

FUND 2040

Investing in the Metropolitan 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 result annually in \$300 million 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.

FUND 2040 will create regional benefits

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. Its primary benefits include:

- **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 quality of life and economic strength across 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 flooding.** Severe floods 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 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.

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 program year to program 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.

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 local sponsors across the region. This low administrative rate is possible because of CMAP's existing administrative processes and experience managing grant programs.

Help make the region's communities stronger

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 principal planner Erin Aleman (312-386-8816 or eameman@cmmap.illinois.gov).

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