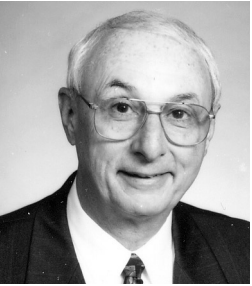


2003 YEAR-IN-REVIEW

A Report to the Community on Regional Rail Initiatives.

The mission of the Modern Transit Partnership is to support and promote public transportation, with the ultimate goal of bringing rail service to the region.

Letter to the Community



John S. Ward

It was another banner year for the Modern Transit Partnership, as we reached new milestones in our quest to bring a regional rail system to southcentral Pennsylvania. Much has occurred in 2003, and we would like to take this opportunity to share some of the highlights with you through this report.

We share this information so that you might better understand how your donations and the grants under which we operate are being spent. We believe in the fiscal responsibility with which you have entrusted us, and strive to educate all the residents in Central PA as efficiently and as effectively as possible. In addition, we are working diligently to advocate for support of this project in the halls of our state capitol, as well as in the federal legislature.



Gerald K. Morrison

This year, we were pleased to welcome five additional members to our Board of Directors in an effort to include broader representation of the region and its diverse population. Our new members are:

Glenn Ebersole, J G Ebersole Associates, Lancaster
Linda Figueroa, Community Action Commission, Harrisburg
Russell Montgomery, R E D D I, Harrisburg
Jay Moskowitz, Milton S. Hershey Medical Center, Hershey
Mark Ritter, Sterling Financial Trust, Lancaster

It is exciting to have their enthusiastic support and ideas to make CORRIDORone a benefit to as many of southcentral Pennsylvania's residents as possible.

We encourage your active participation in helping to bring regional rail to our area, and we thank you for your interest in this vision for the future of our region.

www.mtptransit.org

John S. Ward

President

Gerald K. Morrison

Chairman

MTP
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Partnership

Preliminary Engineering Progress Report

Preliminary Engineering (PE) and the Environmental Impact Statement (EIS) on *CORRIDORone* commenced in May 2003. The portion of the corridor under inspection during this period is referred to as the Minimum Operating Segment (MOS) and is the area between Harrisburg and Lancaster to the east, and from Harrisburg to East Mechanicsburg to the west. This work is moving forward and expected to be completed by the third quarter of 2004.

Implementation of *CORRIDORone* will take place in three phases. The first phase, expected to be operational in mid-2006, is the eastern leg from Harrisburg to Lancaster. Because of the existence of rail service in the corridor via Amtrak on the Keystone Corridor, minimum construction work will be needed in this section. The addition of a rail station at Harrisburg International Airport (HIA) will be a distinct improvement in the service on this line, and is part of HIA's construction project.

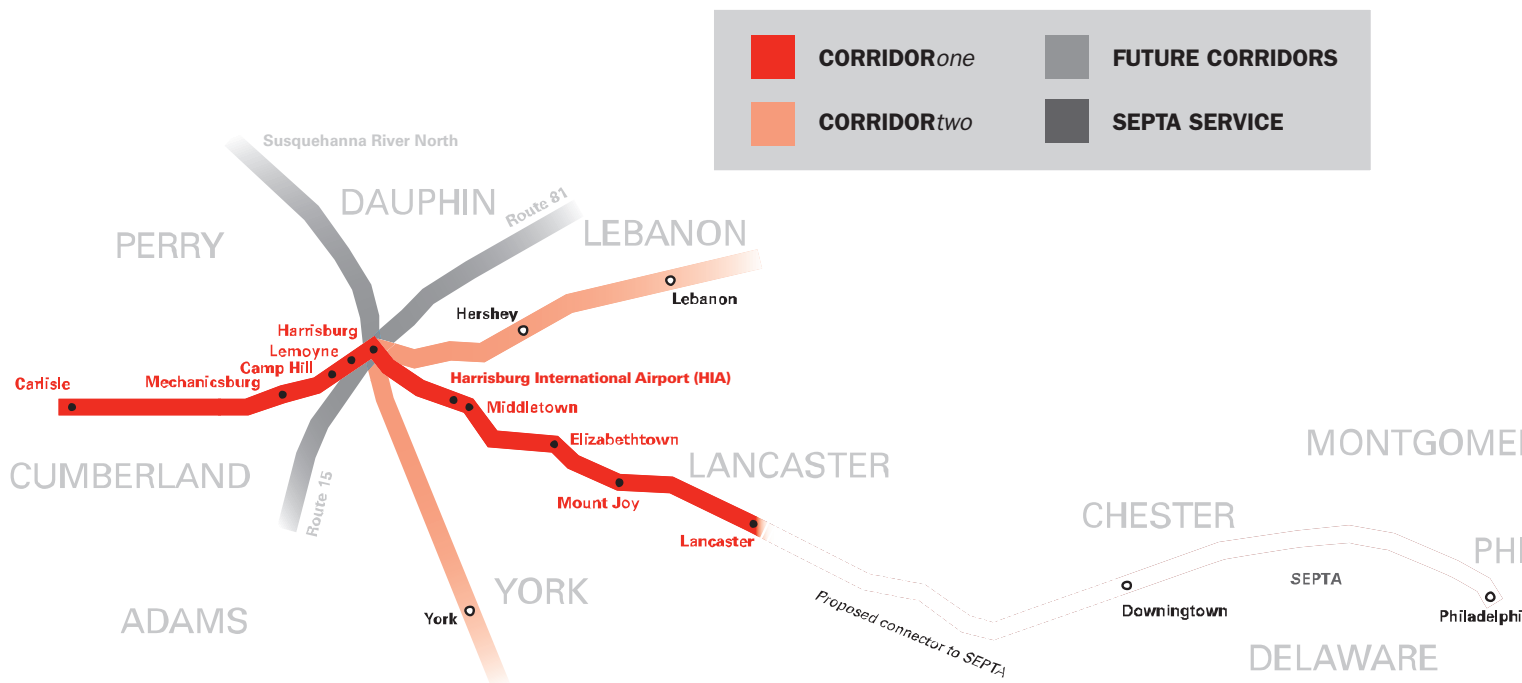
The second phase — to East Mechanicsburg — will be operational by the fourth quarter of 2007, and the third phase to Carlisle is expected to be operational by the fourth quarter of 2010.

As of December 2003, a \$2 million appropriation request from the Federal Government's 2004 budget to complete PE and begin Final Design was approved by the House of Representatives. The Senate will vote on the bill in mid-January after their return from the holiday; expectations remain high that the Senate will approve the spending plan with no revisions.

Once Preliminary Engineering has been completed, Final Design will begin. The concepts developed during PE will be defined in more detail and construction drawings will be prepared.

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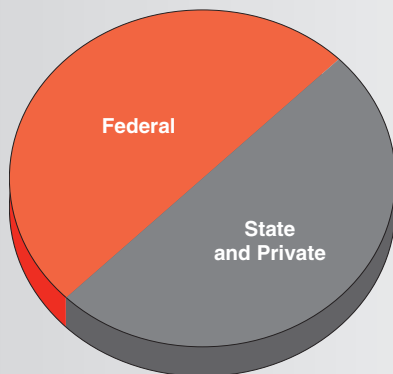
Proposed Regional Rail System



Funding Update

TEA-21 Reauthorization

Last year, we reported that the six-year Federal Transportation Bill, known as TEA-21 (Transportation Equity Act for the 21st Century), was in the pipeline to be reauthorized by the House and Senate during their 2003 session. That, unfortunately, did not occur. The effort to pass a bill will persist in 2004, and the debate continues as to how much to spend on the nation's growing – and aging – transportation infrastructure.



TEA-21 officially expired on September 30, 2003; however, since no new legislation was passed, TEA-21 has been maintained via stopgap measures that will continue until a new bill is passed. Obviously, national involvement and expenditures on the situation in Iraq took priority.

The MTP continues the quest to be included in the new bill in the amount of \$25 million for capital costs relating to the construction of *CORRIDORone* — from PE on Phase 1 through construction of Phase 2.

We encourage our readers to make their legislators aware of the very real need to increase transportation funding for all modes, and for public transportation (buses and rail) in particular.

State Funding

In the process of seeking federal support to build a regional rail system, there is the requirement of providing funds from non-federal sources to match federal grant amounts.

John Ward has been working with various members of the state legislature to include \$25 million in the Commonwealth of Pennsylvania's next State Capital Budget to support the regional rail project. That effort will continue until the governor prepares and approves a State Capital Budget.

Operating Subsidy

Once built, there remains the question of how to fund the operation of a regional rail system. Currently the Commonwealth funds all public transit operators with operating subsidies, and *CORRIDORone* will be no different. Work is currently underway with the State legislature to include *CORRIDORone* as a recipient of operating funds for 2006.

Transit Oriented Development (TOD) Being Considered in Southcentral Pennsylvania

Transit Oriented Development (TOD) has become the buzzword throughout the national transportation planning industry. Communities all across the country are focusing efforts on efficient land use, anti-sprawl campaigns and expanded economic development plans surrounding rail stations.

In this region, several communities have recognized the need for sound land use plans — Lancaster, Elizabethtown and Mount Joy are all working to revitalize their existing rail stations and the areas immediately surrounding them.

The Modern Transit Partnership believes it important to have service facilities within close proximity to rail stations: drugstores, daycare centers, dry cleaners, convenience stores, gas stations, etc. Cooperation with area developers, municipalities and planning commissions is being fostered to encourage sound land use plans that will help cultivate economic development at station locations, and give commuters more amenities and reasons for using a regional rail system.



Fireworks Express! '03

2003 proved to be another challenging year in the fireworks department. As you know, 2003 was one of the rainiest summers on record in our area. And Independence Day weekend was no exception. July 6 dawned bright and sunny, and remained that way for most of the day. However, by the time our Fireworks Express guests disembarked from the train on the CORRIDORone Bridge to begin our gala, the heavens opened. We partied on in spite of the rain, and our guests enjoyed a rather damp but still delicious spread provided by Doe & Jerry's Barbeque. At the very last minute, the fireworks were canceled, but all in all, we had a great time enjoying the view of the river and the skyline of the city.

Many thanks to the following Fireworks Express! '03 Sponsors:

Train provided by:	Amtrak
Invitation printing provided by:	Gancom, a division of Gannett Fleming, Inc.
Parking provided by:	Harrisburg Parking Authority
Invitation design provided by:	Sacunas & Saline
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Additional support provided by:

Capital Area Transit
Harristown Development Corporation/
Strawberry Square/Harrisburg Hilton & Towers
Pennsylvania Department of Transportation
Doe & Jerry's Barbeque
Troegs Brewing Company
PNC Bank

**To receive an invitation to
future "Fireworks Express!"
and other MTP events,
contact the MTP at
717-233-5657, ext. 160.**

Express Train to NYC '03

The Express Train to New York City for the Pennsylvania Society Weekend on Friday, December 12, was a great success on its second running. More than 100 guests took advantage of the opportunity to leave their cars in Harrisburg and enjoy a one-stop trip to New York. While the primary audience for the trip was those guests attending the Pennsylvania Society's Annual Gala, numerous other attendees found the convenience of traveling by rail to NYC for the weekend (and some folks, just for the day) to be well worth the cost of the trip.

Once boarded in Harrisburg, guests enjoyed an on-board champagne brunch and round-trip train fare to New York, as well as the advantage of an express train trip without all the local stops. And for many, the return from New York was equally advantageous. With a group ticket sale, guests had the opportunity to pre-board the train in New York, without having to jostle for a seat on the very crowded train. And with the weather that Sunday turning decidedly worse as time passed, the thought of leaving the navigation to someone else was distinctly preferable to driving!

Planning is currently underway for an even more accommodating trip in 2004.

We express our deep appreciation to the following sponsors, without whom the trip would not have been possible:



> **Platinum** "The Commuter"

Gannett Fleming

> **Gold** "The Weekender"

M&T Bank
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> **Silver** "The Excursion"

Benatec Associates
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> **Bronze** "The Sightseer"

Abel/Savage Marketing Communications, Inc.
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Karen Diener Best
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Bret Peters
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Honor Roll 2003

The Modern Transit Partnership would like to thank the following individuals, families and organizations for their financial support during 2003.

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Lancaster County Commissioners

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Craig Zumbrun, Executive Director,
South Central Assembly for
Effective Governance

Our sincere thanks to the following
Board member who retired in 2003:

Kristen Olewine Milke, Senior Vice
President, Sysco Food Services of
Central PA



P.O. Box 1571
 Harrisburg, PA 17105-1571

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- Gold Partner \$7,500***
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** Partners to be recognized on a commemorative plaque prominently displaying your organization's name or your individual name.*

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- Student/Senior \$20**

Make checks payable to "Modern Transit Partnership."
 Mail to: Modern Transit Partnership, P.O. Box 1571, Harrisburg, PA 17105-1571

More than three-fourths of business leaders in our region support regional rail, according to a survey conducted in 2003.

