Plan of Action for Regional Transit
Northeastern Illinois
May 24, 2023
Welcome and roll call
Approval of meeting minutes
Public engagement for PART

Councils of mayors, councils of governments
Survey
Focus groups
Survey: Residents want transit improvements

Q: What improvements to the regional transit system (CTA, Metra, and Pace) would be most valuable to you? Please select up to two.

- More frequent service throughout the day: 51%
- Faster and more reliable bus service: 51%
- Reduced fares for travelers with limited incomes: 28%
- More transit options within walking distance of work and home: 24%
Focus groups

Chicago Plus (regional convention and visitor bureaus)
Chicago Federation of Labor members
CMAP Community Advisory Committee
Belmont-Cragin student group

Public transit is a public service.
Transit is critical for our visitors, workers, climate, economy.
Transit doesn’t fully serve the region.
Solutions: complex, equitable, and bold.
How to pay for it
Sales tax options

Adjust existing sales tax rates

Broaden the sales tax base to new services

Hybrid scenario
Consideration: growth in services

Historic share of personal consumption expenditures by major type

Source: U.S. Bureau of Economic Analysis, SB Friedman Development Advisors, LLC
Consideration: current tax levels

13th
Illinois State Sales Tax Rate Rank

8th
Illinois Avg. Local Tax Rate Rank

2nd*
City of Chicago Sales Tax Rate Rank

Note: City, county, and municipal rates vary and are weighted by population to compute an average local tax rate.

Source: Tax Federation, SB Friedman Development Advisors, LLC
Sales tax options

Adjust existing sales tax rates
Raise the RTA rate

Broaden the sales tax base to new services
Expand the statewide base to include a more expansive set of services

Hybrid scenario
Expand the base statewide, lower the state rate, and keep the RTA rate the same
or
Expand the base statewide, lower the state rate, and raise the RTA rate

Source: SB Friedman Development Advisors, LLC
Potential benefits of a hybrid approach

- Reduce composite sales tax rate for consumers
- Improve equity by shifting tax burden
- Raise new funds
  - State, counties, municipalities
  - Transit system
- One way to enable an increased state match to the Public Transportation Fund (PTF)
Paratransit costs have been rising.

Source: CMAP analysis of RTA budget data, adjusted to 2022 constant dollars.
Note: Budget figures for 2022 are unaudited as of March 2023. Percentages may exceed 100% due to rounding.
Today, paratransit costs are covered primarily by Sales Tax II

Paratransit operating sources, 2023 Budget

- $217.5 million
- $12.6 million
- $8.4 million

Source: CMAP analysis of adopted RTA budgets
## Peer approaches to funding paratransit

<table>
<thead>
<tr>
<th>Paratransit Service</th>
<th>Annual Cost</th>
<th>Public Support</th>
</tr>
</thead>
</table>
| **Minneapolis**     | $99.7 million | • State appropriation: $56m  
                    |             | • Federal COVID aid: $37m  
                    |             | • Fares: $8.6m |
| (2023 Budget)       |             |                |
| **New York City**   | $497 million | • Urban real estate tax: $31.0m  
                    |             | • City reimbursement: $215m  
                    |             | • Drawn down from NYC transit fixed-route transit funding: $230m  
                    |             | • Fares: $20.5m |
| (2022 Budget)       |             |                |
| **Los Angeles**     | $218 million | • FTA Section 5310 funds: $73m  
                    |             | • Sales Tax (Prop C, M): $82.5m  
                    |             | • Federal COVID aid: $49.1m  
                    |             | • Fares: $8.6m |
| (2023 Budget)       |             |                |
| **Chicago**         | $238.5 million | • Sales Tax II: $217.5m  
                    |             | • State appropriation: $8.4m  
                    |             | • Fares: $12.6m |
| (2023 Budget)       |             |                |
## Roadway-generated revenues

<table>
<thead>
<tr>
<th>Revenue system</th>
<th>Implementation options</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking fee</td>
<td>Implementing or expanding a fee on commercial parking in transit rich areas</td>
<td>Short-term</td>
</tr>
<tr>
<td>Vehicle registration surcharge</td>
<td>Adding a surcharge to existing state or local vehicle registrations dedicated to transit</td>
<td>Short-term</td>
</tr>
<tr>
<td>Motor Fuel Tax (MFT) surcharge</td>
<td>Adding a surcharge to the existing state MFT dedicated to transit operations</td>
<td>Short-term</td>
</tr>
<tr>
<td>Reallocating state road funds</td>
<td>Reallocating existing state road funding to transit</td>
<td>Medium-term</td>
</tr>
<tr>
<td>Tolling</td>
<td>Increasing existing tolls with new increment dedicated to transit</td>
<td>Short-term</td>
</tr>
<tr>
<td></td>
<td>Adding new tolls on current toll-free IDOT expressways (e.g., I-290, I-90/94)</td>
<td>Long-term</td>
</tr>
<tr>
<td>Road user charge</td>
<td>Implementing a use-based fee to replace MFT and add additional increment</td>
<td>Long-term</td>
</tr>
<tr>
<td>Cordon pricing in the CBD</td>
<td>Implementing a cordon for the Chicago central business district (CBD) boundaries</td>
<td>Long-term</td>
</tr>
</tbody>
</table>
System-generated revenue

Develop an approach to raising fares to keep pace with inflation

Create a low-income fare subsidy to protect vulnerable riders

Develop system-level performance measures that ensure financial stewardship

System We Want

System We Want

How to Implement it
Discussion

What is your reaction to these options?

What additional information is needed to build the case for modifying the sales tax in Illinois?
The system we want
Fare integration and affordability
Our challenge: Provide a seamless and affordable experience across multiple travel modes
Despite progress, challenges remain for a seamless, multi-modal transit system

Users and operators must manage multiple payment methods

Uncoordinated fare and transfer structures discourage travelers from choosing the fastest and most convenient transit option

Complementary connections (e.g., Divvy, South Shore Line) are not integrated with CTA, Metra, or Pace
“Fare integration” involves several overlapping components

- Transfer discounts
- Technology approach
- Base fares on each system
- Geographic reach
Seamless and integrated fares

Stand up an effective structure for full fare integration
- Identify an owner for a unified regional fare system
- Establish timeline to achieve full integration with interim milestones

Define the goals for an integrated system, including:
- Unified payment method (e.g., tap-on readers)
- Consistency across fare structures
- Free or discounted transfers

Ensure adequate and sustainable funding
- Invest in infrastructure required for integration (e.g., tap-on readers)
- Provide operating funding to cover any reduced revenues

Integrate with complementary modes
- Fund discounted transfers and integration (e.g., Divvy)
- Expand data sharing requirements for private mobility providers

Related strategies that cut across PART topics
- Governance of fare policy
- Level of public funding support
Our challenge: Balancing fare revenues with affordability and ridership
Fares are a vital source of transit operating revenues, even after COVID

Source: RTA 2019 and 2022 operating budget documents
If fares remain flat, revenues will lose purchasing power over time

Average fares and inflation, relative to 2007

Average fares have generally kept up with inflation, but COVID may threaten that trend if fares remain fixed while inflation continues.
Most transit riders rated “better service” as more important than fares

Rider perspectives on the most important areas for improving bus service, 2019

- **Reliability and frequency**: 79%
- **Safety**: 68%
- **Quality of trip (crowding, delay, major disruptions)**: 57%
- **Information and facilities**: 38%
- **Fares/other**: 22%

Fare levels and affordability

Ensure that fare revenues continue to support transit operations
- Plan for continued fare increases to keep pace with rising costs
- Consider automatic inflation adjustments
- Fully fund existing subsidy programs and any potential new subsidies

Maintain fare affordability
- Implement subsidized fares for travelers from households with low incomes
- Shift to a “fare capping” structure to make weekly/monthly passes more affordable to travelers with limited incomes
- Unify existing transit youth subsidy programs into one regional program

Related strategies that cut across PART topics
- Governance of fare policy
- Public funding levels required
- Reforms to farebox recovery ratio requirement
Safety, security, and cleanliness
Transit is dealing with a safety issue, both in terms of perception and reality.

In July 2022, a CTA survey found that 56% of respondents felt dissatisfied with personal security on train and buses.

Metra and Pace have not seen as many safety incidents, but perceptions of safety remain a concern.

Number of unarmed guards on CTA doubling to over 200 to address crime, rule-breaking

By John Greenfield | Mar 9, 2022

The CTA Boosted Security To Battle Violence, Bad Behavior On Trains And Buses — But Riders Say Nothing Has Changed

The CTA has hired four private security firms to try to double the number of unarmed guards patrolling the system 24/7. But even guards say they’re ill-equipped to deal with violent or unruly passengers.

9:14 AM CDT on Apr 27, 2023
Other challenges are also affecting riders and changing perceptions.

Everybody’s late and everything smells like weed: What nearly 2,000 CTA riders told us

In a wholly unscientific WBEZ survey of regular commuters, many expressed concerns that service, safety and cleanliness have eroded since the pandemic began.
Potential recommendations

Increase visible staff presence
- Support existing and new programs (e.g., transit ambassadors)
- Facilitate stronger partnerships with human services providers

Strengthen two-way rider to operator communication
- Leverage existing and new mobile applications
- Increase data sharing and reporting on key issues

Invest in physical infrastructure that improves the rider experience
- Invest in lighting in and around stations and bus stops
- Increase access to public restrooms for system users

Monitor transit safety and security strategies in peer metros
- Learn from current and emerging strategies that could be implemented here in the region

Related strategies that cut across PART topics
- Service frequency
- System accessibility
- Public funding levels required
Adapting service for changing travel needs
Our transit assets are only as useful as the service that we run using them.
Compared to 2007, overall fixed-route transit service has fallen in the region.

Source: CMAP analysis of National Transit Database data.
Service frequency

Principle for consideration in funding, governance, and decision-making:

We should strive for a system that provides frequent, all-day service – not just the bare bones coverage we will be able to afford after federal aid is depleted.

Related strategies that cut across PART topics:

- Regional rail
- Better buses
- Funding and governance decisions
Example: Growth in remote/hybrid work poses challenges to traditional “commuter rail” model

RTA surveys and CMAP analysis show a dramatic and sustained growth in remote work today vs. before COVID-19.
Regional rail and PART

Identify policy principles that can support Metra’s evolution to a “regional rail” system
• Develop statewide incentives and/or policies to facilitate transit-supportive development around existing rail stations
• Identify and prioritize infill station opportunities to address rail transit service gaps
• Integrate planning for and importance of regional rail into potential discussions on “CREATE 2.0”

Identify and fund targeted investments to enable existing commuter rail assets to better meet new travel demands
• Identify investment needs (e.g., infrastructure, rolling stock)
• Provide sustained capital funding support, including as a match to significant federal grant funding opportunities

Related strategies that cut across PART topics
• Service frequency
• Transit fare integration
• Transit-supportive land use and complementary modes
Discussion

What is your reaction to these challenges and potential solutions?
Overview of system improvements

- Better buses
- Fare integration and affordability
- Safety and security
- System accessibility (ADA & technology)

- Service frequency
- Regional rail
- Transit-supportive land use and development

Chicago Metropolitan Agency for Planning
Better buses

Plan for and fund bus priority infrastructure
- Create regional bus priority plan with timeline for implementation
- Design updates to support priority corridors
- Dedicated funds to support implementation

Invest in new staff capacity at DOTs
- Fund staff/teams at IDOT, CDOT, and county DOTs to advance bus priority
- Invest in technical assistance for bus priority in other local governments

Implement automated enforcement
- Authorize automated enforcement for bus lanes and bus stops
- Authorize multi-jurisdiction enforcement (e.g., counties, Pace)
- Dedicate any incremental revenue to bus priority investments
- Incorporate equity framework to mitigate disproportionate burdens

Related strategies that cut across PART topics
- Service frequency standards
- Transit support from road system revenues
Transit system accessibility

Continue work toward full ADA accessibility
• Complete a regional detailed plan and timeline for full transit system accessibility, building on efforts like CTA’s ASAP program
• Identify and plan for improvements to off-system accessibility on facilities not controlled by transit providers (e.g., sidewalks, curb ramps)
• Invest state funds to leverage federal grant opportunities for both on- and off-system accessibility

Leverage technology to improve the system’s ease of use
• Develop stronger two-way communication tools with riders (e.g., real-time information, accessibility challenges, and open data sharing)
• Fund investments in accessible wayfinding, signage, and real-time information sharing

Related strategies that cut across PART topics
• Service frequency
• Cleanliness of system assets
• Staff presence and two-way rider communication
Demand-responsive services

Increase coordination of dial-a-ride and demand-responsive transit services

- Support the integration of dial-a-ride services into larger geographies (e.g., county-level zones)
- Establish a unified demand-responsive eligibility / registration system
- Strengthen the incorporation of demand-responsive transit services within overall transit system governance

Ensure ADA paratransit can provide effective and financially sustainable service to regional travelers

- Leverage stronger dial-a-ride services to increase options for users
- Build on the successes of options like the Taxi Access Program and DuPage Uber Access Program to expand same-day service while lowering costs

Related strategies that cut across PART topics

- Funding supports for paratransit service
- Governance and coordination of multiple modes
Land use and development

Leverage public assets and investments
- Support TOD on public assets near transit (e.g., parking lots)
- Reward transit-supportive land use policies and practices with additional transit service (either allocated or discounted)
- Leverage existing incentives and tax credits to support TOD

Support private sector shifts
- Develop framework for employer commute trip reduction targets
- Implement policies and/or incentives (e.g., impact fees, parking levies, tax credits) that lead to more transit-supportive site selection decisions

Develop long-term structural solutions
- Align comprehensive planning efforts at local and regional scale
- Explore longer-term solutions that can ensure transit’s ongoing financial sustainability (e.g., zoning near transit)

Related strategies that cut across PART topics
- Governance implications of real estate strategies
- Potential new transit funding
- Regional rail
- Service frequency
Discussion

What are your reflections on the package of improvements?

Is there anything missing?
How to implement it
Building our framework

Case studies

• History and context inform how each region governs transit
• Another region's model may not apply wholesale, but some aspects may help address challenges
The transit system is a combination of many different functions

Service
- planning, operating, and standards

Funding
- Operational, farebox recovery ratio

Administrative
- procurement, communication

Fare policy
- Affordability, intermodal transfers

Capital
- construction, planning, and debt

Other/potential future roles
- real estate, micro-mobility integration, tolling, etc.
These functions can be assigned to a range of different players

- **Independent operators**: Decentralized transit operators are responsible
- **Regional agency**: Oversees transit operators
- **Regional entity**: Is responsible
Different functions can fall along a spectrum

Example:

<table>
<thead>
<tr>
<th>Function</th>
<th>Independent operators</th>
<th>Regional entity</th>
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<tbody>
<tr>
<td>Service planning</td>
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<td>Service operating</td>
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<td>Operational funding</td>
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<tr>
<td>Fare policy</td>
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<tr>
<td>Capital planning</td>
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<td>Capital construction</td>
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<td>Procurement</td>
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<tr>
<td>Communications</td>
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Making the case for reform

To address problem statement themes

To achieve goals from System We Want

To maximize investments from How to Pay for It
Spectrum of options

Minimize role of RTA

Status quo

Keep structure the same, but revise funding allocation

Strengthen RTA and keep service boards

Integrate service boards into one regional agency
Discussion

What trade-offs should we understand looking at this spectrum of options?

Survey: Forms and functions of decision-making
Next steps

July 19 meeting (at CMAP office)

- Deliver white papers/video presentations
- Board/MPO cross-coordination
- RTA/service board presentations and coordination
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.
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