



# Chicago Metropolitan Agency for Planning

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November 16, 2015

The Hon. Richard J. Durbin  
U.S. Senator  
711 Hart Senate Office Building  
Washington, DC 20510

The Hon. Daniel Lipinski  
Member of Congress  
2346 Rayburn House Office Building  
Washington, DC 20515

Dear Senator Durbin and Congressman Lipinski:

Congratulations on being named to the Conference Committee negotiating the next multi-year surface transportation bill. As you begin your work on the final Conference Report, I would like to bring your attention to important transportation policies regarding the movement of freight and mass transit we hope you will advocate for inclusion into the final legislation.

The Chicago region has extensive freight volumes that impact the entire country's ability to move goods and people. Between a quarter and a third of all freight in the U.S. originates, terminates, or passes through the metropolitan Chicago region and about half of the nation's intermodal freight touches the Chicago region. Over 925 million tons of freight worth \$1.3 trillion move directly into and out of the Chicago region each year. Freight bottlenecks in our region slow down the entire national transportation network and cost people and businesses money.

The Chicago region is also home to the second largest mass transit system in the country, with an average of two million trips each weekday. This system is vital to our regional economy. More than 12 percent of our regional population uses mass transit to get to their jobs, including 31 percent of all people who work in the City of Chicago.

Freight and mass transit policy will be greatly influenced by this forthcoming legislation. I encourage you to work with your colleagues on the Conference Committee and focus your advocacy for the following freight and mass transit policies that will greatly impact our region.

## Freight Policy

- **Dedicated Funding to the Freight Program**

A freight program should be funded with contract authority at a level of at least \$2 billion/year.

### Board Members

Gerald Bennett, Chair  
Rita Athas  
Frank Beal  
Franco Coladipietro  
Elliott Hartstein  
Al Larson  
Lisa Laws  
Andrew Madigan  
John Noak  
Rick Reinbold  
William Rodeghier  
Carolyn Schofield  
Peter Silvestri  
Peter Skosey  
Thomas Weisner

### Non-voting Members

Sean McCarthy  
Brian Oszakiewski  
Leanne Redden

### Executive Director

Joseph C. Szabo

- **Multi-modal or Mode-neutral Funding Eligibility**

A freight program should allow states, local communities, and regional planning organizations to fund projects that help move goods and people in the most efficient and safe way, regardless of whether they are road, rail, or port projects.

The final bill must include clear eligibility for projects that expand rail capacity. For more than ten years, the Chicago Region Environmental and Transportation Efficiency (CREATE) Program has been the premier example of public-private collaboration for rail improvements in the U.S, and many of the benefits of the program (to the public, to commuters, to the national economy at large) are predicated on projects that expand rail capacity.

- **Major Metropolitan Area Focus**

Major metropolitan areas play a critical role in managing goods movement. These regions, like the Chicago region are key transportation hubs where bottlenecks can impact the entire country. A freight program should provide a key role for Metropolitan Planning Organizations (MPOs) in prioritizing and selecting freight projects. This role should include eligibility to apply for new national competitive grants and should ensure MPOs are involved in the planning and programming of funds in these regions.

- **Formula Funding and Chicago Region**

If a freight program includes a formula component, the metrics used to distribute those funds should recognize the outsized role Chicago plays in our national freight system. Chicago is the nation's freight network, where we transfer shipments between modes, have the physical capacity to handle large freight volumes, extensive warehousing and logistics centers, and the appropriate skilled workforce to coordinate and manage goods movement.

- **Competitive Grant Funding Program**

A freight program should include a competitive grant program that is also funded with contract authority and include wide-eligibility for projects of all modes, not just highways. MPOs should be eligible applicants for these grant funds.

## **Mass Transit Policy**

- **Increase Commitment to Public Transit**

Public transportation is essential to the future economic prosperity of our region, but after decades of underinvestment, substantial funding is needed just to reach a good state of repair, and even more funding will be needed to modernize the system to world-class standards. Federal funding for public transit remains of vital importance, representing the lion's share of available capital funds for our region's transit agencies.

I encourage you to maintain the federal government's commitment to public transportation and reject attempts to remove funding for mass transit from the Highway Trust Fund.

- **Focus Formula Funding on Large Urbanized Areas and Aging Transit Systems**

MAP-21 eliminated most competitive grant programs for mass transit projects that were funded from the Mass Transit Account of the Highway Trust Fund. FTA now distributes almost of all its Mass Transit Account funding via formula grants to states and transit agencies.

The conference report should not increase funding for small transit agencies at the expense of mass transit systems in large metropolitan areas. The FTA's most recent assessment of the country's seven largest transit systems found that one-third of their assets are in poor or marginal condition, compared to one-fifth of assets at all other transit agencies. MAP-21 created a new formula funding program specifically focused on helping big, aging transit agencies achieve a state of good repair by funding recapitalization and preventive maintenance activities. This state of good repair program should receive greater funding, not be cut to subsidize operating and capital needs at smaller systems.

I encourage you to avoid reshuffling funds among these formula programs and instead grow mass transit funding for all transit agencies, with a focus on larger increases dedicated to regions with the biggest transit systems and the greatest needs to replace and modernize their infrastructure, like the Chicago region.

- **Level Playing Field for New Starts Projects**

The New Starts program is the primary federal funding source for large transit projects. While MAP-21 expanded the eligibility of New Starts funding to include "Core Capacity" projects that allow rehabilitation, reconstruction, and improvement projects, rather than just new capacity.

There have been several attempts this Congress to make it more difficult for local communities to receive a full funding grant agreement from DOT for New Starts projects. For example, several bills have been introduced and moved through Committees that lower the federal funding share of New Starts projects down to 50 percent or severely limit the source of funds local communities can use to match federal mass transit funds. In contrast, large highway expansion projects are subject to a lower 20 percent local match and have more flexibility in using federal funds for engineering work.

I encourage you to include language in the conference report that will make it easier for our transit agencies to acquire Full Funding Grant Agreements by equalizing New Starts local match requirements with those required on large highway projects.

- **Transit-Oriented Development (TOD)**

In the Chicago region, potential sites for TOD are plentiful. The CTA has 142 stations on its seven rapid transit lines along 100 miles of rail, while Metra's suburban service comprises 239 existing stations on 11 existing commuter rail lines along almost 500 miles of track. TODs can also be anchored by bus stations or terminals, or near major stops along Bus Rapid Transit (BRT) systems.

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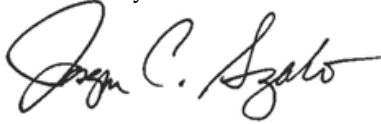
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MAP-21 included a TOD pilot program that helps improve public transportation by providing funding to local communities to integrate land use and transportation planning connected to projects seeking capital funding through the FTA. The Chicago Transit Authority (CTA) was one of the transit agencies awarded in the first and only round of grants for this new program.

We encourage you to reauthorize this pilot program and fund it with dedicated funding rather than subjecting it to annual appropriations.

Thank you for your consideration of these requests. I look forward to working with you to provide our region with the freight and mass transportation network that will keep us competitive in the 21<sup>st</sup> century economy.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph C. Szabo". The signature is fluid and cursive, with the first name "Joseph" and last name "Szabo" clearly legible.

Joseph C. Szabo  
Executive Director

TK:JCS/stk