



Chicago Metropolitan Agency for Planning

233 South Wacker Drive
Suite 800
Chicago, Illinois 60606

312 454 0400
www.cmap.illinois.gov

MPO Policy Committee

Annotated Agenda

January 12, 2012—10:00 a.m.

**Cook County Conference Room
233 S. Wacker Drive, Suite 800
Chicago, Illinois**

1.0 Call to Order and Introductions 10:00 a.m.

2.0 Agenda Changes and Announcements

3.0 Approval of Minutes – December 8, 2011
ACTION REQUESTED: Approval

4.0 Agency Reports

4.1 Council of Mayors' Report

4.2 CMAP Board Report

4.3 CMAP Report

5.0 FY 2013 Unified Work Program

The UWP lists the planning projects that CMAP and other agencies undertake each year to enhance transportation in northeastern Illinois and to fulfill federal planning regulations. For FY 2012, agencies worked to align the planning projects with the regional priorities described in GO TO 2040. It is not anticipated that changes to these priorities will be necessary until the plan is updated in 2015. However, additional funding has become available for FY 2013. Staff will update the Policy Committee on the status of the development of the FY 2013 UWP.

ACTION REQUESTED: Discussion

6.0 Performance-Based Evaluation Criteria and Transportation Funding

GO TO 2040 recommends that transportation funding decisions be based on transparent evaluation criteria rather than arbitrary formulas. The attached memorandum reviews recent CMAP staff efforts in researching performance-based evaluation criteria for transportation funding, both in response to the plan's recommendation and from subsequent direction by the Regional Coordinating Committee, CMAP Board, and MPO Policy Committee. It summarizes the use of performance measures for highways

and transit, both among peer states and in northeastern Illinois, and then suggests potential ways forward on this issue. This was discussed at the December Regional Coordinating Committee and the committee comments are reflected in this updated memo.

ACTION REQUESTED: Discussion and direction to staff

7.0 CMAP's State Legislative Principles & Agenda

Using GO TO 2040 as a guide, the state legislative framework highlights policy priorities for CMAP during the 2012 legislative session. Generally speaking, CMAP is most interested in issues with a regional or statewide impact or those that could serve as precursors to broader, more comprehensive legislation. The document includes priority issues and *Legislative Principles* based on GO TO 2040's recommendations. The principles were developed to guide staff and inform our partners, the Governor, legislators, state agency directors, and others about CMAP's policy positions regarding legislative initiatives being discussed or introduced in the General Assembly. Staff will also present a State Legislative Agenda, which contains a short list of major agency legislative priorities for 2012.

ACTION REQUESTED: Information and Discussion

8.0 Federal Legislative Principles & Agenda

Using GO TO 2040 as a guide, the staff has developed a set of principles to inform federal legislators and other national policy makers about CMAP's positions on national policy issues. This agenda focuses on principles that will help direct CMAP support or opposition to specific pieces of legislation over the course of the federal legislative calendar.

ACTION REQUESTED: Information and Discussion

9.0 Bus Rapid Transit in Northeastern Illinois

There are a number of initiatives furthering the introduction of Bus Rapid Transit in the Chicago region covering both urban arterials and suburban interstates. Staff from several agencies will present the status of their efforts related to BRT.

ACTION REQUESTED: Information

10.0 Other Business

11.0 Public Comment

This is an opportunity for comments from members of the audience. The amount of time available to speak will be at the chair's discretion. It should be noted that the exact time for the public comment period will immediately follow the last item on the agenda.

12.0 Next Meeting – Thursday, March 8, 2012

13.0 Adjournment

MPO Policy Committee Members:

	Frank Beal		Gabe Klein		John Purcell
	Martin G. Buehler		Kenneth Koehler		Leanne Redden
	Alexander D. Clifford		R.A. Kwasneski		Jeffery Schielke
	Forrest E. Claypool		Kristi Lafleur		Ann Schneider
	Tom Cuculich		John McCarthy		Marisol Simon
	Elliott Hartstein		Karen McConnaughay		Norman R. Stoner
	Robin Kelly		Michael Payette		Larry Walsh



Chicago Metropolitan Agency for Planning

Agenda Item No. 3.0

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MPO Policy Committee

Special Meeting

DRAFT Minutes

December 8, 2011 – 10:00 a.m.

Cook County Conference Room

233 S. Wacker Drive, Suite 800

Chicago, Illinois

MPO Policy Committee Members Present:

Reggie Arkell-Federal Transit Administration (Representing Marisol Simon), Frank Beal-Chicago Metropolitan Agency for Planning, Marty Buehler-Lake County, Lynette Ciavarella-Metra (Representing Alexander Clifford), Michael Connelly-Chicago Transit Authority (Representing Forest Claypool), John Donovan-Federal Highway Administration (Representing Norm Stoner), Elliott Hartstein-Chicago Metropolitan Agency for Planning, Robin Kelly-Cook County, Ken Koehler-McHenry County, Rich Kwasneski-Pace, John McCarthy-Private Providers, Michael Payette-Class I Railroads, Leanne Redden-Regional Transportation Authority, Tom Rickert-Kane County (Representing Karen McConnaughay), Jeffery Schielke-Council of Mayors, Secretary Ann Schneider-Illinois Department of Transportation, David Seglin-Chicago Department of Transportation (Representing Gabe Klein), Chris Snyder-DuPage County (Representing Tom Cuculich), Mike Sullivan-Kendall County (Representing John Purcell), Larry Walsh-Will County, Rocco Zuccherro-Illinois Tollway (Representing Kristi Lafleur)

Absent: None

Staff Present:

Patricia Berry, Randy Blankenhorn, Ylda Capriccioso, Teri Dixon, Kama Dobbs, Don Kopec, Holly Ostdick, Ross Patronskey, Gordon Smith

Others Present:

Mike Albin-DuPage Mayors and Managers Conference, Bruce Carmitchel-Illinois Department of Transportation, Chalen Daigle-McHenry County Council of Mayors, Charles Ingersoll-Illinois Department of Transportation, Jim LaBelle-Metropolis Strategies, Mark Pitstick-Regional Transportation Authority, Kevin Schoebein-Illinois Department of Transportation, Susan Stitt-Illinois Department of Transportation, Mike Walczak-Northwest Municipal Conference

1.0 Call to Order and Introductions

Chairman Schneider called the meeting to order at 10:10 am.

2.0 Agenda Changes and Announcements

Chairman Schneider announced that since it would likely be a very short meeting, she would like the members to remain after the meeting to discuss any items they wished to bring up.

3.0 Approval of Minutes – October 12, 2011

On a motion by Mr. Zuccherro, seconded by Mr. Rickert the minutes of the October 12, 2011 meeting of the Policy Committee were approved.

4.0 Approval of the Conformity Analysis and Transportation Improvement Program (TIP) Amendment

Ms. Berry reported that IDOT requested a TIP amendment to include a project on IL 47 from Caton Farm Rd to I-80. She noted that the TIP remains fiscally constrained with this addition and that a conformity determination was required. The travel demand model was run and on-road emissions for the four scenario years were estimated.

She noted that there are no SIP budgets for the annual PM_{2.5} and its NO_x precursor. CMAP compared the emissions estimates for northeast Illinois combined with estimates from northwest Indiana to 2002, the baseline year. The total emissions were below the baseline year.

For ozone precursors, Ms. Berry said that CMAP demonstrated that the emissions estimates fell below the applicable SIP budgets.

Ms. Berry described the one comment received and IDOT's response, noting that the comment and response were posted to the CMAP website and included in members' packets. Finally, she noted that the CMAP transportation committee met immediately prior to the MPO Policy Committee and concurred in the response and recommended approval of the conformity analysis and TIP amendment. On a motion by Mayor Schielke, seconded by Mr. Hartstein, the conformity analysis and the TIP amendment were approved.

5.0 Other Business

Ms. Redden from the RTA, the Policy Committee's representative to the CMAP Board, asked the Committee how they would like to see her keeping them informed regarding the activities of the CMAP Board. Several suggestions were discussed. Ms. Redden will work with staff to provide the Policy Committee members with updates prior to and after each board meeting.

6.0 Public Comment

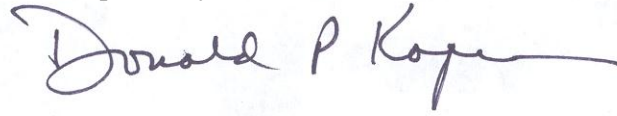
There was no public comment provided.

7.0 Next Meeting – Thursday, January 12, 2012

8.0 Adjournment

The meeting was adjourned at 10:30 a.m. on a motion by Mayor Schielke, seconded by Mr. Snyder.

Respectfully submitted,

A handwritten signature in dark ink, reading "Donald P. Kopec". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Don Kopec, Secretary



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MEMORANDUM

To: MPO Policy Committee

From: CMAP staff

Date: January 5, 2012

Re: Performance-Based Evaluation Criteria and Transportation Funding

GO TO 2040 emphasizes that all levels of government should seek to coordinate policies and investments to increase efficiency and produce more effective local and regional outcomes. Strategic investment is especially pertinent in the transportation sector, given the critical role of a well-maintained, modern transportation system in supporting and furthering metropolitan Chicago's position as a global transportation hub and the economic engine of the state and the Midwest.

GO TO 2040 [recommends](#) a series of implementation actions for creating more efficient use of scarce transportation dollars. First, transportation funding decisions should be based on transparent evaluation criteria, and the State and the region's transportation stakeholders should develop and utilize the necessary performance measures. CMAP strongly believes that metropolitan planning organizations (MPOs) should be involved in the identification of goals, targets, and performance measures in cooperation with the State. MPOs have the appropriate perspective and professional expertise to contribute to these policy decisions. Second, the plan specifically targets the current state practice of allocating 45 percent of road funding to northeastern Illinois, and recommends that performance-driven criteria rather than an arbitrary formula be used to determine these investments.

Focusing on strategic transportation investments is particularly timely, given recent progress on federal transportation reauthorization. The use of performance measures is a centerpiece of the Senate's surface transportation reauthorization bill, [Moving Ahead for Progress in the 21st Century \(MAP-21\)](#), and will likely represent a key component of the final bill to be passed by Congress. The bill as it currently stands would require states to develop performance measures and targets for various issues under each of the core program areas, and to develop plans to meet these targets.

The following reviews recent efforts by CMAP staff in researching performance-based evaluation criteria for transportation funding, both in response to the plan's recommendation

and from subsequent direction by the Regional Coordinating Committee, CMAP Board, and MPO Policy Committee. It summarizes the use of performance measures for highways and transit, both among peer states and in northeastern Illinois, and then suggests potential ways forward on this issue.

PREVIOUS DIRECTION FROM THE CMAP BOARD, AND MPO POLICY COMMITTEE, AND REGIONAL COORDINATING COMMITTEE ON THE “55/45” SPLIT

Since the adoption of GO TO 2040, the CMAP Board, MPO Policy Committee and the Regional Coordinating Committee have addressed the “55/45 split” issue in more detail, and a policy brief from March 2011 is available [here](#). These committees directed staff to conduct more research and outreach, specifically with downstate partners, to create a broader-based constituency for altering the current allocation system. Since then, CMAP staff has reached out to various entities including IDOT, the Governor’s office, the Councils of Governments, County Board Chairs, Metro Counties, the Metropolitan Mayors Caucus, the Illinois MPO Advisory Council, the Transportation for Illinois coalition, and others.

CMAP staff also conducted more detailed analysis on our region’s historical share of state funds, as well as how other metropolitan areas of the state have fared under the system. The main finding of this analysis is that other metropolitan areas in Illinois have received disproportionately more revenue than our region; thus the issue is better defined as an “upstate/downstate” split rather than an “urban/rural” one. Barring a net increase in federal or state funding, many downstate regions would stand to lose relative to northeastern Illinois under alternative funding scenarios. This reality creates a challenging policy environment for any suggestions of a new formula.

At the October meeting of the Regional Coordinating Committee, CMAP staff [presented](#) initial research on the use of performance-based evaluation measures for transportation, in the context of the 55/45 issue. Overall, staff identified **three main issues** with the current methods used by the Illinois Department of Transportation (IDOT) to annually distribute state highway funds:

- In terms of project selection, IDOT uses evaluation criteria largely emphasizing physical conditions of the highway system, such as pavement and structural condition ratings, as well as traffic volumes. Larger capacity-adding projects do not appear to be evaluated for economic or environmental impact, including congestion impacts.
- IDOT’s public documentation does not specify exactly how it uses performance measures to evaluate and prioritize projects. It is difficult to determine how data are collected and weighted, and relevant regional stakeholders like MPOs are typically not directly consulted in the process.
- While IDOT uses performance measures to allocate funding within District 1 and among Districts 2 through 9, the fundamental distribution of funds in Illinois is

predicated on an arbitrary formula. A longstanding ad hoc agreement within the General Assembly directs 45 percent of transportation funds to District 1 in northeastern Illinois and the remaining 55 percent to the eight downstate districts.

The CMAP Board and MPO Policy Committee also discussed this issue in their October meeting. In general, all three committees expressed an interest in moving toward a more performance-based funding allocation system. Some members noted that the current system is outdated and fails to respond well to current needs. Specifically, CMAP staff was requested to (1) investigate other states' processes in more detail, including more information on implementation timelines, (2) investigate the impact these strategies have had on the geographic distributions of funds in their respective states, (3) expand the scope to transit, and (4) begin developing hypothetical performance-based scenarios for Illinois.

EXPERIENCE IN OTHER STATES - HIGHWAYS

CMAP staff compared IDOT's practice to neighboring states, and also profiled performance-based project evaluation processes among various federal and regional programs. This analysis primarily focused on three state case studies: Kansas, Missouri, and Ohio. These states, like Illinois, must allocate resources between major metropolitan areas and rural areas; among highway, transit, rail, bicycle, pedestrian, and multimodal projects; reduce congestion and protect the environment; and maintain safety on an aging transportation system. In reviewing these other states' systems, certain commonalities were found. In summary, these states:

- initiated their systems through their state DOTs, and in some cases, later formalized these systems in law;
- divide their funding into various programmatic areas;
- use explicitly-defined and publicly-available formulas to evaluate the various types of projects and employ a mix of formula and competitive processes to distribute funds, depending upon the type of project;
- formalize the participation of metropolitan planning organizations;
- use a separate commission or other entity to help evaluate and select projects.

For example, the [Kansas Department of Transportation](#) pools its funding into three programmatic areas— preservation, modernization, and expansion – and applies a tiered evaluation process to select projects within each category. Preservation projects are scored using only existing engineering criteria. Modernization projects are mostly scored using engineering criteria, but also consider regional priorities. Expansion projects consider engineering criteria, regional priorities, and economic impacts. The more detailed weights are presented as follows:

KDOT Project Selection Criteria

	Engineering	Regional Priorities	Economic Impact
Preservation	100%	-	-
Modernization	80%	20%	-
Expansion	50%	25%	25%

Engineering formulas vary depending on the type of preservation, modernization, or expansion project. Regional priorities, or “local input”, are calculated by KDOT staff based on input from local consultation meetings and the local knowledge of their district officials. Points are based on a project’s perceived safety benefits, regional impact, system connectivity benefits, and other factors. Economic impacts are modeled with the TREDIS software. TREDIS uses input-output models to estimate a project’s impact on jobs and gross regional income.

While these states use performance-based evaluation criteria to evaluate projects for funding *within separate programmatic areas*, there is comparatively little rigor in allocating funds *to each area*. In Ohio, the Transportation Review Advisory Council’s scope is limited to large capital projects, defined as those exceeding \$12 million. In Missouri, funding levels are defined by the Highways and Transportation Commission, with some programmatic areas receiving fixed allocations and others receiving flexible allocations each year; the fixed funding levels are revised periodically. In Kansas, the 10-year capital program fully funds preservation projects, while funding levels for the other two main programmatic areas roughly correspond to those from prior capital programs.

CMAAP staff conducted interviews with state DOTs and MPOs in Missouri, Ohio, and Kansas, and, on the whole, the interviewees communicated that their performance-based processes have improved the overall selection of projects. The framework these systems provide helps to improve the working relationships among stakeholders, promote transparency and certainty in the programming process, and ensure that meritorious projects are selected for funding. Soliciting the input of a broad range of stakeholders increases their commitment to the state’s program, helps stakeholders understand the inherent tradeoffs in developing a transportation program, and ensures that a broad range of evaluation criteria is considered.

CMAAP research indicates that the development process for a performance-based funding system can range in length from a few months to several years. In Missouri, the new project evaluation system was developed in approximately six to nine months, and immediately applied to the annual State Transportation Improvement Program. In Ohio, the development process lasted some two to three years, first initiated by ODOT and later codified by the legislature. In Kansas, the initial outreach to local stakeholders lasted two years, while the follow-up local consultation process lasted approximately four months.

It is important to note that the transition to a performance-based system may not materially affect the geographic distribution of transportation funds. In Ohio and Missouri, where performance-based systems have been in operation for a decade or longer, funding levels vary by district from year to year in response to needs. To illustrate, District 6 in Missouri, which contains the St. Louis metropolitan area, received as much as 51 percent of statewide expenditures in 2007 and as little as 16 percent in 2008. However, funding levels tend to average out in the long run, with overall distributions resembling those in place before the transition to a performance-based system. In Missouri, urban districts received 49.88 percent of highway expenditures over the nine-year 2003-2011 period, which corresponds to their historic 50 percent share of funding.

ALLOCATION OF TRANSIT CAPITAL FUNDS IN NORTHEASTERN ILLINOIS

Staff was also asked to include transit in further items on this topic. Transit systems in Illinois receive capital funding from federal, state, and local sources. Federal funds are distributed to states by formula through programs like the Urbanized Formula (Section 5307) and Rail and Fixed Guideway Modernization (Section 5309). State capital funding is typically raised through the Series B bond program, and large bond issuances are often financed through various fee increases. Local capital funds come from the RTA's Strategic Capital Improvement Program bonds, and are financed to an extent through state revenues.

Through its research, CMAP staff identified **three main issues** with transit funding:

- The allocation of the RTA Sales Tax and its related Public Transportation Fund revenues—the backbone of northeast Illinois transit's operations—is statutorily determined, and is not linked to Service Board performance or need.
- The State does not describe how transit projects are included within major capital programs such as Jump Start and Illinois Jobs Now!
- While the RTA and Service Boards have taken great strides at collecting data on their assets and infrastructure and have begun utilizing it to prepare and evaluate their capital programs, it is too early to determine the extent of its effectiveness since the overall process and tools are still in the development stage.

RTA Sales Tax

The RTA Sales Tax, although primarily used to fund operations, merits brief discussion here. Its revenues, which represent the bulk of operating funds for northeast Illinois transit, are shared among the RTA and Service Boards according to specific formulas defined in state legislation.

The RTA Sales Tax has two components. The first component consists of a 1 percent rate in Cook County and a 0.25 percent rate in DuPage, Kane, Lake, McHenry, and Will Counties. Of this revenue, the RTA retains 15 percent of revenues for discretionary grants, which could

include capital projects, and the remaining 85 percent is distributed to the Service Boards by formula depending on location in which the revenues were generated:

	RTA	CTA	Metra	Pace
Chicago	15%	85%	---	---
Suburban Cook	15%	30%	55%	15% of remaining 85%
Collar Counties	15%	---	70%	30% of remaining 85%

In 2008, Public Act 95-0708 increased the RTA sales tax by 0.25 percent throughout the six-county RTA region. It also established the Real Estate Transfer Tax (RETT) rate of \$1.50 for every \$500 in sales price in the City of Chicago. The State provides a 30 percent match to the RTA Sales Tax from the Public Transportation Fund (PTF). The funds associated with the 2008 increase of the RTA Sales Tax and the associated PTF funds are pooled and distributed to the RTA as defined by statute: some \$145 million in funding is set aside for three programs (Regional ADA Paratransit Fund, Suburban Community Mobility Fund, and the RTA innovation, Coordination, and Enhancement Fund), and the remaining funds are allocated to the Service Boards according to formula (48 percent to CTA, 39 percent to Metra, and 13 percent to Pace).

The RTA Sales Tax and Public Transportation Fund provided some \$1.2 billion in revenue to northeastern Illinois transit in 2011. As described here, the distribution of these funds is defined in law, and is based on somewhat arbitrary formulas and program set-asides.

State Capital Programming

The two most recent capital programs in Illinois, Jump Start and Illinois Jobs Now!, were passed during the spring and summer of 2009. These two programs provide \$9.5 billion in funding for transportation, including \$3 billion (32 percent) for transit. Transit revenues are divided according to a 90-10 split, with 90 percent of revenues allocated to northeastern Illinois and the remaining 10 percent downstate. To illustrate, Illinois Jobs Now! provided \$1.8 billion to transit in northeastern Illinois and \$200 million to downstate transit agencies. Revenues come from bond issuance, and the debt service is covered by increased motor vehicle fees, liquor taxes, sales taxes, and new video gaming revenues. These additional user fees (and other fees) are deposited into a newly-created Capital Projects Fund, which also finances non-transportation capital projects across the state.

There is no indication from [public documentation](#) how the State selects transit projects for inclusion in its multiyear capital programs. According to the RTA, the capital projects included in the multiyear program must be in the RTA's adopted capital program and therefore have undergone evaluation through the existing budgeting process. The state's overall goals for a multiyear capital program, such as job creation, also inform which projects are chosen.

Service Boards Capital Programming and Asset Condition Evaluation

CMAP staff analyzed the most recent capital programs for each of three regional Service Boards. These documents—available [here](#) for the CTA, [here](#) for Metra, and [here](#) for Pace—list the types of projects to be funded, in what amount, and the sources of these funds. The programs identify three broad goals for their capital programs—maintenance, enhancements, and expansions—demonstrate their capital needs, and utilize the criteria and process outlined in the RTA’s Capital Plan Development Process (described in this [presentation](#) on slide 50). This process was developed cooperatively by the Service Boards and RTA, and adopted by the RTA Board in 2008.

The service boards and the RTA have done some considerable work in analyzing asset conditions. RTA is currently refining its objective, needs-based [capital programming process](#). Furthermore, the RTA has recently received a [grant](#) to partner with the Federal Transit Administration in developing a Transit Asset Management Program. This effort will include consistent, data-driven decision tools to help RTA monitor and improve the state of good repair of its capital assets. The program will better link upstream asset data and condition analyses with downstream capital project prioritization and budgeting.

The Service Boards, in turn, also refer to recent or upcoming strategic capital planning processes. For example, the CTA is implementing an [asset management system](#), which will collect data on the asset inventory into a new database, update condition data, develop reporting and modeling tools to assist the CTA’s capital planning process, and create a method for maintaining this data in the long term. CMAP anticipates that these studies will more fully detail regional transit systems needs and the rationale for the selection of individual capital projects.

The RTA recently [evaluated](#) the condition of its Service Boards’ capital assets. The 18-month effort used asset age as a proxy for condition, evaluated assets in five major categories, and identified five major cost components. According to the RTA’s analysis, the three Service Boards have combined capital needs of \$24.6 billion over ten years. Fifty-six percent of the total costs are needed to address the backlog, 28 percent to address normal replacement costs, and the remaining 16 percent to address routine capital maintenance costs. The CTA accounts for about 61 percent of needs, Metra 30 percent, and Pace 9 percent.

The data collected for the RTA’s capital needs analysis is essential for moving toward performance-based capital programming. This data can illustrate where needs are greatest and how to optimize an investment mix given the agency’s priorities. While the RTA and Service Boards are taking the necessary first step in collecting this data, it has yet to be fully integrated into a systematic, long-term capital programming process.

Capital Programming Among Peer Transit Systems

CMAP staff reviewed five major American transit agencies: New York Metropolitan Transportation Authority, Los Angeles County Metropolitan Transportation Authority,

Washington Metropolitan Area Transit Authority, Massachusetts Bay Transportation Authority, and Southeast Pennsylvania Transportation Authority. Despite the diversity in funding levels and revenue sources, the transit agencies have broadly similar profiles. All receive a mix of federal, state, and local revenue sources to fund their operations and capital expenses; sales taxes are a particularly popular source of revenue. Each agency has internal processes for tracking the condition of its assets and making capital funding decisions. Often, state and/or local funds are allocated according to predetermined formulas, similar to the RTA. For example, Washington Metro's bus and rail operating subsidies are [shared](#) by the jurisdictions it serves, as is the agency's expected \$438 million in [debt issuance](#). The proportions assigned to each jurisdiction are based on formulas that include weighted population and population densities, service provision, and service consumption by location.

However, the agencies' explicit use of performance measures in capital programming is less consistent. Here we briefly discuss two examples that illustrate opposite ends of the spectrum. New York MTA has expressed its intent to move towards a more performance-based system. Los Angeles Metro, on the other hand, works under specific direction from voter-approved ordinances.

According to its 2010-2014 [Capital Program](#), New York MTA will implement expanded transparency measures and base its investment decisions on explicit performance data: "Each investment will address a documented and fully justified need, and deliver a specific and measureable customer benefit... Assets will no longer be replaced simply because they are old or at the end of their 'useful life'"¹. Additionally, MTA recognizes several responses to a documented capital need, ranging from no response to extension of useful life through rehabilitation to outright replacement. MTA will apply life cycle costing and a performance management perspective when deciding which of these options is most appropriate.

Los Angeles Metro is heavily dependent on voter-approved sales taxes to fund its capital program. The ordinances that authorize local sales taxes allocate funding based on specifically defined formulas or in support of specifically identified projects; these decisions result from the political process. Measure R, for example, is a thirty-year half-cent sales tax for transportation projects approved by voters in 2008. Its estimated \$40 billion in revenues will be distributed to [projects](#) explicitly identified in the enabling [ordinance](#), such as the Orange Line extension.

POTENTIAL WAYS FORWARD FOR ILLINOIS

Over the past several months of research, CMAP staff has shifted its focus from the narrow "55/45" issue in the State's highway funding to a broader discussion of IDOT's programming process. Rather than implementing some other arbitrary split, CMAP is intent on improving the transparency and accountability of both IDOT's highway improvement program and the State and region's funding for transit. CMAP believes in a more participatory annual process

¹ MTA, p. 5

that invites relevant stakeholders to work with IDOT in developing the funding program. Additionally, CMAP supports incorporating broader evaluation criteria, including measures of a project's economic impact, into the prioritization process.

Highway Funding

CMAP recommends a new outcome-driven process to allocate state highway funds. CMAP envisions this process to occur **once every few years** to determine the State's multiyear highway program; a simplified version of the process could be implemented midway through the program in order to assess progress made toward established goals and to reassess funding allocations in response to emerging needs. The following discussion walks through the proposal in a step-by-step fashion, and is followed by a flow chart to visually describe the process.

Step 1: Determine Regional Priorities and Develop List of Candidate Projects

As an initial preparatory step, each of the state's **metropolitan planning organizations**, all of which include IDOT as a member, would meet internally to determine priorities and identify a list of potential highway projects to be funded. The MPOs would develop their own methods to complete both of these tasks; two processes at CMAP demonstrate potential approaches that involve multiple stakeholders, integrate quantitative and qualitative data, and incorporate explicit evaluation criteria. The first example is CMAP's [evaluation](#) of major capital projects for inclusion in GO TO 2040. CMAP staff prepared quantitative analyses of a project's effect on long-term economic development, congestion, mode split, air quality and energy use, jobs-housing access, and other variables. After each project's quantitative scores, CMAP staff provided brief narrative descriptions of other project criteria, including the project's cost and current status. This information, both quantitative and qualitative, was used to facilitate a deliberative process within the agency's committee system to determine which projects would ultimately be included in the regional plan.

The second example is CMAP's administration of federal [Congestion Mitigation and Air Quality Improvement](#) (CMAQ) program revenues. The CMAQ program funds transportation projects that improve air quality and reduce traffic congestion in regions that fail to meet one or more EPA air quality standards. In 2011, CMAP adopted a [focused programming](#) approach for the program. Under focused programming, applicants to the CMAQ program demonstrate their project's consistency with GO TO 2040. CMAP staff evaluates applicants through four of its committees—an ad hoc committee for direct emissions reductions, an ad hoc committee for transit, the Bicycle and Pedestrian Task Force, and the Regional Transportation Operations Coalition—which prioritize projects for the Project Selection Committee (PSC). The PSC considers the air quality cost-benefit ratio, but also takes into account qualitative factors such as project readiness, modal mix, and regional equity in developing a 5-year program.

CMAP recommends that **IDOT** identify potential highway projects for non-metropolitan areas according to its internal processes.

Step 2: Determine Statewide Goals, Funding Levels, and Evaluation Criteria

CMAP recommends that a state-level policy group meet to identify goals and priorities for the state highway system. Goal-setting is a critical component of a performance-based funding system in transportation, and the decisions made at this stage would inform subsequent funding allocations. At their December meeting, the Regional Coordinating Committee discussed that this state-level policy group should be managed by IDOT, should include a diverse set of transportation stakeholders, MPOs chief among them, and its membership should be representative of the state as a whole. MPOs would enter this process having determined their goals and priorities in Step 1.

Such a group would not be the first to determine policy goals for the state transportation system. For example, IDOT's most recent [State Transportation Plan](#), published in 2007, identifies several broad goals organized into thematic areas such as finance and safety. However, the State Transportation Plan does not include specific, robust goals, nor does it link funding allocations with performance outcomes. While CMAP staff does not prescribe a goal-setting process in this memorandum, it is anticipated that the state-level policy group will consider a variety of transportation performance data, as well as the regional goals and priorities developed in Step 1, to identify robust performance goals for the transportation system. These performance measures could include the transportation system's physical conditions, congestion, and economic impact.

After identifying official state goals and policies, this policy group would divide state highway funds (excluding the CMAQ and local STP programs, which are programmed regionally) and divide them into three broad programmatic categories: **Maintenance, Modernization, and Expansion**. Maintenance projects would include activities such as resurfacing, pavement markings, painting, landscape, bridge and culvert repairs, bridge rehabilitation and replacement, and signage. Modernization include geometric improvements to roadways, the use of innovative pavements, safety projects, grade separation of intersections, and intelligent transportation systems (ITS) projects including corridor management and traveler information systems. Expansion projects would include new lanes, new interchanges, new bridges, and new roadways. Each of the broad programmatic categories would contain appropriate subcategories, for example bridge repair and repaving for Maintenance projects, safety and traveler information for Modernization projects, and new lanes and new interchanges for Expansion projects. These categories correspond to the three key objectives of IDOT and RTA's capital programs, as well as the three main project types discussed in CMAP's GO TO 2040.

Step 3: Statewide Project Selection

After the state-level policy group determines overall funding levels for broad programmatic areas and subcategories, it would determine the appropriate **performance measures and their weights** for each programmatic area and subcategory to be used in selecting individual projects for funding. The peer states discussed earlier provide examples of performance-based formulas

used to score individual projects. In general, CMAP staff anticipates that following types of performance measures to be applied to each programmatic area:

- Maintenance projects – These projects would be based almost entirely on traditional **engineering criteria** such as vehicle-miles traveled, vehicle-hours-traveled, volume-to-capacity ratios, pavement and bridge condition ratings, levels of service, and lane-miles. IDOT's existing engineering formulas, data collection systems, and prioritization processes would likely continue in their current form.
- Modernization projects – These projects would be based on similar **engineering criteria**, but also on their **economic impact** and the **priorities of regional transportation stakeholders**. Economic impact would likely be measured by number of jobs created and change in gross regional and state product.
- Expansion projects – These projects would also be based on **engineering criteria**, **economic impact**, and **regional priorities**.

As described above, CMAP recommends that the evaluation criteria for modernization and expansion projects include formal mechanisms to solicit and incorporate the input of the state's metropolitan planning organizations. CMAP does not recommend specific process to do so, but emphasizes that MPOs should have the flexibility to determine priorities in a regionally-appropriate manner. Again, CMAP's selection of major capital projects in GO TO 2040 and air quality and congestion mitigation projects through the CMAQ program provide examples of how such a regional prioritization process might work.

At this step, the statewide policy group would need to determine an appropriate process to combine the quantitative performance formulas and scores with more qualitative regional priorities developed by MPOs. Again, CMAP emphasizes that different types of projects would be subject to different criteria; Modernization and Expansion projects, for example, would include broader metrics to capture economic impact and regional priorities.

After evaluation criteria have been determined, projects from across the state determined in Step 1 would compete for available funds for each category and subcategory using the pre-established criteria. Projects would be ranked from highest-scoring to lowest-scoring; the highest-scoring projects would be awarded funding until all funds are exhausted. CMAP anticipates that IDOT would determine the final scores and award funds under this process; there would be no change in their programming authority.

The following flow chart describes the three-step process visually.

CMAP Recommendation for a Three-Step Highway Funding Process

Step 1: Determine Regional Priorities
and Develop List of Candidate Projects

- Initial preparatory step
- Each MPO would meet internally to determine its goals and priorities for statewide funding allocations and evaluation criteria.
- Each MPO would also determine lists of potential highway projects in its region. IDOT would identify potential projects in non-metropolitan areas.
- MPOs would determine their own processes to complete the above; CMAP's selection process for GO TO 2040 major capital projects and the CMAQ program are examples.



Step 2: Determine Statewide Goals,
Funding Levels, and Evaluation
Criteria

- A state-level policy group—including MPOs—would meet to determine overall funding levels for three broad programmatic areas:
 - Maintenance
 - Modernization
 - Expansion
- The group would determine funding levels for subcategories within the programmatic areas.
- The state-level policy group would determine performance measures and evaluation criteria for the programmatic areas and their subcategories.
- The evaluation criteria for modernization and expansion projects would provide a formal role for MPOs.



Step 3: Statewide Project Selection

- Projects determined in Step 1 would compete for funding from the various categories.
- Projects would be scored using the performance measures identified in Step 2. Projects would then be funded from highest-ranking to lowest-ranking until the relevant funds are exhausted.

Transit Funding

The transit discussion has multiple components: how the State allocates capital funds, how the RTA allocates the discretionary capital funds among the three Service Boards, and how the Service Boards select capital projects. We recommend that the RTA and Service Boards continue to take the lead in identifying and prioritizing their capital needs, and that the State maintain its more limited role as financier for a portion of these capital needs.

There is relatively little guidance from peer transit agencies on how to implement a performance-based capital funding system at the regional level; the RTA's recent work on transit asset management appears to be new territory. We recommend the RTA continue the development of the pilot project and further convene a wider group of stakeholders, including MPOs, to determine the appropriate performance measures and weights by which transit capital funding ought to be allocated within northeastern Illinois. This group would advocate for an appropriate legislative response after reaching a consensus. The RTA's recent work on capital needs assessment is a useful first step, and will likely represent a critical reference for the proposed task force. While our emphasis here is on capital funding, the distribution of RTA's operating funds is strictly defined in law, and leaves little room for a more performance-based approach. We believe this issue will also need to be addressed in the long run, likely through a deliberative outreach process similar to what we recommend for transit capital funding.

At the state level, we recommend that IDOT impose transparency measures to demonstrate to the public how it allocates resources from its various public transportation funds. The State should also describe how it selects individual projects for inclusion in major capital programs such as Jump Start and Illinois Jobs Now!

RECOMMENDED IMPLEMENTATION ACTIONS

At their December 2011 meeting, the Regional Coordinating Committee advised the CMAP Board and MPO Policy Committee to recommend the implementation of performance-based funding systems for both highway and transit funds. While the committee discussed the potential benefits of state legislation and/or the formation of a new independent commission to help compel a new process, the committee's preferred approach was to recommend that IDOT and the RTA lead the implementation without new legislation or the creation of a new oversight entity.

As described earlier, IDOT enjoys flexibility in programming the funds that accrue to the State's Road Fund and Construction Account, and the longstanding "55/45 split" is not statutorily defined. IDOT could therefore move toward a more inclusive performance-based process under its own initiative. Indeed, the systems profiled in Ohio, Missouri, and Kansas were each initiated by a state department of transportation or transportation commission. The Service Boards also enjoy flexibility in spending the capital resources they receive from federal and state sources, and there is indication from the RTA that the Service Boards are already moving down this path.

As mentioned in the introduction, federal reauthorization of the surface transportation program is likely to require the increased use of performance measures by state and regional governments. CMAP believes it is to the State's advantage to begin implementing its own performance-based system in anticipation of a long-term federal bill.

CONCLUSION

Although a performance-based accountability system relies on quantitative measures, it is not an entirely objective exercise. For one, defining "performance" is not straightforward, particularly when a transportation system's multiple goals conflict. There is no objective way to choose metrics, which come in many shapes and sizes, or to integrate qualitative criteria. Deciding how to employ agreed-upon evaluation criteria is no less clear-cut. These many concerns can be summarized in three basic questions: (1) what to measure, (2) how to measure it, and (3) how to use these measurements.

The performance-based systems recommended here do not answer all these policy questions. However, they do provide for greater transparency and a more prominent role for MPOs and other stakeholders in the development of the State's highway improvement and transit programs. They promote the participation of a broader range of stakeholders, and incorporate both quantitative and qualitative data into the deliberation process. These systems build incrementally on existing practice, and, for capital expenditures, can be directly implemented by IDOT, RTA, or Service Boards. Reforms to the allocation of transit operating revenues would require legislation, while IDOT enjoys greater discretion to spend highway operating revenues.

A performance-based funding system can move the region and state toward improved coordination and strategic investment as identified in GO TO 2040. Moreover, performance-based systems can improve public accountability, and help to ensure that scarce public resources are spent most effectively.

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CMAP'S 2012 STATE LEGISLATIVE FRAMEWORK

97th Illinois General Assembly (2012 – Second Year)

The State of Illinois is key to the success of GO TO 2040 implementation. It allocates nearly \$50 billion per year across various program areas and plays a significant role in operating and maintaining the transportation system, promoting economic development, and maintaining and preserving our natural resources. Using GO TO 2040 as a guide, this document highlights policy priorities for CMAP during the 2012 legislative session. Generally speaking, CMAP is most interested in issues with a regional or statewide impact or those that could serve as precursors to broader, more comprehensive legislation. The document includes priority issues and *Legislative Principles* based on GO TO 2040's recommendations. The principles were developed to guide staff and inform our partners, the Governor, legislators, state agency directors, and others about CMAP's policy positions regarding legislative initiatives being discussed or introduced in the General Assembly.

THE ROLE OF CMAP

Many public policy issues transcend local jurisdictions or can be too large an undertaking for any one unit of government. Issues such as economic development, transportation, wastewater management, water supply and improving the quality of life in our region are examples of challenges that require regional cooperation. Regional planning helps coordinate efforts and resources within a metropolitan area and provides local, state and federal governments with a unified vision. As the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry and Will, the Chicago Metropolitan Agency for Planning (CMAP) is mandated by state statute to develop and guide the implementation of the region's first comprehensive regional plan, GO TO 2040. The plan was adopted in October 2010 and builds on the region's assets, identifies shortcomings, and recommends actions that will help sustain the region's economic vitality and global competitiveness. CMAP and GO TO 2040 serve an important role by identifying regional interests and impacts regarding actions being taken at various levels of government. CMAP is in a unique position to directly impact and improve the quality of life of more than eight million residents, more than half the state's population. To that end, CMAP is committed to working with the Governor, legislators, local elected officials, agencies and other partners in protecting and enhancing the quality of life for all who live and work in northeastern Illinois.

CMAP'S 12 LEGISLATIVE PRINCIPLES

PURSUE COORDINATED INVESTMENTS

One community, or even a single level of government, cannot solve our most pressing problems alone. The State of Illinois is large and diverse, but our communities are interdependent and state and local leaders will have to work across geographic borders to create sustainable prosperity. Metropolitan regions drive the U.S. economy, yet state governments make most of the decisions about investing federal dollars. The state all too often spreads those resources

around too thinly, which undermines the ability of regions to implement plans – no matter how well-conceived. To harness the economic power of regions like ours, GO TO 2040 recommends that the state return and invest more resources in metropolitan areas and gives those areas more authority to decide how to use those funds. Such a regional approach could focus state investments to maximize their economic impact. Additionally, agencies should work together to streamline grant requirements and to align their goals, performance criteria and funding. By making collaboration across state programs routine, agencies can help regions to more effectively implement comprehensive solutions to their problems.

Legislative Principle:

CMAP will support legislative initiatives that take a regional approach; foster interjurisdictional collaboration; and intra-agency investments to increase efficiencies and remove duplication where appropriate.

ACHIEVE GREATER LIVABILITY THROUGH LAND USE AND HOUSING

Our state has an important role to play in helping communities strive toward the principles of livability – healthy, safe, walkable communities that offer transportation choices for access to schools, jobs, services and basic needs. More coordinated investment among transportation, environmental and housing expenditures can go a long way toward ameliorating some of the unintended consequences that can sometimes occur when policy areas are evaluated separately. Transportation funds should be programmed with land use and environmental considerations in mind. For example, funding programs from IDOT, DCEO and IHDA can be coordinated and streamlined to create plans, ordinance updates and capital investment programs that are consistent with GO TO 2040. These agencies can also prioritize funding to communities engaging in intergovernmental planning. Funding incentives from the state that encourage local governments to plan collaboratively for the future will help move northeastern Illinois toward the goal of greater livability.

Legislative Principles:

- CMAP will support legislative initiatives that align funding across various state agencies for planning, ordinance updates and capital investments that align with GO TO 2040's livability principles.
- CMAP supports legislative initiatives that promote reinvestment in existing communities and align with the livability principles of GO TO 2040. Specifically, CMAP supports initiatives and programs that are competitive, offered on a statewide or regional basis, and are based on comprehensive evaluation criteria considering the interconnected focus areas of transportation, housing, the environment and economic development.

MANAGE AND CONSERVE WATER & ENERGY

The conservation of water and energy is a top priority for GO TO 2040. In the next 30 years, these resources will likely become more constrained, affecting business, government and residents. The energy priorities in GO TO 2040 are focused on meeting needs through demand reduction and for our region to determine a path to increase the use of renewable energy options. For water, integration of land use and resource planning can play a central role in

achieving better conservation. Both energy and water resource conservation strategies are best achieved at the local level, but the state has a vital role to play. Funding to support local and regional energy retrofit programs, integration of land use and resource conservation planning, and promotion of renewable energies and improved technologies are all crucial to achieving conservation goals. The General Assembly should be directing natural resource agencies to identify opportunities to coordinate programs and funding sources. A coordinated effort across agencies will improve efficiency, interagency data sharing and cooperation.

Legislative Principle:

CMAP will support energy and water conservation initiatives that meet our needs, yet reduce demand; promote and finance local and regional retrofit programs; incorporate renewable energy options; use new technologies; promote water reuse techniques, and promote integrated water and land use planning through multi-objective planning.

EXPAND AND IMPROVE PARKS AND OPEN SPACE

The State of Illinois plays an important role in conserving natural areas, promoting access to parks, and providing funding through various grant programs to local governments for acquiring and managing parks and open lands. The state operates and maintains large quantities of open space throughout northeastern Illinois and IDNR has been a leader in land acquisition and helping the region achieve various parks and open lands objectives. A top priority of GO TO 2040 is to expand the green infrastructure network. To do so, CMAP recommends making significant, criteria-based investments in parks and open space. Major benefits will follow from this, including enhanced quality of life and property values, improved public health through the promotion of active lifestyles, and the protection of ecosystem services like biodiversity, water supply, flood storage, and water purification. CMAP and GO TO 2040 recommend that an additional 150,000 acres of land be preserved over the next 30 years through a collaborative, multi-organizational, public-private approach.

Legislative Principles:

- CMAP will support legislative initiatives that coordinate open space investment to create a connected green infrastructure network and prioritize preservation of the most important natural areas.
- CMAP will support legislative initiatives that increase funding to provide parks and conserve land, that invest in the establishment of new parks in developed areas, and policies that provide green connections through greenway trails.

PROMOTE SUSTAINABLE LOCAL FOODS

Food — like air, water and shelter — is a basic human need and directly influences the economy, environment, public health and overall quality of life. Hunger and food scarcity continue to be major issues of concern in our region and across the state. The Illinois Department of Human Services (IDHS) and the Illinois State Board of Education (ISBE) administer and/or oversee many of the nutrition and hunger-relief programs that operate in Illinois. Better alignment of government agencies and services across the region and state can enhance program delivery around the needs of individuals and families. In addition, the use of

technology and better data and information systems can streamline programs and services and make it easier for residents to apply for and renew for certain services.

Legislative Principle:

CMAP supports legislative initiatives applied statewide or regionally that facilitate sustainable local food production, increase access to safe, fresh, affordable and healthy foods, and improve local food related data, research, training and information sharing.

IMPROVE EDUCATION AND WORKFORCE DEVELOPMENT

Researchers, business leaders and elected officials agree that the quality of our workforce is one of the most important factors — if not the most important — in strengthening the region's economy. Like other states, Illinois makes large expenditures toward schools, from pre-kindergarten to community colleges to the university system. The state can help support the goals of GO TO 2040 particularly by ensuring that these expenditures are achieving the desired outcomes of higher educational attainment and preparing our residents for the jobs of tomorrow. GO TO 2040 emphasizes the importance of strengthening workforce development programs, which can have a significant role in sustaining economic growth by providing an important intermediary function in the labor market. The sheer complexity of the workforce development system can be strengthened through more coordination and better information networks to track, measure and analyze performance.

Legislative Principles:

- CMAP will support legislative initiatives that align workforce development, education and economic development initiatives to measure outcomes, and efforts that improve data-driven decision making.
- CMAP will support legislative initiatives that increase flexibility and improve delivery of workforce development services, including the strengthening of community-focused provision of services.

SUPPORT ECONOMIC INNOVATION

Economic innovation, the process by which new ideas transform into new goods and services, is generated largely by the private sector, but the public sector has an important role to help spur innovation by supporting ideas, institutions and relationships. The regional economy can gain substantial benefits from innovation through the creation of high-paying jobs, specifically knowledge and high-tech jobs. Data indicates that the region is underperforming across a variety of innovation measures, and is falling behind compared to other U.S. metropolitan areas. It will require serious action to increase economic innovation to keep the metropolitan Chicago region thriving and globally competitive. GO TO 2040 suggests the state use enhanced data to evaluate financial incentives and programs and target them toward the attraction and retention of innovative industries with good jobs. The state can strengthen its focus on nurturing regional industry clusters like freight and logistics, advanced manufacturing, and biopharmaceuticals, and work with industry coalitions to secure and leverage public and private funding.

Legislative Principle:

CMAP will support legislative initiatives that evaluate and expand successful programs, improve data-driven decision making, and target investments towards the region's industry clusters.

REFORM STATE TAX POLICY

To create livable communities and keep our region economically competitive, state and local tax systems should encourage effective land use, generate good jobs, and foster sustainable economic activity. GO TO 2040 recommends the CMAP Board establish a Task Force to give advice on state and local tax policy reforms that would advance GO TO 2040's goal for sustained regional economic competitiveness through creating more livable communities, improving the region's economic climate, enhancing the region's transportation system, and making governance in the region more efficient. The Task Force is charged with evaluating state and local fiscal policy issues through the lens of the regional economy and the connections between tax policies and development decisions with a focus on improving the efficiency, equity and transparency of the tax system. In early 2012, the Task Force will submit a report to the CMAP Board.

Legislative Principle:

CMAP supports legislative initiatives that align with the CMAP Board's state and local tax policy recommendations, as made through the Regional Tax Policy Task Force.

IMPROVE ACCESS TO INFORMATION

Most state agencies control large amounts of data and information. Policy challenges cannot be solved – and efficient governance cannot be achieved – without comprehensive, current and accurate data resources. Residents are served best when government information is freely accessible to all. When public bodies have access to complete, accurate and timely information, leaders can make decisions that are better for our communities, our region and the state.

Legislative Principle:

CMAP will support legislation that expands the dissemination of state data, helps local governments post data online, facilitates opportunities to form partnerships around data-sharing pilot projects with other interested regional partners, and helps implement best practices and technological improvements that facilitate open exchange of data.

INVEST STRATEGICALLY IN TRANSPORTATION

The future prosperity of Illinois depends on strategic transportation investments, and this requirement is especially pertinent in tough economic times. However, our current investment practice is often predicated on arbitrary formulas rather than economic or performance-based criteria. Illinois, unlike many other states, lacks a transparent, performance-driven approach to programming its transportation dollars after they are apportioned to the various highway districts. GO TO 2040 emphasizes that the state and other transportation implementers prioritize efforts to maintain and modernize existing assets before expanding the system, and that investments of all types take a multimodal approach, with consideration for all users.

Additionally, the state's larger capital funding process is inconsistent, consisting of a major supplementary funding package about once a decade. Dependable, predictable funding is crucial for complex, long-term transportation projects.

In addition to emphasizing strategic transportation investments, GO TO 2040 recommends increasing transportation funding through several new or expanded sources. The generation of new revenues must be done through efficient, sustainable user fees, which should better reflect the actual costs of maintaining and operating the system. Additionally, user fees should reflect broader social costs of transportation, such as the costs of traffic congestion.

Legislative Principles:

- CMAP will support legislative initiatives that establish more robust statewide measures for allocating transportation funds, establish a transparent and accountable process within IDOT to grant regions more decision-making authority and flexibility in funding regional priorities.
- CMAP will support legislative initiatives that increase and index the existing motor fuel tax to support the repair and modernization of the transportation system. Additionally, CMAP will support legislation to permit and encourage innovative transportation finance measures that reflect the marginal costs of using the system. Policies such as congestion pricing support more efficient management of existing transportation assets and encourage travelers to make judicious use of our scarce transportation resources.
- CMAP will support efforts to include state capital program funding as part of the annual budgetary process, rather than in the form of infrequent state capital program packages. Again, project selection should be based upon performance criteria.

INCREASE COMMITMENT TO PUBLIC TRANSIT

Public transportation helps reduce congestion, improves air quality, and provides transportation alternatives for those who can't or choose not to drive. The mobility enabled by transit helps our economy grow and improves our quality of life – two goals that will become increasingly important as our region welcomes an additional 2.8 million residents over the next 30 years. After decades of underinvestment, our transit system requires substantial funds to return to a good state of repair. The top priority of GO TO 2040 is to maintain and operate the existing transportation system – and transit is no exception. The goal is to move the system toward a “state of good repair,” the point at which all transit facilities are in good condition and there is no backlog of capital maintenance. The plan also recommends a limited and conservative approach to expansion of service in the region. GO TO 2040 encourages the state to support transit-oriented development through its transportation, housing and economic development investments. GO TO 2040 also recommends securing new sources of revenue to support transit, including dedicating a portion of the proposed gas tax increase to transit, as well as some portion of future congestion pricing revenues.

Legislative Principle:

CMAP will support legislative initiatives that provide more resources for the maintenance and modernization of our transit system, that encourage innovative transit financing, and that provide for reasonable expansion of the transit system as described in GO TO 2040.

CREATE A MORE EFFICIENT FREIGHT NETWORK

By any measure, our region is the nation's rail and truck freight hub, and the state has a vital role to play in ensuring that we maintain this position. In partnership with the federal government and the region, the state should prioritize the implementation of the CREATE rail improvement project. Truck traffic in the region is also important, and the state can take a leadership role in identifying opportunities for dedicated freight corridors and implementing truckways or similar facilities when appropriate. A major element of GO TO 2040's approach to freight is the establishment of a regional freight authority to prioritize and finance freight infrastructure; the state should take an active role in the formation of this entity.

Legislative Principle:

CMAP will support legislative initiatives that fund CREATE, explore the creation and funding of truckways, and establish a Regional Freight Authority.

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DRAFT STATE AGENDA, SPRING 2012

During the 2012 session of the Illinois General Assembly, CMAP is pursuing the following priorities as appropriate with our regional legislative delegation, relevant state agencies, the Governor and his staff, and CMAP partners. The agenda was based on the adopted GO TO 2040 plan, current priorities of the Governor and the General Assembly, and discussions with key leadership and CMAP partners. Additionally, many issues arise during the legislative session that are not listed below and will be addressed using the State Legislative Framework document.

CMAP FUNDING

Secure a stable and dedicated funding source for CMAP. The legislation creating CMAP called for the agency to produce a comprehensive land use and transportation plan for our region and a dedicated funding source to enable CMAP to perform its duties. Last year, the budget implementation bill dissolved the Comprehensive Regional Planning Fund (CRPF), making CMAP reliant solely on an annual Road Fund grant from IDOT, which sharply limits our future scope in other vital non-transportation activities. CMAP received \$3.5 million from the General Revenue Fund for comprehensive planning. A portion of that served as the state match for federal transportation funding, with the remainder supporting CMAP's statutorily required non-transportation activities. This issue needs to be addressed to ensure that CMAP has a stable, dedicated funding source to effectively implement the comprehensive vision of GO TO 2040.

Support legislative initiatives dedicated to funding state and regional water planning. In 2006, the State provided funding for state and regional water planning. This funding depleted steadily as the Illinois Department of Natural Resources (IDNR) continued to adjust to budget reductions due to limited state revenues. CMAP supports increasing funding to IDNR with new revenues that will support state and regional water resources planning, with a portion to be directed to the 11-county CMAP water planning area.

INVEST STRATEGICALLY IN TRANSPORTATION

GO TO 2040 recommends that transportation funding decisions be based on transparent evaluation criteria, utilizing performance measures developed by the State, MPOs and the region's transportation stakeholders. CMAP will continue to engage the Secretary of the IDOT and IDOT officials, other transportation policy advocates, the Governor's office and the General Assembly as to the benefits of and implementation of performance-driven criteria into the development process for transportation investments.

CMAP will support legislative initiatives to increase the existing 19 cents per gallon gasoline tax and index the tax to inflation. A portion of these proceeds should be devoted to transit. Additionally, CMAP will support legislation to permit and encourage innovative transportation finance measures that reflect the marginal costs of using the system.

REGIONAL FREIGHT AUTHORITY

GO TO 2040 recommends that a Regional Freight Authority be created to address the regional freight needs in northeastern Illinois. CMAP will monitor legislative activity to address freight needs in northeastern Illinois and the state. CMAP will facilitate and convene meetings between CMAP's Freight Committee and the key senate proponent and to consider any additional meetings between CMAP, stakeholders and the legislative sponsor to discuss ways to incorporate GO TO 2040 plan recommendations into any developing freight issues.

DRAFT

CMAP'S 2012 FEDERAL LEGISLATIVE FRAMEWORK

FEDERAL LEGISLATIVE PRINCIPLES & OBJECTIVES

Using GO TO 2040 as a guide, the Chicago Metropolitan Agency for Planning (CMAP) has developed a set of principles to inform federal legislators and other national policy makers about CMAP's positions on national policy issues. This agenda focuses on principles that will help direct CMAP support or opposition to specific pieces of legislation over the course of the federal legislative calendar.

In this day and age, many public policy issues transcend local jurisdictions or can be too large an undertaking for any one unit of government. Issues such as economic development, transportation, and environment require regional cooperation. Regional planning helps coordinate efforts and resources within a metropolitan area, providing state and federal governments with a unified vision for a region's future. As the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will, the Chicago Metropolitan Agency for Planning (CMAP) was mandated by state statute to develop and guide the implementation of the region's first comprehensive regional plan, GO TO 2040. The plan builds on the region's assets, identifies shortcomings, and recommends actions that will help sustain the region's economic vitality and global competitiveness over the next thirty years.

PURSUE COORDINATED INVESTMENTS

Metropolitan regions drive the U.S. economy, and this should be reflected in federal policy and programs. An increasingly "regional approach" to investment decisions, which would both invest more in metropolitan areas as well as devolve more appropriate authority for funding decisions to the regional level, harnesses the economic power of regions. Comprehensive regional plans, like GO TO 2040, should guide federal investment decisions since the plan identifies regional priorities by linking transportation, land use, the natural environment, economic prosperity, housing, and human and community development. The federal government has demonstrated great promise in helping to implement plans like GO TO 2040 by creating a set of guiding livability principles through the Partnership for Sustainable Communities, a joint collaboration among the U.S. Department of Transportation, U.S. Housing and Urban Development, and U.S. Environmental Protection Agency.

Legislative Principles:

- CMAP supports legislative initiatives that take a regional approach and foster inter-jurisdictional collaboration. A more robust investment by federal agencies in regional comprehensive planning is central to this goal.
- CMAP supports initiatives and programs that are competitive and based on comprehensive evaluation criteria considering the interconnected focus areas of transportation, land use, housing, the environment, and economic development. Recent examples include the DOT, HUD, and EPA joint Partnership for Sustainable Communities, and TIGER, a competitive performance-based transportation funding program offered through ARRA.

ACHIEVE GREATER LIVABILITY THROUGH LAND USE AND HOUSING

The federal government has an important leadership role to play in helping communities strive toward the principles of livability—healthy, safe, walkable communities which offer transportation choices for access to schools, jobs, services, and basic needs. The Federal government has recently taken steps to evaluate one aspect of the interrelated nature of these issues through HUD’s initiative to create a national Housing and Transportation Affordability Index. As noted under “Pursue Coordinated Investments”, the federal government has increased its support for livable communities and addressed the need to link planning across disciplines through programs like the Sustainable Communities Initiative (which funds CMAP’s Local Technical Assistance Program). These agencies can also prioritize funding to communities engaging in intergovernmental planning, particularly those addressing the interconnected relationship between transportation, land use, and housing. Funding incentives from the federal government to encourage local governments to plan collaboratively for the future will help move northeastern Illinois toward the goal of greater livability.

Legislative Principles:

- CMAP supports continued implementation and expansion of the Sustainable Communities initiative program.
- CMAP supports the prioritization of federal funding to communities engaged in intergovernmental planning.
- CMAP supports targeting housing programs to the rehabilitation of existing housing stock in areas with transit access.

INVEST STRATEGICALLY IN TRANSPORTATION

GO TO 2040 emphasizes the vital importance of strategic transportation investments. Given the transportation system’s importance to the regional economy, this recommendation is especially pertinent in difficult economic times. *GO TO 2040* recommends using existing revenue sources more wisely by implementing performance based criteria rather than historical formulas for funding apportionments and project selection. The plan also recommends increasing user fees, as current revenues are insufficient to maintain, modernize, and expand the regional transportation system. The existing motor fuel tax should be brought up to date with today’s actual costs of maintaining and operating the system. Additionally, the implementation of new more innovative structures including congestion pricing will better reflect the broader social costs of transportation, such as congestion.

See [here](#) for CMAP’s full transportation legislation reauthorization priorities.

Legislative Principles:

- CMAP will support legislative initiatives that increase and index the existing motor fuel tax to support the repair and modernization of the transportation system. Additionally, CMAP will support legislation to permit and encourage innovative transportation finance measures predicated on user fees.
- CMAP will support implementing congestion pricing and managed lane strategies.

- CMAP will support legislative initiatives that empower metropolitan planning organizations to help make strategic transportation investment decisions.
- CMAP will support efforts to improve project selection based upon performance criteria.

CREATE A MORE EFFICIENT FREIGHT NETWORK

Metropolitan Chicago is the nation's freight hub. An efficient freight system enables a global supply chain to provide goods at lower costs and gives businesses an advantage in today's global economy. A federal intermodal freight policy can address the efficient movement of goods, and federal resources can be directed to the projects where freight has the greatest national benefit. An overarching federal policy concerning freight would provide valuable guidance as regions attempt to confront freight challenges, many of which are national in their scope.

Legislative Principle:

- CMAP will support a national freight policy with dedicated funding and corridors of national significance.
- CMAP supports securing funding to complete the CREATE Program.

INCREASE COMMITMENT TO PUBLIC TRANSIT

Federal funding for the maintenance, enhancement, and expansion of our region's public transit remains of vital importance. Public transit is highly valued by northeastern Illinois residents, and modernization of the system is a key recommendation of GO TO 2040. Capital needs continue to outpace available capital revenues, and the system faces a large backlog of deferred maintenance, which impacts service across the region. The use of federal funds for rehabilitation, reconstruction, and improvement projects — rather than just new capacity — is critically important to a region with major supplies of older transit infrastructure, as ours has. GO TO 2040 recommends specifically that the federal government should reform the New Starts funding source in line with these priorities. Additionally, we encourage our federal partners to support transit-oriented development through its transportation, housing, and economic development investments.

Legislative Principle:

- CMAP will support legislative initiatives that provide more resources for the maintenance and modernization of our transit system, that encourage innovative transit finance, and that provide for reasonable expansion of the transit system as described in GO TO 2040.
- CMAP supports revising the federal "New Starts" program to support reinvestment in existing infrastructure rather than solely new expansions.

MANAGE AND CONSERVE WATER & ENERGY RESOURCES

The conservation of water and energy is a top priority for GO TO 2040. Like other places in the country, the region has historically suffered under-investment in drinking water infrastructure, leading to unnecessary leakage and reliability problems. Wastewater infrastructure funding has

also been inadequate to meet identified needs. One of CMAP's major goals is to promote the investment in water and wastewater infrastructure necessary to maintain and improve service for residents, use water efficiently, and protect the environment. In addition, the Great Lakes are beset by numerous threats including invasive species, water level declines and ongoing and legacy pollution. The federal government can support the restoration of the Great Lakes through cleanup of legacy contamination, reduction of non-point contamination sources, and promotion of green infrastructure, and full implementation of the Great Lakes Compact, which will ensure a cooperative, performance-based investment process that balances ecological and economic goals.

The federal government can provide local and regional funding assistance for communities to reduce energy consumption in buildings through retrofits. It can also redouble efforts to transition away from centralized electricity generation with inefficient long-distance transmission and toward smaller-scale, decentralized generation, and the "smart grid." This will enable better demand management, and more intelligent utilization of capacity. The federal government can also invest in and provide incentives for research, production, and transmission of clean energy technologies and alternative fuels to reduce greenhouse gas emissions. Lastly, national targets for reducing greenhouse gas emissions would be an important step for combating climate change.

Legislative Principles:

- CMAP supports federal initiatives that encourage water efficiency, that take a "green infrastructure" approach to water resources management, and protect the Great Lakes, including implementation of the Great Lake Compact.
- CMAP supports regional funding assistance for communities to reduce energy consumption in buildings through retrofits as well as federal investment in smart grid applications.
- CMAP supports additional federal investment in water/sewer infrastructure and encourages the use of pricing to manage demand and recover the full cost of infrastructure through rates.
- CMAP supports national targets for reducing greenhouse gas reductions and federal support for strategies for achieving those goals. In conjunction CMAP encourages the federal government to allow regions latitude to implement the most relevant local strategies to attain the targets.

IMPROVE EDUCATION AND WORKFORCE DEVELOPMENT

Researchers, business leaders, and elected officials agree that the quality of our workforce is one of the most important factors — if not the most important — in strengthening the region's economy. Not just in the region but across the U.S., student achievement has been declining compared to other industrialized nations. In order to reverse this trend and grow a high quality workforce, the federal government can strengthen and expand strategies that link employers, educators, and other workforce development entities. The federal government should increase flexibility and funding for workforce development programs and better coordinate them with

education and economic development efforts. The federal government should also play a role in monitoring impacts and communicating outcomes.

Legislative Principles:

- CMAP supports legislative initiatives that align workforce development, education, and economic development initiatives to measure outcomes, and efforts that improve data-driven decision making.
- CMAP supports federal financing for education and training that is aligned with businesses' needs and is coordinated with other related systems, including economic development.

SUPPORT ECONOMIC INNOVATION

Economic innovation, the development and commercialization of new products and processes, is a key driver of economic performance. Recent federal programs and policies have recognized the fact that regions are the drivers of our nation's economy. Investing in regional economic innovation is gaining importance in federal policy as a way to support economic growth. Federal financing can harness the power of regional industry clusters and help transition start-up firms from incubator programs into the business world. The federal government can help create innovation through a robust national policy agenda, which includes incentives for regional collaboration across stakeholder groups and developing regional clusters of innovation.

Legislative Principle:

- CMAP supports funding for the America Competes Act which invests in science, technology, engineering, and math (STEM) education and fosters innovative research and commercialization. This bill has been signed into law. Now, Congress must appropriate the adequate funding. Of significant regional interest is that the legislation authorizes the creation of a "regional innovation program" to "encourage and support the development of regional innovation strategies, including regional innovation clusters". A new competitive grant program would make awards available to regional cluster initiatives on a matching basis.
- CMAP will support legislative initiatives that improve data-driven decision making and target investments towards industry clusters.

EXPAND AND IMPROVE PARKS AND OPEN SPACE

Much of the park or open space issues are governed by state or local jurisdiction, but the federal government can play a central role. Less than half of the residents of the CMAP region have access to adequate park and recreation areas near their homes, even though numerous studies have shown that such areas have a beneficial effect on both physical and mental health. The federal government should support direct investment in open space, particularly to preserve large "macrosites." This can happen through formation of national wildlife refuges, or the transfer of surplus federal property to open space uses, as occurred at Midewin National Tallgrass Prairie and Fort Sheridan.

Legislative Principle:

- CMAP supports direct federal investment in open space preservation. This could include additional grant funding for the Land and Water Conservation Fund and Urban Park Recreation Recovery programs, the formation of national wildlife refuges or the transfer of surplus federal property to open space.

PROMOTE SUSTAINABLE LOCAL FOODS

There is growing concern about the environmental impacts, safety, and quality of our food. Also gaining widespread attention are the disparities of access to fresh, nutritious, and affordable foods and the health implications of “food deserts” (areas without nearby retail outlets that have fresh, nutritious, and affordable food). The federal government can support local food production by providing the tools and resources necessary to ensure that its farmland preservation investments and general agricultural subsidies promote viable local food systems. The federal government can support a variety of demonstration programs to evaluate different means of providing better food access in food deserts, including funding these efforts and communicating best practices.

Legislative Principle:

- CMAP supports legislative initiatives that facilitate sustainable local food production, increase access to safe fresh and affordable and healthy foods, and that improve data, research, training, and information sharing.

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ABOUT CMAP

The Chicago Metropolitan Agency for Planning (CMAP) is the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. CMAP developed and now leads the implementation of GO TO 2040, metropolitan Chicago's first comprehensive regional plan in more than 100 years. To address anticipated population growth of more than 2 million new residents, GO TO 2040 establishes coordinated strategies that help the region's 284 communities address transportation, housing, economic development, open space, the environment, and other quality-of-life issues. See www.cmap.illinois.gov for more information.



Chicago Metropolitan Agency for Planning


Agenda Item No. 5.0

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MEMORANDUM

To: MPO Policy Committee and CMAP Board

From: Dolores Dowdle 
Deputy Executive Director, Finance and Administration

Date: January 5, 2012

Re: Fiscal Year 2013 Unified Work Program (UWP) Process

Unified Work Program (UWP) federal funding is available for transportation planning projects within a metropolitan area. For the CMAP area, there is an increase in federal funding from \$15.7 million to \$18 million for FY 2013. With matching funds, the total project cost available for UWP projects is \$22.5 million.

The Metropolitan Planning Organization (MPO) has the primary responsibility for preparing the UWP for its metropolitan area. The federal guidelines state that all planning and implementing agencies must be an integral part of the planning process and participate in the development of the UWP. In the CMAP region, the UWP Committee serves as the project selection body for this process. The committee is chaired by IDOT, who votes in case of a tie. The membership is comprised of a representative from each of the transit service boards (CTA, Metra and Pace), the City of Chicago, RTA, CMAP, a representative from the counties, and a mayor representing the Council of Mayors. In addition, non-voting members are representatives from Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and Illinois Environmental Protection Agency (IEPA). The UWP Committee establishes program priorities and selects core and competitive proposals. Final selections are approved by the Transportation Committee and then forwarded to the Regional Coordinating Committee, CMAP Board and the MPO Policy Committee for approval.

Last year the UWP Committee, with concurrence of the Transportation Committee, Regional Coordinating Committee, CMAP Board and the MPO Policy Committee, approved the following FY 2012 UWP priorities aligned with the regional priorities described in the GO TO 2040 Plan. It is not anticipated that any changes will be necessary to these priorities until the update of the GO TO 2040 plan in 2015.

- *Modernization of the Public Transit System.* GO TO 2040 recommends an enhanced focus on prioritizing planning work for the modernization of the existing transit system. Actions include work on coordinating services and fares, including pursuit of a universal fare payment system, work on traveler information systems, and technological improvements including transit signal priority and ART. Project proposals, especially from the transit agencies, should feature these elements as a primary component.
- *Financial Planning Including Innovative Financing Strategies.* GO TO 2040 also stresses an array of recommendations related to transportation finance, including improved financial planning. Actions include strengthening transit financial oversight, planning for efficiencies that reduce transit operating costs, the identification of funding sources for CREATE, and continued planning/policy work on other important issues of fiscal policy to improve the transportation system.
- *Improving Decision-Making Models and Evaluation Criteria for Project Selection.* GO TO 2040 also emphasizes improving decision-making processes for transportation projects, as well as the overarching importance of prioritization for making investments given constrained funding. This includes constructing improved models for answering the most pressing questions about major projects and designing appropriate and regionally-vetted evaluation criteria for judging projects.
- *Planning Work Toward Implementation of GO TO 2040 Major Capital Projects, Including Supportive Land Use.* The continuation of near-term work to further GO TO 2040's short list of fiscally constrained major capital projects is also a high priority. Potential work includes planning for the inclusion of transit components as part of major highway projects, advancing recommended transit projects through the New Starts program or other discretionary funding programs, and planning for supportive land use around transportation, including active technical assistance to local governments.
- *Local Technical Assistance and the Formation of Collaborative Planning Efforts.* A major emphasis area of GO TO 2040 is providing targeted technical assistance to local governments, information sharing, and formal planning efforts that focus on transportation and other interconnected issues of livability.

The FY 2013 UWP process will be as follows:

- There will be one Call for Projects in January, with the grantees identifying the proposals as Core or Competitive. The Core and the Competitive proposals will be considered separately by the Committee.
- Similar to the CMAQ proposal selection process, CMAP staff will conduct an in-depth proposal review and develop a proposed program for the UWP Committee's consideration. The review and recommendation process is as follows:
 - Proposal Selection – Core. CMAP staff will review the Core proposals and make a proposed program recommendation to the UWP Committee for approval. The

proposal review will consider the following: federal requirements; alignment with the proposed priorities in GO TO 2040; the requested level of funding; and if applicable, previous years' expenditure level of Core projects. The contracts for the UWP activities will be for a period of one year for staff support and up to three years for contractual services.

- o **Proposal Selection – Competitive.** The Competitive proposals will be ranked by the UWP Committee as in years past, based upon the alignment with the regional priorities listed above. Based on the available monies after the Core proposals have been funded, CMAP staff will incorporate the Committee's rankings and make a proposed program recommendation to the UWP Committee that follows the same considerations outlined above in the Core program. The contracts for the competitive activities will be for a period of up to three years for contractual services and related costs. The competitive activities normally do not support on-going staff time.

The schedule for the development and approval of the FY 2013 UWP process is as follows:

Development of Program Priorities and Selection Process	
UWP Meeting	November 8, 2011
Call for Proposals	
Call for Proposals	January 5, 2012
All Proposals Due (Core and Competitive)	February 1, 2012
Core Elements Selection Process	
UWP Meeting - Adopt Core Program	February 29, 2012
Competitive Elements Selection Process	
UWP Meeting - Discuss Competitive Proposals	March 7, 2012
UWP Meeting - Adopt Competitive Program	April 11, 2012
Committee Approval	
Transportation Committee considers approval of FY 2013 UWP to MPO Policy Committee	April 27, 2012
Regional Coordinating Committee considers approval of FY 2013 UWP to CMAP Board	June 13, 2012
CMAP Board considers approval of proposed FY 2013 UWP	June 13, 2012
MPO Policy Committee considers approval of proposed FY 2013 UWP	June 14, 2012
UWP Document Released	June 2012