

Five Years Fifty Jobs

THOUSAND

Acting Now on Regional Transportation 2006

BY BARRY RASCOVAR, FOR THE GOLDSEKER FOUNDATION

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INTRODUCTION

BETWEEN now and the end of 2011 the Baltimore region and the city that anchors it will enjoy an unprecedented, once-in-a-lifetime chance to reshape and define their shared future. Done right, it will assure the region's long-term prosperity and make it the envy of struggling urban areas across the country. There has not ever been, nor will there be again anytime soon, a better or more pressing opportunity to recreate this region.

Over the next five years, ready or not, a tidal wave of change and opportunity will wash over this area, and though the dimensions of its effect are only now beginning to be understood, it is surely coming, and it is irresistible.

This event is the result of the federally-mandated Base Realignment and Closure process. Though it bears the unmelodic acronym BRAC, it promises enormous economic and demographic change and, with it, serious challenges to local resources and physical infrastructure. It also bears enormous opportunity.

At this point, no one knows for sure all that the relocation of major national defense and intelligence facilities in the Maryland corridor between Aberdeen and Fort Meade will mean, but a few things are certain. Current best estimates are that something on the order of 50,000 new military and civilian jobs are on their way, beginning toward the end of 2008, as a direct result of the BRAC decisions. Another 7,000 or so are expected to be generated indirectly, through contractual arrangements by private companies with the federal agencies relocating here. And these estimates are believed by some to be conservative.

Some large number of these jobs—perhaps as many as half—is expected to be filled by Marylanders, but the rest will be filled by newcomers. And remember, the 50,000 figure is jobs only. It does not count the family members who will undoubtedly swell that figure. This will place great strain upon the region's infrastructure: housing, sewers, schools and public services being among the most obvious. But the place to begin, arguably, is transportation, because the region, already congested by automobile traffic, will squander the economic advantage BRAC presents if the region's workers are increasingly unable to get from here to there.

The region has not enjoyed to date the advantages and convenience of a well-conceived, integrated transportation system that links automobile, bus and rail traffic in an effective way. The State of Maryland, several of its political jurisdictions and a number of private civic and nonprofit groups have been hard at work the past few years to improve rail and bus systems and provide attractive, affordable alternatives to our overdependence on automobiles. These need to continue, but they deal with solutions that are years away. Until recently, there has not been an urgent, compelling reason to act with dispatch. Now there is.

As one in the Goldseker Foundation's series of occasional papers, we decided to address the transportation challenges at hand and suggest some ways to deal with them. To help us, we turned to former Baltimore Sun editor and veteran political observer and analyst Barry Rascovar. In the pages that follow, Mr. Rascovar broadly describes the region's transportation deficits, proposes how they might be addressed and—most important—suggests alternative financing mechanisms in an era of diminished federal transportation funds.

Regional transportation is a very, very complex thing, with huge technical and financial implications. This is not a technical study. It is, rather, a summons to rapid action while lead time still exists.

Success will require the pulling together of many institutions, organizations and interests. It is not an easy task, but as experience elsewhere has demonstrated, it can be done. We would be foolish in the extreme to let this opportunity slip past.

Two things are clear, though. Success won't happen without strong, sustained senior leadership from the region's business and higher education sectors—its economic engines. And it certainly won't happen without the active leadership of our elected officials.

This is too large and real an opportunity to miss. We can reshape a region and rebuild a city if we act now. But our business and civic leaders, and especially our elected ones, need to act with a sense of urgency and propose quickly a transportation vision that is specific, that addresses the short-term opportunity BRAC represents, and that includes a way to pay for it.



Timothy D. Armbruster, President and Chief Executive Officer
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COMING SOON TO YOUR TOWN: LOTS OF NEW NEIGHBORS

By the fall of 2011, roughly 50,000 defense-related jobs will be shifted to Central Maryland. It's like uprooting every man, woman and child living today in Harrisburg, Pa., and resettling them within Greater Baltimore.

ONCE or twice every hundred years something so profound happens it reshapes an entire region.

In the mid-19th century, the advent of the railroad—pioneered by the local B&O—created a giant new engine of trade and manufacturing for Baltimore. In the post-Civil War decades, a tremendous surge of immigrants arriving at Locust Point sharply altered Baltimore's social, political and ethnic landscape.

In the 20th century, World War II triggered unprecedented industrialization inside and outside the city, including rural migration of families and workers to Baltimore. When the war ended, discharged soldiers and sailors returned with money in their pockets, setting the stage for a wholesale transformation of the suburbs—and a concurrent decline in wealth and population of Baltimore City.

Now Baltimore and surrounding counties are about to face what could be their defining moment of the 21st century. You might call it, jokingly, the "BRAC Attack." This fictional title provokes an image of wave after wave of troops washing onto the western shores of the Chesapeake Bay and setting up camp—the equivalent of four full military divisions—to the north and south of Baltimore on existing Army bases.

We know it won't happen that way. Instead, over the next five years—by the fall of 2011—roughly 50,000 defense-related jobs will be shifted to Central Maryland. It's like uprooting every man, woman and child living today in Harrisburg, Pa., and resettling them within Greater Baltimore.

The cause of this coming migration is the Department of Defense's on-going attempt to reorganize its military bases in a way that consolidates related activities at the same location, cuts costs and improves efficiency. The process goes by the ungainly abbreviation of BRAC, or Base Realignment and Closure. Last year, the Defense Department turned its downsizing recommendations over to an independent panel. The BRAC commission prepared a final list, which was approved by President George W. Bush in September, 2005 and Congress in November, 2005.

Thanks to an intense, well-coordinated and bipartisan lobbying effort, Central Maryland emerged from the BRAC process as the nation's biggest winner.

So while other states scramble to cope with job losses from the restructuring of 600 military sites, Maryland finds itself with a wealth of economic development riches coming to two military bases—Aberdeen Proving Ground, 25 miles to the north of Baltimore in Harford County, and Fort George G. Meade, 14 miles south of Baltimore in Anne Arundel County.

(Other Maryland military facilities benefit, too: Andrews Air Force Base in Prince George's County, will add as many as 1,500 BRAC jobs and 2,000 positions from other program shifts; Montgomery County projects up to 4,200 new military, civilian and contractor jobs at the Bethesda Naval Medical Center, and Fort Detrick in Frederick County anticipates 300 new jobs and significant capital investment in medical research laboratories.)

These aren't foot soldiers pitching tents in Central Maryland, either. Aberdeen Proving Ground (APG) gains scientists specializing in high-tech battlefield communications and electronics; chemical and biological weapons researchers and high-speed computer simulation experts. Fort Meade becomes the headquarters for Department of Defense media activities, all of its judicial affairs and its high-tech combat support programs. The bulk of the new residents will be highly educated professionals and scientists with an average annual family income in excess of \$100,000.

Based on prior BRAC realignments, somewhat less than half the personnel involved in these geographic shifts will move to Maryland. The rest of the positions will be filled locally or by hiring people from outside the region.

Contractors and consultants already are leasing nearby office space. At APG, a 2 million square-foot technology/research and development business park, expected to employ 5,000 workers, is being built under a joint military-private sector arrangement. Next to Fort Meade, a major land owner expects to break ground soon on 5.5 million square feet of office space at the Odenton Town Center. Large residential housing developments are in the works in the Fort Meade area, too. The *annual* economic impact from BRAC-related additions at the two military bases is expected to exceed \$2 billion.

Preparing for our new neighbors

SUCH explosive economic development and population growth could be a blessing or a curse. It all depends on how officials in the state and the region prepare for the day when Maryland's BRAC transplants arrive. Diverse groups have banded together to start the planning, but time is short: By law, all BRAC relocations must be completed by September 15, 2011.

We know the BRAC arrivals will strain public schools and a tight housing market. Those situations can be addressed within the five-year BRAC window through: 1) state and local decisions to accelerate and increase school construction funding for BRAC-impacted communities, and 2) government incentives and zoning decisions that encourage a mix of residential construction in designated growth areas near commuter routes to Fort Meade and Aberdeen Proving Ground. Projected increases in tax receipts between now and 2015 in the most directly impacted jurisdictions, Anne Arundel County (\$34 million) and Harford County (\$56 million), could help pay for related infrastructure needs.

If local governments fail to address these issues aggressively and creatively, it could exacerbate what already is shaping up as a far more daunting challenge—avoiding a regional transportation crunch.

Settling for the status quo or for too-modest transportation improvements is unacceptable in light of the population surge about to hit Central Maryland.

Every BRAC household is likely to have at least two cars. Most of those vehicles will be heading toward or leaving the vicinity of the two military bases during rush hour. The potential for heavy congestion is troubling. Interstate traffic, already badly tied up in early morning and late afternoon, could grow far worse. Alternate routes then would be packed, making even simple trips to the supermarket inconvenient, unpleasant and time-consuming. The region's reputation as the "Land of Pleasant Living" would suffer; its attractiveness to employers would diminish.

At the moment, metropolitan Baltimore is recognized as the best military community in the country for quality of life (*Expansion Management* magazine, "Military Communities of Excellence Study," September 2004). Horrific commutes and clogged traffic throughout the region could quickly change that. Indeed, it would make life increasingly frustrating for most of this area's car-dependent residents.

This predicament need not occur. There is a better option. Elected officials and business leaders in metropolitan Baltimore can play key roles. Through forceful advocacy and collective lobbying, they can turn the coming population surge into a catalyst for long-neglected regional transportation upgrades.

Such an approach requires vision, activism and political fortitude. Transportation projects are extraordinarily costly and take many years to complete. Funds from Washington are diminishing. Attempts to raise new revenue for transportation spark strong resistance.

Indeed, finding the large sums of money to pay for road and rail enhancements is a key sticking point. As will be discussed later in this paper, there are immediate ways to increase the flow of dollars to BRAC-related transportation projects. Innovative funding arrangements used around the country might be employed. Raising taxes or fees to support transportation projects is a more difficult feat, but it could be made palatable if the benefits are compelling, articulated clearly and are spread broadly across Maryland regions.

For any of this to happen, Baltimore-area leaders have to agree on a list of priority transportation projects that can be completed in time to ease the strain created by BRAC arrivals. It will take a determined, united regional push to win support in Annapolis, something that often has been lacking in the past.

One thing is certain: settling for the status quo or for too-modest transportation changes is unacceptable in light of the population surge about to hit Central Maryland. Inaction could have undesirable consequences for all of us. An army of soon-to-be Baltimoreans has its marching orders and will arrive within five years. We need to prepare.

Baltimore—both the region and the city—could be transformed by this large infusion of talent. BRAC presents us with a rare moment in time when we, as a community, can take a huge leap forward. It can happen if business CEOs and top elected officials take full advantage of this unique opportunity.

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II

A LEADERSHIP CHALLENGE

A Baltimore driver in 1982 spent a total of nine hours that year stuck in traffic delays. Now the average annual delay surpasses 50 hours — the tenth worst long-term change in the nation.

WHEN it comes to a comprehensive transportation system, metropolitan Baltimore lags behind other regions. Improvements have been halting and episodic. The existing network of roads and rail is neither effective nor efficient for the area's 2.6 million residents.

Major city-suburban thoroughfares have changed little over the decades. Heavily traveled city streets, extending like spokes of a wheel into the expanding suburbs, often are narrow, lacking in turn lanes and in need of synchronized traffic flow. Cross-town travel in an east-west direction is particularly difficult. Most of these roadways look much the way they did when first built yet they now handle a volume of cars and trucks never imagined when they were designed. A broad, concrete ribbon of beltway, I-695, encircles the city along its inner suburbs. It was built 44 years ago. The interstate highway passing by Aberdeen, I-95, opened 43 years ago.

The problem with large highway improvements is that they are expensive and can't be built in a hurry. A four-lane toll addition to I-95 from Baltimore to Bel Air will cost \$1.5 billion. Phase One, from Moravia Road in Baltimore to White Marsh in Baltimore County, won't open until sometime after 2012. Phase Two, from White Marsh to Bel Air, is in the planning stage. The project offers limited relief to APG commuters until the second section is opened many, many years from now. Meanwhile, all that construction along a congested stretch of I-95 will exacerbate rush hour woes.

With 2.1 million vehicles jockeying for space on Baltimore roads, traffic tie-ups are the norm. It wasn't always that way. In 1982, Baltimore's peak travel time lasted just 3.2 hours each work day. Two decades later, daily congestion time had stretched to 7.4 hours. Put another way, a Baltimore driver in 1982 spent a total of nine hours during that year stuck in traffic delays. Now the average annual delay surpasses 50 hours—the tenth worst long-term change in the nation.

In spite of this, people in Central Maryland largely travel by car—by a wide margin. A 2000 study of 70,000 commuters in the Fort Meade area found nearly six out of every seven driving to work—alone. The dominance of the automobile reflects the inadequacies of the region's public transportation system.

Baltimore's two rapid transit routes—a 15-mile Metro subway line and a 30-mile Light Rail line—serve only limited sections of the region. This is the result of a trade-off: the initial routes were chosen because they follow existing freight rail rights of way. That decision simplified and accelerated construction and lowered costs—but the tracks are not close enough to where most people work or live.

The region's bus network goes a lot of places in the city and stretches out into the adjoining counties but it doesn't get riders there very quickly—a result of Baltimore's poor traffic flow. Particularly in rush hours, bus passengers get stuck in the same back-ups as automobile drivers. Unlike many U.S. cities, Baltimore lacks exclusive bus lanes and buses don't receive priority treatment at traffic signals. Bus routes require an extensive overhaul that improves service and lures new riders while respecting the needs of current users. Buses do

not reach many suburban business centers, though that's where job opportunities lie. For most bus patrons, getting from Point A to Point B cannot be done quickly or easily.

A commuter rail system, operating on Amtrak and CSX tracks, consists of two separate lines connecting Baltimore and Washington. To the north, it extends beyond Aberdeen and Bel Air to Perryville on the upper Eastern Shore. Despite its growing popularity, the Maryland Rail Commuter (MARC) service—which also includes lines connecting Frederick and the West Virginia panhandle to Washington—does not have a prominent niche within the State's Department of Transportation.

Given the shortcomings of Baltimore's transportation network, it shouldn't come as a surprise that daily bus ridership has declined 11 percent since 2001, volume on the Metro has leveled off and Light Rail patronage has dropped following a partial shutdown to construct a second track.

There are a few transit bright spots, mainly for Washington commuters. MARC has seen the number of passengers using its trains jump 24 percent since 2001. Meanwhile, ridership on contract commuter buses is booming—up 66 percent in the past five years.

The relocation to Maryland of so many BRAC families will strain the region's transportation network. State officials are well aware of the projections and have taken some initial steps: Construction is beginning on the highly complex first phase of the I-95 express toll lanes north of the city. Parking additions are happening at MARC stations serving APG and Fort Meade. But there are broader transportation questions posed by the BRAC migration that must be addressed soon.

Building regional momentum

THERE'S no consensus on what's best for the Baltimore region. Cross-jurisdictional government groups limit their work to planning because no county executive or mayor wants to cede power to a regional panel. There have been some seeds of metropolitan action on transportation planted in recent years, but not on the scale of what is needed.

The metropolitan area's state legislators rarely work in concert and with heightened energy on major regional problems. Similarly, top city officials don't reach out aggressively to form strong, lasting alliances with suburban politicians. Regionalism is more an illusion fostered by elected leaders than a reality.

This isn't a new phenomenon. It's been going on for decades. Now, though, the looming BRAC population surge is starting to alter attitudes. It is dawning on some local leaders that Greater Baltimore faces a formidable challenge requiring considerable teamwork: 1) to handle this influx of men, women and children without serious disruptions, and 2) to reap the benefits from this welcome migration of well-paid, well-educated professionals.

The area's business groups are attuned to the need for action yet they have had trouble imbuing state politicians with a sense of urgency. In part, this is a reflection of Baltimore's loss of so many corporate headquarters: business influence in Annapolis—where it counts—has steadily declined over the decades.

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BRAC is forcing local leaders to look beyond their own boundaries for transportation answers.

No wonder it's an uphill slog to convince state government officials that costly transportation upgrades in the Baltimore region are worth the political capital. There's no sustained, potent advocacy from local business and political leaders. Indeed, the only times in the past half-century when the metropolitan area scored major road and transit victories came under governors from Baltimore—Theodore Roosevelt McKeldin in the 1950s, Marvin Mandel in the 1970s and William Donald Schaefer in the late 1980s and early 1990s.

Transportation problems are viewed parochially and solutions are proposed and advanced locally. Traffic congestion is worse on the major suburban interstates, which is where suburban politicians want money invested. These officials don't see enough benefit flowing to their subdivisions to rally strongly around city-centric projects. Meanwhile, city leaders barely take notice of the traffic gridlock enveloping the surrounding suburbs.

BRAC, though, is forcing local leaders to look beyond their own boundaries for transportation answers. In Anne Arundel and Harford counties—two jurisdictions that have not been big regional players—the impact of so many new commuters and new households could prove overwhelming. Leaders in both counties have grasped the urgency of concerted, regional—and state—action.

With proper cultivation, BRAC's infusion of scientists, technologically savvy experts and affluent professionals could turn Baltimore into a thriving East Coast metropolis known for its intellectual capital, vibrant diversity and remarkable cultural and leisure attractions. For that to happen, business

and political leaders must get behind a common set of regional objectives and develop a "can do" attitude. The first item on that "can do" list should be transportation.

The governor's support is pivotal. Early, proactive decisions are essential to accommodate tens of thousands of new commuters on Greater Baltimore's main highways. Regional leaders must press the governor to step up as a champion of immediate BRAC-related transportation projects.

There are encouraging signs both party's candidates for governor—Mayor Martin O'Malley and Gov. Bob Ehrlich—recognize the importance of fixing transportation deficiencies. Mayor O'Malley has said, "If we don't have better mass transit 20 years from now than we have today, we're going to be continually chasing our tail." Governor Ehrlich has termed the coming BRAC population surge "the No. 1 issue in Maryland."

It would be a mistake to think the governor can do it alone. It will take a strong marketing push by the region's business and political leaders to "sell" their consensus transportation plan—and a way to pay for it—to state senators and delegates. It also is critical for them to build a firm partnership with business and political leaders in the Washington suburbs, where transportation is a high-priority issue.

This is a difficult leadership challenge. Can it be done? Absolutely. Is it worth the effort? Given the incredible boost Baltimore can gain by successfully integrating BRAC families into our communities, the answer is an emphatic "yes."

III

AN AGENDA FOR ACTION

MARC offers the most immediate opportunity to accommodate the coming population boom.

IN making plans for the 50,000 or more BRAC-related transfers there are some built-in obstacles. To begin with, major transportation infrastructure projects take a long time to implement. Important road and rail construction projects—proposed or already under way—will not be completed until the middle of the next decade, at the earliest. That reality requires us to focus on the best and most practical proposals to alleviate travel congestion in the short run. These must be doable steps with long-lasting impact on regional transportation flow.

There is an array of options out there—in highway improvements, in expanded bus operations and in commuter rail enhancements. Some of these steps might be classified as “low hanging fruit” for state political leaders. That’s to the good. It paves the way for a more formidable discussion of what should be done to prepare fully for the coming migration.

As it happens, the basic infrastructure already is in place to carry new federal and contract workers to and from the two military bases and nearby business parks. The challenge is to expand and modernize that infrastructure between now and the fall of 2011.

In fashioning an agenda, there’s one obvious arena where rapid transportation progress can be achieved: MARC. Transforming Maryland’s commuter rail network into a transit gem within the five-year window should be a prime objective.

Rail: It’s all about MARC

IN the real estate business, what counts above all is “location, location, location.” MARC certainly has that. Its Penn Line stations sit virtually outside the front gates of Fort Meade and Aberdeen Proving Ground. The Fort Meade stop at Odenton already is MARC’s biggest suburban station, with trains throughout the day in both directions at regular intervals. The Aberdeen station gives Harford County commuters frequent service to Baltimore and Washington. However, trains to workplace destinations in Harford County are extremely limited.

The Penn Line covers a broader swath of the region than any existing or prospective rail or transit line. Military and government agencies in Washington will be a major generator of trips to the two military bases. The line provides direct service to busy BWI Thurgood Marshall Airport as well.

MARC offers the most immediate opportunity to accommodate the coming population boom. By the time the first wave of BRAC transfers arrives, dramatically enhanced MARC service can be waiting for them. No other rail solution can be ready in time.

Placing the state’s emphasis on commuter rail holds substantial environmental, energy and cost advantages. A 150-seat bi-level coach car takes perhaps 150 automobiles off the highways and interstates leading to APG and Fort Meade. It reduces travel time. It cuts Baltimore’s stubborn air pollution. It’s a huge energy-saver. MARC’s operating cost per passenger mile is dramatically lower than buses, autos, subways and light rail trains.

Upgrading MARC operations sounds simple but it turns out to be complex. It also is not cheap. Yet in the ultra-expensive transportation world, MARC is a bargain, one that comes with big potential payoffs.

What needs to be done? Plenty. Commuter rail has never been at the top of the state's transportation agenda. For example, MARC purchased 50 high-capacity, bi-level rail cars a number of years ago, which enabled it to replace its 50-year-old coaches. But it has not markedly enlarged the fleet. Faced with standing-room-only volume on Baltimore-to-Washington trains, the state bought 30-year-old gallery cars from Chicago as a stop-gap measure.

The MARC system is pushing the limits of its capacity on multiple fronts but that capacity is largely self-imposed. Expanded service and increased ridership can be achieved through strategic investments.

Acquire modern rail equipment

Purchasing brand-new rolling stock over the next six years will enable MARC to keep pace with anticipated ridership. The state is in the midst of mid-life overhauls for MARC's locomotives and 100 coach cars. It also should seek to acquire 13 coach cars virtually identical to MARC's bi-level cars from the Virginia Railway Express, which is set to receive new railcars of a different design next year. Plans are under way to design and order new MARC cars in 2007 but delivery won't happen for several more years.

Expand MARC's train schedule from Baltimore

Each work day, a single morning train takes Baltimore commuters to Aberdeen Proving Ground. It leaves at 8:27 a.m. The lone afternoon MARC train for Baltimore departs at 3:08 p.m. There is plenty of room to add commuter trains on this route.

Increasing southbound trains toward Washington is another story. Thirteen MARC trains already leave Baltimore for Washington before noon on the Penn Line, which stops at Odenton (Fort Meade). But the tracks are owned by Amtrak, which gives priority to its own trains. Squeezing more MARC

trips into the contractual time allotted by Amtrak will take ingenuity. Here are some ideas:

- Add express trains with limited stops (Fort Meade and BWI Airport, for instance).
- Lengthen trains to provide sufficient seating capacity.
- Replace conventional coach cars with far larger bi-level models.
- Negotiate with Amtrak for more track time.

Reaching a deal with Amtrak and CSX (owner of the Baltimore-Washington Camden Line) for more track time will not be easy. CSX focuses solely on its booming freight business. Amtrak, like MARC, caters to passengers but it is under heavy pressure from Congress to keep its trains running on schedule. It will take help from Washington and a far broader discussion of rail issues—such as the fate of Baltimore's antiquated tunnels and construction of additional tracks—to wring concessions from these railroads.

The key is money. Amtrak, especially, is starved for capital. Both CSX and Amtrak would welcome new public investments in their Maryland infrastructure. Bringing money to the table could open the way to additional time slots for commuter passenger trains.

Enhance MARC stations and add new ones

Dramatically improved train stations, and additional ones, can spur rail travel and stimulate "smart growth" commercial, business and residential investment. These stations can contribute to stable neighborhoods and less dependence on car travel.

The BWI Airport rail station is Amtrak's tenth busiest. Ridership is growing faster there than anywhere else in the Amtrak system. This has created a congestion problem for both trains and passengers. Amtrak and Maryland have developed a plan for reconfiguring the tracks and rebuilding the station but the project has stalled for lack of funds.

Meanwhile, prime opportunities exist to connect two Baltimore medical research campuses to the Aberdeen Proving Ground-Fort Meade technology centers. MARC trains already pass along the edge of the city's evolving Science + Technology

It won't be much consolation to BRAC commuters (or the rest of us) stuck in terribly congested traffic to learn that relief is coming – in five to eight years.

Park at Johns Hopkins and New EastSide revitalization project. This is a natural site for a commuter station linking military scientists with world-class Hopkins researchers and connecting East Baltimore residents to blue-collar and white-collar suburban jobs in the burgeoning business parks near APG and Fort Meade.

A second science-oriented rail stop is possible at the Johns Hopkins Bayview medical campus, where the National Institute on Aging and the National Institute on Drug Abuse are located.

Jitney-style shuttles could convey commuters from both potential stations to existing or planned Metro stations nearby. However, negotiations with Amtrak to gain approval of additional commuter rail stations could prove difficult.

Increase parking capacity throughout the MARC system

One of the biggest impediments to continued growth in MARC ridership is the lack of available parking space at suburban stations. The Odenton rail station is undergoing immediate surface parking expansion. (Plans are under way for a 2,500-to-3,000 car garage there, too.) Additional parking at the crowded Halethorpe station was just completed but Amtrak has delayed other related construction. More parking at Martin State Airport is part of the Route 43 (White Marsh Boulevard) extension in Baltimore County. Other stations requiring more parking are Edgewood and West Baltimore. These projects must be carefully coordinated with development plans so they don't inadvertently hurt prospects for valuable new homes and jobs near transit.

Build a maintenance shop and storage yard facilities

Since there's insufficient storage room at Washington's Union Station, MARC moves two trains back to Baltimore after

morning rush hour, parks them at Penn Station and returns the trains to Washington for the afternoon rush-hour pick-ups. This is inefficient, wasteful of energy and expensive. Any increase in MARC service will require expansion of rail yards.

Maintenance of MARC coaches and locomotives is another hang-up. Because MARC isn't in charge of its own maintenance (the work is handled by Amtrak and CSX), there often are delays on federally required inspections, routine car cleaning and unplanned repairs. Amtrak's maintenance facilities in Washington are cramped, fully utilized and not easily expanded. MARC is seeking to buy a CSX maintenance facility in Baltimore so it can better monitor and manage maintenance work, control costs and give the state flexibility in its choice of maintenance contractors.

These projects aren't glamorous, but they're essential for growing the capability of the regional rail system. Funds have been allocated for both of these projects—with a completion date of 2011. That's too late. Advancing the design-build schedule would pay off handsomely—if business and political leaders get involved to win Amtrak's support.

Put pressure on Amtrak and Congress for corridor rail improvements

An additional track, with crossovers, is needed between MARC's West Baltimore station and the busy BWI Airport station to relieve heavy congestion. There is also an urgent need to replace Baltimore's antiquated train tunnels that are both a health and safety hazard. CSX and Amtrak would benefit most from these expensive projects, which would give MARC a bright future, too. Maryland officeholders and business leaders must take the lead in gaining backing in Washington for these projects that are of vital importance for both commuter and freight rail traffic up and down the East Coast.

Better roads, too

IT won't be much consolation to BRAC commuters (or the rest of us) stuck in terribly congested traffic to learn that relief is coming — in five to eight years. Accelerated design and construction are essential. While federal planning and environmental requirements take time, construction improvements must be put on a fast track whenever it is practical.

The benefits of rapid highway construction can be enormous. It would ease expected tie-ups on key access roads around Fort Meade and Aberdeen Proving Ground.

What can a speed-up of road work mean? In Houston, the expansion of the Katy Freeway to add a four-lane toll road was scheduled to open in 2015. Then the county toll authority stepped in and put up the funds. This cut construction time in half on the 23-mile project from the city of Katy to downtown Houston. Now these I-10 toll lanes are set to open in 2009, saving \$1 billion in wasted energy and traffic delays.

Employ innovative techniques to cut construction time

The I-95 express toll lane project from Baltimore to Bel Air will provide only partial relief to drivers until Phase Two is completed midway in the next decade. Given the vast expansion of the work force at Aberdeen, an accelerated timetable is necessary. Proven time-cutting techniques should be employed. Phase One is complicated by construction of an enormous, spaghetti-like series of elevated interchange lanes at the junction of I-95 and the Baltimore Beltway. Phase Two does not involve anywhere near that level of engineering complexity, though there are tricky environmental issues to resolve. Ways must be found to put Phase Two on an earlier completion schedule.

Anne Arundel County is pushing state officials to move quickly on improvement and expansion plans for east-west "cross-roads" from Fort Meade—Routes 175, 198 and 32—so these upgrades are ready when BRAC workers arrive. The county also wants the Baltimore-Washington Parkway widened from the Baltimore Beltway to the Fort Meade exit by 2009. The use of tested management techniques can speed this work.

Accelerated construction helped Denver save two years while building its 19-mile light rail extension and 17 miles of highway expansion. It used the "design-build" contracting method, a time-saving technique also successfully used in New Jersey (the Hudson-Bergin Light Rail Line), Santa Ana, Calif., Los Angeles and Salt Lake City.

Improve traffic flow

Baltimore's highway network is how people move about our communities. Without a comprehensive regional mass transit system, they have no choice. Today, the Baltimore Beltway is our Main Street. It is regarded as the fastest way to get to a destination.

As more BRAC workers relocate here, officials must wring efficiencies out of interstates and city/county arterials. Advanced technologies are making that task easier.

Maryland's Coordinated Highway Action Response Team has reduced accident-related delays. Other cities utilize Congestion Management Systems with great success. Yet even with a better mouse trap, steadily flowing arterials won't happen without cooperative cross-jurisdiction action, especially on roads impacted by APG and Fort Meade commuters.

City officials continue to work on a modernization plan for its complex traffic signal system. However, this much-needed overhaul must be linked to county signaling systems. This will be especially important as more BRAC workers choose arterials as commuting routes.

Intelligent traffic technology can monitor and adjust traffic signals to keep cars moving and take some of the rush-hour pressure off the interstates. Oakland County in Michigan (population 1.2 million) has implemented such a system at half its traffic signals. A Michigan State University study found significant reduction in rush-hour stops. In some of the densest corridors, travel delays were cut up to 32 percent. In the Seattle and Puget Sound regions, Washington State uses signaling technology and aggressive towing to increase traffic speeds and volumes.

In high-density, transit-centered communities there is ease of mobility, convenient shopping and a mix of housing and job opportunities all within a half-mile walk of a rail station.

Widen or upgrade arterials in growth areas

Northeast Baltimore County has been identified as a prime candidate for intensive congestion management. The four-mile extension of Route 43 (White Marsh Boulevard) is expected to revitalize long-neglected Middle River communities and generate at least 10,000 jobs. BRAC workers and companies with contracts at APG could find this area convenient and appealing. Pulaski Highway, Southeast Boulevard, Martin Boulevard, Eastern Avenue, White Marsh Boulevard and Philadelphia Road require concentrated attention. Intelligent traffic technology and road-widening can help officials deal with expected heavy car volume.

Many key arterials cross city and county boundary lines. That's why multi-government agreement on comprehensive road and signaling upgrades is important. Done correctly, this could mean hassle-free commutes. It also could stimulate homebuyer interest from BRAC families in Northeast Baltimore City and Baltimore County neighborhoods.

Take the bus

WHILE ridership on the Baltimore area's local public bus lines continues to decline, the popularity of commuter express buses, usually operated under contract by private companies, has soared.

This convenient mode of road travel has become very popular with individuals working in Washington. Well-planned and heavily promoted express bus routes to the ballooning employment centers at the two military bases could prove successful, too.

Commuter buses have a key advantage: their flexibility. The state, or private businesses, can contract for specific commuter bus routes when demand warrants. Or bus routes can be increased by the state in anticipation of demand from newly arrived workers at Maryland's military bases.

Add direct commuter bus routes for APG and Fort Meade area workers

As transfer dates for BRAC agency personnel become clear, the state should arrange for numerous commuter buses that offer hassle-free travel from convenient parking sites. It's worth the investment if large numbers of new workers park their cars, avoid the interstates and hop on an express bus to APG or Meade. This is a service geared to high-income workers, which should make it ideal for BRAC professionals.

Add public bus routes on main roads to the military bases

Bus services along U.S. 40 from downtown Baltimore to APG should prove popular. County officials already are exploring bus service between Bel Air and Aberdeen and White Marsh and Aberdeen. Similar buses will be necessary to get BRAC workers to jobs from Columbia, Millersville, BWI Airport, Laurel, Glen Burnie and South Baltimore.

Add feeder bus lines and shuttles from rail stations

Rail passengers require buses to shuttle them to and from the stations and their offices in nearby business parks and on the military bases. Private-sector connector bus services can be very successful, too, as the BWI Partnership has proved.

Feeder buses would help workers living in the vicinity of Frederick Avenue reach MARC's West Baltimore station, Crofton and Piney Orchard commuters reach the Odenton station and Arbutus residents reach the Halethorpe station. A downtown Baltimore shuttle could make it easy for in-town residents to reach MARC trains at either Penn Station or Camden Station.

Create multi-modal centers at rail stations

Transit hubs are a "must" at Edgewood and Aberdeen. Harford County officials want to relocate the Aberdeen train station to accommodate a larger multi-modal facility connecting trains with commuter and county bus service. The BWI Airport rail station is a natural hub serving the airport as well as the thriving airport business district. Fort Meade, Anne Arundel County and Howard County officials have agreed to build a Central Maryland Transit Facility housing regional bus and feeder services. This building also will act as a transfer point for transit routes in the Fort Meade/Odenton area. Other MARC stations require similar conversion to transit hubs so there's a seamless transfer between bus and rail.

Create transit villages

TRANSIT Oriented Developments (TODs) are proven solutions to congestion and population sprawl. Every home or job located within walking distance of a rail or transit station increases the number of citizens choosing to take public transportation or walk to work. Successful examples can be found in Minneapolis, Portland, Boston, Chicago, Dallas, Denver and Vancouver. In high-density, transit-centered communities there is ease of mobility, convenient shopping and a mix of housing and job opportunities all within a half-mile walk of a rail station. Well-planned TOD investments benefit communities across many income levels.

The state and Baltimore County are constructing a TOD at the Owings Mills Metro station. Office towers, a community college branch, a public library, commercial shops and a mix of housing will create a town center the community lacks today.

Ambitious TODs are planned for the Penn Station area and the State Center government complex/Metro station on the edge of downtown Baltimore. A developer is negotiating with the state and Howard County to build a residential, retail, office and hotel complex at the MARC station in Savage. These projects would revitalize surrounding neighborhoods and put more emphasis on travel by rail.

Odenton, next to Fort Meade, is targeted for massive housing and business development that relies on MARC as a transit hub. Other promising TODs could be developed around the Edgewood, Martin State Airport and West Baltimore stations. New rail stations at Bayview and north of Johns Hopkins Hospital appear ideal TOD sites.

State and local officials can assist this effort by:

- Creating tax incentives for developers and residents.
- Encouraging development by selling air rights above MARC properties.
- Using public-private partnerships to facilitate construction.
- Re-zoning areas around stations so more people can live and work within walking distance.
- Creating special tax districts that generate funds for extra security and public services in these transit-centric villages.

TODs represent an exciting economic development tool. Neglected areas can be revived and expanded. Ridership on MARC and rapid rail transit can be enlarged considerably.

TOD communities may appeal to many BRAC workers.

Today's leaders should take a cue from Baltimore's past and "do it now!"

IV

PAYING FOR IT

The state general fund budget has a surplus of over \$2 billion. This fortuitous development gives politicians room to set new, sustainable priorities—including additional financial support for unmet transportation needs.

MOST of the road and rail improvements required in the next five years involve enhancements to what already is there. That's a huge advantage. It makes the agenda practical and achievable. It's affordable, too. But "affordable" is a relative term: transportation upgrades still will run into the billions of dollars. How many billions will depend on the choices that are made.

The overriding impediment to fixing Greater Baltimore's road and transit systems is funding. Where will all these billions come from? Federal support for transportation is declining. The state already has committed all its transportation funds for the next six years. Raising taxes is not popular.

Compounding matters, Baltimore and its suburbs are in hot competition for state transportation dollars with Montgomery and Prince George's counties, whose own road and rail needs are immense. Political and business leaders in those counties give transportation issues a high priority. A tug of war for the state's limited transportation funds helps neither regional group.

Fortunately, there are ways out of this maze. There are options for generating additional revenue through changes in existing fiscal policies. We can learn from innovative approaches being used elsewhere. We can tweak existing taxes to generate a more realistic flow of funds to the state's Transportation Trust Fund. A winning bloc of votes can be forged among legislators in Maryland's two converging metropolises if each knows it will gain from an enlarged transportation pot.

Most people do not know that Maryland has one of the nation's best financing systems for transportation—a consolidated trust fund that supports port, airport, road, rail and mass transit activities. It's a pooling of revenues—an "all for one, one for all" concept—that has worked exceptionally well since its inception 35 years ago.

Yet for the Baltimore region, Maryland's dominant role in transportation is a two-edged sword. Local jurisdictions don't pay the enormous road and rail construction bills, but at the same time localities lose the power to make their own transportation decisions on major projects. There is no regional transportation authority to set priorities, assess taxes and respond to the transit desires of the local community. Annapolis holds the transit and highway-building purse.

Given the opposition of politicians to granting tax powers to a regional authority, the present arrangement is likely to persist. No elected leaders are pressing for change. Thus, the people who must be persuaded to finance and improve metropolitan Baltimore's roads and rails reside in the Annapolis State House.

Too many projects, too little money

THERE already is concern among suburban Washington delegates and senators that transportation revenues are insufficient to support that region's top transit initiatives. They have ordered a study of Maryland's transit needs over the next 20 years, funding options and how other cities here and abroad pay for transit. This document will help educate newly elected lawmakers in January 2007 when they confront Maryland's great transportation quandary: too many worthy projects, too little money.

It's a virtual certainty more revenue will be required to prepare properly for 50,000 new arrivals to Central Maryland. The political facts of life in the State House dictate revenue increases large enough to support priority transportation projects in the populous Washington region as well as Baltimore. Otherwise, the votes won't be there for approval of Greater Baltimore's agenda.

Plenty of ideas have been floated for raising more transportation money. Increase the sales tax. Hike the income tax. Add new business taxes. Soak the rich. Pass a regional tax. None of these has political appeal.

Most experts agree the state's Transportation Trust Fund is just about "maxed out." It relies heavily on flat-rate taxes and fees. It isn't inflation-sensitive. It grows slowly. More than half its current dollars come from motor vehicle fees or taxes that shrink when the economy dips or energy prices soar. There is an acute lack of revenue coming from sources that are dynamic and reflect the growing Maryland economy.

Every dime of anticipated revenue over the next six years has been committed to previously approved transportation projects. Some of those funds are earmarked for important BRAC-related initiatives, particularly initial work on the I-95 express toll lanes and parking expansion in Odenton. But that's not nearly enough. We need a multi-year boost in revenues to meet the enormous transportation challenges posed by the BRAC migration.

Assuming Maryland's leaders are up to the challenge, potential funding opportunities can be broken down according to their degree of difficulty. There are, for instance, ways to contribute extra sums to the Trust Fund that don't involve more taxes. There are creative financing strategies. Finally, there are ways to judiciously up the ante on selected tax levies.

Immediate steps

NO politician wants to raise taxes. So here's another approach: Let's take advantage of the state's current, large surplus and dedicate general fund revenues to transportation. Maryland's economy is among the nation's strongest and this is expected to continue, thanks in part to the region's large government employment base and the arrival of high-income BRAC workers. The state general fund budget has a surplus of over \$2 billion—and revenue gains, while slowing, continue to outpace projections. This fortuitous development gives politicians room to set new, sustainable priorities—including additional financial support for unmet transportation needs.

Increase transportation's share of the corporate income tax

There are only a few transportation revenue sources that are inflation-sensitive and reflect state economic growth. The corporate income tax is one of them. It grew by 18 percent last year and is projected to grow another 13 percent this year.

Businesses rely heavily on Maryland's transportation network. That's why 24 percent of the corporate tax goes into the Transportation Trust Fund. The time may have come to increase the size of that contribution. Raising transportation's share of the corporate tax to 36 percent would generate over \$100 million a year. In the next six years, that would mean an additional \$600 million for transportation projects deemed a high priority.

Dedicate a penny from the state's current property tax rate to transportation

The state's incredible real estate boom—the median sale price of a Maryland home more than doubled over the past five years to \$320,000—has produced a gusher of property tax revenue. This growth in property tax receipts is expected to slow but continue. Two reasons: a) the state's rolling, three-year cycle of property reassessments ensures at least a few more years of surging property tax collections, and b) local caps on annual tax increases assure healthy revenue gains further into the future as local tax bills slowly catch up to market assessments. Meanwhile, BRAC families moving to Maryland will keep the local housing market tight and sale prices high.

The state's property tax, 11.2 cents per \$100 of assessed value, pays interest and principal on state general obligation bonds. It is running a \$50 million surplus, which will grow as assessments increase. Since property values and quality road and rail systems are closely related, it makes sense to commit a penny from the existing Maryland property tax rate to transportation activities. This would add a fast-rising revenue source to the Trust Fund and generate at least \$350 million in the next six years.

Make a four-year commitment of state operating funds for transportation

If the governor wants to demonstrate proactive leadership in preparing Maryland for the BRAC relocations, he could commit \$100 million per year in general operating funds for BRAC-related transportation projects. This extra cash would bolster the Trust Fund by \$400 million over the next four years—a critical time in preparing for the influx of military and civilian personnel.

Issue general obligation bonds for transportation projects

Maryland has significant excess debt capacity, which is likely to grow as state businesses continue to prosper, in part thanks to the BRAC migration. According to the Department of Legislative Services, the state could issue another \$180 million in bonds annually for five years without exceeding the Capital Debt Affordability Limit. With growing demands for school and transportation construction to meet the challenges posed by BRAC, relying more on the bond market is a sensible approach. Using some of the proceeds from general obligation (G.O.) bonds for MARC capital equipment or specific highway improvements would be a wise move. It can be done without jeopardizing the state's triple-A bond rating. Floating an additional \$600 million in G.O. bonds over the next five years would help the state confront its BRAC problems while leaving a safe debt cushion.

Shift transportation office expenses to the state's operating budget

At Maryland's transportation agencies, routine management costs are paid by the Trust Fund. This shrinks available construction dollars. Shifting office expenses to the state's operating budget would translate into more spending on roads and rail.

Such a move would have to occur gradually. A starting point might be the salaries of the employees in the Secretary's Office. Paying their wages from the state's general fund budget would add \$150 million to the state's six-year transportation construction program.

Innovative approaches

WITH federal construction funds on the decline, many states are turning to creative financing for road and rail work. Denver's Transportation Expansion Project (T-Rex) was completed on budget (\$1.67 billion) and without any new or increased taxes. Accelerated construction saved money and two years. Highways were financed through bonds tied to future federal allocations. Part of the local sales tax helped float bonds for Light Rail transit. Denver-area localities contributed matching funds.

Another recent trend involves governments working with private-sector developers, particularly in areas surrounding rail stations. Dallas, Boston, Minneapolis, Portland and Denver all are leveraging government's ability to stimulate profitable investments in areas with good transportation.

Extract value from Transit Oriented Developments

This could involve an asset swap of public land to a builder in exchange for a percentage of future profits. It could entail selling air rights above public land. Perhaps the developer will construct a train station and/or parking structure in exchange for the right to build nearby. It might involve Tax Increment Financing based on rising property values around a station, or impact fees on builders or corporate contributions to offset the state's investment costs.

One thing is for sure: state and local governments cannot allow prime "value capture" opportunities—at Owings Mills, Savage, State Center, Penn Station, Odenton, Martin State Airport and West Baltimore—to slip away.

Form public-private partnerships

The private sector usually can perform construction work cheaper and faster than government. So it makes sense for the Transportation Department to consider deals where developers pay the construction costs in return for collecting facility fees. Building the I-95 express toll lanes to Aberdeen that way deserves a thorough study. Virginia is using this approach to widen a stretch of interstate outside Washington: a private company will design, build and manage this new section and collect the tolls. (A note of caution: selling off entire toll road-

ways to private companies—as is being done by Indiana and the city of Chicago—can mean a huge windfall for government agencies but a loss of billions in future years.)

Inter-modal transit centers planned for Aberdeen Proving Ground and Fort Meade seem tailor-made for private-public partnerships. Government might even share in the profits. Air rights over station property and surrounding land can be leased for mixed-use development.

MARC might seek bids from private developers on building its new maintenance shop, lease it back to the state and then run the shop. Such an arrangement could mean lower state costs, quicker turnaround and higher-quality repairs.

Expand the use of non-traditional financing

The Transportation Department has employed creative financing methods on a number of big-ticket projects, particularly at BWI Airport. This is a growing trend across the nation. A number of improvements might lend themselves to financing that involves debt backed by customer facility charges, passenger facility charges or tolls.

Borrow against anticipated BRAC-generated tax revenue

A preliminary study by RESI of Towson University projects state and local tax gains from the BRAC migration at \$421 million over ten years. A portion of those anticipated tax dollars can be used to support additional transportation bonds. This is similar to the state's financing of the Intercounty Connector (ICC) in the Washington suburbs: Future federal transportation dollars have been designated as ICC bond payments.

Build additional lanes on major highways as toll roads

More states are financing interstate additions through toll fees. With today's evolving technologies, such as electronic fee payment (E-Z Pass) and variable time-of-day pricing, express toll lanes are growing in popularity with all segments of the driving public. They offer a faster alternative to the clogged but free adjoining lanes and help ease congestion. A key advantage: express toll lanes can be financed through separate revenue bonds backed by the toll income.

Require local contributions on regional projects

Baltimore City and surrounding counties will be the beneficiaries of regional road and rail transit upgrades. The time may have come for them to contribute toward the building costs. Their contributions need not be huge, but localities should find a way to help the state finance these very expensive undertakings in their own backyard.

Choices for the long term

IT happens nearly every decade. A new governor asks a blue-ribbon commission to study the state's transportation needs and suggest funding sources. The results are duly reported. Then political pressure kills the recommendations.

Gaining political approval in Annapolis for a major tax increase for transportation is not an easy task. Yet enlarging the Transportation Trust Fund helps every region of the state. Indeed, without infusing significant new money into the transportation fund, every region will suffer.

Politicians and business leaders need to educate the public about the enormous, unmet transportation needs in Maryland, which exceed \$17 billion, and the benefits these projects could bring to communities. Constituents are far more likely to tolerate modest tax boosts if there's a persuasive rationale.

Add a 1 percent surcharge to the state gasoline tax

Maryland's flat-rate gas tax has not been adjusted in 14 years. This is a major reason for DOT's revenue gap. At one time, this state's 23.5-cent tax per gallon of gasoline was one of the highest. Now, Maryland's gas tax ranks 26th. Many other states have opted to impose a percentage tax as well as a flat-rate tax on gasoline.

If Maryland were to follow suit with just a 1 percent surcharge, the state's gas tax would rise by approximately 2 cents to 3 cents.—still lower than the U.S. average and lower than West Virginia's gas tax (27 cents) and Pennsylvania's (32.3 cents). Maryland's fuel levy then would fluctuate based on pump prices.

Such a move, while politically difficult, could produce approximately \$400 million to \$600 million over the state's six-year transportation planning period. It also would give the Trust Fund inflation protection should gasoline prices continue to soar.

Increase transportation fees every five years

In 2004, the state increased motor vehicle fees by \$320 million to fortify the Trust Fund. Adjusting these flat-rate user charges on a regular basis is the only way to account for inflation and rising operating expenses. If fees were adjusted every five years, they might yield an equivalent amount as the 2004 increase, starting in 2009.

Tack an additional penny onto the state property tax rate for transportation

This broad-based tax is tiny compared with the far larger property tax levies in Maryland's 23 counties and Baltimore City. Yet a one-cent increase earmarked for transportation would raise at least \$350 million over six years. The amount would grow as property values rise.

Increase the corporate income tax and dedicate that money to transportation

The value of transportation spending to businesses is immense. Why not consider a larger commitment from Maryland companies to transportation? Raising the corporate income tax from 7 percent to 7.5 percent and devoting that extra money to the Trust Fund would raise \$380 million over six years.

Increase the state's vehicle titling tax

Maryland imposes a 5 percent tax on the fair market sale value of motor vehicles. This tax grows along with the state economy—one of the few transportation levies that does. An increase of one-half of one percent in this tax would add \$500 million to the state's six-year transportation construction program. On the purchase of a \$20,000 car, this would mean an additional one-time expense of \$100. The benefit: more highway and transit improvements.

Help from Washington

MUCH of the revenue needed to finance BRAC-related transportation projects must come from Washington. It will take intense, prolonged involvement by Maryland's congressional delegation, business leaders and the governor to obtain Department of Defense and Department of Homeland Security grants. It is in Washington's best interest for officers and scientists stationed at Fort Meade and Aberdeen Proving Ground to have fast, frequent and reliable rail and road passage to the nation's military and political epicenter.

Maryland's members of Congress also should explore formation of a coalition with their Virginia colleagues to promote funding for effective regional rail transit from key military bases near Washington: Aberdeen Proving Ground and Fort Meade to the north (MARC) and Fort Belvoir and Quantico to the south (Virginia Railway Express).

Resolving Baltimore's long-standing tunnel problems will have to happen in Washington, too. These ancient structures are a drag on East Coast rail traffic. They pose a dangerous hazard. Federal funds are essential to expedite construction of replacement tunnels. It is the only practical solution.

The lack of realistic funding for Amtrak should alarm Maryland's elected officials — as well as political leaders nationwide. Congress ought to be equally concerned with the paltry support Washington gives to commuter rail service throughout the country.

In pursuing federal assistance to help Maryland prepare for so many BRAC transfers, local military alliances could prove quite helpful. The Fort Meade and Aberdeen Proving Ground alliances were tireless, aggressive advocates during the BRAC process. Their members are intimately familiar with the Pentagon and Capitol Hill terrain and the key players. Involving these alliances in Maryland's lobbying efforts already has paid dividends. The Fort Meade and Aberdeen Proving Ground groups should be encouraged to continue playing prominent roles.

CONCLUSION: IF NOT NOW, WHEN?

Baltimore and its suburbs appear to be on the brink of a major transformation. Our timing is impeccable—if we act now.

THE full impact of mandated military agency moves to Maryland remains uncertain. City, county and state planners aren't sure where those 50,000 military and civilian workers and their families will take up residence. Will they buy homes or rent apartments close to Aberdeen and Fort Meade, or will they commute long distances over backed-up highways? Will there be a surprisingly strong move of BRAC personnel into city neighborhoods and downtown waterfront communities? It is difficult to predict.

Yet we know all these new residents will generate far heavier traffic volume on Greater Baltimore's main arterials and interstates. Morning and evening rush hours will be most directly impacted. The logic of making significant enhancements to commuter rail service and putting key highway projects on a fast track is compelling.

Major transportation investments will create vast economic advantages for the region.

First-rate MARC rail service will make working and living in the corridor between the Susquehanna River and Washington more appealing. It will foster the growth of thriving, village-like communities around rail stations. It will reduce commuter road congestion. It will enhance the region's livability.

Expanded and improved highways and interstates will accommodate most of the new arrivals. Advanced traffic technologies can reduce today's frustrating road delays and keep vehicles moving at a steady pace. Many more commuter buses will help unclog arterials and interstates and improve the region's air quality.

Much-improved transportation gives Baltimore City a chance to lure more of the BRAC arrivals—those who are attracted to the city's wide variety of housing opportunities, waterside or downtown living, cultural amenities, extensive infrastructure and a diversity of people and communities. Baltimore also should prove appealing to contractors and

consultants seeking a central location between APG and Fort Meade with proximity to Washington.

Transportation upgrades will benefit the counties even more than the city. Far better arterial and interstate traffic flow, combined with greater bus and rail utilization, will markedly improve suburban mobility. Tens of thousands of high-income BRAC families in search of new homes give county governments a chance to revive areas near commuter routes and steer new arrivals to carefully planned housing developments and transit-oriented villages. Huge business growth awaits Harford County, Anne Arundel County and Baltimore County—as well as Cecil County on the upper Eastern Shore.

All of this requires transportation enhancements. They must begin soon to be effective. The role of Baltimore's business community looms large as a champion of the region's rail and road agenda. Passionate, forceful advocacy could make the difference in creating a "critical mass" in Annapolis for funds to undertake and accelerate these projects. Transportation initiatives of this magnitude cannot occur without energetic private-sector leadership.

Baltimore and its suburbs appear to be on the brink of a major transformation. Central Maryland soon will receive a huge infusion of talented, educated, motivated professionals and their families. Our timing is impeccable—if we act now for the collective benefit of the entire region. Otherwise, the Baltimore area might face a future of overburdened roads, increasingly frustrated residents and a diminished way of life.

The 2005 military base realignment could turn out to be a once-in-a-century event for the Baltimore region's political and business leaders. It holds bountiful possibilities. We cannot afford to let this rare and possibly historic opportunity slip away.

"To Do" List

Commuter Rail

- Invest in state-of-the-art rail equipment
- Expand MARC services from Baltimore
- Enhance MARC stations and add new ones
- Increase parking capacity throughout the MARC system
- Build a MARC maintenance shop and storage yard facilities
- Press Amtrak and Congress for corridor improvements
- Create transit villages at MARC stations

Highway Improvements

- Use innovative techniques to cut construction time
- Synchronize traffic flow
- Widen/upgrade arterials in growth areas

Bus Improvements

- Add direct commuter bus routes to Aberdeen and Fort Meade
- Add public bus routes on main roads to the military bases
- Add feeder bus lines and shuttles from rail stations
- Create multi-modal centers at rail stations

Paying for Progress

Immediate Steps

- Increase transportation's share of the corporate income tax (\$600 million)
- Dedicate a penny from the state property tax to transportation (\$350 million)
- Issue general obligation bonds for transportation projects (\$600 million)
- Commit state operating funds to transportation (\$400 million)
- Begin shifting transportation operating expenses to the general fund budget (\$150)

Innovative Approaches

- Extract maximum value from Transit Oriented Developments
- Form public-private partnerships
- Expand use of non-traditional financing
- Borrow against anticipated BRAC-generated tax revenue
- Build additional lanes on major highways as toll roads
- Require local contributions on regional projects

Choices for the Long Term

- Add a 1 percent surcharge to the state gasoline tax (\$400 million to \$600 million)
- Increase transportation fees every 5 years (\$300 million)
- Increase the state property tax by a penny for transportation (\$350 million)
- Increase the corporate tax for transportation (\$380 million)
- Increase the vehicle titling tax (\$500 million)

The 2005 military base realignment could turn out to be a once-in-a-century event for the Baltimore region's political and business leaders. It holds bountiful possibilities.

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