



LARRY HOGAN  
GOVERNOR

STATE OF MARYLAND  
OFFICE OF THE GOVERNOR

March 4, 2019

The Honorable Elaine L. Chao  
Secretary  
United States Department of Transportation  
1200 New Jersey Avenue, SE  
Washington, D.C. 20590

Dear Secretary Chao,

I am writing to express my full support for the State of Maryland's Infrastructure for Rebuilding America (INFRA) grant request for the Howard Street Tunnel Project.

When I took office in January 2015, I challenged the Maryland Department of Transportation (MDOT) to develop a cost-effective solution to address the State's lack of double-stack rail capacity. I'm pleased to inform you that MDOT has met that challenge and, along with CSX, developed an innovative solution to improve CSX's 124-year old Howard Street Tunnel and twenty-two associated highway/rail grade separations in Maryland, Delaware, and Pennsylvania. Once complete, the project will establish a double-stack clearance route to the Port of Baltimore and along the entire I-95 rail corridor.

While previous estimates for this project were as high as \$3 billion, MDOT's collaborative partnership with CSX has determined it is now possible to complete the project at a fraction of the cost, in a fraction of the time, with minimal impact to the public. However, this \$466 million project cannot happen without federal funding. With over 61 percent of the project's public benefits accruing outside of Maryland, MDOT is proposing a public-private partnership that equitably distributes the cost of the project among the principal beneficiaries: federal constituents across the country; the State of Maryland; and CSX. MDOT has agreed to contribute \$147 million and CSX has agreed to contribute \$91 million, for a total of \$238 million. The \$228 million INFRA request accounts for the remainder of the project cost.

The Howard Street Tunnel Project application meets all four of the INFRA grant merit criteria and has been endorsed by over 100 key stakeholders, including environmental groups, numerous state departments of transportation, business and industry organizations, and many others. Moving forward with this project is a true game-changer and will significantly improve the nation's freight network.

Thank you for your consideration of Maryland's application.

Sincerely,



Larry Hogan  
Governor

CC: Mr. Pete K. Rahn, Secretary, Maryland Department of Transportation (MDOT)