

## State government

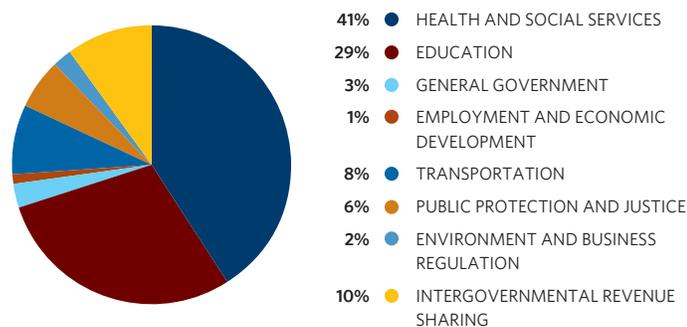
The State of Illinois' provision of services, infrastructure, and funding greatly impacts residents and businesses across the metropolitan Chicago region. This section describes how state decisions affect plan implementation, and then provides a description of actions that could support the implementation of GO TO 2040, organized into the areas of community planning, transportation, environment, and policy. It contains links to pages on CMAP's website where more information can be found.

## How State Decisions Affect Plan Implementation

The State of Illinois allocates nearly \$50 billion per year across a variety of program areas (see **Figure 68**). In FY 2009, roughly one tenth of this total consisted of federal funds.

The largest sources of state revenue remain the sales tax and income tax, which generated roughly \$23 billion in 2009. The largest spending areas are health and human services and education, which together make up over 70 percent of all state expenditures. The state plays a significant role in operating and maintaining the transportation system, promoting economic development, and maintaining and preserving natural resources.

**Figure 68. State of Illinois expenditures, 2008**



Source: Illinois Comptroller, 2008 Comprehensive Annual Financial Report

GO TO 2040 stresses the importance of investment decisions that will enhance economic vitality and livability across northeastern Illinois. State decisions will have a major impact on the implementation of GO TO 2040, not simply because of the sheer magnitude of the expenditures. More important is how decisions are prioritized and targeted. In practice the state must make important investment choices every day, such as which roads to resurface or reconstruct, which businesses to attract or retain, and which open space or other natural resource elements to preserve or restore.

Across these types of policy areas, GO TO 2040 stresses the importance of performance driven criteria when making investment decisions. Criteria that emphasize economic impact and job creation as well as economic and environmental sustainability and quality of life can propel the region and state toward the twin objectives of economic vitality and more livable communities. The extent to which the state emphasizes these factors, whether making an investment in a highway, wastewater treatment plant, or workforce development program, will affect the outcomes achieved.

Another important element stressed by GO TO 2040 is the coordination of investment across governmental agencies. Expenditures made by one department can often generate undesired consequences requiring attention from another department or different unit of government. For example, transportation expenditures can have a number of both positive and negative land use, environmental, and economic consequences. Coordination across state agencies in terms of goal-setting and evaluation criteria can help maximize the efficiency and effectiveness of these investments.

The State of Illinois allocates large dollars across diverse areas, including education, public health, transportation, economic development, and the environment. In many cases, the state has wide discretion in terms of how and where dollars, both federal and state, get spent. One of the chief messages of GO TO 2040 is that careful targeting of expenditures, via the use of better data and performance driven criteria, can achieve better results. In addition, investments should be comprehensive in scope and reflect linkages among different areas like transportation, housing, and the environment. By pursuing these types of objectives, the state can help foster a strong economy and other good quality-of-life outcomes for our residents and businesses.

## Livable Communities

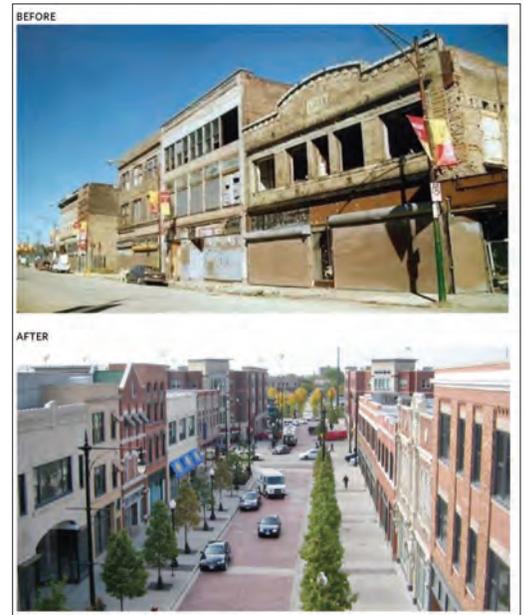
The state can play an important role in implementing GO TO 2040's recommendations for livable communities, which address land use and housing, resource conservation, open space, and local food, primarily through supportive policies and targeted funding support.

### Land Use and Housing

GO TO 2040 identifies a role for the state in helping to catalyze well planned, **walkable communities** by supporting the connections between transportation and land use when making investment decisions. More coordinated investment among transportation, environmental, and housing expenditures can go a long way toward ameliorating some of the unintended consequences that can sometimes occur when policy areas are evaluated separately. For example, transportation funds can be programmed with land use and environmental considerations in mind. As the federal government begins to increase its support for livable communities through more comprehensive investment decisions, the state can also play a vital role by aligning investment choices in this manner.

The Illinois Environmental Protection Agency (IEPA) is highly engaged in issues of **brownfield** remediation and redevelopment. IEPA's Site Remediation Program (SRP) provides participants the opportunity to receive IEPA review, technical assistance, and the guarantee that the participant has successfully demonstrated the mitigation of significant risk. The state also offers other financial assistance programs, which can bolster efforts by local governments and the private sector. Many successful brownfields projects rely upon a mixture of funding and government services, and a high level of state involvement will continue to leverage other sources and spur important redevelopment efforts.

In recent years, northeastern Illinois has experienced increasing housing costs in tandem with decreasing real incomes. This has left the region a surplus of newly built, high-cost, ownership housing stock. **Housing preservation** strategies can reduce housing costs and maintain the uniqueness of our communities. Preservation of housing can also have greater returns for the region's economy than demolition and new construction in terms of units and jobs created. The state can play a major role encouraging and incentivizing housing preservation through policies and programs that encourage maintenance of existing housing stock, and can prioritize state housing funding in areas near transit, or to communities engaging in intergovernmental planning. For example, the Illinois Housing Development Agency (IHDA) commits various funding sources and low interest loans to assist developers and local governments in the acquisition and rehabilitation of existing housing. A specific focus for IHDA is achieving housing preservation for seniors as well as low income and working class families.



Near the heart of Chicago, next to the Dan Ryan Expressway and the University of Illinois — Chicago (UIC) campus, a livable community was created. The university and a private developer worked closely with the IEPA through SRP, together developing a dynamic collaboration that transformed 68 acres of deteriorating and mostly abandoned industrial, commercial, and residential facilities, into the new University Village, featuring student housing, academic buildings, family homes, and over 50 new shops and restaurants. Twenty-one percent of the community's new residences have been designated as affordable housing and 30 percent of the land devoted to green space. Generating new economic activity in this underutilized area near downtown, the project has created over 600 new permanent jobs and spurred further residential development in the surrounding area. Image courtesy of [UIC and CDM](#)

## Resource Conservation

The state can actively address issues related to resource conservation, including the region's **water supply**, which requires careful planning and management. Integration of land use and resource conservation planning can play a central role in achieving better conservation of water. Planning grant programs can assist local governments in incorporating resource conservation measures. Conservation-oriented rate structures and rules and regulations encouraging graywater and wastewater reuse can be pursued. As the administrator of the state revolving funds for **wastewater** treatment plants, the IEPA can also prioritize the use of some of these funds for utilities demonstrating conservation targets.

The state can use a watershed management approach to improve water quality and protect against flooding by continuing to fund watershed planning. Many of these plans have been developed in the region using funding available from IEPA under the federal Clean Water Act, yet there are numerous watersheds where they have not. The Illinois Department of Natural Resources (IDNR) also sponsors flood studies. Watershed plans should identify water resource problems and evaluate projects and policies to address them, whether the problem is flooding or poor water quality or loss of habitat. Ideally a watershed plan will consider multi-objective projects that address several problems simultaneously. Of equal importance is putting funding toward the implementation of project recommendations in watershed plans, such as **stormwater best management practices** including the use of green infrastructure.

IEPA also regulates the region's **solid waste** facilities and requires all Illinois counties and the City of Chicago to develop, adopt and implement 20 year municipal waste management plans. Plans must set recycling targets, identify changes, and evaluate progress. The state can help by requiring improved reporting on quantity of waste disposed and remaining capacity of facilities. It can also implement waste reduction policies and conduct further research and policy development with the goal of setting specific targets by sector.



The North Branch of the Chicago River encompasses nearly 100 square miles in Cook and Lake counties, comprising a total watershed area of over 60,000 acres. Twenty-five municipalities fall within the watershed boundary, all contributing to an assortment of agricultural, commercial, and residential development that has taken place on open land throughout the watershed. As a result of this development, areas within the watershed have experienced flood damage, and overall water quality and wildlife habitats have been tarnished. The North Branch of the Chicago River Watershed-Based Plan was developed by the Lake County Stormwater Management Commission to "provide direction and target resources for better management and restoration of the watershed." The plan allows for the coordination of watershed planning efforts between multiple governmental jurisdictions. In addition, the plan makes individual communities and other water planning entities more responsible for their impact on the North Branch of the Chicago River Watershed. Image courtesy of [Jim Watkins](#)

## Open Space

The state operates and maintains large quantities of **open space** throughout northeastern Illinois. IDNR has been the leader in open space acquisition and has greatly helped the region in achieving various parks and open lands objectives. The state also provides funding through various grant programs to county forest preserves and local governments for acquiring and managing parks and open lands. As recent budgetary cuts and diversions have restricted IDNR from carrying out these important tasks, the state can help by reinstating funding to ensure that the state would continue to meet the need for open space that arises from an increasing population.

Furthermore, the state can help support GO TO 2040 through prioritization of lands most important from a natural resources perspective. Beyond open space investment, the state can also use its regulatory authority over sewer service expansion and its investment in transportation infrastructure to further protect sensitive open space.



Chain O'Lakes State Park is the largest and most visited natural area maintained by the State of Illinois. Adjacent to the 15 lakes and 45 miles of river that make up the public waters of the Fox Chain O'Lakes, the park contains a 44-acre inland lake, as well as camping facilities, horseback riding, fishing, and hunting opportunities. It is well-known as the only free access for launching thousands of powerboats each season on the Chain O'Lakes. Image courtesy of [Jim Watkins](#)

## Local Food

The state has an important role to play in both the production of local food and food access. Recent state legislation encourages state institutions (such as schools, prisons, hospitals, and others) to purchase local foods. This can bolster the **economy for local foods** by providing a consistent, large-scale market.

The issue of **hunger** and food security continues to be a major issue of concern in our region and across the state. The Illinois Department of Human Services (IDHS) and the Illinois State Board of Education (ISBE) administer and/or oversee many of the nutrition and hunger-relief programs that operate in Illinois. Better alignment of government agencies and services across the region and state can enhance program delivery around the needs of individuals and families. In addition, the use of technology and better data and information systems can streamline programs and services and make it easier for residents to apply and renew for certain services.



IDHS offers financial assistance for low income seniors and families to purchase fresh fruits and vegetables through the Farmers' Market Nutrition Program. Checks and nutrition education materials, including recipes, are distributed through Women, Infants, and Children (WIC) clinics and at local senior citizens' centers through the Illinois Department on Aging and other local organizations. Checks for fresh fruits and vegetables can be used at farmers' markets in 34 counties across the state and served over 85,000 participants during 2009. Image courtesy of Flickr user [Jim Watkins](#)

# Human Capital

GO TO 2040 stresses the importance of a skilled workforce, and offers recommendations in the areas of economic innovation and education and workforce development. The state has a central role to play in supporting strategies for our continued economic vitality.

In addition, providing for the health of our residents, particularly those of lower incomes, will remain a high priority. Investments in people will help build and maintain strong communities, improve quality of life, and generate high economic returns. Whether as a funder, policy maker, or direct provider of services, the state has large responsibilities in many of these areas.

## Economic Innovation

State agencies like the Illinois Department of Commerce and Economic Opportunity (DCEO) can enhance technology transfer and commercialization by linking research institutions with private sector industries. The state can increase funding opportunities like challenge grants and venture capital funds, and target **economic development incentives** toward the attraction and retention of innovative industries with good, high-paying jobs, including **green jobs**, which are becoming increasingly important for our region's sustained economic prosperity. The state can remove barriers to innovation through regulatory reform and create a culture of innovation through publicizing examples of innovation success stories and convening events that foster collaboration between the public and private sector.

## Education and Workforce Development

Effective **education** is key to sustaining a productive workforce, an engaged citizenry, and a high quality of life. Like other states, Illinois makes large expenditures toward schools, from pre-kindergarten to community colleges to the university system. The state can help support the goals of GO TO 2040 particularly by ensuring that these expenditures are achieving the desired outcomes of higher educational attainment and preparing our residents for the jobs of tomorrow.

The state has many potential opportunities for improving the educational system. Developing a pre-kindergarten through grade 20 (P-20) agenda can further the common goals of improving academic achievement, increasing college access and success, improving use of existing data and measurements, developing improved accountability, promoting lifelong learning, easing the transition to college, and reducing remediation. Improved data systems will allow schools to quickly identify the needs of incoming students, including the important measure of kindergarten readiness, and monitor progress as they move to the next level. The state can also work to strengthen teacher leadership through more focus on graduate coursework and credentialing in the content areas so teachers can take on distributed leadership roles in schools around the issue of instruction.



In December 2009, the Illinois' Economic Development for a Growing Economy (EDGE) tax credit program was expanded to include auto manufacturers. The program now allows companies in the auto industry, one of the state's largest employers, to retain employee income tax withholdings and reinvest them for operations that will create more jobs. The Ford Motor Company added 1,200 new jobs at its Chicago manufacturing facilities, where a next-generation SUV is being produced. The new vehicle will have at least 25 percent better fuel economy than its predecessor. Image courtesy of [ChristyNelson.net](http://ChristyNelson.net)

**Workforce development** programs also can have a significant role in sustaining economic growth by providing an important intermediary function in the labor market. State agencies like DCEO, the Illinois Community College Board (ICCB), and IDHS provide funds and services for job training, job placement, trade adjustment assistance, adult education services, and assistance to local businesses. The sheer complexity of the workforce development system can be strengthened through more coordination and better information networks to track, measure, and analyze performance.

## Other Actions That Support Human Capital

**Health** and social services typically comprise the largest expenditure of state dollars. The state has a vital role in ensuring that these dollars are well spent and achieving desired outcomes. State agencies like the Illinois Department of Public Health can help link planning for the design and implementation of prevention and health promotion strategies to planning in other sectors. It can also improve data for integrated planning and monitoring, and design programs for developing the workforce for the health care field, which continues to be a high growth industry in northeastern Illinois. The state can also create a coordinated, statewide **211 system** for human services provision, which can improve efficiency of service delivery.



The Illinois State Board of Education (ISBE) and its Education Partners are in the process of developing and rolling out a state-wide Illinois Longitudinal Data System (ILDS). Once fully deployed, the system will collect and provide data to track student outcomes from Pre-Kindergarten through postsecondary education, and as students enter the workforce. This is designed to guide policy decision on the investment of time and energy to improve student achievement. Once completed, ILDS will serve a large stakeholder group of local, regional, and state groups, including ISBE, postsecondary institutions, research organizations, and state workforce and higher education agencies, among others. Photo courtesy of [iStockphoto.com](#)



The ICCB launched Shifting Gears in 2006 with the Joyce Foundation to help low-skilled and low-wage workers gain additional education and skill development services, gain postsecondary credentials, and eventually move into better jobs. This program has focused specifically on improving, or in some cases creating, bridge programs that combine fundamental academic skills with occupational education. The bridge programs are targeted on the industry sectors of manufacturing, health care, and transportation/distribution/logistics. The Joyce Foundation funded similar initiatives in five other Midwest states. Image courtesy of Flickr user [Yooperrann](#)

# Efficient Governance

GO TO 2040 also emphasizes state action in the areas of tax policy, access to information, and coordinated investment.

## Tax Policy

GO TO 2040 discusses the state's role in taxation, and its overall fiscal health, at some length. Nearly 85 percent of state own-source revenue comes from the state sales tax, individual income tax, and corporate income tax. In recent years, the state has increasingly faced large budget deficits, and growth in expenditures continues to outpace revenues. The state's retirement system is one major driver of this deficit. Pension reform and careful targeting of state expenditures should help strengthen the state's fiscal situation, which will have a ripple effect in strengthening the ability of the state to provide infrastructure and services across many sectors. The state's income and corporate income tax rates remain quite low, relative to other U.S. states. Lastly, the sales tax continues to be imposed on goods, but not on consumer services. Extending the sales tax to services can help broaden the tax base, and allow for additional revenues and/or the lowering of sales tax rates.

Beyond budget balancing matters, the state's tax system remains inextricably linked with land use and the overall economy. The state allocates over \$4 billion annually in revenue sharing to local governments in northeastern Illinois — a large portion of this amount is composed of sales tax sharing, which creates incentives for particular local land use decisions. The state can help support GO TO 2040 by examining the outcomes of these systems. Increased transparency and predictability of state tax systems also will create a better environment for residents and to continue to make the state and region attractive for businesses. GO TO 2040 specifically recommends the formation of a task force on tax and fiscal issues to be housed at CMAP which will make recommendations for action to the state.

## Access to Information

GO TO 2040 emphasizes improved sharing of data and transparency by all levels of government, including the state. Almost all state agencies control large amounts of data and information. Policy challenges cannot be solved — and efficient government operations cannot be achieved — without comprehensive, current, and accurate data resources.

## Coordinated Investments

GO TO 2040 also addresses the importance of coordinating funding programs and regulations by both the federal and state government. Beyond the various actions already noted above, the state can also support efforts by local governments, counties, and COGs to increase service coordination, or in some cases consolidation, by units of local government.

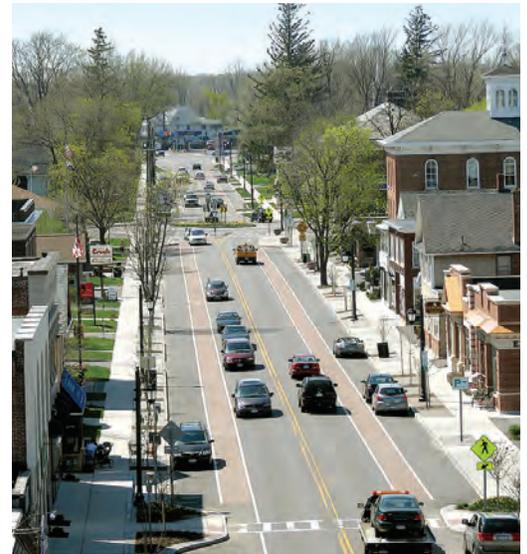
## Regional Mobility

The state's transportation agencies — defined for the purposes of this section as the Illinois Department of Transportation (IDOT) and Illinois Tollway — are targets of a number of GO TO 2040's recommendations regarding regional mobility, including those related to transportation finance, major capital projects, public transit, and freight.

### Transportation Finance

GO TO 2040 emphasizes efficient and fair decision-making concerning transportation expenditures and also an increase in transportation funding, relying on several new or expanded sources. Many recommendations in this section are directed to IDOT and the Tollway, which operate and maintain over 3,100 miles of roadway in northeastern Illinois. Their regular activities include the resurfacing and reconstruction of roads, bridges, and interchanges, signal timing, and a variety of other engineering and planning work. This is a massive and complex undertaking, requiring large outlays of federal and state dollars. The federal and state gas tax, state motor vehicle registration fees, and toll revenues are the primary revenue sources for funding the operations and maintenance of the state highway system. Roughly every 10 years, the State of Illinois has provided a state capital funding package, financed largely through bonds and other fee increases, to supplement highway, transit, and other infrastructure projects. The state also provides some additional funding for the region's transit system — this makes up only a small component of total transit funding and the state does not play a direct role in transit operations or maintenance.

As a major transportation implementer, the state can help support GO TO 2040 in a variety of ways. Given the realities of constrained federal and state revenues and the sheer magnitude of maintenance and enhancement needs, the state can help develop and utilize transparent evaluation criteria for the selection of road projects, rather than arbitrary geographic funding splits — such as the current practice that only 45 percent of the state's highway money is spent within the region. Criteria can be expanded to include measures of transportation performance as well as land use, environmental, and economic measures. Furthermore, state elected officials can move towards more sustainable funding sources for transportation. This may require attention to increasing the capacity of the state motor fuel tax (MFT) in the short term, and moving toward other, more adequate, user fees over the long term as vehicles move toward **alternative fuels**. GO TO 2040 specifically recommends the use of congestion pricing on selected expressways, with some of the revenues devoted to improving parallel transit service as well as nearby arterials. In addition, **public private partnerships (PPP)** offer a range of different approaches for funding infrastructure improvements and operations. The state currently lacks the necessary enabling legislation to enter into these types of arrangements.



With the recent adoption of Complete Street's legislation, IDOT is now pursuing the construction of accessible bicycle and pedestrian facilities with the reconstruction of any state road. Complete Streets emphasizes designing roadways for use by all modes, including bicycle and pedestrian considerations. Complete streets balance safety and convenience for all users, and improve walkability and livability of an area. According to the new legislation, IDOT will assume more of the financial burden of these facilities — including utility and right-of-way costs. Previously, projects were funded with a 50 percent state contribution and a 50 percent local match, but the new breakdown will only require a 20 percent local contribution to the 80 percent state share for the construction of sidewalks and off-road facilities. Image courtesy of [Dan Burden](#)

## Major Capital Projects

GO TO 2040 identifies a number of recommended major transportation capital projects, including a number sponsored by IDOT and the Tollway. These agencies should pursue these projects as priorities, noting the specific recommendations concerning support for transit, as well as community and environmental mitigation and enhancement activities, that are contained in that section.

## Public Transit

The state currently contributes some funds to the region's transit system, and can explore additional innovative funding sources, such as **congestion pricing**, that can also support regional transit. Also, IDOT and the Tollway can continue their efforts to support multimodal travel options by incorporating Bus Rapid Transit (BRT) and Arterial Rapid Transit (ART) concepts into planning and design of roadway improvements.

## Freight

The state is among the most important agencies involved in freight. In terms of infrastructure investments, the state can prioritize the implementation of the CREATE rail improvement project, both by focusing state investment in this project and helping to seek additional federal funds. Truck traffic in the region is also quite important, and the state can take a leadership role in identifying opportunities for dedicated freight corridors and implementing truckways or similar facilities where appropriate. A major element of GO TO 2040's approach to freight is the establishment of a regional freight authority to prioritize and finance freight improvements; the state should take an active role in the formation of this group.

## Other Actions That Support Regional Mobility

IDOT and the Tollway operate and maintain the region's expressways. A large portion of this system is frequently congested. A range of **managed lanes** strategies can optimize travel flow and reduce congestion, by reducing excessive traffic volumes, reducing conflicts between vehicles, reducing the number of incidents, and better managing those incidents that occur. The most common managed lanes strategies are express lanes and reversible lanes, congestion pricing, high occupancy vehicle (HOV) lanes, high occupancy toll (HOT) lanes, and other supporting technologies and strategies. Many of these supporting strategies take the form of **intelligent transportation systems (ITS)** improvements, including variable message signage, overhead lane usage signal systems, variable speed limits, and video assisted enforcement.



Managed lanes such as express lanes and reversible lanes separate vehicles by trip destination and by vehicle type. Conflicts and weaving are minimized; capacity is optimized. Structural barriers are the primary means of assuring optimum system performance. In Chicago, IDOT maintains the reversible lanes on I-94, at the junction with I-90 to south of the loop. These lanes are switched during rush hour to mitigate peak demand periods. Express lane facilities typically serve passenger cars only and provide point-to-point service with a much lower frequency of access and egress points. Photo by Flickr user [HelveticaFanatic](#)

**Transportation demand management (TDM)** strategies can work in synergy with managed lanes. TDM comprises a group of strategies for reducing single occupancy vehicle use on the regional transportation network. One important subcomponent of TDM that can be implemented by state agencies is a range of traveler information strategies, including regional multimodal traveler information, itinerary route assistance, awareness campaigns, and construction congestion-mitigation. Coordinated systems of traveler information, such as 511 systems, can effectively transmit traveler information including construction advisories, up-to-the-minute congestion and travel time information, and incident information. Nationally, 511 is a number reserved for such traveler information.

The state also maintains a large portion of the region's arterials and collectors. Physical and operational improvements can improve capacity, improve travel time reliability and reduce crashes, while also reducing long-term costs. **Pavement design and pavement management systems** can facilitate better pavement conditions within constrained maintenance budgets. Careful planning of maintenance can preserve pavements, preventing them from falling into poor condition and requiring much more expensive rehabilitation or reconstruction later on. Other arterial operations strategies, such as **access management**, technologies, and other intersection operations can improve arterial and collector traffic flow, assuring mobility for all users, and providing unified access and circulation systems for businesses in commercial and mixed-use areas.

The state can also work toward ensuring mobility for all users in its maintenance and construction activities. Efforts to increase **bicycling** and walking as transportation and as recreation are important for reasons of mobility, health, safety, the environment, and the character of our communities. The state's recent passage of "complete streets" legislation requires: that bicycle and pedestrian travel ways be considered in the planning and development of facilities, that bicycles and pedestrians be accommodated when roads are built or rebuilt, and that IDOT establish design and construction standards for bicycle and pedestrian ways. Developing and maintaining bicycle facilities and programs can help improve the overall operation of the transportation system.



Pavement surfaces are a major component of our region's infrastructure and they can affect the safety, comfort, and cost of travel for users. IDOT currently collects data on both Interstate and non-Interstate pavements, and has historical data on Interstate pavement sections. The data, used as part of a pavement management system, helps state officials prioritize new projects, evaluate pavement design and construction, and answer hypothetical "what if" questions, all of which helps to manage our vast inventory of pavements. It has been estimated that Illinois' pavement management system has saved the state approximately \$50 million, since its inception in 1999. Image courtesy of Flickr user [Ignotus the Mage](#)