The Baltimore region has continued to shed its "rust belt" syndrome and add to its growing base of high-paying, high-tech jobs, but that progress has not come without its challenges, according to a report released Thursday by the Greater Baltimore Committee.

The region ranked first in academic research and development activity, top hospitals, and top cancer hospitals, the GBC's State of the Region report noted. But the region still struggles on issues like infrastructure and business climate that could slow Baltimore's progress in comparison to competing cities also trying to make similar strides.

"That's the challenge with economic growth and economic development, it is such a competitive field that no one region has a unique perspective on it," GBC President Donald C. Fry said in an interview. "What you want to do is make sure that your region is prepared better than anyone else."

The report, in its 10th year, ranks Baltimore's metropolitan region to cities across the country using more than 100 separate categories. The report was prepared for the GBC and the Baltimore Metropolitan Council with data compiled and analyzed by the Baltimore Neighborhood Indicators Alliance--Jacob France Institute of the University of Baltimore. Baltimore was measured against 19 other regions including Atlanta, Boston, San Diego, Philadelphia, Washington, D.C., and Seattle.

The region ranked in the top five in 24 categories, including:

- Its percent change in per capita income, which jumped 6.3 percent to $41,320 from 2003 to 2005, putting it just below San Diego;
- Its percentage of minority-owned businesses, which at 13 percent trails only Washington, D.C., and Atlanta;
- The number of high-tech jobs in the state, which at 2,890 jobs per 100,000 people, ranks fifth in the nation;
- And its high-tech employment growth from 2002 to 2005, which ranked the region third in the nation.

With that progress, however, Fry said he believes it is important for the state to continue to fund transportation projects and higher education opportunities in particular to help ensure the Baltimore region is able to build upon its gains.

He said the federal Base Realignment and Closure is a positive economic development for the region, with its promise of more than 40,000 government and private contracting jobs coming into Maryland by 2011. At the same time, he noted, the state's unemployment rate is hovering at around 4 percent, and there is a real fear that those employers will draw workers from existing Maryland businesses and place a strain on those firms to replace those workers.

Atwood "Woody" Collins III, chair of the GBC, said he is pleased with the report's findings but he believes it is important for Baltimore to maintain its existing quality of life. While the "rust belt" industries that supported so much of Baltimore's economy for so long are starting to give way to high-tech jobs, Collins said the Port of Baltimore still employs a sizeable percent of the region's workforce. He said that diversity in the region's employment base is an important factor that needs to be maintained along with the region's economic growth.

"It's consistent progress. The exciting thing I see about Baltimore is transformation, there's a lot of positive momentum," Collins said in an interview. "We've got to make sure that we preserve things like the port, which employs 16,000 people directly."

In other findings:

- The region ranked Baltimore 19th in violent crime;
- Twelfth in traffic congestion as measured by the amount of fuel wasted annually per traveler, at 32 gallons;
- And 10th in traffic congestion as measured by the number of hours spent in traffic delays, at 44 hours a year per traveler.

The full report can be found at the GBC's Web site, www.gbc.org.