

### **2018 CMAP Legislative Agenda and Principles**

Northeastern Illinois is home to one of the world's great economic centers, abundant natural resources, and a vast multimodal transportation system that enables mobility of people and goods. Among all these assets, the residents of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will counties are themselves the region's greatest resource. The Chicago Metropolitan Agency for Planning (CMAP) works to maintain, nurture, and grow these resources through collaborative, comprehensive regional planning.

The State of Illinois is key to implementing GO TO 2040, metropolitan Chicago's current comprehensive regional plan, and to setting the context for the next regional plan, ON TO 2050, due for adoption in October 2018. The state government allocates billions of dollars each year across various program areas and plays a significant role in operating and maintaining the transportation system, promoting economic development, and maintaining and preserving natural resources. However, the state's ongoing fiscal challenges continue to overshadow these investment priorities. This document articulates the agency's legislative agenda and principles for the 100<sup>th</sup> General Assembly, and informs partners, the Governor, legislators, state agency directors, and others of CMAP's policy positions and priorities.

### **Legislative Agenda**

#### ***Ensure reliable access to planning funds***

State legislation to create CMAP included language pledging to fund the agency's operations and to match federal formula funds with state funding. The language in the enabling legislation included a directive to the state that "additional funding shall be provided to CMAP to support those functions and programs authorized by [the enabling legislation]" (70 ILCS 1707/62).

CMAP was charged with the responsibility to comprehensively plan for the Chicago region, incorporating land use and transportation planning with work on housing, regional economic growth, water resource management, community development, and environmental issues. Funding from the state needs to support all of CMAP's planning activities as mandated in the state enabling legislation.

Federal law requires states to allocate the portion of Highway Trust Fund dollars set aside for regional planning to Metropolitan Planning Organizations (MPOs). In Illinois, this includes CMAP and 15 other MPOs. States not fulfilling this requirement put all of their federal transportation funding in jeopardy. The 2015-16 state budget crisis led to an interruption in those payments, requiring unprecedented efforts by the Illinois Department of Transportation (IDOT) and Federal Highway Administration to avoid suspension of CMAP's essential planning activities. Reliable access to planning funds would ensure that MPOs, including CMAP, can meet their state and federal planning requirements and avoid jeopardizing billions of federal transportation dollars.

CMAP supports ensuring dedicated planning revenues with continuous appropriation to support all of CMAP's comprehensive planning activities.

#### ***Secure sustainable and adequate transportation funding***

Current transportation funding mechanisms in Illinois are inadequate to support maintenance—let alone improvements—that are crucial to our economic competitiveness. The traditional state revenue sources—the motor fuel tax and vehicle registration fees—have lost significant purchasing power over the last 20 years. Further, the motor fuel tax faces long-term threats to its viability as vehicles become more fuel efficient and as vehicle miles traveled continue to decline.

Home to the nation's freight hub and one of its largest transit systems, Illinois needs adequate multimodal investments to address metropolitan Chicago's multifaceted infrastructure challenges.

The Chicago region's transit system remains critically underfunded and lacks a stable source of non-federal capital funding. Similarly, state capital programming must better address freight infrastructure issues.

In November 2016, voters amended the Illinois Constitution to prevent sweeps or diversions at all levels of government of transportation funds away from transportation purposes. However, the provision did not result in increased funding available for infrastructure. Further, the amendment's language introduces considerable confusion about eligible expenditures. Additional rules, guidance, and legislation will be required to ensure that transportation revenues may be applied to support the state's multimodal transportation system and comprehensive planning.

Increased state and federal investment, while critical, will likely be insufficient to meet the region's significant needs. Metropolitan Chicago needs to create an infrastructure fund for prioritized projects that support implementation of the GO TO 2040 regional plan.

Other U.S. metropolitan regions are far ahead of ours in raising local revenues for infrastructure projects with long-term benefits to 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. Regionally raised and regionally invested funds would help complete a significant number of prioritized projects and modernize the system while leveraging private and public funding sources.

CMAP supports increasing the motor fuel tax and indexing it to inflation in the near term, but recognizes the need to develop a sustainable, long-term revenue source— based on the principle of transportation user fees—to replace the motor fuel tax.

CMAP supports new, sustainable revenues for transportation. CMAP also supports a dedicated source of capital funding for transit and intercity passenger rail, and a greater focus on improvements to the freight system.

CMAP supports state legislation clarifying the eligible uses of transportation revenues described in the Constitution (Article IX, Section 11), including specific eligibility for CMAP's comprehensive planning activities, and eligibility for all administration, operational, and capital expenses necessary to support a strong, equitable, multimodal transportation system.

CMAP supports state legislation enabling northeastern Illinois to secure sustainable and substantial revenues to make performance-based investments that modernize roadway, transit, and bike/pedestrian facilities, and coordinate transportation, water, stormwater, and open space projects.

### ***Promote performance-based transportation investments***

Allocation of transportation funding in Illinois is governed largely by arbitrary formulas that do not reflect the most pressing needs throughout the state. A more transparent, performance-based approach would steer limited resources toward the most critical projects, and shed light on how investment decisions are made. IDOT has made progress with a performance-based project-ranking process used in the FY18-22 Multi-year Highway Program for capacity projects, but additional efforts to support data-driven decision making and transparency are needed.

CMAP supports legislative initiatives and administrative efforts that encourage a commitment by transportation implementers to use transparent, performance-based capital programming.

### ***Advance innovative tools for transportation investment***

While enhanced transportation revenue sources would do much to move Illinois in the right direction, new tools are still needed to better manage the transportation system and develop complex projects. These tools would focus on facility-specific approaches to raise revenues or finance projects, ensuring a closer connection between benefits received and costs paid by users of the transportation system.

Through congestion pricing, which IDOT is proposing for new capacity on I-55 between downtown Chicago and I-355, toll rates rise and fall with traffic levels, encouraging more efficient use of the system while also raising revenues. Value capture strategies, such as the Transportation Facility Improvement Areas (35 ILCS 120/11) signed into law in 2016, recognize that transportation investments increase property values and business activity, tapping into these sources to pay for upfront construction costs.

New legislation establishing Transportation Facility Improvement Areas is a good start, although these districts are limited to certain capital improvements in the city of Chicago and suburban Cook County. Public-private partnership (P3) strategies can reduce costs and accelerate project delivery by tapping into private-sector expertise and financing. However, as GO TO 2040 explicitly states, such agreements must be carefully structured to protect the public interest.

CMAP supports legislative initiatives that require IDOT and the Illinois Tollway to implement congestion pricing on new highway capacity, and to allow them to strategically price components of the existing highway network, including congestion pricing for new managed lanes on I-55.

CMAP supports legislative initiatives that enable multijurisdictional value capture districts for transportation, while also ensuring equity considerations for underlying jurisdictions and the region's taxpayers.

CMAP supports legislative initiatives that require increased transparency and safeguards to protect the State of Illinois and other public agencies from undue financial risk in P3 projects.

### ***Reform the state's tax policies***

Fiscal and tax policy decisions made at the state level significantly affect the Chicago region's ability to make infrastructure and community investments recommended in GO TO 2040. CMAP is specifically interested in how tax policy influences the region's overall economy, including the commercial, industrial, and residential development of communities.

State tax policies can sometimes distort land use decisions rather than allow markets or quality of life factors to guide them. These same policies can inadvertently foster unproductive competition for economic development opportunities between local governments, with little or no overall regional benefit.

The tax system also should reflect the region's and state's economies and demographics. The state should modernize outmoded aspects of its tax system, ensuring tax policy changes minimize economic distortions by broadening the tax base and potentially lowering rates.

The General Assembly should reform the tax system in a manner that helps achieve the goals and recommendations included in GO TO 2040. Specifically, the General Assembly should evaluate key revenue sources, such as the income and sales taxes, to determine whether, in what manner, and how to reform those taxes' structures.

CMAP supports comprehensive reforms of state tax policy to broaden the tax base in a manner that may lower rates.

CMAP supports tax policy reforms that encourage effective local land use decisions, generate sustainable economic development, and reduce the focus on intrastate and intraregional competition over economic development, while ensuring adequate revenues for state and local governments to invest in infrastructure and provide services.

***Dedicate revenue for water supply planning and management***

CMAP's Water 2050 plan emphasizes the need for better management of the region's water resources. The Lake Michigan Water Allocation Program, which provides water for nearly 70 percent of residents in the region, has undergone revisions that require the Illinois Department of Natural Resources (IDNR) and its regional partners, such as CMAP, to help implement new allocation rules and provide technical assistance to water utilities. However, the state currently does not have a dedicated revenue stream for a water supply planning and management program. With new funds, the state could formalize water planning within IDNR, support regional planning groups such as CMAP, and dedicate a portion to the Illinois State Water Survey's (ISWS) Illinois Water Inventory Program (IWIP).

CMAP supports new, sustainable revenues to support state and regional water planning by IDNR, ISWS, IWIP, and regional partners.

***Address flooding through improved stormwater management and watershed planning***

Portions of northeastern Illinois suffer from chronic, destructive, and costly flooding. Released in June 2015, the report that resulted from the Urban Flooding Awareness Act (PA 98-858) identified northeastern Illinois as particularly susceptible to the effects of urban flooding, which occurs when local drainage systems are overwhelmed. The effects of both urban and riverine flooding are expected to increase due to further urban development and climate change. While there are many low-capital solutions to flooding, such as encouraging watershed plans, updating risk mapping, and revising development standards, some problems can only be solved by a commitment to retrofitting public infrastructure with stormwater management solutions.

CMAP supports comprehensive watershed planning to identify the most significant water resource problems and address flooding throughout the region.

CMAP supports policies that promote green infrastructure retrofits to better manage stormwater on-site.

***Improve government transparency and accountability***

CMAP relies on other agencies' data to complete its own work in planning, policy, and transportation programming. Data sharing through transparent, open governance improves efficiency and efficacy, and promotes accountability. By sharing their data in a timely manner, usable format, and accessible location, public agencies also communicate clearly how they make decisions to establish policies, prioritize projects, and administer funding.

CMAP supports legislation and administrative efforts to increase data and information sharing by requiring state and local agencies to make their programs and policies more transparent to the public.

## **Legislative Principles**

While CMAP's agenda outlines the agency's top legislative priorities, the Illinois General Assembly will consider numerous other policy topics during the legislative session. The remainder of this document describes CMAP's legislative principles that guide the agency's policy positions. CMAP is interested in legislation that furthers the goals of GO TO 2040. This section applies the 12 recommendations included in GO TO 2040 to overarching legislative principles.

In general, CMAP is most interested in legislative initiatives that have regional or statewide impacts, and those that can serve as precursors to broader, more comprehensive legislation. Considering the recent state budget and looming crises in regional transportation funding—from 2019-50, CMAP forecasts a \$24 billion shortfall between expected revenues and the cost of simply operating and maintaining northeastern Illinois' transportation system in its current state—CMAP strongly supports prioritized investment and regional collaboration.

### **Pursue coordinated investments**

The GO TO 2040 comprehensive regional plan for northeastern Illinois emphasizes effective, collaborative approaches to address resource, infrastructure, and investment needs, many of which are felt most keenly at the metropolitan scale. With a region as large and diverse as northeastern Illinois, implementation of GO TO 2040's recommendations will require that leaders recognize the interdependence of our communities and work across political boundaries to address issues facing multiple jurisdictions. To support coordinated investments, GO TO 2040 recommends taking a regional approach, promoting comprehensive solutions, and increasing the coordination and consolidation of local services.

### ***Legislative principles***

CMAP supports efforts that invest more in metropolitan areas and their comprehensive planning initiatives, and that grant greater decision-making authorities to regional-level governance.

CMAP supports efforts that improve the coordination and alignment of programs, regulations, and funding across state agencies, to ensure a comprehensive perspective in decision making and to generate more efficient outcomes.

CMAP supports policies that enable local governments to evaluate and implement the appropriate consolidation or coordination of local services, solve problems with innovative solutions, and improve intergovernmental collaboration.

### **Invest strategically in transportation**

The future prosperity of Illinois depends on strategic transportation investments, yet our investments are often predicated on arbitrary formulas rather than measures of need or impact. GO TO 2040 supports a more transparent, performance-driven approach for programming transportation investments. Further, transportation implementers should prioritize projects that maintain and modernize the existing system, while expensive new capacity projects should be built only when the need is great.

In addition to emphasizing strategic transportation investments, GO TO 2040 recommends increasing transportation funding through several new or expanded sources, and structuring user fees to track with the inflation of construction costs over time. New revenues must be generated through efficient, sustainable user fees that better reflect the broader social costs of transportation and link costs paid with benefits received.

While not representing a significant new source of revenue, the appropriate application of public-private partnerships can reduce costs and accelerate project delivery by providing a greater role for the private sector in project development and potentially in financing, operations, and/or maintenance. Due to their complexity and potential risk, GO TO 2040 states clearly that such agreements must be structured carefully to protect the public interest.

### ***Legislative principles***

CMAP supports legislative initiatives that create a transparent, performance-based funding process for state transportation investments, and encourage collaboration with MPOs and other stakeholders.

CMAP supports legislative initiatives that increase the existing motor fuel tax to support the transportation system and index it to inflation.

CMAP supports efforts to develop a sustainable, long-term replacement to the motor fuel tax based on transportation user fees.

CMAP supports legislative efforts to permit and encourage innovative transportation funding sources such as congestion pricing and value capture. Further, CMAP continues to support the judicious application of public-private partnerships that protect the public's interest.

### **Increase commitment to public transit**

Public transportation is essential to the future economic prosperity of the Chicago region. After decades of underinvestment, substantial funding is needed just to adequately maintain the system, and even more is required to modernize the system to world-class standards. While the top priority of GO TO 2040 is to maintain and modernize the existing transportation system, the plan also recommends a limited and conservative approach to expansion of service in the region. Further, GO TO 2040 encourages the state to support transit-oriented development through its transportation, housing, and economic development investments. It also recommends securing new sources of revenue to support transit, including dedicating a portion of any proposed motor fuel tax increase, as well as some portion of future congestion pricing revenues, to transit.

### ***Legislative principle***

CMAP supports legislative initiatives that provide more resources for the maintenance and modernization of our transit system, encourage innovative transit financing, and provide dedicated capital funding to allow for reasonable expansion of the transit system.

### **Create a more efficient freight network**

Metropolitan Chicago is the nation's freight hub, and the state plays a vital role in maintaining this position. In partnership with the federal government and the region, the state should prioritize implementing the CREATE program, a collection of 70 rail projects aimed at improving freight mobility in the Chicago region. Truck traffic also presents a major challenge for the region. The state can take a leadership role in identifying opportunities for dedicated freight corridors, streamlined truck permitting, better documented and coordinated truck routes, and improved access to intermodal facilities. Further, GO TO 2040 supports better integration of freight needs into existing capital programming approaches.

The CMAP Board convened the Regional Freight Leadership Task Force as a group of public and private stakeholders to investigate funding and governance issues facing the regional freight system. Although the task force concluded in 2014, state action is needed to fulfill its recommendations, which include comprehensive freight planning; new, dedicated funding sources for freight investment in northeastern Illinois; and an ongoing commitment and capacity to implement freight plans.

### ***Legislative principles***

CMAP supports legislative initiatives that fund CREATE, provide regional trucking improvements, and better integrate freight issues into existing capital programming processes.

### **Achieve greater livability through land use and housing**

The state has an important role to play in helping communities achieve the principles of livability—healthy, safe, and walkable communities that offer transportation choices for access to schools, jobs, services, and basic needs. More coordinated investment in the areas of transportation, housing, environmental, and economic development is critical to promoting sustainable, livable communities. Recognizing that they face common challenges, such as preventing foreclosures or prioritizing investments in affordable housing, many of the region’s communities have created collaborative approaches to address these problems. However, state funding is often available only at the municipal level, limiting the ability of these multijurisdictional partnership to receive funding and carry out coordinated strategies.

### ***Legislative principles***

CMAP supports legislative initiatives that align funding across various state agencies for planning, ordinance updates, and capital investments that align with GO TO 2040’s livability principles.

CMAP supports legislative initiatives that either expand eligibility for existing resources or provide new funding or assistance to multijurisdictional partnerships seeking to address shared housing and land use problems through coordinated strategies.

CMAP supports legislative initiatives that promote reinvestment in existing communities—specifically initiatives that are competitive, offered on a statewide or regional basis, allocate funds based on need, and use comprehensive evaluative criteria that considers the interconnections between transportation, housing, the environment, and economic development.

### **Manage and conserve water and energy resources**

The conservation of water and energy is a top priority for GO TO 2040. Over the next 30 years, these resources will likely become more constrained, affecting the region’s economy and quality of life. The energy priorities in GO TO 2040 are focused on reducing demand and increasing efficiency, as well as the use of renewable energy options. The state can support energy conservation by providing funding, financing mechanisms, and local technical assistance.

Priorities for water efficiency and water supply planning are outlined in the Water 2050 regional plan. CMAP needs new, sustainable funding to support water supply planning and investment in water infrastructure. Pricing can help ensure the prudent management of water infrastructure, particularly through a shift toward user fees that cover the full costs of water service delivery. Further, many communities lose a considerable amount of treated water through leaks in their systems, wasting ratepayer and taxpayer dollars. This water loss should continue to be addressed through technical assistance, audits, and infrastructure improvements. Technical assistance also may be needed to help prepare local water suppliers for drought.

### ***Legislative principles***

CMAP supports initiatives that manage water and energy demand, rehabilitate existing infrastructure, and incorporate more efficient, renewable energy options and technologies.

CMAP supports initiatives that establish new, sustainable funding for water infrastructure, water supply planning, and flood protection, and that promote full-cost pricing of water infrastructure.

### **Expand and improve parks and open space**

A top priority of GO TO 2040 is to expand northeastern Illinois' green infrastructure network, an inventory of the most significant locations targeted for land conservation. To do so, CMAP recommends making significant, prioritized investments in parks and open space. The state can play a critical role in this effort through the IDNR open space acquisition and management programs. Major benefits will follow from investing in the green infrastructure network, including enhanced quality of life and property values, improved public health through the promotion of active lifestyles, and the protection of ecosystem services such as biodiversity, water supply, flood storage, and water purification. GO TO 2040 recommends preserving an additional 150,000 acres of land by 2040 through a collaborative, multi-organizational, public-private approach.

#### ***Legislative principles***

CMAP supports legislative initiatives that coordinate open space investment to create a connected green infrastructure network and prioritize preservation of northeastern Illinois' most important natural areas.

CMAP supports legislative initiatives that increase funding to conserve land, invest in the establishment of new parks, and provide connections through greenway trails.

### **Promote sustainable local foods**

Illinois has some of the most fertile soils in the country, yet most of the money spent on food production feeds the economies of other states and nations. Indeed, a small fraction of the region's farms produce food directly for human consumption. The state can support the economic and environmental benefits of local food production through its policies, regulations, and direct procurement. Further, the state can support a variety of demonstration programs to improve access to affordable, healthy food in disadvantaged communities.

#### ***Legislative principle***

CMAP supports legislative initiatives that facilitate sustainable local food production; increase access to safe, affordable, and healthy foods; and improve local food-related data, research, training, and information sharing.

### **Improve education and workforce development**

The quality of our workforce is among the most important factors in maintaining a strong economy. The state plays a critical role in workforce development by coordinating and funding the public education system and workforce training. GO TO 2040 emphasizes the importance of strengthening workforce development programs to ensure that the region's pool of workers is prepared to meet the needs of current and future employers. Better information networks can help measure, track, and analyze performance to support this goal.

#### ***Legislative principles***

CMAP supports legislative initiatives that align workforce development, education, and economic development initiatives, measure outcomes, and improve data-driven decision making.

CMAP supports legislative initiatives that improve the flexibility and delivery of workforce development services, including the strengthening of sector-based and community-focused provision of services.

### **Support economic innovation**

Innovation plays a major role in a sustainable, prosperous, and globally competitive regional economy. The region's propensity to innovate—develop new products, technologies, processes, business models, and markets—results in goods and services that are faster, cheaper, and better. However, numerous innovation metrics indicate that the region's and state's innovative capacity is



lagging behind that of peers. Serious action to increase economic innovation will be necessary to keep the region thriving and globally competitive.

GO TO 2040 suggests that the state should use enhanced data to evaluate financial incentives and programs, and target them toward the attraction and retention of innovative industries that provide good jobs. The state can strengthen its focus on nurturing regional industry clusters by working with industry coalitions to secure and leverage public and private funding.

### ***Legislative principle***

CMAP supports legislative initiatives that evaluate and monitor economic development programs, identify successful approaches, and target investments toward the region's industry clusters.

### **Reform state tax policy**

Metropolitan Chicago's ability to make infrastructure and community investments recommended in GO TO 2040 is significantly shaped by fiscal and tax policy decisions made at the state level. CMAP is specifically interested in how tax policy influences the overall economic well-being of the metropolitan region, including the commercial, industrial, and residential development of our communities. State tax policies sometimes distort land use decisions rather than allow markets or quality-of-life factors to guide them. In particular, the sales tax can foster competition among local governments for the attraction or retention of sales tax-generating businesses, to little or no overall regional benefit. In Illinois, the sales and income tax bases remain relatively narrow, stifling the ability of tax revenues to keep pace with broader economic trends.

### ***Legislative principle***

CMAP supports legislative initiatives that reform state tax policy through careful expansion of the sales and income tax bases, as well as careful modification of state revenue sharing structures with local governments to encourage regional collaboration and broader GO TO 2040 development goals.

### **Improve access to information**

Data sharing through transparent, open governance improves efficiency and accountability. CMAP relies on other agencies' data to complete its own work in planning and transportation programming and policy; its work depends on the timely reporting of data in a usable format and accessible location. Transparency in data is essential for understanding how government operates, and helps policymakers at all levels of government make better and more informed decisions.

### ***Legislative principle***

CMAP supports legislation to increase data and information sharing by requiring state and local agencies to make their programs and policies more transparent to the public.

### **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. ON TO 2050 will be considered for adoption by the CMAP Board and MPO Policy Committee in October 2018.

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, CMAP has initiated more than 200 LTA 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 has continued the LTA program with funding from IEPA and Cook County Community Development Block Grants, among other 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 program supports surface transportation improvements, with \$622 million programmed over five years (federal FY 2018-22) in the most recent call for projects.
- The Transportation Improvement Program accounts for all federally funded and otherwise regionally significant projects, totaling \$13 billion from federal FY 2016-19.
- The local Surface Transportation Program works with subregional Councils of Mayors to allocate these funds, which totaled \$121 million in federal FY 2017.
- The local Transportation Alternatives Program supports non-motorized transportation in the region, with \$47 million approved in the most recent three-year cycle (federal FY 2018-22).

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 also has shed light on the impacts of state and local tax policies.

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