

DRAFT Chicago Metropolitan Agency for Planning Federal Agenda – 2017

Introduction

The Chicago Metropolitan Agency for Planning (CMAP) is the comprehensive planning agency for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will and CMAP's policy committee is the metropolitan planning organization (MPO) for the same region. CMAP's Board membership reflects the region, with balanced membership from the City of Chicago, suburban Cook County, and the collar counties of DuPage, Lake, Kane, Kendall, McHenry, and Will. The Board's governing by-laws are intended to generate regional consensus.

CMAP developed and now guides the implementation of the GO TO 2040 comprehensive regional plan, first adopted in 2010 and updated in 2014. GO TO 2040 builds on the region's assets, identifies shortcomings, and recommends actions to help sustain the region's economic vitality and global competitiveness. To promote regional mobility, it calls on the region to invest strategically in transportation, increase its commitment to public transportation, and create a more efficient freight network. As required by federal law, CMAP is developing the next comprehensive regional plan: ON TO 2050.

This document first presents CMAP's positions on the implementation of new federal transportation policies. It then describes CMAP's broader principles to inform potential federal legislation across a wide range of topics.

Proposed MPO reform

The U.S. Department of Transportation (U.S. DOT) finalized a rule in December 2016 that would substantially change transportation and comprehensive planning processes across northeastern Illinois, northwestern Indiana, and southeastern Wisconsin by requiring the MPOs serving those areas to merge or provide joint planning products. The proposed rule was released with minimal prior national discussion of the issues, which would have been appropriate during Congress' recent consideration of a multi-year transportation law, the Fixing America's Surface Transportation (FAST Act), enacted in December 2015.

The final rule presents a high risk that, instead of facilitating more effective metropolitan planning, it will hinder coordination. The rule takes a blunt approach that would impose a cumbersome and problematic process, fails to consider impacts on state planning requirements, and would likely result in less innovative or bold planning products – all across a vast region.

More than 50 stakeholders from the region representing counties, municipalities, and transportation implementers submitted comments opposing the rule. Several Members of

Congress, including almost the entire Illinois Congressional Delegation, also weighed in with U.S. DOT asking for the rule to be revoked and instead to work with Congress on legislation to improve coordination among MPOs.

CMAP supports efforts in Congress and at U.S. DOT to revoke the final rule and instead consider efforts to improve metropolitan planning requirements through the legislative process. Any effort should rely on extensive outreach to MPOs, States, and other interested stakeholders.

CMAP supports efforts to improve MPO processes, as long as there are exceptions for large MPOs that cooperate well with neighboring MPOs. High-performing MPOs in large urban areas -- such as CMAP, NIRPC, and SEWRPC -- already meet or exceed federal planning requirements. They have successful programs in place to coordinate across state lines, meet unique state planning requirements as well as upcoming federal requirements, and have appropriate knowledge of local planning topics.

Implementation of the FAST Act

In December 2015, Congress passed and the President signed into law the FAST Act, a five-year, \$300 billion surface transportation reauthorization bill. The FAST Act sets the tone for the next five years of the federal transportation program, making meaningful progress on the reauthorization principles approved by the CMAP Board in June 2014, particularly in the area of freight policy. However, the FAST Act falls short in implementing some of CMAP's principles:

Sustainable, adequate funding for surface transportation, including both highways and transit. The FAST Act fails to provide a sustainable source of revenue for transportation improvements. Rather, the law relies on \$70 billion in funding offsets transferred from the General Fund to the Highway Trust Fund. CMAP continues to support transportation user fees as a sustainable, effective source of funding. CMAP also reiterates the need for increased *funding* for transportation investments, rather than *financing*. Finally, CMAP supports loosening restrictions on tolling the existing Interstate system to help pay for looming reconstruction needs on that critical piece of the nation's highway network.

Implementation of performance-based funding across programs. The FAST Act does little to advance performance-based funding, both in the high-level apportionment of funds among federal programs and the evaluation and prioritization of projects. CMAP remains committed to transparent, data-driven approaches to program transportation funds.

Providing regions with appropriate tools to support the transportation system. The FAST Act did not take any significant strides to empower MPOs to make strategic investment decisions

and allocate resources directly. CMAP supports a greater role for MPOs in programming federal resources to better connect plans with investment decisions.

Implementation of the FAST Act's freight provisions

The FAST Act is the first new long-term transportation authorization in several years and for the first time includes dedicated funding for freight improvements— a total of \$10.7 billion over five years. As the first new federal highway program in over two decades, it is critical to establish good policies to implement the FAST Act's federal provisions.

Freight funding is split between a formula program to the states and a national competitive program administered by U.S. DOT. While the overall emphasis is on highway improvements, both freight programs allow a portion of funds to be used for multimodal projects, including freight rail improvements. It is important to ensure that these types of projects do receive the funding set aside for them, as Congress intended, and that the national competitive funds are awarded in a transparent, performance-based process. To maximize public benefits, scarce competitive funds should be steered towards the projects that meet the most important national interests.

Unfortunately, U.S. DOT largely failed to achieve these objectives in its first round of administering the competitive FASTLANE program. Most of the selected projects fail to address major congestion points in the nation's freight system, and some had little to no nexus to goods movement at all. While U.S. DOT did demonstrate a willingness to invest in non-highway projects, those projects tended to be related to ports. CMAP encourages U.S. DOT to address these shortcomings in the next round of the FASTLANE program.

Further, the FAST Act requires U.S. DOT to establish a multimodal freight network and develop a multimodal freight plan. The new freight networks would have bearing on the use of the new federal freight funds. It is critical that these plans and networks be developed in a collaborative, data-driven process, and remain focused on true national priorities for goods movement. U.S. DOT has solicited input – which CMAP has actively provided – as part of these processes, but no final products have been issued.

Additionally, the FAST Act requires states to develop freight plans and encourages them to establish freight advisory committees. It also provides responsibilities to states and MPOs to designate portions of the national network. Federal regulations have done little to ensure a collaborative, performance-based planning and programming process at the state level, yet

CMAP has actively coordinated with the Illinois Department of Transportation (IDOT) to designate new freight facilities. CMAP supports strategically directing the FAST Act's new resources to the most critical freight facilities.

Lastly, given the critical role of metropolitan areas in goods movement and the MPO responsibility in addressing freight needs, the U.S. DOT should strongly consider enlarging the MPO role in the FASTLANE program by requiring no more than one FASTLANE application per region to be submitted by the MPO in partnership with implementing agencies.

Legislative principles for resilient metropolitan regions

One of the nation's few global economic centers, metropolitan Chicago is home to a diverse mix of industries, vast physical infrastructure and open space, and preeminent educational, cultural, and arts institutions. To support its long-term prosperity, as well as that of the state and nation, the region requires prudent federal investment and policy. Using GO TO 2040 as a guide, CMAP has developed a set of principles to inform federal legislators and other decision-makers on national policy issues that can strengthen metropolitan regions. The following discusses GO TO 2040's principles, which will direct CMAP's support or opposition to specific pieces of legislation over the course of the federal legislative calendar.

Pursue coordinated investments

Metropolitan regions drive the U.S. economy, and many of their policy issues transcend local boundaries. An increasingly regional approach would invest more in metropolitan areas as well as devolve more appropriate authority for funding decisions to the regional level, tackling many issues at the right scale and harnessing the economic power of regions. Federal investment decisions should be guided by comprehensive regional plans like GO TO 2040 that identify regional priorities by linking transportation, land use, the natural environment, economic prosperity, housing, and human and community development.

Legislative principles

CMAP supports legislative initiatives that take a regional approach and foster inter-jurisdictional collaboration. A more robust investment by federal agencies such as the U.S. DOT, U.S. Department of Housing and Urban Development, U.S. Economic Development Administration, and U.S. Environmental Protection Agency in regional comprehensive planning is central to this goal.

CMAP supports initiatives and programs that are competitive and based on comprehensive evaluation criteria considering the interconnected topics of transportation, land use, housing, the environment, and

economic development. Examples include the former Sustainable Communities Initiative and the Transportation Investments Generating Economic Recover (TIGER) funding program.

Invest strategically in transportation

GO TO 2040 recommends using existing revenue sources more wisely by implementing performance-based criteria for both funding apportionments and project selection. These metrics should include broader elements of livability along with traditional engineering criteria and should be the hallmark of a more transparent decision-making process.

As current revenues are insufficient to maintain, modernize, and expand the regional transportation system, GO TO 2040 also recommends raising additional revenues, specifically through user fees. Further, the existing motor fuel tax should be indexed to inflation to increase with changes in construction costs over time. However, GO TO 2040 recognizes that changes in travel behavior and vehicle technologies will require a replacement to the motor fuel tax in the long term, and encourages continued analysis, pilot projects, and implementation of options such as a vehicle-miles traveled fee.

The implementation of new approaches to transportation funding such as congestion pricing will better manage the transportation system by reflecting the broader costs of transportation. To that end, the federal government can empower states and regions to provide adequate, sustainable funding for transportation by allowing tolls on the existing Interstate system. In addition to the need for new transportation revenues, financing mechanisms must also be modernized to mitigate congestion and generate revenue for the existing system. Federal policy should allow tolling on segments of the existing Interstate system in order to capitalize on the potential of congestion pricing.

Legislative principles

CMAP supports legislative initiatives that increase the existing motor fuel tax and index it to inflation to maintain and modernize the transportation system. Additionally, CMAP supports legislation to permit and encourage innovative transportation funding measures predicated on user fees.

CMAP supports implementing congestion pricing on new and existing infrastructure and removing federal restrictions on tolling the Interstate system.

CMAP supports legislative initiatives that empower MPOs to make strategic transportation investment decisions and allocate resources accordingly. CMAP supports efforts to improve project selection based upon performance criteria, including those that reflect livable communities.

Create a more efficient freight network

The FAST Act advances national freight policy in significant ways, including a more multimodal perspective and for the first time dedicating funding for freight improvements. It also requires a national multimodal freight plan, the development of state freight plans, and the designation of a National Highway Freight Network and Primary Highway Freight System.

Metropolitan Chicago is the nation's freight hub. The implementation of the FAST Act's new provisions should recognize the importance of critical hubs and chokepoints in the national freight system, directing funds to the projects with the greatest benefit. It should also recognize the many ancillary benefits of improvements to the freight system, such as improved passenger rail services, reduced emissions, and less highway congestion. We expect U.S. DOT will provide valuable guidance as regions attempt to confront freight challenges, many of which have national impacts.

Legislative principles

CMAP supports the implementation of a multimodal national freight plan and network, focusing on truly national needs.

CMAP supports a transparent, performance-based approach to the implementation of the FAST Act's funding programs, including both the formula and competitive programs.

CMAP supports an engaged role for MPOs in enhanced freight planning and project selection.

CMAP supports securing federal funding to complete the CREATE Program, a collection of 70 rail projects aimed at improving freight and passenger mobility in the Chicago region.

Increase commitment to public transit

Public transportation is essential to the future economic prosperity of our region, but after decades of underinvestment, substantial funding is needed just to reach a good state of repair, and even more funding will be needed to modernize the system to world-class standards. Federal funding for public transit remains of vital importance. Neither the Moving Ahead for Progress in the 21st Century Act (MAP-21) nor the FAST Act made reforms to level the playing field between transit and highway for large expansion projects. For transit, the New Starts program requires a substantial local match and that significant engineering work be done prior to consideration for federal funding. In contrast, a large highway expansion project is subject to the lower, standard local match and has more flexibility in using federal funds for engineering work. Additionally, federal agencies should support transit-oriented development through their

transportation, housing, and economic development investments. Finally, CMAP recognizes the important role that intercity passenger rail plays in the regional transportation system, particularly its close connection with the provision of mass transit services and its ability to tightly knit together the economies of the Midwest.

Legislative principles

CMAP supports legislative initiatives that provide more resources for the maintenance and modernization of transit systems, transit-oriented development, reasonable expansion of transit systems, and intercity passenger rail.

CMAP supports revising federal requirements to eliminate the funding disadvantage between transit projects and highway projects.

Achieve greater livability through land use and housing

The federal government has an important leadership role to play in helping communities strive toward the principles of livability—healthy, safe, walkable communities that offer transportation choices for access to schools, jobs, services, and basic needs. While the federal government had taken steps in the past to support livable communities, in recent years it has failed to provide funding for collaborative planning and grant programs like the former Sustainable Communities Initiative. Federal agencies can prioritize funding to communities engaging in intergovernmental planning, particularly those addressing the interconnected relationship between transportation, land use, and housing. For example, federal housing programs can be targeted in areas that provide multiple transportation options.

Legislative principles

CMAP supports adequate and reliable funding for comprehensive metropolitan planning.

CMAP supports funding for the implementation and expansion of programs like the former Sustainable Communities Initiative that link planning and investment decisions across disciplines.

CMAP supports prioritizing federal funding to support communities engaged in intergovernmental planning.

CMAP supports targeting housing programs toward the rehabilitation of existing housing stock in areas with transit access.

Manage and conserve water and energy resources

One of CMAP's major goals is to promote investment in water supply, stormwater management, and wastewater infrastructure necessary to maintain and improve service for residents, use water efficiently, and protect the environment. The federal government is a key player in providing funding assistance to states and local governments and should use these programs to encourage best practices such as green stormwater infrastructure and full-cost pricing for water service.

The Great Lakes are of unique interest to northeastern Illinois, but they face numerous threats including invasive species, water level fluctuations, and pollution. The federal government can support restoration of the Great Lakes through cleanup of pollution, reduction of nonpoint-source contamination, promotion of green infrastructure, and full implementation of the Great Lakes Compact.

GO TO 2040 supports energy conservation efforts. The federal government can provide funding for communities to reduce energy consumption in buildings through retrofits. It can also redouble efforts through programs like the Smart Grid Investment Program that encourage a transition away from centralized electricity generation toward decentralized generation and the "smart grid." Doing so will enable more effective use of existing capacity. The federal government can also invest in and provide incentives for research, production, and transmission of clean energy technologies and alternative fuels to reduce greenhouse gas emissions.

Lastly, climate change is a critical issue at all levels. Comprehensive climate legislation at the federal level that addresses greenhouse gas emissions across all sectors would be the most efficient and effective way to combat the risks associated with a changing climate. Additionally, assistance is needed to help communities adapt to climate change effects that are already occurring. Rules governing planning and design for federally funded projects may need to be reviewed to ensure the nation's infrastructure is more resilient to climate change.

Legislative principles

CMAP supports additional federal investment in water and sewer infrastructure and encourages the use of pricing to manage demand and recover the full cost of service through water rates.

CMAP supports protecting the Great Lakes through a green infrastructure approach to stormwater management, mitigating the spread of invasive species, and implementing the Great Lakes Compact.

CMAP supports federal initiatives that encourage water efficiency through a congressionally endorsed WaterSense program.

CMAP supports regional funding assistance for communities to reduce energy consumption in buildings through retrofits, as well as federal investment in smart grid applications.

CMAP supports national targets for reducing greenhouse gas emissions and federal involvement in strategies to achieve these goals, as well as funding and technical assistance for local efforts to adapt to the effects of climate change. CMAP encourages the federal government to allow regions latitude to implement the most relevant local strategies to attain these targets.

Expand and improve parks and open space

Fewer than half of the residents of the CMAP region have access to adequate park and recreation areas near their homes. Although most park and open space is provided by state or local jurisdictions, the federal government can still play an important role. The federal government should support direct investment in open space, particularly to preserve large sites. This can happen through formation of national wildlife refuges, as has begun at the newly established Hackmatack National Wildlife Refuge, or the transfer of surplus federal property to open space uses, as occurred at Midewin National Tallgrass Prairie and Fort Sheridan.

Legislative principle

CMAP supports direct federal investment in open space preservation. This could include additional grant funding for the Land and Water Conservation Fund and Urban Park Recreation Recovery programs, the formation of national wildlife refuges, or the transfer of surplus federal property to open space.

Promote sustainable local foods

There is growing concern about the environmental impacts, safety, and quality of food, as well as the need for equitable access to fresh, nutritious, and affordable foods. Federal policy should recognize the importance of local food production and support demonstration programs to improve food access for disadvantaged communities.

Legislative principle

CMAP supports legislative initiatives that facilitate sustainable local food production and increase access to safe, fresh, affordable, and healthy foods.

Improve education and workforce development

The quality of the workforce is one of the most important factors in strengthening the region's economy, yet numerous employers in particular industries have difficulty finding trained workers. In order to reverse these trends, the federal government can strengthen and expand strategies that link employers, educators, and workforce development entities together. The passage of the Workforce Innovation and Opportunity Act (WIOA) represents a significant step forward in reforming and streamlining federal workforce policies. It also emphasizes the development of regional priorities and strengthens regions' abilities to coordinate and align workforce programs to support metropolitan economies. The federal government should continue to increase flexibility and funding for workforce development programs, improving their coordination with education and economic development efforts. It should also play a continued role in monitoring impacts, communicating outcomes, and targeting resources toward effective strategies and regional industry clusters.

Legislative principle

CMAP supports legislative initiatives that increase flexibility and streamline delivery of workforce development services, as well as measure outcomes and improve data-driven decision making.

Support economic innovation

Innovation is a key driver of economic growth and disproportionately occurs within metropolitan regions. The federal government can help spur innovation through a robust national policy agenda, including incentives for regional collaboration across stakeholder groups, investment in research, and support for regional clusters of innovation. Several federal initiatives to promote innovation have emerged recently and involve significant coordination between federal agencies and local applicants. Technical assistance would help regions organize and successfully implement the federal government's vision.

Legislative principle

CMAP supports reauthorizing and funding the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science (America COMPETES) Act, which invests in science, technology, engineering, and math (STEM) education, supports basic research, and fosters the development of new technologies.

Tax policy

CMAP's specific interest in tax policy is how the types and rates of taxation, which are determined primarily at the state level, influence the overall economic well-being of the region.

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Beyond this, larger economic trends in consumer behavior may require joint action by the states and federal government. For example, an eroding sales tax base that is out of step with the Internet economy imperils the fiscal well-being of communities. Under current law, the State of Illinois cannot require out-of-state sellers to collect sales taxes on in-state purchases, nor does it have the authority to provide a national solution. Only the federal government has the ability to enact the policy changes necessary to help ensure the sustainability of the region's sales tax revenues.

Legislative principle

CMAP supports legislative initiatives such as the Marketplace Fairness Act that ensure the sustainability of the region's tax base and allow states to require collection of sales taxes by all sellers.

Improve access to information

Most federal agencies control large amounts of data and information, and the federal government can make data transparency a requirement of states receiving federal funds. Policy challenges cannot be solved without comprehensive, current, and accurate data resources. Further, residents benefit from transparent data about the performance of government and expenditure of public resources.

Legislative principles

CMAP supports the collection of comprehensive data by federal and state agencies as well as initiatives that facilitate open exchange of data by applying best practices and technological improvements.

CMAP supports legislative initiatives that improve transparency and facilitate data-driven decision making.

Contact:

Tom Kotarac
Deputy Executive Director, Policy and Programming
312-386-8654
tkotarac@cmap.illinois.gov

About CMAP

The Chicago Metropolitan Agency for Planning (CMAP) was created in 2005 by state statute (70 ILCS 1707) and its Policy Committee is the federally designated Metropolitan Planning

Organization (MPO) for the seven counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. Its state and federal mandates require CMAP to conduct comprehensive regional planning, prioritize transportation investments, provide technical assistance for communities, and compile data resources that enhance decision making. CMAP developed and now guides implementation of the region's GO TO 2040 comprehensive plan, which was adopted unanimously in October 2010 by leaders from across the seven counties and updated in 2014. The agency and its partners are now developing ON TO 2050, which will build on GO TO 2040's vision. Like its predecessor, ON TO 2050 will be an innovative, policy-based plan that establishes coordinated strategies to help the region's 284 communities address transportation, economic development, open space, water, energy, housing, and other quality-of-life issues.

Implementation of GO TO 2040 and concurrent development of ON TO 2050 are the main priorities for CMAP. The agency provides extensive support to communities through its Local Technical Assistance (LTA) program. So far LTA has funded more than 150 projects in which counties, municipalities, and nongovernmental organizations are planning for increased livability, sustainability, and economic vitality. The program helps address significant demand in the region for updating local comprehensive plans, ordinances, and related planning activities. Though its three-year U.S. HUD grant expired in December 2013, CMAP is continuing the LTA program with new funding from the U.S. HUD and the Illinois Attorney General national foreclosure settlement fund, among other local sources.

GO TO 2040 recommendations guide the allocation of federal transportation dollars in northeastern Illinois through the following programs that CMAP administers:

- The Congestion Mitigation and Air Quality Improvement (CMAQ) program supports surface transportation improvements, with \$274 million programmed over five years (federal FY 2016-20) in the most recent call for projects.
- The Transportation Improvement Program (TIP) accounts for all federally funded and otherwise regionally significant projects, totaling \$12 billion from federal FY 2016-19.
- The local Surface Transportation Program (STP) works with subregional Councils of Mayors to allocate these funds, which totaled \$124 million in federal FY 2016.
- The local Transportation Alternatives Program (TAP) supports non-motorized transportation in the region, with \$28 million approved in the most recent three-year cycle (federal FY2015-17).

CMAP conducts extensive, data-driven research and analysis related to policy objectives contained in GO TO 2040, including diverse economic factors such as workforce, innovation, and state and local tax policies. CMAP helps to coordinate efforts to build partnerships

involving the institutions that provide education and training and the industries that need a reliable pool of middle- and high-skilled workers. CMAP's research has also shed light on the impacts of state and local tax policies.

See www.cmap.illinois.gov for more information.