

LEADERSHIP VIEWS

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Transportation Opportunity Districts planned

Toledo Business Journal recently interviewed Richard S. Martinko, P.E., director of the Intermodal Transportation Institute & University Transportation Center. He shared the following thoughts.

Toledo Business Journal: Can you provide an overview of the proposal involving Transportation Opportunity Districts (TOD)?

Richard Martinko: A Transportation Opportunity District (TOD) is a geographically defined area that focuses on businesses whose success and competitive advantage are primarily dependent on transportation and logistics. A TOD takes advantage of a location where designated economic incentives and strategic geographical assets of major highway, rail, sea, air, and pipeline transportation converge. In our global economy, winners will be ultimately determined by who can best provide value-added transportation and logistics.

TBJ: What specific advantages might a TOD offer?

RM: A TOD provides one-stop access to and support for incentive programs currently available from Federal, State, and local authorities. One such example could be designation as a Foreign Trade Zone. It can also assign creative incentives that are unique only to a TOD.

TOD can offer economies of scale in infrastructure and operating improvements that encourage private-sector companies to invest and locate manufacturing, transportation, and distribution facilities in a region. Incentives such as reduced start-up time through favorable zoning, clearances, and expedited approvals encourage companies to locate in a TOD. They also reduce significantly initial investment costs, and/or continuing operating costs.

Increased profits are realized by reducing operating costs. Investing in a TOD allows many firms to share common infrastructure such as loading and unloading equipment and access to road infrastructure that would otherwise have to be created for each firm. A critical mass of the mutual interests of companies located in a TOD can promote greater control of scheduling, improve delivery time, enhance system reliability, increase productivity, support more efficient freight handling, enhance mode transfer interface, encourage better cooperation with local governments, and enhance security

TBJ: What opportunities exist for multiple TODs tailored to alternative transportation options?

RM: There would be a number of opportunities for a variety of TODs based on the geography and assets they individually offer.

- **Water Port Anchored TOD:** This could be located close to the Port of Toledo with on-site access to both rail and truck for transporting products to and from the Port. The items most likely to move through this TOD would be raw materials / industrial commodities, manufactured goods / industrial products, and certain finished products for wholesale and retail distribution
- **Airport Anchored TOD:** This could be located close to Toledo Express Airport with on-site access to truck and rail, which would be used extensively to move product from the airport to customers. The items most likely to move through this TOD would be perishable product; high value, time sensitive manufactured goods / industrial products; and finished products
- **Surface Transportation Anchored TOD:** This could be located at a number of sites where both important highway routes and rail lines exist. This allows companies to shift items between modes to create the best transportation

arrangement. Access to long combination vehicles that use triple trailers could further enhance the attractiveness of this option. An initial study has been done to evaluate locations for such a facility with access to the turnpike. The items most likely to move through this TOD would be raw materials / industrial commodities, manufactured goods / industrial products, and finished products for wholesale and retail distribution.

TBJ: Can you discuss the role of a lead agency for this program and who might fill this role in our area?

RM: A TOD or any successful major initiative must be designed and planned through cooperative efforts by a team of public and private sector partners to enhance economic development in the region. I have always found that if you listen to the team, the team will listen to you. The team leader, or lead agency, will naturally evolve as the TOD concept moves forward.

I believe that there will be a consensus of opinion among the partners regarding the emergence of a lead agency. Certainly we are fortunate to have a number of outstanding leaders and lead agencies in the region. The University of Toledo and the Intermodal Transportation Institute have been prominently involved in championing this concept and are committed to continuing to play a key support role in implementation. One final leadership role must be played by the region's media. Our team and its leadership must engage the media in our efforts. The media, as well as our transportation team, has a critical role in informing, educating, and engaging our public partners.

TBJ: Can you discuss the resources needed to implement this program?

RM: The incentive packages and marketing of multiple TOD opportunities will require considerable resources in time and money. All the local partners need to be committed in sharing expenses involved in this initiative. Also it is essential that we fully engage our State and Federal government representatives. We are already actively preparing proposals to take advantage of Governor Ted Strickland's \$1.57 billion dollar Bipartisan Economic Stimulus Package.

TBJ: What benefits might be provided by TODs?

RM: Transportation benefits include eliminated bottlenecks, removal of heavy trucks from roads, improved competitiveness, improved carrier efficiencies,

improved reliability, increased capacity, reduced highway delays, and reduced passenger and freight rail delays.

Economic benefits include attracting new businesses; avoiding business relocation; avoiding or delaying new highway construction; retaining and expanding existing businesses; expanding the local, regional, and national economy; increasing tax revenue; generating recurring revenue streams; reducing highway maintenance costs; reducing shipper logistics costs; workforce development; retaining existing jobs; and creating direct and indirect jobs.

Environmental and quality of life benefits include air quality improvements, noise reductions, fossil fuel use reductions, environmental justice and equity by reducing adverse impacts in impoverished neighborhoods, and urban redevelopment and economic regeneration through positive land use impacts.

Safety and security benefits include reduction of accidents, reduction of hazardous materials shipment risks; increase of security by monitoring consolidated transportation modes, increase of security by providing consistent and repeatable processes, and maintenance of modern safety and security technologies.

Finally, regional and national leader benefits will be the establishment of best practices and research opportunities; expansion of the national, regional, and state economy; enhancement of interstate commerce; improvement of nationwide reliability by eliminating local bottlenecks; and expansion of nationwide transportation capacity.