



CATHERINE E. PUGH
MAYOR

*100 Holliday Street, Room 250
Baltimore, Maryland 21202*

December 10, 2016

Mr. Donald J. Trump
President-elect
725 Fifth Avenue
New York, NY 10022

Dear President elect-Trump:

Thank you for your insight that investment in urban America is critical to improving our nation's economy as well as providing better lives and opportunities for the majority of Americans. You have so rightly spoken at length on the need for both urban renewal and sizable infrastructure investment. You have consistently observed that infrastructure investment is a "golden opportunity for accelerated economic growth and more rapid productivity gains." I am writing to urge you to use the power of your office to support robust investment in urban infrastructure that will generate thousands of jobs and leverage billions in private sector investment. I offer Baltimore City as the perfect place to target this investment.

Baltimore represents the glory of America's past and the potential of America's future greatness. Baltimore is leading the way in transforming urban blight into vibrant neighborhoods, innovation districts and job hubs, but we cannot do it alone. I am committed to forging state and federal partnerships that bring investment to grow businesses, increase job opportunities, and improve the lives of our citizens. Specifically, I am seeking a partnership with your administration on transportation, water, and broadband infrastructure.

Transportation Infrastructure

There are two transformational projects requiring federal Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) grants: Port Covington I-95 Access and reconstruction of the Howard Street rail tunnel.

Port Covington

The Port Covington project is a \$7 billion economic development project which will be home to Under Armour's global headquarters campus, 15 million square feet of additional mixed-use development, and will create nearly 60,000 new jobs. Simply put, Port Covington is one of the largest redevelopment projects in the country. However, to realize the full potential of the 260-acre site, integrated infrastructure improvements to Interstate 95 (I-95) and the connecting roadway system to the Port Covington peninsula are required. The proposed first phase of the improvements (the "Access I-95 project") will also mitigate existing congestion and allow for increased projected traffic volumes associated with the project.

Howard Street Tunnel

The Howard Street tunnel is a critical link through which thousands of cargo containers are transported from the Port of Baltimore to many parts of the United States via rail. The tunnel was built in the 1890s making it over 115 years old. The tunnel is at the point of functional obsolescence due to its low clearance height which precludes the double-stacking of shipping containers.

The ability to double-stack cargo will vastly expand the Port of Baltimore's capacity and allow it to fully benefit from the deep-water berth, which serves the larger ships now able to use the recently widened Panama Canal. Baltimore's port is one of only two ports on the east coast that can accommodate the larger ships. It is estimated the Howard Street Tunnel project would create 500 construction jobs and up to 3,000 additional permanent jobs. The state and private sector have pledged \$270 million toward the project and are requesting \$155 million in FASTLANE funding. This project will lead to reduced cost and time in shipping goods needed to keep the country's economy growing.

Water Infrastructure

Baltimore has aging water and sewer systems built upon century-old foundations in dire need of investment, as shown by recent sinkholes in one of our most historic areas of Baltimore and water main breaks that have impeded businesses and disrupted water service to our customers throughout the city. We must spend just under \$1 billion for our treatment plants to protect our waterways and the Chesapeake Bay. We have more than \$1 billion in drinking water investment scheduled over the next 6 years as well. Without the help of federally funded State Revolving Loan funds, tax exempt revenue bonds, public-private partnerships, and innovative projects, we will not succeed in saving this critical infrastructure. Our additional challenge is balancing all of these investments against the need to annually increase the rates our customers must pay. We are in need of federal funds to match our local investment.

The good news is that investment in water infrastructure produces a great rate of return for the economy. For every \$1 million spent on water infrastructure, high paying and skilled jobs are created and nearly \$3 million will be generated in economic output in our economy.

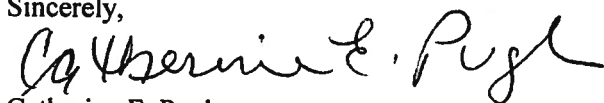
Broadband Infrastructure

Last year, Baltimore City released its Smarter City report – a blueprint for building broadband infrastructure to enable economic and community investment. We are first working to install new fiber to all public schools using the federal E-rate program. Baltimore City Public Schools will be applying for approximately \$8 million in E-rate funds in 2017. This new fiber will also utilize the City's recently installed fiber ring by connecting every school to data centers and internet carrier hotels.

The plan will strategically utilize the E-rate program to both enhance the City's educational capabilities, while also leveraging private and City funds, to lay additional fiber to spur economic development, job creation and more robust internet access. A cost-effective fiber network will lead to competition, lower broadband costs and more connectivity for Baltimore residents and businesses. The City is eager to apply for additional federal grant opportunities similar to the \$2 million received from the Broadband Technology Opportunities Program (BTOP), led by the Department of Commerce's National Telecommunications and Information Administration (NTIA) to help Baltimore realize its goal of having the most robust broadband infrastructure possible.

In conclusion, as a native of New York City, you know the value of America's cities and understand the challenges that cities face in funding increasingly expensive infrastructure improvements. Baltimore is a prime location for new and innovative federal investment that will surely provide a return in terms of economic development and job creation and which can be adapted to serve similar cities. I know Baltimore's best days are before us and I am certain you and your Administration will work hard to ensure Baltimore City has a great future. I look forward to working with you and your Administration on these important matters.

Sincerely,



Catherine E. Pugh
Mayor
City of Baltimore