Welcome and roll call
Approval of meeting minutes
Focus groups

- Chicago Plus (regional)
- Chicago Federation of Labor members (regional)
- CMAP Community Advisory Committee (regional)
- Belmont-Cragin student group (Chicago)
- Gail Borden Public Library (Kane and Cook counties)
- Chicagoland Chamber of Commerce members (regional)
- Will County Center for Community Concerns (Will County)
Focus groups: Key themes

Public transit is vital
“Public transit is a public service people need. It’s a lifeline for many.”

And the system has many challenges
“We need more public transit service, and service that is there when people want to use it.”

The fiscal crisis threatens the region’s future
“The loss of that bus (due to budget cuts) [would make] it impossible for workers to get there on their own.”

And it requires bold, equitable solutions
“We have to have a complete shift in our approach to public transit now.”
COG/COM and County Engagement

Subregional councils:
• Councils of Governments and Councils of Mayors
• Metropolitan Mayors Caucus

Counties
• Briefings with county administrators and engineers
• Presentations at board and committee of the whole meetings
The system we want
Recap: System improvement themes

- Better buses
- Fare integration and affordability
- Safety, security, and cleanliness
- System accessibility (ADA and technology)
- Service frequency
- Regional rail
- Land use and development
## Recommendations scale with resources

<table>
<thead>
<tr>
<th>Packages</th>
<th>Minimum viable</th>
<th>Meaningful investment</th>
<th>Transformational change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operating: $500M Capital: $50M (one-time)</td>
<td>Operating: $1B Capital: $220M (one-time) + $200M (annual)</td>
<td>Operating: $1.5B Capital: $220M (one-time) + $400M+ (annual)</td>
</tr>
</tbody>
</table>

**Baseline**
- Strategies that do not require net new resources
PART topics are interrelated

How to pay for it

How to implement it

The system we want
How to pay for it
Principles for funding packages

• Transit system needs to be part of the solution
• More robust state support is needed
• Stable, dedicated funding is needed for paratransit
• Expanding the sales tax base is a better solution than raising the rate
• Transportation dollars for transportation investments
• New funding sources should be equitable
Paratransit costs eroding local revenues

Pace ADA became a larger share of Sales Tax II & Public Transportation Fund II revenues, 2009-2022

Source: CMAP analysis of RTA budget data.
State support for transit across large systems

Sources of operating revenues for peer regional transit systems, 2019

- **RTA (Chicago)**
  - State: 17.1%
  - Federal: 0.3%
  - Local: 43.8%
  - System-Generated: 38.8%

- **LACMTA (Los Angeles)**
  - State: 21.8%
  - Federal: 15.8%
  - Local: 45.9%
  - System-Generated: 16.5%

- **WMATA (Washington, D.C.)**
  - State: 23.0%
  - Federal: 2.6%
  - Local: 36.0%
  - System-Generated: 38.5%

- **MTA (New York City)**
  - State: 27.6%
  - Federal: 19.5%
  - Local: 52.9%

- **MBTA (Boston)**
  - State: 44.2%
  - Federal: 9.1%
  - Local: 46.7%

- **SEPTA (Philadelphia)**
  - State: 50.1%
  - Federal: 6.0%
  - Local: 7.2%
  - System-Generated: 36.7%

Source: CMAP analysis of RTA and National Transit Database data.

Note: State and federal revenue sources are assistance from these levels of government. Local revenues sources include local government assistance and agency revenue from taxes and fees. System-generated revenue includes fare revenue, advertising revenues, and other agency-generated funds.
How to pay for it

Proposed packages of funding solutions to avert the fiscal cliff and build the regional transit system we want
Conceptual diagram of operating funding packages

- **Net funds needed**
  - "The gap"
  - + System improvements

- **Intermediate solution set**
  - Baseline actions
  - Durable sources
  - Diminishing or stopgap sources
  - Transit system savings + fare increases

- **Long-term solution set**
  - Baseline actions
  - Durable sources
  - Long-term sources
    - Replace diminishing/stopgap sources
    - Reduce reliance on sales tax
  - Transit system savings + fare increases
Recap: Three levels of investment

- **Baseline**: Strategies that do not require net new resources

- **Minimum viable**
  - Addresses “the gap”
  - Operating: $500M
  - Capital: $50M (one-time)

- **Meaningful investment**
  - Addresses “the gap” and makes significant system improvements
  - Operating: $1B
  - Capital: $220M (one-time) + $200M (annual)

- **Transformational change**
  - Addresses “the gap” and makes additional system improvements
  - Operating: $1.5B
  - Capital: $220M (one-time) + $400M+ (annual)
**Intermediate Solution Set: ~$1.5B in new funds**

# Transformational investment

## How to pay for it

<table>
<thead>
<tr>
<th>Baseline actions</th>
<th>Dollars in millions</th>
</tr>
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<tbody>
<tr>
<td>Increased state support for paratransit (cover half of annual costs)</td>
<td>$110</td>
</tr>
<tr>
<td>Fully fund existing state reduced fare mandates</td>
<td>$85</td>
</tr>
<tr>
<td>Remove state service fee on RTA sales tax</td>
<td>$30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Durable sources</th>
<th>$710</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand state sales tax base – broad selection of services</td>
<td>$310</td>
</tr>
<tr>
<td>New sales tax state match flowing through existing formulas (broad)</td>
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<td>Expand downtown commercial parking tax (Chicago/Cook only)</td>
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<tr>
<td>In-region vehicle registration surcharge (+$20/car)</td>
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<table>
<thead>
<tr>
<th>Diminishing or stopgap sources</th>
<th>$470</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raise RTA sales tax in region by 0.25%</td>
<td>$470</td>
</tr>
<tr>
<td>Raise tolls 30% on existing Tollway facilities (excludes trucks)</td>
<td>$180</td>
</tr>
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*Note: Requires $220M in one-time and $400M+ in annual capital funds*

## What we could get

- Close the gap
- Investment in frequent/reliable service
- Full fare/transfer integration, with connections to complementary systems*
- Low-income subsidy + free transit for youth
- Bus priority and BRT investments*
- New transit staff at DOTs
- On- & off-system accessibility enhancements*
- Improved wayfinding + real-time information*
- Integrated dial-a-rides
- Transit ambassadors and staff capacity
- Accelerated station renewals*
- Improved restroom access*
- “Regional rail” investments (ambitious)*
- Transit service and incentives to support TOD*
- Low-/no-cost planning & process improvements
Intermediate Solution Set: ~$1B in new funds

# Meaningful change

## How to pay for it

### Baseline actions

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### Durable sources

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<td><strong>Total</strong></td>
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### Diminishing or stopgap sources

<table>
<thead>
<tr>
<th>Description</th>
<th>Dollars in millions</th>
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</thead>
<tbody>
<tr>
<td>In-region MFT surcharge (+10c/gallon)</td>
<td>$90</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$90</strong></td>
</tr>
</tbody>
</table>

*Note: Requires $220M in one-time and $200M in annual capital funds*

## What we could get

- Close the gap
- Investment in frequent/reliable service (reduced)
- Full fare/transfer integration, with connections to complementary systems (reduced)*
- Low-income subsidy + unified youth discounts
- Bus priority and BRT investments (reduced)*
- New transit staff at DOTs
- Accessibility enhancements (reduced)*
- Improved wayfinding + real-time information*
- Integrated dial-a-rides
- Transit ambassadors (reduced)
- Accelerated station renewals (reduced)*
- “Regional rail” investments (some corridors)*
- Incentives for TOD on public assets*
- Low-/no-cost planning & process improvements
Minimum viable

How to pay for it

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<td><strong>$225</strong></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Durable sources</th>
<th><strong>$350</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand state sales tax base – narrow selection of services</td>
<td>$220</td>
</tr>
<tr>
<td>New state match flowing through existing formulas (narrow)</td>
<td>$65</td>
</tr>
<tr>
<td>In-region vehicle registration surcharge (+$10/car)</td>
<td>$65</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Diminishing or stopgap sources</th>
<th><strong>$0</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>$0</td>
</tr>
</tbody>
</table>

*Note: Requires $50M in one-time capital funds*

What we could get

- Address the gap: Return to nearly pre-COVID service levels in an evolved regional transit network
- Discounted transfers between transit systems (partial integration)
- Investments to enable fare capping*
- Low-/no-cost planning & process improvements
Discussion
### Capital investments needed for improvements

#### Minimum viable related capital costs
- **Annual:** $0
- **One-time:** $50 million

#### Meaningful change related capital costs
- **Annual:** $200 million
- **One-time:** $220 million

#### Transformational investment related capital costs
- **Annual:** $400 million+
- **One-time:** $220 million

#### Short-term capital options

<table>
<thead>
<tr>
<th>Option</th>
<th>Dollars in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>MFT surcharge (+10c/gallon)</td>
<td>$90</td>
</tr>
<tr>
<td>MFT surcharge (+20c/gallon)</td>
<td>$180</td>
</tr>
<tr>
<td>Flex IDOT federal funds to transit capital (low)</td>
<td>$100</td>
</tr>
<tr>
<td>Flex IDOT federal funds to transit capital (high)</td>
<td>$150</td>
</tr>
<tr>
<td>Raise tolls on existing Tollway facilities 30% (+ trucks)</td>
<td>$450</td>
</tr>
<tr>
<td>Raise tolls on existing Tollway facilities 30% (- trucks)</td>
<td>$180</td>
</tr>
</tbody>
</table>

#### Med-/long-term capital options

<table>
<thead>
<tr>
<th>Option</th>
<th>Dollars in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Usage Charge – MFT replacement</td>
<td>varies</td>
</tr>
<tr>
<td>Road Usage Charge – congestion pricing</td>
<td>varies</td>
</tr>
<tr>
<td>Toll IDOT freeways</td>
<td>varies</td>
</tr>
<tr>
<td>Introduce CBD cordon (NYC model/$12)</td>
<td>up to $765</td>
</tr>
<tr>
<td>Introduce CBD cordon (London model/$24)</td>
<td>up to $1,300</td>
</tr>
<tr>
<td>Financialize future carbon policies</td>
<td>varies</td>
</tr>
</tbody>
</table>
Discussion
How to implement it
Evaluating governance reform

**Identify current and historic challenges:** past reports, stakeholder interviews, problem statements

**Explore solutions:** case studies, research, surveys

**Draft reform options:** recommendations and governance models

**Refine and finalize recommendations:** steering committee, CMAP Board, MPO
Governance reform requirements

Achieve goals from *System We Want*

Maximize investments from *How to Pay for It*

Address problem statement themes
### Function: Summary survey results

<table>
<thead>
<tr>
<th>Degree of consensus</th>
<th>Area</th>
<th>Aspect</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High</strong></td>
<td>Fare policy</td>
<td>Set fare and transfer policies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Establish revenue sharing policies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Select payment technologies and approaches</td>
</tr>
<tr>
<td></td>
<td>Financial stewardship</td>
<td>Set performance measures for regional priorities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oversight and accountability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Set performance metrics for operational efficiencies</td>
</tr>
<tr>
<td></td>
<td>Capital planning</td>
<td>Prioritize capital funding</td>
</tr>
<tr>
<td><strong>Moderate</strong></td>
<td>Service planning/operations</td>
<td>Determine which markets to serve</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Set performance standards and objectives</td>
</tr>
<tr>
<td></td>
<td>Capital planning</td>
<td>Plan for system expansion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plan for state of good repair</td>
</tr>
<tr>
<td><strong>Low</strong></td>
<td>Capital planning</td>
<td>Capital construction</td>
</tr>
<tr>
<td></td>
<td>Service planning/operations</td>
<td>Day-to-day service planning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Operate service</td>
</tr>
</tbody>
</table>
Form: Options under consideration

- Minimize role of RTA
- Status quo
- Keep structure the same, but revise funding allocation
- Strengthen regional entity and keep service boards
- Integrate service boards into one regional agency
Regardless of the structure, reform should seek to...

- Better align funding allocation with regional goals
- Increase centralization of at least some transit functions
  - Fare policy, financial stewardship
- Establish more regional perspectives on the regional governing board(s)
- Provide avenues for local input
- Revisit 50% fare recovery ratio requirement
  - Lessen requirement or replace with another metric
Today's governance

- Emphasizes financial stewardship (fare recovery ratio)
- Emphasizes geographic tax equity (statutory formulas)
- RTA mandated to provide financial oversight and accountability
- Allows local control over service operations (three service boards)
- Each service board is held to account for their share of funding
- RTA serves to address needs within the region in lieu of state involvement
Governance models under consideration

Strengthen regional entity and keep service boards
1. Stronger coordinating agency
2. Regional network manager

Integrate service boards into one regional agency
3. Integrated agency with committees
4. Unified new entity
Each agency is responsible for its own:
• HR & admin
• Selection of agency executive
• Pension
• Procurement
• Communications
• Budgeting
• Labor negotiations (where applicable)
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- HR & admin
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- Budgeting
- Labor negotiations (where applicable)
Integrated agency with committees

Regional entity

Regional transit functions:
- Fare policy
- Financial stewardship
- Capital planning
- Capital funding
- Service planning
- Strategic planning

Regional corporate functions
- HR & admin
- Selection of agency executive
- Pensions
- Procurement
- Communications
- Labor negotiations

- Service committee
  - Metra
    - Transit operations, daily service decisions

- Service committee
  - CTA
    - Transit operations, daily service decisions

- Service committee
  - Pace
    - Transit operations, daily service decisions

- Service committee
  - Paratransit, On Demand
    - Transit operations, daily service decisions
Unified new entity

Regional entity

Regional transit functions
- Fare policy
- Financial stewardship
- Capital planning
- Capital funding
- Service planning
- Strategic planning

Regional corporate functions
- HR & admin
- Selection of agency executive
- Pensions
- Procurement
- Communications
- Labor negotiations

Bus
- Transit operations, day-to-day service planning

Rail
- Transit operations, day-to-day service planning

Paratransit, On Demand
- Transit operations, day-to-day service planning
Discussion
Next steps

September 6 - Final meeting
(at CMAP office)

• Continue to post white papers/video presentations
• Continued Board, Service Board, stakeholder outreach
• September 13 - Introduce to Board/MPO draft recommendations
• October 11 - Final vote by Board/MPO
Public comment

Limited to two minutes per person, unless the Chair designates a longer or shorter time period
Thank you!

Visit cmap.is/PART for information and resources.
LWilkison@cmap.illinois.gov