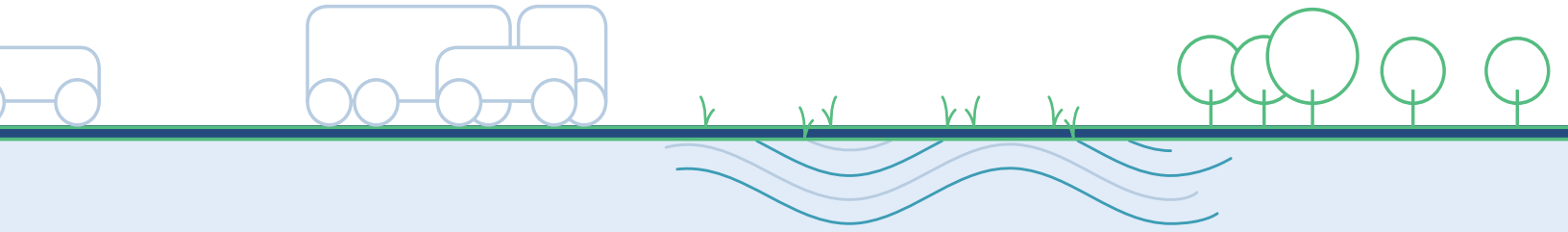
FUND 2040

Investing in the Chicago Region



Metropolitan Chicago must compete economically on the global stage against regions whose public investments have for decades far outpaced our own. By making a new commitment to maintain and modernize our infrastructure, we can seize opportunities to increase prosperity and quality of life across northeastern Illinois.

Other U.S. regions are far ahead of ours in raising revenues to support infrastructure projects with long-term benefits for livability, mobility, and the economy. These urban areas are using their regional revenues to make investments that give them a distinct competitive advantage over metropolitan Chicago. Current funding mechanisms in Illinois are simply not adequate for our region to meet its infrastructure needs.

Since its inception in 2005, the Chicago Metropolitan Agency for Planning (CMAP) has worked closely with its partners and stakeholders to make the difficult choices required to boost the region's competitiveness in today's global economy. This emphasis on collaboration has helped set clear regional priorities as articulated in the award-winning GO TO 2040 comprehensive plan. But the region has been hampered by a lack of funding for the strategic investments that would help our communities achieve their goal of sustainable prosperity. While increased state and federal investment is critical, at best it is likely to meet only our maintenance needs.

CMAP is proposing creation of **FUND 2040** (www.fund2040.org) to support prioritized infrastructure investments that help the region meet its goals for quality of life and economic prosperity. FUND 2040 is intended to be a component within broader statewide legislation that might emerge this spring, such as a possible new capital program or potential tax reform. For example, a modest quarter-cent increase of the regional sales tax would generate $300 million annually for projects in three categories: **transportation, water,** and **open space**. FUND 2040 will support projects that contribute to implementation of the GO TO 2040 regional plan.

While this program is not intended to solve all of the region's anticipated needs, the funds would move a significant number of important projects toward completion while leveraging private and public funding sources. And the program will be an important down payment to help drive regional economic growth for years to come.

A broad FUND 2040 coalition is calling on the Illinois General Assembly to authorize the creation of a sustainable regional infrastructure fund. For this program to be enacted, CMAP will need your hands-on leadership in advancing the proposal. We are always interested in your views. To become part of this important regional effort, please contact CMAP executive director Randy Blankenhorn (312-386-8600 or **rblankenhorn@cmap.illinois.gov**).

Table of Contents

FUND 2040 will create regional benefits 4

FUND 2040 will set priorities 6

Transportation 8

Water 14

Open Space 17

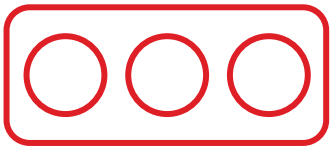
Selection Process 20

Administration and Funding 22

Support FUND 2040 23

FUND 2040 will create regional benefits

A stronger economy
Our region's economic future is tied to smart, strategic infrastructure investments. FUND 2040 will build capital projects that are shown to have strong positive impacts on economic performance.



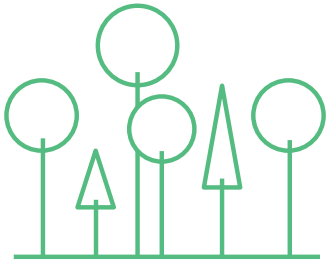
Less traffic congestion and more travel choices
Congestion damages the quality of life and economic strength of our region. FUND 2040 will support transportation projects that reduce this crippling congestion and provide alternatives to driving alone, like taking transit, bicycling, or walking.



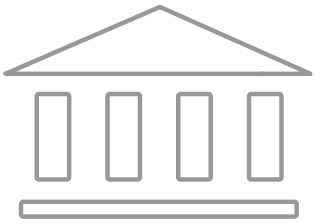
Less flood damage
Storms with heavy rainfall strike our region with increasing frequency. FUND 2040 will support infrastructure to protect our communities from the impacts of these damaging weather events.



Healthier people
Infrastructure that encourages active lifestyles can improve overall public health. FUND 2040 will build new parks, as well as transportation improvements that encourage walking and bicycling.



Healthier environment
Investments that improve our region's economy can also enhance its environment. FUND 2040 will preserve and restore the most environmentally sensitive land in our region and also reduce the expensive waste of drinking water lost through leaky pipes.



Efficient government
The region needs a concerted effort to make infrastructure investments that accomplish the shared goals described in the GO TO 2040 regional plan. FUND 2040 will align its capital projects to leverage public and private investments.

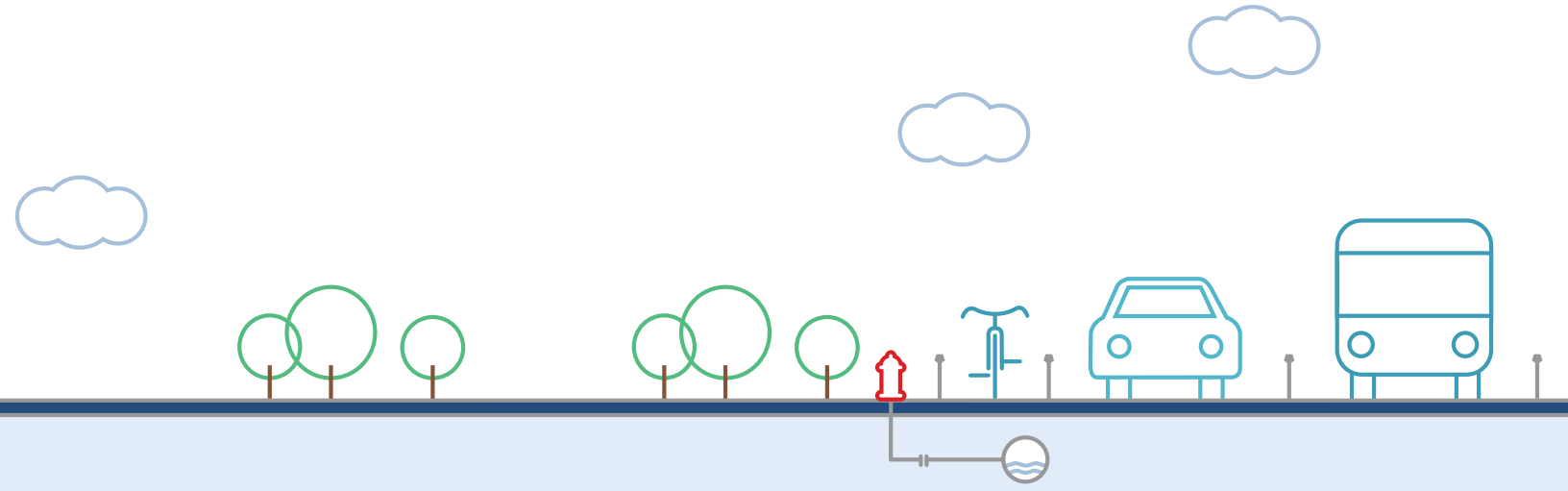
PLEASE NOTE
The following pages include examples of completed and proposed projects to describe the types of infrastructure FUND 2040 could support. No endorsement is implied for any proposed project, and all proposals would be subject to the same transparent, performance-based review prior to selection for funding.

FUND 2040 will set priorities

Infrastructure underlies long-term prosperity in the region. It allows for goods movement as well as passenger travel, protects the environment and public health, guards against property damage and loss of life, and supports livability. For the purpose of this regional fund, infrastructure is defined as a long-lasting physical asset, including land, that is publicly owned or that provides a significant public benefit. Transportation improvements, stormwater, sewer, and water systems, green infrastructure, parks, and open space all meet this definition of infrastructure.

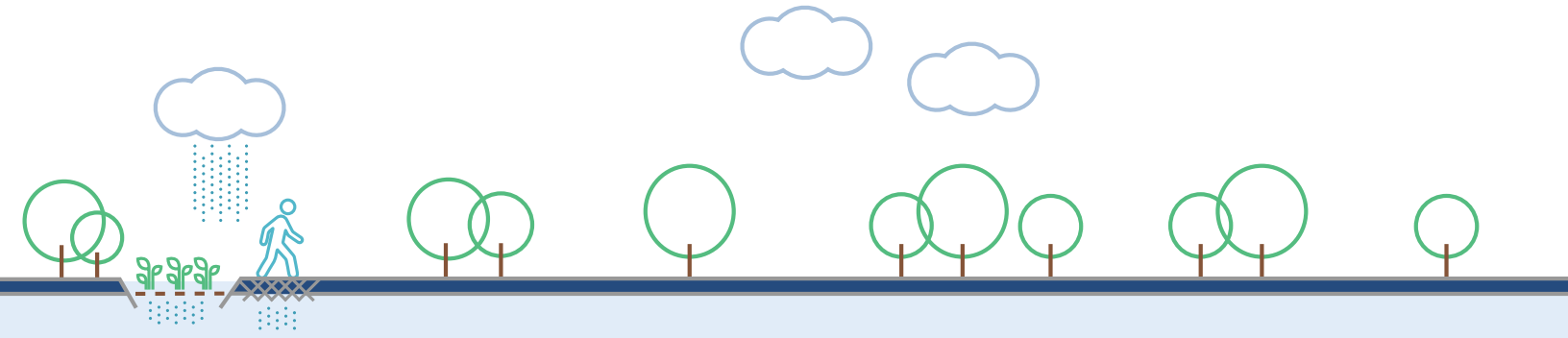
An ideal FUND 2040 infrastructure project is one that meets multiple objectives or that blends transportation modes, such as:

- A new park with green infrastructure that reduces flood risk and also links to an off-street trail.
- A new express toll lane on a highway that also enables bus rapid transit (BRT).
- A street reconstruction combined efficiently with water main or sewer replacement.



Accomplishing several objectives in one project stretches limited resources further. Often, these multimodal or multi-objective projects have challenges assembling funds from varied sources — a problem that FUND 2040 would address. Funding for different project types could vary from year to year based on the needs of the region, with the decision informed by broad discussion through CMAP's inclusive committee structure.

An ideal infrastructure project also reinforces and supports local, county, and regional plans, driving investment in places where growth is desired. FUND 2040 is meant to support infrastructure that creates regional economic growth to benefit all of our region's communities. Projects in communities that have carefully and inclusively planned for their futures, and have aligned their regulations and internal priorities to support their long-term vision, are ideal candidates for investment through FUND 2040.



Transportation

The Chicago region's economy has long been driven by its strong network of transportation infrastructure. This region remains the center of our nation's freight system, with major rail terminals, seven interstate highways, two major airports, and the only inland waterway connecting the Great Lakes with the Mississippi River watershed. The Chicago region also boasts one of the oldest and largest transit systems in the country, serving two million riders on a daily basis. But the system faces challenges. To remain an asset that drives economic development, the region's transportation system requires continued, strategic investment to maintain and improve its performance.

Roadways

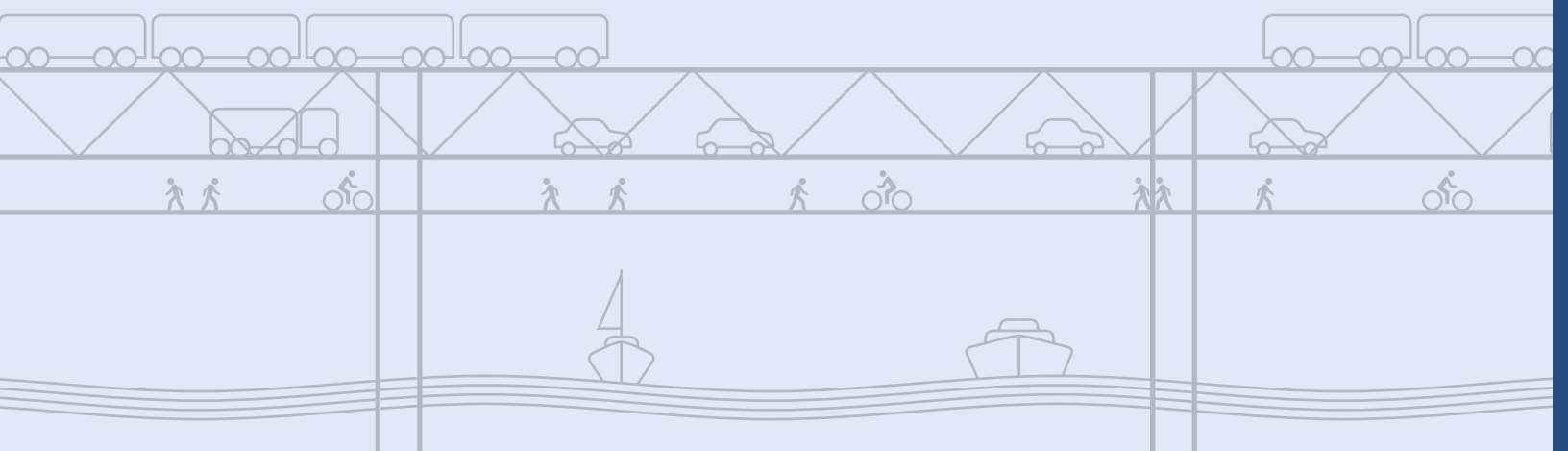
The Chicago region is consistently ranked as one of the most congested metro areas in the U.S. In 1982, congestion here caused an annual delay of 18 hours per automobile commuter. After 30 years in which congestion increased about 5 percent annually, delay has reached 71 hours per automobile commuter. As a result, congestion costs billions of dollars annually in wasted time and fuel, decreased productivity, and pollution. While FUND 2040 cannot eliminate congestion, it can help tackle some of the worst problems and do so in a strategic, cost-effective way. Project examples could include intersection improvements, bottleneck eliminations, expansions of arterial roads, technology enhancements, and many others. While pure maintenance projects are not a good fit for the fund, many supported projects would include reconstruction and modernization.

FACT: Congestion has been increasing 5 percent annually for 30 years.

Average commuter, hours stuck in traffic, by year



Source: Texas Transportation Institute.





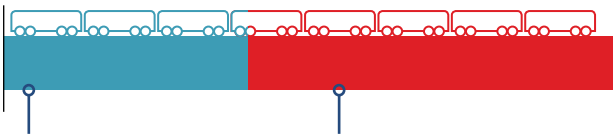
The ***Stearns Road Bridge Corridor*** made a critically needed connection across the Fox River while also providing environmental enhancements, including 200 acres of open space, three miles of new trails, four trail bridges, and green infrastructure to handle roadway water runoff. The proposed ***Longmeadow Parkway*** would provide opportunities for similar treatments. At an estimated cost of $97 million, this new roadway would be another crossing over the Fox River in northern Kane County, improving safety, reducing congestion, and enhancing access to jobs. FUND 2040 could support projects of this type, leveraging other sources such as tolling.

Photo of Stearns Road Bridge Corridor by the Kane County Division of Transportation.

Transit

Much of the region's transit infrastructure is a legacy system built in the early 20th Century, and some components date back earlier than that. Its modernization needs are significant. In early 2014, the Regional Transportation Authority (RTA) estimated that $13.4 billion in reinvestment is needed over the next decade to maintain the system's present condition, and eliminating the backlog of deferred investments would require $20 billion more. These very large sums are far beyond what FUND 2040 alone could accomplish, and they point to the need for dedicated transit capital funding. FUND 2040 would focus on modernization projects that provide major user benefits, like better reliability or faster service, while bringing the system toward a state of good repair. It could also support major new transit initiatives, like BRT, that significantly improve the travel experience and attract new riders to transit at a reasonable cost.

FACT: The RTA has significant capital needs over the next decade.



$13.4 billion
Amount needed to maintain the transit system's current condition.

$20.0 billion
Additional amount needed to eliminate the capital maintenance backlog.

Source: Regional Transportation Authority.

The Chicago Transit Authority's (CTA) ***Red Line South Reconstruction Project*** recently rebuilt the ten-mile stretch of track between the Cermak-Chinatown and 95th Street stations. This project dramatically improved the line's condition, eliminating several miles of slow zones and reducing travel time for tens of thousands of riders. Similarly, the CTA ***Red and Purple Modernization Project*** envisions rebuilding the 100-year old elevated line between the Belmont and Linden stations on Chicago's north side and north suburbs, replacing dilapidated viaducts, building new elevated structure and track, and upgrading stations, all of which will not only reconstruct the line for today's riders but will add much needed capacity for the next few generations.

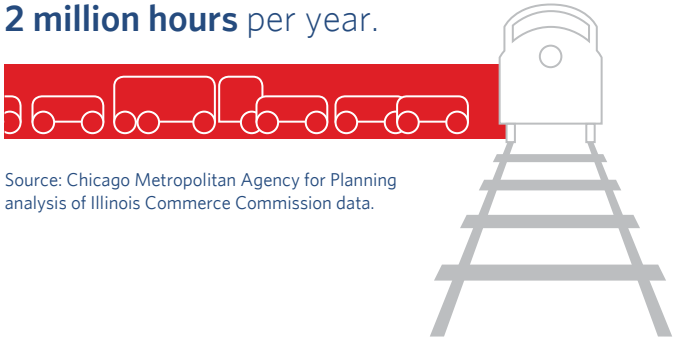


Photo of north Red and Purple Lines by the Chicago Metropolitan Agency for Planning.

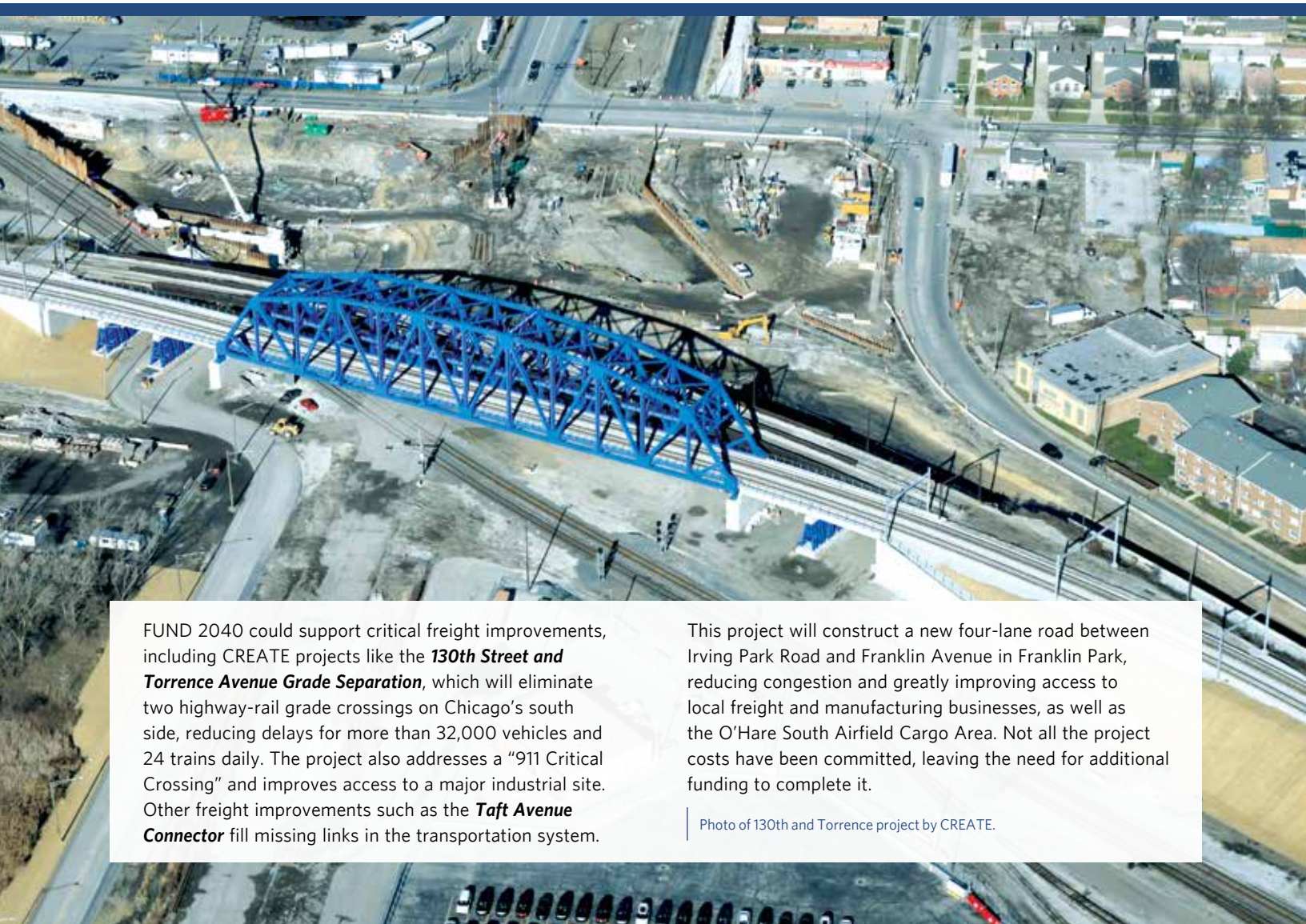
Freight

The Chicago area is our nation's freight hub, yet rail and highway bottlenecks plague goods movement in and through the region. Via the CREATE program, the federal government, State of Illinois, City of Chicago, Metra, and private railroads have formed a strong partnership to implement 70 rail projects aimed at improving freight mobility in the Chicago region. While major progress has been made, the program remains only partly funded. Truck traffic is also a major challenge, as is conflict between rail and auto traffic, which causes drivers to waste 7,800 hours each weekday waiting at rail crossings. This could be alleviated by grade separation projects. The growth of intermodal facilities has created new needs for improved access to those facilities, and dedicated corridors may be needed to support longer-term growth of freight traffic. Such projects are expected to bring substantial public benefits, including improved productivity and job creation.

FACT: Cars and trucks are delayed **7,800 hours** each weekday at rail crossings, or more than **2 million hours** per year.



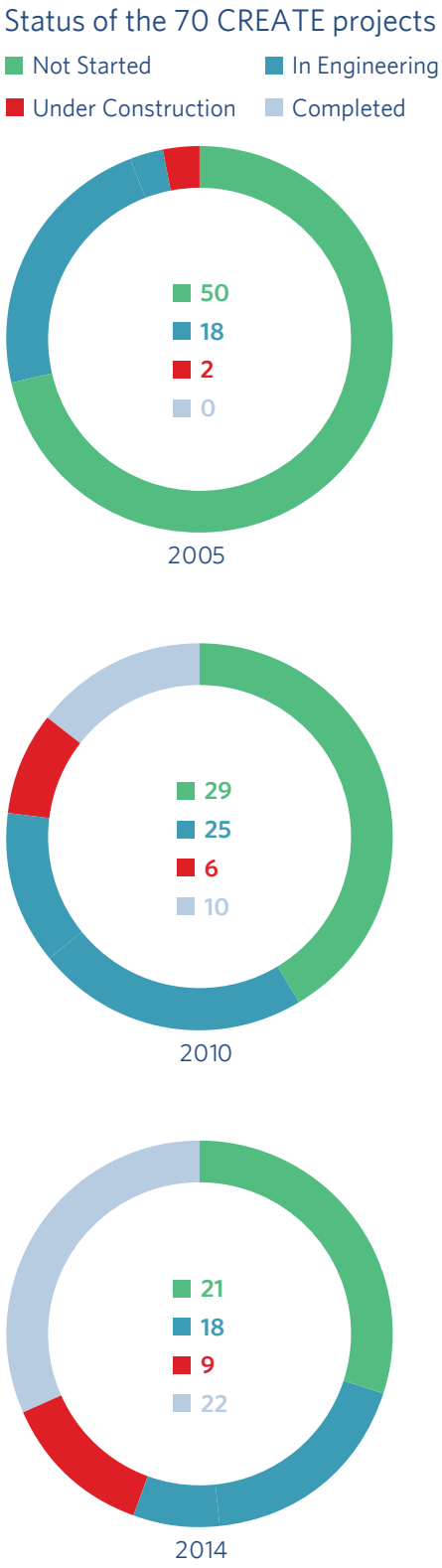
Source: Chicago Metropolitan Agency for Planning analysis of Illinois Commerce Commission data.



FUND 2040 could support critical freight improvements, including CREATE projects like the ***130th Street and Torrence Avenue Grade Separation***, which will eliminate two highway-rail grade crossings on Chicago's south side, reducing delays for more than 32,000 vehicles and 24 trains daily. The project also addresses a "911 Critical Crossing" and improves access to a major industrial site. Other freight improvements such as the ***Taft Avenue Connector*** fill missing links in the transportation system.

This project will construct a new four-lane road between Irving Park Road and Franklin Avenue in Franklin Park, reducing congestion and greatly improving access to local freight and manufacturing businesses, as well as the O'Hare South Airfield Cargo Area. Not all the project costs have been committed, leaving the need for additional funding to complete it.

Photo of 130th and Torrence project by CREATE.



Source: CMAP staff analysis of CREATE program data.

Bicycle and Pedestrian

The region needs to safely accommodate walking and biking, the latter of which has become an increasingly widespread means of commuting. Across metropolitan Chicago, on-street bikeways and off-street trails are needed to support shifting travel preferences. This evolving preference for active travel has major benefits for public health. Furthermore, many local governments have adopted complete streets policies that encourage consideration of pedestrian and bicycling infrastructure when making road improvements. FUND 2040 could be a means to help implement these policies.

FACT: The number of bicycle commuters in the seven-county region has more than doubled since 2000.



Source: Chicago Metropolitan Agency for Planning analysis of Census data.

The ***Cal-Sag Trail*** will be a 26-mile multi-use path along the Calumet River and Cal-Sag Channel between south suburban Burnham and Lemont. Currently under construction, it will open in sections over the next two years. The trail is estimated to cost $21 million, with all but $2 million already having been secured from private and public sources. The ***606 Trail*** on Chicago's northwest side will transform three miles of unused rail line into the elevated Bloomingdale Trail and create six ground-level neighborhood parks. Construction of the 606 is also underway, with the first phase set to open in June 2015. Much of its projected $95 million cost has been secured through public and private sources, but a gap remains. FUND 2040 could help novel projects such as the 606 and the Cal-Sag Trail meet funding gaps, while also providing the flexibility to address unconventional project needs.

Photo by Thomas' Photographic Services, courtesy of Friends of the Cal-Sag Trail.



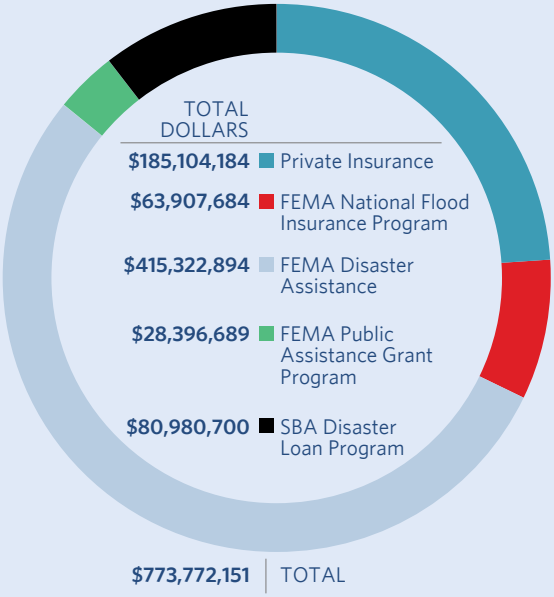
Water

Stormwater

With its clay soils, flat topography, and historical development patterns, much of the Chicago region is prone to localized flooding and basement backups. Some places, such as the Des Plaines and Little Calumet River basins, suffer major damage from overbank flooding. Many recent community plans propose flood control projects, policy changes, and other non-structural approaches to reduce flood risk, but implementation is lagging because of limited funding. For large, federally supported flood control projects, FUND 2040 could provide part of the required local match. Similarly, many municipalities have prepared stormwater master plans, typically for more localized problems. Yet even with dedicated fees for stormwater, funding to implement the plans is in short supply.

Green infrastructure — the use of natural systems to manage stormwater — is also part of the solution. It helps reduce flood damage and cleanse water pollutants, among many other benefits. Like other forms of infrastructure, it needs to be managed, restored, and expanded. In recent years, localities have begun to rely more on engineered natural systems to handle stormwater. Rather than only directing runoff away from a site, green infrastructure techniques are incorporated into a project's design to capture or treat runoff while enhancing aesthetics. FUND 2040 could help localities develop and then implement green infrastructure projects to solve problems ranging from basement backups to poor stream water quality.

Selected expenditures for flood-related property damage in Cook County, 2007-11



Source: Center for Neighborhood Technology, 2014. The Prevalence and Cost of Urban Flooding: A Case Study of Cook County, IL.



Extensive flooding in Warrenville prompted the ***West Branch DuPage River Flood Control and Restoration Project***, a plan to identify opportunities for flood control and river corridor restoration. The $18.3 million project includes raising the profile of key roads, reconstructing bridges, and constructing berms to protect neighborhoods, as well as several environmental restoration elements. Stormwater management can also take other forms, such as updating standard practices for street reconstruction. Instead of simply repaving alleys, the ***Oak Park Green Alleys Program*** will update nine alleys with interlocking permeable pavement to reduce the volume of stormwater sent to the community's combined sewer system. FUND 2040 could help important flood control and environmental improvement projects like these to move forward.

Photo of Oak Park green alley by the Chicago Metropolitan Agency for Planning.

Water Supply

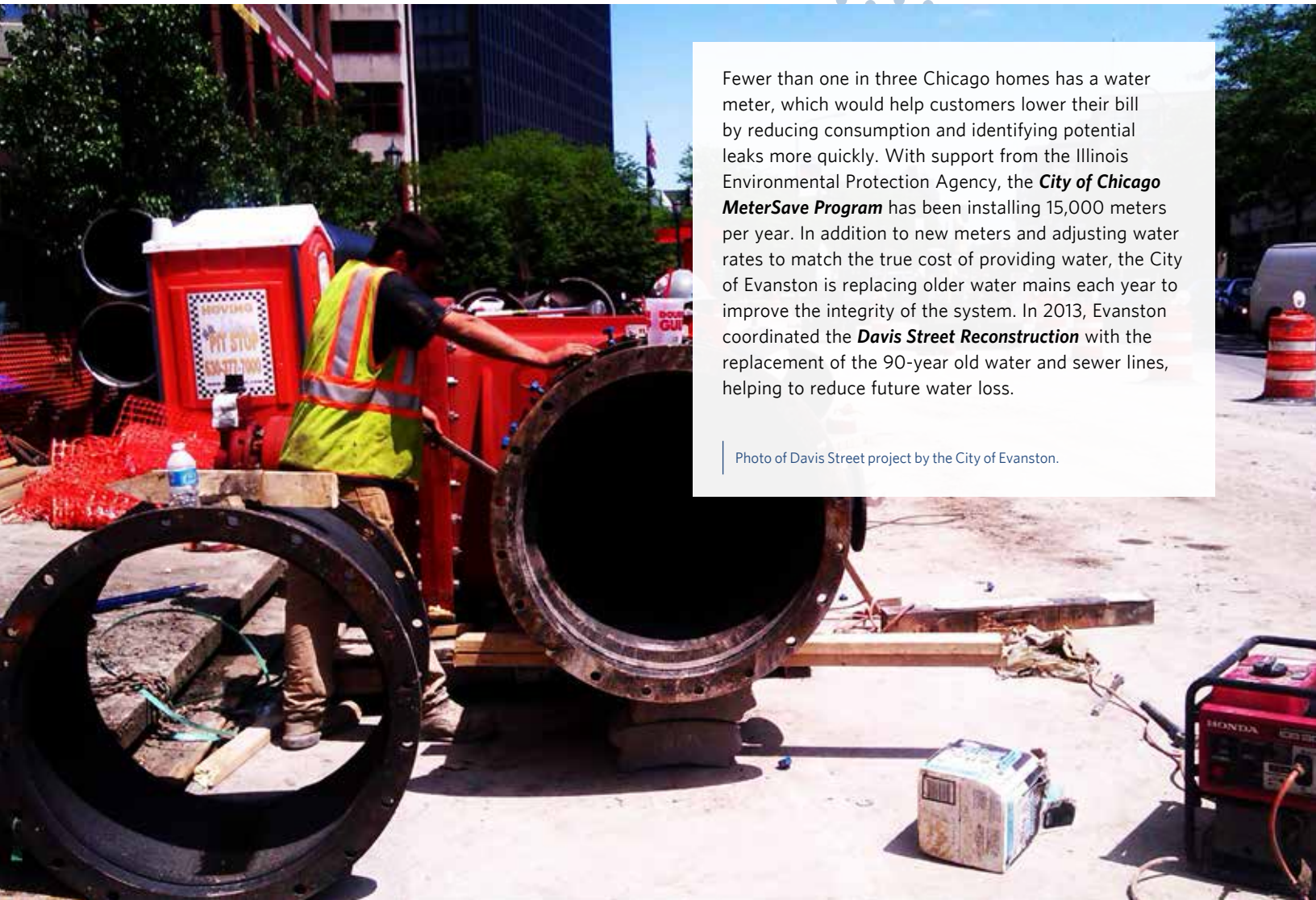
The Chicago region has wrestled with the complex issue of water supply for many decades. Pumping has led to steep declines in groundwater levels, and many groundwater-dependent communities face problems with water quality. FUND 2040 could help communities shift onto more reliable, more available, or higher-quality water sources. The emphasis would be on holistic approaches that recognize the interrelated nature of drinking water, wastewater, and stormwater. Aging infrastructure is also a major problem. In just the communities served by Lake Michigan, municipal water departments lose approximately $100 million per year in wasted water from deteriorating pipes. FUND 2040 would focus on local asset management to upgrade water distribution while achieving other objectives, such as street reconstruction or sewer replacement, so that the costs of all projects together would be minimized. At the same time, the root causes of underinvestment in water infrastructure must be addressed — for example, through full-cost pricing — to put local government water utilities on a path toward financial sustainability.

Regional effects of water loss, all sources*

*Seven-county CMAP region, including Lake Michigan, inland surface, and groundwater sources.

Source: Chicago Metropolitan Agency for Planning analysis of Illinois Department of Natural Resources data.





Fewer than one in three Chicago homes has a water meter, which would help customers lower their bill by reducing consumption and identifying potential leaks more quickly. With support from the Illinois Environmental Protection Agency, the ***City of Chicago MeterSave Program*** has been installing 15,000 meters per year. In addition to new meters and adjusting water rates to match the true cost of providing water, the City of Evanston is replacing older water mains each year to improve the integrity of the system. In 2013, Evanston coordinated the ***Davis Street Reconstruction*** with the replacement of the 90-year old water and sewer lines, helping to reduce future water loss.

Photo of Davis Street project by the City of Evanston.

Open Space

Whether in the form of conservation land or neighborhood parks, open space enhances quality of life, protects the environment, and contributes to a resilient region. Besides providing recreational opportunities, it plays a crucial role in storing flood waters, promoting public health, and enhancing property values. It can protect water supplies and provide stormwater filtration, as well as directly preserve wildlife habitat. Parks are a popular neighborhood amenity that leads to increased physical activity among children and adults. And signature open spaces make the region more attractive to people and businesses considering whether to locate here.

Parks

Many residents of our region lack access to adequate parks within a short distance of their homes. Just over half the population currently enjoys adequate access, as defined by the standard of ten park acres per 1,000 people. Even by a lower standard of four acres per 1,000, over 30 percent of residents have inadequate access. FUND 2040 can help communities increase park access by helping to fund land acquisition and development of recreational amenities that encourage physical activity and enjoyment of outdoor spaces.

FACT:



48% of people in the Chicago region lack adequate access to parks by the standard of 10 acres per 1,000 people.



31% of people in the Chicago region lack adequate access to parks by the standard of 4 acres per 1,000 people.

Source: Chicago Metropolitan Agency for Planning analysis.

Conservation Open Space

Conservation land contributes to social benefits similar to neighborhood parks, while also adding significant environmental benefits by protecting water supplies, filtering stormwater runoff, and preserving wildlife habitat. Open space helps to ensure that water for replenishing aquifers is uncontaminated and to preserve floodplains and wetlands; these irreplaceable natural areas offer ecosystem services that have considerable economic value.

FUND 2040 would take a strategic approach to conservation land by drawing on research into the benefits of well-connected regional networks of open space. Priorities for the fund would include targeted conservation that helps complete open space corridors or contribute to a major regional conservation goal. Regional trails and greenways offer social benefits as part of this strategic approach, complementing open space and parks networks and supporting safe, active transportation across the region.

Agricultural land contributes similar aesthetic benefits and represents a major element of the region's economy, but farmland in the region has been rapidly converted to other land uses. FUND 2040 can help maintain such land's many benefits through agricultural easements or inclusion of agriculture in forest preserves.

Offering recreational and environmental benefits in Chicago's West Loop neighborhood, ***Mary Bartelme Park*** opened in 2010 on the 1.4-acre site of a former infirmary. In a rapidly growing, formerly industrial area of Chicago, the park offers a fountain plaza, an Americans with Disability Act (ADA)-accessible children's play area, a dog park, a seating area, and an open lawn. Funded primarily through Tax Increment Financing (TIF), the park includes native vegetation and permeable pavers to facilitate stormwater infiltration. In Lake County, green stormwater infrastructure is featured in the ***Waukegan Community Sports Park***, a 2011 project that converted an underutilized golf course into popular, award-winning soccer fields, softball fields, walking trails, and support facilities. The site was laid out to direct runoff to stormwater management features along parking areas, including bioswales, a rain garden, native vegetation, and an irrigation pond.

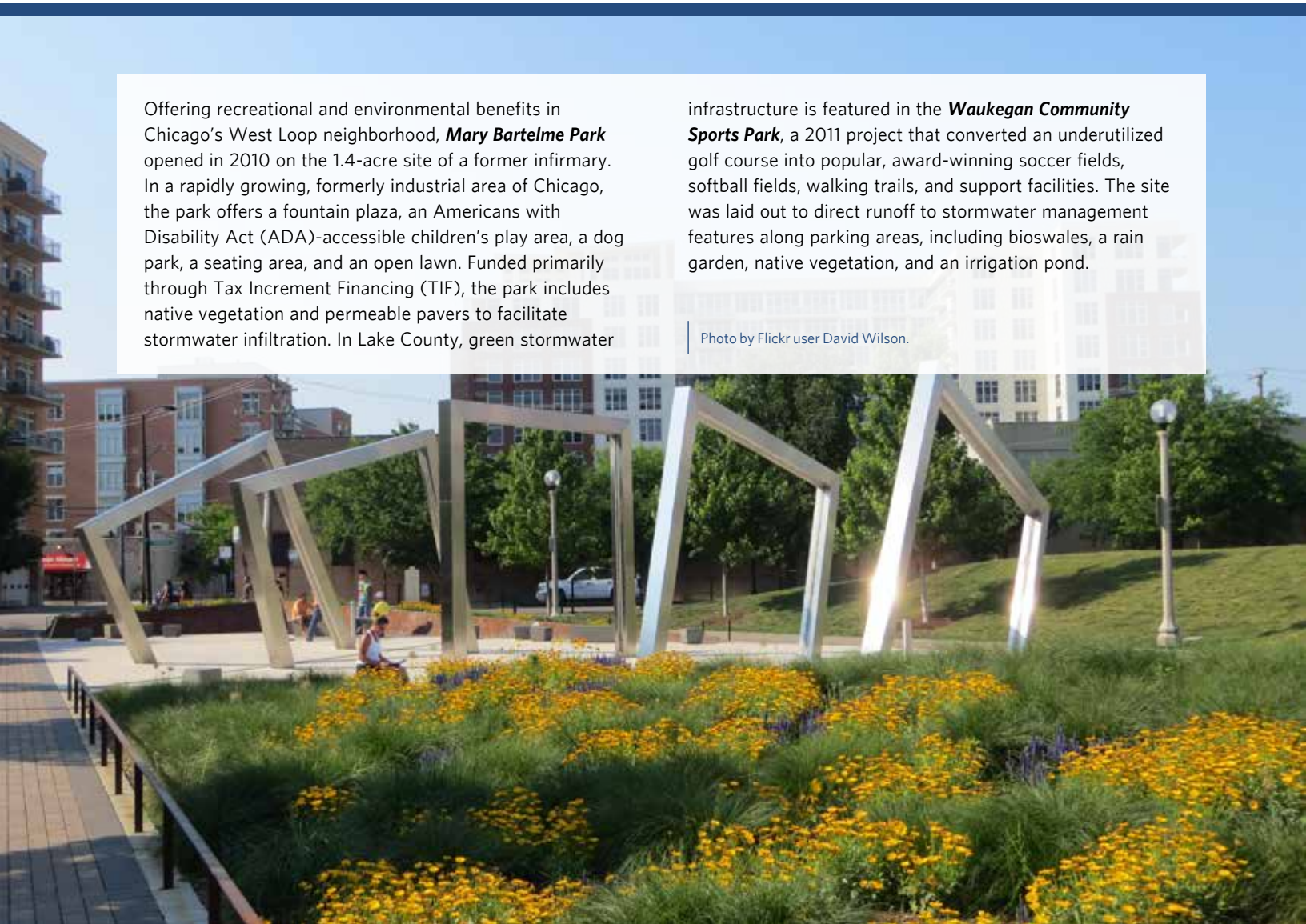
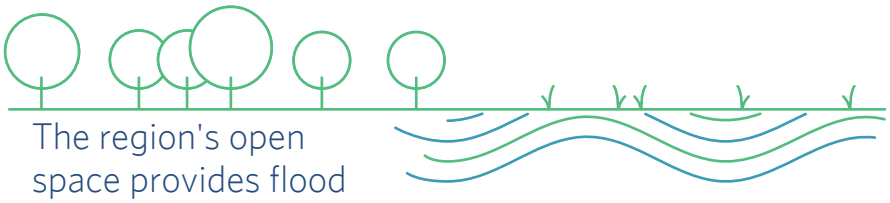


Photo by Flickr user David Wilson.

FACT: Protected open space has economic benefits.



The region's open space provides flood protection worth **$83,000** per acre per year.

Preserving a typical wetland saves habitat valued at up to **$15,000** per acre per year.

Source: The Conservation Fund.

The Forest Preserve District of Will County has preserved a network of trails, wetlands, streams, and open space to form the ***Spring Creek Greenway***. The project preserves more than 1,900 acres of land, provides habitat, and protects a key aquifer for community water supplies. Numerous state and local partners have devoted approximately $12 million to the project for land acquisition, restoration, and construction. Designated by the U.S. Fish and Wildlife Service in 2012, the ***Hackmatack National Wildlife Refuge*** is the only national refuge within 100 miles of Chicago. It will eventually protect 11,200 acres of wildlife habitat, prairies, forest, and waterways in McHenry County and southeastern Wisconsin. FUND 2040 could support the project by funding anticipated land acquisitions and easements that are consistent with the Hackmatack proposal and local plans.

Photo of Spring Creek by Steve Glass.

Selection Process

Using robust criteria to evaluate the performance of candidate projects is an essential aspect of FUND 2040. It ensures transparency and objectivity so that the public receives the best return on its investments. Varying project categories would be evaluated differently and may have project-specific factors — for instance, stormwater management would be analyzed differently from a congestion relief project — but they would also have many assessment criteria in common:

- **Economic prosperity**
  High priority will be given to projects with positive economic impacts, such as those caused by increases in business productivity, enhanced real estate values, or avoided water treatment costs.

- **Environmental impacts**
  Many project types — for instance, green infrastructure — will be motivated by positive impacts on the environment. In cases where a project would have negative impacts, this is a strong indication that it should not be funded.

- **Public safety and health**
  These benefits may result from projects that reduce hazards like flooding, transportation safety improvements, or from new or improved parks that provide opportunities for physical activity, for example.

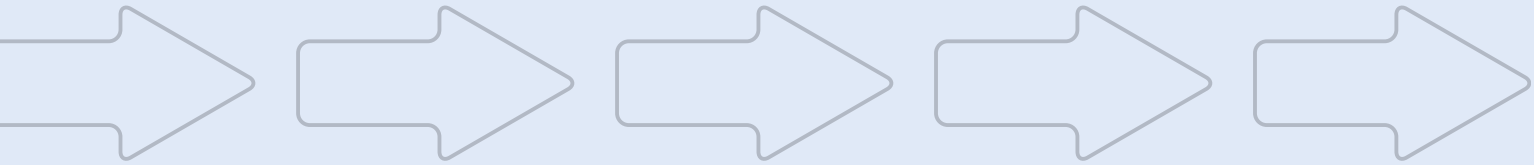
- **Effective planning**
  Projects that implement local priorities, as stated in an adopted local plan, are much better candidates for fund support than those that do not. “Local plans” in this context can mean comprehensive plans, water asset management plans, stormwater plans, or other local plans that identify priorities for investment.

- **Improvements to existing infrastructure**
  Projects should build on and enhance the effectiveness of current infrastructure, supporting development that strengthens existing communities.

- **Equity and geographic balance**
  Many projects will seek to improve conditions in communities that need investment the most. Regional infrastructure funding should be distributed fairly across the metropolitan area.

- **Cost-effective strategies**
  To get the most value from public investment, all projects will be assessed for their efficiency in achieving intended results, and those that strategically combine multiple benefits will score particularly well.

- **Matching other funds**
  To stretch public and private resources as far as possible, projects will leverage other funding, particularly to fill a funding gap that would otherwise prevent or delay successful project completion.



FUND 2040 will use a two-stage annual call for projects. As with the Local Technical Assistance program, CMAP will perform significant outreach to educate potential applicants about eligible project types and application criteria. This two-stage process will facilitate applications from a broad range of projects and applicants via an initial, low-effort phase. Only projects that are a good fit for the program will need to commit to the more substantive effort of the full application. While this process is likely to require more CMAP staff time, it may also generate a more inclusive applicant pool.

The first phase will be an expression of interest. This simple document, which will use the same application form regardless of project type, will require little effort on the part of applicants and allow CMAP to ensure that projects meet basic feasibility and eligibility criteria. Sample criteria include consistency with past plans, local and subregional support, availability of other leveraged funds, and conceptual alignment of the project with GO TO 2040. At this stage, projects will be reviewed by CMAP staff and CMAP working and coordinating committees; CMAP will also solicit feedback from appropriate external partners. Applicants will be interviewed, and staff may complete site visits. Projects that pass this initial evaluation will be invited to complete a full application.

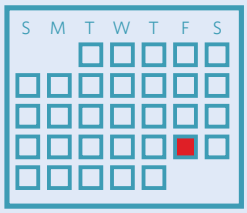
In the second stage, applicants will submit a full proposal that will require significantly more technical information, with applications specific to each major project type. CMAP will complete a thorough technical review of the full proposals. This review will also incorporate CMAP working and advisory committee input, and the agency may also develop appropriate technical committees to provide advisory input on scoring and criteria. Staff will develop a recommended project list, which will be considered by the Coordinating Committee and the CMAP Board.

Proposed FUND 2040 application process

PHASE I

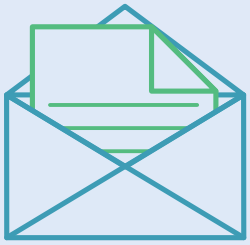


STEP 1:
Call for projects

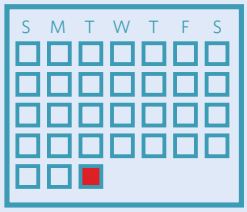


STEP 2:
Expression of interest deadline

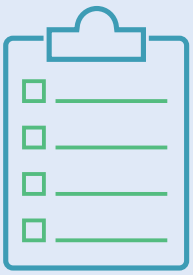
PHASE II



STEP 3:
Invitation to full application



STEP 4:
Full application deadline



STEP 5:
Recommended projects list



STEP 6:
CMAP Board approval

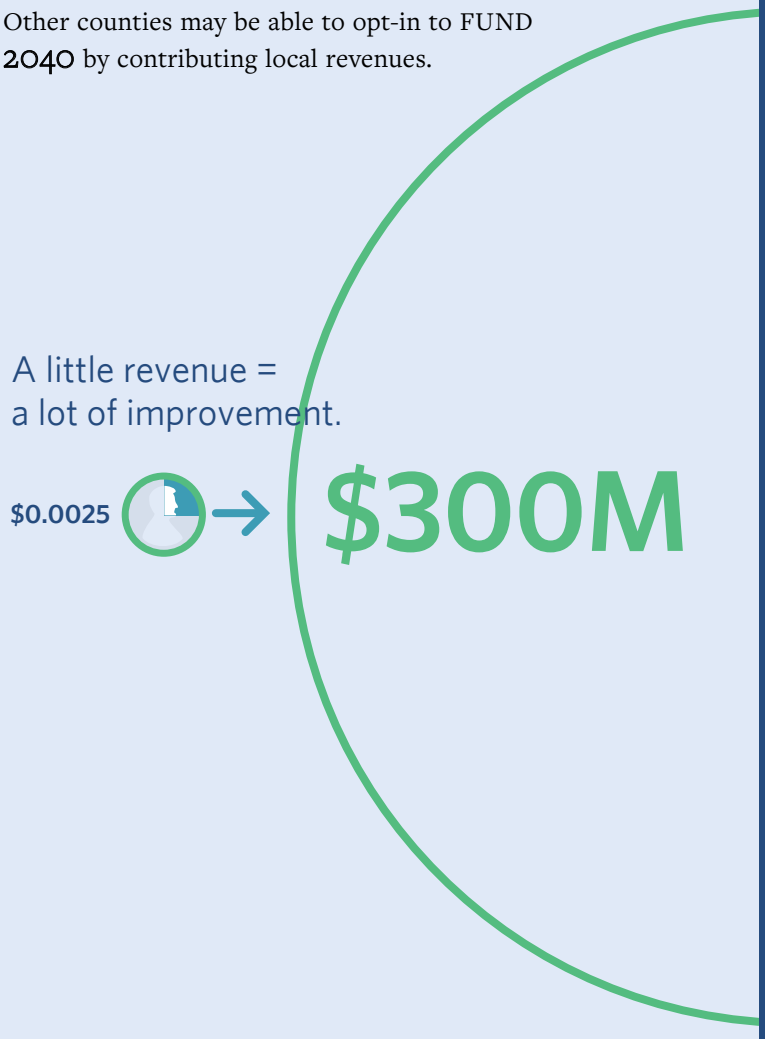
Administration and Funding

FUND 2040 will use best practices in administration and oversight of infrastructure projects. It is a high priority for every dollar in FUND 2040 to be spent effectively, so CMAP will monitor project status aggressively, and delays or cost overruns will be addressed swiftly. CMAP has excellent internal administrative procedures that will be used to manage FUND 2040, ensuring that the fund delivers maximum benefit to our region.

To prevent the program from creating unnecessary paperwork for project sponsors, CMAP will use existing procedures already used by state agencies to administer similar infrastructure grants. For example, the rules concerning Motor Fuel Tax (MFT) funds could be followed for transportation projects, those for State Revolving Fund (SRF) loans will be used for sewer and water improvements, and those for Open Space Lands Acquisition and Development (OSLAD) grants will be used for open space and park projects.

To use as much of the fund as possible for improvements that measurably benefit our region, CMAP will devote no more than 3 percent of the total revenue to administration and operations. The remaining 97 percent will be competitively awarded to project sponsors across the region. This low administrative rate is possible because of CMAP's existing administrative processes and experience managing grant programs.

This proposal should be part of broader policy efforts to address the state's infrastructure and fiscal climate. Revenue for FUND 2040 could be raised through a quarter-cent sales tax on purchases throughout the Chicago metropolitan area, defined as the counties in the Regional Transportation Authority (RTA) service area — Cook, DuPage, Kane, Lake, McHenry, and Will. Other counties may be able to opt-in to FUND 2040 by contributing local revenues.



Support FUND 2040

Your help is critical to building a strong region with improved quality of life and economic prosperity. Join the FUND 2040 coalition at **www.fund2040.org**.

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