedure for INDOT. In the event of a hazardous waste spill anyplace, anyplace in the state, INDOT has standard response procedures for how to respond to that contamination."

*-- Vincent Bernardin, Metropolitan Development Commission hearing,
August 6, 2003*

While INDOT's response to the existence of the Perry Wellfield is to point to clean-up of spills, the Indiana Department of Environmental Management sees prevention as the primary issue in any designated Wellfield Protection area:



"The wellhead protection program is economically beneficial. It is a structured, organized means of focusing federal, state, and local resources on prevention. Though the initial cost of prevention may seem to burden a PWS [public water supply] system in terms of capital outlay, the expense is justified by the staggering cost of cleanups and by the cost of a new well or new connections to an existing supplier (by now, a municipality's costliest line-item expense)."

From: IDEM's website: www.in.gov/idem/water

Community Impacts of I-69 Are a Heavy Price To Pay

Destabilized Neighborhoods

The effects of I-69 can be anticipated to lead to the destabilization of neighborhoods

- Homes and businesses bought out
 - Reduction in Township Assessed Value / Tax base
 - Reduction in conveniences and services available to community
 - Home price stagnation
- 4.4 times the current truck and car traffic
 - Increased noise
 - Increased number of lanes for I-465 – expanding noise
 - Increased air pollution
- Streets blocked
- Limited cross-over points
- Freeway ‘wall’ cutting Perry into East and West
- Increased traffic at cross-points
- Community ‘ebb & flow’ reduced
- The community’s ‘sense of place’ and special character lost and abandoned
- Southwest Perry walled in by the White River, I-465, and I-69
- Lower quality of Life

–
= Destabilized Neighborhoods

"We must avoid the high cost of community damage. Highway construction's harm to communities is considerable and this element of its cost is often undervalued. We are still recovering from the effects of the construction of I-65 and I-70 on our neighborhoods, our communities and our economy... This experience teaches us that we must avoid route choices dividing a neighborhood or community, whether to connect I-69 near Castleton through the city, or further south, in Decatur or Perry Townships, or anywhere else along its course."

*-- U.S. Representative Julia Carson,
in letter to Governor Frank O'Bannon, September 27, 2002*

Eminent Domain Taking of Businesses Will Lead to Job Loss

The acquisition of businesses along the SR 37 corridor to make way for I-69 will lead to more than the reduction in assessed value in Perry Township. The businesses very well may choose to relocate out of Marion County, leading to job loss here. The only potential interchanges getting heavy consideration would be located at Southport and County Line Roads. It is reasonable to assume that the surrounding land remaining after these interchanges are built would have been developed without I-69 coming through, and likely much sooner. But the remainder of the corridor will have ungainly access from I-69, at best, and the desirability of locating a business there will evaporate, should I-69 route 3c be built.

A case in point is Redline Graphics located 6430 S. Belmont Avenue, founded by SWPCA President, Mike Wadsworth. This \$2 million facility is directly in the path of I-69 route 3c. Wadsworth has decided not to move forward with the construction of two new buildings at this location, because of the uncertainty of I-69. He is, however, expanding into Ohio.

"We are already expanding our business into Ohio. If we were caused to uproot by I-69, it would just tip the scales and we'd just move our corporate offices to Ohio, too."

Mike Wadsworth, CEO, Redline Graphics, Inc.

Increased Problems for Essential Services

With an I-69 freeway wall dividing Eastside from Westside, essential services will take longer to reach those to the West of the wall. Services such as fire and ambulance are ones where every second makes a difference in the outcome. If additional stations are built to provide these essential services to the Westside, the cost of building those stations will fall to the Township residents and business owners. A rising tax burden will have to be covered by a falling tax base.

“Every minute that an emergency vehicle is stuck in traffic diminishes the chance that someone in a perilous situation will live.”

*David Miller, Attorney for Perry Township Board,
'I-69 Foes Gain Clout', SouthSide Times, August 14, 2003*



Reduction in Assessed Value

Loss of homes and businesses will cause an immediate reduction in the tax base for Perry Township. In addition, just the threat of I-69 has already caused a freeze in business location into the area. It is foolish to think that the affected businesses would relocate in Marion County, with the rise in taxes expected here. Route 3c can only lead to job loss along the SR 37 corridor. This area was thriving with the number of jobs expanding – until I-69 route 3c was announced as the preferred route.

In its FEIS, INDOT stated that I-69 through Perry Township would be a 390-foot wide, 8 lane divided freeway. It is now considering the construction of a frontage road system that will necessitate more right of way acquisition. Using the 390-foot width, Katherine Price, Perry Township Assessor, calculated the following impact of I-69:

Total Parcels Affected	110
Total Assessed Value	\$61,156,600
Total Taxes per Year (2004)	\$1,305,401

"I think I-69 in Perry Township would literally destroy Perry Township."

*-- Katherine Price, Perry Township Assessor,
MDC hearing, August 6, 2003*

*"In Johnson County, business activity around Fairview Road and SR 37
have abruptly ceased."*

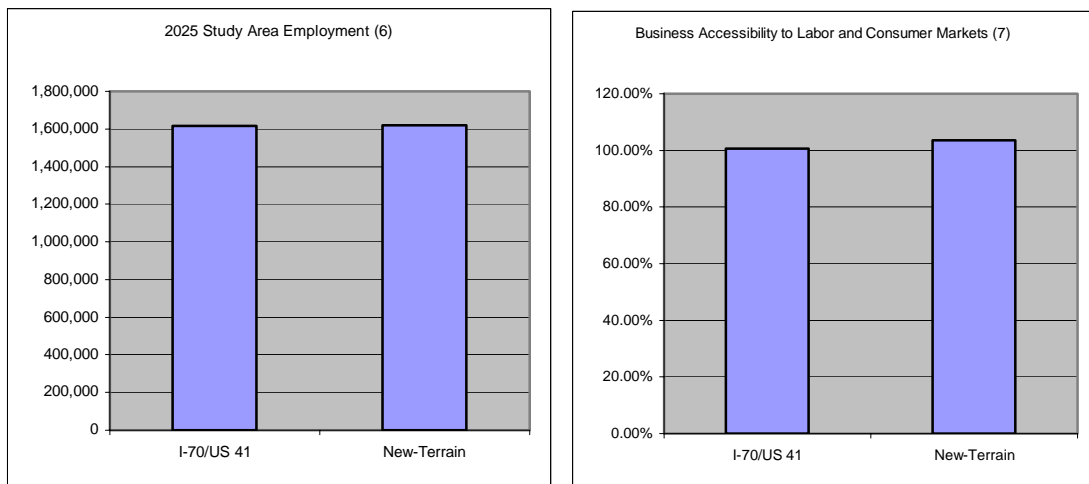
*-- State Senator Dr. Lawrence Borst, letter to constituents on I-69,
August, 2003*

Common Sense Route is Better For Indiana, Too

I-70/US 41 vs. Route 3c – Using INDOT’s Own Data

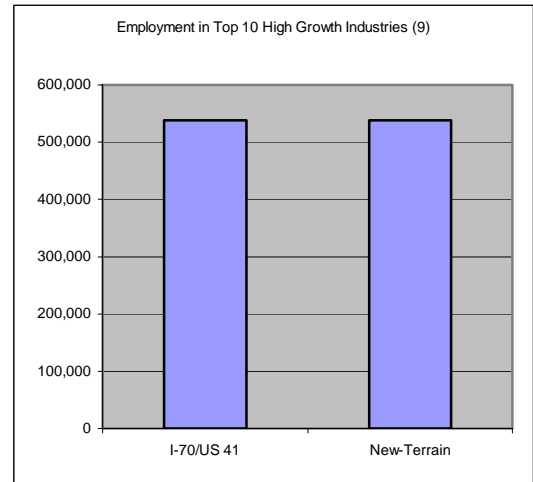
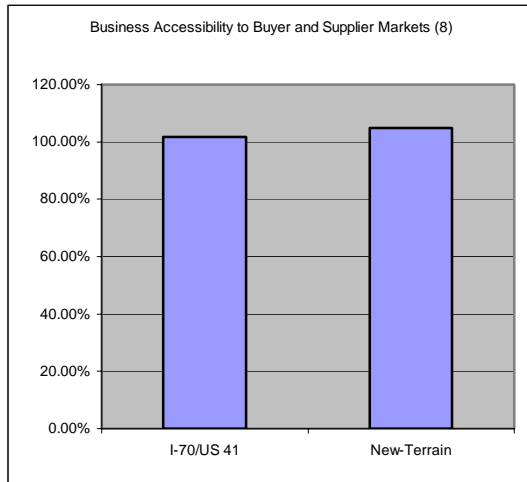
Not a Clear Choice...

When one looks closely at INDOT’s own data, one discovers that the supposed benefits of I-69 route 3c (here referred to as ‘New Terrain’) are virtually indistinguishable from the benefits of I-70/US 41.



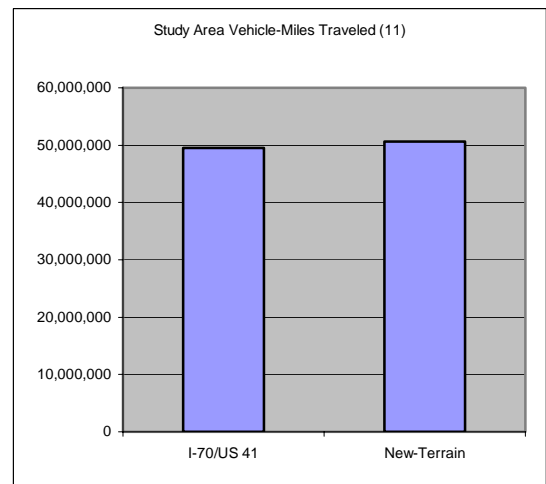
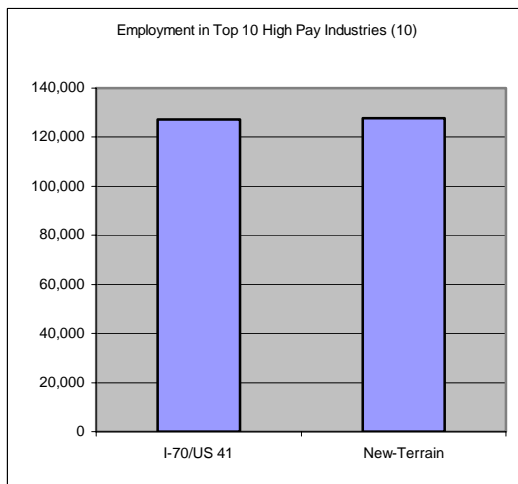
(6) Data from: “Regional Economic Impact Analysis;” Technical Report 5.3.2 for I-69 DEIS; Table 1

(7) From: “Review of I-69 Evansville to Indianapolis Tier 1 Draft Environmental Impact Statement;” Smart Mobility, Inc.; November 2002; which uses data from I-69 DEIS, Appendix B, Table B-5; (No-Build = 100%)



(8) From: “Review of I-69 Evansville to Indianapolis Tier 1 Draft Environmental Impact Statement;” Smart Mobility, Inc.; November 2002, which uses data from I-69 DEIS, Appendix B, Table B-6, (No-Build = 100%)

(9) Data from: “Regional Economic Impact Analysis;” Technical Report 5.3.2 for I-69 DEIS; Table 1



(10) Data from: “Regional Economic Impact Analysis;” Technical Report 5.3.2 for I-69 DEIS, Table 1

(11) Data from: “Review of I-69 Evansville to Indianapolis Tier 1 Draft Environmental Impact Statement;” Smart Mobility, Inc.; November 2002. VMT data extracted from INDOT I-69 DEIS model files.

“For many of the core goals performance measures, the difference between the best and worst performers does not appear to be substantial...The percent difference in typical travel time saved is 10% between Alternative 1 and Alternative 3B. The percent difference between Alternative 1 and the remaining ‘preferred alternatives’ is less than 10%. We do not consider this difference to be compelling.”

--From: ‘EPA Review and Comments on I-69 Evansville to Indianapolis, Indiana Tier 1 Draft Environmental Impact Statement (DEIS)’, November 7, 2002

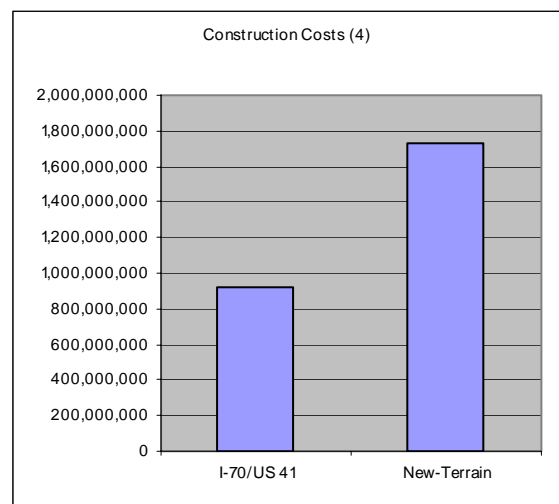
...Except for Cost and Upkeep

Construction Costs

While the benefits of the routes are indistinguishable, the costs of construction are dramatically different. The costs of construction reported by INDOT in the I-69 DEIS for the Perry Township New Terrain route are twice as high as those for I-70/US 41. That is a difference of about \$800,000,000.

I-70/US 41 -- \$ 920,000,000

New Terrain -- \$1,725,000,000

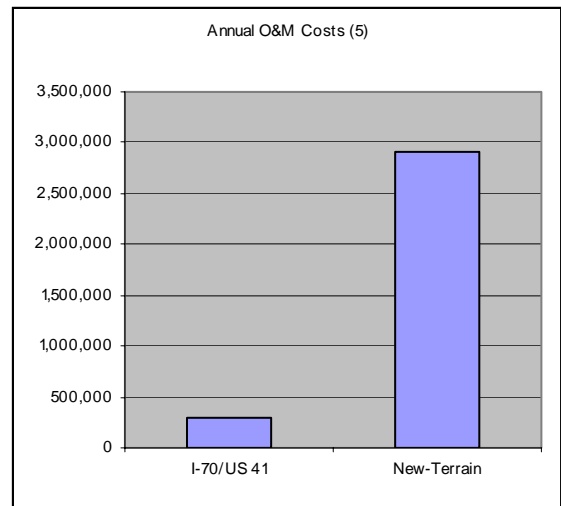


Data from I-69 DEIS Table 3-33

Annual Operating & Maintenance Costs

The annual costs associated with the Perry New Terrain are more than 10 times those for I-70/US 41.

I-70/US 41 -- \$ 250,000
 New Terrain -- \$2,950,000



Data from I-69 DEIS Table 3-34

Other Costs

Not all costs can be measured with a bank account.

	I-70/US 41	Route 3c	Per Cent (average)
Homes	264-335	390	130
Farmland (acres)	1410-1940	4470	267
Forest (acres)	115-170	1150	807
Wetlands (acres)	22-40	75	227
Total ROW (acres)	1850-2370	5860	278

Table. Data from I-69 FEIS Table 6-1: Summary of Key Performance Measures and Environmental Impacts

“In addition to their threats to community life and their excessive cost, many of us have long thought the so-called ‘new terrain’ or ‘direct’ proposed routes threaten environmental harm greatly exceeding any benefit they might provide”

-- U.S. Representative Julia Carson, ‘Rep. Carson Applauds EPA Action, Decision Points Toward Best and Least Costly I-69 Choice’, November 2002

Additional Costs Not Included in the I-69 Route 3c Estimates

Statewide Costs Not Included in I-69 Route 3c Estimates



Substantial costs will be associated with the additional traffic the proposed route 3c would bring. These include additional lanes for I-465.

“Between SR 67 and I-65 [along I-465] the IRTP proposes a widening from 6 to 8 lanes. If a build alternative were selected that utilizes either Mann Road or SR 37, the DEIS indicates that I-465 would have to be widened to 10 lanes to adequately accommodate the projected increases in traffic.”

-- From the Indianapolis MPO Comments on the I-69 DEIS, November 2002

In addition to improvements to I-465 on the Southside, the National I-69 Steering Committee estimates a cost range of \$600 - \$900 million to extend I-69 at Evansville across the Ohio River, and a cost range of \$100 - \$200 million to hook up the ends of I-69 through Indianapolis. That brings the estimated cost of building the NAFTA I-69 highway through Indiana to between \$2.5 - \$2.9 billion.

Further mention must be made regarding the route between the current terminus of I-69 on the northeast corner of I-465 and its exit point from Marion County heading toward Evansville. The exact route through Indianapolis has not yet been studied, much less decided. The National I-69 Steering Committee refers to this as 'SIU2' - Indianapolis Urban Area with boundaries between the junction of I-69 / I-465 to junction of I-465 / SR 37 interchange.

"SIU 2 is located completely within the Indianapolis metropolitan area. Studies will consider how I-69 will be routed through Indianapolis. A number of alternative routings will be considered. Possible routes could be via any of a number of facilities including I-465, SH [SR] 37 / US 31 or other routes."

*National I-69 Steering Committee website, last updated 01/13/2004
www.nationali69.org*

Local Costs Not Included in I-69 Route 3c Estimates

Perry Township will bear the costs of locating essential services on west side of any I-69 freeway. Both fire and ambulance services are ones where every second counts.

The costs and effects would spread beyond the immediate area of the Perry Township, as well. The MPO also predicts that traffic pattern changes will cause Mann Road, now slated for 4 lanes, to be placed in the long-range plans for 6 lanes. The cost of right-of-way acquisition and the addition loss of homes, churches, and other amenities along other roads, such as Mann Road, have not been assumed by INDOT as a cost of building I-69. Nonetheless, they would be the direct result of the proposed route for I-69.

Besides Mann Road, it will be necessary to widen Southport Road, and provide for a local traffic road system to replace the morning and evening SR 37 commuters route. The latter might impact Bluff Road, a frontage road system, or a combination of both. Either of these options will necessitate the purchase of more homes and businesses. The costs would be borne by Marion County if Bluff Road were widened, while a frontage road system would add to the state and federal cost of I-69 and be borne by all Indiana taxpayers.

All of these additional accommodations for local traffic impacts will necessitate the removal of even more assessed value and further reduction of tax revenues on the Indianapolis Southside.

Analyses Cast Doubt on Economic Benefit of I-69 Route 3c

New Terrain I-69: Jobs Created are Few, But Expensive

While promoters of I-69 route 3c tout its supposed job creation benefits, INDOT's own data shows that it will increase the number of jobs in SW Indiana by **less than one-half of one percent.** (Data from: 'Regional Economic Impact Analysis', Technical Report 5.3.2 for I-69 DEIS; January 2002)

"...when (population change) is taken into account, we find that the real disposable income per capita for the build alternatives does not differ significantly from the 2025 forecast for the no-build alternative."

From the I-69 Evansville-to-Indianapolis Study, Tier I Draft Environmental Impact Statement, Technical Report 6.7.4, "Economic Impact Summary Report", '5.2.3 Real Disposable Income Impacts'

The new-terrain I-69 would also be inefficient in the cost-per-job created. In 1996, INDOT proposed a new terrain route connecting Evansville with Bloomington. In 1999, Dr. Wim Wiewel, an Economic Development expert from the University of Illinois at Chicago, published his team's analysis of the cost of each new job that the proposed highway would create in the four rural counties targeted by INDOT. They found the cost-per-job would be a staggering \$1.56 million.

The report examined other, more traditional rural economic development programs to create jobs. These programs cost ranged from \$437 to \$28,350 per job, with the average running from \$1000 to \$5000 per job created.

“Given that the cost-per-job for the proposed new I69 highway is over 50 times higher than the cost of traditional rural economic development programs, the highway does not represent a cost-efficient economic development strategy for the four rural counties.”

-- From: ‘The Proposed New Interstate 69 Highway: Is It A Cost-Effective Rural Economic Development Tool For Southwest Indiana?’, Wim Wiewel, PhD, et al; University of Illinois at Chicago; January 1999

Even a cursory review of INDOT’s Environmental Impact Statement on I-69 issued in 2003 finds the cost-per-job to be exorbitant. Based on INDOT’s current proposal, the cost-per-job would be \$359,375, or twelve times higher than traditional rural development programs. (Data from: ‘Regional Economic Impact Analysis’, Technical Report 5.3.2; January 2002; and I-69 DEIS, Tier I)

Cost-Benefit Analyses Show a Loss on Investment with I-69

INDOT conducted a cost/benefit analysis as part of its 1996 Draft Environmental Impact Statement on the proposed I-69 link between Bloomington and Evansville. That analysis estimated that the cost/benefit ratio would be 1:1.54, meaning that for every dollar invested, \$1.54 would be returned in benefits.

In May 1997, Neal Johnson, PhD., an economist at Indiana University, published a review of INDOT’s cost/benefit analysis. Dr. Johnson’s expertise is in Cost/Benefit Analysis and he teaches both undergraduate and graduate-level courses on the subject. His report was an impartial analysis, motivated by a concern that the benefits and costs of this major project be correctly and honestly calculated and presented to the public. Dr. Johnson was not paid by either proponents or opponents of the highway.

“Thus, building the highway as proposed would result in a significant economic loss to the nation.”

-- Dr. Neal Johnson, ‘Reevaluation of the Benefits and Costs of the Proposed Southwest Indiana Highway’, 1997

Dr. Johnson corrected several deficiencies in INDOT's methods of calculating benefits, and found that once those deficiencies were corrected, the costs of the proposed Bloomington to Evansville highway would exceed the benefits by \$115 million. The report concluded that the cost/benefit ratio would be 1:0.81, meaning that for every dollar invested, only 81 cents would be returned in benefits. Neither the Federal Highway Administration nor INDOT disputed Dr. Johnson's conclusion.

Dr. Johnson's study echoed the conclusions of Donohue & Associates back in 1990. They were hired by then Governor Orr to evaluate the feasibility of linking Indianapolis and Evansville via an extension of I-69.

"In conclusion, none of the routes analyzed in this study are recommended for construction solely on an economic feasibility basis...If undertaken, this project would be the most costly highway built in the State of Indiana since the development of the interstate system."

-- Donohue & Associates, 'Southwest Indiana Highway Feasibility Study', 1990

In February 2004, Smart Mobility, a highly respected transportation and economic consulting firm analyzed INDOT's I-69 FEIS. Smart Mobility was commissioned to do this analysis by Hoosier Environmental Council, the Environmental Law and Policy Center, and Citizens for Appropriate Rural Roads.

After correcting two major flaws in INDOT's cost-benefit analysis for I-69, the group concluded that the cost of building I-69 route 3c would be \$499 million more than the purported benefits of the highway. The report's conclusions would translate into a negative cost benefit ratio of 1:0.66, meaning that for every dollar spent on the highway, only 66 cents would be returned in benefits. INDOT had projected a positive cost-benefit ratio of 1:1.7. [The two flaws related to using a lower growth in the future value of money than recommended by the US Office of Management and Budget and the assumption that accident rates would not continue to fall after 1991 due to vehicle and road design improvements.]

“...given the information currently available it would seem that, since none of the build alternatives provides significant benefits over the No-build scenario, it would be unwise to make the large investment required to complete and maintain any of the project alternatives. However, if one were to select the best build alternative, based on the costs and benefits outlined above it would clearly be Alternative 1 [I-70 / US 41].”

Smart Mobility, Inc. Review of I-69 Evansville to Indianapolis Tier I Draft Environmental Impact Statement, November 2002

Job Loss

It has been established by transportation and land use research that jobs created by new highway construction are in large part jobs relocated from other areas. An August 2000 study by the Brookings Institution Center on Urban and Metropolitan Policy had this to say:

“The evidence...suggests that highways can be conduits for decentralization, helping to channel growth in some areas rather than others. Furthermore, the evidence on negative spillovers suggests that locations that gain due to highway access do so in part at the expense of other locations....Further, the evidence implies that much of the economic impact of highways is to shift activity across the landscape, suggesting that some local benefits are, in part, at the expense of other places that might lose economic activity as a result of a highway project.”

-- From: ‘Do Highways Matter? Evidence and Policy Implications of Highways’ Influence on Metropolitan Development’, Boarnet, Marlon and Andrew Haughwout, The Brookings Institution Center on Urban and Metropolitan Policy’ August 2000

A federal highway study on the I-69 proposal between Indiana and Texas, called “Corridor 18,” reached similar conclusions regarding economic activity if the highway is constructed:

“As a result, the business that is gained along the route is lost business elsewhere.”

*-- From: ‘Corridor 18 Feasibility Study: Final Report’,
Wilbur Smith Associates & HNTB Corp, November, 1995.)*

Where Will the Money Come From? – Hoosier Taxpayers

Transportation Funding Dollars

Road construction and maintenance in Indiana is essentially paid for entirely by Hoosiers. Our money makes a round trip through Washington, D.C., that goes something like this:

- \$ Harry Hoosier pays \$1.00 gasoline tax at the pump
- \$ Harry's \$1.00 travels to Washington, D.C.
- \$ About \$0.90 of Harry's money is sent to INDOT to fund projects in the state of Indiana – with the requirement that the State of Indiana and the City getting the project both kick in some \$0.10 – 0.20 more in matching funds.
- \$ Of course, the State of Indiana and the City getting the project tap Harry Hoosier for the additional 10 to 20 cents, as well.

"Especially important will be his [O'Bannon] discussion of a strategy to identify \$1.7 billion in present-day funds plus future inflation factors in federal, state and local government budgets, plus any private resources, to finance the I-69 proposal. All Hoosiers may wish to discuss the priority of such expenditures and the probability of potential public and private economic gains at a time of extraordinary national security, health care, social security, and education needs in Indiana and throughout our country."

-- U.S. Senator Richard Lugar, January 2003; reflecting on Governor O'Bannon's announcement of a preferred route for I-69

Because there is no Federal 'pot of gold' available for I-69, any dollar spent on its construction, is a dollar that will not be available for road maintenance or public transit projects.

"To fund I-69 INDOT would have to pledge all of its 'expansion' funds – 21% to 25% of its entire construction budget – to I-69 every year for 14 years to complete the project.."

State Senator Larry Borst

"My feeling is that most of the money coming from the federal government will go into I-69 and will not be used to fund local projects. I believe those projects will be put on hold."

State Representative Clyde Kersey



"Adding a stretch [of I-69] in Indiana isn't going to be as beneficial as improving the existing highway system."

*Thomas M. Glaser, CEO, Celadon Trucking Services, Inc., Indianapolis
Indianapolis Star, "2 Trucking Executives Cool to I-69", July 26, 2004*

"In the name of wise land use and fiscally-responsible government, the US 41 and I-70 route should be strongly reconsidered."

Indiana Hardwood Lumbermen's Association

“The state has borrowed/taken assets from dedicated funds to supplement current year tax receipts, it has delayed \$717 million in payments to schools and local government and it has reduced the surplus from a high of about \$2 billion to about \$337 million estimated at the end of this year.... The practical view for FY 06 – the first year of the next budget cycle – the state will be faced with an approximate \$700 million shortfall just to replicate the FY 05 spending level with no increases for anything and it will still have payment delays of about \$717 million. These two numbers added together total \$1.4 billion.”

Dan Novreske, Senior Fiscal Analyst, Indiana Senate Republican Caucus

Where Will Marion County Come Up With The Money

The additional costs of local road improvements will come from Indianapolis. The road improvements will have to be made because of the quadrupling of traffic and the fact that the I-69 freeway would cut off local commuters from their traditional routes to and from work. Frontage road systems, expansion of Bluff Road, Mann Road and Southport Road would require the acquisition of land and the costs associated with road building.

Increasing Tax Burden in Marion County

The price of I-69 will be paid by all of us at the pump and elsewhere. Estimates have run to 15 cents per gallon of gasoline. There are other serious and imminent requirements for Indianapolis residents to pay for governmental services and capital improvements. These include:

- The Combined Sewer Overflow problem: at least \$1 billion and up to \$39.53 / house / month fee in the sewer bill
- The new Jail facility and Inmate Processing Center
- New Court facilities
- Police & Fire Pension Liability

- Juvenile justice and payments to the state
- Possible 250 new sheriffs deputies
- Possible implementation of annual automobile smog inspections because of air pollution
- The State's 2003 increase in sales tax
- New School construction
- Public Library Construction
- Tax Reassessment
- New Colts Stadium
- Proposed Expansion of the Convention Center
- \$2 billion for Proposed Mass Transit System
- Improvements to IndyGo
- Phase-out of Inventory Tax

How do government leaders suggest the region absorb all of these expenses and keep the cost of living low enough for the City to prosper? How can the taxpayers absorb a spike in gasoline tax and the loss of assessed value in Perry Township and any economic development shortfall because of air and water quality impacts of I-69?

"Paving this Indiana paradise to build a highway would be a four-lane fleecing of America...a fleecing that would take you and your tax dollars for a billion dollar ride."

-- Tom Brokaw, NBC Nightly News, April 29, 1998

Perry Township Will Become An I-69 Donor Region...

There will be a dramatic, 4.4 fold, increase in truck and car traffic in the SR 37 corridor of Perry Township

The impact of this traffic on air quality standards attainment has not been evaluated in light of the tougher EPA regulations now beginning to take effect

The traffic increase will necessitate increasing I-465 (south leg) to 10 lanes

The route to connect the existing terminus of I-69 in the northeast corner of I-465 through Indianapolis to I-69 in Perry Township has not yet been studied or determined

Public drinking water source for central Indiana will be put at unnecessary risk

Destabilized neighborhoods

Reduced property values

Reduced quality of life

The reduction in assessed value and the loss of real tax revenues will increase the tax burden in Perry Township

The tax burden and additional near-term obligations in Marion County are already substantial and increasing the gasoline tax to pay for I-69 will only worsen the situation

Business acquisition will lead to job loss

Essential services will be impacted

Local costs for road improvements have not been estimated

Indianapolis and Perry Township cannot afford I-69 Route 3c

All to save 12 minutes on a 2 ½ hour trip

...While No Clear Benefits Exist for the Rest of Indiana

No real difference exists in benefits of I-70 / US 41 and Route 3c

Route 3c will cost twice that of I-70 / US 41

- a difference of \$800,000,000

Route 3c will cost 10 times more than I-70 / US 41 to maintain

- a difference of \$2.7 million per year

Route 3c will take

- 30% more homes
- 2.7 times more acres of farmland
- 8.1 times more acres of forest
- 2.3 times more acres of wetlands
- 2.8 times more acres of total right of way

Additional project segments increase total price tag of Indiana's NAFTA I-69 to \$2.5 - \$2.9 billion

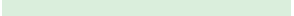

The jobs created by Route 3c will be few, but expensive to deliver

The return on investment will only be 66 cents returned for every dollar invested

Indiana is 4th in the Nation in rural interstate density and Indianapolis leads the Nation in interstate connections (Federal Highway Administration; Association of Monroe County Taxpayers)

Yet, Indiana rank 2nd in the Nation in per capita job loss in the 7 year period 1993-2000 (Economic Policy Institute; Association of Monroe County Taxpayers)

Indiana cannot afford I-69 Route 3c



Marion County Alliance of Neighborhood Associations
Hoosier Environmental Council
and
Southwest Perry Civic Association

respectfully ask the Indianapolis-Marion County City-County Council
vote in support of Proposal 647, 2004
opposing I-69 through Perry Township

If you have any questions, please contact:

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