

**MEMORANDUM**

To: CMAP Board and MPO Policy Committee

From: CMAP Staff

Date: January 2, 2013

Re: Circle Interchange and the Importance of Setting Transportation Priorities

IDOT has requested that CMAP amend GO TO 2040 to include the proposed **Circle Interchange improvements** as a fiscally constrained major capital project. This project would rehabilitate the interchange of I-90/94 and I-290 in downtown Chicago, modernizing the bridges and ramps and adding new through lanes to I-90/94. The limits of the project extend along I-90/94 from Adams Street to Roosevelt Road and along I-290 from Racine Avenue to the Old Post Office. Because the interchange was constructed in the 1950s, many of the ramps and bridges are nearing the end of their useful lives and require reconstruction. The Circle Interchange project is estimated to cost \$410 million. Currently, only the planning and design phases (\$24 million) are included in IDOT's 2013-2018 Multiyear Highway Program and the region's Transportation Improvement Program. The project is not included in GO TO 2040.

While the Circle Interchange improvement includes major reconstruction elements, it also adds highway capacity, and must be included in GO TO 2040 as a major capital project to move forward under federal law. Consistent with how other major capital projects were analyzed prior to GO TO 2040's approval, CMAP is currently evaluating this project against a set of various performance criteria. CMAP will present the results of this evaluation to the CMAP Board and MPO Policy Committee in March of 2013, and at that point those committees will make a decision about whether or not to amend the region's plan to add this project. While we recognize that the Circle Interchange is a significant bottleneck in the regional and national transportation system, we wish to raise the following issues about the process.

CMAP'S CONCERNS ABOUT THE OVERALL PLANNING PROCESS

Staff has four primary concerns about the process by which the Circle Interchange project was identified and IDOT's subsequent request for a plan amendment.

- 1. Neither the state nor metropolitan planning processes included the construction of the Circle Interchange as a near-term priority.** The State's current five-year highway

improvement program does not budget for the construction of the Circle Interchange, and GO TO 2040 fails to identify the project at all – even on the fiscally unconstrained list of proposed projects. Prior to May 2012, there was no communication between the State, IDOT, and CMAP about the need, scope or timeline for this project. CMAP staff is troubled by the lack of transparency in prioritizing such a major project, and particularly by the simple fact that it is not included in the region’s long range plan.

2. **IDOT has identified only \$24 million for preliminary engineering work of the project’s total \$410 million cost.** IDOT has not identified any funding source to cover the remaining \$386 million gap, so either new revenue must be found or other projects that were identified as priorities must be eliminated or delayed. Given the tight funding environment, it is unlikely that this can happen without sacrificing or reducing the scope or cost of existing major capital priorities in GO TO 2040.
3. **The advancement of the Circle Interchange project further illustrates the need for the state and region to implement performance-based funding, a key recommendation stemming from GO TO 2040 and a priority for the CMAP Board and MPO Policy Committee.** The Circle Interchange is an example of a new priority emerging on an *ad hoc basis* rather than through a *transparent, strategic planning process involving the metropolitan region*. To the contrary, if a performance-based process was in place, this project could have been identified as a needed priority. In an era of increasingly constrained resources for the transportation system, it is imperative that meritorious projects are selected for funding based on transparent, defensible criteria.
4. **Highway funding in Illinois remains subject to the longstanding “55/45 split”, which directs only 45 percent of resources to the six counties (District 1) of northeastern Illinois, regardless of needs or performance.** The Circle Interchange is an expensive project in a restrictive funding climate, and this non-statutory funding split essentially creates a zero-sum game for northeastern Illinois. Thus accommodating the Circle Interchange, a project that has impacts well beyond northeastern Illinois, will crowd out other regional priorities.

GO TO 2040 was unanimously approved by the CMAP Board and MPO Policy Committee in October 2010, and represents the region’s collective vision and plan for the future. It is the culmination of years of research and outreach, and represents the consensus of a diverse range of stakeholders, including the State of Illinois, across the region. Proposals to deviate from this plan are serious considerations at any time, but particularly so only two years into the planning period.

CMAP staff recognizes that no long term evaluation of expressway deficiencies was completed as a part of the GO TO 2040 process. It is necessary for CMAP, IDOT and ISTHA to undertake this evaluation to ensure a comprehensive approach to investing in our expressway system.

ACTION REQUESTED: Discussion

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