



## MEMORANDUM

**To:** CMAP Board

**From:** CMAP Staff

**Date:** November 5, 2014

**Re:** Update on Regional Infrastructure Fund

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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 the region to meet its infrastructure needs.

Also, as discussed during the Board's strategic planning session earlier this year, CMAP's current financial structure creates major challenges for funding stability and the agency's ability to lead GO TO 2040 implementation. In September, the Board instructed CMAP staff to pursue a strategy that addresses these two issues of regional and agency funding. This memo summarizes staff efforts to develop a campaign strategy for pursuit of a regional infrastructure fund for prioritized projects that support plan implementation; the fund will also diversify and stabilize CMAP's funding. Though not intended to solve all of the region's anticipated needs, the fund would help a significant number of projects move toward completion while leveraging private and public funding sources.

### Strategy

Staff plans to launch a targeted legislative campaign in the 2015 spring legislative session to create a regional infrastructure fund, programmed by CMAP, in support of:

- Transportation system projects that reduce congestion, improve access to transit and jobs, and/or enhance the freight network.
- Parks system and open space projects that improve residents' access to recreation and enhance communities' livability.
- Stormwater projects that improve the region's ability to avoid flooding of communities, as well as water quality and supply projects.

The agency will build a strong regional coalition led by business, labor, and civic leaders, supported by local governments, who can help make our case to the Illinois General Assembly. A number of legislative opportunities could emerge next spring for inclusion of a regional infrastructure fund, such as a possible new capital program or potential tax reform. Rather than a broad public campaign, CMAP will focus its outreach and coalition building efforts on securing support of key leaders from the private and public sectors. The strategy's ultimate success will also rely on strategic engagement of Illinois General Assembly members. The agency will initiate a "soft" launch in support of the fund later this month, followed by a kickoff event in late January that engages the CMAP Board, its committees, and key regional stakeholders.

### **Messaging**

Staff have developed and will continue to refine messages describing the need for a regional infrastructure fund. To support our proposal, we must convince target audiences that our region has significant unmet needs that the fund can address. For example, a key message is that the creation of a regional infrastructure fund will be an important down payment to help ensure that prioritized projects can move forward to drive economic growth for years to come. It is also important for our stakeholders to understand that this fund *does not replace* the need for increased state and federal investment, which remains critical for maintaining the current system. Later this month, a basic new website will provide an overview of the fund as part of our soft launch. In tandem, staff will begin engaging a select number of reporters and editorial staff. The official January campaign kick-off will entail extensive media outreach, both in-region and in Springfield, as well as a targeted social media campaign and more detailed website to describe our proposal, build our coalition, and persuade our legislators.

### **Outreach**

A strong regional coalition will be essential. To convince legislators requires that business, labor, and civic organizations be the initiative's leaders, with the support of local governments. We have started and will continue building this coalition through one-on-one and larger group discussions in the coming months. A small external leadership team with representatives from key stakeholder groups will provide guidance on engagement and legislative strategies. At our late January kickoff event, we will inform attendees about the fund campaign and seek their commitment and active advocacy.

### **Legislation**

Success of the regional infrastructure fund proposal will ultimately depend on our ability to see it through the complex legislative process. A vote to increase revenues is politically challenging for legislators, which is why we plan to tie our proposal to a broader legislative activity, such as a new capital program or tax reform. Staff are currently engaging our regional legislators to secure their leadership on this issue. Additionally, CMAP issued an RFP for consulting services to assist with our Springfield outreach in both building support and addressing potential opposition. We are currently drafting legislation and will be prepared to introduce amendatory language if an opportunity presents itself during the veto or lame duck sessions. When available, staff will share draft legislation with the Board.

**Fund Proposal**

Over the past two months, staff have developed a framework for how CMAP will manage the regional infrastructure fund. The draft proposal, to be shared with the Board on November 12, describes how the fund will be structured and administered to implement GO TO 2040 while enhancing quality of life and economic development regionally. The proposal provides an overview of the transportation, water, and open space projects the fund will support, as well as the project selection process and administration. Robust performance-based criteria will be used in the selection of projects to ensure the public receives the best return for its investment. Of the money raised, CMAP will devote a small percentage to support administration of the fund and agency operations, including to match our federal transportation dollars and provide comprehensive planning support for local governments.

**ACTION REQUESTED:** Discuss and provide direction to staff

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