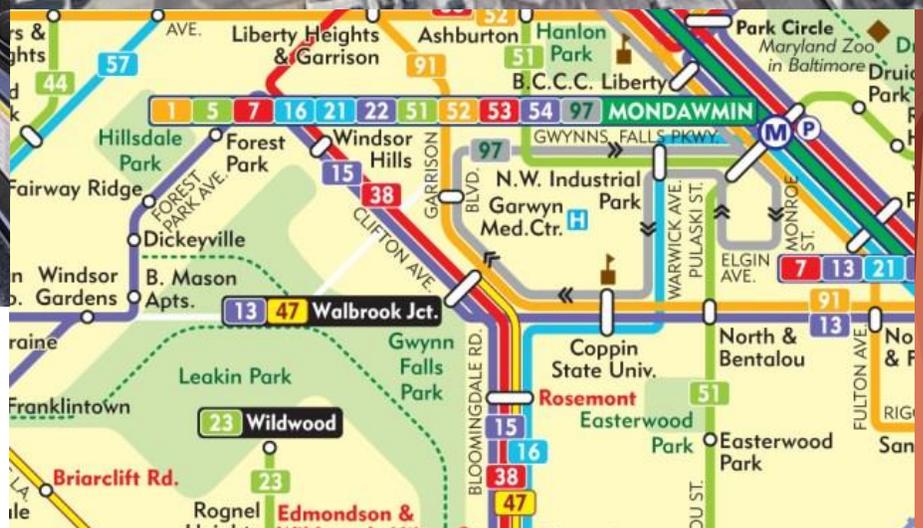




MARYLAND DEPARTMENT OF TRANSPORTATION™

MARYLAND TRANSIT ADMINISTRATION

# Regional Bus Network Asset Scan



Innovative Finance and Asset Concession Grant Program  
October 2025

## Proposal Overview

The Maryland Transit Administration (MTA) requests \$1 million in Innovative Finance and Asset Concession (IFAC) Grant Program funding for the Regional Bus Network Asset Scan and Innovative Finance Analysis (“Project”), a 24-month Asset Scan under the Technical Assistance Cooperative Agreement program. The Project will evaluate state, Baltimore City and Baltimore County-owned properties for use to support the regional bus network and conduct an innovative financing analysis that identifies funding approaches to complete the necessary improvements to achieve benefit to the bus network.

In alignment with recent state-wide and agency-wide planning documents, as well as statewide goals to make transit a catalyst to boost the economy and create jobs, MTA is committed to improving its bus network. MTA is also committed to facilitating public-private partnerships in order to bring bus network improvements to Marylanders as efficiently as possible.

## Introduction of Eligible Entity

As a state agency, MTA is an eligible applicant. MTA, Baltimore County, and Baltimore City currently own over 100 property assets. MTA’s bus network includes over 60 local bus lines primarily serving the Baltimore region, and 36 commuter bus lines connecting Maryland suburbs to metropolitan employment hubs around Washington, DC, Baltimore, Annapolis, etc. As MTA and its parent agency, MDOT, stand up their joint development efforts, having a clear strategy that leverages private sector expertise and innovative financing and delivery models to deliver bus system improvements will greatly improve the efficiency and feasibility of needed improvements.

## Proposed Use of Funding

IFAC funding would enable MTA to retain professional consulting services to execute the Project, which leverages completed and ongoing MTA work on bus system improvements. For example, MTA and Baltimore City recently installed more than 5.5 miles of dedicated bus lanes, improving travel times up to 32 percent. MTA has expanded and will continue to expand transit signal priority which has shown to improve travel times up to 22 percent. Additionally, as part of its Fleet Transition effort, MTA has navigated the procurement and improvement of multiple, temporary sites to accommodate maintenance, supervision, and revenue service operations while renovating and upgrading existing bus depots. These projects put MTA in a position to leverage its properties to the benefit of a regional bus network.

The work funded by the IFAC grant would fall within the Technical Assistance category and would help MTA build organizational capacity to strategize on and pursue third-party efforts to finance, plan, design, deliver, operate and maintain assets that are critical to an efficient regional bus network. The Asset Scan will identify properties for improvements that will build upon the bus improvement efforts already taken by MTA in coordination with Baltimore City. Additionally, MTA will collaborate and learn from MDOT, which has recently ramped up its innovative financing capacity, particularly regarding transit-oriented development. Ultimately, this approach to bus system improvements will increase access to job centers and drive economic activity. Depending on the results of the Asset Scan, potential improvements to state and Baltimore City-owned properties could include:

- Fifth Bus Division for the Baltimore regional bus network
- Regional transfer facilities to support customer connections and operational performance
- Strategic layover and end-of-line facilities
- Transit-oriented development that considers bus connections

### **Goals MTA Expects to Achieve through the Project**

The work funded by this grant request will address the IFAC grant’s primary objective to facilitate and evaluate public-private partnerships, inviting the private sector partner to have a greater role in the execution of bus system improvements and presenting opportunities for Asset Concessions.

Through the Project, MTA aims to understand which Baltimore region assets could be strong candidates for public-private partnership (P3), Transportation Infrastructure Finance and Innovation Act (TIFIA) financing, or other innovative financing, asset concessions, or project delivery options. The attached Existing Asset Information Forms summarize potential innovative financing models under consideration at potential sites.

Following the completion of the project, MTA will have a statewide inventory of bus-related state and Baltimore City-owned properties and be positioned to pursue preparations for final design and construction activities to improve key assets for the regional bus network.

Additionally, MTA aims for the work funded by this grant request to serve pre-established state and agency-wide goals. For example, as part of a fleet transition strategy identified in MTA’s [Statewide Transit Plan](#), MTA plans to upgrade bus depots. MTA’s [BMORE Bus Plan](#) incorporated recent transit data as well as rider and public opinion to set a goal for a 20 to 25 percent expansion of MTA’s bus fleet, which would include more operators and maintenance staff, and the construction of a new, fifth bus division facility to accommodate bus storage and maintenance. An IFAC grant would allow for innovative financing for improvements like these and others as identified by the Asset Scan, bringing better bus services to Marylanders more efficiently.

### **Proposed Activities, Need, and Type**

Proposed activities under the Project include a scan of Baltimore region assets for usability as part of the Regional Bus Network. The Asset Scan will evaluate properties using a scoring criteria based bus network proximity, availability, potential challenges, residential proximity, location, size, and substation proximity, among other considerations.

Examples of properties intended to be included in the Asset Scan: the Edison Highway Site (1601 Edison Highway); the Lakeland Site (2900 Nieman Ave/2320 Banger St); the Kloman Street site (1999 Kloman St); and the Klunk Drive Site (3939 Klunk Dr). MTA conducted an initial screening on some of these example sites to ensure viable physical and environmental conditions for potential use for the bus network.

Bus routes, both fixed and commuter, have proven to be critical transit services that connect riders to jobs, schools, grocery stores, hospitals, and more throughout Maryland. For example, MTA’s Core Bus service (consisting of CityLink, LocalLink and Express BusLink) represents almost 70 percent of MTA’s total passenger trips. Ridership of MTA’s core bus service continues to be the

most resilient of MTA's transit options and outperforms the other modes. In particular, MTA's Local bus routes represent the vast majority of MTA's ridership. The success of MTA's bus routes underscores the need to take action on needed improvements and take advantage of MTA properties.

MTA has identified goals of improving and expanding bus services that will be beneficial for the Asset Scan. Many assets that support MTA's bus network are not operating at their full potential. For example, MTA's 2025 [Capital Needs Inventory \(CNI\)](#) identifies the development of a Fifth Bus Division as one of its top 15 Enhancement Investment Needs. Enhancement improvements like the development of a Fifth Bus Division would ensure Marylanders have reliable bus service for access to critical opportunities. MTA's 2020 [Regional Transit Plan \(RTP\)](#) establishes an objective to increase access to jobs and opportunities. As part of the objective, the RTP creates targets for MTA to increase the percentage of the region's jobs within ¼-mile of a bus stop or ½-mile of a rail station to 70 percent by 2045, and increase the percentage of region's residents living within ¼-mile of a bus stop or ½-mile of a rail station to 60 percent by 2045. This target demonstrates and coincides with anticipated ridership growth in non-urban areas. With the help of the IFAC grant, identifying state and Baltimore County and Baltimore City-owned assets to be used as part of the regional bus network will play a critical role in reaching these growth targets.

### **Approach to Building Organizational Capacity**

An IFAC grant award would allow MTA to grow its expertise in P3 and innovative finance opportunities, specifically in support of its bus system improvements. If awarded, MTA will use the grant to build organizational capacity and required expertise to effectively develop, review, and enter into innovative finance arrangements and P3s to execute the needed improvements. The program funds will be used to potentially assess the feasibility of partnerships with development and construction companies and other private partners with MTA oversight.

### **Alignment with USDOT Strategic Goals and Priorities**

*Goal 1: Provide benefits to the community through transportation projects.*

If awarded IFAC grant funding, the project will be able to provide benefits to the community by increasing bus system efficiency and expanding bus system capabilities. Once the targeted properties are identified for improvement, MTA and private sector partners will take steps to ensure improvements increase efficiency and/or expand capabilities. Both metrics will allow more Marylanders to use the Regional bus system to travel where they need to go.

*Goal 2: Increase grant recipient's capacity, knowledge, and skills to execute transportation projects.*

If awarded IFAC grant funding, MTA will be able to develop expertise and experience in two innovative financing methods: public-private partnerships and TIFIA funding. Thirdly, depending on the results of the asset scan, MTA may also be able to develop expertise and experience in asset concessions. With IFAC grant assistance, these three metrics allow MTA to improve its organizational ability to execute transportation projects.

*Goal 3: Engage, educate, and listen to the community throughout the project planning process.*

In executing improvements identified by the Asset Scan, MTA will take into consideration its BMORE Bus Plan, which was based on the opinions of MTA bus riders and the general public. Utilizing and acting on this plan will ensure MTA is listening to its community as well as depending on up-to-date transit data to make changes and improvements. Throughout the process of planning bus system improvements, MTA will take steps to ensure engagement with the public, particularly in the area surrounding the asset being improved. Engagement via online and in-person communication will make sure the community has a chance to share any concerns and remain educated on MTA's goals and progress.

*Goal 4: Advance the transformational project(s) closer to delivery.*

IFAC grant funding would advance transformational transit projects closer to delivery by helping MTA apply its existing bus system improvement goals in the most practical and cost-conscious way. The Asset Scan's identification of properties will lay out MTA's next steps for transit projects, directly advancing the projects closer to delivery and providing Marylanders with the efficient bus systems they need. IFAC grant funding would also directly advance transformational transit projects by allowing MTA to identify the most cost-effective method of innovative financing that utilizes private sector strengths. The implementation of innovative financing methods will allow for quicker delivery of the improvement projects.

## **Work Plan**

The program of activities will be executed over 24 months and includes 5 discrete tasks. Grant resources will be used to cover MTA's project oversight tasks in Task 1 and consultant's labor costs to perform Tasks 2 through 5.

**Project Oversight and Coordination (MTA Staff):** MTA will be managing the hired consultant team to ensure that the Project is executed in accordance with the scope, schedule, and budget. MTA will be facilitating working group meetings with the consultant at the completion of each task to review findings and discuss next steps. MTA will be providing reports to agency leadership to ensure that ideas for utilizing state-owned properties to support the bus network are visible to the MTA's decision-makers. Finally, MTA's role will be to coordinate with MTA's internal public and government affairs staff to ensure that meaningful community engagement and outreach to public officials is maintained through the project development process.

**Procurement Options and Risk Workshop:** MTA will facilitate a workshop to introduce stakeholders to the findings of the innovative financial analysis and planning (Task 5) so they can provide input and better understand which delivery models offer the best chance of success. Goals of this workshop include: identifying and describing the preferred innovative project delivery and financing, such as a P3 delivery model or TIFIA financing; providing a rationale for why other delivery options or financing options were not selected as the preferred method; and identifying projects and quantifying risks.

The Project's scope of work includes the 5 discrete tasks that are described in further detail below:

**Task 1 – MTA Project Management and Coordination (MTA Staff):** Upon grant award and obligation, MTA will mobilize its dedicated staff to lead the project initiation. MTA will finalize a grant agreement, reflecting the management of the grant with the Build America Bureau. MTA will

prepare and issue Requests for Proposals or a Task Order to potential bidders, in accordance with the scope of work. MTA will receive and fully evaluate potential bidders' proposals, leading to MTA's issuance of a notice of award to a qualified and successful bidder. MTA will establish a working group involving the coordination of key stakeholders from MDOT's Office of Real Estate and Economic Development (ORED), Office of Public Private Partnerships, Office of Project Delivery, and State Highway Administration (SHA). MTA will negotiate the proposal with the awarded bidder and issue a final contract agreement and Notice to Proceed.

**Task 2 – Assess Project Pipeline (Asset Scan) (Consultant):** The existing sites will be assessed for their current conditions, revenue generation, and operational performance. The consultant will assess each site's project readiness and any long-term capital and operational development needs required to complete necessary asset improvements that will benefit the bus network. The asset scan will include an inventory of pipeline projects and a gap and overlap analysis.

Inventory of Pipeline Projects: The consultant will compile and review the full list of active, planned, and proposed bus-related capital and operational projects across the state, including agency-led initiatives, regional MPO plans, and locally-sponsored efforts.

Gap and Overlap Analysis: The consultant will assess where projects directly address identified asset conditions, service gaps, and fleet replacement/expansion needs, while identifying redundancies or unfunded priorities.

**Task 3 – Assess Project Pipeline (Development Potential) (Consultant):** The consultant will assess documents from MDOT ORED's previous and current planning efforts for existing site locations to understand the high-level development potential of each site. In cases where no planning has been performed, the consultant will work with MDOT ORED staff to develop conceptual development assumptions based on existing work. For each site, the consultant will prepare a preliminary assessment of delivery model options, including design-build and a design-build-finance-operate-maintain (DBFOM) approach.

Readiness & Deliverability: The consultant will evaluate the maturity of each project in terms of scope definition, environmental review status, funding commitments, permitting, and procurement readiness.

Prioritization Framework: The consultant will develop a scoring or tiering methodology that enables MTA to prioritize pipeline projects based on urgency, feasibility, impact, and alignment with available funding streams.

**Task 4 – Feasibility and Economic Cost-Benefit Assessment (Consultant):** The consultant's assessments for a pipeline of projects will include their feasibility; opportunities and constraints; constructability; preliminary considerations for permitting and environmental factors; planning-level cost estimates. The consultant will produce a cost-benefit analysis (CBA) that considers the direct, indirect, intangible, and opportunity costs and benefits. The analysis will inform the project feasibility and help to identify financing opportunities. To complete this task, the consultant will:

- Perform a feasibility assessment that evaluates the technical and operational feasibility of priority projects, including fleet, facility, and service expansion requirements.

- Assess regulatory, environmental, and permitting considerations that could affect deliverability.
- Identify implementation risks and mitigation strategies for MTA.
- Prepare an economic and financial CBA that applies industry-standard benefit-cost methodologies, consistent with Federal Transit Administration (FTA) and USDOT guidance, to evaluate lifecycle costs and benefits.
- Quantify direct user benefits such as reduced travel time, increased reliability, and improved safety.
- Capture wider economic, social, and environmental benefits including emissions reduction, regional connectivity, and economic development potential.

**Task 5 – Innovative Financial Analysis and Planning (Consultant):** The consultant will perform a financing analysis that identifies innovative funding approaches to complete the necessary asset improvements for each site. This analysis will help to identify development opportunities to support bus network improvements. The consultant will develop strategies for innovative financing and delivery techniques that are specific to each site. The analysis will assess options to pool or bundle assets across bus facilities and corridors to help leverage financial resources that provide maximal benefit and facilitate market attractiveness. A preliminary Value for Money analysis will be conducted to optimize packaging of related activities to determine a preferred solution that will maximize benefits. This work will look at financing options, both public and private, that can be leveraged with the potential revenue based on preliminary revenue and financing assumptions to assess a range of infrastructure asset delivery models and recommend an optimal model based on demonstrable public benefits.

Based on the efforts produced by the financial analysis, the consultant will provide its recommendations to MTA on how to efficiently implement the most optimal financial strategies and delivery techniques, including perspectives in terms of how MTA is organized in overseeing and delivering its bus transit facility assets. Additionally, the consultant will identify any legislative changes that may need to be proposed that could enhance delivery, operation and maintenance of these transit assets and the partnerships or new authorities that are required to do so.

At the completion of the Project, MTA staff will incorporate the findings and recommendations into MTA’s joint development policies and other strategic documents, as appropriate; continue stakeholder engagement to garner local support for recommendations; and will act as disseminator of the knowledge that is accrued during the course of the Project scope of work and to ensure that the work provides strategy capacity at MTA to provide needed asset improvements. This may entail the continuation of the working group as an expert knowledge base to work with internal stakeholders in carrying out and overseeing the strategies that are developed. The result of the Project will be the production of MTA’s statewide inventory of relevant state-owned properties and to be in position to pursue preparations for final design and construction activities to improve targeted state-owned assets that will support the regional bus network.

#### **Labor Hours to Complete the Proposed Activities and Plans to Hire Staff or Procure Advisors**

Table 2 provides a summary of projected labor hours needed to perform the proposed activities. The grant resources would be used to retain professional consulting services and MTA’s agency

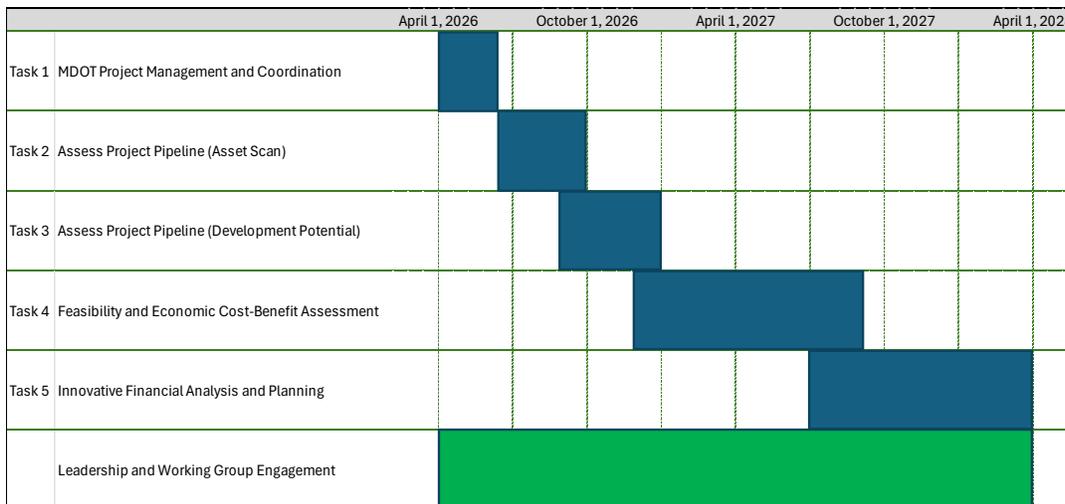
staff labor costs for Task 1 project oversight tasks. MTA will retain a qualified, professional consultant’s services to perform Tasks 2 through 5.

Table 2: 1 Projected Labor Hours

Task	Consultant Staff Hours	MTA Agency Staff Hours
Task 1 – MTA Project Management and Coordination	0	250
Task 2 – Assess Project Pipeline (Asset Scan)	635	70
Task 3 – Assess Project Pipeline (Development Potential)	670	400
Task 4 – Feasibility and Economic Cost-Benefit Assessment	1,835	285
Task 5 – Innovative Financial Analysis and Planning	1,365	245
<b>TOTAL</b>	<b>4,505</b>	<b>1,250</b>

### Project Timeline and Key Milestones

The chart below provides a summary of the Project timeline of approximate task start and completion dates. This schedule assumes that the timing for the award and obligation of grant funds will allow project initiation to commence six months from the grant application submittal date, or approximately April 2026. The project duration would be 24 months.



### Feasibility of Workplan

MTA is a multijurisdictional, multimodal agency with a statewide presence. To perform an adequate due diligence of the sites, their potential functions, and to create context-based innovative financing approaches for each of them, the proposed activities will require time. The Project schedule assumes a two-year duration to allow for collaborative engagement and to synthesize the available information to address any uncertainty that may arise with schedules and coordination. The tasks would be performed concurrently with regular, recurring meetings and

check-ins with the consultant, MTA, and the Build America Bureau. Where appropriate, MTA will regularly engage stakeholders to ensure knowledge transfer.

Identifying and recommending innovative financing sources and mechanisms in Task 5 will require a significant gathering of information in a structured manner from preliminary screenings from Tasks 2, 3, and 4. These four tasks will be the core to successful delivery and constitute over 18 months of the overall project schedule to provide sufficient time to enable a collaborative nature of discussions to place importance on the process of selecting projects that will be bankable and of interest to private sector investors.

#### *Private Sector Investment Viability*

MTA has taken due consideration of the varying levels of complexity to deliver asset improvements for the sites that will support a robust regional bus network and transit-oriented development. Through the procurement options and risk workshop, MTA will aim to align internal stakeholders to the preferred option for each site and reduce perceived risks of a multijurisdictional environment. While the goal is to use the innovative financing analysis to identify best practices for financing strategies and delivery techniques that are specific to each of the sites, MTA recognizes the need to offer flexibility to allow for the long-term development and evolution of the concept of inclusive infrastructure based on the market. MTA will coordinate with consultants to conduct market outreach activities, using potential methods such as organizing virtual education and communication in-person events such as an industry forum. This approach will gather valuable insight and feedback from the market to determine risk acceptance appetite and ensure the potential P3 project is attractive to private sector participation.

#### *Public Engagement and Partnership Activities*

MTA is experienced in conducting comprehensive public outreach activities that ensure community engagement throughout project development processes. To develop the BMORE BUS Transit Plan, a study which established a vision for bus service improvements and new services provided for the greater Baltimore region, MTA was extensively involved in engagement activities with stakeholders including the Baltimore Regional Transit Commission (BRTC), community advisory committees, and local community partners. The engagement, which started in spring 2024, included production of materials to disseminate information about the study and methods to obtain public and stakeholder feedback. Activities and materials included public surveys, pop-up events, signs and audio announcements on buses systemwide, and establishing a social media presence. If awarded funding, MTA will host community events to present study findings to transit riders and local communities throughout the greater Baltimore region.

#### **Budget**

If awarded, \$1 million in grant funding would enable MTA to retain professional consulting services and leverage completed and on-going regional and regional bus system improvements work by MTA. The Project would build organizational capacity to strategize and implement third party agreements to finance, plan, design, deliver, operate and maintain infrastructure – a necessary catalyst to restructure state-owned sites in Maryland to provide a more reliable and efficient regional bus network.

## Budget Plan

Table 3 summarizes the project budget in accordance with each task. Table 4 provides a summary of the budget based on the anticipated consultant labor hours and hourly rates.

Table 3: 2 Budget Summary by Task

Project Component	IFAC grant funding	Local Match (0%)	Estimated Total
<b>Task 1 - Project Oversight and Coordination</b>	\$100,000	\$0	\$100,000
<b>Tasks 2 and 3 - Statewide Asset Scan and Development Potential Analysis</b>	\$250,000	\$0	\$250,000
<b>Task 4 - Feasibility and Economic Cost-Benefit Assessment</b>	\$350,000	\$0	\$350,000
<b>Task 5 - Innovative Finance Analysis and Planning</b>	\$300,000	\$0	\$300,000
<b>Total</b>	<b>\$1,000,000</b>	<b>\$0</b>	<b>\$1,000,000</b>

Table 4: 3 Budget Summary by Consultant Role (Labor Hours and Rates)

Expense Category	Consultant Staff							Total
	Principal	Project Manager	Senior Engineer	Junior Engineer	Finance Associate	Finance Associate	Legal Associate	
<b>Hourly Rate</b>	<b>\$350</b>	<b>\$250</b>	<b>\$150</b>	<b>\$125</b>	<b>\$200</b>	<b>\$200</b>	<b>\$400</b>	
<b>Total Labor Hours</b>	<b>70</b>	<b>230</b>	<b>575</b>	<b>910</b>	<b>1,175</b>	<b>1,175</b>	<b>370</b>	<b>4,505</b>
<b>Total Labor Cost (Contractual)</b>	<b>\$24,500</b>	<b>\$57,500</b>	<b>\$86,250</b>	<b>\$113,750</b>	<b>\$235,000</b>	<b>\$235,000</b>	<b>\$148,000</b>	<b>\$900,000</b>

### Sources and Uses of Funds

The \$1 million grant funding would be used to cover \$900,000 in professional consulting services as indicated in Task 1 and \$100,000 for MTA's project oversight tasks. No additional federal or non-federal (state or local) funds will be used for the project.

### Oversight and Staffing

MTA will remain in close collaboration with MDOT as its joint development policies are under development. This Project will help MDOT and MTA build capacity by continuing to refine the policies.

### Ability to Carry Out the Proposed Scope of Work

MTA will leverage the expertise of its parent agency, MDOT, which annually administers over \$3 billion in federal and state capital funding to make multimodal transportation investments to enhance safety, state of good repair, connectivity, commerce, and mobility. Since the passage of

the historic Infrastructure Investment and Jobs Act (IIJA), MDOT estimates it now administers over \$1.5 billion in federally funding, annually, through formula funding allocations and competitive discretionary grant awards. MDOT and MTA are committed public stewards of taxpayer funding and maintain numerous controls and best practices to ensure compliance with state and federal regulations, effective and transparent management of public resources, and best practices to watchfully oversee major public procurements, including P3 arrangements. MTA provides consolidated, multimodal transit services for residents across the State of Maryland. MTA is the designated Federal Transit Administration (FTA) direct recipient for the State and receives over \$250,000,000 in federal funding annually. Baltimore's rail transit services and MARC commuter rail services are supported by the FTA's 5307 Urbanized Area Formula Grants, 5337 State of Good Repair Grants, which includes funding directly for station improvements, and numerous U.S. Department of Transportation grants. These include an FY 2022-2023 Federal State Partnership for Intercity Passenger Rail (Baltimore Penn Station Master Plan - \$108,000,000); a FY 2023 RAISE (Mondawmin Transit Hub Project - \$20,000,000); and a FY 2023 Pilot Program for Transit Oriented Development (West Baltimore MARC TOD Implementation Plan - \$550,000). As discussed in Section B, the program funds will be used to potentially enable partnerships with development and construction companies and other private partners. MTA will be prepared to provide oversight if needed.

### **Previous Experience**

Maryland has a strong history of implementing innovative financing for vital infrastructure projects, including the use of P3s and TIFIA financing, that will assist MTA in its efforts. The following examples show how Maryland has previously leveraged the expertise and efficiencies of the private sector while prioritizing the interests and fiduciary responsibility of the state to mitigate risk for large transportation projects:

**Inter-County Connector (ICC):** MDOT issued two tranches of Grant Anticipation Revenue Vehicles (GARVEEs) and secured TIFIA financing as part of the plan of finance for the completed and operational ICC design-build project.

**Seagirt Marine Terminal:** A 50-year P3 agreement was signed between the Maryland Port Administration and Ports America Chesapeake, LLC in November 2009. Private capital investments under this agreement have resulted in significant expansion of port capacity, including construction of a 50-foot deep container berth and installation of four super-post-Panamax cranes, completed in 2014.

**I-95 Travel Plazas:** A 35-year P3 agreement was signed between MDTA and Areas USA in March 2012. Under this agreement, the private partner is responsible for the redevelopment, including financing, and long-term operations and maintenance of the two I-95 Travel Plazas. Using a phased replacement approach, the new Maryland House opened to the public on January 16, 2014, and the new Chesapeake House opened to the public on August 5, 2014.