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## **ECONOMIC IMPACT OF BRIDGE CLOSURE LESSENER BY CONSTRUCTION DOLLARS**

*\$152 million economic gain is more than three times greater than estimated loss*

Louisville, Ky. (November 24, 2009) – A recently completed economic impact study shows the negative effects of closing the US 421 bridge for a year during its reconstruction, would be offset by the influx of construction dollars in the area.

The Kentucky Transportation Cabinet (KYTC) and the Indiana Department of Transportation (INDOT) today released results of the economic impact study which estimated losses caused by the bridge closure in a three county region: Jefferson Co. Ind., and Trimble and Carroll counties in Kentucky.

Economists for the Milton-Madison Bridge Project found that the benefits of bridge construction from 2010-2012 would result in the creation of approximately 1382 jobs, many of them local, with a positive economic impact on the region totaling \$152 million. “We were pleased to learn that the net result of the bridge construction on the regional economy is unquestionably positive,” said John Carr, project manager with Wilbur Smith Associates, the bridge project consultant. “But we certainly recognize the hardships the closure will have on some individuals and businesses.”

The study found that in 2011, the year the bridge is scheduled for closure, an estimated 517 jobs could be lost to the three-county area resulting in a negative economic impact of \$44 million. The study showed the economic impact on the communities was lessened significantly by the use of ferry service. “Keep in mind these are the losses we would expect if we were *only* to provide ferry service, and nothing else,” explained Carr. “But we are taking steps to reduce the impacts even further with robust tourism and regional customer marketing campaigns, and other efforts to keep the local economy vibrant. Overall there will be a net gain of 865 jobs and \$108 million in positive growth to the economy.”

The figures in the economic report are based on estimated construction costs and interviews with a cross section of local businesses. That data was entered in a special computer program that generates economic models. “It doesn’t mean that exactly 517 jobs will be lost; it’s a prediction, like looking at the stock market or the economy,” said Carr. “Think of it as an economic forecast.”

While there won't be any direct compensation to business owners, both states plan to fund a strong tourism marketing campaign to keep visitors coming to Madison and Milton. The marketing investment is one aspect of mitigation efforts on the project. When a project adversely impacts historic properties or the environment, federal law allows project leaders to make up for, or mitigate, those impacts in some way.

In addition to the tourism and regional marketing campaign, proposed mitigation measures include:

- Use of incentives to the contractor for reducing the time the bridge is closed
- Construction of a truss bridge similar to the original
- Free ferry service
- Enhanced Milton boat launch and Madison ferry landing with resurfacing, added restroom facilities and sidewalks
- Funding a business workshop on ways to cope with the bridge closure
- Video and photographic documentation of the existing bridge, to be provided to the Jefferson County Historical Society archives and to the State Historic Preservation Offices
- Relocation of the Peregrine Falcon nesting box on the bridge

In late January, KYTC and INDOT will find out if the states have been awarded \$95 million in federal stimulus funding toward the estimated \$131 million cost of the proposed superstructure replacement. The states will split evenly the remaining \$36 million. Superstructure replacement involves removal of the current bridge's steel superstructure and construction of a new span atop the existing piers. It would require closing the bridge in early 2011 for about a year. For more information, log on to [MiltonMadisonBridge.com](http://MiltonMadisonBridge.com)

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