



MPO POLICY COMMITTEE

AGENDA - FINAL

Wednesday, October 11, 2023

1:30 PM

Please note meeting time

Joint meeting with the CMAP Board

Marquee Conference Room

Old Post Office

433 West Van Buren Street, 2nd FL

Chicago, IL 60607

Members of the public who attend in-person can pre-register for a visitor's pass at info@cmap.illinois.gov until Tuesday, October 10, 2023 at 4:00 p.m. or should plan to arrive early to check-in with the building's information desk for access.

You can also join from your computer, tablet or smartphone.

<https://us06web.zoom.us/j/84341801786>

Meeting ID: 843 4180 1786

+13126266799,,84341801786# US (Chicago)

CMAP provides the opportunity for public comment. Individuals are encouraged to submit comment by email to info@cmap.illinois.gov at least 24 hours before the meeting. A record of all written public comments will be maintained and made publicly available.

In light of the substantive nature of the Plan of Action for Regional Transit (PART) report, the total cumulative time for public comment will be extended beyond the usual 15 minutes. Public comment is limited to three minutes per person unless the Chair designates a longer or shorter time period. Public comments will be invited in this order: Comments from in person attendees submitted ahead of time; comments from in-person attendees not previously submitted; comments from virtual attendees submitted ahead of time; and comments from virtual attendees not previously submitted.

To review CMAP's public participation policy, please visit <https://www.cmap.illinois.gov/committees>.

If you require a reasonable accommodation or language interpretation services to attend or join the meeting, please contact CMAP at least five days before the meeting by email (info@cmap.illinois.gov) or phone (312-454-0400).

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- 1.0 Call to Order and Introductions**
- 2.0 Agenda Changes and Announcements**
- 3.0 Approval of Minutes**
- 3.01 Approval of the MPO Policy Committee June 8, 2023 meeting minutes** [23-424](#)
ACTION REQUESTED: MPO Policy Committee Approval
Attachments: [MPO Policy 06.08.23 Minutes](#)
- 3.02 Joint meeting minutes from September 14, 2023** [23-446](#)
ACTION REQUESTED: CMAP Board and MPO Policy Committee Approval
Attachments: [CMAP Board - MPO Policy 09.14.23 Minutes](#)
- 4.0 CMAP Announcements**
- 4.01 Executive director's report** [23-426](#)
ACTION REQUESTED: Information
- 4.02 CMAP Board report** [23-427](#)
ACTION REQUESTED: Information
- 4.03 Council of Mayors' report** [23-428](#)
ACTION REQUESTED: Information
- 5.0 Procurements and Contract Approvals**
- 5.01 Authorization to enter into a four-year agreement to support the Regional Climate Action Plan in cooperation with the Metropolitan Mayors Caucus (MMC) to create a regional comprehensive climate action plan for the Chicago Metropolitan Statistical Area for a not-to-exceed amount of \$542,156** [23-392](#)
PURPOSE & ACTION: Chicago Metropolitan Agency for Planning (CMAP), in partnership with the Metropolitan Mayors Caucus (MMC), will participate in phase 1 planning work related to the USEPA Climate Pollution Reduction Grant (CPRG) program funds granted to MMC. CMAP staff is seeking Board approval to enter into a four-year agreement with MMC to complete this project. Funding will be provided by MMC through an award from the USEPA CPRG program.
ACTION REQUESTED: CMAP Board Approval
Attachments: [CMAP Board - Climate](#)
- 5.02 Authorization to enter into an agreement and contract amendment with Arctic Information Technology, Inc. for a total not-to-exceed amount of \$2,633,642 for an Enterprise Resource Planning (ERP) System** [23-429](#)
PURPOSE & ACTION: On June 8, 2023, the CMAP Board approved a contract with Arctic Information Technology, Inc. for the project management and implementation of a new ERP system. There is a need to increase the scope of service to ensure efficient timecard management and to connect the
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ERP with the agency's payroll and human resource system. The additional services will result in a not-to-exceed cost of \$239,422 for a total amended contract amount of \$2,633,642 and will be funded through FY 2023 Operating Grants.

ACTION REQUESTED: CMAP Board Approval

Attachments: [Arctic Information Technology memo](#)

5.03 Authorization to enter into a contract for the purchase of information technology hardware, software and services in a not-to-exceed amount of \$565,000 [23-430](#)

PURPOSE & ACTION: CMAP has developed a multi-year plan to expand, update and secure the agency's hardware and software infrastructure to meet growing demands. The equipment will be purchased using CDW-G's contract under the Sourcewell cooperative agreement for government procurements and will be funded by FY 2023 UWP operating budget.

ACTION REQUESTED: CMAP Board Approval

Attachments: [CMAP Board Memo - IT Equipment FY24](#)

5.04 Authorization to enter into contracts with up to six consultants for a 24-month term for RFP 287, Safe Streets for All (SS4A) Countywide Safety Action Plans (SAPs), for an amount not-to-exceed \$2,700,000 [23-434](#)

PURPOSE & ACTION: CMAP is seeking to develop comprehensive countywide SAPs for Cook, DuPage, Kane, Lake, McHenry, and Will counties. CMAP requests authorization to enter into up to six contracts with selected firms or consultants. Funding will be provided through the SS4A discretionary grant program to advance efforts to support the US Department of Transportation's National Roadway Safety Strategy and a goal of zero deaths and serious injuries on our nation's roadways.

ACTION REQUESTED: CMAP Board Approval

Attachments: [CMAP Board Memo - RFP 287 SS4A Countywide Safety Action Plan](#)

5.05 Authorization to enter into a contract for a 24-month term for RFP 288, Safe Streets for All (SS4A) Regionwide Engagement and Equity Campaign, in an amount not-to-exceed \$1,000,000 [23-433](#)

PURPOSE & ACTION: CMAP is seeking a consultant to develop and execute a regionwide engagement and equity campaign for Cook, DuPage, Kane, Lake, McHenry, and Will counties. Funding will be provided through the SS4A discretionary grant program to support efforts by the US Department of Transportation's National Roadway Safety Strategy and goal of zero deaths and serious injuries on roadways.

ACTION REQUESTED: CMAP Board Approval

Attachments: [CMAP Board Memo - RFP 288 SS4A Regionwide Engagement and Equity Campaign](#)

5.06 Authorization to enter into a contract with Consolidated Flooring, in the amount not-to-exceed \$27,550, for fourth floor Old Postmaster Suite hallway floor coverings [23-435](#)

PURPOSE & ACTION: CMAP completed renovation and furnishings to the agency's fourth floor space at the Old Post Office in 2020. A competitive procurement process was completed in 2020 in which Consolidated Flooring was the selected vendor for floor coverings. With the return to in-person

meetings, there is a need to cover the marble and tile hallway floors to suppress noise and reduce the slipperiness of floors due to rainwater and snow being tracked on the floor. Staff seeks authorization to enter into a contract for a not-to-exceed amount of \$27,500 with the vendor to cover the public meeting room hallways. Support for this work will be provided with FY 2023 UWP funds.

ACTION REQUESTED: CMAP Board Approval

Attachments: [CMAP Board Memo - Consolidated Flooring cost increase 10.2023](#)

5.07 Authorization to enter into a contract and cost increase with Henricksen in the amount not-to-exceed \$5,400 for fifth floor office furniture **[23-436](#)**

PURPOSE & ACTION: In 2020, CMAP completed renovation and furnishing of the fourth-floor space at the Old Post Office but delayed completion of the fifth-floor space due to uncertainties in the marketplace. In March 2023, the CMAP Board approved a cost increase to complete the remaining furnishings on the fifth floor. Some of the furnishings originally requested for purchase are no longer available and CMAP has sought alternative pieces. Staff is seeking approval of a \$5,400 contract increase with Henricksen to complete the furnishings. Support for this cost increase will be provided with FY 2023 UWP funds.

ACTION REQUESTED: CMAP Board Approval

Attachments: [CMAP Board Memo - Henricksen cost increase 10.3.23](#)

5.08 Authorization to enter into a one-year contract with NearMap for aerial photography in an amount of \$52,000 **[23-437](#)**

PURPOSE & ACTION: CMAP maintains large data resources for use in its development, projection and evaluation of land use and transportation in the northeastern Illinois region. CMAP requests authorization to enter into a one-year contract with NearMap for the commercial data set and support for this service will be provided with FY 2024 Operating Funds.

ACTION REQUESTED: CMAP Board Approval

Attachments: [CMAP Board Memo - NearMap](#)

6.0 Other Items for Approval

6.01 Election of MPO Policy Committee Vice-Chair **[23-432](#)**

PURPOSE & ACTION: The MPO Policy Subcommittee will present their nominated candidate for the office of Vice-Chair of the MPO Policy Committee for the following year.

ACTION REQUESTED: MPO Policy Committee Approval

Attachments: [Election of Vice Chair - MPO Policy Committee 9.27.23](#)

6.02 Approval of the MPO Policy Committee meeting schedule for 2024 **[23-425](#)**

PURPOSE & ACTION: Attached are the proposed dates for 2024's MPO Policy Committee for the committee's review and approval.

ACTION REQUESTED: MPO Policy Committee Approval

Attachments: [2024 MPO Policy Meeting Schedule](#)

6.03 Approval of the Federal Fiscal Year (FFY) 2024 - 2028 Surface Transportation Program Shared Fund (STP-SF), Congestion Mitigation and Air Quality (CMAQ), Carbon Reduction Program (CRP), and locally programmed Transportation Alternatives (TAP-L) Programs [23-419](#)

PURPOSE & ACTION: The proposed FFY 2024 - 2028 STP-SF, CMAQ Improvement Program, CRP, and TAP-L regional transportation funding programs and the corresponding TIP Amendments 24-01.1, 24-01.2 and 24-01.3 were approved by the Transportation Committee for consideration by the CMAP Board and MPO Policy Committee for approval.

ACTION REQUESTED: CMAP Board and MPO Policy Committee Approval

Attachments: [Board-MPO\(Memo\)STP-CMAP-CRP-TAP Approval10-11-231](#)
[FFY24-28 CMAQ/CRP Program](#)
[FFY24-28 STP-SF Program](#)
[FFY24-28 TAP-L Program](#)
[CMAQ/CRP TIP Amendment 24-01.1](#)
[STP-SF TIP Amendment 24-01.2](#)
[TAP-L TIP Amendment 24-01.3](#)

6.04 CMAP Board and MPO Policy Committee resolution submitting Plan of Action for Regional Transit pursuant to Illinois Public Act 102-1028 [23-431](#)

PURPOSE & ACTION: The Plan of Action for Regional Transit (PART) fulfills the requirements of Illinois Public Act 102-1028 tasking the Chicago Metropolitan Agency for Planning (CMAP) with developing legislative recommendations on the region's transit system. The COVID-19 pandemic resulted in drastic shifts in transit ridership across the region with the prevalence of remote work and changes to where, when, and how people traditionally traveled. This resulted in major revenue loss, forcing transit providers to rely on federal assistance to operate. Those funds will soon expire which means a \$730 million annual budget gap by 2026 simply to return to pre-pandemic service levels. PART is grounded in sound public policy; builds on previous regional plans; and includes meaningful public engagement, data, models, analysis, findings, alternatives, and recommendations consistent and aligned with the region's goals outlined in ON TO 2050. It contains recommendations on improvements to the system, how to pay for it and how to implement reforms. A resolution has been crafted that authorizes CMAP to submit the Plan of Action for Regional Transit to the Governor and General Assembly for their consideration of the recommendations contained therein by January 1, 2024.

ACTION REQUESTED: CMAP Board and MPO Policy Committee Approval

Attachments: [PART Webpage](#)
[Plan of Action for Regional Transit](#)
[Resolution - October Board MPO](#)
[Change log](#)
[Formal comments on the Plan of Action for Regional Transit](#)

7.0 Information Items

8.0 Other Business

9.0 Public Comment

This is an opportunity for comments from members of the audience.

10.0 Next Meeting

The next meeting of the CMAP Board is scheduled for November 8, 2023.

The next meeting of the MPO Policy Committee is scheduled for January 11, 2024.

11.0 Adjournment



MPO POLICY COMMITTEE

MEETING MINUTES - DRAFT

Thursday, June 8, 2023

9:30 AM

**Cook County Conference Room
433 West Van Buren Street, Suite 450
Chicago, IL 60607**

Members of the public who attend in-person can pre-register for a visitor's pass at info@cmap.illinois.gov until Wednesday, June 7 at 4:00 p.m. or should plan to arrive early to check-in with the building's information desk for access.

You can also join from your computer, tablet or smartphone.

<https://us06web.zoom.us/j/89888814630>

Meeting ID: 898 8881 4630

One tap mobile

+13126266799,,89888814630# US (Chicago)

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1.0 Call to Order and Introductions

Chair Osman called the meeting to order at 9:32 a.m.

Present: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative, and Will Co Representative

Absent: Kendall Co Representative

Non-Voting: FHWA Representative, and FTA Representative

Absent (NV): Class I Railroads Representative

Secretary Omer Osman served as IDOT Representative; Gia Biagi served as CDOT Representative, Frank Beal served as CMAP 1 Representative, Matt Brolley served as CMAP 2 Representative, Michael Connelly served as CTA Representative, Jennifer Sis Killen served as Cook County Representative, Jeff Schielke served as CoM Representative, John Loper served as DuPage County Representative, John Donovan served as FHWA Representative, Kelley Brookins served as representative of the FTA, Cassandra Rouse served as Tollway Representative, Tom Rickert served as Kane County Representative, Shane Schneider served as Lake County Representative, Scott Hennings served as McHenry County Representative, Jim Derwinski served as Metra Representative, Richard Kwasneski served as Pace Representative, Jill Leary served as RTA Representative, Jennifer Bertino-Tarrant served as Will County Representative

Staff present: Sema Abulhab, Erin Aleman, Nora Beck, Karly Cazzato, Daniel Comeaux, Michael Collins, Teri Dixon, Kama Dobbs, Penny Dubernat, Alex Ensign, Doug Ferguson, Alicia Gage, Elizabeth Ginsberg, Michael Greco, Jane Grover, Jon Haadsma, Kasia Hart, Aimee Lee, Matt Marth, Amy McEwan, Martin Menninger, Nikolas Merten, Katie Reigstad, Julie Reschke, Elizabeth Scott, Jennie Vana, Blanca Vela-Schneider, Isaura Velez, Mary Weber

Others present: Kevin Carrier, Lynnette Ciavaerella, Kristi DeLaurentiis, Drew Duffin, Jesse Elam Jackie Forbes, Michael Fricano, Brandon Geber, Henry Guerriero, Kendra Johnson, Jack Jordan, John Jordan, Neil James, Daniel Knickebein, Jon-Paul Kohler, David Kralik, Jill Leary, Heidi Lichtenberger, Brittany Matyas, Melina Metzger, Tara Orbon, Jada Porter, Leslie Rauer, Tina Smith, Joe Surdam, Janice Thomas, Michael Vanderhoof, Kyle Whitehead

2.0 Agenda Changes and Announcements

Chairman Secretary Osman provided an update on behalf of the Illinois Department of Transportation. IDOT has two new deputy secretaries, Jeremy LaMarche and Terry Glavin. IDOT has been working diligently to move projects and June's letting will be the largest in the history of the department, estimated at \$1 billion. A second letting will occur in August and is expected to be around \$350 million.

3.0 Approval of Minutes

3.01 Minutes from March 9, 2023

[23-289](#)

Attachments: [MPO 03.09.23 Minutes](#)

A motion was made by CTA Representative Mike Connelly, seconded by CDOT Representative Gia Biagi,

to approve the March 9, 2023 meeting minutes. Motion carried by the following vote:

Absent: Kendall Co Representative

Non-Voting: FHWA Representative and FTA Representative

Absent (NV): Class I Railroads Representative

4.0 Updates

4.01 Executive Director's report

[23-290](#)

Erin Aleman, Executive Director, thanked the members for their attendance and commitment in complying with the Open Meetings Act. She reported that HB2878 included an amendment by the Illinois Senate that would diminish the role of metropolitan planning organizations in public private partnership (3P) transportation projects, creating a conflict with federal law. This was brought to House Representative Jay Hoffman who will address this concern in the upcoming Fall Veto Session.

The Executive Director's report included an update on a grant for the Safe Travel for All Roadmap (STAR) Program, the Regional Infrastructure Accelerator application to advance the I-290/Blue Line project, and CMAP's involvement in aiding the City of Chicago's mayoral transition.

4.02 CMAP Board report

[23-292](#)

CMAP Representative 2 Matt Brolley reported that the Board met in the months of April and May. The Board updated its public participation policy and received CMAP's annual report for 2022. The Coordinating Committee delivered its annual report and objectives for 2023, and an update to the 2023 State of Region, public opinion survey, and regional excellence awards was provided. The Board also received updates on the ongoing work of the Plan of Action for Regional Transit (PART) report update. The Board is next scheduled to meet on Wednesday, June 14, 2023.

4.03 Council of Mayors' report

[23-294](#)

Council of Mayors Representative Jeff Schielke reported on the April 18 Council of Mayors meeting. The committee received updates from CMAP, the STP Project Selection Committee, and IDOT's Local roads. The Committee also received an update on recent legislation. The Committee was provided with an overview of the Safe Travel for All Roadways (STAR) program and an update on the work related to the Plan of Action on Regional Transit (PART) report. CMAP received a \$4.87 million planning grant to create a regional safety plan that will include county level safety action plans. The next Council of Mayors meeting is July 18.

5.0 Other Items for Approval

5.01 FFY 2023 FTA Subarea Allocation between Indiana-Illinois and Wisconsin-Illinois of 5307/5340 Urbanized Area, 5337 State of Good Repair, 5339 Bus and Bus Facilities and 5310 Enhance Mobility of Seniors and Individuals with Disabilities funds

[23-213](#)

Attachments: [TC\(FTA Funding Splits Memo\)04-28-23](#)

Russell Pietrowiak, Senior Analyst, presented FTA-subarea allocation funding splits. The RTA approved the splits at its March 16 meeting and CMAP's Transportation Committee recommended it for approval by the MPO Policy Committee at its April 28 meeting.

A motion was made by CMAP Representative 1 Frank Beal, seconded by CoM Representative Jeff Schielke, that the FFY 2023 subarea allocations be approved. The motion carried by the following vote:

Aye: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative and Will Co Representative

Absent: Kendall Co Representative

Non-Voting: FHWA Representative and FTA Representative

Absent (NV): Class I Railroads Representative

5.02 ON TO 2050/2023-2027 TIP Conformity Analysis & TIP Amendment Memo

[23-287](#)

Attachments: [230608 conformityTCreport official draft](#)

Russell Pietrowiak, Senior Analyst, presented the ON TO 2050/2023-2027 TIP conformity analysis and TIP amendment memo 23-08. The CMAP region is a non-attainment area for ozone standards. CMAP is required to demonstrate that the long-range plan and TIP conform to the motor emissions budget for our region through a regional emission analysis and transportation projects in the TIP. While the projects identified in the conformity memo could have waited until the next conformity amendment cycle, they were moved up to allow newer staff to be trained by a team member who is retiring.

A motion was made by DuPage Co Representative John Loper, seconded by CDOT Representative Gia Biagi, that the ON TO 2050/2023-2027 TIP Conformity Analysis & TIP Amendment Memo be approved. The motion carried by the following vote:

Aye: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative and Will Co Representative

Absent: Kendall Co Representative

Non-Voting: FHWA Representative and FTA Representative

Absent (NV): Class I Railroads Representative

5.03 Appointment of chair and vice-chair of the CMAP Transportation Committee

[23-302](#)

Council of Mayors Representative Jeff Schielke reported that the chair of the Transportation Committee has resigned, leaving a vacancy. He reviewed the qualifications of Kevin Carrier, Lake County Division of Transportation, and Tara Orbon, Cook County Department of Transportation and Highways. He requested the appointment of Kevin Carrier as chair and Tara Orbon as vice-chair of the Transportation Committee through December 31, 2025.

A motion was made by CoM Representative Jeff Schielke, seconded by CDOT Representative Gia Biagi, to appoint Kevin Carrier as chair and Tara Orbon as vice-chair of the Transportation Committee through December 31, 2025. The motion carried by the following vote:

Aye: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative and Will Co Representative

Absent: Kendall Co Representative

Non-Voting: FHWA Representative and FTA Representative

Absent (NV): Class I Railroads Representative

5.04 Appointment of a subcommittee for nominating the vice chair of the MPO Policy Committee [23-288](#)

Secretary Osman reported that each year, the Chair of the MPO Committee appoints a nominating committee to bring forward a name or names for the vice-chair of the MPO Policy Committee for the following year. Secretary Osman appointed Frank Beal as representative of the regional planning agency, Michael Connelly to represent the public transportation agency, Mayor Jeff Schielke to represent municipal government, Commissioner Gia Biagi to represent highway or roads transportation, and Tom Rickert to represent counties.

Secretary Osman identified the members who will serve on a subcommittee for nominating the vice chair of the MPO Policy Committee.

5.05 Public participation policy [23-301](#)

Attachments: [Public participation memo](#)
[public participation policy](#)

Erin Aleman, Executive Director, reported that the Open Meetings Act requires an in-person quorum of public bodies. To maintain accessibility and transparency, and to encourage public participation, there is a desire to continue to provide the public with the opportunity to give virtual public comments at meetings. A policy was presented that would set clear and structured guidelines for members of the public who want to provide comment in writing in-person, or virtually at a meeting of the MPO Policy Committee or its working or public body committees.

A motion was made by CDOT Representative Gia Biagi, seconded by Pace Representative Michael Connelly, to approve the public participation policy. The motion carried by the following vote:

Aye: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative and Will Co Representative

Absent: Kendall Co Representative

Non-Voting: FHWA Representative

Absent (NV): FTA Representative and Class I Railroads Representative

6.0 Information Items

6.01 Plan of Action for Regional Transit (PART) report update [23-296](#)

Erin Aleman, Executive Director, and CMAP staff provided a presentation on the PART report update. Executive Director Aleman emphasized the value of transit in the region, indicating that if expenses to transit were cut 20 percent, it could equate to 40 percent of service cuts in transit.

Aimee Lee, Transportation, Research, Analysis and Programming Deputy, reported the Illinois General Assembly mandated CMAP review the long-term financial viability of the transit system, consider multiple equitable, environment, and safety factors, and develop a report identifying recommendations for their consideration by January 2024. CMAP has created three areas of focus for its report: 1) The System We Want; 2) How to Pay for It; and 3) How to Implement It.

Daniel Comeaux, Senior Analyst, provided an overview of the work related to the "System We Want". Discussions with the subcommittee included:

- * Better buses through planning for and funding bus priority infrastructure, investing in new staff capacity at DOTs, and implementing automated enforcement;
- * Seamless and integrated fares by standing up an effective structure for full fare integration, defining the goals for an integrated system, ensuring adequate and sustainable funding, and integrating with complementary modes;
- * Fare levels and affordability by ensuring that fare revenues continue to support transit operations and maintaining fare affordability
- * Safety, security, and cleanliness of the system by increasing visible staff presence, strengthening two-way rider to operator communication, investing in physical infrastructure that improves the rider experience, and monitoring transit safety and security strategies in peer metros.

The subcommittee in this focus area has identified policy principles that can support Metra's evolution to a regional rail system and identified targeted fund investments to enable existing commuter rail assets to better meet new travel demands. It has also looked at demand-responsive services by increasing coordination of dial-a-ride and demand-responsive transit services and ensuring ADA paratransit can provide effective and financially sustainable service to regional travelers. The subcommittee has been evaluating land use and development implications and how it could leverage public assets and investments, support private sector shifts, and develop long-term structural solutions.

Discussion occurred regarding the work already occurring at the service boards, the need to consider the impact of suburban growth on transit, and the need to re-envision transit as a utility.

Elizabeth Scott, Principal Policy Analyst, provided an overview of the "How to Pay for It" focus area. The subcommittee in this focus area has been working with SB Friedman on funding option scenarios. Currently, the transit system is funded primarily through sales tax revenue. Funding options currently being evaluated include adjusting the existing sales tax rates, broadening the sales tax base to new services, and creating a hybrid scenario. Categories of services considered for tax include housing and utilities, healthcare, transportation services, recreation services, food services and accommodation, financial services and insurance, and other services. Roadway-generated revenues such as parking fee, vehicle registration surcharge, motor fuel tax (MFT) surcharge, reallocating state road funds, tolling, road user charge, and Cordon pricing in the Chicago central business district (CBD) boundaries could also help fund transit. System-generated revenue options include developing an approach to raising fares to keep pace with inflation, creating a low-income fare subsidy to protect vulnerable riders, and developing system-level performance measures that ensure financial stewardship.

Discussion ensued regarding what other large cities are doing, whether the General Assembly will implement the recommendations in the PART report, the need for service boards to use their funding effectively and efficiently, and whether the issue of transit funding should be brought to referendum.

Aimee Lee, Deputy of Transportation, Research, Analysis and Programming, provided an overview of the "How to Implement It", also known as governance, focus area. A fundamental problem cited by stakeholders and focus groups is the decision-making process made by the service boards. Research into how other transit agencies operate show that history and context inform how each region governs transit and that another region's model may not apply completely, but some aspects may help address challenges. The transit system is a combination of many different functions including

service, funding, administrative, fare policy, capital, and other/potential future roles. These functions can be decentralized to a range of different operators but with a recognition that a complete overhaul of the governance system could result in unintended consequences. Recommendations to governance reform in the PART report have been tied to the challenges identified by stakeholders early in the process.

The spectrum of options includes minimizing the role of the RTA, maintaining the status quo, keeping the structure the same but addressing funding allocations, creating a stronger regional coordinating agency and keep service boards, and integrating service boards into one regional agency.

Discussion occurred regarding the need to use comparables similar to our region, how those appointed to the service boards will impact governance, and whether the service boards have participated in identifying recommendations to the governance structure.

Executive Director Erin Aleman reported that the next steps include delivery of white papers/video presentations to stakeholders and presentations to the county boards.

The PART report update was discussed.

6.02 Legislative update

[23-298](#)

John Carpenter, Director of Intergovernmental Affairs, reported that the General Assembly concluded its spring legislative session with the approval of a \$50.6 billion FY2024 budget.

House Bill (HB) 1342 made a number of transit changes which allows the service boards to confiscate fare media and suspend riding privileges to riders who threaten public safety or commit public indecency. It requires the service boards to only enter into contracts for bus purchases for zero emission buses beginning in 2026. It enables a two-year extension for the fare box recovery ratio requirement waiver. It requires the service boards to report on a number of performance metrics including staffing levels, scheduled and delivered services, and safety on the system including the number of incidents of crime. The bill also requires the RTA to study the feasibility of providing year-round free and reduced fares and creating a more equitable fare system.

HB 2068 has passed both houses and requires certain employers to provide pre-tax transit benefits to its employees. HB2878, the omnibus procurement bill, was filed in the senate as an amendment to a house bill. The amendment includes a number of changes to the Public/Private Partnership (3P) for Transportation Act including removing the reference to metropolitan planning organizations (MPOs) in the statute and language that requires 3P projects to be compliant with the regional plan. While the state cannot change the role of MPOs, which is required by the federal transportation planning process, CMAP is looking to reinsert the language.

A legislative update was presented to the Committee.

7.0 Other Business

There was no other business before the Committee.

8.0 Public Comment

Garland Armstrong, former Illinois resident, requested that metropolitan planning organizations (MPOs) bring their transit concerns to the federal level. The fiscal cliff should be addressed at the

federal, state, and local levels. He also reported on his upcoming visit to the Chicagoland area and his intent on attending transit board meetings.

Jack Jordan, transit user, remarked on bringing forward a referendum, noting that there is a need to revolutionize the future of transit. He indicated that a referendum would conceptualize transit and its benefits for residents who may not use it to commute.

9.0 Next Meeting

The next meeting is a special meeting of the MPO Policy Committee with the CMAP Board and is scheduled for Wednesday, September 13, 2023.

10.0 Adjournment

A motion was made by CoM representative Schielke, seconded by CDOT representative Biagi, to adjourn the meeting. Motion carried by the following vote:

Aye: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative and Will Co Representative

Absent: Kendall Co Representative

Non-Voting: FHWA Representative and FTA Representative

Absent (NV): Class I Railroads Representative

The meeting was adjourned at 11:34 a.m.

Minutes prepared by Blanca Vela-Schneider



CMAP BOARD

MEETING MINUTES - DRAFT

Wednesday, September 13, 2023

9:30 AM

**Marquee Conference Room
433 West Van Buren Street, 2nd Floor
Chicago, IL 60607**

Members of the public who attend in-person can pre-register for a visitor's pass at info@cmap.illinois.gov until September 12 at 4:00 p.m. or should plan to arrive early to check-in with the building's information desk for access.

You can also join from your computer, tablet or smartphone.

<https://us06web.zoom.us/j/84341801786>

Meeting ID: 843 4180 1786

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CMAP provides the opportunity for public comment. Individuals are encouraged to submit comment by email to info@cmap.illinois.gov at least 24 hours before the meeting. A record of all written public comments will be maintained and made publicly available.

In light of the substantive nature of the Plan of Action for Regional Transit (PART) report, the total cumulative time for public comment will be extended beyond the usual 15 minutes. Public comment is limited to three minutes per person unless the Chair designates a longer or shorter time period. Public comments will be invited in this order: Comments from in person attendees submitted ahead of time; comments from in-person attendees not previously submitted; comments from virtual attendees submitted ahead of time; and comments from virtual attendees not previously submitted.

To review CMAP's public participation policy, please visit <https://www.cmap.illinois.gov/committees>.

If you require a reasonable accommodation or language interpretation services to attend or join the meeting, please contact CMAP at least five days before the meeting by email (info@cmap.illinois.gov) or phone (312-454-0400).

1.0 Call to Order and Introductions

Chair Bennett called the meeting of the CMAP Board to order at 9:49 a.m.

Present: Gerald Bennett, Frank Beal, Matthew Brolley, Karen Darch, Nina Idemudia, John Noak, Richard Reinbold, John Roberson, Nancy Rotering, Stefan Schaffer, Carolyn Schofield, Anne Sheahan, Matthew Walsh, and Diane Williams

Absent: Gary Grasso

Non-Voting: Kouros Mohammadian, and Leanne Redden

Remote Participation Request

Chair Bennett reported that a request was made by Carolyn Schofield to attend the meeting virtually in compliance with Open Meetings Act regulations.

A motion was made by Member Matthew Brolley, seconded by Member Diane Williams, to allow Member Carolyn Schofield to participate in the Board meeting virtually in compliance with Open Meetings Act regulations. The motion carried by the following vote:

Aye: Gerald Bennett, Frank Beal, Matthew Brolley, Karen Darch, Nina Idemudia, John Noak, Richard Reinbold, John Roberson, Nancy Rotering, Stefan Schaffer, Anne Sheahan and Diane Williams

Absent: Gary Grasso

Abstain: Carolyn Schofield

Non-Voting: Kouros Mohammadian and Leanne Redden

Not Present: Matthew Walsh

MPO Policy Committee

Secretary Osman called the special meeting of the MPO Policy Committee at 9:52 a.m.

Present: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Kendall Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative, and Will Co Representative

Non-Voting: FHWA Representative, FTA Representative

Absent (NV): Class I Railroads Representative

Secretary Omer Osman served as IDOT representative, Vig Krishnamurthy served as CDOT Representative, Frank Beal served as CMAP 1 Representative, Matt Brolley served as CMAP 2 Representative, President Dorval Carter served as CTA Representative, Jennifer Sis Killen served as Cook County Representative, Jeff Schielke served as CoM Representative, Deborah Conroy served as DuPage County Representative, David Snyder served as FHWA Representative, Tony Greep served as FTA Representative, Cassandra Rouse served as ISTHA Representative, Corinne Pierog served as Kane County Representative, Sandy Hart served as Lake County Representative, Michael Buehler

served as McHenry County Representative, Jim Derwinski served as Metra Representative, Richard Kwasneski served as Pace Representative, Leanne Redden served as RTA Representative, Jennifer Bertino-Tarrant served as Will County Representative

Staff present: Laurent Ahiablame, Erin Aleman, Jesse Altman, Alex Bahls, Victoria Barrett, Asha Barnes, Bill Barnes, Lindsey Bayley, Lily Brack, Nora Beck, Jonathan Burch, John Carpenter, Karly Cazzato, Daniel Comeaux, Brian Daly, Mai Dang, Teri Dixon, Kama Dobbs, Austen Edwards, Ryan Ehlke, Alex Ensign, Nick Ferguson, Parry Frank, Alicia Gage, Rachel Gaunce, Borja González, Jane Grover, Jon Haadsma, Cassidy Harper, Noah Harris, Kasia Hart, Craig Heither, Emiliano Hernandez, Mitch Hirst, Leroy Kos, Natalie Kuriata, Aimee Lee, Jen Maddux, Tony Manno, Matt Marth, Alexis McAdams, Amy McEwan, Jason Navota, Art Nicholas, Jared Patton, Sam Pavlekovsky, George Perkins Anene, Stephane Phifer, Russell Pietrowiak, Kimberly Piper-Cannon, Jose Portillo, Katie Reigstad, John Rodgers, Jose Rodriguez, Elizabeth Scott, Lee Skuby, Sarah Stolpe, Ryan Thompto, Jennie Vana, Andres Vazquez, Blanca Vela-Schneider, Mary Weber, Laura Wilkison, Beatrix Yan

Others present: Zahra Ali, John Amdor, Will Anderson, Garland and Heather Armstrong, Isabel Azpiroz, Katie Bell, Holly Bieneman, Emily Bittner, Elaine Bottomley, Zach Braun, Steve Brown, Kevin Brubaker, Kevin Bueso, Roland Calia, Christopher Canning, Pat Carey, Pat Cary, Kevin Carrier, Anthony Cefali, Lynnette Ciavarella, William Coulson, Eric Czarnota, Dan Cronin, Chalen Daigle, Eva De Laurentiis, Drew Duffin, Jesse Elam, Peter Fahrenwald, Antonio Favela, Jackie Forbes, Mark Fowler, Sarah Freishtat, Michael Fricano, Hope Garrett, Brandon Geber, Gary Gibson, Aaron Gold-Stein, Gary Grasso, Veton Hasku, Lanetta Haynes Turner, Jennifer Henry, Darlene Hightower, Max Honzel, Neil James, Kendra Johnson, Jack Jordon, John Jordan, Peter Kerston, Mike Klemens, Daniel Knickelbein, Jon Paul Kohler, Tim Kotarac, Nora Leerhsen, Olivia Lynch, Mark Kownick, David Kralik, Jeremy LaMarche, Lisbeth Leanos, Jill Leary, Erik Llewellyn, John Loper, Morgan Madderom, Mike Mahoney, Jack Malec, Sheryl Markay, Arudi Masinjila, Nick Mathiowdis, Brittany Matyas, John Marino, Connor McDermott, Brandon McFadden, Laura McFadden, Madeline McGuire, Bill McLeod, Tim McMahan, Megan Miller, Lesli Melendi, Hank Meyer, Melissa Meyer, Matt Meyers, Skylar Moran, Claudia Morell, Heather Mullins, Elaine Nekritz, Manar Nashef, William O'Connell, Jon Nelson, Darlene Oliver, Tara Orbon, Kevin O'Malley, Rob Nash, Hugh O'Hara, Matt Pasquini, Rebecca Perelman, Lauren Pett, Laura Platt, Philip Plotch, Jada Porter, Carol Portman, Doug Pryor, Marni Pyke, Leslie Rauer, Lucas Reigstad, Tom Rickert, Leon Rockingham, Mimi Rodman, Jeff Ronaldson, Rachel Ruttenberg, Amy Rynell, Stephen Schlickman, Todd Schmidt, Garrett Shrode, Brandon Siefiring, Melissa Silverberg Meyer, Tina F. Smith, Vicky Smith, Chris Snyder, Alex Sobor, Linda Soto, Kevin Stancial, Justin Stange, Joe Surdan, Megan Swanson, Daniel Thomas, Janice R. Thomas, David Tomzik, Mike Vanderhoof, Senator Ram Villivalam, Sukmeke Watkins, Audrey Wennink, Kyle Whitehead, Carter Wilhite

2.0 Agenda Changes and Announcements

CMAP Board Chair Bennett welcomed Gary Grasso, Mayor of Burr Ridge and DuPage County's Representative, who was unable to attend the meeting in person but is listening in. He announced that Paul Goodrich has resigned his position as a Board Member for the City of Chicago and that John Roberson has been appointed to fill the vacancy.

(Member Matt Walsh arrived at the meeting at 9:54 a.m.)

3.0 Approval of Minutes

3.01 Minutes from June 14, 2023

[23-387](#)

Attachments: [CMAP Board Minutes 06.14.23](#)

A motion was made by Member Richard Reinbold, seconded by Member John Noak, that the CMAP Board minutes from June 14, 2023 be approved. The motion carried by the following vote:

Aye: Gerald Bennett, Frank Beal, Matthew Brolley, Karen Darch, Nina Idemudia, John Noak, Richard Reinbold, John Roberson, Nancy Rotering, Stefan Schaffer, Carolyn Schofield, Anne Sheahan, Matthew Walsh and Diane Williams

Absent: Gary Grasso

Non-Voting: Kouros Mohammadian and Leanne Redden

4.0 CMAP Announcements

4.01 Executive director's report

[23-388](#)

Erin Aleman, Executive Director, congratulated IDOT for receiving two awards from the Midwest chapter of the America Association of State Highway and Transportation Officials (AASHTO). Chicago's Jane Byrne Interchange was honored for the quality of life for transit, bike, pedestrian, and other mobility improvements. The I-55 and Weber Road new diverging-diamond interchange in Will County won in the technology and innovation category.

Executive Director Aleman remarked that CMAP, in partnership with ComEd and the Respiratory Health Association, is a recipient of the Clean Energies to Communities competitive grant funded by the US Department of Energy which will allow CMAP to use technical assistance to better understand the types and scale of action needed to reduce regional greenhouse gas emissions and other co-pollutants from the regional transportation network.

CMAP's Logan Square Blue Line Equitable Transit-Oriented Development Action Plan (ETOD) won the Advancing Diversity and Social Change Award from the American Planning Association - Illinois Chapter. Executive Director Aleman reported on CMAP's work, in conjunction with many stakeholders including the CMAP Board and MPO Policy Committee, during the last year to guide and develop recommendations on the Plan of Action for Regional Transit.

The executive director's report was provided.

5.0 Procurements and Contract Approvals

Approval of the Group Vote

A motion was made by Member John Noak, seconded by Board Member Richard Reinbold, to approve agenda items 5.01 through 5.03 under one vote. The motion carried by the following vote:

Aye: Gerald Bennett, Frank Beal, Matthew Brolley, Karen Darch, Nina Idemudia, John Noak, Richard Reinbold, John Roberson, Nancy Rotering, Stefan Schaffer, Carolyn Schofield, Anne Sheahan, Matthew Walsh and Diane Williams

Absent: Gary Grasso

Non-Voting: Kouros Mohammadian and Leanne Redden

- 5.01 **Contract for a three-year agreement, with two, two-year renewal options, with Resource Systems Group (RSG) for RFP 286 Household Travel Survey in the amount of \$2,999,329.74** [23-400](#)

Attachments: [RFP 286 Household Travel Survey Memo](#)

This item was approved under one vote.

- 5.02 **Sole source agreement to enter into a nine-month agreement with one, six-month optional renewal, with DePaul University to provide Housing Data Snapshot for the not-to-exceed amount of \$260,000** [23-390](#)

Attachments: [Housing Data Snapshots DePaul Memo](#)

This item was approved under one vote.

- 5.03 **Intergovernmental agreement for Cook County Assessor Data - Tax Year 2021** [23-391](#)

Attachments: [IGA with Cook County Sep 2023](#)
[Resolution with Cook County Assessor Office \(CAAO\) for GIS data sharing](#)
[Exhibit A - Statement of Purpose](#)

This item was approved under one vote.

6.0 Other Items for Approval

- 6.01 **Nomination of CMAP Officers** [23-389](#)

Attachments: [Memo on nomination of Officers](#)

Chair Bennett reported that at his direction, Executive Director Erin Aleman conferred with Members Nancy Rotering, Matt Walsh, and Frank Beal on the nomination of Executive Committee Officers. It is recommended that the follow members be considered as CMAP Officers and members of the Executive Committee:

- Chair Gerald Bennett, Mayor-Suburban Cook County
- Vice Chair Carolyn Schofield - Collar Counties
- Vice Chair Anne Sheahan - City of Chicago
- At Large Diane Williams - Suburban Cook County
- At Large John Noak, Mayor - Collar Counties

A motion was made by Member Nancy Rotering, seconded by Member Matthew Walsh, to approve the nomination of CMAP Officers as presented. The motion carried by the following vote:

Aye: Gerald Bennett, Frank Beal, Matthew Brolley, Karen Darch, Nina Idemudia, John Noak, Richard Reinbold, John Roberson, Nancy Rotering, Stefan Schaffer, Carolyn Schofield, Anne Sheahan, Matthew Walsh and Diane Williams

Absent: Gary Grasso

Non-Voting: Kouros Mohammadian and Leanne Redden

7.0 Information Items

7.01 Plan of Action for Regional Transit (PART) report update

[23-399](#)

Attachments: [Resolution language for Board MPO consideration - Draft](#)
[Plan of Action for Regional Transit DRAFT](#)
[Plan of Action for Regional Transit - Draft Revised 9.12.23](#)

Chair Bennett provided opening remarks on the Plan of Action for Regional Transit (PART).

Illinois Senator Ram Villivalam and Illinois House Representative Eva-Dina Delgado thanked CMAP staff for their efforts in preparing the recommendations of the PART report. The shared goal is to ensure that the region provides accessible, equitable, transparent, environmentally friendly, and safe public transit. This is a difficult task that will impact the residents of the region and requires a robust discussion.

Erin Aleman, Executive Director, reported CMAP was mandated by the General Assembly to prepare a series of recommendations to address the transit fiscal cliff and governance challenges. Transit moves riders and non riders, drives the region's economy, improves air quality and climate, and connects people to opportunities which increases equity across the region. A 20 percent cut to operational funds could equate to 40 percent of service cuts which would have a significant impact on the region. Approximately 60 percent of regional employees have jobs for which remote work is not an option. Based on CMAP modeling, inaction would affect quality of life and productivity and would increase emissions. Many recommendations in the recommendation report are aligned with ON TO 2050 Plan recommendations but go farther in reimagining the system that we want and how we get there.

Daniel Comeaux, Senior Analyst in Regional Policy and Implementation, Elizabeth Scott, Principal in Regional Policy and Implementation, and Aimee Lee, Deputy of Transportation, Research, Analysis, and Programming, discussed that a Steering Committee was created to help develop and guide recommendations. The Steering Committee formed three subcommittees to focus on the areas of "The System We Want", "How to Pay for It" and "How to Implement It." They provided an in-depth presentation of the work and the recommendations for each of these focus areas.

Members from the PART Steering Committee were introduced. Jacky Grimshaw, Vice President of Government Affairs with Center for Neighborhood Technology (CNT), reported that there is a need to adapt to the changing region and to develop a system that considers regional development, environment, and accessibility.

Amy Rynell, Executive Director of Active Transportation Alliance, reported that the existing system struggles to meet rider and employer needs. The mandate affords the ability to look at how we fund, govern, and understand transit. During recent listening sessions at six communities, users expressed frustration with bus infrequency, delays, no shows, and overcrowding. Riders also identified recommendations that would improve their experience. The better and more responsive the system is, the more riders it will attract, revenue will grow, and the system will be strengthened.

Derek Douglas, President of the Civic Committee and the Commercial Club of Chicago, discussed the PART Steering Committee's role in developing recommendations. The PART Steering Committee provided their expertise as stakeholders. They were challenged by state legislators to use this as an opportunity to reimagine how transit should work and what considerations should be made to the

structure, governance, and funding of the system. While the members of the committee had different ideas on fare increases, the consensus of members was that the transit systems needed to consider fare structure, evaluate cost efficiencies, and identify opportunities to reduce expenses. They also agreed that reform was needed in governance and service. He indicated that the CMAP Board and MPO Policy Committee will need to vote on a resolution regarding the report and that not all the recommendations are going to fully satisfy all the members of both public bodies. He urged the Board and MPO Committee to look at the report in its entirety when considering their votes.

Dan Cronin, former DuPage County Chairman, noted that there are monumental challenges facing the city and region due to jobs and business growth, taxes, governance of public bodies, as well as the everyday challenges facing local communities. The pandemic exacerbated the issue, creating a lot of uncertainty. There has been consensus that people want an effective, clean, efficient, and accessible regional transit system.

Robert Puentes, President and CEO of Eno Center of Transportation, reported that his agency was brought on to consider technical elements of the governance focus area and has conducted several interviews and research on different governance models. This is a prominent discussion across the country, given the fiscal cliff many agencies have been experiencing, the impact of COVID, and the federal funding that is winding down. Governance challenges have been identified across the country for different reasons but at its core, transit is regional by nature. However, there is a fundamental need, based on a user's perspective, that an integrated transit governance is needed to have a highly functional system. The recommendations provided today will make a greater difference than changing governance or restructuring operations alone.

Randy Blankenhorn, former Executive Director of CMAP and co-chair of How We Implement It focus area, stated the service board structure was created 40 years ago and was designed so that each agency made decisions on what was best for their agency and not on a user's perspective. Users care about getting from one point to another in a safe and easy manner. There is a need to consider what decisions are regional and which decisions should be left to those operating the system day-to-day.

Discussion by the CMAP Board and MPO Policy Committee ensued. Discussion included:

- * Lack of transit options in suburban areas;
- * Whether a referendum has been considered;
- * Safety of public transit;
- * The need for a stable and reliable funding source;
- * Equity in the transit system throughout the region;
- * Tolling of additional roads;
- * Clarification of language in the report;
- * Regulatory operations of transit agencies;
- * Cost of maintaining infrastructure; and
- * Flexible of federal highway funds.

The PART report update was discussed.

8.0 Other Business

There was no other business before the CMAP Board or MPO Policy Committee.

9.0 Public Comment

Garland Armstrong, former Illinois resident, expressed concern that if nothing is done to address the fiscal cliff, there will be a huge impact to transit agencies and riders. He also commented on the recent bankruptcy filing of an electric bus manufacturer in Iowa and questioned whether CTA and Pace have contingency plans in place. He also commended Mayor Nancy Rotering for her actions to address gun violence.

Heather Armstrong, former Illinois residents, encouraged taxing services over goods and increasing corporate and real estate taxes to help fund transit.

10.0 Next Meeting

The next meeting will be a joint meeting with the MPO Policy Committee and is scheduled for Wednesday, October 11, 2023 at 1:30 PM.

The meeting will be held in the Marquee Room on the 2nd floor of the Old Post Office.

11.0 Adjournment

The CMAP Board Meeting was adjourned at 1:22 p.m.

A motion was made by John Noak, seconded by Richard Reinbold, to adjourn the CMAP Board meeting. The motion carried by the following vote:

Aye: Gerald Bennett, Frank Beal, Matthew Brolley, Karen Darch, Nina Idemudia, John Noak, Richard Reinbold, John Roberson, Nancy Rotering, Stefan Schaffer, Carolyn Schofield, Anne Sheahan, Matthew Walsh and Diane Williams

Absent: Gary Grasso

Non-Voting: Kouros Mohammadian and Leanne Redden

MPO Policy Committee

A motion was made by Cook County Representative Jennifer Sis Killen, seconded by Will County Representative Jennifer Bertino-Tarrant to adjourn the MPO Policy Committee meeting. The motion carried by the following vote:

Aye: IDOT Representative, CDOT Representative, CMAP Representative 1, CMAP Representative 2, CTA Representative, Cook Co Representative, CoM Representative, DuPage Co Representative, Tollway Representative, Kane Co Representative, Kendall Co Representative, Lake Co Representative, McHenry Co Representative, Metra Representative, Pace Representative, RTA Representative, and Will Co Representative

Non-Voting: FHWA Representative, FTA Representative

Absent (NV): Class I Railroads Representative

The MPO Policy Committee meeting was adjourned at 1:23 p.m.

Minutes prepared by Blanca Vela-Schneider



MEMORANDUM

To: CMAP Board

From: Alicia Gage
Accounting Manager

Date: October 4, 2023

Re: Authorization to enter into a four year agreement to support the Regional Climate Action Plan in cooperation with the Metropolitan Mayors Caucus (MMC) to create a regional comprehensive climate action plan for the Chicago Metropolitan Statistical Area for a not to exceed amount of \$542,156

Background

Chicago Metropolitan Agency for Planning (CMAP), in partnership with the Metropolitan Mayors Caucus (MMC), will participate in phase 1 planning work related to the USEPA Climate Pollution Reduction Grant (CPRG) program funds granted to MMC. The Project will create a regional comprehensive climate action plan for the Chicago Metropolitan Statistical Area (MSA) to identify solutions to allow the region to meet net-zero greenhouse gas emissions by 2050. In support of the project, CMAP has committed to delivering the following items as outlined in the grant application to USEPA and detailed in the *USEPA Climate Pollution Reduction Grants Program: Formula Grants for Planning, Program Guidance for States, Municipalities, and Air Pollution Control Agencies* (CPRG Guidance):

- Assist MMC’s development of the Priority Climate Action Plan (PCAP) by providing three memos (updated GHG inventory, CMAP recommendations on strategy updates, and low income – disadvantaged communities (LIDC) identification and maps) in advance of the PCAP deadline, March 1, 2024
- Lead the development of the Comprehensive Climate Action Plan (CCAP), due July 28, 2025
- Lead the development of the Status Report, due May 31, 2027

CMAP and MMC have agreed that CMAP shall be compensated for these deliverables in a manner in accordance with the project budget submitted in support of the region’s CPRG grant submitted by MMC.

CMAP staff is seeking Board approval to enter into a four-year agreement with MMC to complete this project. Support for this project will be provided by MMC with funds it has been awarded through the United States Environmental Protection Agency (USEPA) Climate Pollution Reduction Grant (CPRG) program funds, in the not-to-exceed amount of \$542,156.

ACTION REQUESTED: CMAP Board Approval



MEMORANDUM

To: CMAP Board/
From: Alicia Gage
Manager, Finance and Administration
Date: October 11, 2023
Re: Authorization to enter into an agreement and contract amendment with Arctic Information Technology, Inc. for a total not-to-exceed amount of \$2,633,642 for an Enterprise Resource Planning (ERP) System

On June 8, 2022, the CMAP Board approved an agreement between CMAP and Arctic Information Technology, Inc. for a Microsoft Dynamics 365 ERP system and project management and implementation services related to the ERP in the not-to-exceed amount of \$2,394,220.

Authorization is requested for an additional 10% increase for out-of-scope items to be added to the contract which resulted from Request for Proposals (RFP) 263. The consultant is currently developing an enterprise resource planning (ERP) system for internal use within the Chicago Metropolitan Agency for Planning. These items are needed to ensure an efficient means of timecard management and connecting it to the agency's payroll and human resource system. The current, anticipated cost for these out-of-scope items is \$113,850. IDOT allows for an expense increase of 10% of the originally authorized fiscal year utilization, or an amount not-to-exceed \$239,422. The new contract total shall not exceed \$2,633,642. Support for this amendment will be provided from the FY 2023 Operating Grants.

ACTION REQUESTED: CMAP Board Approval



MEMORANDUM

To: CMAP Board

From: Alicia Gage
Manager, Finance and Administration

Date: October 11, 2023

Re: Authorization to enter into a contract for the purchase of information technology hardware, software and services in a not-to-exceed amount of \$565,000

CMAP Information Technology (IT) staff have developed a multi-year plan to expand, update, and secure the agency’s hardware and software infrastructure and meet growing user demands. With the agency’s remote work environment, increased virtual meeting presence, and enhanced application uses, cyber security is at the forefront of CMAP’s planning and business continuity efforts. To accomplish this, IT staff is planning to add to existing data backup equipment for increased secured capacity. Investments will include purchasing additional server systems to host our virtualized servers as well as laptops, monitors, and copiers to replace older devices. In addition, CMAP will purchase graphics virtualization software licenses for its new virtualization servers.

The purchase of the software and hardware equipment will adhere to the procurement policy adopted by the Board. The storage system, server systems, and laptops will be purchased using CDW-G’s contract under the Sourcewell cooperative agreement for government procurements. The monitors will be purchased using Dell’s Dell Midwestern Higher Education Compact (MHEC). The copiers will be purchased using Xerox’s contract under National Association of State Procurement Officials. And the graphics software will be purchased using CDW-G’s City of Chicago Hardware/Software contract. The following table reflects the hardware and software to be purchased, the estimated cost and the type of procurement that will follow:

Equipment	Quantity	Total Estimated Cost	Type of Procurement
Hardware			
Storage System	1	\$55,000.00	Government Contract
Server System	2	\$238,000.00	Government Contract
Laptops	43	\$114,00.00	Government Contract
Monitors	142	\$30,000.00	Government Contract

Copies	5	\$106,000.00	Government Contract
Software			
Graphics Virtualization	20	\$22,000.00	Government Contract
Total Estimated Cost		\$565,000.00	

It is recommended that the Board approve the purchase of the above listed hardware, software, licensing, support, and warranty for a total cost not to exceed \$565,000. Funds have been budgeted and approved in the FY 2023 UWP operating budget.

ACTION REQUESTED: CMAP Board Approval

MEMORANDUM

To: CMAP Board

From: Alicia Gage
Manager, Finance and Administration

Date: October 11, 2023

Subject: Authorization to enter into contracts with up to six consultants for a 24-month term for RFP 287, Safety Streets for All (SS4A) Countywide Safety Action Plans (SAPs), for an amount not-to-exceed \$2,700,000

CMAP is requesting Board authorization for the Executive Director of the Chicago Metropolitan Agency for Planning to enter into contracts with up to six selected firms or consultants to develop comprehensive countywide SAPs for Cook, DuPage, Kane, Lake, McHenry, and Will counties. The goals of each SAP include promoting safety; identifying low-cost, high-impact strategies that can improve safety over a wide geographic area; establishing equitable investment in the safety needs of underserved and historically excluded communities, which includes both urban and rural communities, by incorporating evidence-based projects and strategies; providing coordination between agencies; and aligning with the Federal Highway Administration’s mission and priorities such as equity, climate and sustainability, quality job creation, and economic strength and global competitiveness.

The bid opening took place on September 22, 2023. The anticipated award date will occur by October 13, 2023. The funds are provided through the Safe Streets and Roads for All discretionary grant program to advance efforts to support the US Department of Transportation’s National Roadway Safety Strategy and a goal of zero deaths and serious injuries on our nation’s roadways. CMAP staff is requesting the Board grant the Executive Director pre-approval to enter into contracts with the selected vendors for a 24-month period, for a not-to-exceed cost of \$2,700,000 in order to achieve project completion by the grantee’s designated deadline.

Action Requested: CMAP Board Approval

MEMORANDUM

To: CMAP Board

From: Alicia Gage
Manager, Finance and Administration

Date: October 11, 2023

Subject: Authorization to enter into a contract for a 24-month term for RFP 288, Safe Streets for All (SS4A) Regionwide Engagement and Equity Campaign, in an amount not-to-exceed \$1,000,000

CMAP is requesting Board authorization for the Executive Director of the Chicago Metropolitan Agency for Planning to enter into a contract with the selected firm or consultant to execute a regionwide engagement and equity campaign for Cook, DuPage, Kane, Lake, McHenry, and Will counties. The funds are provided through the Safe Streets and Roads for All discretionary grant program to advance efforts to support the US Department of Transportation's National Roadway Safety Strategy and a goal of zero deaths and serious injuries on our nation's roadways.

CMAP is seeking one consultant to develop and execute a regionwide engagement and equity campaign that will complement comprehensive countywide Safety Action Plans being developed for each of the following counties: Cook, DuPage, Kane, Lake, McHenry, and Will. The Regional Engagement and Equity Consultant ("Engagement Consultant") will identify approaches and methods for an intentional and transparent outreach process to engage residents, create connections with community-based organizations, and amplify disadvantaged and historically excluded voices. The campaign will prioritize meeting communities where they are with dignity-infused traffic safety outreach efforts aimed at gathering input from community members whose daily experiences can guide solutions that best reflect their needs.

CMAP released RFP 288 on September 18, 2023 and will receive proposals on October 13, 2023 with the expectation to select a vendor by the end of October, 2023. It is anticipated that this project will require 24 months to complete. The funds are provided through the Safe Streets and Roads for All discretionary grant program to advance efforts to support the US Department of Transportation's National Roadway Safety Strategy and a goal of zero deaths and serious injuries on our nation's roadways. CMAP staff are requesting the Board grant the Executive Director preapproval to enter into a contract with the selected vendor for a 24-month period, for a not-to-exceed amount of \$1,000,000 in order to achieve project completion by the grantee's designated deadline.

Action Requested: Approval



Chicago Metropolitan Agency for Planning

433 West Van Buren Street
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Chicago, IL 60607

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MEMORANDUM

To: CMAP Board

From: Amy McEwan
Deputy Executive Director, CMAP

Date: October 1, 2023

Re: Authorization to enter into a contract with Consolidated Flooring, in the amount not to exceed \$27,550 for fourth floor Old Postmaster Suite hallway floor coverings

CMAP completed the renovation and furnishings to the agency's fourth floor space at the Old Post Office in 2020. The original construction project and Board approval was for the fourth floor and a portion of the fifth floor. In 2020, CMAP delayed completion of the fifth-floor space due to uncertainties in the office space market.

A competitive procurement process was completed in 2020 and Consolidated Flooring was the successful vendor. In March of 2023, CMAP initiated the order of the remaining services necessary to complete the fifth-floor floor coverings and now seeks authorization for the fourth-floor Old Postmaster Suite hallway floor coverings.

Now that CMAP is once again holding in person meetings, it has become apparent with more public traffic that the Old Postmaster Suite marble and tile floor hallways are slippery when wet due to snow or rainwater being tracked into the facility and the hard surfaces also create an echo effect with the noise disrupting the public meetings when in session. To remedy this, CMAP staff is seeking authorization to enter into a contract for a not to exceed amount of \$27,550 with Consolidated Flooring to procure carpet floor coverings for the public meeting room hallways. Support for this cost increase will be provided with FY 2023 UWP funds.

ACTION REQUESTED: CMAP Board Approval



Chicago Metropolitan Agency for Planning

433 West Van Buren Street
Suite 450
Chicago, IL 60607

312-454-0400
cmap.illinois.gov

MEMORANDUM

To: CMAP Board

From: Amy McEwan
Deputy Executive Director, CMAP

Date: October 1, 2023

Re: Authorization to enter into a contract and cost increase with Henricksen, in the amount not-to-exceed \$5,400 for fifth floor office furniture

CMAP completed the renovation and furnishings to the agency's fourth-floor space at the Old Post Office in 2020. The original construction project and Board approval was for the fourth floor and a portion of the fifth floor. In 2020, CMAP delayed completion of the fifth-floor space due to uncertainties in the marketplace.

A competitive procurement process was completed in 2020 and Henricksen was the successful vendor. In March of 2023, CMAP initiated the order of the remaining furniture including those items that require a longer lead-time, utilizing the remaining funds provided for that purpose. Some items in the original purchase are no longer available and CMAP needed to select alternative pieces and is requesting that the contract with Henricksen be increased to complete the planned furniture order.

CMAP staff is seeking approval for a \$5,400 contract increase with Henricksen to complete the furniture purchase as planned. Support for this cost increase will be provided with FY 2023 UWP funds.

ACTION REQUESTED: CMAP Board Approval



MEMORANDUM

To: CMAP Board

From: Alicia Gage
Manager, Finance and Administration

Date: October 11, 2023

Subject: Authorization to enter into a one-year contract with Nearmap, a digital aerial imaging company, for aerial photography in the amount of \$52,000

CMAP staff is requesting retroactive approval to enter into a contract with Nearmap, a digital aerial imaging company, for aerial photography in the amount of \$52,000 for a one-year term beginning October 1, 2023.

The Chicago Metropolitan Agency for Planning maintains large data resources for use in its development, projection and evaluation of land use and transportation in the northeastern Illinois region. The required data is reviewed annually to determine how the data sets are used by staff, which staff uses the data sets and how frequently the data is used. If the data is not available from a free source, it must be purchased.

Due to a shift in CMAP staff, no provision was in place for the continuation of services at the time a new agreement was requested. Procurement and Research, Analysis, and Planning (RAP) plan to issue an RFP at a future date to secure a multi-year agreement for the services. It is recommended that the Board approve a one-year contract at a cost of \$52,000. Support for this commercial data set purchases is included in the FY2024 UWP Operating Funds.

Action Requested: CMAP Board Approval



MEMORANDUM

To: MPO Policy Committee

From: MPO Nominating Subcommittee
Frank Beal
Michael Connelly
Jeffery Schielke
Tom Rickert
Vig Krishnamurthy

Date: September 29, 2023

Re: Nomination – Vice Chair

Per the MPO Policy Committee By-Laws, “each year during June, after notice to the membership in the call and agenda of a particular meeting, the Chair shall appoint a subcommittee of five members of the MPO Policy Committee to nominate at a meeting in October, the name or names of candidates for election to the office of Vice Chair of the MPO Policy Committee for the following year.”

Past practice has been that the Vice Chair serves two consecutive terms. At its August 29, 2022 meeting, the MPO Nominating Subcommittee recommended the appointment of Jennifer “Sis” Killen and at its October 2022 meeting, the MPO Policy Committee, elected to serve as Vice-Chair for the calendar year 2023.

The MPO Nominating Subcommittee met on September 14, 2023 to review the name(s) of candidate(s) for the Office of Vice Chair of the MPO Policy Committee. The subcommittee presents the following candidate for the MPO Policy Committee’s consideration:

Vice Chair

Jennifer “Sis” Killen

The nominating group believes this individual is representative of the needs of the committee.

ACTION REQUESTED: MPO Policy Committee Approval



MEMORANDUM

To: MPO Policy Committee
From: Erin Aleman
Executive Director
Date: September 30, 2023
Re: MPO Policy Committee 2024 Meeting Dates

The MPO Policy Committee is proposed to meet on the following dates in 2024:

Thursday, January 11 – 9:30 a.m.

Thursday, March 14 – 9:30 a.m.

Thursday, June 13 – 9:30 a.m.

Wednesday, October 9 – 9:30 a.m. (joint meeting with the CMAP Board)

Action requested: MPO Policy Committee Approval

MEMORANDUM

To: CMAP Board and MPO Policy Committee

From: CMAP Staff

Date: October 4, 2023

Subject: FFY 2024 - 2028 STP-SF, CMAQ, CRP, and TAP-L Programs

Purpose: The proposed Federal Fiscal Year (FFY) 2024-2028 STP-Shared Fund (STP-SF), Congestion Mitigation and Air Quality Improvement Program (CMAQ), Carbon Reduction Program (CRP), and locally programmed Transportation Alternatives (TAP-L) regional transportation funding programs and the corresponding TIP Amendments 24-01.1, 24-01.2 and 24-01.3 were approved by the Transportation Committee for consideration by the CMAP Board and MPO Policy Committee for approval.

Action Requested: Approval

On August 31, 2023, the STP Project Selection Committee (PSC) approved the attached STP-SF program and the CMAQ and TAP-L PSC approved the attached CMAQ, CRP and TAP-L programs. The programs consist of 66 projects to be funded over the next five federal fiscal years (FFYs). The programs include STP-SF funding for 18 projects, CMAQ funding for 26 projects, CRP funding for 4 projects and TAP-L funding for 17 projects. The new projects were selected by applying performance-based selection methodologies to the 129 project applications received in response to the call for projects issued in January 2023.

Draft programs were available for public comment from July 13 through August 11, 2023. One comment was received in support of the CMAQ and CRP programs. Based on the nature of the comment, the PSCs made no changes to the draft programs.

The recommended programs have been incorporated into TIP amendments 24-01.1, 24-01.2 and 24-01.3. The Transportation Committee recommends CMAP Board and MPO Policy committee approval of TIP Amendments [24-01.1](#), [24-01.2](#) and [24-01.3](#).

Plan of Action for Regional Transit

for Northeastern Illinois



Chicago Metropolitan
Agency for Planning

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EXECUTIVE SUMMARY

REIMAGINE OUR TRANSIT SYSTEM

Purpose

This Plan of Action for Regional Transit (PART) fulfills the requirements of Illinois Public Act 102-1028 tasking the Chicago Metropolitan Agency for Planning (CMAP) with developing legislative recommendations on the region's transit system.

The problem

The COVID-19 pandemic resulted in drastic shifts in transit ridership across the region with the prevalence of remote work and changes to where, when, and how people traditionally traveled.

This resulted in major revenue loss, forcing transit providers to rely on federal assistance to operate. Those funds will soon expire which means a \$730 million annual budget gap by 2026 simply to return to pre-pandemic service levels.

Opportunity for transformation

As required by the statute, the recommendations envision a financially viable system that is:

- Regionally coordinated and comprehensive
- Safe, secure, clean, and efficient
- Supportive of efficient land use

It specifically addresses required topics, such as:

- Regional fare systems
- Sales tax
- Recovery ratio
- Governance

The report also highlights the strong connections between investments in transit and other regional and state priorities, especially those related to equity, climate change, and economic growth.

Recommendations reflect diverse voices from across the region

CMAP convened a steering committee of regional stakeholders representing civic, community, business, environmental, and labor perspectives to guide the plan's development in partnership with the CMAP Board, MPO Policy Committee, and other public bodies, such as county boards and municipal councils of governments.

The plan also includes input from the public through focus groups and builds on the significant public engagement completed by the Regional Transit Authority (RTA) in its recent strategic planning process.

PART is grounded in sound public policy; builds on previous regional plans; and includes meaningful public engagement, data, models, analysis, findings, alternatives, and recommendations consistent and aligned with the region's goals outlined in ON TO 2050.

While the timeline for this report was accelerated both out of necessity and by statute, the report draws on the extensive research, planning, and policy development conducted by CMAP, RTA, the service boards, and other regional partners in recent years. Among many other documents, PART builds on the recommendations laid out in the region's long-range plan, ON TO 2050; RTA's strategic plan, Transit is the Answer; and CMAP's post-pandemic planning effort, Mobility Recovery.

LAWMAKERS: BE BOLD

The legislation sponsors asked for big, bold solutions to the pressing fiscal challenges facing our region's transit system in 2026 — and for recommendations that transform and strengthen the system for the future.

We are stronger and healthier when we have a well-connected, accessible, reliable, and affordable regional public transit system.

To achieve the vision of a reimagined and financially secure regional transit system and also address the immediate funding crisis, PART outlines a series of recommendations for the Illinois General Assembly to consider and act on.

“This is the moment where we can really seriously talk about changing transit and changing the way it's structured, and really look at the big picture. My hope is that ten years from now, our transit system looks very different. We must reimagine our system. It needs to be a first choice for people.”

- Representative Eva-Dina Delgado
(Illinois District 3) Legislation sponsor

Principles to guide recommendations

- Focus on ensuring the transit system is financially viable in 2026 and beyond
- Identify recommendations where the state has a role in implementing solutions
- Rebuild a transit system that is stronger than it was before COVID-19
- Center the users of the system
- Be bold

This plan leverages findings and input from the Regional Transportation Authority's strategic plan



PART RECOMMENDATIONS

The system we want

Rebuild public confidence, increase ridership, and improve the user experience so that it is seamless and affordable.

How to pay for it

Identify necessary reforms and funding options to close the operating budget shortfall and build the transit system the region wants.

How to implement it

Identify necessary reforms to governance structures and funding distribution.

The system we want



Focus on transit service.

Stable funding to maintain and expand transit service levels; a more robust funding framework that would allow regional transit service providers to make targeted investments that improve the quality and availability of transit throughout the region.



Provide integrated and affordable fares.

Fare integration across the region's transit providers and other complementary modes; a commitment to keep fares on pace with inflation and provide more affordable fares and passes for low-income travelers and youth to balance any required fare increases.



Enable faster and more reliable bus service.

Planning, funding, staff capacity, and enforcement necessary to advance bus priority initiatives.



Bolster public confidence.

Physical investments, funding for staff, and new policies to improve the safety, security, and cleanliness of the regional transit system.



Build back a ridership base.

Incentives and policies that can foster more transit-supportive land use and development decisions, as well as support for Metra's evolution to a regional rail service model.



Invest in a universally accessible system.

Planning and funding to accelerate physical system accessibility on the transit system and at crucial access points; investments to bolster existing paratransit and demand-responsive transit services.



The steering committee met five times over the course of this year. For a list of members, meeting agendas, minutes, and presentations, visit cmap.is/PART.

How to pay for it

To achieve the stronger transit system envisioned by PART, the region and state will need bold and creative leadership. But it will also require new operating revenues, including funds to stabilize the existing system and to invest in its future. The difficult question of how to pay for transit in northeastern Illinois has been an enduring policy challenge since before RTA was established in the early 1970s and across recurring fiscal crises. However, despite repeated efforts, past solutions have relied on inadequate funding sources, rigid and inflexible distribution formulas, and other compromises that have not stood the test of time. This moment presents an opportunity to craft a regional solution that puts northeastern Illinois on a stable path to having the modern, useful, safe, clean, and affordable transit system everyone wants.

When considering how to structure needed transit investments, decision makers should consider these **principles for funding**:



The transit system itself must continue to contribute substantial revenues to help meet operating needs. Through regular fare increases and responsible financial stewardship, system actions can continue to constitute a substantial portion of transit funding, even after accounting for pandemic-related ridership declines.



The state should provide more robust support for transit in northeastern Illinois. Both national peers and downstate operators in Illinois receive substantially greater proportional operating support.



Paratransit must have stable, dedicated funding. National demographic change is driving cost growth in this federally required service, necessitating a targeted funding solution beyond what the transit system alone can provide.



Transportation revenues should fund transportation investments. Transit is a core component of the statewide mobility system. Revenues coming from flexible federal

sources and transportation user fees should support the goals of the entire surface transportation system.



Funding solutions should deliver co-benefits for equity and climate goals.

Wherever possible, revenues should be designed to introduce more progressivity into existing taxes and fees, mitigate greenhouse gas emissions, and prioritize the needs of low-income households.



Revenues must maintain buying power over time.

The inability of revenues to keep pace with the real cost of fuel, materials, and labor has been a chronic issue plaguing transit for the last fifty years. To avoid the gradual decay of transit funds, decision makers should provide for automatic or periodic inflation adjustments over time.

The system the region wants requires investment

To achieve “the system we want,” the region and state will need to make significant and sustained investments in the regional transit system. PART recommends an approach to improve revenue sources and practices that is informed by what has worked well in the past and what has not. As shown in Figure 1, this would include \$1.5 billion in new operating support for transit and at least \$400 million annually in complementary capital investments. An investment of this scale would reflect the many social, environmental, and economic benefits that transit can deliver for the region and the state. It would also enable a huge leap forward in modernizing the transit system and creating compelling reasons for riders to return.

This level of transformational investment will require the coordinated efforts of state officials, regional leaders, and the region’s transit service providers. Together, they can deliver the system efficiencies and public revenues needed to address the current funding gap and invest in a stronger transit system.

PART recommends transit funding solutions that put these priorities into action for 2026 and beyond. The revenue options explored include savings and system-generated revenues, as well as a set of baseline revenues that include:

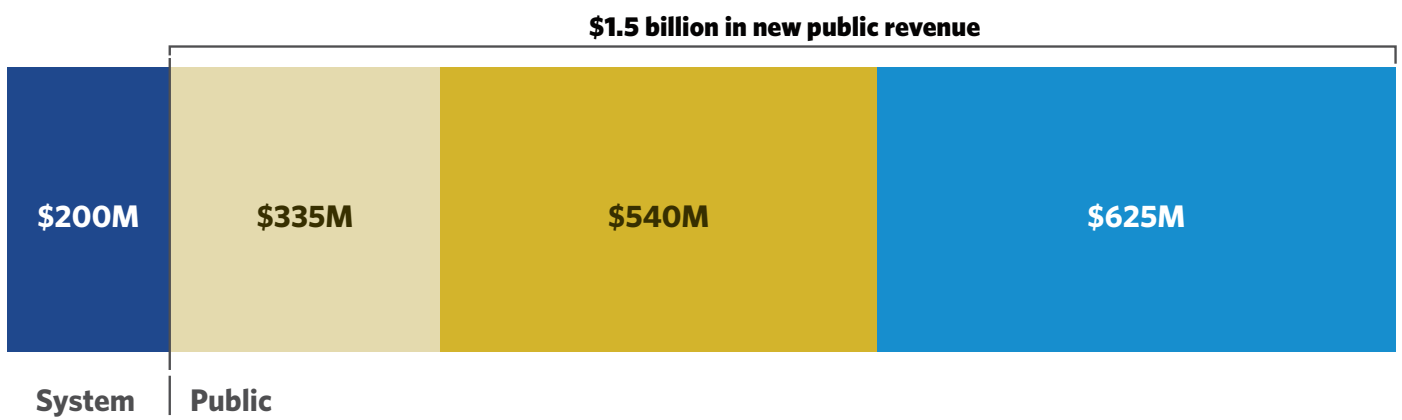
- Full state funding for paratransit.
- Full state funding for existing reduced fare mandates.
- A modernized state sales tax base that includes services, delivering needed revenues for the transit system, state, counties, and local communities.

The regional transportation system would also benefit from additional revenues, including flexing federal funds for transit and new road revenues (e.g., tolling, parking taxes, and vehicle registration surcharges). The report outlines the details behind these revenue concepts and others that could be available to fund transit system investments.

The state and region have many options to consider to best meet the region’s goals. CMAP analyzed dozens of potential revenue sources, to help define a short list of options for decision makers to consider.

It is also important to note that these new investments would only partially address the existing and unfunded backlog of "state of good repair" (SOGR) projects. Addressing this \$20+ billion backlog will require sustained investments like those recently made by the state and federal governments. CMAP will continue to support efforts to address these long-term capital needs through the regional transportation planning process.

Figure 1. Operating revenues necessary to fund a transformational investment



System actions
Revenues from additional fares and containment of future costs.
Example: Raising fares to keep pace with inflation.

Baseline actions
Opportunities for the state to play a bigger role in funding transit.
Example: Full state funding for paratransit.

Durable sources
Revenues that make sense both now and into the future.
Example: Expanding the state sales tax base to include additional services.

Diminishing or stopgap sources
Revenues that can meet current needs but should be retired over time as more sustainable options come online.
Example: Motor fuel tax surcharge, eventually replaced by funds from new sources like congestion pricing or tolling.

How to implement it

The governance changes that would enable the region to reimagine our transit system include:

Create one regional entity

Integrate RTA and the service boards (CTA, Pace, Metra) into one regional transit entity

Empower a regional coordinating agency

Maintain service boards as operating agencies

The report detailed these two paths for structural reform that would make the other changes possible. The report also identifies factors to consider when contemplating which path to take. Regardless of which path is chosen, the report establishes baseline principles for reform that would make transit more effective in meeting the region's needs.

BASELINE PRINCIPLES FOR REFORM

The state should prioritize the following recommendations when considering governance reform options.



Funding allocation

- Prioritize regional goals and decision making instead of statutory funding formulas.
- Grant more regional discretion over how funds are allocated.



Regional coordination of transit functions

- Implement the regional decision making and oversight necessary to advance system goals.
- Provide sufficient tools to strengthen the regional entity.



Performance metrics and farebox recovery ratio

- Reduce the farebox recovery ratio requirement.
- Empower the regional agency to look beyond the fare recovery ratio and set updated performance metrics based on regional strategies and goals, including mobility, climate, and equity concerns.



Regional board structures and appointments

- Design board appointment and voting structures to advance regional progress while building local consensus.
- Integrate more regional perspectives.
- Provide a greater role for the state, especially as it increases its funding support.
- Ensure that regional board membership reflects population, ridership, and funding sources.
- Appoint board members with relevant and diverse experiences.
- Provide avenues for local input.

The report details the two options for structural reform including their respective strengths and challenges. Recognizing that additional analysis is needed and that implementing governance reform may take time, CMAP encourages the General Assembly to reach consensus on one of the structural reform options and establish an implementation plan for how that approach could achieve the baseline principles for reform.

As lawmakers consider the recommendations related to governance and PART overall, success will require clearly defined responsibilities, timelines for implementation, and strategies to place riders' experiences at the center of decision making.

Why this matters

Transit is critical to the success of northeastern Illinois. This funding crisis has the potential to decimate service, cripple local economies and downtowns reliant on transit, and diminish quality of life for residents.

PART is guided by ON TO 2050, the region's long range plan. Advancing ON TO 2050's principles of an inclusive and thriving region is only possible with a robust and effective public transit system.



Mobility

Transit moves riders and non-riders

Risks of no action

A 20 percent cut to operations funding would likely equate to about 40 percent in service cuts. Transit enables mobility for riders and non-riders alike. Without transit, the region's transportation system would grind to a halt.

ON TO 2050 commitment

Create a system that works better for everyone. This requires that all residents have effective mobility options, especially those who do not use a personal vehicle. A modern, multimodal system adapts to changing travel demand and promotes inclusive growth.



Economy

Transit drives the region and state's economy

Our region accounts for 75% of the state's gross domestic product. Without a well-connected transit system, our region, state, and countless local economies anchored around transit will suffer in a deeply competitive global market. Residents will lose access to jobs, education, and more.

Make transit more competitive. Transit is a valuable asset that helps the region compete nationally for new businesses and residents. Public transit provides crucial connections between residents and employers, enhancing the region's economic competitiveness.



Climate

Transit improves air quality and climate

The region is not currently on track to meeting its greenhouse gas reduction targets, which puts health and quality of life at risk.

Transform transportation systems to reduce emissions. The expansion of public transit and transit-oriented development remains critical to reducing emissions.



Equity

Transit connects people to opportunities

Inequity in the form of disparities — including in employment, health, educational attainment, and income — will persist for transit riders, especially from households with low income, communities of color, seniors, and residents with disabilities.

Leverage the transportation network to promote resiliency and inclusive growth. Long-term economic prosperity requires that the region address inequity issues and take action to increase opportunity and improve quality of life for all residents. Transit plays a key role in creating pathways to opportunity; our region and its communities are stronger when everyone has access to reliable and affordable transportation.

CALL TO ACTION

PART recommends bold actions for lawmakers to act on. Our region has analyzed and brought forward other reports which inform this plan. The time is now to reimagine our regional transit system.

As stated in ON TO 2050, “Regional success relies on transit.” The creators of this report believe the cost of inaction is far greater than the cost of action.

“We must strive to provide reliable access to public transit, and with it, access to job opportunities, healthcare, and other essentials. Illinois must build an equitable future for public transportation that prioritizes all of our neighbors.”

- Senator Ram Villivalam
(Illinois District 8) Legislation sponsor



OVERVIEW: PLAN OF ACTION FOR REGIONAL TRANSIT

This report outlines an ambitious and visionary plan and recommendations to reimagine our transit system — not simply restore the system that existed before the COVID-19 pandemic. It includes recommendations on how the state and regional partners can address transit’s fiscal cliff and strengthen the system by enhancing its effectiveness and financial viability in the long term.

The plan identifies specific actions on topics ranging from fare policy to transit system funding to decision-making structures and more. Each recommendation addresses one or more challenges facing the transit system — whether COVID-related or longstanding — and their potential benefits are outlined in each section.

This report also includes potential approaches to assessing the relative priority of different recommendations. These approaches to investment are meant to demonstrate what might be possible with different levels of resources and investment. This principles-based assessment aims to make it clear that some investments — such as restoring and maintaining regional transit service levels — are a critical foundation without which other recommendations will not be able to proceed.

In identifying strategies, CMAP relied on a set of guiding principles as well as the regional goals and priorities from documents like ON TO 2050 and Transit is the Answer.

PART RECOMMENDATIONS

THE SYSTEM WE WANT

Opportunities for both state and regional leaders to address the concerns of transit riders — including service levels, safety, speed, reliability, fare policy, accessibility, and more.

HOW TO PAY FOR IT

Strategies on how the regional transit system could both address the fiscal cliff and fund the investments needed to achieve this more ambitious vision, with recommendations on sales taxes, road system revenues, state funding support, and others.

HOW TO IMPLEMENT IT

Complementary changes to the decision making and governance structure for transit. These include reforms that would both allow the region to achieve the vision of a stronger transit system more easily and to make the most effective use of both existing and any new levels of funding.

REFORM CONSIDERATIONS

There is no single revenue source, operational improvement, or system reform that will be enough to secure transit's future. It will take a combination of ideas, policies, and strategies to ensure the region's transit system can emerge from the pandemic stronger and more financially secure.

And while many recommendations, by necessity, focus on the near-term fiscal crisis, this report also grapples with systemic problems that predate the pandemic.

Solving each of these challenges will require a mix of near-, medium-, and long-term strategies that can be advanced through legislation, local efforts, and other ongoing regional planning processes.

It is important to consider the scale of resources needed and obstacles facing the adoption of this report's recommendations. While some of the recommendations have minimal financial costs, most, if not all, will need the political will to overcome additional challenges including funding, administrative complexity, and time to implementation.



Focus on ensuring the system is financially viable in 2026 and beyond

The most important outcome of this process is to ensure that transit remains financially viable, not only in the near-term but also sustainably over time. None of the recommendations will matter if the transit system no longer has the resources needed to provide the service on which the region has come to rely. In addition to new funding sources, the recommendations prioritize strategies that can help to reduce transit operating costs, such as bus priority investments that allow transit providers to offer more service with their existing staff and capital resources.



Identify recommendations where the state has a role in implementing solutions

The primary audience of this report is the Illinois General Assembly. The recommendations are targeted toward areas where the state currently has (or could have) a role. The enabling legislation for PART also specifically highlights some topics, such as long-term financial sustainability and regional fare policy. These topics serve as a focal point. However, as with all PART recommendations, additional improvements would be possible with greater focus and resources.



Rebuild a system that is stronger than before COVID-19

The pandemic highlighted and exacerbated many longstanding challenges facing the regional transit system. The goal of this report is not to return to a pre-COVID status quo but instead to identify recommendations and investments that can both deepen and broaden transit's value to the entire region even while making progress toward the goal of financial sustainability. The recommendations also recognize that the goal of the region's transit system is to provide mobility options for residents and visitors — not to exist for its own sake. The recommendations center the experiences of those users, rather than relying on those users to navigate jurisdictional silos.



Center the users of the system

The recommendations include changes that could address long-term state and regional goals for transit. The central theme is a focus on restoring and investing in transit service levels — how frequently, how often, and where transit service runs. The recommendations are designed to ensure that in any scenario, transit providers can rely on new funding to maintain (and ideally build upon) these service levels. This is the most common and long-running concern of regional transit riders across all modes and should be a core element of any transit solutions.



Be bold

The report outlines recommendations that could be possible with varying levels of resources — many of which could be considered bold even without the challenge of identifying new funding sources to match. The recommendations also commit to a significant level of new investment in the region’s transit system, with a goal of enabling a fundamental transformation of regional mobility.

LOOMING FISCAL CLIFF

RTA expects all federal relief funding to be fully exhausted by 2026, prompting a significant — and ongoing — operating budget shortfall. While the region’s transit system has faced funding crises before, the scale and scope of this crisis is unprecedented and unique.

To endure this time of uncertainty in ridership levels and fare revenue, critical regional transit operations have been buoyed by significant federal support. RTA projects there will be an unprecedented **operating budget shortfall of at least \$730 million annually in 2026.**¹

The causes of this funding gap include sharp declines in ridership related to the pandemic, reductions in average fare prices, and increased operating costs relative to pre-pandemic trends.

The Eno Center for Transportation found that transit agencies at the greatest risk for fiscal shortcomings are those that have large budgets, rely heavily on fares, and provide a combination of both commuter and heavy rail.

Source: Garrett Shrode, “The Mass Transit Fiscal Cliff: Estimating the Size and Scope of the Problem,” Eno Center for Transportation.

Budget gap impact

Without new funds, CTA, Metra, and Pace would have limited options to address the anticipated shortfall. The most likely of these would be a combination of fare increases and service cuts.

The scale of the budget gap — roughly 20 percent of annual operating costs — cannot be sustainably solved with these strategies alone. Addressing this gap could require cutting service by 30 to 40 percent or more. Service cuts of that magnitude would lead to a vicious cycle: cuts would lower ridership; lower ridership would mean less fare revenue, which, in turn, would require further cuts to address the growing budget gap. These consequences would be felt throughout the region and state by residents, employers, local governments, visitors, and many more.

Notably, closing the gap would not account for any additional operational investments required to expand service, nor does it account for new capital investment funding to address maintenance backlogs or improve the region's transit system.

Figure 2. The vicious cycle of service cuts

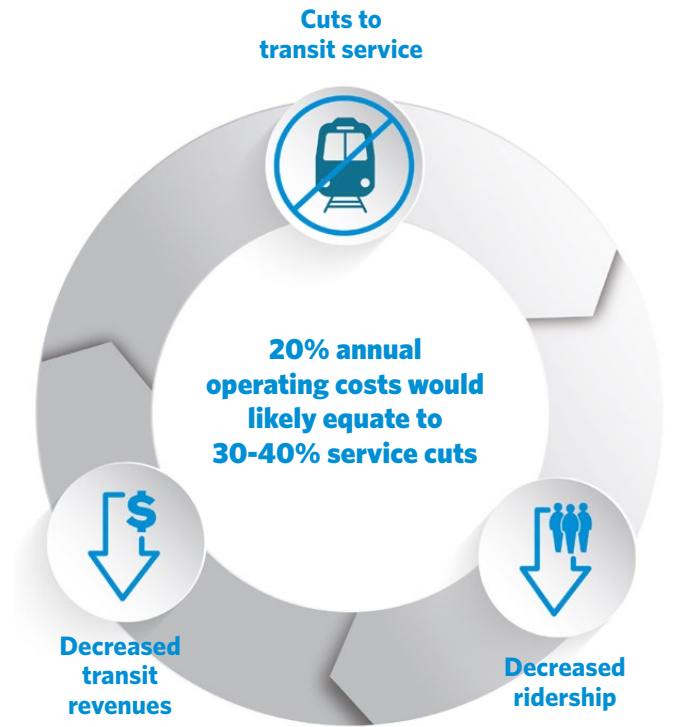
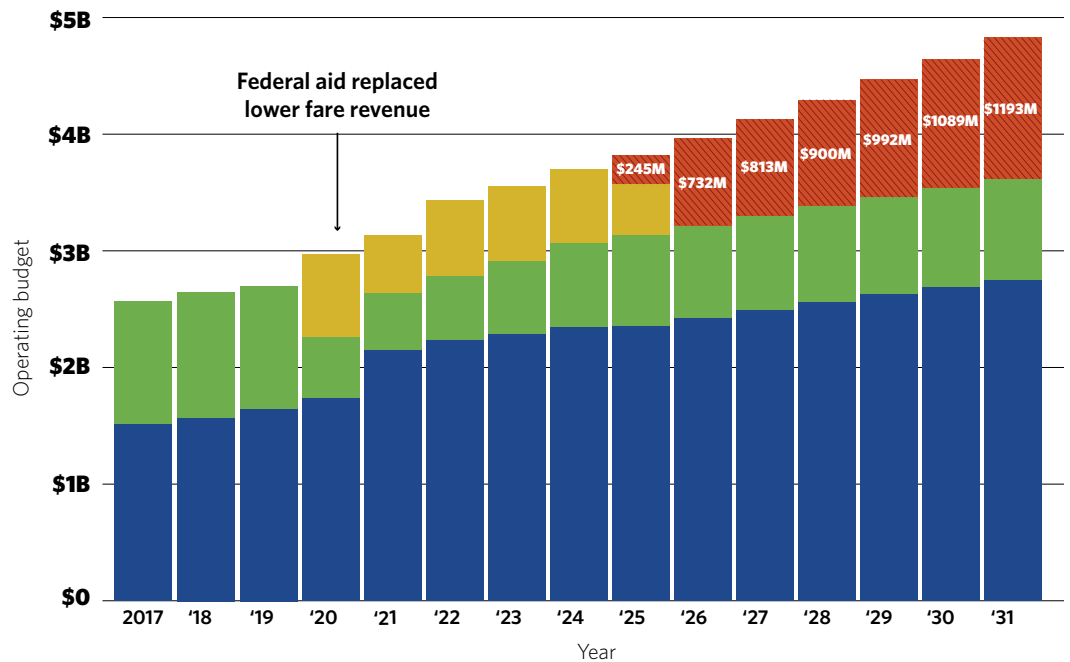


Figure 3. Transit faces an expected \$730 million (and growing) gap in 2026

RTA 10-year financial plan baseline budget gap scenario

- State and regional funding
- System-generated revenues
- Federal support
- Budget gap



Source: CMAP analysis of RTA 10-Year Financial Plan Technical Working Group Memo and RTA budget data.

How northeastern Illinois compares

Peer regions such as Boston, Philadelphia, and Washington, D.C., face similar operating funding crises as they exhaust their remaining federal relief funds. The overwhelming majority of transit systems in the U.S. do not rely on fares for a large portion of their operating budgets. Their fiscal cliffs, if any, are not nearly at the same scale as this region's. Other peer regions have also begun to implement their own state and local solutions, such as New York City's recent package of new funding and fare increases.² Given the limited number of agencies facing a similar fiscal cliff, federal aid for transit operations is unlikely.

Importantly, the Illinois General Assembly took action to invest in transit. In 2019, the Governor signed into law Rebuild Illinois, a \$45 billion capital investment in critical infrastructure across the state, including public transit. While it did not fully address the significant capital funding needed for system maintenance and investment, Rebuild Illinois provided transit agencies with dedicated capital funding for the first time in the state's history, while also providing \$2.6 billion in new bonding authority. However, these capital funds will not resolve the region's annual operating shortfall.

THE VALUE OF TRANSIT

Transit benefits the entire region. For riders, the transit system in northeastern Illinois has provided critical mobility options throughout the pandemic and the region's ongoing recovery. For non-riders, the transit system anchors the region to a legacy of investments that are critical to a thriving economy, as well as addressing climate change. Perhaps most importantly is the consideration of what these recommendations could collectively mean for the transit system and its most important constituency, the people who call this region home.

Transit impacts real people and their everyday lives

The working mom who knows that even if she misses one bus, the next one won't be far behind — and that it won't get stuck in traffic.

Her kids, who can rely on a transit system that gets all of them through the region for a price they can afford.

The university student who can easily and seamlessly rely on all of the region's transit options to get around, whether he is taking the CTA Red Line to class or catching a Metra train to visit family in the region.

The retired couple who aren't worried about aging in place because they know that transit will be there when they need it — and with options that remain accessible even as their mobility needs change.

The nurse who knows that his ride will be safe and comfortable, no matter the time of day or night.

The small-business owner who can rely on a transit system that connects them to a vast talent pool, and the new regional resident who knows that they'll get to their interview in time to make a good impression.

The region's residents live their lives around transit. They count on it to be there, where and when they need it. As the region and state consider all the many benefits that transit brings — mobility, economic vitality, environmental sustainability, equity, and more — we cannot underestimate the value it brings to residents' daily lives. Just as importantly, the state should consider how transit could be built around the residents and visitors it serves each day.



Transit enables mobility for riders and non-riders alike

Millions of residents rely on transit. Transit is integral to regional mobility — providing access to jobs, education, healthcare, community, family, and so much more. The mobility benefits of transit extend beyond daily riders.

Before the COVID-19 pandemic, the transit system provided more than 1.8 million rides on an average weekday. While the pandemic did cause ridership decreases, rides have returned to roughly 60 percent of pre-COVID levels, averaging about 1 million trips daily.³

Many transit riders would otherwise rely on a car for their trips. Making these trips by transit helps to significantly ease roadway congestion for remaining car and truck travelers. CMAP modeling has found that

without the mobility provided by the regional transit system, regional drivers would spend an extra 444,000 hours driving per weekday, adding up to \$3.6 billion per year in additional costs related to the time spent in weekday congestion alone.

On corridors like the Kennedy and Dan Ryan expressways, accommodating those extra travelers would require the equivalent of adding a new interstate lane through some of the region's densest and most built-up areas — a multi-billion-dollar effort which would displace many homes and businesses and would conflict with regional goals to address emissions and climate change. The region would also be less mobile, with modeling from the Argonne National Lab showing that residents would cancel more than a quarter of all non-work travel if transit were no longer available.⁴

Figure 4. Without transit, regional travelers would face billions of dollars of increased costs

Projected congestion and costs impacts if transit were no longer available (2030)

Note: The value of extra time spent in traffic was calculated using methodology recommended by the U.S. Department of Transportation for determining the value of travel time savings and reflects the mix of passenger vehicles and commercial vehicles on the roadways.

Source: Bureau of Labor Statistics and analysis of CMAP's regional travel demand model.

The transit system also provides regional residents with alternatives when the unexpected happens — a broken down vehicle, snowstorm, or medical condition — thereby ensuring continued mobility in the face of uncertainty. Transit also provides options for residents throughout their lives — whether they are a teenager traveling to school, an adult going to work or shopping for groceries, or a senior traveling to a doctor's appointment or visiting friends.

444,000
extra hours spent
driving per weekday

=

\$3.6 billion
per year

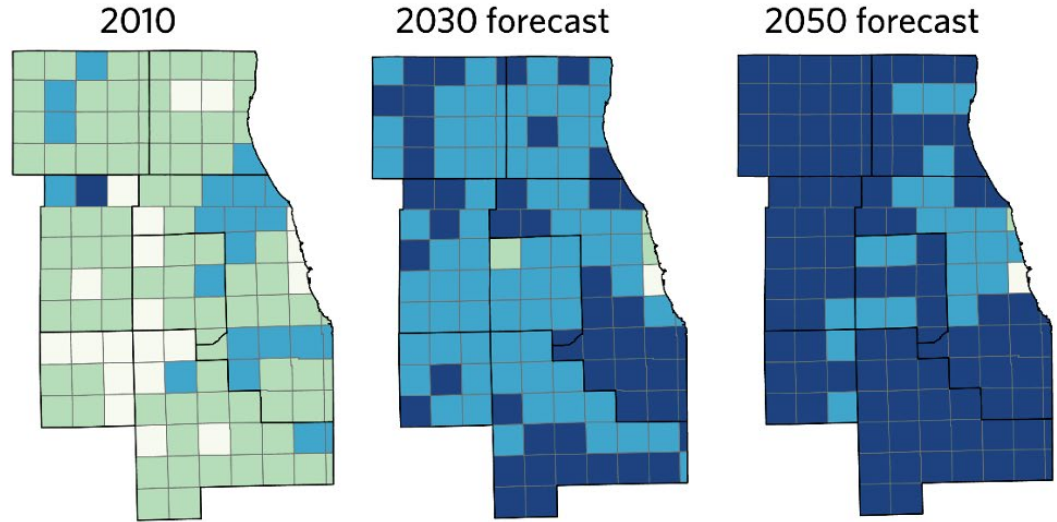
in additional costs related to
time spent in congestion

Today, 15 percent of the region's residents are over 65 years old, a share that is expected to grow significantly in the coming years (see Figure 5).⁵ By 2050, roughly 21 percent of regional residents will be 65 or older.⁶ Transit and paratransit will play an increasingly important role in enabling residents to age in place securely and maintain their ability to move around the region safely, even if they can no longer travel by car or other modes on which they used to rely.

Figure 5. The region's average age will rise significantly in coming decades

Heads of households over 65 as a share of total households

- 0 - 15%
- 15.1 - 25%
- 25.1 - 35%
- 35.1 - 55%



Source: CMAP socioeconomic Forecast, ON TO 2050 Plan Update (2022).

The regional transit system also provides mobility options to those who have been historically marginalized, particularly residents with low income, people of color, and people with disabilities. In the context of rising transportation costs and high inflation, public transit is a lifeline for many who have limited options to access affordable transportation. Transit is also critical for residents with disabilities, who rely on both the region's fixed-route transit services and the complementary paratransit system.

Like the region's aging population, a large and growing share of residents have one or more disability. From 2010 to 2020, the region's population with disabilities

has grown by roughly 65,000.⁷ As shown in Figure 6, CMAP research has found that residents with disabilities are already less likely than other residents to travel. Without the mobility provided by regional transit, this inequity would almost certainly grow.

The total after-tax disposable income for working-age people with disabilities is nearly \$500 billion, representing the significant and growing economic power of the disability market.

- American Institutes for Research

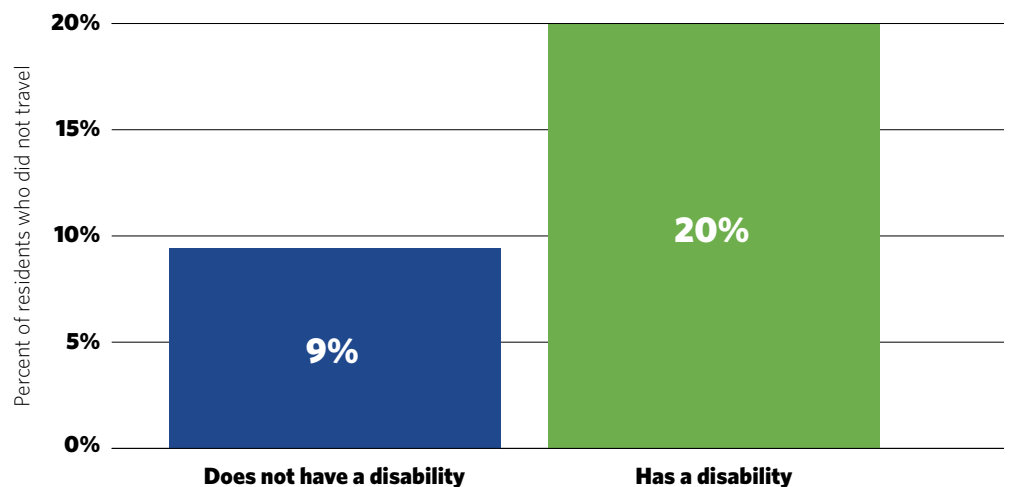
Figure 6. Pre-COVID travel surveys show the impact of disabilities on residents' travel choices on an average weekday, 2019

Residents with disabilities were less likely to travel than were others in the region

Note: Includes trips by residents age 16 and older of the CMAP seven-county region, Grundy, and DeKalb.

Sample size:
 -Without disability (22,785);
 -With disability (1,286).

Source: Chicago Metropolitan Agency for planning analysis of My Daily Travel data.



Transit is also critical to achieving the region’s travel safety goals. While there have been recent concerns about the safety and security of regional transit, public transit remains significantly safer than traveling in a personal car.⁸ A recent analysis found that average traffic fatality rates in regions with high per-capita transit ridership (including northeastern Illinois) are about half that of traffic fatality rates with low per-capita transit ridership.⁹ By investing in transit, the region and state will ensure these safer travel options continue to be available.

Transit fosters a vibrant and connected regional economy

Transit’s importance extends far beyond its role in the broader regional transportation system. As ON TO 2050 highlights, transit is also crucial to the economic prosperity of the region and state. Transit connects residents to economic opportunities — jobs, education, and training. Hundreds of thousands of residents rely on the transit system every day to access these opportunities.



“The Thompson Center will provide employees with unparalleled public transit access as the only building in the city where six L train lines converge, easily connecting Chicago’s South, West and North sides.”

- Google

As shown in Figure 7 below, many of the region’s job centers, including those outside of downtown Chicago, have strong connections to transit. And for many regional residents, that transit system is the difference between an opportunity being available or not. Without reliable transportation, a job or degree might remain out of reach, limiting the economic potential of both residents and their communities. Figure 7 also highlights the importance of considering transit and transportation in a regional context. The region has employment centers throughout northeastern Illinois; residents make employment choices accordingly.

Prior to the pandemic, CMAP found that more than half of regional employees commuted across county boundaries. Even in Chicago, more than a third of residents commute to jobs in suburban communities.¹⁰ Transit already supports many of these trips. With new investments and new strategies (such as those recommended in the sections below), it could support even more.

While the number of regional employees working remotely has increased since the pandemic, most people still travel to work at least some of the time. Further, 60 percent of regional employees have jobs for which remote work is not typically an option — such as manufacturing, transportation and logistics, and retail. The transit system plays a critical role in ensuring that these employees can make it to the jobs that regional employers want to fill.

Transit is an important asset for businesses as they compete to attract talent and grow. Those same transit assets also make the region and state a more attractive global destination for businesses and special events. The region’s transit system enables the thousands of attendees at conventions, concerts, parades, and sporting events to move throughout the region safely, efficiently, and affordably.

Transit’s benefits can also be felt at a very local scale, with significant positive effects on property values and tax bases demonstrating that transit brings economic value to the communities it reaches and fosters a more connected economy at a regional scale.

Stakeholder input from focus groups

“Public transit is an important selling point for companies.”

“There are people who can’t get to the warehouse jobs because there is no public transportation. Those jobs just aren’t available to them.”

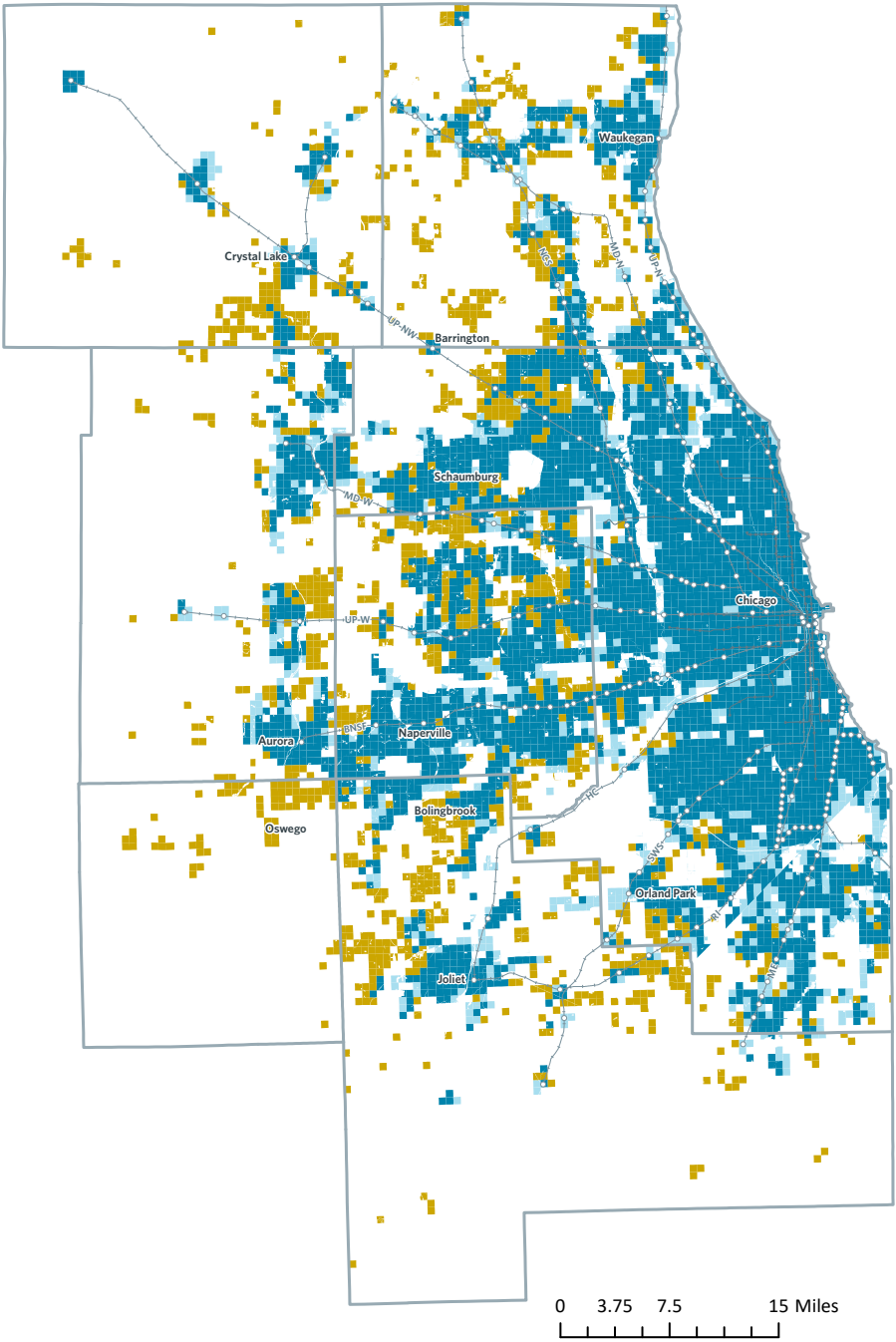
“Transit is important to majority of our employees — all anecdotal from various conversations but never far from our thoughts.”

Figure 7. Many regional employment and population centers benefit from high levels of transit availability.

Transit availability in the context of population and employment

Transit availability	Population and employment vs. regional median
Moderate to high	Above
Moderate to high	Below
Low	Above

- CTA rail stations
- Metra rail stations
- County boundaries
- CTA rail lines
- ++ Metra rail lines



Source: 2019 CMAP Transit Availability Index, 2019 American Community Survey 5-year estimate population data, and 2020 Illinois Department of Employment Security data.

Note: Subzones with "moderate to high" transit availability have a score of 3 out of 5 or above on CMAP's 2019 Transit Availability Index; "low" subzones have an index of less than 3. Parks and bodies of water are not included in the data shown.

Regional transit service coverage



Pace/Pace ADA serves 274 suburban municipalities and all 77 Chicago community areas



Metra serves more than 146 municipalities and 35 Chicago community areas



CTA serves all 77 Chicago community areas and 35 suburban municipalities

Previous research by RTA found that proximity to CTA and Metra stations increases property values, with a 26 percent increase in values for homes 500 feet from a station versus those a mile away.¹¹ Other studies have confirmed this positive impact of transit station proximity on property values, with premiums as high as 75 percent in London.¹² Transit stations also support a cycle of inclusive growth. The availability of transit enables greater levels of commercial development and economic activity. The resources this activity generates can be used to reinvest in local communities — with positive effects for residents, local governments, and regional employers.

In its 2023 strategic plan, RTA noted that the region receives a return on investment of nearly four dollars for every dollar invested in transit.¹³ The compounding benefits of transit are seen in the increased mobility, safety, economic activity, and environmental relief that public transportation delivers. RTA’s analysis demonstrates that transit leads to an additional \$1 billion in annual tax revenue through activity such as increased property values, development decisions, and consumer spending.

Transit enables the region to mitigate and adapt to climate change

ON TO 2050 calls for major reductions in regional greenhouse gas emissions by 2050, with a goal of an 80 percent reduction relative to 2005 levels. To prevent the most severe impacts of climate change and achieve these goals, northeastern Illinois needs to reduce greenhouse gas emissions by approximately 5 percent annually.¹⁴ The region is already taking steps to meet these climate goals. The Metropolitan Mayors Caucus led development of the 2021 Climate Action Plan for the Chicago Region, which includes a comprehensive set of climate mitigation and adaptation recommendations, including strategies for decarbonizing the transportation sector. All Chicago area councils of government as well as DuPage, Kane, Lake, McHenry, and Will counties have adopted the Greenest Region Compact, which is the largest regional sustainability collaborative for municipalities in the country.

Transit will be critical to realizing these climate goals. In northeastern Illinois, the transportation sector produces the second-highest amount of regional greenhouse gas after energy generation and use. Transportation emissions are growing, the vast majority of which are from car and truck travel.

Conversely, transit — which made up only 2 percent of transportation emissions¹⁵ but roughly 7 percent of trips in 2019¹⁶ — presents an alternative to passenger vehicle travel. Transit must be part of the region’s solutions for reducing greenhouse gas emissions.

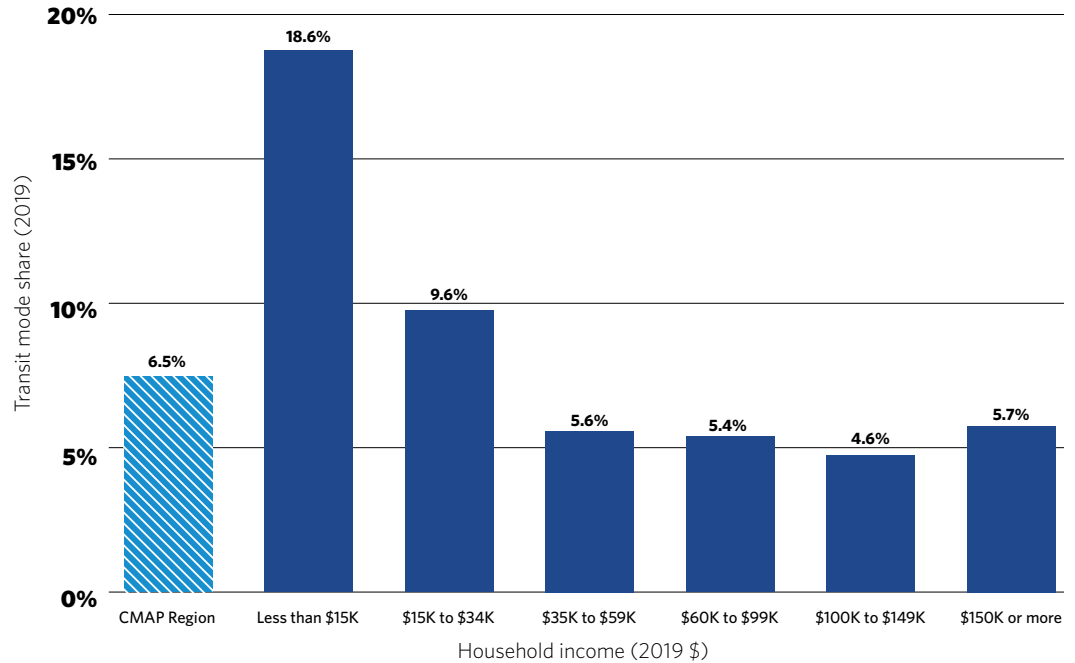
Transit also enables more environmentally sustainable land use and development patterns, including the kinds of compact and walkable communities that ON TO 2050 prioritizes. CMAP’s Greenhouse Gas Inventory finds that communities with these characteristics, such as Chicago, have lower average transportation emissions.¹⁷

Transit is critical to advancing regional equity

If the region’s transit system were significantly weakened, the whole region would suffer. As discussed above, residents from communities throughout northeastern Illinois would have fewer and worse options in terms of mobility, economic opportunity, and sustainability. But the brunt of these effects would be felt by the groups least able to afford it — like seniors, residents in households with low income, people who are unable to drive due to a disability, and residents from communities of color. Data shows that residents from households with low income are nearly three times more likely to rely on transit than the regional average.¹⁸

Figure 8. Regional households with low incomes rely on transit the most

Dependence on transit by household income



Note: Includes trips by residents age 5 and older of the CMAP seven-county region, Grundy, and Dekalb. Includes only trips that were within, to, and/or from one of those counties.

Sample size: Figures are based on total of 97,230 recorded trips. Travelers with household incomes below \$15,000 have the lowest sample size, with 4,119 records.

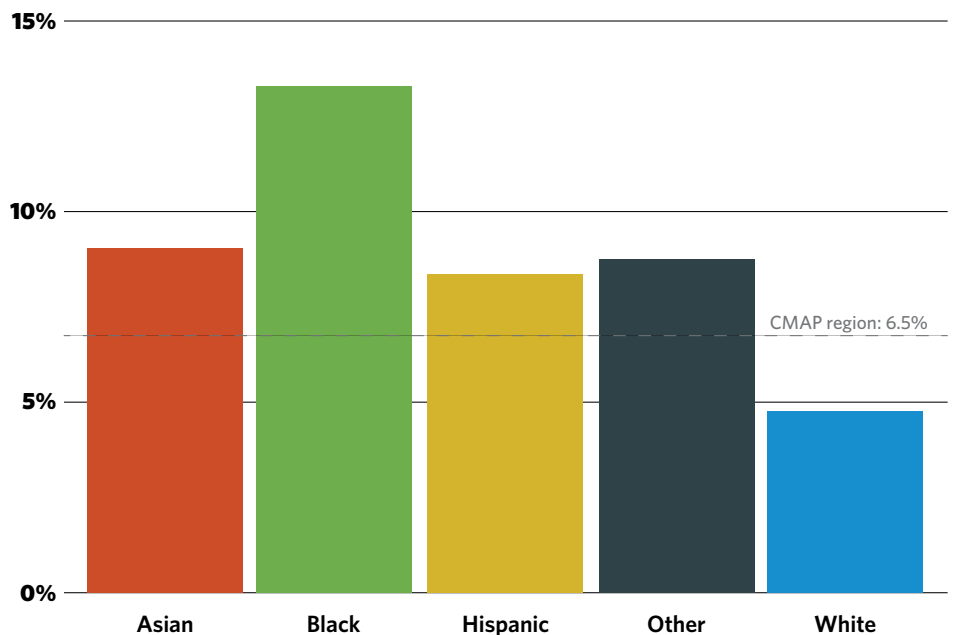
Source: Chicago Metropolitan Agency for Planning analysis of My Daily Travel data.

One reason household with low income rely on transit is its affordability. CMAP analysis found that regional residents with low incomes spend 16 percent of their total income on transportation, compared to only 6 percent of residents with higher income. That makes transit, which costs significantly less than driving, a vitally important option — provided that the service

meets riders’ daily needs. Prior CMAP analysis found that in northeastern Illinois, the annual cost of driving (including vehicle purchase, maintenance, and fuel) exceeds \$8,000 per year.¹⁹ In contrast, an annual pass for nearly all CTA, Metra, and Pace services throughout the region currently costs \$1,560 per year.²⁰

Figure 9. Transit is especially important to the travel choices of residents from communities of color

Transit mode share by race and ethnicity, 2019



CMAP analysis of My Daily Travel Survey, 2019.

Transit is also especially important to residents from communities of color throughout the region. CMAP research has found that these residents — including those identifying as Black, Asian, and Latino — were significantly less likely than the regional average to rely on a car for their transportation. Transit was a critical part of their travel choices, particularly for Black residents, for whom transit represented 13 percent of all trips (see Figure 9 above). And because many of these regional residents already also face longer trips than others,²¹ a weakened transit system would only exacerbate existing inequities.

This reliance on transit was magnified during the COVID-19 pandemic. RTA surveys found that Black and Latino residents were significantly more likely to continue to ride transit throughout the pandemic. For example, on CTA, more than two-thirds of white riders stopped using the system during the pandemic, compared to roughly 40 percent of Black and Latino riders. Similar (although slightly smaller) disparities also existed on Metra and Pace.²²



BACKGROUND: THE TRANSIT SYSTEM IN NORTHEASTERN ILLINOIS

THE REGION RELIES ON ITS EXTENSIVE TRANSIT SYSTEM

Northeastern Illinois has the second largest public transit network in the country, serving millions of riders across six counties: Cook, DuPage, Kane, Lake, McHenry, and Will. This network is coordinated by RTA, which conducts strategic planning and oversees the finances and accountability of three transit service boards: CTA, Metra, and Pace.

To see the extent of the region's rail, bus, and demand-responsive/paratransit services and related documents like RTA's 2023 operating budget and capital plan, please see the appendix's "Overview of regional transit operations."

COVID-19 EXACERBATED THE REGION'S TRANSIT CHALLENGES

The COVID-19 pandemic created enduring challenges to the region's transportation system. At the onset of the pandemic, travel patterns changed drastically as residents adjusted to restrictions, closures, remote work, and online learning. Some elements of the regional mobility system, such as car and truck travel, appear to have returned to or even exceeded pre-pandemic levels.²³ However, other changes, including shifts in how and when residents rely on transit, are still evolving and may be longer lasting. Many of these shifts have also exacerbated pre-COVID trends.

Transit ridership plummeted

Following the onset of the pandemic in March 2020, regional transit ridership fell by as much as 80 percent.²⁴ As of October 2023, ridership remains well below pre-pandemic levels. However, ridership has gradually regrown since mid-2020, and has now returned to around 60 percent of its pre-COVID levels.²⁵

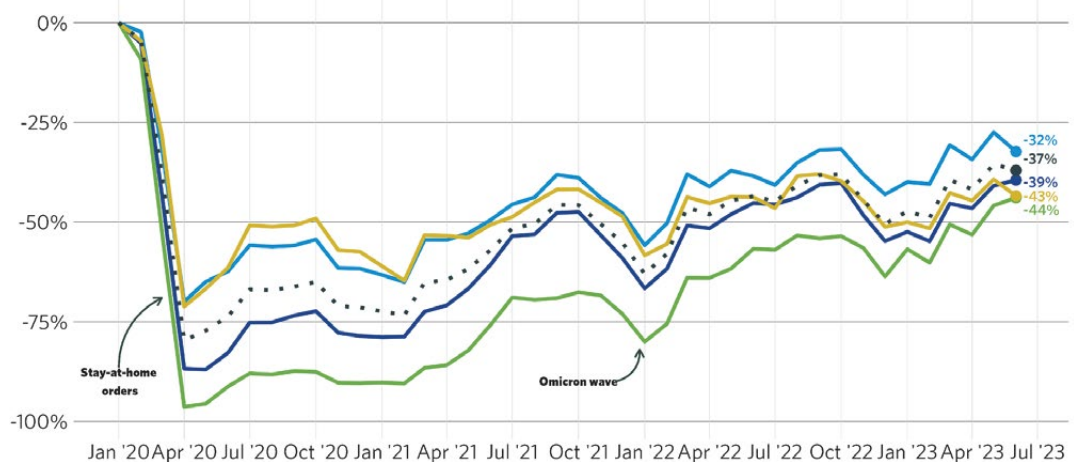
Figure 10. Decline in monthly transit ridership, January 2020 - June 2023

Change in monthly transit ridership since January 2020

- CTA Bus
- CTA Rail
- Metra
- Pace
- Total

Source: Chicago Metropolitan Agency for Planning analysis of National Transit Database data through the month of June 2023.

Note: Pace ridership does not include ADA paratransit



It is important to note that ridership is not the only metric of success for regional transit. Even with lower ridership, the region’s public transit system maintained critical transportation services through the pandemic. A survey conducted by CTA found that 26 percent of respondents would not have had access to their workplaces without CTA services during the stay-at-home orders.²⁶ And while ridership is lower than pre-COVID levels, the region’s transit system is still moving more than a million people on an average weekday.²⁷ Transit continues to provide residents with access to jobs, healthcare, education, friends, family, and more.

Throughout the country, transit ridership is not expected to return to pre-pandemic levels this decade.²⁸ In northeastern Illinois — according to baseline scenario projections from RTA’s 2023 strategic plan — system ridership is projected to reach only 68 percent of pre-COVID levels by 2026 and 74 percent by 2031.²⁹

Remote work changed the future of transit ridership

While the ultimate shape of the post-pandemic economy remains uncertain, it appears likely that remote and hybrid work will remain at significantly higher levels than before the pandemic, with long-term impacts on transit ridership.³⁰

For example, weekday transit ridership is now highest on Tuesday, Wednesday, and Thursday, reflecting

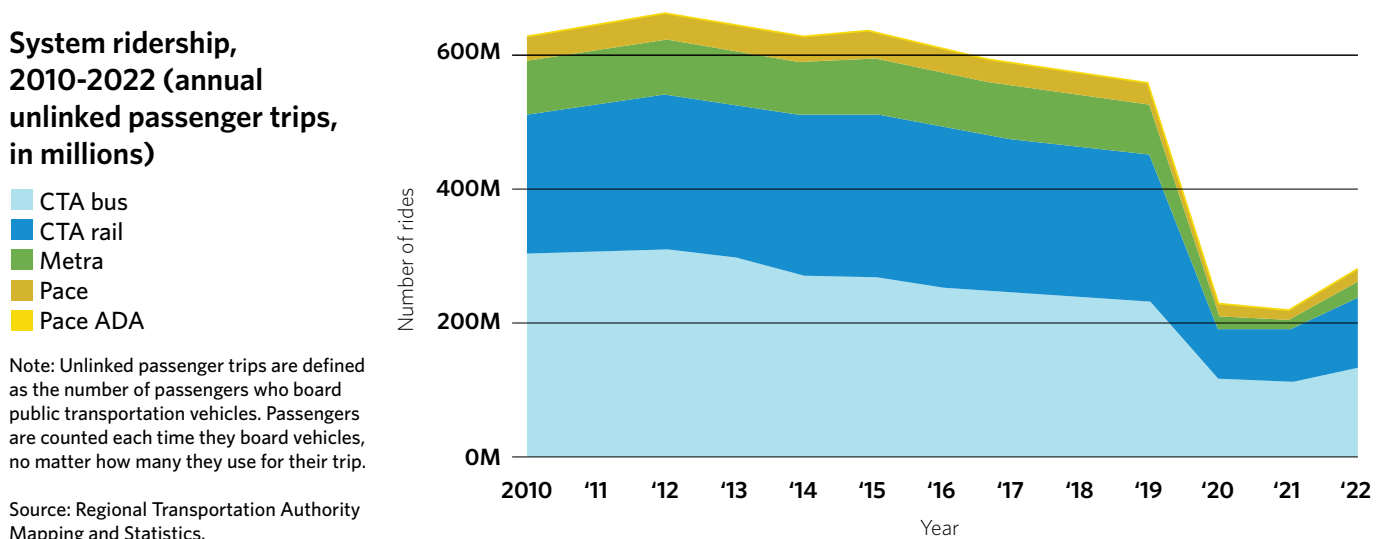
hybrid and remote work scheduling preferences.³¹ CMAP analysis found that as many as 23 percent of workers in the region are now expected to work remotely on an average weekday — compared to around 7 percent before the pandemic.

The growth of remote work will be a factor in communities throughout the region, with impacts for where and when regional residents choose to travel. However, the concentration of remote-friendly jobs in areas like downtown Chicago that are well-served by transit will have significant consequences for transit ridership — as workers shift from riding the system five days a week to two or three.

Despite the shift, many of the region’s workers hold jobs in industries where remote work is not always a realistic option. For instance, in the retail industry, only about one out of ten workers is likely to have the ability to work remotely on a regular basis. Similarly, in the manufacturing sector, only about a quarter of roles can be done remotely. And while telework may replace some transit trips in the long term, there are far more transit trips, work-related or otherwise, that are not affected by the rise of remote and hybrid work.

While telework has significantly affected transit use in the region, it is not the sole cause of recent ridership declines. As shown in Figure 11 below, regional transit ridership was falling even before the pandemic.

Figure 11. Even before COVID-19, transit ridership was gradually declining



The sections later in this report will review some of the specific (and more longstanding) concerns raised by regional riders, such as safety and security, cleanliness, reliability, and transit's competitiveness with other modes, including newer options like Uber and Lyft. COVID-19 exacerbated many of these challenges, causing abrupt shifts in behavior and, potentially, leading regional residents to form new habits and preferences.³²

Changes forced the transit system fiscal crisis

The sudden decrease and slow recovery in post-pandemic ridership drove the need for federal operating support and has created a looming fiscal cliff. As soon as federal funding is depleted (currently estimated to happen in 2026), the service boards will face a substantial operating deficit that, if realized, will necessitate drastic cuts to operations and service (e.g., staff layoffs and running fewer trains and buses).

Prior to the pandemic, transit operations had faced other funding crises. Funding crises led to reforms and new investments, but as prior reports have repeatedly noted, these changes were never sufficient to address transit's ongoing financial sustainability. The stresses caused by the pandemic have exacerbated these longstanding challenges. When combined with recent issues and the looming exhaustion of federal aid, the regional transit system has never faced such a significant and sudden financial threat. It is critical, therefore, that PART identifies and addresses the various causes for the current operating gap as part of long-term financial sustainability for transit operations.

PART focuses on this immediate operating shortfall, along with strategies and investments that could improve the system for both existing and potential new users. However, the region's transit system also faces a \$20+ billion unfunded backlog of investments necessary to maintain the system, commonly referred to as "state of good repair" (SOGR) efforts. Recent state and federal capital bills have only started to address the backlog. Even if the current levels of capital funding are maintained, it will still take decades to eliminate the backlog.³³ The success of operations and system enhancements recommended by PART will rely on a robust state and federal commitment to

addressing these SOGR concerns, so that the system can continue to provide safe and reliable service throughout the region.

The estimated \$730 million operating funding gap has multiple causes. Three significant drivers include:

Declining ridership. Transit ridership is only expected to return to about two-thirds of pre-COVID levels by 2026. Decreases in ridership equates to a significant reduction in fare revenue versus pre-pandemic trends, making it the single largest contributing factor to the anticipated funding gap in 2026.

Reduced average fares. The transit service boards have made changes to their pass and transfer structures. These changes have helped to attract riders back to the system and accounted for new hybrid work patterns, but they have lowered the average fare paid by the systems' riders.

Increased costs to operate transit. The costs of providing transit services in the region are also projected to grow faster than they did before the pandemic. This is due to the pandemic's economic effects on the supply chain, rising labor costs, and persistent inflation.

The funding shortfall would be even greater if it were not for higher-than-expected collections from the RTA sales tax.³⁴

Transit helps the region to achieve its goal to become a more inclusive, prosperous, and equitable place to live, work, and thrive. The challenges facing northeastern Illinois' transit system are significant; so too are the risks the region faces from the scale of cuts inaction would require.

The transit system the region wants



The public transit system in northeastern Illinois is one of our greatest assets, offering residents and visitors access to mobility options throughout the region. Whether by bus, rail, or paratransit, transit moves hundreds of thousands of people every day. The benefits of that system also extend far beyond just those who ride transit. Transit is critical to achieving the region's economic, climate, and equity goals. And while the transit system looks different now than it did before the COVID-19 pandemic, the system's importance to those regional goals remains.

Even before the pandemic, the region's transit system, and the users who rely on it, faced significant challenges. Historically, transit served some types of trips quite well, such as weekday rush hour trips to and from downtown Chicago. However, for other travelers — those traveling at different times of day or between different places — transit was not always competitive or convenient, if it was even available at all.

Before COVID-19, transit saw more competition — and falling ridership. Services like Uber and Lyft drew some riders away from transit. Added congestion slowed down bus service. Gaps in the sidewalk network and inaccessible rail stations meant that some riders had no choice but to find other options or not travel at all. Uncoordinated fares and services increased costs and travel times for riders. Service cuts, especially on CTA, left riders with fewer and worse choices.

While the pandemic exacerbated some of those challenges, it also introduced new ones. The growth in remote work has reduced the kinds of trips — rush hour commutes — which transit is currently most well-equipped to serve. With fewer of those trips, transit agencies have less fare revenue to operate all their services. Regional concerns about safety and security on the regional transit system were magnified by both reduced ridership levels and broader societal challenges. Service reliability suffered as transit providers dealt with significant staffing shortages.

These challenges reinforce one another. Less frequent and reliable service can leave riders feeling unsafe while waiting for transit. Residents who are riding less often may decide to stop using the system entirely due to frustrations with reliability. Potential new transit employees may be dissuaded from applying due to safety concerns. Collectively, these challenges and others have left the system at risk of a downward spiral — with fewer riders, service cuts, and a region that is less connected.

“Public transit is a public service people need. It’s a lifeline for many.”

- Focus group participant, labor representatives

“A lack of public transportation limits what people can do.”

- Focus group participant, Will County social service agency

The state should play a role to address each of these challenges. It is uniquely empowered to equip transit to succeed. By acting across the many issues that impact transit's success, the state could unlock a virtuous cycle, rather than a downward spiral — with service, ridership, mobility, and regional connectivity growing in tandem. A stronger transit system would better support state goals to address the effects of climate change and reduce greenhouse gas emissions. It would be better positioned to enable equitable access to opportunities for all regional residents. And it would be a more powerful tool to advance the global attractiveness and economic health of the region and state.

This report will outline how the state can support the priorities of that stronger regional transit system, with actions to:



Focus on transit service: Secure funding to maintain and expand transit service levels; a more robust funding framework that would allow regional transit service providers to make targeted investments that improve the quality and availability of transit throughout the region.



Provide integrated and affordable fares. Fare integration across the region’s transit providers and other complementary modes; a commitment to keep fares on pace with inflation and provide more affordable fares and passes for low-income travelers and youth to balance any required fare increases.



Enable faster and more reliable bus service. Planning, funding, staff capacity, and enforcement to advance bus priority initiatives.



Bolster public confidence. Physical investments, staff funding, and new policies to improve safety, security, and cleanliness.



Build back a ridership base. Incentives and policies that foster more transit-supportive land use and development decisions; support for Metra’s evolution to a regional rail service model.



Invest in a universally accessible system. Planning and funding to accelerate physical system accessibility and at crucial access points; investments to bolster existing paratransit and demand-responsive transit services.

The recommendations included in this report each represent significant opportunities to strengthen and improve the regional transit system. Advancing any one of them would have benefits for both transit riders and the broader region. But their effects would be heightened if implemented collectively. PART recommends that state and regional leaders consider these recommendations as a combined package of solutions. If adopted, these recommendations could enable transformational improvements for mobility,

sustainability, economic vitality, climate preparedness, and equity in northeastern Illinois.

It is also important to highlight that in any package of solutions, PART recommends that the state fully address the anticipated fiscal cliff and enable significant improvements to the regional transit system. Without these additional resources, many if not all of these improvements would not be possible. Any lower levels of new funding might enable the system to stave off the worst consequences of the looming fiscal cliff. However, simply filling the funding gap would not align with PART’s goal to “rebuild a system that is stronger than before COVID-19.” In a more constrained scenario, transit providers would at best be able to partially restore service levels and make modest progress on regional priorities like fare integration. Many priorities identified through PART — such as expanded service, a low-income fare subsidy, or investments to improve the rider experience — could not be achieved. Even more worryingly, the system would remain at risk of the downward spiral that could undermine both transit funding and ridership in the long term.

“How to improve public transit? Affordable fares, more reliable and frequent service, and safety.”
- Focus group participant, Belmont-Cragin student group

“(Our clients) use transit for everything. They rely on buses to get to grocery stores, food, church, work, schools, everything.”
- Focus group participant, Will County social service agency

Some recommendations could be advanced with an initial level of funding but would benefit from additional resources. Others would require or benefit from changes to transit system governance and decision making. These connections, including potential funding strategies and alignment with recommended governance reforms, are explored in later sections of this report.

Additional details on these topics are available in the companion PART appendix memos. Find the latest versions on the [PART webpage](#).³⁵

FOCUS ON TRANSIT SERVICE

Spotlight on state and regional priorities



Equity. A transit system with improved service would benefit all residents, but especially those from households with lower incomes and communities of color.³⁶ The scale of investments outlined in this section would represent a significant and critical investment in advancing regional equity.



Economy. A more frequent, reliable, and robust transit system would expand regional access to both job opportunities (for workers) and talent pools (for employers). It would also maintain and grow an asset that is critical to the national and global competitiveness of both northeastern Illinois and the entire state.



Climate. A strong transit system is critical to achieving regional and state climate goals. These investments would enable residents to switch to more environmentally sustainable modes, as well as support the vibrancy of the compact, walkable, and transit-oriented communities throughout the region that make those choices realistic and attractive.

The most fundamental concern for PART is protecting and reinforcing what transit makes possible — a more prosperous, environmentally sustainable, mobile, and equitable region. Transit has long played that role in northeastern Illinois, but those benefits will only continue to be possible if there is still a transit system to provide them. PART's first priority is to ensure that transit providers can maintain robust service levels and pave the way for additional investments that improve frequency, reliability, and coverage in the region.

Riders want better service. Surveys from both before and during the COVID-19 pandemic have shown that riders prioritize issues like frequency and reliability over other potential improvements.³⁷

Even before COVID-19, riders faced challenges with the availability of regional transit service. In 2019, overall transit service levels were lower than they were in 2007 (Figure 12). While Metra and Pace added service over the decade before the pandemic, this growth was more than offset by changes to CTA service relating to ongoing funding shortfalls (discussed in more detail in "Funding the transit system the region wants"). Following the 2008 recession, CTA cut more than 10 percent of its service, with the reductions impacting CTA bus service the most.

In a workshop with CMAP's Community Alliance for Regional Equity (CARE) members, participants shared that greater reliability and frequency were their top priority for improved transit service.

"There's a lot of people in the Chicago area whose transit commutes are almost as long or longer than their workday."

- CARE member

These changes are the product of several factors, but one of the most important is the amount of funding. Like other modes of transportation, transit relies on a mix of user funding (e.g., fares) and public subsidies (e.g., RTA sales tax) to operate. The region's transit service providers are already more cost-efficient than most of their peers. Thus, while there are opportunities to minimize cost growth, for the most part, more service requires more funding — from the public, from fares, or both.

While funding is important, it is not the only factor. Another significant factor is that operators can only provide as much service as they have staff to run it. The region's transit operators have also faced challenges in maintaining and hiring staff. For example, CTA has hundreds of unfilled positions for both rail and

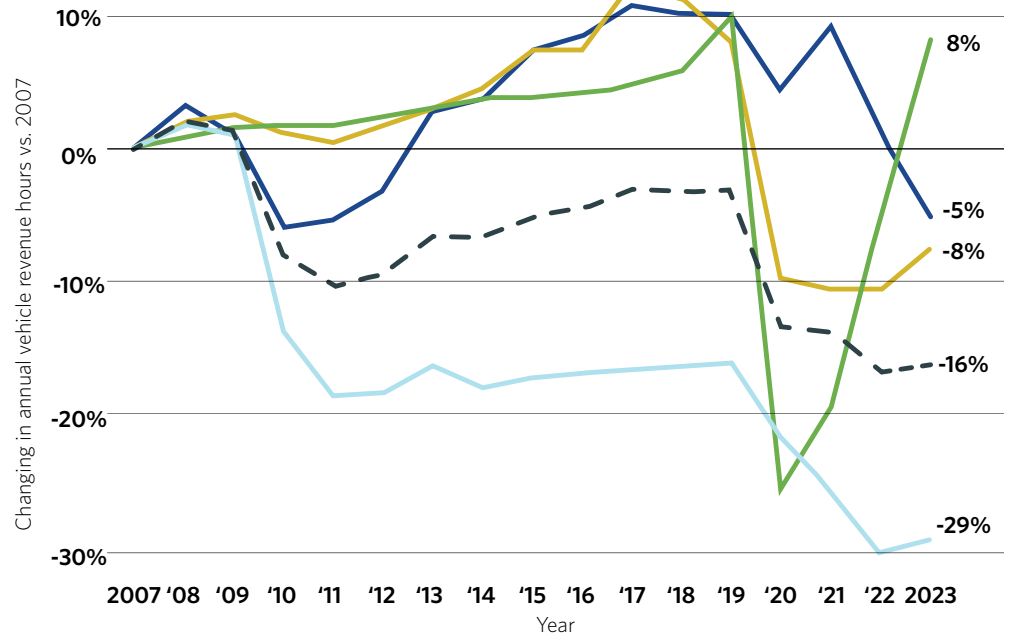
Figure 12. Overall transit service levels had fallen even prior to COVID-19

Change in vehicle revenue hours over time

- CTA bus
- CTA rail
- Metra
- Pace
- System Total

Source: Chicago Metropolitan Agency for Planning analysis of National Transit Database data.

Note: 2007-2021 data relies on 2021 Annual Time Series: TS2.1 Service Data and Operating Expenses Time Series by Mode. 2022 figures rely on unaudited monthly figures from Complete Monthly Ridership (with adjustments and estimates). 2023 figures are extrapolated using the same unaudited monthly figures from which the 2022 figures are derived.



bus operators.³⁸ This has been a major contributor to recent changes to CTA’s service levels, which have declined markedly between summer 2020 and today. CTA has adjusted schedules to match service levels with available staff capacity while hiring efforts continue. This has improved service reliability, but it has not been able to address the fundamental issue: the system cannot currently provide as much service as riders need. This problem is also not unique to CTA: 84 percent of transit agencies around the country, including both Metra and Pace, have reported workforce challenges that have impacted service quality.³⁹

The demand for different kinds of transit service has also changed. For example, while the weekday rush hour remains transit’s most important market, that importance has lessened — especially on Fridays.⁴⁰ Instead, ridership has recovered to a greater extent at other times, like weekends and midday. However, these off-peak times faced challenges even before the pandemic, with less frequent service or, in some cases, no service at all.

The region’s transit providers are already adjusting service to better serve these changing demands. Pace has reallocated service from low-ridership, commute trip-oriented “feeder routes” to enable increased frequencies on other parts of the system.⁴¹

Metra is evaluating how it can restore service in a way that responds to new travel markets and increase frequencies, including during off-peak times.⁴² CTA’s recent changes have helped address long gaps in service during lower frequency periods like evenings and midday.⁴³

However, without additional resources, the region’s transit providers will only be able to do so much to respond. Today’s temporary staff constraints would become permanently reduced levels of capacity. To better serve one market or time of day, transit providers will usually need to reduce service to another. There may be some opportunities to do this strategically, such as reallocating some peak period Friday service to other times or days. But these opportunities are limited and pursuing them too aggressively could leave the system unable to provide the quality of service residents want and deserve.

A more ambitious approach is possible. By adopting the recommendations below, the state could enable a much more robust set of improvements — ones that do not require reallocating transit service within today’s current levels, but that instead allow transit providers to expand service in ways that meet both changing and established travel needs.

Recommendation: Prioritize restoring and investing in regional transit service levels



Operating cost: \$1-1.25B annually

Capital: \$50-150M+ annually

Note: Capital costs could vary significantly depending on service patterns; these funding amounts would not be sufficient to address transit's \$20+ billion state of good repair backlog but could support targeted investments that support increased service.



Governance component:

Yes

The state should ensure the region's transit providers have the resources necessary to provide robust levels of service throughout the region and throughout the day. While there are many potential uses for new funds for transit, this focus on service should remain at the forefront.

Consistent with this principle, PART prioritizes service above all other potential investments, accounting for a large majority of all new public funds. New resources at these levels would address the anticipated funding shortfall, allowing operators to maintain service at pre-COVID levels in an evolved regional transit network. But these new resources would also enable significant investments in more transit, allowing more frequent service at more times and in more places throughout the region. Along with other fare revenue, financial stewardship strategies, and capital funds, the proposed operating funding increases could enable incremental service investments ranging from \$250 million to \$500 million annually. New public funds would also leverage additional fare revenue from new riders, enabling a proportionally larger increase in service (even if at a lower rate than the pre-COVID farebox recovery ratio).

These additional resources also support transit operators as they continue aggressive recruitment efforts while exploring innovative workforce practices to remain competitive and attractive places to work.⁴⁴

Recommendation: Require transit providers to develop an overarching regional transit service framework



Operating cost: \$1-\$2M for planning

Capital: N/A



Governance component:

Yes (funding allocation)

The looming fiscal cliff presents a stark challenge for the region's transit operators, one that could force the transit system to make damaging service cuts. However, if the state made sufficient resources available to not only address the gap but also go beyond, transit would operate under a new paradigm. Rather than deciding which transit services to cut, transit operators should identify where and when to add and improve service.

To maximize the value of any new public investments, the state should require transit providers to develop an overarching regional framework for transit service decisions. The framework should build on the region's existing vision for transit: "safe, reliable, accessible public transportation that connects people to opportunity, advances equity, and combats climate change."⁴⁵ It should articulate goals for the desired level of service in different contexts throughout the region. It should also reflect current and future changes in travel demand, with greater attention given to ensuring that transit can accommodate travelers throughout the day.

Key decisions would include:

Mode. Which type of service is best suited to meeting which travel demands (e.g., bus, urban rail, or regional rail).

Frequency. How often service will arrive throughout the day on different modes.

Span. What time service will start and end.

Coverage. What modes and frequencies are appropriate in which places.

It is important to note that the potential levels and types of transit service would continue to vary throughout the region, just as they do today. The framework would need to account for the factors that influence the effectiveness of regional transit, such as potential ridership demand, the surrounding land use and development context, and connections to last-mile services and other transportation modes. The framework would also need to incorporate broader concerns about both equity and climate issues, reflecting transit's crucial role in enabling physical mobility, access to economic opportunities, and environmental sustainability.

This concept is not new to the region. Each transit service provider already makes decisions about minimum service standards, and leverages its individual approach when allocating resources within their systems.⁴⁶ RTA also maintains some discretionary funds, such as the Innovation, Coordination, and Enhancement program, with a goal of incentivizing broader regional coordination across modes.⁴⁷ However, most existing transit operating funds are allocated according to fixed statutory formulas. That funding does not appropriately account for the regional nature of either the transit system or residents' travel needs.

Recommendation: Leverage the regional transit service framework to guide decisions on service improvements and related capital investments



Operating cost: Staff time
Capital: N/A



Governance component:
Yes (funding allocation)

The state should require transit providers to incorporate the regional framework into regional transit service investment decisions. This would represent a philosophical shift in funding allocation and allow more strategic investment in transit service that meets regional goals, regardless of which mode(s) of transit are required to achieve those goals. This funding allocation model would also allow transit providers to consider evolving trends in travel, population, and employment — and enable them to respond proactively to challenges and opportunities as they emerge.

As noted in the transit governance recommendations in this report, the goal of this recommendation is not to reduce existing service levels in any part of the region. When accompanied by new resources, the framework will ensure that all regional transit users maintain the access they have come to rely upon, even while new investments are targeted to achieve additional regional transit service goals.

Even with significant new funds, there would still be both financial and logistical limitations on how much service could be offered — relating to cost, staffing, fleet size, track capacity, and more. In the near term, these limitations should lead transit operators to prioritize adding service that is feasible within the constraints of existing capital resources. This could include greater investments in off-peak and weekend services, by adopting more frequent minimum headways for all-day service on both bus and rail (e.g., every 5-10 minutes on CTA rail or hourly service on Metra). More frequent all-day service would align with investments made by global peer systems, such as in Berlin⁴⁸ and New York City.⁴⁹ These investments would complement other recommendations, such as the evolution to regional rail and a more aggressive pursuit of bus priority projects. They would support travelers on all the region's transit modes, from CTA rail to Pace ADA paratransit. And while fixed-route and paratransit services will and should remain the core of the region's transit service, these investments could also support targeted improvements for better coordination and deployment of the region's various demand-responsive services.

This approach would also build on recent service board efforts to streamline and rationalize service provision. Each of the region's transit operators has services that overlap with one another, such as Pace and CTA in outer Chicago neighborhoods and inner Cook County suburbs, or Metra and CTA on rail corridors throughout the urban core. This model could reward operator efforts like the North Shore Coordination Plan, which maximized the effectiveness of CTA and Pace's complementary bus services in part of northern Cook County.⁵⁰

This regional transit framework should also inform how the region approaches longer-term investments in transit operations and related enabling capital

investments. Even with additional resources, if some elements of the region’s service standards remain out of reach, the framework could guide the pursuit of additional operating and capital funds. For example, many of the system’s backlog of capital investment needs, such as rail slow zones, have a direct impact on how much transit operators can provide today. If staff levels continue to be a constraint, the region could also maximize the value of staff who are available by investing in related PART recommendations like bus priority or exploring longer-term investments in strategies like automated train operations.⁵¹

This approach would also guide decisions about how to weigh conflicting priorities. For example, both CTA and Pace have committed to transitioning their bus fleets to zero emissions by 2040. As they pursue this important goal, it will be crucial to ensure that these investments do not come at the expense of transit service.

Implications for transit system funding and governance

Improved transit service is at the core of PART. It would require significant new resources to cover the incremental operating costs of increased service (e.g., more operators, maintenance, and fuel) and future capital investments (e.g., updated rolling stock and station upgrades).

This recommendation also informs PART’s broader approach to transit system governance and decision making. Adopting the regional transit service framework would become a core function of regional transit governance. Just as important, it would become a foundational element of how that system allocates funding to provide regional transit service.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

PROVIDE INTEGRATED AND AFFORDABLE FARES

Spotlight on state and regional priorities



Equity. The interrelated recommendations around fare increases, fare affordability, and fare integration intend to strike the proper balance between adequately funding the transit system while providing appropriate support to the region’s most vulnerable riders. These changes would also allow riders to choose the mode of transit that works best for them — rather than incentivizing the most cost-sensitive riders to choose an option that might be slower or less convenient, simply because it is cheaper.



Economy. These changes would also expand access to opportunities for regional riders. Travelers with limited incomes would have more affordable options to get to work or to school. Riders throughout the region would be able to access more destinations throughout the region easily and affordably. Employers could draw from a larger pool of workers for whom transit is a realistic option.



Climate. The recommendations also serve to improve the quality and usefulness of the transit system, including by increasing its attractiveness for many different kinds of trips throughout the region. A robust, well-funded, integrated transit system is essential to broader regional goals, including providing sustainable transportation options and reducing greenhouse gas emissions.

Transit fares are and will continue to be a vital source of operating funding for the region’s transit system. CMAP has consistently emphasized the importance of user fees in the overall transportation funding structure.⁵² Fares support and enable service, vehicle maintenance, operator pay, and much more. At their

best, fares are equitably priced, easy to understand, easy to pay, and seamless when using more than one service to complete a trip. When fare collection falls short of these principles, it can result in a burdensome, inequitable, or confusing transit experience. This can discourage people from considering public transit or lead them to take a trip that is slower or more expensive than it should be.

The region has also heavily invested in the system’s ability to improve fare collection and payment. The implementation of the Ventra system carried a capital cost of hundreds of millions of dollars. Ongoing improvements are also underway, with CTA and Pace procuring a next-generation Ventra system expected to cost an additional \$100 million or more.

In a workshop with CMAP’s CARE cohort, participants shared that **discounted fares for low-income households and youth would help to maintain affordability**, but it would also be important to invest additional resources in better and expanded transit service.

Before the COVID-19 pandemic, both CTA and Metra ranked among the top 10 transit agencies in the country for farebox recovery, both covering more than 40 percent of annual operating costs from fares.⁵³ This has led to an unexpected dynamic, where regional transit is now at risk from the model built on its success. Prior to the pandemic, this high level of fare revenue meant that transit operators required a smaller public subsidy to provide services than many of their peers.

With lower levels of ridership and fare revenue expected in the coming years, the region will need to consider a new model — one where fare revenue still makes up a stable source of operating revenues, but at a lower level than before. As transit providers adapt, they will have opportunities to also consider how their fare decisions can enable a stronger, more equitable, and more integrated mobility system.

Recent fare increases have been irregular and inconsistent

Over the past two decades, the service boards have increased fares at irregular intervals. Fares have been adjusted to close budget gaps when necessary, or in some cases to support capital investments. Fare increases have not been coordinated across agencies and have occurred at different times and in different amounts. Since 2007, the average fare collected by CTA has increased by approximately 30%, while Pace

fares have increased around 70% and Metra fares have nearly doubled. This means CTA's fare increases have kept pace with inflation, on average, while Pace and Metra have exceeded it (Figure 13).

The cadence of irregular fare increases while costs regularly grow with inflation creates a precarious financial situation for transit service providers. This often creates pressure to reduce service or cut costs in other ways.

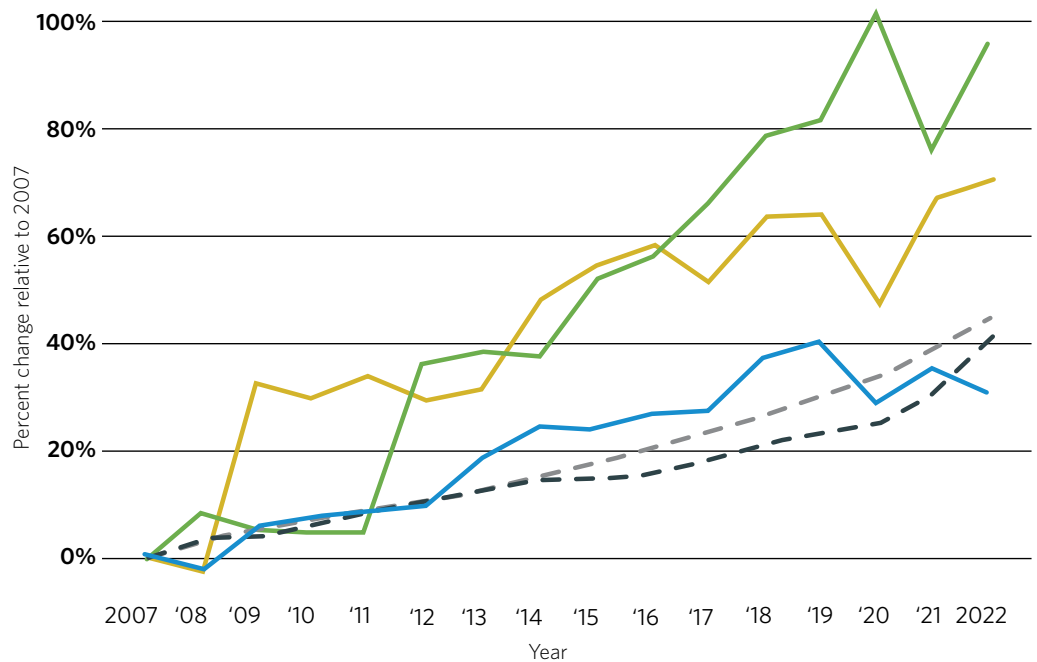
Figure 13. Average fares have generally kept pace with or exceeded inflation over time

Changes in average fares and inflation, relative to 2007

- CTA
- Metra
- Pace
- Consumer Price Index (CPI-U)
- Employment Cost Index (ECI)

Note: 2022 fare figures are unaudited. CPI-U reflects average inflation for all urban consumers. ECI reflects total civilian compensation.

Source: RTA Budget Documents 2007-2022, U.S. Bureau of Labor Statistics, Federal Reserve Economic Data (FRED)



CMAP estimates that if fares had kept pace with recent inflation, fare revenue would be \$50 to \$200 million higher in 2026. This revenue alone would not be sufficient to close the anticipated funding gap. The fare increases required to fully close the gap would be so large that they would likely lead transit riders to choose other options or not travel at all. However, one element of the solution should be a modest fare

increase (keeping pace with inflation) and an ongoing commitment to maintaining stable fare revenue through regular increases. Establishing a predictable and inflation-protected policy on fare increases would better align the system's revenues with its operating costs long-term and provide riders, agencies, and elected officials with more predictable expectations for how fares and revenues will change over time.

Recommendation: Plan for ongoing fare increases to keep pace with inflation



Operating cost: Estimated \$100M additional revenue in 2026 with increases to partially offset recent inflation. Future revenue would remain stable due to ongoing adjustments.

Capital: N/A



Governance component:
Yes (centralized fare policy)

The state should require the region’s transit providers to consider regularly recalculating base fares and passes based on the rate of inflation (e.g., at least every four years, potentially using the Consumer Price Index), similar to efforts pursued by peer agencies like LA Metro.⁵⁴ This would be the default basis for projected future fare increases and for annual agency budgeting purposes. The analysis above demonstrates that overall, this would not lead to a markedly different average increase in fares. Its goal is instead to ensure that fares can remain a stable and ongoing source of revenue for transit operations in the future, with greater predictability for both riders and transit operators.

To preserve flexibility, the state should also enable transit providers to deviate from inflation under extraordinary circumstances (e.g., a public health emergency), as well as to accommodate broader changes in fare structures outside the scope of regular inflation adjustments. This authority should be integrated into the overall governance structure that centralizes fare policy at the regional level.

PART also recommends that fare increases be a part of the broader funding solution for 2026 and beyond. Peer systems, such as New York City’s MTA, have recently adopted fare increases as one element of their overall funding solution.⁵⁵ Any fare increases could be adopted in conjunction with an ongoing commitment to keep pace with inflation and should be considered alongside a thorough Title VI analysis and public input process. PART assumes an increase in fare revenue of \$100 million annually versus baseline projections with unchanged fares. However, it is important to note that increasing fares can have negative impacts on ridership and equity, particularly for riders with low income who would be impacted the most. The recommendations below would mitigate these effects.

Existing fare discount programs do not meet transit riders’ needs

Riders from households throughout the region rely on transit. However, the transit system is disproportionately important to riders from low-income households. Transit is more affordable than other options, like driving a car. Affordability matters and is part of the reason these riders have come to rely on transit to access jobs, education, and other opportunities.

However, as noted above, all riders care about more than just the affordability of transit. Affordability is only relevant if the system can meet traveler needs. If the bus is not running when a traveler needs it, it does not matter whether the fare is \$2 or \$10. This highlights an important tension: unless replaced by an outside funding source, any reduction in fare revenues will reduce the resources available for transit operators to maintain and improve the quality of transit service. Given the necessity to maintain fares as a stable source of operating revenue with inflation-protected increases, fare policies and programs that strategically increase the affordability of transit are necessary to avoid disproportionately burdening the ability to move across the region. However, the cost of these strategies must be carefully balanced and weighed against opportunities to dedicate resources for improving transit service.

Today, the region’s transit providers offer several eligibility-based discounts and subsidies. The most significant are RTA’s Ride Free and Reduced Fare programs, available to riders who receive social assistance from federal or state programs, including Medicare recipients, people with disabilities, and riders over 65. These programs are unfunded mandates.

“Who would benefit most from reduced fares?
Low-income people, people with disabilities,
seniors, the unemployed, and students.”

- Focus group participant,
Will County social service agency

All three service boards also independently provide discounts for youth and students, as well as other groups like veterans and military personnel. However, there are variations in discount amounts, eligibility requirements, and limitations on when discounts are available. These variations can be confusing to riders and may lessen program effectiveness.

Most transit customers are not eligible for these discount programs. For these customers, the most widely available method to save on transit fares is the purchase of unlimited-ride passes. These passes are available for time periods ranging from a single day to a month (varying by service board). Unlimited ride passes offer substantial savings over the cost of a single fare, with the deepest discount generally available for monthly passes (up to 50 percent less than individual fares for frequent transit users). While these passes can offer substantial discounts for riders, those with lower incomes — among the most frequent users of the transit system — may not be able to afford the upfront cost. As a result, riders who would most benefit from discounted fares end up paying more than they should.

Transit’s role in regional mobility emphasizes the need to maintain and improve its affordability and cost-competitiveness, with a targeted focus on riders who rely on transit the most. The state plays a crucial role in facilitating this goal while also ensuring that resources can continue to support riders’ top priorities: better transit service.

Recommendation: Establish regional fare subsidy programs that include youth and riders with low income



Operating cost: Varies depending on program, with scale of costs ranging from \$15-150M annually (depending on discount, eligibility, and uptake).

Capital: N/A



Governance component: Yes (centralized fare policy)

The state should require the region’s transit providers to establish a consolidated fare subsidy program for youth and travelers from low-income household. The specific thresholds and discounts could be a function of regional fare policy decision making and could be informed by the upcoming report on fare subsidies that RTA is required to submit by June 2024. High-level features should include:

- Discounted fares available to residents from low-income households regardless of age or disability status.
- New fare subsidy programs to ease the administrative burden on both riders and transit operators by leveraging existing state functions (e.g., enrollment in SNAP or Medicaid).
- Discounts, eligibility, and allowed uses applied consistently across transit providers (e.g., unifying existing subsidies for students and youth into a regional youth pass product).
- Program costs accounted for and incorporated into the overall transit funding structure, while also fully funding existing programs like RTA Ride Free and Reduced Fare programs.

This recommendation would bring the region forward in adopting a growing body of best practices around fare policy for youth and people from low-income households. Peer regions such as Seattle, Los Angeles, and New York City have recently adopted means-tested fare discounts. Adopting these discounts would make the region’s transit fares more equitable and would mitigate some of the negative effects of the ongoing fare increases required for transit’s financial sustainability.

Recommendation: Implement fare capping



Operating cost: Minimal but depends on implementation. There are fare revenue implications, but pass rates could be adjusted to achieve revenue neutrality if desired.

Capital: \$25-\$50M



Governance component:
Yes (centralized fare policy)

The state should require the region's transit providers to implement a fare structure that includes fare capping. This allows riders to buy into a time-based pass automatically without the significant upfront cost of the current passes. With fare capping, riders pay individual fares for each trip; once they have spent an amount equal to the cost of a pass over a particular duration (e.g., daily, weekly, or monthly), additional rides during that period are automatically free. This model is increasingly common in peer regions, including in Los Angeles, San Diego, and New York City.⁵⁶

Fare capping could be introduced by one or more service boards independently of the others with progression towards a single combined fare cap across all three service boards. Given that CTA and Pace fares are already closely integrated, it would be logical for the two agencies to offer a combined fare cap as a first step. To maximize the value of fare capping, the system should apply a combined cap for all service boards. Achieving that goal likely requires implementation of an integrated regional fare with free or discounted interagency transfers, delivered through an integrated fare collection system.

The state should provide the funding required for the transition to a fare capping structure, which at a minimum will require back-office software changes to the fare collection system to program the new fare approach. Legislative action to bring about seamless and integrated interagency fares and transfers, as discussed in the next section, is also an essential step toward regionwide fare capping.

Transferring between transit agencies requires multiple payment methods and paying multiple fares

The region's three transit providers offer overlapping, but at times inconsistent, systems of fare pricing, transfers, and fare collection technology. Uncoordinated fare and transfer structures disincentivize transit trips that combine Metra with Pace or CTA by requiring customers to pay two fares and use two different payment methods. This limits the types of trips riders will consider making on transit.

Transit providers have made progress toward more integrated fares over the past two decades. For example, the Regional Connect Pass, introduced in June 2022, offers unlimited rides on CTA, Metra, and Pace.⁵⁷ CTA and Pace fares are now largely integrated — both through the combined fare collection system and joint and discounted transfers when paying per ride.

However, Metra fares are still largely separate from the rest of the system, with a different method for collecting fares and discounted transfers available only to monthly pass holders. Fully integrating Metra fares with Pace and CTA is complex due to different fare pricing philosophies (zone-based versus flat), collection methods (visual inspection versus tap-on validation), and separate back-office systems for processing electronic fare payment transactions. Metra lacks the infrastructure to conveniently accept Ventra cards, which would likely exceed \$100-150 million to install.

One consequence of the lack of fare integration between Metra and the other service boards is that relatively few passengers make these connections, most likely due to the high cost of two fares for a single trip. This represents a potentially new market that, if accommodated, could grow transit ridership.

Additionally, complementary connections that could extend the reach of the region's transit network (e.g., South Shore Line service to northwest Indiana, Amtrak routes that provide service to Metra stations in the region, and the Divvy bikeshare system) are not integrated with the region's fare system. Doing so would extend the reach of the transit system and provide additional mobility options using existing assets.

Fare integration is also about more than just a seamless rider experience. It would have significant positive impacts on the equity of regional transit services. For example, many neighborhoods and communities within the CTA service area are closer to a Metra station than they are to CTA rail. These neighborhoods and communities tend to have lower incomes and higher proportions of people of color than those directly served by CTA rail.⁵⁸ The higher fares charged by Metra, and lack of discounted transfers to connecting CTA bus and rail service from Metra stations, limits mobility options and reduces access to fast, affordable transit for many of the riders who would most benefit from high quality rail service.

Recommendation: Fully integrate fares among the three service boards and other complementary systems



Operating cost: \$10M/year in new operating costs for administration and maintenance. Fare revenue impacts would depend on overall fare structure (impacts of \$50-125M are possible but could be lower depending on desired approach).

Capital: More than \$100-150M in one-time implementation costs with periodic replacement.



Governance component:
Yes (centralized fare policy)

To provide a seamless and affordable experience across multiple travel modes, the state should expand upon the previous mandates contained in the RTA Act, articulating specific principles for integration, including the requirement for a regional entity to be responsible for implementation. The specific principles to address in fare integration should include the following:

Unify fare system administration and payment methods. The state should establish a structure that enables a fully integrated fare system, including a regional owner for fare policy decision making and a fixed timeline for implementation. These requirements should be paired with the funding necessary to achieve full integration, including both initial capital and ongoing operations and maintenance.

Enable free or discounted interagency transfers.

The state should require that all transit service boards offer free or discounted transfers between services, including for both single-ride and unlimited-ride pass products. The state should account for any potential revenue losses in the overall transit funding structure and empower the regional fare policy owner to oversee implementation.

Align fare structures across agencies for similar trips.

The state could extend the previous recommendation by requiring the region’s transit providers to align fare structures for similar trips (fares based on origin and destination, irrespective of which agency provides the trip). As above, the state should also account for revenue losses and governance implications.

Integrate with complementary modes and systems.

The state should encourage and facilitate fare integration with other complementary modes, including regional transit/rail service providers (e.g., South Shore Line and Amtrak) and micromobility (e.g., Divvy bike-share). The state should also expand data-sharing requirements for private mobility providers to better assess how they can support regional transit.

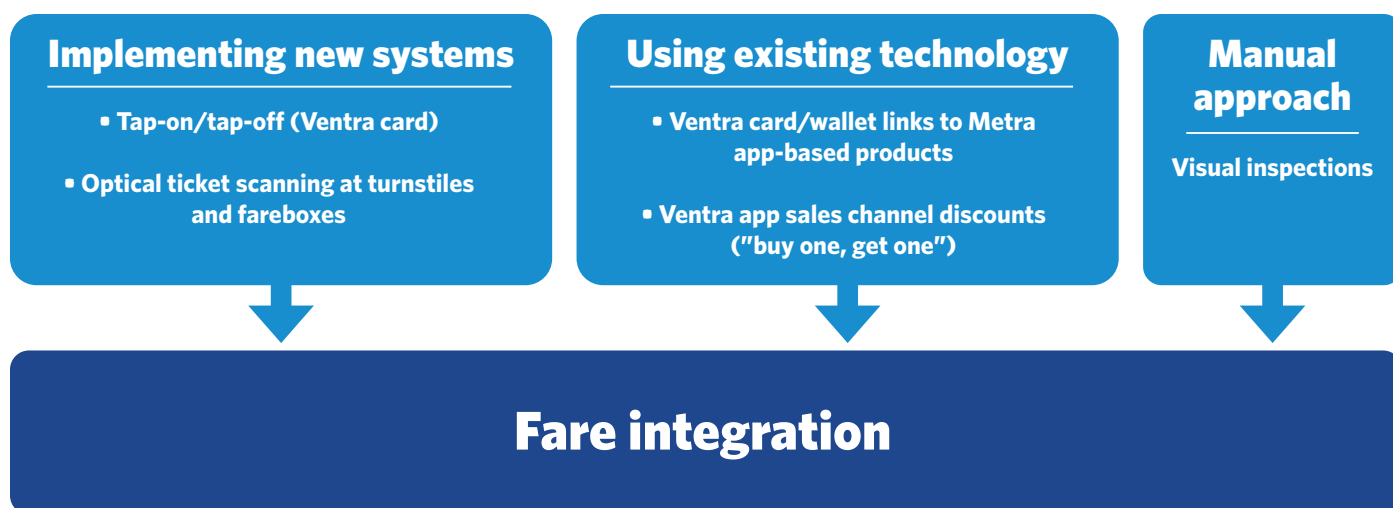
The first component, *unified system administration and payment methods*, is the key to unlocking the other components. The ability of the region’s transit operators to offer integrated fare and pass products and seamless transfers is predicated on compatible systems for establishing, selling, validating, and tracking fares. Implementation of common business rules and governing policies like transfer periods and durations of pass products are also essential. This is one reason why a regional implementing entity is crucial to achieving a fully integrated fare system.

The most comprehensive (and costly) approach to technology integration would be the installation of equipment and back-office systems to allow Metra to accept the Ventra card, known as a tap-on/tap-off system — so-called because Metra’s zone-based fares would require customers to tap their Ventra cards twice, once before boarding and again after getting off.


However, tap-on/tap-off is not the only option. There are other less comprehensive approaches, such as multi-agency pass products that are scannable/tappable on CTA and Pace buses and trains and visually inspected on Metra; or the inclusion of barcodes on Metra tickets that could be read at CTA stations. It may also be possible to modify the existing account-based fare collection system to link app-based Metra tickets


and pass sales to Ventra card taps on buses and CTA trains, and apply a transfer discount. See Figure 14 for a summary of these potential approaches. Note that only two of the options shown below (Link Ventra card to Metra app-based products; and tap-on/tap-off) would provide full compatibility for systemwide fare capping.

Figure 14. Technological approaches to fare integration



Recommendation: Grant authority to transit agencies to enforce fare violations

 **Operating cost:** If implemented, could be designed to be revenue neutral (staff costs offset by enforcement fines).
Capital: N/A

 **Governance component:** N/A

The state should grant transit providers the authority to perform fare inspections and issue fare violation tickets using non-law enforcement transit personnel.

Many of the fare integration strategies discussed in the previous recommendation would result in Metra moving fare collection/validation from onboard the train to the platform. On the Metra system, a transition to off-board fare payment would shift the responsibility of conductors or other onboard personnel from *collecting* fares to *verifying* fares.

Not every transit passenger on every vehicle would need to be checked, but checks would need to be

frequent enough to incentivize compliance. The penalty for non-compliance would likely be a fine. Any fines and enforcement strategies should also be structured to mitigate equity concerns.

Implementing fare inspectors would result in a new operating cost to the agencies. However, it is assumed that fines would be set at a level to offset both lost fare revenue from non-compliance and the cost of enforcement. It could also be implemented in tandem with the transit ambassadors program recommended below. Therefore, this recommendation can be cost-neutral.

Enabling fare enforcement by agency staff would also unlock service improvements, as seen in peer regions like San Francisco and Washington, D.C.⁵⁹ For example, these changes would allow (but not require) CTA and Pace to implement strategies like offboard fare collection and all-door boarding on buses. These strategies can substantially speed up bus service and would align with the broader recommendations to improve bus speed and reliability.

Implications for transit system funding and/or governance

Fares are a significant source of funding for transit service providers. If adopted, these recommendations would balance the need to ensure fare revenue stability with the impacts on both affordability and the rider experience. The costs to implement the strategies above could be partially offset by increased transit ridership across the system.

Implementation of these recommendations will require leadership at a regional level. Peer regions across the country that have achieved ambitious projects such as interagency fare integration have done so with the leadership of a centralized body where all transit operators are represented. Northeastern Illinois should take a similar approach, with fare policy decision making and ownership of the fare system vested in a central regional authority.

ENABLE FASTER AND MORE RELIABLE BUS SERVICE

Spotlight on state and regional priorities



Equity. The state could provide significant equity benefits by investing in faster and more reliable buses. Residents with low income and those from communities of color are disproportionately likely to rely on transit, but even more so to rely on buses. For example, among residents from households making less than \$35,000, more than 70 percent of all transit trips relied on a bus — a much higher share than for any other income group.⁶⁰ During the pandemic, the relative resilience of bus ridership demonstrated how important bus service was to providing essential mobility for all kinds of trips.



Economy. Reliable transportation options are critical for both employers and employees. If adopted, these recommendations would improve connections to regional job opportunities, including in areas not well served by rail transit options.



Climate. Even with existing fleets, buses make up a smaller share of greenhouse gas emissions than other travel options such as single-occupancy vehicles. Faster and more reliable bus service will make the transit system a more attractive option for travelers, which will be important as the region and state pursue aggressive greenhouse gas reduction goals.

Both CTA and Pace bus services are critical elements of the region's public transit system, connecting residents with opportunities, healthcare, friends, family, and more. During the COVID-19 pandemic, more riders stayed on the bus than on either CTA or Metra rail. The resilience of bus ridership highlighted the importance of investing in the region's buses, as well as the need to address rider requests for more frequent and reliable bus service.⁶¹

The investments in additional service discussed earlier in this section are an important part of the solution, but even with more service, buses (and the riders who rely on them) face significant challenges. Competing for space on congested roads makes the bus less reliable, less equitable for those who depend on it, and more expensive to operate. It also positions the bus at a competitive disadvantage, compared to driving a personal vehicle. Despite some recent successes by both CTA and Pace, average bus speeds have slowed over the last two decades and bus ridership has fallen from its peak levels in 2008.

"We need more bus services to industrial areas — lots of people here want to work but they don't have transportation to get there. Buses don't go to those locations and people are limited to where they work because of that."

- Focus group participant,
Will County social service agency

A faster, more reliable transit system will enhance mobility for those who depend on the bus today. And it will make it more attractive for new riders to consider taking the bus.

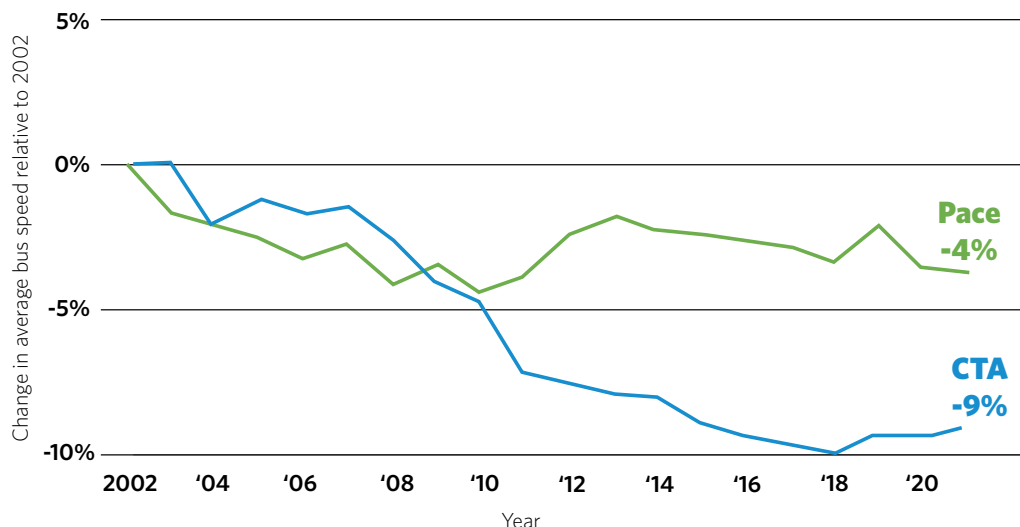
However, the region’s transit agencies cannot achieve a faster and more reliable bus system on their own.

Buses run on streets and highways owned, operated, and maintained by state and local agencies. Experience from peer regions shows that any successful efforts to increase the speed and reliability of buses throughout the region will require a coordinated, multijurisdictional approach. The state could play a leading role in making that ambition possible.

Figure 15. Bus speed on CTA and Pace, 2002-2021

Bus speeds have consistently declined over the past two decades

■ CTA
■ Pace



Source: CMAP analysis of National Transit Database data.

Recommendation: Develop a regional bus priority plan and establish an interagency structure accountable for its implementation



Operating cost: Staff costs (potential \$1-2M planning effort)
Capital: N/A



Governance component:
Yes

The state should require the creation of a regional plan for bus priority investments. The plan should address:

A regionally connected network of bus priority corridors. The plan should identify corridor-specific improvements (e.g., dedicated infrastructure, signal priority, and stop spacing adjustment) that can support faster and more reliable bus service. This network should build on existing and upcoming work, including the Pace Pulse network,⁶² Pace’s upcoming bus network redesign,⁶³ and CTA/CDOT’s Better

Streets for Buses Plan.⁶⁴ It should also integrate with other complementary efforts, such as leveraging new fare policy approaches to enable all-door bus boarding and strengthening connections and transfers to regional rail stations.

Complementary changes to state roadway design manuals and performance measures. As an element of the plan, the state could direct the Illinois Department of Transportation (IDOT) to update relevant design manuals to incorporate best practices and confer special status for transit priority corridors. The state could also direct IDOT to revise the performance measures used for traffic analysis and intersection design approvals to prioritize increased ridership and reduced overall vehicle miles traveled.

Requirements for state and local roadway agencies regarding the implementation of the bus priority plan. The plan should include near-term strategies that can be quickly implemented, interim milestones to demonstrate progress, and ambitious targets for corridor-level implementation. The plan should

also incorporate strategies that could accelerate implementation. For example, any project on a designated bus priority corridor could be required to accommodate the identified bus priority investments as a condition of funding eligibility

To ensure that the region makes regular progress toward implementing the bus priority plan, the state should also establish an interagency structure that can be held accountable for its implementation, such as a bus priority working group. The working group would need to include transit agencies, regional planning agencies, local governments, IDOT, and the Illinois Tollway, and could be convened through an existing or new coordination structure (e.g., CMAP’s Transportation Committee).



Recommendation: Dedicate funding to implement bus priority plan



Operating cost: N/A (reduces costs)
Capital: \$25-100M annually (could scale depending on interest)



Governance component:
 N/A

The state should consider establishing a dedicated funding stream for bus priority improvements to support implementation of the bus priority plan. This could leverage the recommended adoption of “flexing” federal funds toward transit, discussed in detail below. Funds could be channeled to CMAP for allocation in accordance with the regional bus priority plan.

Dedicated funding would accelerate the implementation of priority projects and leverage federal grants, which are currently at historic levels and highly favorable to bus priority projects. These capital investments would also enable projects that can improve the productivity of regional buses, enabling transit operators to provide more service for the same operating cost.

Recommendation: Build staff capacity at roadway agencies to support bus priority projects



Operating cost: \$1-\$2M annually
Capital: N/A




Governance component:
 N/A


Even with sufficient funding, bus priority projects cannot advance without the efforts of roadway agency staff. Successful efforts in other states, such as Minnesota, have shown the importance of close collaboration between these agencies and transit operators.⁶⁵ Additional staff capacity is needed at IDOT, CDOT, and other local and county governments to implement the bus priority plan and resulting improvement projects. The state could require and fund the creation of new positions within the agencies

with the greatest concentration of bus operations (e.g., IDOT and CDOT). The state could also provide or fund technical assistance for communities with lower levels of bus service on a project-by-project basis.

These staff capacity investments would complement dedicated state funding for bus priority improvements. This initiative could also extend beyond northeastern Illinois, and could support the staff capacity necessary to advance bus priority investments on roadways in other jurisdictions statewide.

Recommendation: Enable automated camera enforcement for bus lanes and stops

 **Operating cost:** N/A (revenue positive)
Capital: N/A (revenue neutral)

 **Governance component:**
N/A

Even the most ambitious bus priority program will still include many buses that run next to or in mixed traffic. As a result, buses can be (and often are) obstructed by other vehicles, such as those that are driving or parking in a bus lane or stop. The state should enable and support automated camera enforcement for bus lane and bus stop violations, including for both moving and parked vehicles. This policy would improve bus speed and reliability, as it has in peer regions like New York City.⁶⁶ It would also maximize the benefit of state-supported investments in transit priority infrastructure and bus service.

The state should also account for the multijurisdictional nature and widespread geographic coverage of regional bus operations. It should explicitly authorize the use of cameras mounted on buses for automated enforcement, and should allow for regional entities (e.g., transit agencies and/or counties) to administer citations, in partnership with municipalities like the City of Chicago.⁶⁷

The state should direct revenue generated from this enforcement toward program costs. If incremental revenue is available, it should support additional investments in bus priority infrastructure. The state should also consider strategies to address equity concerns in the fine structure.⁶⁸

Implications for transit system funding and governance

A robust program of bus priority investments should yield improved service and operational efficiencies. However, accelerating the implementation of these projects would require additional capital investments, either from existing funds or a new dedicated revenue source.

This bus priority program would also benefit from strong coordination between bus operators and other relevant agencies. This could go beyond the creation of an interagency working group structure and could be formalized through a more centralized capital and service planning function for regional transit investments.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).



An example of bus priority lanes

BOLSTER PUBLIC CONFIDENCE IN THE SYSTEM

Spotlight on state and regional priorities



Equity. These recommendations could advance equity outcomes by improving the experience for existing transit riders, who are disproportionately from lower-income communities and communities of color. Many of these riders have highlighted the intersection of safety and security issues within their communities and those on transit. By ensuring that transit is and remains a safe mode for all its riders, the state could help these residents continue to access critical regional opportunities.

There are also strong connections between the cleanliness of the transit system and its accessibility to riders with disabilities. When the only accessible elevator to a station is covered in urine, riders who cannot use the stairs are left with no options. Addressing these challenges would improve the usability and dignity of the transit system for all users.



Climate and economy. Transit is critical to regional and state goals for environmental sustainability and economic growth. However, if riders do not feel confident that their transit journey will be safe and secure, many of them will seek other options — including ones that have much greater greenhouse gas emissions, such as single-occupancy vehicles. And if those options are not available or viable, they may instead not travel at all, losing access to the tremendous economic opportunities available throughout the region.

Transit currently faces more than just purely operational challenges. The region's transit providers must also ensure the public has confidence in the system — that it will be able to get them from where they are to where they want to be safely, securely, cleanly, and with dignity.

While the pandemic impacted the transit rider experience in many ways, safety and security have emerged as primary areas of rider concern. These concerns have also been magnified by the operational challenges noted above, with decreased service reliability and frequency leading riders to feel less safe while on the system.

Rider surveys⁶⁹ and news media have highlighted that these concerns are widespread. Available data also show an increase in incidents of violent crime on transit, with the greatest increase found on the CTA rail system (Figure 16). Overall violent crime levels remain below prior peaks, but lower ridership may mean that remaining riders are more likely to observe or experience this increase. And while this development is not as severe on Metra, Pace, or CTA bus services, increases in violent activities on one mode can impact perceptions of safety for both riders and staff systemwide, with consequences for ridership, hiring, and retention.

It is important to note that rates of violent crime remain extremely low across the regional transit system. For context, CTA rail provided over 100 million rides in 2022, with roughly 700 reported incidents of violent crime. Recent CTA analysis shows that both overall and violent transit crime is down in 2023 compared to 2022 levels.⁷⁰ And despite these challenges, public transit also remains significantly safer than traveling in a personal car.⁷¹

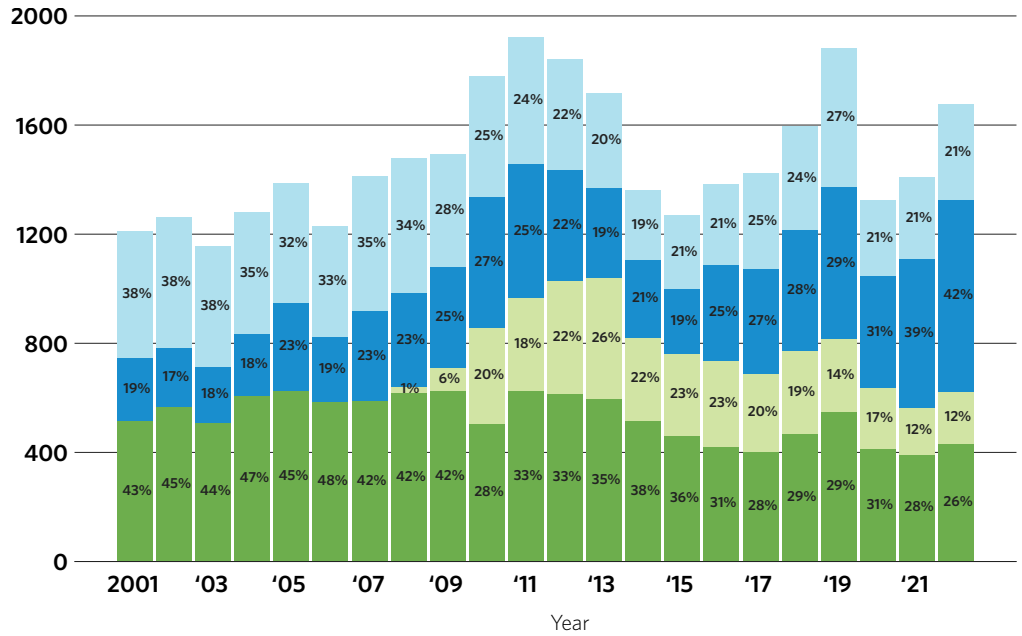
Figure 16. Violent crime on CTA is below prior peaks, but has risen on CTA rail since 2019

Violent crime on CTA buses, bus stops, trains, and platforms in Chicago, 2001-2022

- CTA platform
- CTA train
- CTA bus stop
- CTA bus

Source: CMAP analysis of CTA crime data retrieved from the Chicago Data Portal.

Note: Violent crime constitutes homicide, criminal sexual assault, assault, battery, and robbery. Percentages may not add due to rounding.



Transit has also faced related challenges that extend beyond the kinds of incidents captured in these official statistics. For example, there have been increased reports of smoking and drug use on the system, especially on CTA.⁷² Riders have also noted continued concerns about public urination and defecation, especially when in confined spaces like system elevators. When combined with other challenges, such as the cleanliness of the system, these kinds of behaviors can discourage current and potential riders from using transit.

These challenges extend beyond the transit system — they are regional and societal in scope, and transit is only one part of that broader regional ecosystem. Many of the safety, security, and cleanliness concerns need to be addressed operationally by the service boards. However, these concerns also stem from issues that are not specific to the transportation system and require solutions that go outside the scope of this report. These include broader societal trends in crime, the number of regional residents experiencing homelessness, and the treatment options available for residents with mental illness. While not specific to transit, these trends nonetheless have an impact that is felt on the region’s transportation system, and especially on transit. Addressing these concerns will be critical to maintain and grow ridership, as well as to

build support for the additional investments needed to support transit as the system confronts the fiscal cliff. As transit providers work to respond, they can build on the successes of recent and ongoing efforts, both in northeastern Illinois and in peer regions:

- In Los Angeles,⁷³ Philadelphia,⁷⁴ and San Francisco,⁷⁵ transit agencies created new transit ambassador programs to increase the visible staff presence on their system.
- CTA⁷⁶ and Philadelphia’s SEPTA⁷⁷ expanded partnerships with social service providers to connect riders in need to the resources that can make a difference.
- Atlanta⁷⁸ and Boston⁷⁹ agencies experimented with new physical infrastructure (such as sensors) that address rider concerns about cleanliness.

To enable these efforts, and others, the state should provide the region’s transit operators with sufficient funding to hire staff and make new investments in the system. PART recommends the state consider the following recommendations as part of the broader package of transit system improvements.

Recommendation: Increase staff presence through a pilot transit ambassadors program



Operating cost: \$20-40M annually
Capital: N/A



Governance component:
N/A

The state should require the creation of a pilot transit ambassadors program, building on the models deployed in San Francisco, Los Angeles, Philadelphia, and others. The cost of this program should be accounted for in the larger funding structure for regional transit operations.

A transit ambassadors program would increase staff presence on the system, with the potential to reduce the likelihood of both criminal incidents and other disorderly behaviors. This added staff presence could also help address rider perceptions and experiences, including during emergency situations. Transit ambassadors could also provide additional services or functions, like assisting new or inexperienced system users, supporting de-escalation, and more.

The region's transit operators should monitor the effectiveness of the program as a potential candidate for wider deployment, informed by the program's effects on both system incidents and customer perceptions (e.g., customer survey data). Transit operators should also consider additional strategies to leverage existing staff to address these incidents, such as system station attendants. With additional resources, the coverage of any pilot and/or program could be scaled up.

Recommendation: Expand partnerships with local and state social services agencies



Operating cost: Staff time
Capital: N/A



Governance component:
Yes (state role)

Any investments in increased staff presence should also be made in parallel with broader approaches to public safety and social services. Transit providers like CTA have already announced partnerships with agencies like the Chicago Department of Family and Support Services, which provides a model for future collaboration. The state should facilitate stronger partnerships and require additional coordination between transit agencies, private and public social services agencies, and research or advocacy organizations. For example, the state could instruct social service agencies to place a specific focus on transit system incidents, or to investigate and address the root causes of drug and alcohol use on transit systems.

Recommendation: Invest in infrastructure that meets riders' concerns about transit security



Operating cost: Funding would scale based on desired investments. A minimum of \$25 million in new annual support for safety, security, and cleanliness investments (in operating and/or capital funds) would enable visible progress.



Governance component:
N/A

While staff presence is an important element of both perceived and real transit system safety, there are also opportunities to invest in physical infrastructure that address these concerns. The state should consider increased funding for coordinated investments to improve safety, such as improved lighting at and around rail stations and bus stops, additional bus shelters, cameras and camera feed displays, public address systems, and callboxes that allow riders to communicate with transit system staff. This

recommendation could leverage the complementary investments in transit ambassadors and other transit system staff, who could help to track and respond to rider concerns.

Recommendation: Invest in infrastructure that improves system cleanliness

 **Operating cost:** Funding would scale based on desired investments (e.g., number of stations that are targets of renewal efforts). Bathroom access would require additional funding (e.g., \$10M+ in both operating and capital investments).

 **Governance component:** N/A

The state should support additional investments in the cleanliness of the transit system. As noted earlier, riders often associate incidents like smoking with the safety and security of transit. Other issues, such as urination on transit system platforms, vehicles, or elevators, can have a significant impact on the experience and accessibility of the transit system. Transit operators have already increased their investments in station renewals and other cleanliness efforts. With additional resources, operators could invest in these strategies and other best practices at a larger scale.

A more significant investment could enable the region’s transit providers to expand bathroom access. Some of the region’s transit hubs and facilities, such as Metra’s trains and downtown terminals, already have bathroom access.⁸⁰ However, there are no public restrooms available at most CTA rail stations. With additional resources, transit providers could provide greater restroom access either within the system or immediately nearby. Any improvements should leverage complementary efforts by other public entities, such as the City of Chicago.⁸¹

Recommendation: Improve two-way communication between riders and transit operators, by using existing and new mobile applications

 **Operating cost:** \$1M
Capital: N/A

 **Governance component:** N/A

Even with the investments and strategies noted above, the scale of regional transit means that there will continue to be incidents and issues that affect the rider experience. The state should support service board efforts to implement new tools that enable riders to share those concerns quickly and easily. These tools can enable a faster and improved resolution, as well as allow transit operators to communicate when an issue has been resolved or addressed.

One near-term strategy is the creation and widespread implementation of mobile applications and/or other communications tools that allow riders to report incidents, including those related to safety, security, and cleanliness. The state could require the service boards to make such tools available to the public and establish a timeline by which they would need to certify compliance. To support these efforts, the state could make funding available for the creation and integration of these platforms into a regional approach (including their relationship with existing platforms, such as the Ventra app and the Metra COPS app⁸²).

Recommendation: Improve monitoring and reporting of transit system safety outcomes and best practices



Operating cost: Staff time
Capital: N/A



Governance component:
N/A

The state recently enacted legislation that will require the service boards to publish a monthly comprehensive set of data on issues including transit safety and security through 2025.⁸³ Transit providers and state officials should leverage this data to inform ongoing planning and work to address safety and security issues. If successful, the state should consider requiring this on an ongoing basis.

Transit providers should also continue to monitor strategies deployed in other regions to address safety, security, and cleanliness concerns. This would build on RTA's planned safety and security summit. Depending on the outcomes of that summit, the state could require the formalization of this approach, potentially guided by input from both transit operators and the public.

Implications for transit system funding and/or governance

To advance these strategies, the state would need to dedicate new resources to the region's transit providers — including investments in both system operations and complementary capital improvements. However, as noted above, many of these strategies are related to challenges that extend well beyond the regional transit system. There may be opportunities to leverage non-transportation funding streams and programs to address these challenges, including those related to social services and public safety.

These multi-agency challenges also highlight the opportunity for greater coordination between regional transit governance and complementary stakeholders. As discussed below, the system could benefit from a more formalized inclusion of these perspectives in regional governance (e.g., with a role for both the state and rider and advocate representatives).



BUILD BACK A RIDERSHIP BASE FOR THE SYSTEM

Regional travel patterns have changed significantly in recent years, in ways that have challenged some of transit's most competitive markets, such as the downtown work commute. This section includes recommendations on two related topics that could help rebuild transit's ridership base in response to changing travel demands: support Metra's evolution into a regional rail provider and encourage transit-supportive land use and development practices. These focus areas would also mutually reinforce the broader investments called for in prior recommendations, including a significant increase in overall service across modes.

WHAT REGIONAL RAIL LOOKS LIKE

Changing travel patterns have led to a growing mismatch between Metra's service and the region's travel needs. Like other regional transit, Metra's ridership had been gradually declining even before COVID-19, beginning around 2008. This trend only accelerated with the pandemic, when Metra saw a larger drop in ridership than CTA or Pace. This trend is most directly attributable to Metra's traditional customer base — downtown office workers — commuting less frequently. Early data and surveys on post-COVID-19 travel patterns suggest this will continue as a permanent change in travel behavior. While Metra serves nearly as many unique customers every week as it did before the pandemic, these customers use the system less frequently than before.

However, not all types of transit trips have been equally impacted. While Metra's traditional downtown commuter ridership has declined significantly, other types of trips — those on weekends, off-peak hours, reverse commute trips, and that do not go to or from downtown Chicago — have not declined nearly as much. The result is that travel on Metra today is more spread throughout the day, less peak-focused, and less downtown-oriented. Due to remote work habits, weekday travel is also skewed towards the middle of the week with lower ridership on Mondays and Fridays.

Peak-period and downtown-oriented trips will remain the foundation of Metra's service and ridership. Even with the impacts of remote work, millions of residents continue to commute to and from work every day. And the Metra system is especially well-suited to serving many of these trips. However, Metra has already identified the necessity to meet the changing desires of its current and potential customers. Metra's most recent strategic plan calls for transitioning its system to a regional rail service model that emphasizes frequent all-day service to more places.⁸⁴ Regional rail can help the region to take full advantage of its vast railroad infrastructure — a tremendous asset — but this transition will require state support to become a reality.

Spotlight on state and regional priorities



Equity. In the areas of the region where CTA and Metra both offer rail service, those who reside near Metra stations but far from CTA rail stations tend to be both lower income and a higher proportion of people of color as compared to those who live close to CTA stations. Expanding the frequency and usefulness of reliable rail transit service to these areas would yield a significant equity benefit to the region.



Economy. Regional rail would expand access to job opportunities and talent pools by improving connections to non-downtown opportunity centers. Freight activity is critical to state and regional economies, especially given northeastern Illinois' prominence in the national rail system; infrastructure investments to expand the rail system's overall capacity offer a significant economic benefit.

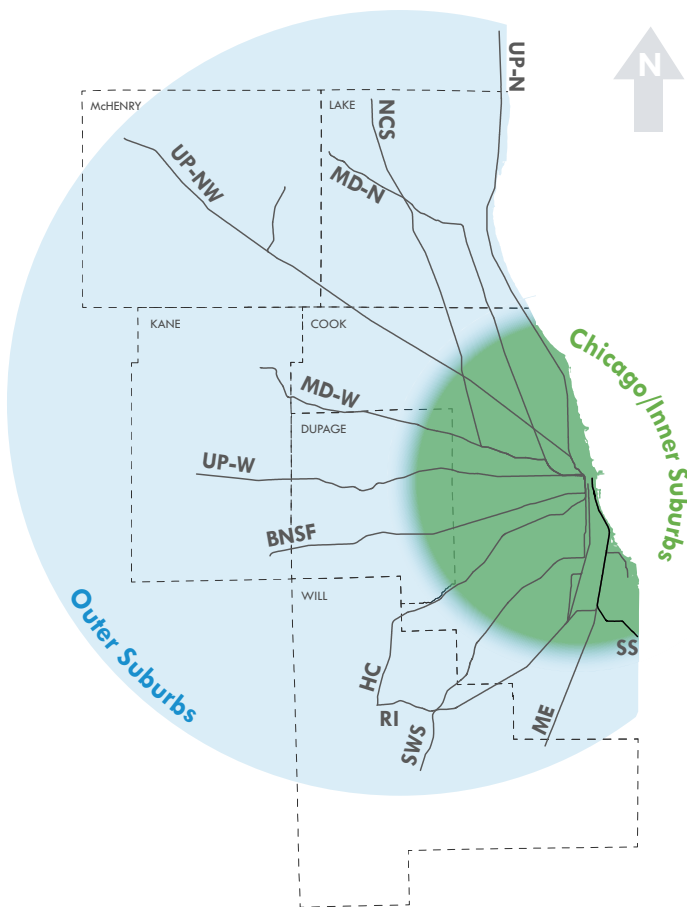


Climate. Regional rail would make transit a more attractive option for new types of trips, providing residents with more environmentally sustainable options. New and more efficient rolling stock could also reduce the greenhouse gas emissions related to transit vehicle operations.

Figure 17. Understanding regional rail

Fast, frequent, all-day service	Nimble and modern trains	Regional connections	Integrated, affordable fares	Suburban and urban benefits
Schedules that are simple and more convenient.	Faster starts and stops with quicker boarding.	Convenient transfers between lines.	Seamless transfers, including Pace and CTA.	Increased frequency for those closer to Chicago's core.
More trips outside of traditional commute periods.	Lower operating costs and scalable to demand.	"Through-running" to provide direct service <i>through</i> the Loop, not just to the Loop.	More options for getting around regardless of mode.	Faster, streamlined express service for riders in outer suburbs.
	Low or no emissions.			Lower unit costs allow for more service at similar costs.

Figure 18. Service to meet regional needs



* Boundaries are approximate

To implement the regional rail concept in northeastern Illinois, Metra must tailor its services to meet the different characteristics of its core/inner and outer suburban service areas.

Inner suburbs and Chicago neighborhoods would benefit from more frequent trains operating at regular intervals throughout the day in the highest ridership areas, more like the rapid transit service offered by CTA today. This service would be most effective if it used different equipment than Metra operates today.

Outer suburban areas — primarily in the collar counties where stations are spaced further apart, and density is lower — would benefit from faster trains running express to downtown on regular schedules. Key transfer stations would link the inner and outer service areas to ensure connectivity throughout the region.

Jurisdictional and financial barriers create challenges for Metra to quickly adapt its system:

Ownership. Metra does not own most of its trackage and only fully controls two of its eleven lines. Its two busiest terminal stations are also owned and/or managed by other railroads.

Capital investments. Adopting a regional rail service model will require Metra to modernize its fleet and upgrade its maintenance facilities, tracks, and signals.

Freight conflicts. Freight traffic limits how much Metra can grow service on many of its lines. These conflicts would constrain near- and medium-term implementation on some corridors. In the long term, full conversion to a regional rail model would require close coordination with freight railroad operators to minimize interference and prioritize passenger rail.

Existing terminals. All four of Metra’s downtown terminal stations are stub end terminals, meaning trains must reverse direction and depart the way they arrived. This reduces the effective capacity of its downtown tracks, constrains the number of origins and destinations that can be served without transferring, and results in more out-of-service “deadhead” trips between terminal stations and nearby railyards. Regional rail benefits would be maximized if Metra could operate through trains that pass through downtown rather than only terminating there. However, the capital cost to enable this at even just one station (Chicago Union Station) would be significant. But opportunities for partnership exist, both with freight railroads and Amtrak, to identify investments with shared benefits between Metra and the other railroads with which Metra shares its network.

Through careful and proactive planning, Metra and its partner railroads can identify these investments, pool resources, and jointly pursue federal grants. These could include through-running, separation of freight and passenger tracks, better service to O’Hare airport, and more. Following the blueprint of the Chicago Region Environmental and Transportation Efficiency (CREATE) Program, the state could play a leading role in supporting Metra’s evolution toward this new model.

Recommendation: Identify needs and dedicate funding to support Metra’s transformation into a regional rail provider



Operating cost: New costs would scale depending on corridors and should be expected to grow over time (e.g., incremental \$1-10M/year as additional service is launched).

Capital: Could vary significantly; full implementation would require at least \$250M/year over 10 years for minimally viable model (cost does not include through-running). Lower levels of investment could unlock incremental implementation on specific corridors.



Governance component:
Yes (capital planning)

Major changes to Metra’s rail network will require additional capital and operational funding to catalyze its transformation. Investment in regional rail would maximize the value of existing assets by expanding service and mobility options without requiring significant new construction (e.g., new rail lines). Additional operational funding and updated labor agreements will be needed to accommodate the new service model. The capital cost to implement regional rail would primarily fund a fleet replacement program. This would not only modernize Metra’s fleet but also replace a portion of its diesel locomotive-hauled trains with more efficient self-propelled trains that are better suited to frequent stopping patterns. Capital funds would also support investments in tracks, signals, and vehicle maintenance facilities.

State support is critical to leverage federal grants by providing required local match. Specific investments that benefit both regional and intercity rail (Amtrak) or freight rail could be eligible for Federal Railroad Administration grants. To fund regional rail, the state could appropriate additional funding and/or direct IDOT to flex existing capital funds in support of passenger rail system investments. Given the state’s significant ongoing investment in the CREATE Program, there is also an opportunity to better align that program’s investment priorities with Metra’s regional rail goals. Some of these costs, especially fleet replacement, could be also addressed through existing state of good repair investments (e.g., replacing rail cars that are beyond the end of their useful life).

Recommendation: Support station-area development and infill station opportunities to spur economic activity and address gaps in access



Operating cost: Minimal (increased operating costs partially offset by new fare revenue).

Capital: \$5M-\$50M per station depending on site constraints.



Governance component:
N/A

To maximize the value of the region's rail networks, the state should support strategic infill station investments that address rail transit service gaps and build on current efforts. Metra is currently developing two infill stations in the City of Chicago on two of its busiest lines using significant funding from the state.⁸⁵ On the inner portion of the system, the new regional rail service model (with lighter trains that can start and stop more quickly) would increase the feasibility of additional infill stations, especially where significant gaps exist. Similar funds could also support targeted investments for infill stations on CTA rail lines, recognizing the fact that the region's rail networks (both Metra and CTA) should be considered as one coordinated system. A combined approach to infill station development, including new connections between these complementary networks, would provide both transit riders and taxpayers with the greatest value.

As noted in the complementary land use and development recommendations below, the state should pair any infill station investments with a more comprehensive approach to encouraging transit-supportive land use and development practices. Transit oriented development (TOD) around new stations would introduce new, valuable real estate that improves local property and sales tax revenues, offering a potential pathway to offset some of these capital costs and yield a positive local fiscal impact. Supporting station-area development would also increase access to transit, bolster the effectiveness of transit, grow ridership, improve quality of life in communities, and contribute to regional equity goals.

Recommendation: Integrate planning for regional rail into railroad and freight system investments



Operating cost: Highly scalable, depends on further study and preliminary scoping.



Governance component:
N/A

The state should consider collaborative investments, long-term planning, and negotiation in northeastern Illinois, integrating regional rail planning into existing and future public-private partnerships like the CREATE Program.

The IDOT Office of Intermodal Project Implementation should study opportunities to better align the use of freight rail-owned land with regional rail goals. Opportunities to relocate rail yards near the region's core could in turn yield significant new TOD opportunities along existing passenger rail corridors. Opportunities for additional purchases of freight railroad assets for public use would empower the region's public agencies to prioritize passenger rail and would mirror successful efforts in peer regions like Boston.⁸⁶ The state could also support Metra in its ongoing negotiations with Amtrak and the private railroads to run additional passenger trains during more hours of the day.

Implications for transit system funding and/or governance

While regional rail could be implemented incrementally (i.e., one line at a time), it would require significant new investment in capital infrastructure. There are significant federal grant opportunities that could potentially cover half or more of these costs but would require matching state and local funds to maximize federal funding opportunities. The operating cost of regional rail would also depend on Metra's progress in transforming its fleet and adapting its workforce accordingly. Using Metra's existing fleet, operating significantly more frequent service throughout the day would be prohibitively expensive. However, adopting new, more cost-effective rolling stock would bend the cost curve, enabling Metra to operate significantly more service throughout its inner suburban service area at a modest incremental operating cost.

Spotlight on state and regional priorities

Transit leaders would also need to simultaneously advance other recommendations that would maximize the value of these investments. This could include coordinated service planning, timed transfers, integrated and seamless fares, and more, all of which would be overseen by a more integrated regional transit governance structure.

FOSTER TRANSIT-SUPPORTIVE LAND-USE AND DEVELOPMENT

Throughout northeastern Illinois, there are many different types of development — from the urban core of Chicago to suburban downtowns and main streets throughout the region. In their many forms, these different developments provide regional residents with opportunities, such as housing, employment, education, and more. And regional residents take advantage of this diversity of options when they make important choices — like finding a community or neighborhood to live in that suits their needs, or a job that is close enough for a reasonable commute.

Those land use patterns also have a significant impact on the region's transit system. The population, employment density, and pedestrian environment near transit each affect the number of riders the system can expect to serve and the number of destinations they can expect to access. These factors positively reinforce one another. Greater levels of service can enable new developments that support additional service, as well as a more financially sustainable system overall. That financial sustainability matters, because a stronger transit system can continue to provide and expand the kinds of services upon which regional residents and communities rely every day.

However, the feedback loop can also go in reverse. Without transit-supportive conditions, providing useful transit service is both more difficult and more expensive, reducing the long-term viability of the system. As noted in ON TO 2050, "The region cannot meet its transit ridership goals without supportive development near bus and rail."⁸⁷

To support these connections, many communities have pursued the TOD model. Train stations and bus stops should be surrounded by a concentration of both housing (potential transit users) and office, retail, or other land uses (potential destinations).



Equity. Transit is an affordable mobility option for residents throughout the region, but its affordability makes it particularly important for households with lower incomes. However, the transit system is only as useful as the destinations and opportunities it connects. By concentrating more housing, employment, and commercial activity near transit, the region would improve access to affordable alternatives and lower daily costs for residents at all income levels. In doing so, the region and state would also support the long-term viability of the transit system on which so many residents rely.



Economy. Greater alignment between land use, development, and transit would increase the regional transportation system's effectiveness in connecting residents with economic opportunities. Employers would have access to a more robust talent pool and customer base. And communities would have more options to strengthen local business activity and diversify their tax bases for covering the cost of high-quality services and infrastructure.



Climate. As CMAP research has shown, communities with more transit-supportive land use practices also have lower per capita greenhouse gas emissions. Communities throughout the region should help to achieve ON TO 2050's goal to reduce emissions by better aligning land use and development policies with the success of regional transit.

In addition to supporting transit, TOD lowers household transportation costs, improves access to economic opportunities, increases revenues for local infrastructure and services, and enhances quality of life for residents.

Until recently, market demand favored other development patterns over these traditional forms, leading to lower density, greater dependence on cars, and an overabundance of parking. Today, there are many barriers to a more widespread adoption of transit-supportive practices in the region. These include:

- **Regulatory and policy limitations (e.g., density limits, parking minimums, and financing restrictions) that discourage or prohibit transit-supportive development decisions.** ON TO 2050 notes that there are significant opportunities to “Update plans, zoning codes, and development regulations to require greater densities and mixed uses near rail stations and along high-priority bus corridors with a preference toward employment rich land uses.”
- **A lack of alignment of existing programs toward TOD.** The public sector provides incentives and financial support for some development projects but has not always prioritized the use of public funds or assets toward transit-supportive development. This is contrary to the market’s growing trend towards dense walkable development as the region’s population ages and younger residents show preference for these types of places.

▪ **An oversupply of parking in proximity to transit.**

Even before the growth of remote work, many regional transit stations had significant amounts of unused or underused parking nearby, which reduces the number of potential riders and destinations within walking distance of transit.



In 2019, there were 27,000 unused Metra parking spaces on an average weekday

▪ **The full costs of private sector decision making.**

Employers’ location decisions also factor heavily into transit’s competitiveness as a reliable mode. For example, the growth of e-commerce has fueled demand for new warehouses in rural or urban edge communities — often with limited commute options and missing last-mile connections.

“We need more housing developments in areas with transit access.”

- Focus group participant, CMAP Citizens' Advisory Committee

“Plan transit services with municipalities along the train lines.”

- Focus group participant, labor representatives



Recommendation: Leverage public assets and investments to foster transit-supportive land use



Operating cost: N/A

Capital: Could scale depending on incentives and capital investments; investments could range from \$25-50M or more annually.



Governance component:

N/A

In the near term, both state and local governments can play a direct role in promoting transit-supportive land use and development by realigning the uses of existing assets and investments.

Pursue transit-oriented redevelopment of publicly owned surface parking lots and vacant parcels

Many of the region's municipalities and transit providers own and/or operate parking lots next to transit stations. The most common example is parking lots next to Metra stations, but there are also significant amounts of parking near both CTA and Pace facilities. While some parking lots remain heavily used, both as transit assets and as parking for other nearby destinations, many now provide significantly more capacity than demand currently warrants.

The state should create and fund a TOD "implementation pilot" program that offers assistance (e.g., grants, loans, and tax credits) targeted to communities that are interested in redeveloping surface parking lots or other vacant parcels near regional transit assets. Resources could initially focus on communities and sites included in transit-oriented planning efforts, such as those completed in partnership with CMAP and RTA.

Align existing incentive programs with transit-supportive priorities

There are significant opportunities within existing funding streams and incentive programs to promote transit-supportive practices. Local and state governments already commit significant resources to help fund and finance development projects throughout northeastern Illinois, such as the EDGE tax credit, sales tax rebates, tax increment financing (TIF), and Low-Income Housing Tax Credits. While some programs already encourage or reward transit-supportive practices, this is not universal. Many of these programs

should be modified to better reflect the long-term financial benefits of transit-supportive land use. State and local governments should adjust eligibility and selection criteria to align more resources with transit-oriented projects.

Recommendation: Reinforce private sector decisions that support transit



Operating cost: Initially \$0 but could scale depending on incentives.

Capital: N/A



Governance component:

N/A

While the public sector can play a role in directly funding and developing projects, most of the region's land use and development decisions are driven by the private sector. State and local governments should consider the following strategies to support private sector decisions that make it easier for transit to succeed.

Develop a comprehensive framework of transportation demand management requirements and incentives for employers

While remote work has grown significantly, most workers continue to work in person at least some of the time. To encourage transit use for commutes, the state should consider the following strategies:

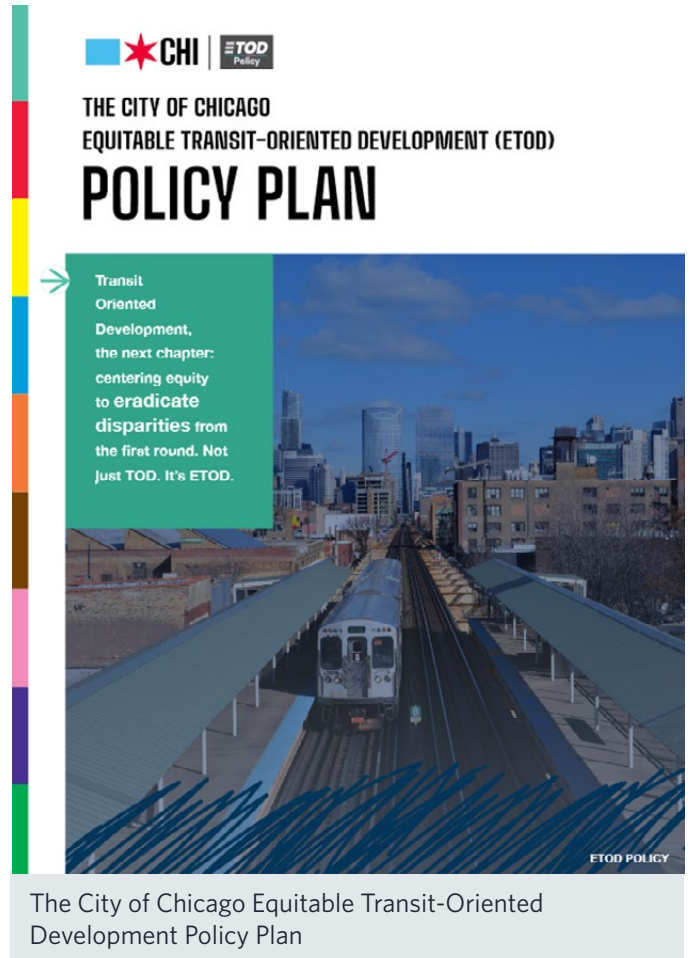
- **Require major employers to develop Commute Trip Reduction Programs.** Through these programs, employers are required to set targets for commute reductions by single occupancy vehicle, and to provide sufficient benefits or incentives to their employees to achieve those targets. This would build on successful models in Washington state; the recently enacted Illinois requirement for large employers within one mile of transit in the RTA region to participate in the federal pre-tax transit benefits program;⁸⁸ and the City of Chicago's new requirements for most new developments to implement transportation demand management programs.⁸⁹ Unlike the latter two regional examples, any new program should also apply to employers located farther away from transit.

- **Incentivize private employers to provide greater support for transit.** For example, Colorado recently passed legislation that will provide refundable tax credits to employers that offer benefits for non-car travel options, such as transit passes. Other states, such as California, have implemented parking cash out policies wherein large employers that provide free or subsidized parking to drivers offer a comparable benefit to employees that opt to use other modes, including transit.⁹⁰ Recent research from the Federal Highway Administration has found that these policies could significantly reduce overall vehicle miles traveled by commuters.⁹¹

Streamline processes for transit-supportive developments

The state should explore how best to support a more streamlined review and approval process for transit-supportive developments near existing transit nodes. Streamlining the approval process should accelerate development timelines and reduce costs, enabling more development that will appeal to residents and businesses at varying levels of income and affordability. Local communities also stand to benefit, through increased revenues from property and sales taxes.

Communities could build on recent successful efforts in the region and elsewhere. For example, the City of Blue Island’s TOD zoning district created a streamlined approval process and clear timelines for reviews. The streamlined process works as an incentive to developers to meet the existing regulations and avoid costly hearings and approval processes.⁹² The City of Chicago has also made significant progress on these policy goals in recent years, through its Connected Communities Ordinance and its Equitable Transit-Oriented Development policies.⁹³ These have significantly expanded the number of TOD-eligible parcels in the city and encouraged a broader diversity of TOD throughout the city, with a focus on equitable development.



The City of Chicago Equitable Transit-Oriented Development Policy Plan

Long-term considerations: Strengthening the connection between transit and land use

In the longer term, the strategies outlined above could be reinforced by additional efforts to shape decision making and improve the connection between transit and land use. Examples include:

- **Transit's role in development.** Development decisions matter a great deal to the success of transit systems. Transit providers could engage in multiple stages throughout the process, including financing development, engaging in development policy and review, or even acting as a developer.
- **Transit funding via increased property values.** The state already recognized that public investment in high-quality transit increases private property values, as evidenced by the Transit TIF program.⁹⁴ The state should build on this model for other transit investments, such as those necessary to advance regional rail and transit service expansion.

- **Improving the broader development environment.**

State, regional, and local partners should continue to assess how the regulatory and policy environment impacts regional development decisions. Ongoing work in northeastern Illinois as well as other regions has explored changes to parking minimums (e.g., California⁹⁵), the allowance of accessory dwelling units (e.g., Chicago⁹⁶), and adjustments to zoning and density near transit (e.g., Massachusetts⁹⁷).

Implications for transit system funding and/or governance

In addition to these targeted land use and development recommendations, the state should consider the implications of related PART revenue recommendations for land use, development, and travel decisions. For example, increased parking taxes could help to both fund transit needs and increase transit ridership.⁹⁸ Raising taxes, either on paid commercial parking users or parking lot owners,⁹⁹ could have significant positive impacts on the transit system by encouraging both transit use and transit-supportive development. These kinds of complementary transportation effects should be an important consideration in state and local action to secure the sustainable, long-term revenue necessary to support transit and broader transportation concerns.

Building on a context-sensitive approach, the state should also consider how the allocation of transit funding (for both operating and capital investments) could encourage land use and development decisions to support the system in the long term. Given limited resources, these factors should also be considered when evaluating and implementing other PART recommendations — particularly in a constrained package of system improvements. For example, the success and financial viability of a new regional rail approach would depend significantly on the market context surrounding stations. That context should be a leading factor in prioritizing corridors for initial implementation in a multi-phase approach.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

INVEST IN A UNIVERSALLY ACCESSIBLE SYSTEM

Spotlight on state and regional priorities



Equity. A more inclusive transit system that accommodates riders of all ages and abilities increases freedom of mobility and opportunity for everyone. A universally accessible system, and service that meets the needs of an aging region, reflects a commitment to equity and recognizes the diverse needs of residents.



Economy. Improving regional transit accessibility can generate greater economic returns by expanding opportunities for people with disabilities to reach more places at more times with fewer barriers. Greater transit accessibility improves workforce opportunities for people with disabilities, which is especially important given that the unemployment rate for persons with a disability is about double the rate of those without a disability.¹⁰⁰ Additionally, increased transit use reduces individual transportation costs, freeing up income for other purposes, which generates economic activity.

Many regional travelers cannot access public transit because of physical, visual, technological, or other barriers

Transit plays a critical role in connecting people with opportunities throughout the region. However, the region's transit system is not equally accessible to all residents, with particular concerns for residents with a disability or other mobility challenges.

The Americans with Disabilities Act (ADA) requires transportation providers to serve travelers of all different abilities. And the region's transit providers have made significant progress towards that goal. Every bus and rail car on the region's transit system is now accessible. Many of the region's existing rail stations have been upgraded with elevators, ramps, and other

accessibility improvements in recent years. Transit providers have identified strategies to complete these efforts, including comprehensive plans like CTA's All Stations Accessibility Program (ASAP). And additional projects are underway, including work at several CTA and Metra stations funded by large competitive federal grants¹⁰¹ and a new Pace transit center and ADA transfer facility.¹⁰²

Despite this progress, significant challenges remain. As of today, 29 percent of CTA stations and 21 percent of Metra stations remain inaccessible (those figures will drop to 19 percent and 16 percent respectively, once ongoing and already funded projects are completed). And in addition to these physical barriers, some travelers face other kinds of challenges. For example, smartphone adoption is increasingly prevalent, but it is not universal, leaving some residents with limited access to real-time travel information or transit fare products. Signage and wayfinding are available, but not always coordinated — and in some cases, may not be useful to riders with visual impairments. And while transit agencies make efforts to provide information in multiple languages, such as English and Spanish, some travelers may still encounter a system that they cannot understand.

Transit also exists within the broader transportation system, which poses additional accessibility barriers. A traveler in a wheelchair cannot access a wheelchair-accessible bus if there is no continuous and step-free sidewalk to get to the bus stop. Recent analysis based on CMAP's sidewalk inventory found that these missing connections are all too common. For example, only 35 Metra stations (14 percent of the system) have full sidewalk coverage within a half-mile.¹⁰³ A 2019 analysis from the Metropolitan Planning Council found that only one percent of Pace bus stops had full sidewalk coverage within a half-mile.¹⁰⁴ While CTA bus and rail systems are more likely to have good sidewalk connectivity, those sidewalks are only as useful as their weakest link — a missing curb cut or a broken slab. Other barriers, such as traffic signals not accessible to visually impaired travelers, can also pose significant obstacles to accessing transit. And because

of the multijurisdictional nature of these connections, improvements to off-system accessibility barriers require integrated planning and coordination between municipalities, roadway agencies, and transit providers.

Improving demand-responsive transit is critical to achieving a universally accessible system

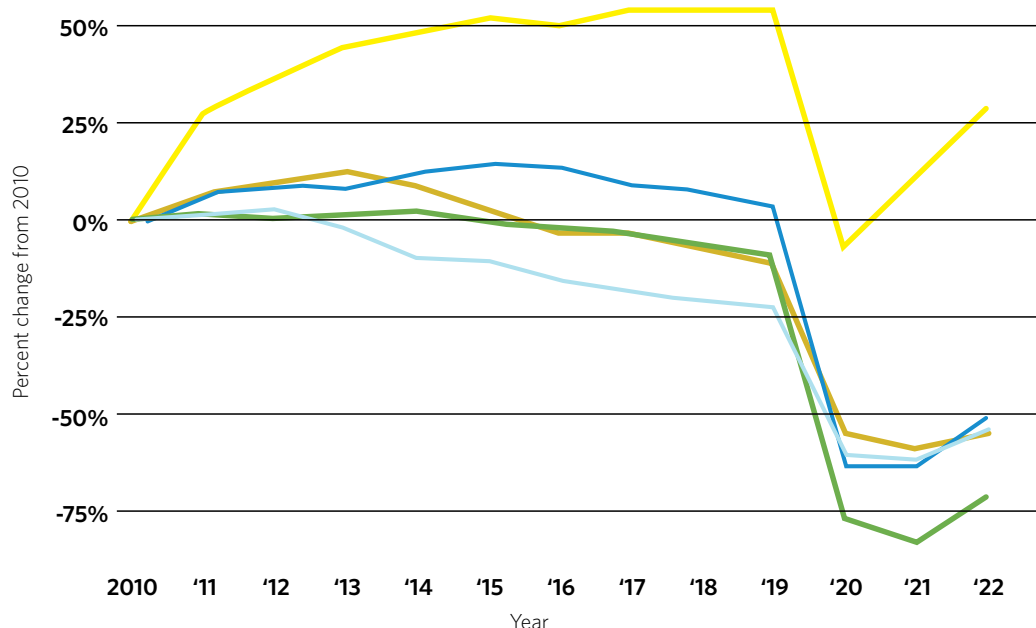
Regional travelers also benefit from a network of demand-responsive services that complement the bus

and rail networks operated by CTA, Metra, and Pace. For many residents, these services — especially the federally required paratransit services — are a critical option to access regional opportunities. As shown in Figure 19 below, paratransit ridership regrew more quickly than any other transit mode in the wake of the pandemic. And as the region’s population continues to age, this need will only increase.

Figure 19. Paratransit ridership has seen a stronger post-COVID recovery than bus and rail services

Percent change in transit ridership from 2010

- CTA bus
- CTA rail
- Metra
- Pace
- Pace ADA



Source: CMAP analysis of Regional Transportation Authority Mapping and Statistics (RTAMS) data.

Pace operates the federally required ADA paratransit services on behalf of the region.¹⁰⁵ To expand access, it launched options for paratransit riders such as the Taxi Access Program (TAP) in Chicago and the Rideshare Access Program (RAP) which expanded partnerships with ride-hailing companies in suburban communities. These programs offer additional travel options at a lower cost to both riders and service providers, which is especially important as the costs of paratransit have increased significantly over the last decade. Between 2015 and 2022, the operating cost per Pace ADA paratransit ride increased by 34 percent when adjusted for inflation.¹⁰⁶

There is also a range of other demand-responsive services in the region. Across the suburbs, various dial-a-ride programs at the municipality, township, and county levels provide demand-responsive rides for seniors, residents with disabilities, and/or other residents who need access to non-car travel options.

While these services connect tens of thousands of people to opportunities throughout the region, they may have restricted service areas, specific eligibility requirements, and unique or narrow hours. *For an overview of existing demand-responsive services and service areas, see Figure 53 in the Appendix.*

Pace and other providers have made significant progress over the past three decades to build and operate a system that meets the complex mobility needs of people with disabilities and those who rely on demand-responsive services. This includes improvements in non-ADA dial-a-ride services. For example, McHenry County improved its local patchwork approach with its MCRide program, which consolidates, coordinates, and subsidizes dial-a-ride trips throughout the entire county. Other counties, such as Lake, DuPage, and Kane have recently sought to emulate this approach in their own jurisdictions.

However, residents still face a complicated patchwork of demand-responsive transit programs with different service limitations, eligibility requirements, and unique service hours, particularly where non-ADA service (e.g., dial-a-ride) is provided. Riders and disability advocates also report challenges related to on-time performance, lengthy trips, and complicated transfers. And while options like TAP and RAP offer same-day service for ADA paratransit users, traditional paratransit service must be booked a day ahead of the trip.

It is important to note that the challenges Pace ADA paratransit and other demand-responsive services face, such as rising costs and increased wait times, are not unique to the region or to Pace. Demand-responsive services in any form are expensive to provide. Many of the most common critiques of existing service are also linked to efforts to manage and minimize cost growth. Steps to address costs and on-time performance are likely to involve significant tradeoffs, so potential adjustments should be considered carefully.

Despite functioning as distinct services, the success of demand-responsive transit also relies on a fully accessible fixed-route system. Improving the accessibility of rail stations and bus stops can enable those who would otherwise rely on ADA paratransit or dial-a-ride service to switch to fixed-route service, freeing up the capacity of demand-responsive service to support those who need it most more effectively.

Recommendation: Develop a comprehensive plan to prioritize transit accessibility investments



Operating cost: \$1-2M
Capital: N/A



Governance component:
N/A

The state should require the development of a regional accessibility plan with a clear timeline and investment needed to achieve full transit system accessibility. This should include on-system priorities, such as ramps and elevators at CTA and Metra stations. It should also include off-system priorities with a link to transit, such as key sidewalk connections to rail stations, bus stops, and bus terminals. Any plan should build on the robust efforts already underway, including CTA's ASAP plan, Pace and Metra's ongoing accessibility investments, and CMAP's ongoing work to support ADA transition planning efforts by local governments.

Like the bus priority plan recommendation above, this effort would benefit from ongoing coordination among the regional stakeholders responsible for implementation, including transit providers, roadway agencies, and municipalities.


Recommendation: Leverage technology to improve transit’s digital accessibility and ease of use


 **Operating cost:** N/A
Capital: Costs would vary significantly depending on projects; potential \$20M investment could support initial efforts.

 **Governance component:**
N/A

The state should support ongoing efforts to improve transit’s digital accessibility and ease of use. Any regional accessibility plan should include common principles, with the goal of making the transit system easier to navigate — both for riders with mobility challenges and the general public. These efforts should also build on existing work to improve the user experience, such as Pace’s partnership with the Transit app which will incorporate its demand-responsive services into the app’s trip planning functions.¹⁰⁷ These kinds of communication tools can allow more rapid information-sharing for riders with visual and auditory impairments. They can also allow riders to communicate issues (e.g., out of service elevators) quickly and easily as they arise.


Recommendation: Provide funding for improvements identified in a regional accessibility plan


 **Operating cost:** N/A
Capital: Investments could vary widely. A new state funding stream (e.g., \$50-80M) could unlock additional federal investments.

 **Governance component:**
N/A

The state should accelerate these efforts by dedicating new funding to support accessibility investments. The state should also consider how other partners, such as roadway agencies, could leverage their existing resources to support critical investments that improve accessible connections to the transit system. Any additional funding would also allow transit agencies and local governments to leverage the significant funding currently available through ongoing competitive federal grant programs.

Recommendation: Support ongoing efforts to improve options for ADA paratransit users

 **Operating cost:** (See paratransit funding recommendation below).
Capital: N/A

 **Governance component:**
N/A

The state should provide robust funding support for regional paratransit service. This would ensure the ongoing financial stability of these crucial (and federally required) services. It would also be important to consider how this support could evolve if the region were to pursue investments in additional transit service, as recommended above. Among other impacts, it could increase the scale and span of the region’s paratransit service coverage.

Additional state support would also complement Pace’s ongoing efforts to improve options available to those users even while lowering program costs, such as the recently announced RAP. As ADA paratransit continues to grow as part of the overall transit system and the need for this service increases, improving service delivery and reducing cost growth will enhance the quality and financial sustainability of the overall transit system.

Recommendation: Strengthen non-ADA demand-responsive transit service with improved coordination, integration, and governance



Operating cost: Varies depending on scope of reform. Unified dial-a-ride at county level could entail \$5-10M in funding support.

Capital: Integrated eligibility application could entail capital costs for development (variable depending on approach). More robust integration (e.g., fare system integration) would entail additional costs.



Governance component:
Yes

The state can also play a key role in strengthening and improving regional non-ADA demand-responsive service. Building on recent efforts in the region, the state should both require and fund the integration of demand-responsive programs at a larger geographic scale (e.g., county-level).

The state could maximize the impact of new funds by considering how demand-responsive service could be more robustly integrated into the transit governance and operational structure. Whether under the current service board approach or a reorganized governance structure, the state should consider reforms that improve coordination of demand-responsive services and rider experiences across the region. This could include consolidating responsibilities for determining eligibility, administering enrollment, and operating service (e.g., with Pace). Such structural reforms could also enable improvements in the customer experience, by promoting the adoption of a unified eligibility and enrollment system regionwide and/or shifting to a unified fare and payment system. State funding could also help to offset any costs related to unifying eligibility thresholds, especially if transit providers wanted to maintain access for all riders currently eligible across the various services.

Implications for transit system funding and/or governance

Many of these recommendations — especially improved support for paratransit — will require significant additional funds. However, some investments could enable cost savings over time, by enabling current paratransit riders to take advantage of newly accessible fixed-route options. Additional state funds could also unlock significant and unprecedented levels of federal funding for accessibility investments.

Leveraging new and existing funding to address system accessibility also requires a targeted, comprehensive approach to achieve the goals of a regional accessibility plan. This approach benefits from a centralized regional transit entity that can work with stakeholders (e.g., county and city DOTs and municipalities) to identify infrastructure needs, potential funding programs, and coordination opportunities around transit-adjacent facility improvements. Reforms to demand-responsive services would also require significant coordination. As noted above, these could include a more robust oversight and centralization of demand-responsive services within overarching transit system governance.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Funding the transit system **the region wants**

Bold and creative leadership is needed to embrace the transit system envisioned in PART as well as to provide new revenues that will both stabilize the existing system and invest in its future. The difficult question of how to pay for transit in northeastern Illinois has been an enduring policy challenge since before RTA was established in the early 1970s and across recurring financial crises. However, despite repeated efforts, past solutions have relied on inadequate funding sources, rigid and inflexible distribution formulas, and other compromises that have not stood the test of time. This moment presents an opportunity to craft a regional solution and put northeastern Illinois on the path to having the modern, useful, safe, clean, and affordable transit system everyone wants.

Outside of the most recent disruptions caused by the COVID-19 pandemic, transit's persistent difficulties have been driven by recurring funding issues that plague the system and shape its decision-making environment. These issues — insufficient and uneven revenue growth, distribution formulas that do not

reflect regional ridership trends and system costs, and escalating paratransit costs — have repeatedly prevented transit providers and the region from realizing system goals. Riders, especially the most vulnerable across the region, have suffered as a result of these failures. Given the ongoing and present challenges, these structural issues must be understood and addressed in tandem with new funding solutions to resolve the current fiscal cliff.

No one strategy or revenue source will produce this future state. Instead, there will need to be several solutions — some short term and some more durable and transformational — that together will enable consistent, adequate funding across the service boards to empower them to deliver the transit system the region wants. At the same time, it is essential that the funding sources that are pursued meet the policy priorities of the region and the state. This moment presents a rare opportunity to ensure the entirety of the funding system — new and existing revenues sources alike — is equitable and minimizes future impacts of climate change.

THE HISTORY OF TRANSIT FUNDING IN NORTHEASTERN ILLINOIS

The region's transit service was originally developed and operated by a broad patchwork of private mobility companies, ranging from nineteenth century horse-drawn streetcars operating in Chicago's Loop to interurban motor coaches operating as late as the 1970s.¹⁰⁸ The availability of these transit resources has been inexorably linked with the physical development of the region, enabling real estate development and commerce spreading outward from central Chicago.

However, as the private automobile gained regional prominence, many private operators began to disinvest or withdraw from the transit market. Recognizing transit's public importance and positive quality of life impacts, the region's midcentury leaders saw the need to safeguard it. To this end, the City of Chicago municipalized CTA in 1947 and, following a period of financial trouble, the state took responsibility over CTA, commuter rail, and private suburban streetcar and

bus companies when it created RTA in 1973. RTA was ratified by regionwide referendum in 1974.¹⁰⁹

To ensure the authority and viability of this newborn regional transportation system, RTA was provided with quasi-taxing powers and a state-funded annual operating subsidy of approximately \$75 million. Direct state support for RTA was ultimately replaced by local revenue sources in the years that followed. Originally introduced in 1979, the RTA sales tax was made permanent in 1983 and was accompanied by a permanent state funding match equivalent to 25 percent of annual RTA sales tax receipts. Reforms in 1983 also established Metra and Pace as they exist today and implemented a farebox recovery ratio of 50 percent to ensure fare revenues accounted for a substantial portion of the regional system's operating budget.

The 1983 reforms also established the practice of distributing RTA sales tax revenues based on where they were collected. This decision is now an artifact of history and the state and regional political process rather than an expression of the true costs of operating the public transit system or the unique costs of maintaining formerly private transit assets of varying ages. Instead, it reflects a compromise between urban and suburban interests. This decision has had long lasting effects, as seen in subsequent funding crises. Despite these efforts, the service boards once again faced budget shortfalls by the mid-2000s. To address these funding issues — both for the transit system overall and CTA specifically — the state passed a package of transit funding reforms that took effect beginning in 2008.

The 2008 reforms solved some— but not all — fiscal issues facing the transit system

The 2008 package of transit reforms substantially advanced several pressing financial challenges facing the system:

- Public revenues did not keep pace with labor cost inflation.
- Paratransit costs escalated.
- CTA faced pension insolvency.

However, reforms related to these challenges did not fully address issues arising from the 1983 funding distribution formulas, resulting in disparate impacts to the service boards.

Inflation outpaced revenue growth

Prior to the 2008 reforms, all three service boards indicated sales tax and its associated matching funds delivered through the Public Transportation Fund (PTF) were generally not keeping pace with either inflation or the cost growth of key transit service inputs, such as labor and fuel. From 2001 to 2007, labor cost inflation grew at a compound annual growth rate (CAGR) of 3.5%, compared to just 0.3% for public revenues following a sharp drop in 2007 (Figure 20). Revenue shortfalls caused the service boards to regularly divert capital funds to cover operational costs or face service cuts. The 2007 budgets for the three service boards served as warnings for the urgent threats facing the system:

FINAL DRAFT FOR APPROVAL

Pace noted that budgeted 2007 public funding only exceeded 2003 levels by 1.8 percent, despite increasing service costs due to growth in labor, healthcare, insurance, and fuel.¹¹⁰ This cost growth and stagnant revenue created a growing operating gap, which was filled with federal funds meant for the capital program, resulting in deferred capital maintenance and improvements.

Metra noted how capital investment had improved service provision and reduced operating costs, yet the agency was forced to divert \$68 million from capital to operations in 2006 due to operating cost growth exceeding fare revenue and public funding growth. They budgeted another \$71 million transfer in 2007.¹¹¹

CTA mirrored the actions taken by Pace and Metra, cutting capital budgets and transferring the funding to operations. CTA noted that, between 1985-2004, their public funding trailed inflation by more than one percent annually. If the funding had kept pace with inflation since 1985, the CTA estimated it cumulatively would have received \$1.6 billion more public funding for operations by 2004.¹¹²

One way that transit agencies have coped with a long history of underfunding is to defer capital maintenance. These actions have resulted in a large capital backlog that continues to grow. The RTA's most recent estimate found that the backlog is over \$20 billion across the three operators. This leads to higher operating costs and user experiences that fall short of what transit riders deserve.

There has been recent progress. The 2019 Rebuild Illinois capital program from the state provided \$2.6 billion in bonds and an estimated \$227 million in annual motor fuel tax revenue for transit agencies to replace aging assets and enhance the system. Recent increases in federal funding for transit capital investments, matched with Rebuild Illinois funds, are helping to move the region in the right direction. This new capital funding is projected to pause the increase in the capital backlog. However, the backlog took decades to develop, and it will take decades of consistent capital funding at these levels or higher to address it.

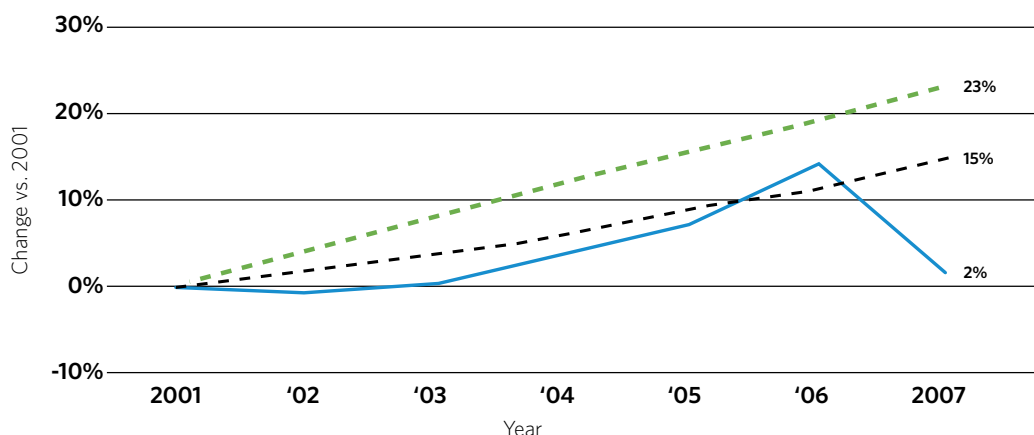
In response, the state increased public funding in 2008 to make the service boards' public revenues more competitive relative to inflation and cost growth. First, the RTA sales tax was increased by 0.25 percent across the region. Second, the state match of RTA sales tax revenue was increased by 5 percentage points (to 30 percent). Finally, a supplemental Real Estate Transfer Tax (RETT) of \$1.50 per every \$500 of the property transfer value was added onto the existing RETT in

Chicago, which was dedicated to CTA and supported by a 30 percent state match (25 percent, or 5/6 of the match, goes to CTA and the remaining 5 percent is split between the service boards via the funding distribution formula). Adding RETT to the funding package in 2008 was specifically meant to buoy CTA's operating revenues, although anticipated funds did not materialize in subsequent years.¹¹³

Figure 20. Public revenues lagged inflation while costs continued to grow

Regional transit public revenue growth in relation to inflation, 2001 - 2007

— Public revenues for transit
 - - - CPI-U
 - - - ECI



Source: CMAP analysis of RTA budget data, BLS, and FRED.

Note: CPI-U is the Consumer Price Index for All Urban Consumers. ECI is the Employment Cost Index (all civilian total compensation).

Figure 21. Summary of public revenues for transit, pre- and post-2008 reforms

Revenue source	Pre-2008 sources	2008 additions	Combined sources
RTA sales tax (on general merchandise)¹	Sales tax I (ST I): <ul style="list-style-type: none"> 0.75% in Cook County 0.25% in collar counties 	Sales tax II (ST II): <ul style="list-style-type: none"> 0.25% in Cook County 0.25% in collar counties 	ST I + ST II: <ul style="list-style-type: none"> 1.00% in Cook County 0.50% in collar counties
Additional sales tax revenues²	Cook County's 0.25% portion of state rate	Cook County's 0.25% portion of state rate	Cook County's 0.25% portion of state rate
Real Estate Transfer Tax (RETT)	N/A	\$1.50 per every \$500 of transfer price	\$1.50 per every \$500 of transfer price
Public Transportation Fund (PTF)	PTF I: <ul style="list-style-type: none"> 25% of ST I revenues 	PTF II: <ul style="list-style-type: none"> 5% of ST I revenues 30% of ST II revenues 30% of RETT revenues 	PTF I + PTF II: <ul style="list-style-type: none"> 30% of ST I revenues 30% of ST II revenues 30% of RETT revenues

Notes:

- The 2008 rate increase in the collar counties was 0.5%. Half of the increase — 0.25% — is directed to RTA, and the other half is distributed to the respective county governments for local transportation and public safety expenses. Following the 2008 reforms, the actual amount that stays with RTA is equivalent to 0.5% out of the total 0.75% collar county RTA sales tax rate.
- Since 1990, the State of Illinois sales tax rate on the sale of general merchandise has been 6.25%. The equivalent of a 0.25% rate on sales is redistributed to the county in which the sale occurred, except for Cook County, where those funds are directed to RTA. Before and after the 2008 reforms, the effective RTA sales tax rate in Cook County is 1.00% and 1.25%, respectively. For more information, see the latest version of the sales tax memo on the [PART webpage](#).

Paratransit costs escalated

In 1990, the Americans with Disabilities Act (ADA) mandated the provision of comparable transportation services for individuals who are unable to access a fixed-route transit service due to a disability, referred to as “paratransit services.” ADA paratransit has a meaningful impact on mobility options for people with disabilities, offering those residents a means to access employment, education, medical care, and other important services.¹¹⁴ The federal government does not fund this mandate; instead, states, local governments, and transit agencies must come up with local funding solutions. Initially, responsibility for providing paratransit service was shared between CTA and Pace, with Pace taking full responsibility for ADA paratransit in 2006.

Paratransit provides an essential service that supports the mobility of vulnerable residents in the region, and it has proven increasingly costly over time. In the RTA region, total expenses for paratransit have almost doubled over the last fifteen years, mirroring trends observed in other large metropolitan regions across the country. This increase in cost is driven primarily by growth in ridership demand that is expected to continue as the population ages.

Federal requirements also cap fares for paratransit rides, which constrains the system-generated revenues available to cover costs. Under the Federal Transit Act, federally subsidized transit providers may not charge more than half of the peak fare for fixed route

transit during off-peak hours for seniors, people with disabilities, and Medicare cardholders. This is not an ADA requirement, but a general condition placed on those receiving federal funding from the Federal Transit Administration (FTA).

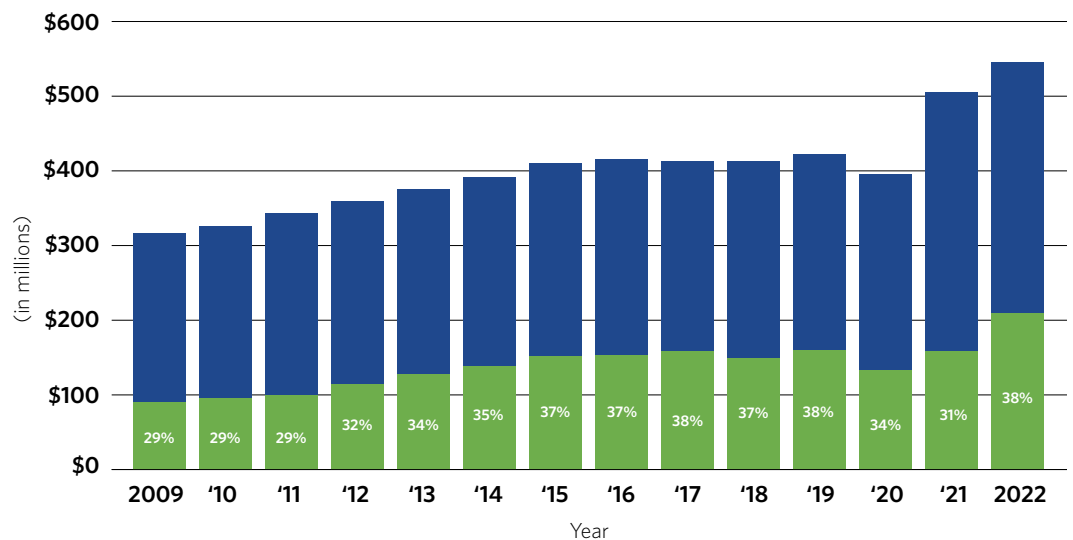
Prior to 2008, the state supported paratransit services through its annual budget appropriation process, providing \$54 million annually from 2005-2007. Because state funds did not cover the total expense of paratransit, the 2008 reforms dedicated a new funding source. By law, revenues generated from this source (Sales Tax II) must first be allocated to paratransit before funding fixed-route service in the region.

However, as costs continue to grow, the share of new local revenues allocated to paratransit has also grown. In 2022, paratransit service drew down about \$118 million more than in 2009 (Figure 22). As a result, the additional revenues remaining for CTA, Metra, and Pace to fund fixed-route bus and train service have been substantially eroded. With a greater share of Sales Tax II dedicated to paratransit every year, that source is once again losing its ability to keep revenue growth on pace with inflation. While the state continues to provide a small annual appropriation for paratransit service (\$8.4 million in FY2023), the need for the state to sustainably fund paratransit persists. Many peer states support paratransit more robustly. As an example, Minnesota will fund 100 percent of paratransit costs for the Twin Cities region starting in 2025.¹¹⁵

Figure 22. Pace ADA became a larger share of Sales Tax II and Public Transportation Fund II revenues

Statutory paratransit funding as a share of sales tax II revenues and the associated state match, 2009-2022

■ Total Sales Tax II & PTF II funds
■ Pace ADA drawdown of Sales Tax II & PTF II funds



Source: CMAP analysis of RTA budget data.

CTA's pension faced insolvency

Another central objective of the 2008 transit reforms was averting a CTA pension collapse. By 2007, CTA's pension was only 30 percent funded and faced imminent insolvency.¹¹⁶ In response, the state authorized CTA to use pension obligation bonds (POBs) to inject \$1.1 billion into the pension fund, while also separating retiree healthcare, relieving CTA of any future responsibility for healthcare costs.

The reforms also introduced new requirements that compel CTA to continue to make financial progress toward meeting its retirement obligation to retirees. By issuing the pension bonds, CTA assumed responsibility for paying POB debt service, drawing down about \$156 million per year through 2040, in addition to the employer contributions required to meet the statutory funding schedule (Figure 23). Specifically, the legislation requires that CTA maintain a minimum 60 percent funded level in the pension through 2039 and

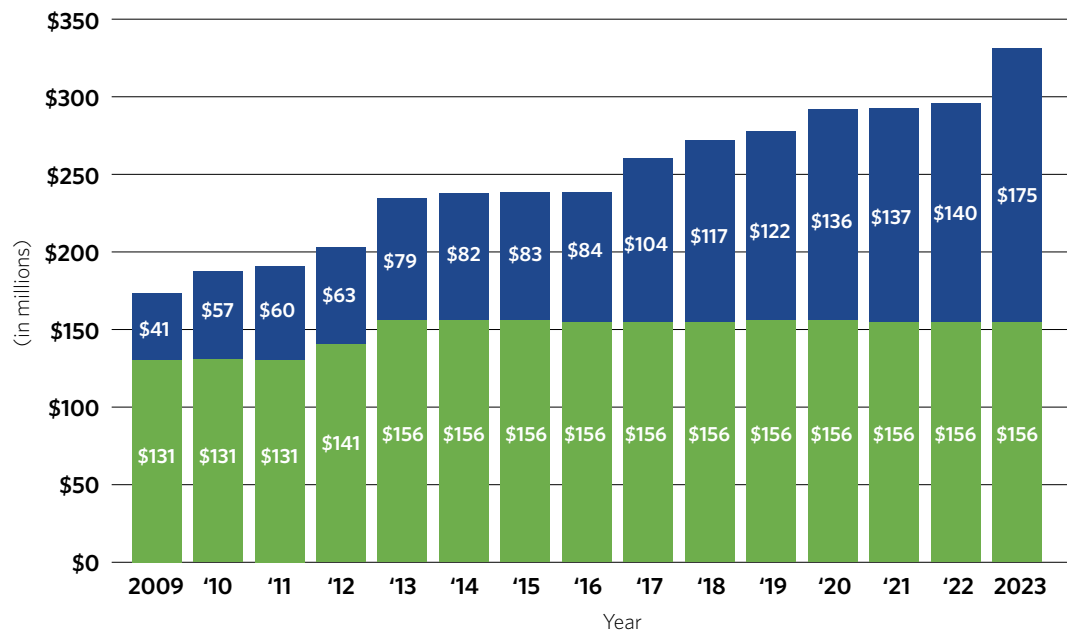
reach 90 percent funded by 2060. If the pension is less than (or falls below) 60 percent funded prior to 2039, contribution rates (both employer and employee) are increased to achieve the 60 percent level within ten years. CTA payment of POB debt service and employer pension contributions comes from its annual operating budget.

For several years, the CTA pension has been below 60 percent funded (e.g., 55 percent funded in January 2022), resulting in drastic CTA contribution increases to comply with the statutory requirements. CTA's employer contribution was \$41 million in 2009 but has grown to a budgeted \$175.3 million contribution in 2023. Employee contributions have also increased, more than doubling from 6 percent of payroll in 2008 to 13.2 percent in 2023. Taken together, CTA and its employees are now paying over \$400 million toward the pension annually.¹¹⁷

Figure 23. CTA annual employer pension contributions have increased significantly since 2009 (in millions)

CTA annual pension expenses, 2009-2023

- Pension obligation bond debt service
- Employer contribution



Source: CMAP analysis of CTA budget and actuarial data.

Note: 2009-2021 actual figures, 2022 estimate, 2023 budget

While the 2008 reforms successfully averted the collapse of the CTA pension fund and put it on a corrective path towards solvency, the new statutory requirements obligate an increasing amount of funding from CTA's operating budget each year. In 2023, employer contributions and POB debt service account for almost 20 percent of CTA's annual operating budget and consume all of CTA's 2023 distributions from the 2008 reforms (ST II, PTF II, and RETT).

When CTA's pension is fully funded, it should generate returns that match the required contributions and no longer rely upon operating budget subsidies. The current contribution schedule would fully fund the pension by 2038. However, while CTA is obligated to maintain 60 percent pension funding until 2040, there is no mandate that it meet 90 percent or full pension funding before the statutory deadline of 2060. Once CTA exceeds the 60 percent threshold, it is within its rights to reduce contributions and target 90 percent funding by 2060. Doing so will only prolong

the strain that pension contributions place on CTA's operating budget. Even if CTA continues to pursue an aggressive contribution schedule, the discount rate used to calculate future unfunded pension liabilities is also quite high — 8.25 percent — which could be underestimating the funding needed to stabilize the pension.

Distribution formulas continue to reflect revenue collections, not system needs

In 2008, new distribution formulas for the incremental sales tax revenues added specific set-asides, such as distributions for paratransit and CTA's RETT funding. The remainder of the new funds (ST II and PTF II) were distributed according to a ratio that was developed in part to reflect the prior, location-based distribution levels (Figure 24). As a result, although overall public revenues for transit grew following the reforms, their distribution continued to emphasize the geographic source of revenue over the costs of where service is provided.

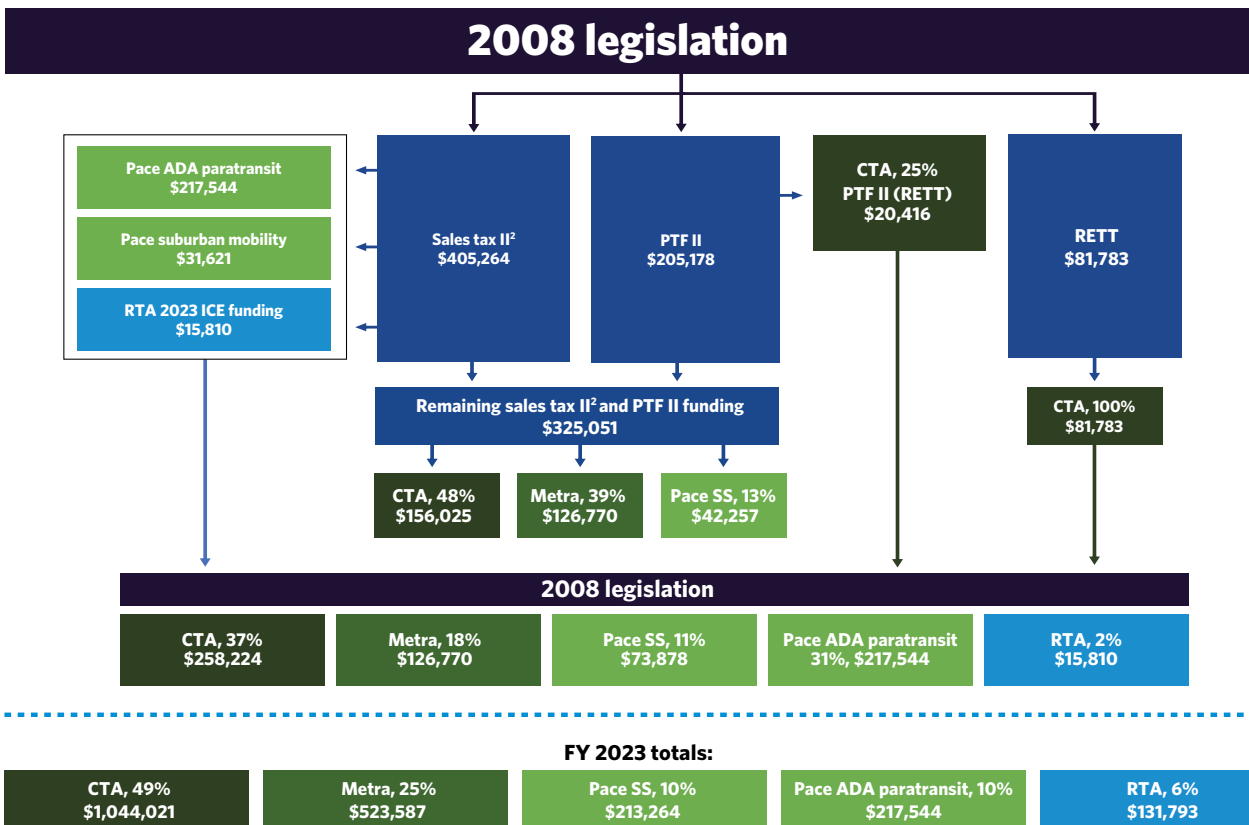
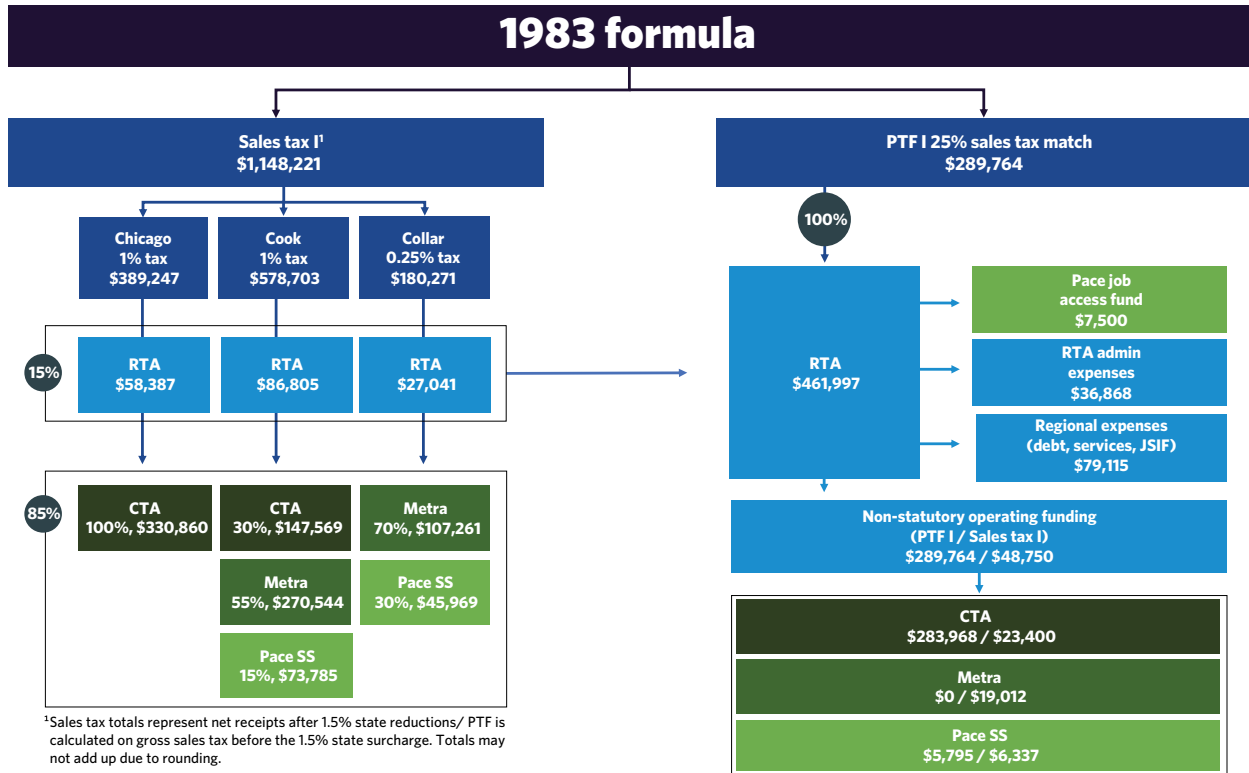
Figure 24. Distribution formulas

ST I (after RTA distributions)	Statutory distributions based on location			Effective distribution formula
	Chicago	Cook (remainder)	Collar counties	
CTA	100%	30%	-	49%
Metra	-	55%	70%	39%
Pace	-	15%	30%	12%
PTF I	Discretionary			

ST II and PTF II (after ADA and other distributions)	Statutory distribution formula
CTA	48%
Metra	39%
Pace	13%

Note: Effective distribution formula for ST I funds is calculated based on 2023 funding and the subsequent allocations. Source: CMAP analysis of RTA budget data.

Figure 25. The 2008 reforms layered additional complexity on the existing 1983 funding distribution structure.



Pace SS = Pace Suburban Service
PTF = Public Transportation Fund

ICE = Innovation, Coordination, and Enhancement program
RETT = Real Estate Transfer Tax

² Includes ICE funding to be distributed to service boards in 2025

69 Note: Effective distribution formula for ST I funds is calculated based on 2023 funding and the subsequent allocations.
Source: CMAP analysis of RTA budget data.

Revenue impacts differed across the service boards after 2008

These forty-year-old distribution formulas fail to meet the changing needs of the region. This is best illustrated by the disproportionate budget trends observed across the service boards in the decade between the 2008 reforms and the COVID-19 pandemic, and the decisions about service provision that followed.

Between 2009 and 2019, Metra and Pace’s total inflation-adjusted revenues — which are a result of both public and system-generated revenues — grew by 19 and 11 percent, respectively, while CTA’s total inflation-adjusted revenues grew by just 3 percent. Metra and Pace benefitted from the influx of ST II and PTF II revenues and no longer needed to rely on transfers from capital to provide service. As discussed above, they also both increased fares at a rate that exceeded inflation. As a result, both service boards experienced revenue growth (their total inflation-adjusted revenue grew at a CAGR of 1.7 percent and 1.0 percent, respectively). The cost to provide a given amount of transit service also grew over time, but

not as quickly as revenues. This dynamic allowed both Metra and Pace to enhance their service levels despite ridership declines.

Conversely, the new revenues that flowed to CTA through the funding distributions were insufficient to account for previous operating deficits, to accommodate the effectively new pension obligation costs, and to continue providing service at the same level. Compared to Metra and Pace, CTA’s inflation-adjusted revenues grew at a CAGR of just 0.2 percent between 2009 and 2019, which was insufficient on its own to cover increases in the costs of providing transit service over the same period (Figure 26). The new public revenues did allow CTA to limit and eventually eliminate its prior practice of diverting federal capital dollars toward operations. While this allowed for increased capital investment, it also offset what would otherwise have been increased operating funding. And although CTA raised fares slightly faster than the rate of inflation, its inflation-adjusted, system-generated revenues were essentially flat between 2009-2019 due to ridership declines.

Figure 26. Revenue and cost growth by service board

Compound annual growth rate, 2009-2019 (adjusted for inflation)	CTA	Metra	Pace Suburban Service
Revenue growth (includes both system-generated revenues and public funds)	0.2%	1.7%	1.0%
Growth in the costs of transit service provision (cost per vehicle revenue hour)	1.3%	1.1%	0.7%
Difference (revenue-cost)	-1.0%	0.6%	0.4%
Service change (vehicle revenue hours)	-0.7%	0.8%	0.5%

Source: CMAP analysis of RTA budget data.

Note: Revenue and cost figures were adjusted for CPI-U rates. Public funds include transfers from capital funding sources. Pace Suburban Service figures do not include revenue or costs related to Pace ADA paratransit. Numbers may not add due to rounding.

Another key reason the 2008 reforms have not benefitted CTA in the long run is the chronic underperformance of the City of Chicago's RETT as a revenue source for transit. Created in 2008 as a CTA-specific funding source, RETT was originally projected to generate \$67.5 million in 2009 and serve as a revenue source to secure CTA's pension obligation bonds.¹¹⁸ In reality, RETT only generated \$25.1 million

in 2009 due to the collapse of the housing market and subsequent Great Recession.¹¹⁹ With underperforming public revenues and only modest fare revenue growth, CTA began to cut service to maintain a balanced budget shortly thereafter. Following the region's recovery and stabilization of the housing market, annual RETT revenues have rarely met anticipated levels.

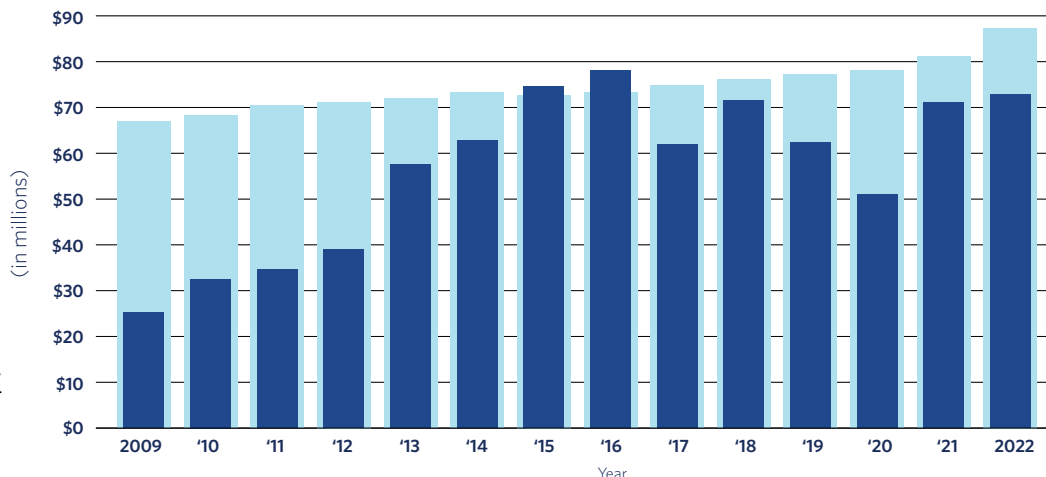
Figure 27. Revenues to CTA from the Real Estate Transfer Tax, 2009-2022

Anticipated and actual RETT receipts, 2009-2022

■ Actual City of Chicago RETT
 ■ Anticipated RETT

Source: CMAP analysis of RTA budgets.

Note: Anticipated RETT figures based on original 2009 projection, \$67 million, and annual percent change in Consumer Price Index for All Urban Consumers (CPI-U) to show figures in respective unadjusted year of expenditure



Cost trends were favorable prior to the pandemic

Since the influx of new public funding from the 2008 reforms, the service boards have demonstrated responsible financial stewardship. The service boards were more efficient than peer metropolitan transit systems across service types prior to the pandemic (Figure 28). In 2019, CTA spent \$41 and \$93 less per vehicle revenue hour for urban bus and urban rail service, respectively, in comparison to peer averages.

Pace similarly spent \$30 and \$15 less than peer averages for suburban bus and paratransit service, respectively, in the same year. Despite the present-day macroeconomic challenges from inflation and a tight labor market, the service boards continue to practice cost containment by operating service at efficient unit costs that confirm responsible stewardship of public funding.

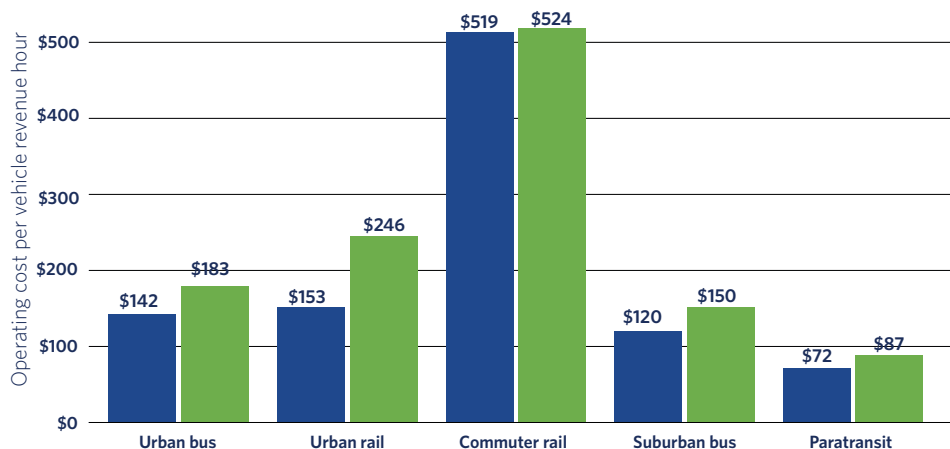
Figure 28. RTA service boards' cost efficiency relative to peers, 2019

RTA Service Boards vs. Peers: Operating cost per vehicle revenue hour, 2019

■ RTA region
 ■ Peer benchmark

Source: CMAP analysis of the 2019 RTA sub-regional peer review.

Notes: 1. Operating cost per vehicle revenue hour: total operating cost divided by the hours that vehicles travel while in revenue service.
 2. Averages are calculated from select peers by mode in the RTA's 2019 benchmarking.
 3. Urban bus and urban rail = CTA, Commuter rail = Metra, Suburban bus = Pace, Paratransit = Pace ADA



There are opportunities to learn from past reforms

The 2008 reforms ultimately had mixed results that should inform the next set of policy solutions. Although public revenues are stronger than they once were, neither their level nor distribution mechanisms reflect the present-day or future needs of the entire region. And despite the identification of dedicated paratransit funds and progress on CTA pension funding, regional costs continue to impact the system's sustainability and impede progress toward the system the region wants.

Like many public entities around the state, CTA's pension fund will continue to serve as an operating cost center until it is fully funded. It is recognized that a significant amount of operational funding is being diverted to the pension, a situation that must be addressed if transit funding is to be viable and sustainable. Solving the CTA pension crisis is beyond the scope of this document as it demands a deeper understanding of the potential solutions (and their anticipated effects) than this process has allowed. As the state assesses the various underfunded pension systems throughout Illinois, it should convene the necessary subject matter experts and engage in the required actuarial and legal analyses to craft a holistic solution.

NEW REVENUE SOLUTIONS FOR A STRONGER TRANSIT SYSTEM

A strong transit system plays an important role in addressing our shared goals of equity, climate resiliency, and economic growth. New revenue solutions also present the opportunity to solve existing structural funding issues once and for all. The region and state have many options to consider to best meet these goals. CMAP analyzed dozens of potential revenue sources to help define a reasonable universe of options for the legislature and regional leaders. Through PART, six principles have emerged to help frame the discussion around revenue options.

Transit funding principles

The transit system must continue to contribute substantial revenues to help meet operating needs

RTA and the service boards need to raise passenger fares over time to keep pace with inflation, while also demonstrating responsible financial stewardship through cost containment and efficiency measures. The region expects system-generated revenues to continue to constitute a substantial portion of transit funding, even after accounting for pandemic-related ridership declines.

The state should provide more robust support for transit in northeastern Illinois

At 17 percent of total operating revenues in 2019, the Chicago region receives less state support for transit compared to metropolitan peers. Even within Illinois, downstate fixed route and paratransit systems have up to 65 percent of their operating needs met by the state.¹²⁰ Substantial, predictable, and sustainable state support is needed to operate a regional transit system that meets user and stakeholder expectations.

Paratransit must have stable, dedicated funding

The cost of providing federally required transit service for people with disabilities has more than doubled over the last two decades. As the country's population continues to age, paratransit demand and costs will only increase. The region's transit system should not be expected to shoulder this burden alone. Direct state support is needed to sustainably fund these critical mobility services.

Transportation revenues should fund transportation investments

Transit is a core component of the statewide mobility system. Revenues coming from flexible federal sources and transportation user fees should support the goals of the entire surface transportation system. Over time, revenue sources with a strong tie to transportation should become a greater share of the sources dedicated to meeting the overall system’s needs.

Funding solutions should deliver benefits for equity and climate goals

Wherever possible, revenues should be designed to help introduce more progressivity into the existing tax or fee structure and responsibly manage any burdens placed on low-income households. Similarly, revenues that can help mitigate greenhouse gas emissions by managing congestion or changing the incentive structure around driving should also be prioritized. These strategies can help the state meet its broader policy commitments.

Revenues must maintain buying power over time

The inability of revenues to keep pace with the real cost of fuel, materials, and labor has been a chronic issue plaguing transit for the last fifty years. To avoid the gradual decay of transit funds, decision makers should take care to provide for automatic or periodic adjustments over time. Typically, this is done by indexing a tax or fee rate to inflation or some other benchmark.

A transformational investment

To achieve “the system we want,” the region and state will need to make significant and sustained investments in the regional transit system. As shown in Figure 30, that system would require \$1.5 billion in new operating support for transit, along with a combination of one-time and annual capital investments. This would be a transformational commitment that reflects the many social, environmental, and economic benefits that transit can deliver for the region and the state. It would also enable a huge leap forward in modernizing the transit system and creating compelling reasons for riders to return.

Figure 29. Operational cost needs by improvement area

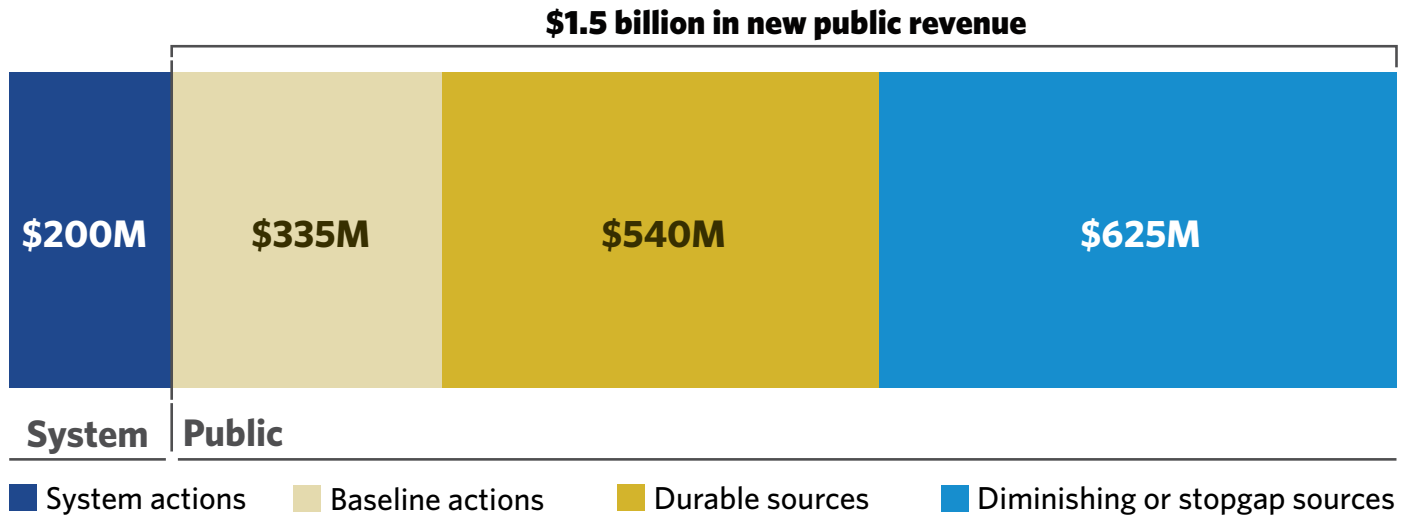


Note: Values are approximate, illustrative of scale, and would require complementary capital investments.

It will take a combination of revenues sources to fund these transformational investments. Success will require a coordinated effort between state and regional leaders and the region’s transit providers, who together can deliver the system efficiencies and public revenues needed to address both transit’s longstanding fiscal challenges and the current funding gap.

Figure 30 outlines a funding package that can serve as a jumping off point for the General Assembly’s consideration of the opportunities and tradeoffs related to designing a transit funding solution for 2026 and beyond.

Figure 30: Revenues to support a transformational investment



System actions		\$200M
Contain cost growth and ensure fare revenue stability		\$200M
Baseline actions		\$335M
Full paratransit funding from the state		\$220M
Fully fund existing state reduced fare mandates		\$85M
Remove state service fee on RTA sales tax		\$30M
Durable sources		\$540M
Expand sales tax base, lower state rate — broad selection of services		\$315M
New sales tax state match flowing through existing formulas (broad)		\$95M
Expand commercial parking tax in downtown Chicago		\$65M
In-region vehicle registration surcharge (+\$10/car)		\$65M

To address the rest of the identified operating funding need (\$625M):

The state should consider a near-term selection of diminishing or stopgap sources . . .

Diminishing or stopgap sources	
Raise RTA sales tax in region by 0.25% (including base expansion)	\$545M
Raise tolls on existing Tollway facilities (excluding trucks)	\$180M
MFT surcharge (+5¢/gallon)	\$135M

. . . while planning for stable long-term revenues that align with climate, equity, and mobility goals

Long-term revenue sources
Road usage charge (transit increment and/or congestion pricing)
Expand tolling to un-tolled expressways
Introduce CBD cordon
Financialize future carbon policies

Transformational investment would require additional capital investment, estimated to be \$400M+ annually and \$220M in one-time investments

Revenue categories

The revenue options explored in this plan differ substantially from one another in terms of their administrative feasibility, implementation timeline, and expected performance over time. To support the discussion about how revenues could fit together, they are divided into six categories.

SYSTEM ACTIONS

While new public funds will be required to address the fiscal cliff and fund transit system improvements, there are also opportunities for the transit system and its users to help close the gap. The regional transit system will need to maximize the value of new funds by containing cost growth, while also maintaining stable contributions from riders through reasonable transit fare increases.

BASELINE ACTIONS

PART has identified a set of baseline actions will help close the \$730M gap. These actions will share the burden of transit agencies' state and federal mandates with the state, but do not speak to how the state should fund its baseline support.

DURABLE SOURCES

Durable solutions are revenues sources that are reasonably expected to continue to generate revenues for the foreseeable future. These sources align with the funding priorities for selecting revenues and can feasibly be implemented in the required timeframe. Figure 30 includes four durable sources that CMAP recommends be adopted in any package of new transit funds.

If implementation is stalled on one or more of the recommended durable sources, PART also includes a discussion on other durable solutions that could be available as an alternative.

DIMINISHING OR STOPGAP SOURCES

These sources are reasonable short-term funding streams that are not fully aligned with the priorities for selecting revenues. These revenues would enable the transit system to begin the journey toward becoming a world-class system until more appropriate and

sustainable sources can be produced. The General Assembly could select a subset of the sources displayed on Figure 30 to address the remaining funding need.

LONG-TERM REVENUES

Several of the revenues are highly aligned with revenue priorities, but will require significant planning, federal rule changes, or new technology to implement. Therefore, these revenues are not practical short-term solutions to avoid the fiscal cliff. However, work should continue to move the system to more equitable revenues that have a strong nexus with transportation. Action today can accelerate the movement toward these revenues. As these revenues become available, other revenues from any diminishing or stopgap sources could be retired.

CAPITAL INVESTMENT OPTIONS

Improving or transforming the transit system cannot be done with operating means alone. While primarily focused on meeting the operating budget shortfall, PART identifies capital improvements designed to achieve the system we want and incentivize transit ridership. Many of those improvements have capital costs.

The capital funding sources identified in Figure 31 are relatively flexible funding sources that can be adjusted or combined in different ways to fit the funding needs identified by the legislature. While there will be implementation considerations for each capital funding source included, short-term capital options can feasibly be realized by 2026. The sources identified as long-term capital options will require more planning, coordination, and technological progress before they can be realized. As noted below, some revenue sources might also be available as both operating revenues and capital investment sources.

It is important to note that, in addition to these costs, the region continues to experience large state of good repair backlogs (estimated to be \$22.1 billion between 2023 and 2050 in the region's Financial Plan for Transportation). With the passage of Rebuild Illinois and the Infrastructure Investment and Jobs Act, growth of the state of good repair backlog has been paused, but the backlog remains and will grow again if current funding levels are not sustained.

A PACKAGE OF REVENUE SOLUTIONS

The transformational investment concept shown in Figure 30 maximizes baseline actions and durable revenue sources to address the impending funding gap. It also includes all the baseline actions identified, including the state fully funding mandated paratransit and reduced fare costs. The package further relies on durable sources that should be implemented to make the system’s funding more fiscally sustainable, progressive, and climate-friendly: expanding the sales tax base to include a broad range of services, increasing commercial parking taxes in downtown Chicago, and imposing a regional surcharge on vehicle registrations. If the region and state are unable to reach consensus on these revenues, other durable revenues outlined below could replace them, such as a higher parking tax, a higher vehicle registration surcharge, or a payroll tax.

To meet immediate funding needs, some diminishing sources will be needed to achieve transformational investment. Raising the RTA sales tax rate in combination with a sales tax base expansion would provide funds that are critically needed to avoid the transit system’s financial collapse. However, as more appropriate sources are identified and implemented, this temporary RTA sales tax increase can sunset. Similarly, increasing tolls for passenger cars on existing toll highways and dedicating that increment to transit provides the funds needed in the near-term, while other solutions that provide greater ties with road usage, congestion management, and climate outcomes — such as road usage charges and congestion pricing — should be explored over time.

Figure 31. Capital funding options to support improvements















Short-term capital options	
MFT surcharge (+5c/gallon)	\$135M
MFT surcharge (+10c/gallon)	\$270M
Flexing state federal road funding to transit (low)	\$100M
Flexing state federal road funding to transit (high)	\$150M
Raise tolls on existing Tollway facilities (excluding trucks)	\$180M
Raise tolls on existing Tollway facilities (including trucks)	\$450M
Long-term capital options	
Road usage charge — increment on MFT replacement	varies
Road usage charge — congestion pricing	varies
Expand tolling to un-tolled expressways	varies
Introduce CBD cordon (low-fee scenario, NYC model)	up to \$765M
Introduce CBD cordon (high-fee scenario, London model)	up to \$1.3B
Financialize future carbon policies	varies

















With fewer resources, some elements of Transformational investment would remain out of reach

Achieving the full vision of “the system we want” will require an unprecedented funding commitment from the region and state. Without full funding for those improvements, however, the region’s transit system would have to scale back its ambitions, falling short of

achieving “the system we want” in important ways. To inform legislative discussions on the tradeoffs involved in lower levels of funding, Figure 32 below outlines what might be possible in the full *Transformational investment* package in comparison to a more limited (although still significant) *Meaningful change* package of \$1 billion in new annual operating investments and at least \$200 million in ongoing capital investments.

Figure 32: Transformational investment could enable a fundamental shift in regional mobility but meaningful change can still be realized in incremental ways

Recommendation	Transformational investment	Meaningful change
Restoring and investing in transit service		
 Prioritize restoring and investing in regional transit service levels: Address the gap	Included	Included
 Require transit providers to develop an overarching regional transit service framework	Included	Included
 Leverage the regional transit service framework to guide decisions on service improvements and related capital investments	Included	Included
 Prioritize restoring and investing in regional transit service levels: Invest in new transit service	\$500M operating + necessary capital	\$250M operating + necessary capital
Integrated and affordable fares		
 Plan for ongoing fare increases to keep pace with inflation	Included	Included
 Provide a low-income fare subsidy	Included	Included
 Provide a youth fare subsidy	Free for youth	Unified discount for youth
 Implement fare capping	Included	Included
 Fully integrate fares among the three service boards and other complementary systems	Additional funds would allow for some revenue loss with integration	Included
 Grant authority to transit agencies to enforce fare violations	Included	Included
Faster and more reliable bus service		
 Develop a regional bus priority plan and establish an interagency structure accountable for its implementation	Included	Included
 Dedicate funding to implement bus priority plan	Larger program	Smaller program
 Build staff capacity at roadway agencies to support bus priority	Included	Included
 Enable automated camera enforcement for bus lanes and stops	Included	Included

Public confidence		
 Increase staff presence through a pilot transit ambassadors program	Larger program	Smaller program
 Expand partnerships with local and state social services agencies	Included	Included
 Invest in infrastructure that meets riders' concerns about transit security	Larger program	Smaller program
 Invest in infrastructure that improves system cleanliness	Larger program, could include bathroom access	Smaller program
 Improve two-way rider communication between riders and transit operators, by using existing and new mobile applications	Included	Included
 Improve monitoring and reporting of transit system safety outcomes and best practices	Included	Included
Rebuilding a ridership base		
 Identify needs and dedicate funding to support Metra's transformation into a regional rail provider	Larger program, could include additional corridors	Smaller program, fewer corridors
 Support station-area development and infill station opportunities to spur economic activity and address gaps in access	Included	N/A
 Integrate planning for regional rail into railroad and freight system investments	Larger program (could include funding)	Smaller program (planning)
 Leverage public assets and investments to foster transit-supportive land use	Larger program	Smaller program
 Reinforce private sector decisions that support transit	Included	Included
Universal accessibility		
 Develop a comprehensive plan to prioritize transit accessibility investments	Included	Included
 Leverage technology to improve transit's digital accessibility and ease of use	Included	Included
 Provide funding for improvements identified in regional accessibility plan	Larger program	Smaller program
 Support ongoing efforts to improve options for ADA paratransit users	Included	Included
 Strengthen non-ADA demand-responsive transit service with improved coordination, integration, and governance	Larger program, could include additional investments in demand-responsive service	Smaller program
Cost		
Operating	\$1.5 billion annually + \$200M in savings/fare increases	\$1 billion annually + \$200M in savings/fare increases
Ongoing capital	\$400M+	\$200M
One-time capital	~\$220M	~\$220M

OPTIONS FOR FUNDING PACKAGES

The state has numerous options for providing new resources to support transit. This section summarizes the top sources assessed by CMAP for PART.

System actions

Throughout the PART process, stakeholders from across the region have emphasized the importance of good fiscal stewardship by the entities entrusted with the transit system's operation. Although the service boards in northeastern Illinois have already achieved substantial efficiencies in comparison to their national peers, there is a strong desire to see the system itself take a leading role in the financial solution to the fiscal cliff. To achieve this goal, the transit system can pursue efforts to contain future cost growth and ensure that fare revenue remains a stable and significant source of funding overall.

Operational and structural savings **System**

Responsible financial stewardship by the transit system is the utmost priority. In addressing the fiscal cliff, RTA and the service boards must continue to identify efficiencies and cost savings that demonstrate the system is adapting to the current financial and ridership situation. The service boards do already have a strong record of financial stewardship. Historically, the service boards in the RTA region have outperformed peers by providing transit service at a cheaper per unit cost (Figure 28), but inflation has impacted transit operations across the country and labor markets are highly competitive. To contain costs as much as possible moving forward, the service boards must continue this success and seek innovative solutions and best practices that unlock greater efficiencies and savings. For context, a one percentage point reduction in system cost growth rate relative to 2023 budgets would yield more than \$100 million in savings annually by 2026.¹²¹

It is important to note that any savings and efficiencies should be pursued with the rider in mind. Actions that save money today while making the system less attractive for its users are unlikely to yield long-term success. However, the PART report has also identified some recommendations that could reduce costs

while improving the rider experience. For example, investments in bus priority can increase average bus speeds, thus allowing operators to increase the amount of service they run without increasing costs. Based on 2021 figures, increasing bus speeds by an average of 10 percent could enable more than \$50 million in annual savings.¹²² More broadly, rethinking how the service boards can provide more productive or cost-efficient service with existing assets is a key pathway to realizing greater efficiencies and cost savings.

Maintaining fare revenue **System**

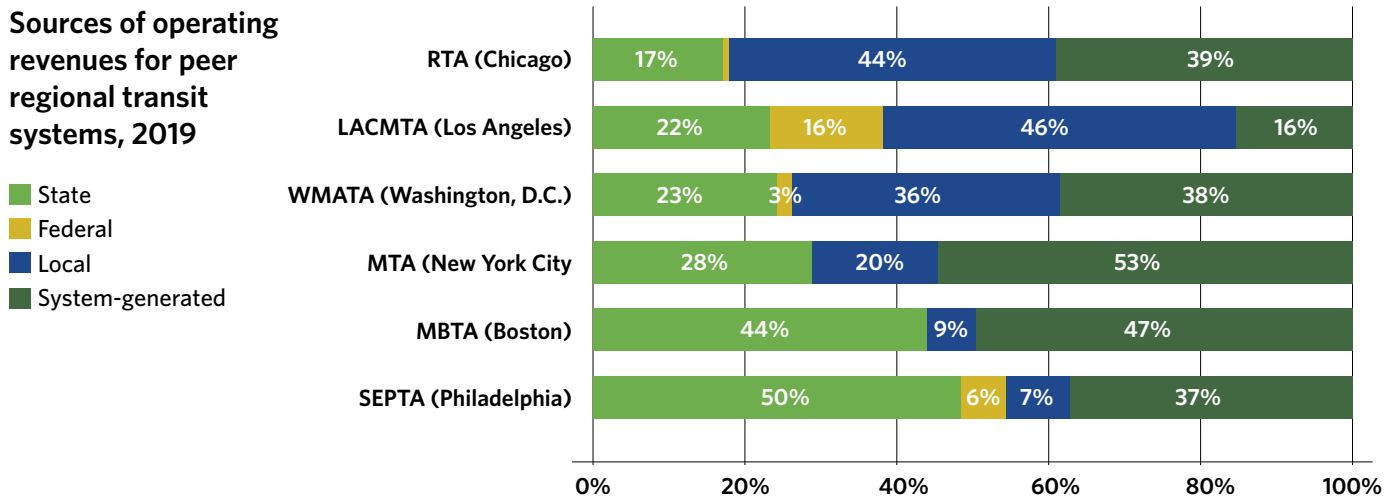
CTA, Metra, and Pace have regularly increased fares over the last two decades to align system-generated revenues with system costs. These fare increases have kept pace with, and in most cases exceeded, the annual rate of consumer price inflation (CPI) and employment costs. However, as the cost of labor, materials, and energy continue to rise faster than before the pandemic, operating expenses will continue to grow faster at a time when the agencies face an unprecedented fiscal cliff. While the service boards reduced fares to attract riders back to post-pandemic transit, PART recommends a return to fare increases and an expansion of income-based fare subsidies. As noted above, adjusting fares to partially offset recent inflation could yield \$100 million in additional fare revenue.

Existing fare revenue forecasts also assume that ridership will remain significantly below pre-COVID levels through the end of the decade. If the service boards succeed in attracting former, current, and new riders to use the system in greater numbers, the associated fare revenue would also provide additional system-generated funding for ongoing operations.

State funding for mandated programs

The State of Illinois' current support for RTA is insufficient and, as a portion of total operation revenues, lags the levels of support provided to peer transit systems (Figure 33). To address this funding shortfall, the state should fully fund paratransit services and other mandated programs such as fare subsidies.

Figure 33. State support for transit as a share of total operating revenues is greater for peer transit systems



Notes: 1. State and federal revenue sources are assistance from those levels of government. Local revenue sources includes local government assistance and agency revenue from taxes and fees. System-generated revenue includes fare revenue, donations, and other agency generated funds.

2. The Regional Transportation Authority (RTA) includes the Chicago Transit Authority (CTA), Metra, Pace Suburban Bus, and Pace ADA paratransit. The Metropolitan Transportation Authority (MTA) includes New York City (NYC) Transit, Metro-North Railroad, Long Island Railroad, MTA Bus, and MTA Staten Island. The Los Angeles County Metropolitan Transportation Authority (LACMTA), Massachusetts Bay Transportation Authority (MBTA), Southeastern Pennsylvania Transportation Authority (SEPTA), and Washington Metropolitan Area Transit Authority (WMATA) are independent public agencies.

Source: CMAP analysis of RTA and National Transit Database data.

State funding for paratransit Baseline

Required by the ADA, paratransit services are comparable transportation services for individuals who are unable to access a fixed-route transit service due to a disability. Paratransit services must be provided within a three-quarter mile buffer around any fixed-route bus or rail transit during service hours and fares cannot exceed twice the cost of a full-fare, similar fixed-route trip (commuter rail is not included in the service requirement, so this does not apply to Metra). Provision of paratransit is an unfunded federal mandate, requiring states, local governments, and transit agencies to come up with local funding solutions.

Given paratransit requirements and both the nature and need for the service, paratransit is considerably more expensive than traditional, fixed-transit service. A 2012 report from the U.S. Government Accountability Office found that the average cost of an ADA paratransit trip was \$29.30, which was about 3.5 times more expensive than the average cost of a fixed route

trip (\$8.15).¹²³ Total expenses have increased annually for paratransit providers across the country until only recently, when decreased ridership from the pandemic caused a brief reduction in spending.

As discussed above, securing sustainable paratransit funding that is responsive to expense growth is a consistent challenge for the region. Despite receiving \$54 million in annual state funding in 2005-2007, regional paratransit services were operating at a deficit prior to the 2008 transit reforms. Through the reforms, the state legislature reduced its annual appropriations for paratransit and replaced state paratransit funding with a 0.25 percent increase in the RTA sales tax rate (ST II) and an increase in the state match of local sales tax revenues (PTF II). The state required that revenues from ST II be allocated to cover paratransit prior to funding other, fixed-route transit service in the region.

The 2008 funding reform effectively shifted the paratransit funding burden from state line-item

appropriations to the RTA service region. Consequently, since 2008, state appropriations for paratransit have dwindled in comparison to the funding needed to provide the service (\$8.4 million in 2022). Although the state reduced its dedicated paratransit support by decreasing annual appropriations, it increased discretionary transit funding through the state match on the RTA sales tax. The state also provided more funding via the increased RTA sales tax rate and the increased state match, which initially helped to offset the region’s greater responsibility to fund paratransit. However, this funding solution has failed to address continued growth in paratransit costs. Coupled with growing demand, paratransit services have increasingly commanded ST II revenues over time, leaving less funding for fixed-route transit service. In 2009, mandatory paratransit funding accounted for less than a third of combined ST II and PTF II funds; by 2022, it was almost 40 percent. ST II and PTF II now cover about \$118 million more in paratransit costs than they did in 2009.

To prevent this trend from continuing, the state should take greater financial responsibility for paratransit services in the RTA region. The state should fully fund the paratransit operating cost, less system-generated revenues, by amending the RTA Act and enshrining this support in law.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

State funding for reduced fares Baseline

RTA service boards, like all other transit agencies in Illinois, are required by the state and federal governments to provide free and reduced fare programs for some vulnerable travelers. This includes half-price (at most) fares for seniors, people with disabilities, and Medicare cardholders during off-peak hours as required by the FTA, and free rides to low-income seniors and qualifying military personal as required by the State of Illinois.

In return, the state provides a partial reimbursement to RTA to offset the loss of revenues, which is redirected to the service boards. The state reimbursement was almost \$40 million in 2007 but was reduced to \$16 million in 2015. Annual funding has since remained around 2015 levels although a \$1.5 million increase in the FY24 state budget appropriation will bring state support to \$19.1 million. FY24 funding levels are still less than half of the previous 2007 funding levels, and less than a quarter of the actual cost of providing these programs (\$83 million annually).¹²⁴

The state should fully fund these and any other future, state-enacted reduced fare requirements. Most notably, these should also include funding in support of the related PART recommendation that the state require transit providers to offer discounted fares to all low-income travelers.¹²⁵

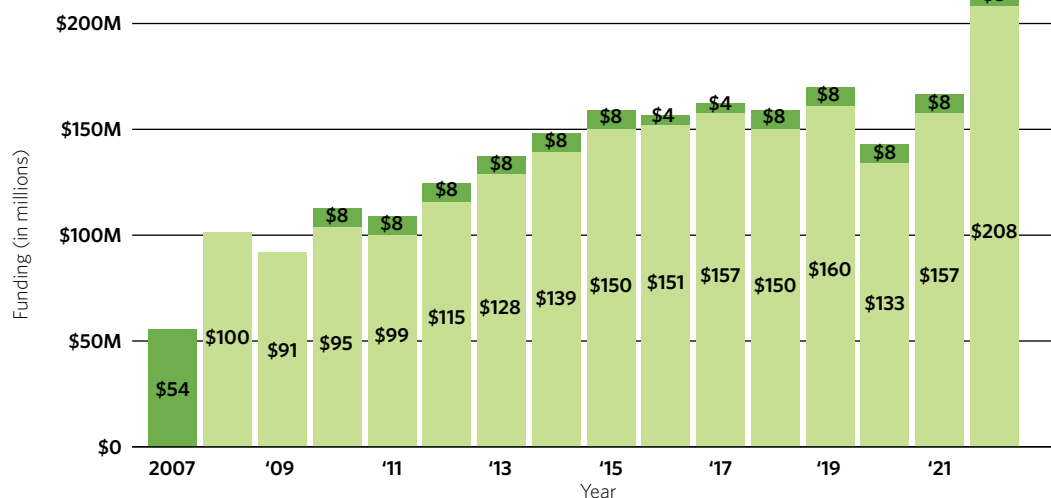
Figure 34. State support for paratransit has dwindled over time, while growth in demand has increased annual costs

Historical funding to Pace ADA paratransit, 2007-2022

■ State ADA funding
■ ST II and PTF II

Source: CMAP analysis of RTA budget data in nominal dollars.

Note: Budget figures for 2022 are not audited.



Sales tax solutions

The RTA sales tax has long been the primary public funding source for transit operations in northeastern Illinois. First implemented in 1979, the RTA sales tax was most recently increased in 2008 to generate additional transit funding. While it has performed well and has recently benefitted from the Leveling the Playing Field for Illinois Retail Act — which enabled the collection and remittance of some state and local sales taxes from remote retailers and marketplace facilitators — current RTA sales tax revenues and the state match provided through PTF will be insufficient to cover the transit operating budget shortfall projected to begin in 2026.

Nevertheless, the RTA sales tax continues to be critical for funding transit and should serve as a cornerstone revenue source in any funding package to address the looming fiscal cliff. Rather than simply raise the RTA sales tax rate, the state should consider larger reforms and expand the state sales tax base to include services, which are largely untaxed in Illinois. In addition to enhancing this important local funding source for transit, this change would also increase revenues at the state level. The state could use a portion of these new revenues to strengthen its support of the transit system by way of PTF.

Current sales tax

The State of Illinois' 6.25 percent state sales tax rate is assessed on general merchandise and qualifying food and drugs, and is comprised of a 5.0 percent rate retained by the state and 1.0 and 0.25 percent rates distributed to municipalities and counties, respectively. In addition to state sales taxes, home rule counties, municipalities, and special districts can impose their own sales taxes. Collectively, these rates comprise the composite rate, which is what consumers see when purchasing taxable goods. In Cook County and the collar counties, the composite rates on general merchandise range from 9.0-11.0 percent and 7.0-8.75 percent, respectively. The statewide average composite tax rate in Illinois ranks 8th highest nationally, and City of Chicago consumers are charged the 2nd highest sales tax rate in the nation.

The current Illinois sales tax primarily taxes goods (or general merchandise) rather than services. Decades of academic and policy research have suggested that imposing sales taxes on services would be a more

sustainable and equitable funding mechanism for state and local governments. In part, the research is based on national consumer expenditure data that indicates consumers increasingly spend more of their household income on services rather than goods (Figure 35). Through its overreliance on goods, the Illinois sales tax is dependent on a declining sector of the economy and, as a result, should expect uncertainty in future receipts.

Broadened state sales tax base to services

There are several advantages to broadening the tax base to include additional services:

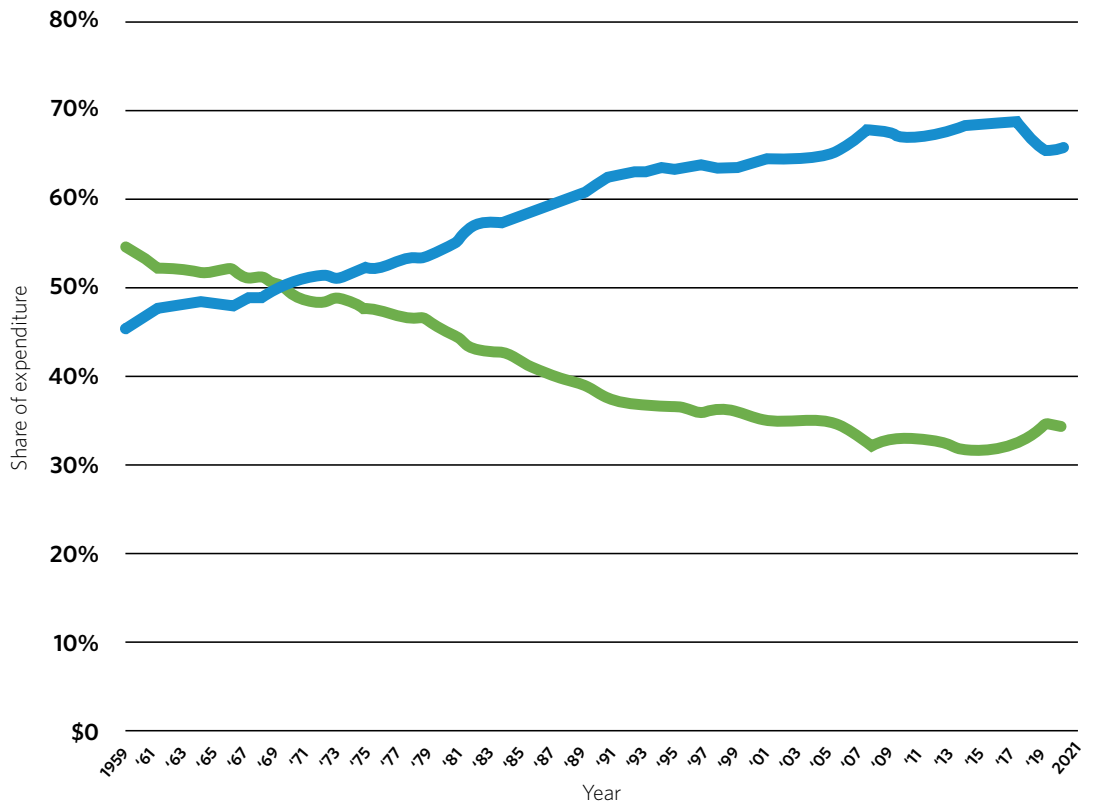
- **Service sales are less sensitive to economic downturns.** Goods purchases are highly susceptible to economic downturns as households elect to reduce spending on big-ticket items. During economic downturns, service spending can even increase as people will often defer purchases in exchange for lower-cost repairs.
- **Taxing services is less regressive than taxing goods.** While some household costs are relatively fixed across income bands (e.g., groceries), upper-income households are more likely than lower-income households to spend a greater share of their income on prepared foods, entertainment, and services.¹²⁶
- **Technology advancements have led to an increased focus on service-based delivery models.** Many products which would have been purchased (and taxed) as goods a decade ago have shifted to a service-based delivery method. For example, most software applications have shifted from one-time purchase model to a software as a service model, thereby becoming exempt from sales taxes.

However, when comparing the Illinois service tax base with peer or geographically adjacent states, Texas taxes the most services (90) either at the state or local level and California taxes the fewest (21). Among adjacent states, Iowa taxes the greatest number of services (89). Recent changes to the Iowa tax code expanded taxable services to include emerging industries such as streaming subscriptions, electronic data storage, and other web-based services. In comparison, Illinois currently taxes only 29 services at either the state or local level.

Figure 35. Consumers have increasingly spent more of their household incomes on services rather than goods

Historic share of personal consumption expenditures by major type

■ Goods
■ Services



Source: CMAP analysis of U.S. Bureau of Economic Analysis data

Expanded statewide sales tax base to include services and reduced statewide sales tax rate

To modernize the Illinois sales tax base and bolster sustainable funding for transit, the state should expand the state sales tax base to include services. This would bring the sales tax base more in line with neighboring and peer states. It would also make the sales tax more progressive overall.

Additionally, to ease the burden of new services taxes on consumers, an expansion of the sales tax base should be coupled with a reduction in the state share of the existing statewide sales tax rate on general merchandise. Incremental decreases in the state rate would lower composite sales tax rates and provide relief to Illinois consumers, especially lower-income households who spend a larger share of their income on goods. Lower composite tax rates would also improve Illinois’ economic competitiveness by softening the high-tax climate in the state. This could lead to less distortionary consumer activity — like

traveling to purchase goods in adjacent jurisdictions — and could support businesses interested in expanding or locating within Illinois.

Figure 36. Summary of new revenues anticipated from sales tax changes under different scenarios (2026¹)

Option 1. Expand the base to cover services; keep rates the same					Durable
Services scenarios	RTA²	Collar counties³	Regional municipalities	State of Illinois⁴	Counties & municipalities outside region
Expansive services option	\$315M	\$26M	\$293M	\$1.9B	\$110M
Top performers option	\$224M	\$14M	\$202M	\$1.2B	\$46M
Equity option	\$212M	\$15M	\$193M	\$1.1B	\$31M

Option 2. Expand the base to cover services; lower the state rate by 0.5-0.75%					Durable
Services scenarios	RTA²	Collar counties³	Regional municipalities	State of Illinois⁴	Counties & municipalities outside region
Expansive services option	\$317M	\$26M	\$293M	varies	\$111M
Top performers option	\$225M	\$14M	\$203M	varies	\$46M
Equity option	\$213M	\$15M	\$194M	varies	\$31M

Option 3: Expand the base to cover services; lower the state rate by 0.5-0.75%; raise the RTA rate by 0.25%					Durable	Diminishing or stopgap
Services scenarios plus 0.25% RTA rate increase	RTA²	Collar counties³	Regional municipalities	State of Illinois⁴	Counties & municipalities outside region	
Expansive services option	\$861M	\$26M	\$294M	varies	\$111M	
Top performers option	\$746M	\$14M	\$202M	varies	\$46M	
Equity option	\$733M	\$15M	\$194M	varies	\$31M	

Option 4. Raise the RTA rate by 0.25% alone					Diminishing or stopgap
	RTA²	Collar counties³	Regional municipalities	State of Illinois⁴	Counties & municipalities outside region
Services Scenarios	N/A				
Rate increase	\$470M	-	-	-	-

Notes:

- 2026 figures assume 75% compliance with the sales tax on services, anticipated to reach 90% at full implementation by 2027. Forecasts and assumptions are described in greater detail in the latest version of the sales tax memo on the PART [webpage](#).
- RTA's sales tax revenues include Cook County's 0.25 percent portion of the state rate (as discussed above, and further below).
- The collar county estimates assume they retain their portion of the RTA sales tax rate (0.25 percent).
- The service scenarios identified above refer to three possible permutations of services to tax that were modeled for PART. The "expansive services" option includes the broadest number of services, which were identified based on services taxed in an adjacent state, while the "top performers" and "equity" options examine narrower bases that have different policy implications. The "top performers" option covers the three service categories anticipated to generate the most revenue. The "equity" option selects services more likely to be used by higher income households. See the latest version of the sales tax memo on the PART [webpage](#) for more information. Compared to Option 1, any new revenues collected by the state from service taxes in Options 2 and 3 will be offset by the reduced rate on general merchandise. The exact figures will vary by the scale of the rate reduction and the services selected to tax.

Source: CMAP, SB Friedman.

Sales tax revenue estimates

The beneficiaries of these options include not only the region's transit system, but also the state, counties, municipalities, and consumers statewide. Figure 36 summarizes the estimated revenue impacts of various options for expanding the state sales tax base. Modeling shows that increasing the number of services subject to the existing state tax rate of 6.25 percent could generate between \$1.1-1.9 billion dollars in 2026 (Option 1). All sales tax revenue estimates are represented as ranges to reflect the variations between a narrow or broad base of services. If the state expands the base and lowers its portion of the 5 percent statewide sales tax rate by 0.5-0.75 percent (to 4.25-4.5 percent), the state could still benefit from increased revenues (Option 2 and 3).

The impacts of an expanded base would also flow to RTA. If the RTA sales tax rate remains unchanged, RTA will benefit from \$212-317 million in new revenue for the transit system in 2026 (Option 1 or 2). A lower state sales tax rate could also be paired with a 0.25 percent increase in the RTA sales tax rate, which would still result in a lower composite rate overall. This would result in \$733-861 million in new revenue for the transit system in 2026 (Option 3). This RTA revenue estimate includes the funds from expanding the base (\$261-390 million) and raising the rate (\$470 million). Additionally, the state's 30 percent match of RTA sales tax revenues should adjust to reflect the new revenues, which the state could fund using its own increased service tax receipts.

The state's composite rate of 6.25 percent is comprised of both the state share (5.0 percent) with the remaining percentages distributed to municipalities and counties (1.0 percent and 0.25 percent, respectively). Any expansion of the base should be structured to ensure new revenues from the state tax on services are similarly distributed to local governments. Using the existing distribution formulas, counties and municipalities in the RTA region are projected to collect \$14-26 million and \$194-294 million, respectively, from service taxes in 2026. This does not include the additional funds that communities could collect through their local sales tax levies.

Expanded sales tax base statewide — a better policy choice than raising the RTA sales tax rate alone

Illinois' already high sales tax distorts some consumer behavior and negatively impacts the state's economic competitiveness. Given the burden of existing composite sales tax rates, the state should not increase the RTA sales tax rate as a standalone solution to raise revenue for transit (Option 4). Doing so risks causing greater economic distortions in the region, while continuing to burden low-income households that disproportionately purchase goods.

Given the transit system's immediate funding needs, it may be prudent to raise the RTA sales tax rate in the near-term. If the state finds this action appropriate as a stopgap funding measure, any increase should be considered temporary and should ultimately be replaced by other, more durable and/or long-term revenue sources.

Key considerations for implementation

The state would need to authorize any expansion of the sales tax base to services, as well as any changes to existing sales tax rates (a reduction of the state rate and/or an increase to the RTA rate in the near and/or long-term). Nevertheless, with political will and leadership, implementation could occur by 2025. Reaching full compliance will take about three years, which means new revenues could be fully realized by 2027.

Successfully implementing the base expansion to services will require consensus around the exact nature of the services that will be included. The state could choose to capture a broad base, such as those taxed by peer states (e.g., Iowa), or it could select a narrower set of services based on various policy goals. For example, a narrower base could include only sectors that would contribute the greatest revenues, a select set that avoids potentially negative impacts on small business service providers with limited profit margins (e.g., barbers and other personal service providers), or a variety of other permutations. To avoid tax pyramiding — taxing the same service at multiple intermediate points on its way to final sale — it is generally recommended that service taxes not be imposed on business-to-business services such as accounting or legal services.

Any increase in RTA sales tax revenues — whether achieved through a base expansion, a rate change, or a combination — should continue to receive the state’s 30 percent match. This could similarly be funded through a base expansion that results in increased revenues at the state level.

Finally, another consideration for implementation is how to best distribute the new service tax revenues to counties and municipalities across the state. If implemented, the Illinois Department of Revenue (IDOR) would need to administer the collection of tax revenues from service providers. Due to the way state sales taxes in Illinois are collected and receipts are disbursed, CMAP has long recommended state disbursement formulas be reformed to help municipalities that have high service needs but currently receive relatively lower shares of state revenue.¹²⁷ Although the state’s formulas for disbursing funds to local governments include additional state funding beyond the sales tax revenues (use, income, and motor fuel tax revenues are distributed based on population), sales tax revenues are currently distributed based on where sales are generated. This creates variations depending on local land use decisions and the resulting development patterns in different communities. An expansion of the sales tax base to services in Illinois — which would result in additional revenues for many communities — could provide an opportunity for the state to revisit state disbursement formulas.

Additional details on these topics are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Illinois Department of Revenue surcharge removal Baseline

IDOR imposes a 1.5 percent administrative surcharge on all local sales tax receipts collected by the agency, including the RTA sales tax. The surcharge, which was reduced from 2.0 percent in 2018, is a flat fee that is not associated with the actual administrative cost of collecting and processing the revenue on behalf of local governments.¹²⁸ Nevertheless, in 2022, RTA lost \$22.5 million in revenue to the IDOR surcharge. The surcharge is forecasted to grow to \$26.7 million by 2026 and almost \$30 million by 2030.

Given the impending fiscal cliff and the need to consider all revenue sources, the state should also eliminate its surcharge on sales tax collections. This change would benefit the RTA sales tax, and therefore transit, as well as other jurisdictions that rely on sales tax revenues.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Road revenues

A strong and well-operated transit system benefits roadway users and advances state and regional multimodal strategies to improve mobility, regional economic competitiveness, climate resilience, and overall quality of life. New and existing roadway-generated revenues present opportunities to provide greater support to transit, and to ensure transportation revenues are a primary resource for addressing transportation needs.

To better support the state and region's multimodal goals, several opportunities exist to leverage roadway-generated revenues that support transit needs in northeastern Illinois. Some of the road revenues identified could be useful to meet transit's imminent fiscal cliff but should not (or cannot) be part of a long-term solution. Other, more durable sources make sense as part of the overall transit funding structure. These revenues can not only provide additional funds for transit, but also incentivize more people to switch from driving to transit, thereby increasing ridership. Given the clear relationship between the roadway and transit systems (i.e., congestion management and greenhouse gas emission mitigation), roadway-generated revenues can and should provide solutions to a range of regional transportation issues — especially in place of or in conjunction with other revenue sources identified.

Road fees are often imposed directly on vehicles, which increases the cost of driving and therefore encourages mode shift to alternate forms of travel. In Illinois, the two primary car-based user fees are vehicle registration fees and the motor fuel tax. Both fees are currently levied by the state, as well as many local government jurisdictions, to support statewide and local transportation needs, respectively.

Rather than levy fees on vehicles, user fees are structured to collect revenues from drivers who use certain components of the transportation system: some users choose to pay for access to faster or more direct routes (tollways), while others choose alternate routes or means of travel (i.e., non-tolled roadways or transit). Accordingly, user fees are best used as congestion management strategies and are important tools for minimizing climate impacts of the transportation system. However, they also provide revenues that can be used to support the transportation system.

In 2019, policy components of Rebuild Illinois — the state's most recent capital investment program — implemented improvements to both vehicle registration fees and the motor fuel tax (MFT) to improve their revenue generation potential.

Vehicle registration fees **Durable**

Following Rebuild Illinois, the annual Illinois vehicle registration fee is a flat fee of \$151 per fuel-powered vehicle, while electric vehicles (EVs) pay an additional annual \$100 surcharge because they do not pay state MFT. Registration costs in Illinois are considered relatively high compared to some neighboring states (Wisconsin, Indiana, and Missouri) but are lower than others (Minnesota, Iowa, and Michigan). Using historic vehicle registration data and population forecasts, CMAP estimates the region could generate between \$60-70 million for transit operations from every \$10 levied on top of the existing state fee.

Although Illinois is not the only state that imposes a flat registration fee (which is charged regardless of vehicle value or income), this fee structure is more regressive than other state fees that are calculated according to factors such as vehicle weight, value, and age (which are more likely to correspond to a vehicle owner's income). If the vehicle registration process were modernized to assign costs according to vehicle characteristics, the system could lead to more equitable taxation outcomes. Charging higher fees for heavier vehicles would also better align the fees collected with the impacts they have on the roadways.

Motor fuel tax **Diminishing or stopgap** **Capital**

MFT is a critical piece of the state's transportation funding strategy. However, improvements to vehicle fuel efficiency and the uptake of EVs are eroding MFT's sustainability as a revenue source. Rebuild Illinois included changes to the tax and provided MFT revenues to support transit capital expenditures. Specifically, the program doubled the base MFT rate to 38 cents per gallon, tied future annual MFT increases to inflation, and directed incremental MFT revenues to a newly established Transportation Renewal Fund (TRF). TRF provides capital funds for state and local transportation investments like previous funding structures, as well as the newly established Regional Transportation Authority and Downstate Mass Transit District capital improvement funds.

Despite these changes, the existing state MFT does not provide funds to support transit operations. Imposing an MFT surcharge within the RTA region could provide a secure, dedicated revenue source for additional transit capital investments and/or transit operations. CMAP estimates that every additional \$0.05 per gallon surcharge imposed in the RTA region would generate an additional \$135 million in annual revenues.

An MFT surcharge could be implemented in the RTA region quickly using RTA's taxing authority and existing MFT collection mechanisms. It would be levied on top of existing MFTs and would not detract from the MFT revenues collected by other local jurisdictions. However, improvements to vehicle fuel efficiency (including growing uptake of EVs) and anticipated changes in travel behavior are expected to continue eroding the productivity of MFT revenues over time and increasingly make it a more regressive revenue source. Other revenue tools will ultimately be needed to replace MFT and support the transportation system.

Parking Durable

There is a strong connection between parking and transit, particularly in transit-rich areas. Taxing commercial parking in targeted ways can incentivize users to shift from single-occupancy vehicles to transit and other transportation alternatives (e.g., micromobility and active modes), thereby reducing congestion and emissions. The City of Chicago, Cook County, and the State of Illinois already impose taxes on commercial parking.

An additional commercial parking tax to support transit could be implemented in several ways. The funds could be generated through an increase to the existing tax rate or an additional flat fee (e.g., \$2.50 per parking transaction). Geographically, the increased cost should be levied within the Chicago central business district because of its robust transit network, which provides travelers (particularly vulnerable populations who are less likely to drive) with low-cost transportation alternatives through urban bus and rail or commuter rail.

- Option 1. The City of Chicago could increase its parking fees and earmark funds raised to transit.
- Option 2. The state could amend the RTA Act to remove the restriction regarding levying a regional

parking tax alongside the existing RTA sales tax and to focus the regional tax on commercial facilities (rather than public).

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Cordon Long-term Capital

Cordon pricing is a congestion management and road pricing strategy that imposes a fee on vehicles entering a defined geographic boundary. Cordons tend to be implemented in central business districts where vehicle congestion is high, air quality is a concern, and transit is an available alternative.

Implementing cordon pricing in the Chicago CBD provides an opportunity to account for the negative impacts imposed by driving, like increased congestion and decreases in both air quality and traffic safety. At the same time, cordon pricing incentivizes travelers to shift to other means of travel. The Chicago CBD is a strong candidate for cordon pricing because of its robust transportation network, which provides travelers (particularly vulnerable populations who are less likely to drive) with various low-cost transportation alternatives through walking, biking, taxi, urban bus and rail (i.e., CTA), and commuter rail (i.e., Metra).

Modeling results show that cordon pricing could generate significant revenue. Based on cordon pricing characteristics from New York City and London, CMAP estimates annual revenues of \$765 million for a low-fee scenario (comparable to New York City) and \$1.3 billion for a high-fee scenario (comparable to London).

Implementing a cordon would require significant capital infrastructure and considerable coordination with and support from the City of Chicago. The charge could be operated by a public entity such as the Chicago Department of Transportation or through a public-private partnership, as in London. This fee would take several years to implement and should be coordinated with other tolling and road pricing strategies.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Tolling

Tolls serve an important system demand management role by imposing the true cost of vehicle trips on drivers using certain roadway assets, incentivizing mode shift and transit ridership, and reducing congestion. There are two primary ways that the region could increase toll revenues to support transit:

1. Increase existing Illinois Tollway tolls.
2. Expand tolling to un-tolled Illinois Department of Transportation (IDOT) expressways.

Existing toll increase Diminishing or stopgap Capital

If desired and directed by the state, the Illinois Tollway could dedicate a portion of its revenues to transit, which could be funded by increasing tolls. Given potential impacts to the Tollway's creditworthiness, this change can be implemented in coordination with and with support from the Tollway and their bondholders to ensure perceptions of risk are minimized.

Increasing tolls by 30 percent within the RTA region is estimated to generate an additional \$450 million in annual revenue. This revenue estimate includes increasing tolls paid by freight trucks, which are currently indexed to CPI and adjusted on an annual basis. In general, trucks already shoulder a disproportionate share of the costs imposed through tolling, and the connection between commercial vehicles and transit is less straightforward. Therefore, while it is important to ensure freight trucks continue to pay for their use of the tollways, excluding trucks from a toll increase for transit would reduce the estimated annual revenues to \$180 million. The Illinois Tollway may consider an initial increase in passenger car rates to bring passenger car and freight truck rates into better proportion. This could be followed by an annual CPI adjustment to the rates for passenger cars to maintain future parity with trucks.

Expanded tolling to un-tolled expressways Long-term Capital

Instead of increasing existing tolls, tolling could be expanded to all the IDOT expressways within the RTA region that are not currently tolled. Comprehensively expanding tolling to all facilities would provide the greatest congestion management and revenue generation benefits for the region, but managed

lane and variable pricing strategies could also be considered. Accordingly, modeling that applies a toll rate of \$0.15-0.20 per mile of freeway in the RTA region indicates this option could raise an additional \$1.7 billion in gross annual revenue.

Most of the revenues generated by tolling the existing IDOT system would need to be dedicated to rebuilding those facilities over the next thirty years. Anticipating the need to reconstruct these aging assets, the region's Financial Plan for Transportation has identified tolling IDOT expressways targeted for reconstruction as a "reasonably expected revenue."¹²⁹ That said, opportunities exist to introduce an additional increment that can generate consistent, reliable funding for transit while also advancing the region's expressway state of good repair needs.

Currently, tolls are imposed in parts of the RTA region where few alternatives to driving exist. Conversely, transit-rich areas within the region have fewer tolls, are more likely to experience congestion, and are in built-up environments where additional roadway expansion poses significant challenges. Tolling expressways in transit-rich parts of the region — such as the expressways within Chicago and Cook County (e.g., Interstate 90/94) — would incentivize mode shift to transit and advance congestion management across the highway system. Likewise, expanding tolling in areas that experience high levels of truck congestion would improve travel times for all users of the roadway system while generating funds to support the state of good repair needs across the region. Finally, working to ensure parallel transit service (e.g., Pace's Bus on Shoulder program) is integrated into newly tolled facilities located in transit-poor areas of the region will be critical to support a coordinated tolling system that more accurately matches the transportation alternatives available to travelers with the costs of driving in the region. Additionally, depending on the nature of the physical and technological investments made, the tolling system could be sufficiently flexible to adapt to future travel patterns and allow the state to enact a form of congestion pricing on certain IDOT regional infrastructure.

Adding tolls to un-tolled assets is currently only permitted by the federal government on a limited basis. To implement this option, the federal government would need to provide an exception to the region or

include the region in a program such as the Value Pricing Pilot Program.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Road usage charges Long-term Capital

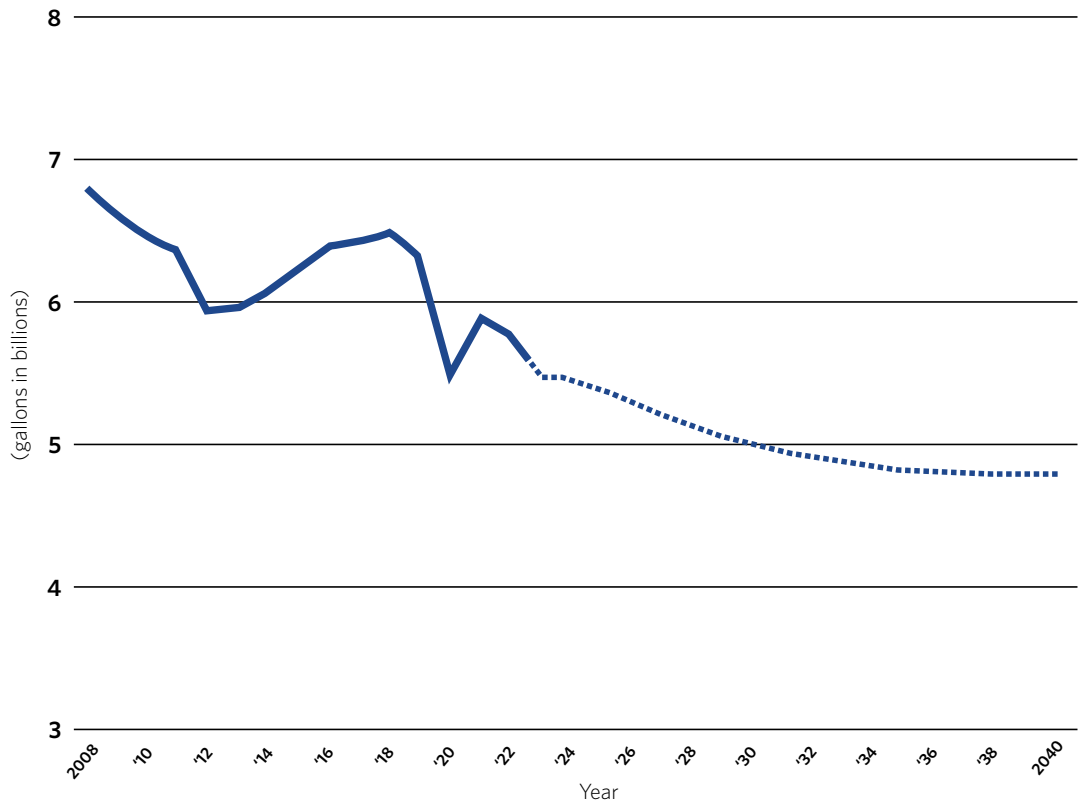
In 2019, Rebuild Illinois doubled the state MFT rate to 38 cents per gallon and indexed the rate to inflation. After a decade of stagnant growth in MFT revenues driven by decreased fuel consumption and a flat MFT rate — statewide MFT revenues were \$1.4 million less in 2018 than in 2008 — these new revenues represented an important investment in the state’s transportation system. In addition to continuing to provide essential revenues to support roads and bridges across the state, Rebuild Illinois directed 20 percent of incremental MFT revenues to support capital improvements for RTA and downstate transit agencies.

These incremental revenues continue to be important as the state of good repair needs across the transportation system continue to grow. By indexing the rate to inflation, the state offset the impact of decreased fuel consumption due to vehicle fuel efficiency increases in the short term. Nevertheless, even after the changes implemented via Rebuild Illinois, MFT will be an unsustainable and regressive funding source for transportation (both roadways and transit) in the long term. Fuel consumption has continued to decline since 2018 and is projected to continue declining indefinitely as vehicle efficiency standards are improved and EVs become more common (Figure 37). At the same time, transportation capital costs are growing at a rate that far exceeds inflation.

Figure 37. Motor fuel consumption is projected to decline indefinitely

Historic and projected motor fuel gallonage purchased in Illinois, 2008-2040

— Actual
 - - - Forecast



Source: CMAP analysis of IDOT and IDOR data

Motor fuel tax versus actual road use

As stated previously, MFT is a user fee that aligns fuel purchases with payments into the transportation system. When MFT was first conceptualized in the middle of the twentieth century, there was little variation in vehicle fuel efficiency and drivers traveling the same distance paid proportionally. Today, the advent of highly fuel efficient and electric vehicles means road use and fuel tax payment are no longer as connected as they once were. This has several policy implications:

- EVs are notably heavier than their gas-powered predecessors, which is anticipated to cause greater levels of damage to roadways and generate additional maintenance needs for the system.¹³⁰ Attempts to offset reductions in MFT revenues associated with EVs — such as the new annual in-lieu-of-motor-fuel-tax registration surcharge of \$100 instituted through Rebuild Illinois — typically represent less than a motorist would pay each year in motor fuel tax and are likely insufficient to cover these added maintenance costs.
- Disparities are emerging between drivers of relatively more and less fuel-efficient vehicles, as motorists who own less fuel-efficient vehicles carry a heavier burden relative to their actual road usage than those who drive more fuel-efficient vehicles. Average households with lower income drive fewer miles, own fewer cars, and own older (and therefore typically less fuel-efficient) cars than higher-income households. This results in higher MFT payments from lower-income households relative to their travel behavior, while higher-income households' payments are a greater reflection of the fuel efficiency of their vehicles. This disparity will only continue to widen as electric and highly fuel-efficient vehicles increasingly penetrate the market.

Options for moving toward a road usage charge

For these reasons, and to provide the sustainable and flexible funding needed to support statewide and regional transportation needs, MFT should be replaced with a road usage charge (RUC) — also known as a vehicle-miles-traveled tax — over the long term.

Out of all the alternatives to MFT, national consensus has generally centered around a RUC. The National Surface Transportation Infrastructure Financing

Commission's Paying Our Way report evaluated various revenue alternatives and landed on a RUC as the best alternative.¹³¹ Locally, leaders in northeastern Illinois supported the concept of transitioning to a RUC when they adopted ON TO 2050 in 2018. ON TO 2050 recommends that the state and region replace MFT with a per-mile road usage charge and index it to inflation.¹³²

There are many options available for structuring a RUC. A simple per-mile RUC would ensure drivers who travel the same number of miles are charged equivalently. A more real-time RUC would also allow for more complex charges that depend on users' specific impacts on the transportation system — based on vehicle type or size; roadway type or congestion level; urban, suburban, or rural location; or other factors. RUCs provide significantly more flexibility than other types of user fees to adapt as the transportation system's needs and vehicles evolve. Additionally, due to its direct relationship to auto movement rather than fuel efficiency, this user fee has a better tie to congestion management and climate goals than other car- and user-based fees. Implementing a RUC provides an opportunity to realign transportation funding with transportation use, and therefore represents an opportunity to add a small increment to support transit as well.

To advance Illinois' preparation for this transition, the state should instruct CMAP to undertake a RUC feasibility study. This study would develop detailed recommendations for implementing this revenue innovation, given northeastern Illinois' unique position as the center of a midwestern, tri-state megaregion.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Federal funds for transit

Given that the transit system is part of the broader regional transportation network, the state should consider how all transportation system funds, including those provided by the federal government, could support critical investments in the regional transit system. While the state and regional funding agencies do leverage some federal highway funds in

support of transit, there are significant opportunities to expand on these efforts. Specifically, the state should consider increasing the use of highway funds for transit investments and investigating additional tools to leverage federal funds.

The federal government is also positioned to fund investment in both transit operations and capital programs, which provide numerous benefits to the nation's workforce, economy, and climate. While the federal government directly supported urban transit operations in the past, it does not presently do so to the same degree. There are many additional pathways for sustainable federal support for transit operations that should be explored.

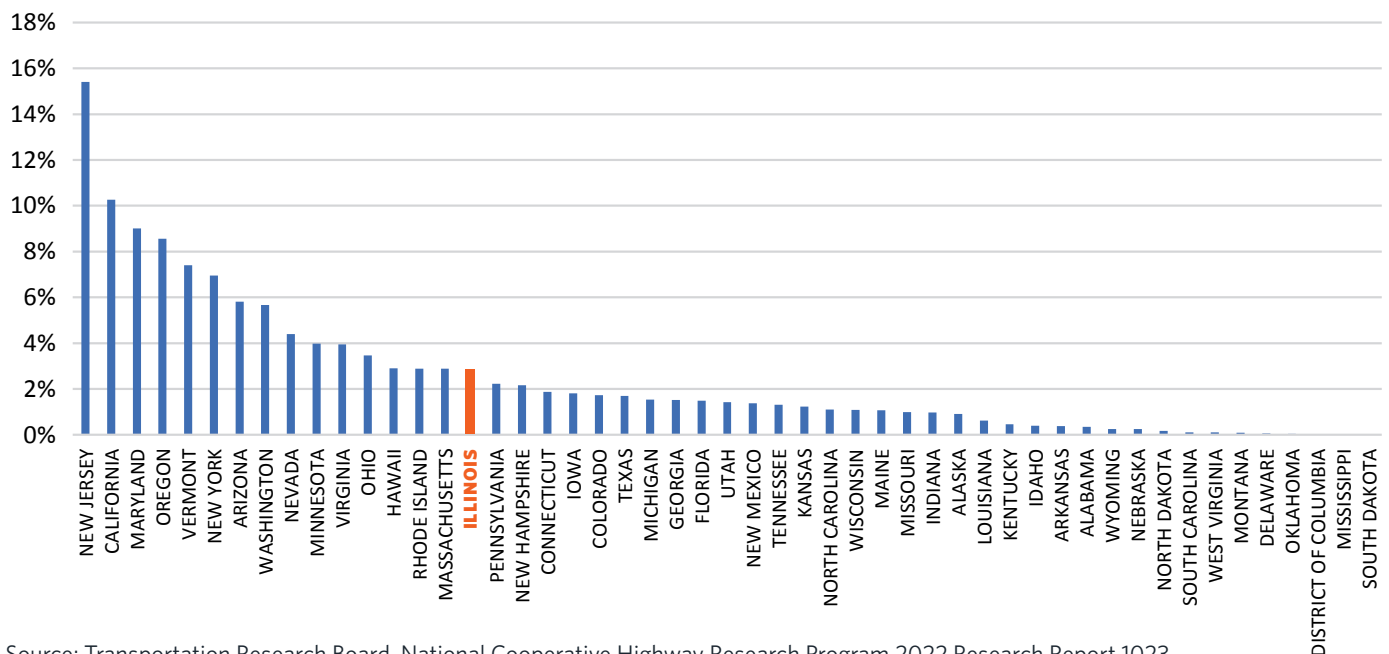
Highway fund flexing for transit investments

Diminishing or stopgap

Capital

The federal government gives states more than 90 percent of highway funds using formulas based on each state's contribution to the highway trust fund.¹³³ Federal highway fund flexing is a mechanism that allows states to use part of their allocated federal highway funds for eligible non-highway transportation projects, such as transit. Fifteen states flex more funding from highway programs to transit programs than Illinois.¹³⁴ Many of them have large transit systems, such as California and New Jersey. While Illinois only flexes roughly 2 percent of its highway funds to transit, this share is as high as 10 percent in California and nearly 16 percent in New Jersey.

Figure 38. Percent of highway funds flexed to transit by state, 2013-2020



Source: Transportation Research Board, National Cooperative Highway Research Program 2022 Research Report 1023.

Currently, CMAP programs the Congestion Mitigation Air Quality improvement program, a major source of funds flexed from highway to transit. One benefit of flexing funding to transit, even for expenses that are otherwise covered by highway programs, is that the FTA is often more familiar with certain types of infrastructure such as rail station improvements, making administration and oversight more efficient. However, no flexing is required for many improvements, such as traffic signals that give priority to transit or highway-rail grade crossing

safety improvements. Either by flexing funds or direct spending, IDOT could use more highway funds to support transit.

The ability to flex federal transportation funds is generally limited to 50 percent of apportionment funds for each program. In addition, flexed funds are generally limited to capital expenditures including vehicles, planning, engineering, crime prevention and security equipment, mobility management, workforce development, stations, track, preventative maintenance, and expansion.

Additional tools to leverage federal funds Capital

The state should also explore process innovations that could improve delivery of needed investments over time. Two of these innovations could include maximizing the use of Transportation Development Credits and broadening the Illinois Finance Authority's mandate to finance transit.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Additional revenue options and considerations

There are additional opportunities to bolster support for northeastern Illinois' transit system. These options speak to the interrelatedness between a robust transportation system, a strong regional economy, and a healthy climate, and therefore represent viable revenue options both in combination with and — if needed — in place of the revenue sources identified above.

Other federal funding Long-term

The federal government has a long history of providing funding support for transit but has generally been focused on funding for capital infrastructure and improvements rather than operating assistance (outside of recent pandemic relief funds). Given the limited federal support provided to transit agencies and the restrictive nature of federal funding, the federal government should play a larger role in supporting transit moving forward. Many of the federal actions called out in CMAP's Federal and State Advocacy Agenda¹³⁵ would help address fiscal challenges identified through the PART process.

Payroll tax Durable

Businesses benefit greatly from the social and economic conditions of their regions and states. In turn, business taxation is a revenue generating tool that provides a way for businesses that benefit from public resources to contribute to their success. In northeastern Illinois, businesses especially benefit from the regional transportation system, including a connected, integrated, and reliable transit system that supports workers traveling to and from their places of employment, customers looking for amenities and

resources, and tourists visiting and exploring cultural and recreational opportunities.

While businesses can currently support their employees by participating in existing RTA pre-tax benefit programs, Illinois corporate income tax revenues do not support the transportation system overall nor the transit system. Imposing a small, additional corporate tax could provide significant support for regional transit operations.

The most prominent example of this is New York City's Metropolitan Commuter Transportation Mobility Tax, a payroll tax applied to firms on a quarterly basis based on their total payroll to generate funds for transit. Taxing corporations in this way ensures firms with lower payrolls — which are typically smaller in size or are associated with particular sectors — are not overly burdened. A similar payroll tax in northeastern Illinois could prove to be an important revenue source for transit in the event the state is unable to reach consensus on other funding options.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Future carbon policies Long-term

The State of Illinois has demonstrated its commitment to holistic and innovative climate policy in recent years through the passage of the Climate and Equitable Jobs Act in 2021, as well as the targeted use of funds from the federal Infrastructure Investment and Jobs Act to support carbon reduction and vehicle electrification. And yet, the State of Illinois does not currently have any formal carbon pricing policies or climate mitigation goals in place. As the state continues to evolve its climate approach and expand its efforts to mitigate climate change, it will be critical to support the maintenance and expansion of public transit as a means of reducing greenhouse gas emissions. Other states have demonstrated how funds generated by market-based carbon reduction programs have successfully supported transit investments.



Implementing the system **the region wants**

MAXIMIZE OPPORTUNITIES FOR REFORM

In establishing PART, the state legislature required that this set of recommendations include a discussion of both governance structures and funding distribution mechanisms.¹³⁶ This directive recognizes the connections between how transit is governed and the system's effectiveness in delivering successful, rider-centric transit services. Governance also plays a critical role in ensuring the responsible financial stewardship of public resources, which is crucial when making the case for expanded levels of investment.

Given the inherent relationship governance has with implementing system improvements and funding solutions, CMAP assessed reforms based on the ability to achieve the vision, goals, and actions described in this report. Recommendations focus on maximizing the efficiency of transit functions and respond to the implementation barriers identified by past research and input from regional transit stakeholders. With a focus on improving how riders, taxpayers, and governments experience the transit system, PART identifies governance recommendations not for their own sake but for what they mean for the system's ability to achieve regional goals.

It is also important to understand what governance reforms cannot achieve. Most importantly, in isolation, governance reform will not automatically address either COVID-related or longstanding funding challenges. Even with more coordinated decision making, an underfunded system will remain underfunded. The fiscal cliff will continue to be a looming threat, regardless if it is faced by today's transit governance structure or an entirely new one. Simply put, the regional transit system needs more resources to succeed.

"We have to have a complete shift in our approach to public transit now."

- Focus group participant, labor representatives

"With one board, these challenges become everyone's problem."

- Focus group participant, labor representatives

Current structure: RTA and the service boards

In 1974, the state established RTA to oversee transit providers in the region, which at the time included CTA and a patchwork of suburban bus and commuter rail operations. Significant reforms followed in 1983, when the state created the entities now known as Pace (suburban bus) and Metra (commuter rail) under the auspices of RTA. Other significant reforms followed in the 2000s, shifting all paratransit operations to Pace in 2006 and making changes to board appointments and voting structures in 2008.

While not the only factor, the need to identify funding solutions for transit was a primary motivation for each of these governance reforms. As new funding was secured, governance reforms were included to dictate how new funds would be allocated and provide greater financial accountability and oversight. It is important to acknowledge, however, that these past attempts at reform did not achieve a full funding solution for the region's transit. Without sufficient baseline funding, previous attempts at governance reform have fallen short of their objectives.

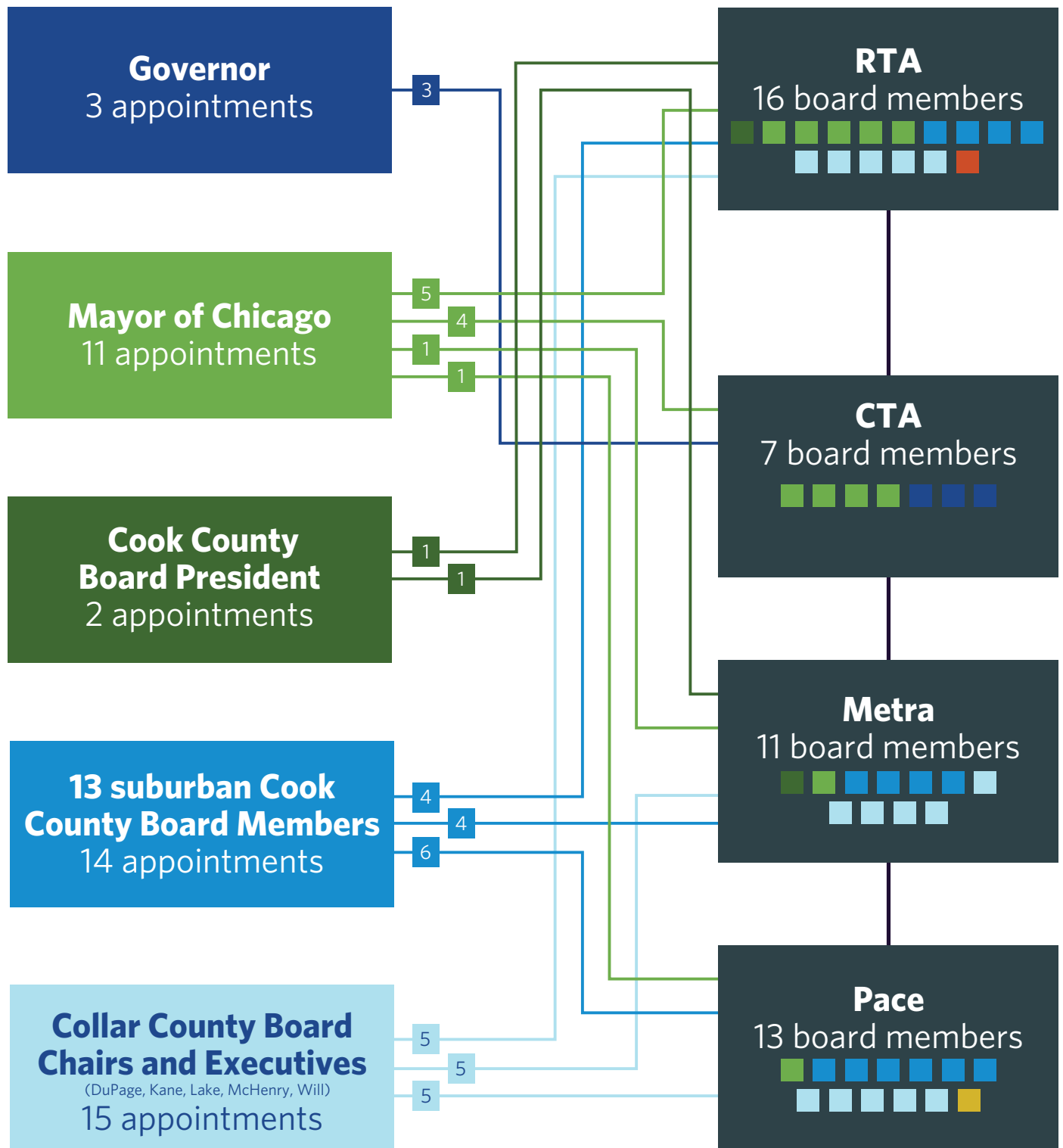
As a result, past recommendations made by transit advocates to increase regional coordination for planning, policy, and funding allocation remain unfulfilled.¹³⁷ The desire for governance change has been heightened by the dramatic and ongoing impacts of the COVID-19 pandemic.¹³⁸

Current agency oversight: A multi-agency and distributed structure

Today, transit governance in northeastern Illinois is layered and complex. RTA is responsible for providing transit oversight to three service boards, but the four agencies operate as independent, autonomous entities. Across these four agencies, there are four separate boards with a total of 47 board members that are appointed by 21 elected officials. Figure 39 provides a visual representation of the governance structure of all four boards and their respective appointing authorities.

These four organizations also exist within the larger context of transportation system governance. Buses run on roads owned and operated by the Illinois Department of Transportation, the Chicago Department of Transportation, and many other local and county agencies. Many transit assets — including stations, right-of-way, and parking lots — are owned and maintained by other public or private sector entities. Transit funding and capital programming are an integral part of the region's long-range transportation plan, developed by the CMAP. Through these connections and others, transit's success also depends on decisions made by organizations outside of the explicit transit governance structure.

Figure 39. Regional transit is governed by four boards with overlapping appointing authorities



- The RTA Board appoints the chair from outside their membership.
- The Pace appointing authorities jointly appoint an additional member as Chair

Note: CTA and Metra board chairs are existing members of the board.

Current funding allocation: A formula-based approach

Revenue from the sales tax and other public funds are distributed to CTA, Metra, and Pace to fund operating costs that are not covered by system-generated revenues. Most funds from the RTA sales tax are distributed via fixed statutory formulas based on where in the region the tax was collected (established in the original 1983 RTA Act). When the state enacted the second RTA sales tax in 2008, the distribution of funds added specific set-asides, for paratransit and the CTA's RETT funding. Remaining public funds are distributed to the service boards at RTA's discretion.

However, funding has historically been insufficient to cover operating costs. As a result, RTA's allocation of discretionary funding has served to overcome the shortcomings of the statutory formulas to support baseline transit operations. A past report found that "RTA has historically provided almost all of the operating discretionary funding to the CTA, based on the assumption that CTA funding needs are not fully covered by statutory formulas and that its operating shortfall requires discretionary funds to make up that difference." The region's use of discretionary funding to cover baseline operating costs contrasts with other metropolitan regions, where regional transit agencies leverage significant discretionary funding to implement priorities and pursue innovation.

Current performance metrics: Farebox recovery ratio

As part of the 1983 transit funding reforms, the state instituted what has become the primary performance metric for regional transit — the farebox recovery ratio. By law, RTA service boards must cover half of their operating costs (with exclusions) using system-generated revenues, which are primarily from fares.¹³⁹

The mandated 50 percent fare recovery ratio has become increasingly challenging for the service boards to achieve in the face of the COVID-19 pandemic and its ongoing effects. Recognizing that pandemic-related conditions have made this requirement unattainable, the state temporarily waived the requirement in 2021 and again in 2023.¹⁴⁰ As of August 2023, the regional transit system is achieving about 20 percent fare recovery. While that percentage may grow as ridership continues to recover, it is not expected to return to pre-pandemic levels in the near, medium, or potentially even long term.¹⁴¹

However, even prior to the pandemic, studies found the fare recovery requirement inhibited responsiveness to changing travel demands and agency innovation. Coupled with statutory funding formulas, the recovery ratio contributes to an unsustainable and inflexible funding approach.

THE GOVERNANCE CHALLENGES

PART ADDRESSES






As this report has outlined, the transit system faces serious challenges. Many of these challenges, including the looming fiscal cliff, are the result of far more than just the system’s governance structure. However, transit governance has a direct impact on the system’s ability to implement transit priorities and sustainable funding solutions. Today, transit governance faces challenges that are both longstanding and urgently emerging as the impacts of the COVID-19 pandemic continue to affect the region.

The PART process, with analysis from CMAP and the Eno Center for Transportation, has identified five interrelated aspects of transit governance that reforms should address: decision making, funding allocation, service coordination, accountability, and state and regional roles. These focal points build on the findings of past reports, analysis of governance approaches elsewhere, and feedback from transit stakeholders in northeastern Illinois.

Decision making

Over the last century, reforms to northeastern Illinois’ transit governance have trended toward an increase in regional oversight and coordination. However, past reports and stakeholder feedback emphasized that efforts to strengthen regional coordination have fallen short of their intended outcomes. As a result, priorities and decisions are often made in a decentralized fashion and lack a common vision and plan for execution. One example of this challenge relates to a long-held state and regional priority: fare integration. There has been progress over time, including closer alignment of fare structures and the adoption of the Ventra platform across all three systems. However, decisions on fare levels, payment methods, and transfer policies remain fragmented, even when those decisions — like changes to the Ventra platform — have implications across the whole system. This longstanding goal has not yet been achieved. These overarching decision-making challenges are also present in many specific aspects of transit system governance, as noted below.

Figure 40. Examples of connections between system improvements, funding, and governance

PART principles and recommendations	The role of governance
 Investments that focus on transit service	A structure that ties funding allocation to strategic decisions about where, when, and how much service to run throughout the region
 Integrated and affordable fares	A unified “owner” of fare policy decisions that can establish coordinated fares, allowing riders to move seamlessly across the region while providing stable revenue for transit operations
 Faster and more reliable buses	A stronger connection between transit and the agencies (e.g., IDOT) that own and operate the roadways that bus operations rely on to succeed
 New revenues to support transit	A regional entity that has the discretion necessary to ensure new revenues are allocated to support regional goals (e.g., mobility, climate, equity)
 Financial stewardship	A regional entity that has the authority to set and monitor ongoing performance on key metrics to demonstrate financial stewardship while making the case for additional efforts or investments

Funding allocation

Today, most regional transit funding flows through fixed formulas to the three service boards. This statutorily required funding distribution for transit operations incentivizes silos. It is also inflexible to address actual and evolving needs.

The COVID-19 pandemic is the most recent crisis to highlight the importance of flexibility in the face of unexpected challenges. However, there were significant issues with this approach even before the pandemic. The static approach to funding allocation forces the service boards to focus on their own bottom lines, which encourages detrimental competition between the transit agencies. It has also challenged the implementation of regional priorities, like fare integration, which would require a comprehensive approach to sharing fare revenue between the service boards. But the fixed funding formulas would not account for these kinds of changes, or any others necessary to achieve regional goals.

Service coordination

Each transit service board is responsible for making decisions about where, when, and how often to run transit service. But their individual transit services also combine into a larger transit network. Each of the services operates in ways that complement one another, toward the collective regional goal of ensuring that residents have access to robust and reliable transit. However, under the current structure, service planning strategies have historically produced outcomes that are specific to the service boards' respective goals and priorities, ultimately hampering the vision of fully coordinated regional mobility.

System improvement recommendations indicate that greater regional coordination for service planning will be essential to implement transit priorities. As each of the region's transit service providers consider how to adjust to changing travel demands, they must consider how their services can mutually reinforce one another. For example, as Metra pursues its evolution into a regional rail service, its new investments would benefit from stronger coordination with Pace and its upcoming bus network redesign project. Similar opportunities would be possible across the regional transit system.

Accountability

Each of the region's transit service providers maintains a separate governing board. In some instances, this provides riders and the broader public with multiple avenues to provide input. Despite this, having multiple governing boards with overlapping representation and different missions challenges accountability. Complex relationships exist between the service boards, their governing bodies, and the appointing authorities. Many transit system responsibilities, such as demand-responsive services, span both transit providers like Pace and other agencies, such as municipalities, counties, and townships.

These complex relationships have historically made it difficult to enforce transparent accountability. As the region considers potential opportunities to invest in an expanded and more robust transit system, it is not always clear which agency has the authority or ability to appropriately prioritize, plan, and coordinate these investments to maximize their effectiveness.

State and regional roles

The State of Illinois and the region's transit system both rely on each other to achieve their goals. In addition to providing critical funding, the state is a partner in the provision of transit service — it owns and operates many of the roads on which buses run and multiple transit rail lines operate alongside IDOT expressways. Similarly, northeastern Illinois' transit system is integral to many of the state's priorities. For example, transit is an essential component of the region and state's goals to decrease carbon emissions. Building on the climate leadership displayed through passage of Climate and Equitable Jobs Act, the state now has a critical opportunity to accelerate transportation decarbonization through investments in robust public transit.

The state currently plays a limited role in transit system governance, with three seats on the CTA board. Relative to other major metropolitan regions, the state is significantly less involved in transit governance and decision making within the RTA region.¹⁴² Other regional stakeholders, such as municipal and county leaders, have a voice in regional transit governance. However, other key transportation partners are often missing from the conversation.

The lack of partnership with relevant state and regional entities for transit planning and funding has siloed revenue options and inhibited broader mobility outcomes. For example, state officials could play a more active role to enable faster and more reliable bus service on their facilities. There are also significant opportunities to leverage revenues from the transportation system at large to pay for its needs broadly, which would promote more comprehensive mobility options rather than constraining revenues

to a particular mode. Recognizing the need for more integrated transportation governance, the state established the Blue-Ribbon Commission on Transportation Infrastructure Funding and Policy in 2022.¹⁴³ Through these efforts, a more robust involvement of the state in transit governance could advance shared mobility priorities and improve coordination across the many agencies involved in the success of regional transit.

RECOMMENDATIONS TO IMPROVE TRANSIT GOVERNANCE

There are significant opportunities to address each of these challenges through reforms to the existing transit governance structure. The section below outlines a series of baseline principles that the state should consider implementing in any governance reform, including changes to funding allocation, centralization of specific transit functions, performance metrics, and overall regional board structures and appointments. Further, there are two potential structural options that could implement these principles. These include a fully integrated agency structure or a significantly empowered regional coordinating function within the existing structure. Both structural approaches have the potential to address the issues outlined above, but would face different challenges in adoption and implementation.

Baseline principles for reform

Regardless of the governance structure, stakeholders have emphasized outcomes any changes to transit governance should achieve. The state should prioritize the following recommendations when considering governance reform options.

Funding allocation

Prioritize regional goals and decision making instead of statutory funding formulas

Historic use of fixed funding formulas has contributed to an inflexible funding approach, unresponsiveness to changing conditions, and detrimental resource competition between the service boards.¹⁴⁴ CMAP, the Federal Transit Administration, and others have noted that the region could more strategically disburse funding by basing its allocation on performance, rather than fixed formulas.¹⁴⁵

Eliminating statutory formulas and giving a regional entity more discretion over funding allocation may support the transit system more effectively in meeting baseline needs and implementing regional priorities, including to address mobility, equity, and climate concerns. This change could be implemented over time and with distinct phases that empower the region to define its transit vision and anticipate costs. Regional strategic plans can set financial goals, standards, and performance metrics that ensure accountability and guide funding allocation strategies.

Grant more regional discretion over how funds are allocated

The state should empower the regional agency to align regional transit goals with funding allocation for both operations and capital investments. To reliably meet baseline funding needs, the region should articulate a transit vision that defines expectations for baseline transit services, like the system improvement packages described earlier in this report. Essential operations and baseline capital investment needs should be provided through a transparent and predictable allocation approach. Once those baseline needs are met, the region should use additional funding to advance the implementation of broader regional goals. Available revenues can be leveraged to make the regional transit system more effective, innovative, and responsive to changing conditions. For example, the Bay Area's metropolitan planning organization used discretionary funding to incentivize more than 20 transit agencies to adopt a universal fare card.¹⁴⁶ With similar discretionary resources, the regional entity will be more empowered to deliver PART recommendations.

A previous report about transit funding allocation options in northeastern Illinois outlined the following options for potential funding programs:¹⁴⁷

- **Innovation:** Intended to encourage creativity to improve the regional transit system, this program funds transit operators that advance innovation while helping reduce their financial risks.

- **Performance:** Depending on the regional economy, changing travel demands, or other conditions, the region could set goals to align funding allocation with performance-based metrics. This program responds to changing conditions and rewards optimized performance with funding allocation.

- **Competition:** Driven by goals set in a regional strategic plan, the region could fund capital projects, transit activities, and other initiatives that are open for bid by entities outside of the service boards. This program helps achieve regional transit goals by promoting creativity and innovation through external competition.

Regional coordination of transit functions

Implement the regional decision making and oversight necessary to advance system goals

Regardless of the governance structure, at least some transit functions should be more centralized at the regional level. For example, any reform should include a more centralized approach to integrating fare policy, a longstanding regional policy goal. The existing decentralized approach to fare policy decisions has yielded some integration, but significant gaps remain. Examples from other regions show that a more coordinated and centralized approach would be more likely to finally achieve systemwide fare integration.¹⁴⁸

Importantly, the regional agency should continue to be the financial steward of the system. In addition to existing financial oversight responsibilities, the regional agency should set and monitor performance measures for regional priorities and operational efficiencies. Similarly, the regional agency should lead funding allocation strategies to achieve baseline operational funding, implement capital projects, and advance innovation in the face of changing conditions.

There are additional transit functions that would be more effectively administered at the regional level. For example, the regional agency should engage more in regional service planning by helping inform which markets to serve. Furthermore, the regional agency should have a stronger role in planning, prioritizing, and funding capital projects — especially for system expansion projects. The regional agency should also coordinate demand-responsive services and review large or regionally applicable procurement decisions.

Provide sufficient tools to strengthen and re-envision the regional entity

For any structural reforms to be successful, increased authority and resources need to supplement the regional entity's responsibilities. For example, the regional entity should have greater review authority over systemwide budgeting as the financial steward of the system. In an integrated structure (Option 1), the regional entity should determine operational budgets for all operating units. In a structure with an empowered regional coordinating agency (Option 2), it should be able to veto or require changes to line items in the service boards' budgets. Without additional authority or resources, reforms to strengthen the regional coordination of transit will face implementation barriers.

Performance metrics and farebox recovery ratio

Reduce the farebox recovery ratio requirement

The state should revise the 50 percent farebox recovery ratio requirement. PART highlighted that fare revenue remains and should continue to be an important element of overall transit funding. However, achieving the 50 percent farebox recovery rate will not be achievable in the near, medium, or potentially even long term. Maintaining a 50 percent threshold (and a funding structure built around that assumption) would hinder needed improvements to the regional transit system.¹⁴⁹

In either of the two structural reform paths proposed below (Option 1 or 2), the regional coordinating entity should still decide how best to prioritize and allocate public funds for transit service — including what an acceptable level of fare recovery should be. Farebox recovery should not be the only metric considered — there are opportunities to consider accessibility, equity, regional service standards, and more.

However, it could continue to play an important role in demonstrating financial stewardship to state and regional stakeholders. Rather than enshrining a fixed figure in statute, the state should consider establishing a target range within which the regional entity could set a systemwide recovery ratio floor (e.g., 20-40 percent). The regional entity could be given latitude to adjust this figure over time, depending on system performance and other regional priorities.

Empower the regional agency to look beyond the fare recovery ratio and set updated performance metrics based on regional strategies and goals

A regional entity that is empowered to establish and oversee systemwide performance metrics should identify metrics that advance regional priorities and goals. Through strategic planning, performance metrics can be periodically revisited and updated (e.g., every 3-5 years). Governance reform should enable the regional transit agency to more effectively set, monitor, and adjust performance metrics to align with strategic plans, service standards, and regional and state climate and equity goals.

Performance metrics can include measures beyond the region's historic reliance on the farebox recovery ratio. For example, to improve rider experiences with bus services in London, Transport for London set reliability and satisfaction metrics such as excess wait time, on-time performance, and measures of customer satisfaction. Additionally, Stockholm Public Transport sought to increase transit ridership by providing bonuses to transit operators according to their number of "verified paid boardings," as well as other factors such as cleanliness, customer service, and more frequent and reliable schedules.¹⁵⁰

Regional board structures and appointments

Either of the two structural approaches outlined in the next section would maintain and increase the importance of a regional transit decision-making structure, with a goal of improving regional transit system outcomes. While there could be variation based on the specific structural approach, all governing boards and relevant committees should be consistent with the principles outlined below.

Design board appointment and voting structures to advance regional progress while building local consensus

Past reports determined that voting rules (e.g., supermajority requirement) and board membership composition have inhibited the implementation of regional priorities by creating parochial voting blocs. Reforms to board appointments and decision-making procedures should ensure that a regional strategy can advance effectively.

Integrate more regional perspectives

While local input is crucial, board members with regional perspectives can help balance discussions and prioritize comprehensive regional mobility. Stakeholders who are well positioned to provide these perspectives include policy advocacy organizations, community advisory committee leadership, and CMAP as the region's metropolitan planning organization.

Provide a greater role for the state, especially as it increases its funding support

If the state contributes more funding to northeastern Illinois' transit system, representatives of the state should participate on regional transit boards and committees. National case studies about peer regions revealed that state government in Illinois is uniquely distant from regional transit decision making and funding. Having greater state government involvement in transit can help advance a regional vision that aligns with statewide priorities.

The state appointments, along with the regional representatives noted above, are intended to provide additional perspectives and thus help overcome potential decision-making impasses. Their role is not intended to give the state a controlling role on the regional agency board and/or other governing boards. The regional appointees should be empowered to advance their vision where regional consensus exists.

Ensure that regional board membership reflects population, ridership, and funding sources

Board representation should mirror those who ride, fund, and live near transit. Engaging stakeholders who subsidize and experience the regional transit network

is a governance best practice and helps produce outcomes that benefit a wide range of constituencies. Basing board representation off these measures also enables boards to periodically adjust their membership to reflect changing conditions.

Appoint board members with relevant and diverse experiences

Having diverse perspectives on the regional boards and committees will promote decision making that improves the transit experience for a broader set of stakeholders. Board appointees should have diversity in their expertise, professional experience, geographic connections, and past involvement with the transit system. Disability representation should also be required on the regional board and on any additional boards or committees for entities that provide paratransit services.

Provide avenues for local input

Local knowledge is an invaluable asset that guides strategic planning throughout the region, as those who possess it are the closest to the ridership constituency. Ongoing communication with local governments can inform service planning, capital priorities, and policy changes.

Options for structural reform

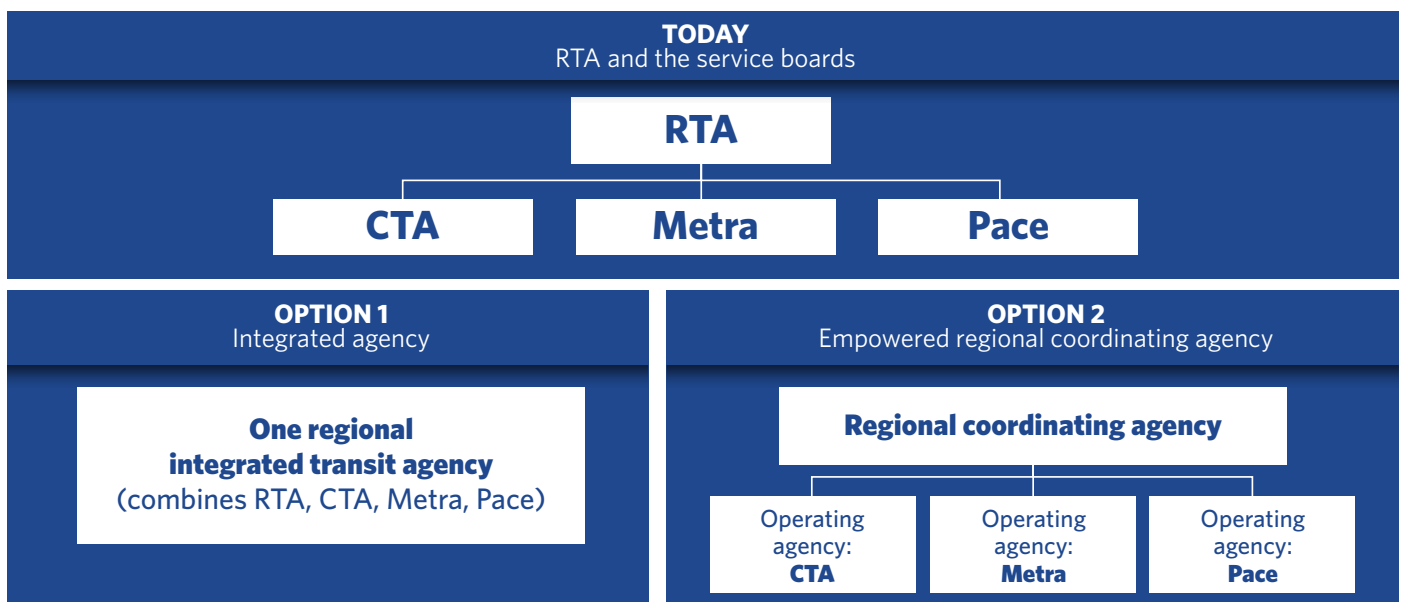
Regions throughout the U.S. and across the globe have taken distinct approaches to transit decision making, funding allocation, and oversight in ways that reflect their local histories and contexts.¹⁵¹ Peer experiences vary widely in terms of both form (i.e., the number of transit agencies and their relationship to one another) and function (i.e., which agencies are responsible for different elements of the overall transit system).

The strengths and weaknesses of northeastern Illinois’ particular approach to transit governance have been extensively discussed. Multiple reports have analyzed relevant challenges, recommended funding allocation reform, and highlighted potential paths to improve the effectiveness of regional transit governance.¹⁵²

Based on both peer region examples and prior analyses of the RTA system, CMAP considered five general paths for transit governance reform. While there could be significant variation within each of these broad approaches, they generally exist along a spectrum from most decentralized to most centralized. These include:

- Decrease the responsibilities and authorities of RTA.
- Maintain the governance status quo.
- Maintain the current structure, but reform funding allocation.
- Empower a regional coordinating agency while maintaining the service boards.
- Integrate the RTA and service boards into one regional transit agency.

Figure 41. Overview of governance reform options vs. today



Evaluate reform options and recommendations

Prior analysis concluded that there is no clear ideal governance model that is universally applicable. Different regions have taken different approaches to reflect their unique institutional, political, and historical contexts.¹⁵³ However, both northeastern Illinois and peer regions indicate that some models are more likely than others to achieve system improvements and address the governance challenges noted above.

Out of the five potential approaches, the last two paths make significant progress towards resolving identified governance challenges and enhancing the effectiveness of PART's transit system improvement recommendations. This assessment aligns with past reports about the region's transit governance: improving outcomes for riders, taxpayers, and transit decision makers will require either empowering the regional coordinating agency or creating an integrated agency.¹⁵⁴

Ultimately, it was assessed that integrating RTA and the service boards into one regional transit agency has great potential to support the implementation of PART recommendations and to address historic challenges. However, with sufficient provisions, empowering the regional coordinating agency while maintaining the service boards as operating agencies is also a strong option.

Option 1: Integrate agency and the service boards into one regional transit entity

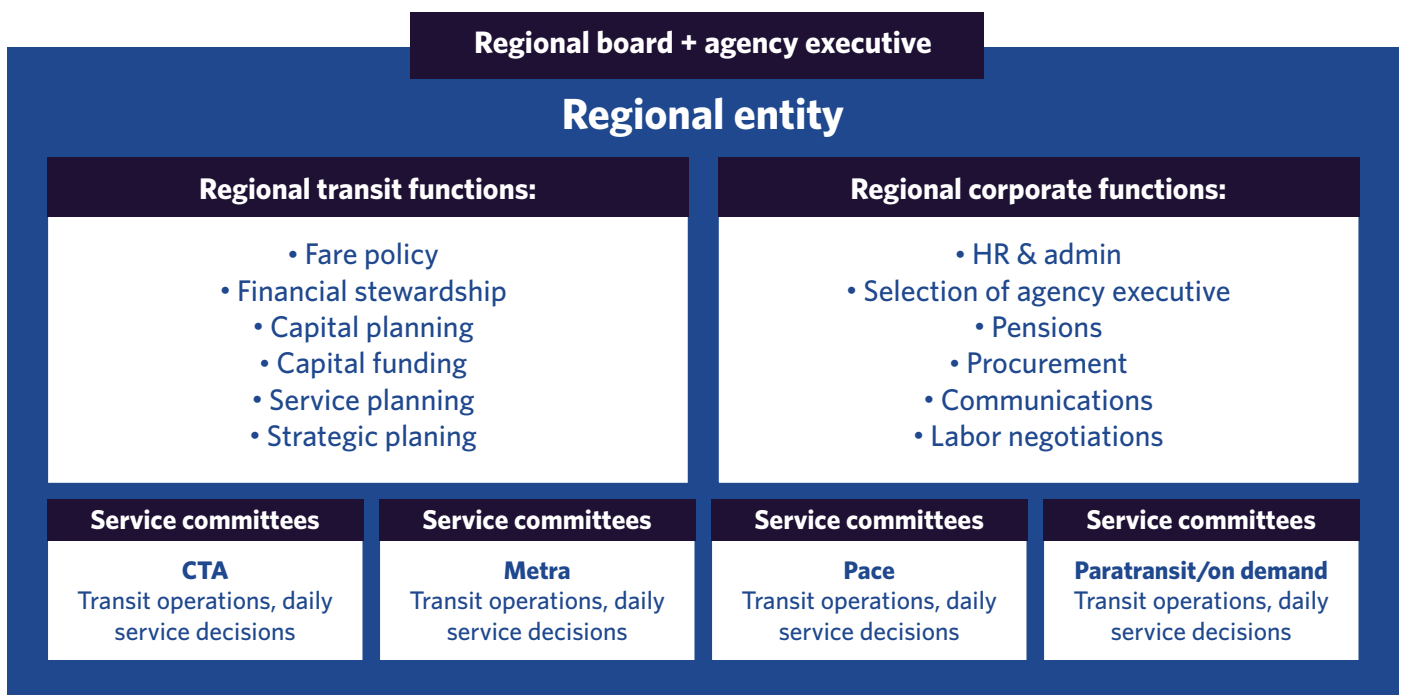
General structure description

In this option, RTA and the service boards would be integrated into one regional transit agency. The service boards' current service delivery responsibilities would be divided among service units. Depending on regional priorities, these operating units could achieve different objectives:

- Provide continuity with existing structures by having one unit each for CTA, Metra, Pace, and a distinct unit for paratransit and on-demand services.
- Increase the regional coordination by having one unit each for bus, rail, and paratransit and on-demand services.

The regional agency would be represented by one board and one agency executive. To provide additional opportunities for input, the operating units could be represented by service committees that report to the regional board.

Figure 42. Sample structure of an integrated agency



Division of transit and corporate functions

In this option, the integrated regional entity would administer all corporate functions, such as human resources, communications, and the selection of the agency executives. Existing systems for procurement, pensions, and labor negotiations would be merged under the integrated agency, which would require additional considerations (discussed in "Strengths and challenges of structural options" below).

The regional entity would also lead many transit functions. Systemwide fare policy, funding allocation, and capital and service planning would be centralized at the regional level. The operating units would be responsible for daily transit operations and service delivery within the overarching, regional vision set by the integrated regional entity.

Funding allocation

As part of an integrated governance structure, the regional entity would allocate most, if not all, funding.

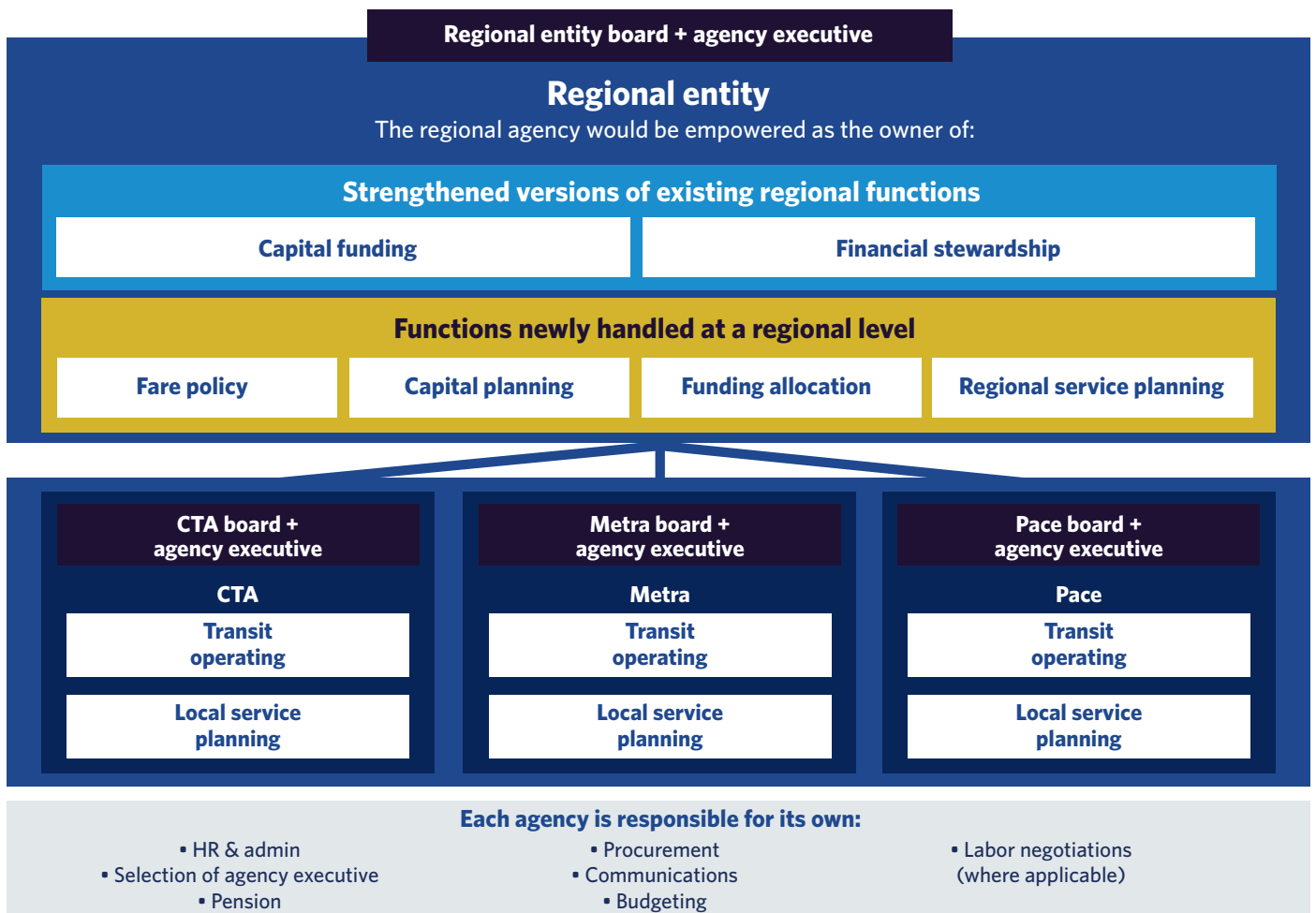
All system-generated revenue and funds from state and federal partners would be disbursed by the regional entity to cover systemwide operating costs, implement regional priorities, and fund capital projects.

Option 2: Empower a regional coordinating agency to lead transit across the service boards

General structure description

The service boards would continue to exist as three, separate agencies that are led by a regional coordinating agency. The service boards would provide transit operations and local service planning, while the regional entity would be strengthened with greater authority and resources to develop regional policies, coordinate comprehensive mobility planning, and allocate funding to the service boards. All four agencies would have their own agency executives and governing boards. Membership, structures, and procedures for each board would be consistent with the baseline principles for reform outlined above.

Figure 43. Sample structure of an empowered regional coordinating agency



Division of transit and corporate functions

The regional coordinating agency would strengthen its current roles and assume responsibility for transit functions that are currently overseen separately by the service boards. These functions include:

- **Fare policy:** The regional coordinating agency would determine regional fare policy, which would include setting fare and transfer policies, selecting payment technologies, and establishing procedures to share fare revenue between the service boards.
- **Financial stewardship:** The regional coordinating agency would inherit the existing financial oversight functions provided by RTA today. It would also set and monitor systemwide standards for operational efficiencies and progress on regional priorities, such as capital planning, climate resilience, and the regional vision.
- **Capital planning and funding:** The regional coordinating agency would be responsible for and empowered to prioritize capital funding. It would also be empowered to plan both system expansion projects and efforts to achieve a state of good repair. The regional agency's responsibility to prioritize capital projects would also require that it represent the region in seeking capital funding (as well as complementary operating investments) from state and federal partners.
- **Regional service planning:** The regional entity would coordinate bus, rail, and paratransit/demand-responsive service planning throughout the region to prevent disconnections or duplications in service. Additionally, the regional entity would conduct analyses to determine how different markets should be served by transit, identifying which service(s) can best meet the different needs of travelers throughout the region.
- **Funding allocation:** The regional entity would have greater authority than the existing RTA to allocate discretionary funding in alignment with regional priorities and plans. The agency would collect system-generated revenues as well as funding from state and federal partners to distribute among the service boards — including any new revenues identified through the state's consideration of PART. This power would be critical to the regional entity's

ability to fulfill its other responsibilities, such as regional service planning and fare policy.

The service boards would be responsible for transit operations, daily service decisions, and local service planning. While the current structure of three service boards could be maintained, the state should also consider reorganizing some transit services (such as the existing and fragmented nature of demand-responsive services throughout the region).

Each agency would also maintain its essential corporate functions, such as:

- Selecting an agency executive.
- Managing employee benefits and human resource departments.
- Administering pension, budget, and procurement systems.
- Publishing communications and marketing materials.
- Negotiating labor agreements (where applicable).

Oversight

In this model, the regional entity and the service boards would each maintain separate governing boards. As noted above, however, these boards would differ in both responsibility and composition from the existing governing boards for the region's transit system. The membership and decision-making structures of each board would be consistent with the baseline principles for reform. The regional entity board would also be the owner of the functions noted above, such as fare policy and regional service planning. The governing boards for the transit service boards would have a narrower focus on corporate functions and day-to-day operations.

This reform path echoes models seen in European cities, such as Berlin.¹⁵⁵ While this approach to governance is flexible and varies by location, the regional coordinating agency — also known as the “network manager” — generally determines systemwide budgets, rather than transit operators independently setting their own.

Additional details on this topic are available in the companion PART appendix memo. Find the latest version on the [PART webpage](#).

Strengths and challenges of structural options

The options to create an integrated agency or empower a regional coordinating agency share multiple strengths and challenges. Importantly, both options have strong potential to improve rider experiences by enabling the implementation of PART recommendations. Both reform options would set the region up to achieve fare integration, respond to consumer demands, and better coordinate transit services across the region.

Both options would also improve accountability to Illinois taxpayers. Instead of considering the needs and priorities of the transit system in silos, each option envisions a regional financial steward identifying and prioritizing funding for the entire system, thereby increasing the potential for long-term cost efficiencies and investments. Increased regional stewardship of system funding also has the potential to provide greater transparency around transit budgeting. Instead of each agency having a distinct approach to financial reporting, a regional entity would set systemwide standards to achieve clearer and more consistent reporting about transit costs and revenues.

Coupled with the essential changes and principles detailed in this section, both options also help address longstanding and emerging challenges. Past reports about governance in northeastern Illinois have come to similar conclusions: either empowering a regional coordinating agency or creating an integrated agency will improve outcomes for riders, taxpayers, and transit decision makers.¹⁵⁶

While there are many strengths in the recommended governance options, both face logistical and political challenges. It will take time, resources, commitment, and intentional planning to enact governance reform. Also, stakeholders in both the suburbs and Chicago share concerns that they may lose resources to the other, and historical tensions will need to be addressed regardless of the option.

Some stakeholders are also concerned that greater centralization may lead to more bureaucracy and less nimble decision making. As the state considers any implementation plan for governance reform, it should develop protocols and procedures to ensure timely decision making and responsiveness to stakeholders. Widespread collaboration and coordination with key stakeholders will help develop reforms that produce benefits to all involved.

Strengths and challenges: Integrate RTA and the service boards into one regional transit entity (Option 1)

By fully centralizing decisions about the regional transit system, it is more likely that longstanding regional priorities and goals will be implemented. Having one regional voice for transit may decrease opportunities for progress to be delayed by parochial interests and siloed decision making. Creating an integrated agency has the potential to facilitate the implementation of regional strategies more effectively.

Additionally, having one regional agency for transit may promote greater regional mobility by coordinating service planning and operating across the system. Instead of transit services being administered separately by mode and jurisdiction, an integrated agency would consider the regional transit network as a whole. Centralized oversight for service planning and operating may decrease instances of duplications or disconnections in service.

There is, however, uncertainty about the potential for cost efficiencies. On one hand, creating an integrated agency may produce long-term cost savings by consolidating procurement, merging office spaces, and optimizing service planning and operating. On the other hand, it may take multiple years to completely merge four agencies, and up-front costs may be significant. Additional analysis will be required to accurately assess the potential costs or savings of creating an integrated agency.

Lastly, there is uncertainty about the impacts of merging pension systems, labor agreements, and outstanding debt. There are a multitude of options when considering how to approach potentially combining the transit system's pensions, labor negotiations, and other contracts. Additional analysis and key stakeholder engagement will be crucial to determine how to approach these important assets in a potentially integrated governance structure.

Strengths and challenges: Empowering a regional coordinating agency to lead transit across the service boards (Option 2)

An empowered regional coordinating agency may provide substantial accountability and oversight to the service boards. When RTA was created in the 1973, lawmakers intended to establish an entity that could monitor the performance and finances of the region’s transit operators. A more empowered regional agency would augment that oversight role.

By maintaining the service boards as separate entities, the region could preserve existing avenues for local input, institutional knowledge, and the agencies’ respective specialties by mode and geography. Through decades of providing distinct transit services in specific jurisdictions, the service boards have established valuable relationships with stakeholders and developed expertise about planning and operating different forms of transit. Maintaining their current structure may ensure that these professional assets continue to benefit the region.

However, the reforms detailed in this report could face implementation barriers if the regional entity lacks sufficient authorities and resources. State mandates for regional transit will fall short if the implementers are not empowered to enact reform. Notably, past attempts to strengthen RTA have fallen short of the intended outcomes. The state should be mindful of

permissions, resources, or additional support that changes to governance may require. As highlighted above, this could include adjustments to voting structures (e.g., supermajority thresholds), appointing authorities (e.g., a significant but not controlling role for the state) and clearly defined allocations of which responsibilities rest with which entity (e.g., fare policy as an exclusive responsibility of the regional board).

These considerations would be important in either path of reform, but are especially critical in Option 2, given the continuing existence of multiple agencies and governing boards. The dynamics between multiple boards may continue to challenge regional decision making and funding allocation. Historic tensions may continue to divide stakeholders and impede progress. Consequently, governance reform must be inclusive of perspectives from a wide range of stakeholders, and efforts should be made to prevent silos on governing boards.

Figure 44. Example implementation considerations for each structural option

Implementation considerations	Option 1: Integrated agency	Option 2: Empowered regional coordinating agency
Existing debt, pension obligations, and labor agreements	Requires stakeholder engagement and additional analysis to mitigate risks and plan implementation.	Maintains current conditions.
Cost implications on transit operations	Incurs upfront costs to consolidate and rebrand the system. May result in long-term cost efficiencies related to both system administration and service delivery, but further analysis is required.	Requires funding for the regional entity to implement changes and address personnel for new responsibilities (only some of which exist within service boards today). May result in long-term cost efficiencies related to service delivery, but further analysis is required.
Existing third-party contracts and agreements	Requires legal analysis of existing private and intergovernmental agreements to mitigate risks and unintended consequences	Generally maintains current conditions, but may require revisions to contracts that pertain to new responsibilities for the regional entity (e.g., fare policy).

IMPLEMENTATION AND NEXT STEPS

Recognizing that additional analysis is needed and that implementing governance reform may take time, CMAP encourages decision makers to consider the unique strengths and challenges of each of the structural governance reform options and reach consensus on one. A critical next step in achieving these baseline principles is through new or revised

legislation. Figure 45 provides an overview of the unique legislative considerations that would need to be undertaken for each option to be responsive to each of the baseline principles. As shown in Figure 46, these statutory changes would also need to be coupled with an implementation plan for the chosen option to account for the unique challenges and considerations noted in the previous section.

Figure 45. Examples of legislative actions to achieve baseline principles for governance reform

Baseline principles for reform	Option 1: Integrated agency <i>New enabling legislation would replace the RTA Act and the Metropolitan Transit Authority Act, with provisions to create a new integrated agency, including:</i>	Option 2: Empowered regional coordinating agency <i>Significant reforms would be required to the RTA Act and the Metropolitan Transit Authority Act to modify the responsibilities of the regional coordinating agency and the service boards, including:</i>
Funding allocation	<ul style="list-style-type: none"> ▪ Sunset formulas and give the integrated agency full authority to allocate funding between its service offerings 	<ul style="list-style-type: none"> ▪ Sunset formulas and give the regional agency the authority to allocate funds to operating agencies ▪ Ensure funding allocation provides operating agencies with transparent and predictable baseline funding and aligns with regional goals and service framework
Regional coordination of transit functions	<ul style="list-style-type: none"> ▪ Provide integrated agency with required authority to coordinate transit policies and services regionally ▪ Require an implementation plan to establish the integrated agency's structure, including process to transition responsibilities into new entity 	<ul style="list-style-type: none"> ▪ Expand the regional agency's authority over newly assigned functions (e.g., fare policy), explicitly limiting service board authority in those areas ▪ Require an implementation plan to manage transition of responsibilities and assumption of new roles by the regional entity
Performance metrics and farebox recovery requirement	<ul style="list-style-type: none"> ▪ Establish protocols to set, monitor, and update performance metrics, including required farebox recovery levels 	<ul style="list-style-type: none"> ▪ Authorize the regional agency to set, monitor, and update performance metrics, including required farebox recovery levels ▪ Provide the regional agency with effective tools to ensure operating agency compliance (e.g., funding allocation, line item veto)
Board composition	<ul style="list-style-type: none"> ▪ Establish membership and appointment process for the regional board and service committees that reflects baseline principles (e.g., state and regional perspectives) 	<ul style="list-style-type: none"> ▪ Change existing statutory membership and appointment processes for the regional board and operating agency boards to better reflect baseline principles (e.g., state and regional appointees on regional board, additional perspectives on operating agency boards)
Board function	<ul style="list-style-type: none"> ▪ Establish roles and procedures for the regional board and advisory service committees, including structured avenues for local input ▪ Develop voting rules that will reflect regional consensus but avoid potential for parochial voting blocs (e.g., allowing state and regional appointments to overcome decision-making impasses) 	<ul style="list-style-type: none"> ▪ Establish the roles, procedures, and relationships between the boards of the regional agency and service boards ▪ Update voting rules to advance regional consensus while mitigating against parochial voting blocs (e.g., allowing state and regional appointments to overcome decision-making impasses)

Past examples of governance reform in other regions provide a roadmap for northeastern Illinois. Research about peer regions that increased their regional transit coordination reveal that it will be important for the beginning the transition process. Once governments commit to governance reform, domestic and international precedent reveals that implementation often takes multiple years. It may include additional analyses, transitional stages, and multiple phases of iterative implementation.

For example, New York City has been centralizing its transit governance since the 1960s. Initial efforts to consolidate previously private operators have led to more recent efforts to bring planning, engineering, and funding for capital projects under one regional agency. Today, efforts continue to increase the regional coordination of transit operators.¹⁵⁷ Other metropolitan regions in the U.S. have transitioned toward stronger regional governance of transit. In 2002, the California state legislature authorized a plan to consolidate transit operators in San Diego into one regional transit agency.¹⁵⁸ The legislation detailed actions to ensure the implementation of reforms, such as changes to board structures, funding allocation adjustments, and dates when reforms would take effect. After several years and multiple phases of a transition process, the San Diego transit system was consolidated.¹⁵⁹

These kinds of governance reform efforts have also happened globally in recent years, in European cities that transitioned to a network manager governance approach. For example, in 1999 the Greater London Authority voted to reinstate citywide governance of transit and ultimately established Transport for London (TfL). Initially, TfL assumed many of the governance responsibilities from its predecessor, London Regional Transport. Over a few years, however, TfL received additional responsibilities, such as operating the London Underground network and overseeing contracts with private operators.

While merging agencies can be logistically challenging, one aspect of the San Diego effort stands out for special consideration. San Diego focused on achieving an integrated experience from the riders' perspectives in advance of finalizing the legal and bureaucratic procedures that completed the merger. A report that studied San Diego's transition noted, "What was remarkable was the gradual, step-by-step evolution

from separate transit agencies into a unified and fully coordinated system of bus and light rail routes. To the eyes of the transit rider, [the San Diego Metropolitan Transit System] was a single transit system years before the actual legal consolidation of assets took place in 2003."¹⁶⁰

As the state considers the PART report's recommendations on governance, that focus — centering the transit system users' experiences — should remain paramount. Any changes to regional transit governance will require detailed planning and thoughtful implementation. They will also require consideration of the effects on transit riders, with particular attention to the equity impacts of any potential changes. Thus, after committing to a particular governance approach, the state should establish a process through which the region's transit operators can work in concert toward these broader regional goals. Success will require clearly defined responsibilities, timelines for implementation, and strategies to ensure that transit continues to serve rider needs.

Figure 46: Next steps for the Illinois General Assembly on governance reform

- **Select a preferred conceptual approach to governance reform (integrated agency, empowered regional coordinating agency)**
- **Develop and fund an implementation plan that identifies clear timelines, costs, and strategies to mitigate equity and mobility impacts.**
- **Establish an implementation working group with service boards, legal counsel, transit experts, and others (e.g., CMAP) to execute on the implementation plan**
- **Enact governance reforms; oversee and monitor implementation to ensure success in conjunction with broader investments in strengthening the region's transit system**

A stronger transit system is possible

When taken as a whole, the recommendations in the PART report — from system improvements, to funding, to governance — are all in service of that vision of a stronger and more user-centric transit system. Achieving the system users want will require a combined approach. As this report has outlined, the elements of the PART report build upon and reinforce one another. A more frequent and reliable transit system will improve mobility for existing users and attract new ones. The fares those riders pay will provide operators with a stable funding source, magnifying the impact of significant new investments from the region. And a stronger regional transit governance structure will identify how those funds can best be invested, ensuring that everyone who calls northeastern Illinois home can affordably and seamlessly move throughout the region.

ON TO 2050 makes it clear that “regional success relies on transit.” Transit enables mobility, equity, sustainability, and economic vitality, with impacts that extend across Illinois. The crisis facing the region’s transit system is as profound as any since the initial creation of the RTA and the service boards. Addressing these challenges will require significant action and investment. But the region’s transit system — the legacy of more than a century of sustained leadership and investment — is too important to let fail.

ACKNOWLEDGMENTS

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 - Stefan Schafer
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 - Eno Center for Transportation
 - SB Friedman Development Advisors
 - HNTB
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- All of those who participated in presentations, focus groups, and discussions

PART LEGISLATION

In May 2022, the State of Illinois enacted Public Act 102-1028, which required CMAP to submit a report of recommendations regarding the long-term financial viability of the regional transit system by January 1, 2024.¹⁶¹ The text of that legislation is included below. This report fulfills that requirement.

As required by the statute, the final recommendations envision a system that is regionally coordinated, safe and secure, clean, efficient, and supportive of efficient land use. The report specifically addresses required topics such as regional fare systems, sales tax, the recovery ratio, and governance. The report also highlights the strong connections between investments in transit and other regional and state priorities, especially those related to equity, climate change, and economic growth.

This report reflects the combined input of stakeholders from throughout the region. CMAP convened a steering committee of regional stakeholders to oversee the report's development. This steering committee, which included representation from civic, community, business, environmental, and labor perspectives, provided guidance alongside input CMAP received from other public bodies, such as county boards, municipal councils of governments, CMAP's Board and MPO Policy Committee. CMAP staff also conducted focus groups and public outreach, building on the significant public engagement completed by RTA in its recent strategic planning process. For more information on the PART steering committee and other public engagement conducted through the process, see the next section and materials posted on the [PART webpage](#).

Public Act 102-1028

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Regional Transportation Authority Act is amended by adding Section 5.10 as follows:

(70 ILCS 3615/5.10 new)

Sec. 5.10. Report of legislative recommendations. (a) By January 1, 2024, the Chicago Metropolitan Agency for Planning and its MPO Policy Committee, in coordination with the Authority, shall develop and submit a report of legislative recommendations to the Governor and General Assembly regarding changes to the recovery ratio, sales tax formula and distributions, governance structures, regional fare systems, and any other changes to State statute, Authority, or Service Board enabling legislation, policy, rules, or funding that will ensure the long-term financial viability of a comprehensive and coordinated regional public transportation system that moves people safely, securely, cleanly, and efficiently and supports and fosters efficient land use. In developing the report, the vision, principles, and recommendations of the Authority's strategic plan required by Section 2.01a shall be considered. The report shall also consider recommendations on how the Authority and Service Boards can better address racial equity, climate change, and economic development. The development of the report shall include meaningful public engagement led by the Chicago Metropolitan Agency for Planning and its MPO Policy Committee and should be developed with the support of a steering committee composed of representatives of business, community, environmental, labor, and civic organizations. The report shall be adopted by the MPO Policy

Committee prior to submission to the Governor and General Assembly. The report shall be separate from the Strategic Plan required under Section 2.01a.

(b) This section is repealed on January 1, 2025.

Section 99. Effective date. This Act takes effect upon becoming law.

Effective date: 5/27/2022

PART STEERING COMMITTEE

The 27 Steering Committee members fulfilled the legislative mandate to include representatives of business, community, environmental, labor, and civic organizations. While Steering Committee members offered diverse professional backgrounds, CMAP also looked to racial and geographic demographics for membership so that the committee reflected the region's diversity.

Members included:

MarySue Barrett, MSB Policy Consulting/Brookings Institution

Randy Blankenhorn, former Secretary, Illinois Department of Transportation (Co-chair)

Carole Brown, PNC (Co-chair)

Deborah Carroll, University of Illinois Chicago, Government Finance Research Center

Kevin Considine, Lake County Partners

Dan Cronin, Former Chair, DuPage County Board (Co-chair)

Mark Denzler, Illinois Manufacturers' Association

Derek Douglas, Civic Committee and Commercial Club of Chicago (Co-chair)

Jacky Grimshaw, Center for Neighborhood Technology (Co-chair)

Julie Hamos, Office of Medicaid Innovation

Darlene Hightower, Metropolitan Planning Council

Rob Karr, Illinois Retail Merchants Association

Jack Lavin, Chicagoland Chamber of Commerce

David Leopold, Microsoft

Juan Carlos Linares, Association House of Chicago

Tom Livingston, CSX

Justin Marlowe, University of Chicago, Harris School of Public Policy

David Narefsky, Mayer Brown

Jorge Perez, Lake Effect Community Development

Doug Pryor, Will County Center for Economic Development

Bob Reiter, Chicago Federation of Labor

Roberto Requejo, Elevated Chicago

Amy Rynell, Active Transportation Alliance (Co-chair)

Stephen Schlickman, University of Illinois Chicago, College of Urban Planning and Public Affairs

Karen Tamley, Access Living

Jen Walling, Illinois Environmental Council

Sarah Wetmore, The Civic Federation

OVERVIEW OF REGIONAL TRANSIT OPERATIONS

Each of the service boards contributes one or more important elements to the broader regional transit network. The figures below highlight their coverage areas, services, ridership, and the scale of their 2019

and 2023 operating budgets. System maps of the rail, bus, and demand-responsive services in the RTA region are included at the end of this appendix.

Figure 47. High-level overview of regional transit operations

Agency	Coverage	Services	Ridership (2019) ¹⁶²	Ridership (2022) ¹⁶³	Operating budget (2019) ¹⁶⁴	Planned operating budget (2023) ¹⁶⁵
CTA ¹⁷²	City of Chicago and 35 surrounding suburbs in Cook County	Bus (127 routes) and rail (8 lines)	456 million trips (219 million rail and 237 million bus)	244 million trips (104 million rail and 140 million bus)	\$1.515 billion	\$1.828 billion
Metra	Cook, DuPage, Kane, McHenry, Lake, and Will counties, with service to southeast Wisconsin	Rail (11 lines)	74 million trips	24 million trips	\$802 million	\$980 million
Pace ¹⁷³	Cook, DuPage, Kane, McHenry, Lake, and Will counties	Bus (137 routes), Vanpool, On Demand	29 million trips	15 million trips	\$225 million	\$303 million
Pace ADA (paratransit)		Paratransit services	4.2 million paratransit trips	3.8 million paratransit trips	\$184 million	\$238 million
RTA	Cook, DuPage, Kane, McHenry, Lake, and Will counties	Financial oversight and strategic planning	N/A	N/A	\$42 million	\$37 million*
Total			562 million	287 million	\$3 billion	\$3.5 billion

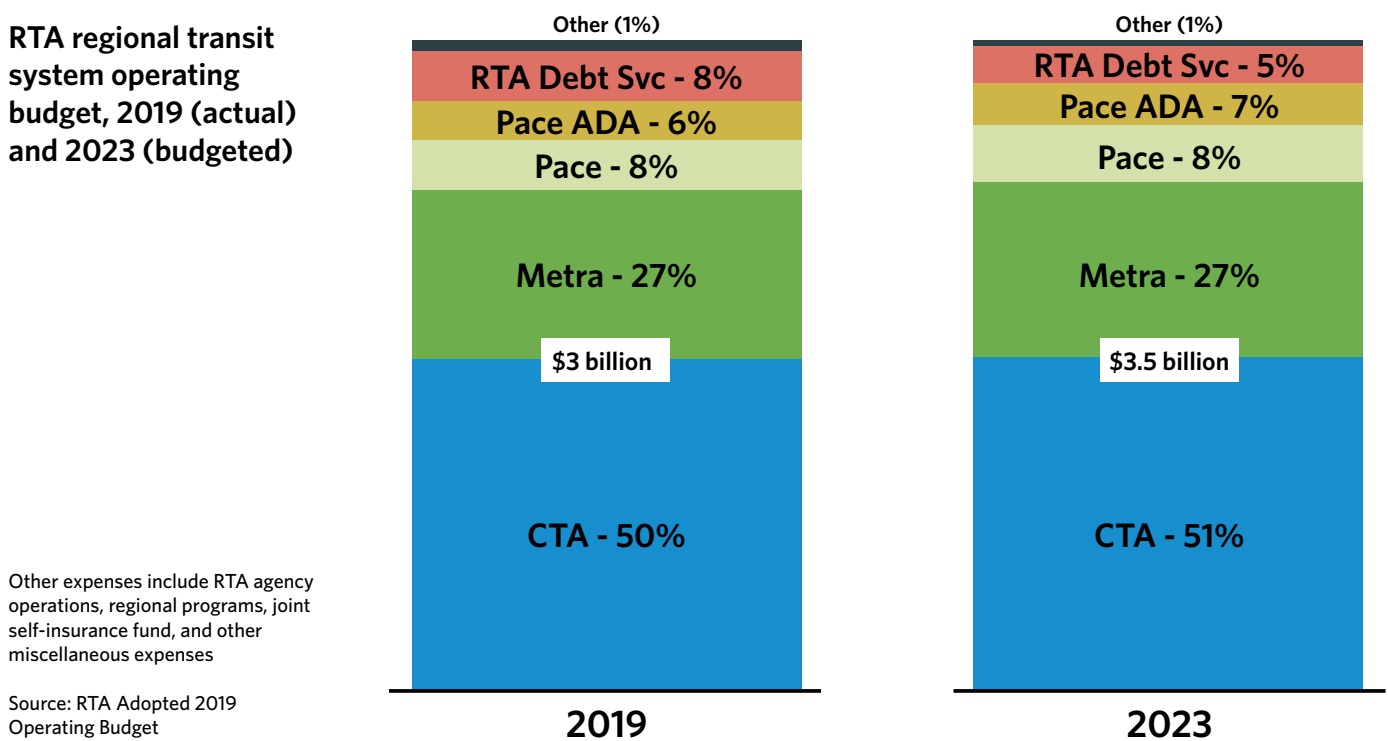
* Excludes RTA regional debt service expenses (note these are included in the overall 2019 and 2023 totals).

Governance of northeastern Illinois' transit system is complex and layered. While RTA is largely responsible for providing financial oversight to the three service boards, the four agencies primarily operate as independent, autonomous entities and exist under a complex governance structure. Across the four agencies, there are 47 board members appointed by 21 elected officials.

Regional transit operations and capital programs are further impacted by decisions made by other government agencies and authorities, including state, regional, county, and municipal transportation agencies. The service boards and RTA are also located within CMAP's slightly larger jurisdiction, which includes RTA's six-counties and Kendall County. For more information on regional transit governance, see "Implementing the system the region wants."

CTA has the largest overall operating budget of the three service boards. CTA represents roughly half of all planned expenses in 2023. Metra represents slightly more than a quarter at 27 percent. Pace's operating expenses are split, with roughly half of its funding supporting services like suburban bus, vanpool, and demand-responsive services, and the remainder going toward the federally required ADA paratransit services that it provides throughout the region. Most remaining funds go toward regional debt service issued by RTA on behalf of the service boards, along with a relatively small share to cover RTA's agency operating budget and other expenses.

Figure 48. Operating expenses by service board have remained proportionally stable



Large operating expense categories for transit agencies have historically included:

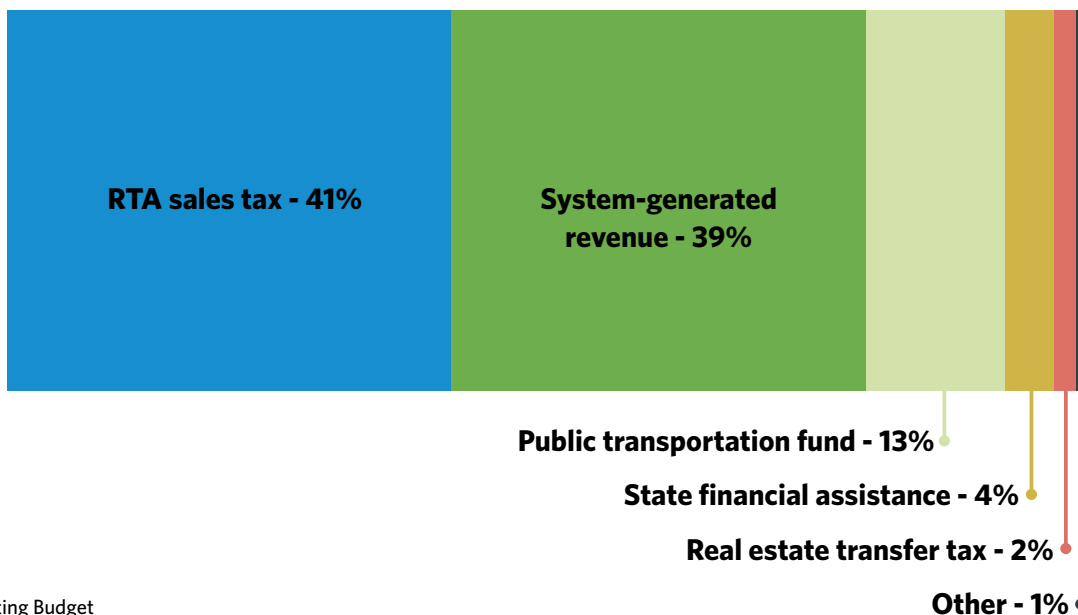
- Labor.** Labor is the primary driver of transit cost growth over time. Transit system staff oversee stations, drive buses, and operate trains. Staff also maintain capital assets and perform key administrative, planning, and corporate functions.
- Supplies and materials.** Agencies must buy the supplies and materials needed to provide service and maintain stations, such as cleaning supplies and tires.
- Power and fuel.** Transit relies on electricity and fuels like diesel and compressed natural gas to operate.
- Debt service.** RTA, Pace, and CTA pay debt service on bonds issued to fund capital investments or (for CTA) pension benefits.

Transit relies on both fares and public funds to operate

Funding for the operating budget of the region’s public transit comes from two sources: system-generated revenues and public funding.

Figure 49. RTA operating revenues by source, 2019

System-generated revenues made up almost 40% of the total operating revenue in 2019



Source: RTA Adopted 2019 Operating Budget

The state currently requires system-generated revenues to cover half of operating costs

Before the pandemic, state law required the service boards to cover 50 percent of their operating costs from fares and other system-generated revenue (referred to as the recovery ratio requirement). System-generated revenues mainly come from passenger fares, as well as smaller amounts from sources such as advertising, investment income, and concessions, as well as the state’s partial reimbursement for the cost of statutorily required reduced fare programs. Due to allowed exclusions (e.g., paratransit expenses), system-generated revenues typically accounted for roughly 40 percent of total operating expenses (not adjusting for exclusions) before 2020.

The farebox recovery ratio requirement has temporarily been waived during the COVID-19 pandemic, with that waiver recently extended through 2025. As

discussed above and as noted by RTA in its recently adopted strategic plan, a more permanent reform will be required as part of any broader transit system investments.

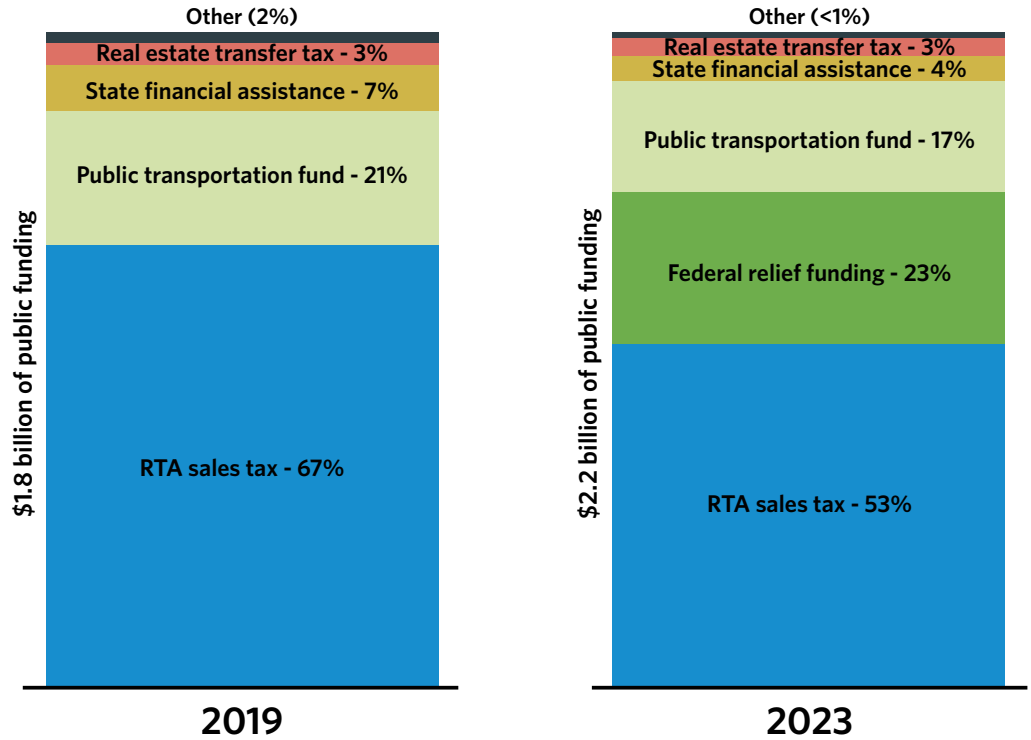
Public funding for transit includes sales taxes and other sources

Most remaining transit funds come from various public sources, including:

- A regional sales tax levied by RTA.
- A real estate transfer tax levied by the City of Chicago.
- Matching funds provided by the state for both sales tax and RETT revenues out of the Public Transportation Fund.
- Additional state financial assistance, such as reimbursing certain debt service payments.

Figure 50. RTA public operating funding by source as a share of total public funding dollars in 2019 and 2023

RTA public operating funding, 2019 (actual) and 2023 (budgeted)



Other public funding comes from the state for ADA paratransit, federal discretionary funding, positive budget variances, and other RTA revenues.

Source: RTA Adopted 2019 and 2023 Operating Budget

Regional sales tax

An RTA sales tax is imposed in the six counties of its service area in northeastern Illinois. In Cook County, the rate is 1.25 percent; in DuPage, Kane, Lake, McHenry, and Will counties, the rate is 0.75 percent, although 0.25 percent is directed back to the counties to support local transportation and public safety costs. In 2023, RTA estimates the sales tax will generate approximately \$1.5 billion.¹⁶⁶

Real estate transfer tax

In 2008, the state gave the City of Chicago authority to increase the Real Estate Transfer Tax (RETT) by \$1.50 per \$500 of value to support CTA. CTA’s portion of RETT is projected to be approximately \$82 million in 2023.¹⁶⁷

State matching program

Before the state deposits receipts into the General Fund, funds are distributed to the Public Transportation Fund equal to 30 percent of the revenue from the RTA sales tax and 30 percent of the revenue realized from CTA’s portion of RETT. In 2023, this is budgeted to provide roughly \$495 million of direct state support for transit.¹⁶⁸

Other state funding

Beyond matching funds, the state makes additional contributions. These include a reimbursement of RTA’s debt service on Strategic Capital Improvement Program bonds. As the oldest of these bonds mature, the level of state financial assistance is anticipated to decline. The state also contributes roughly \$8 million annually in support of the region’s paratransit services.

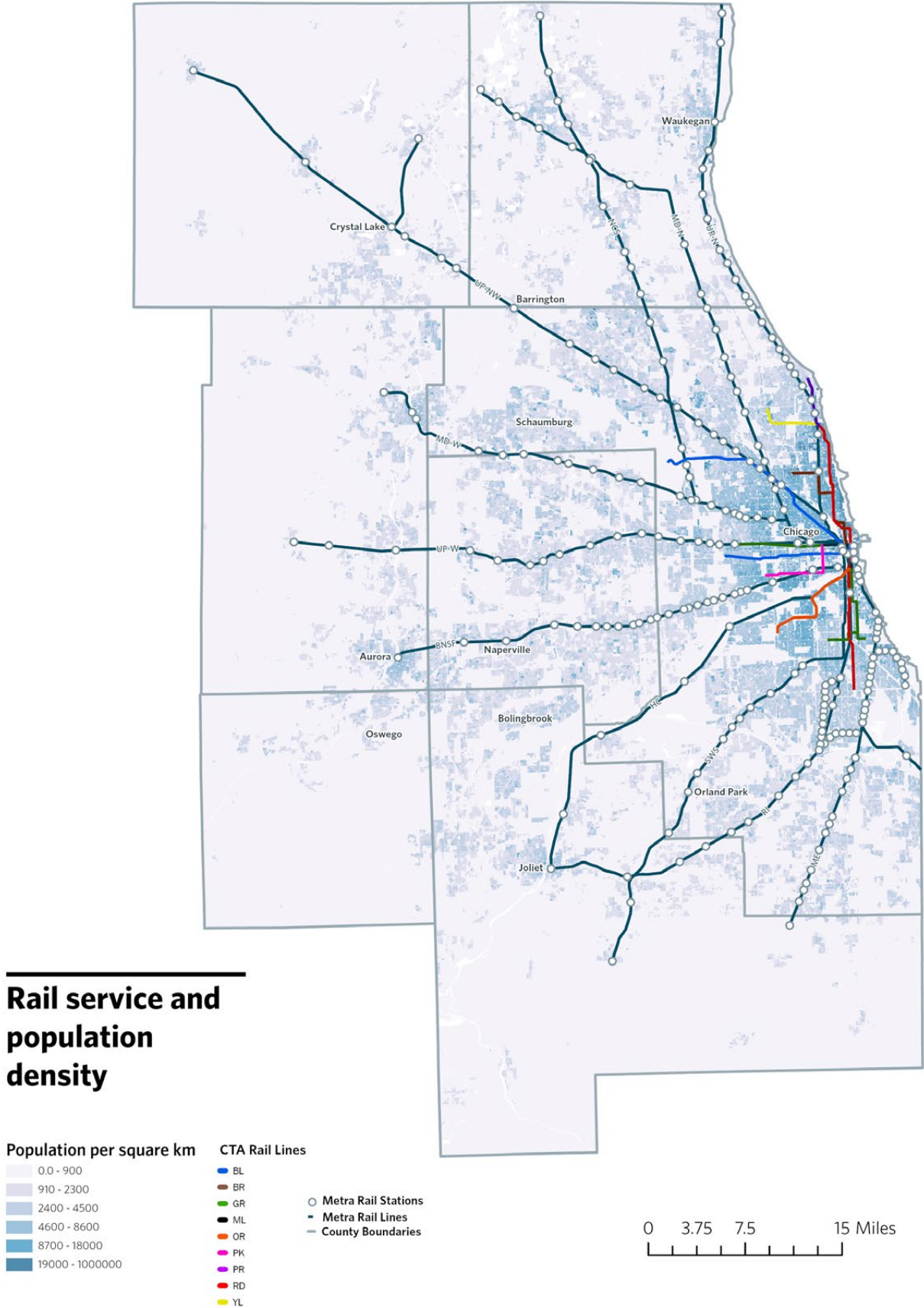
System operations depend on robust capital investment

While this report focuses primarily on the operational costs of regional transit, those operations rely on extensive capital investments made over more than a century. With additional capital improvements, transit service can be more frequent, reliable, and comfortable for riders. To make those investments, the region’s transit operators traditionally rely on a mix of federal, state, and local funds, including newly dedicated transit capital resources available through the Rebuild Illinois capital program. Despite the recent infusion of capital funding, however, the RTA region still faces a significant capital backlog due to decades of inconsistent state funding prior to Rebuild Illinois. RTA estimates that the

region needs an annual investment of \$3.5 billion over the next 10 years to fund critical capital maintenance and investment, more than double the current level.¹⁶⁹

Where relevant, PART recommendations highlight opportunities where capital investments could unlock improved and/or more efficient service provision. More information on transit capital funding sources and investments is available in recent publications by CMAP and RTA.¹⁷⁰

Figure 51. The region's rail services

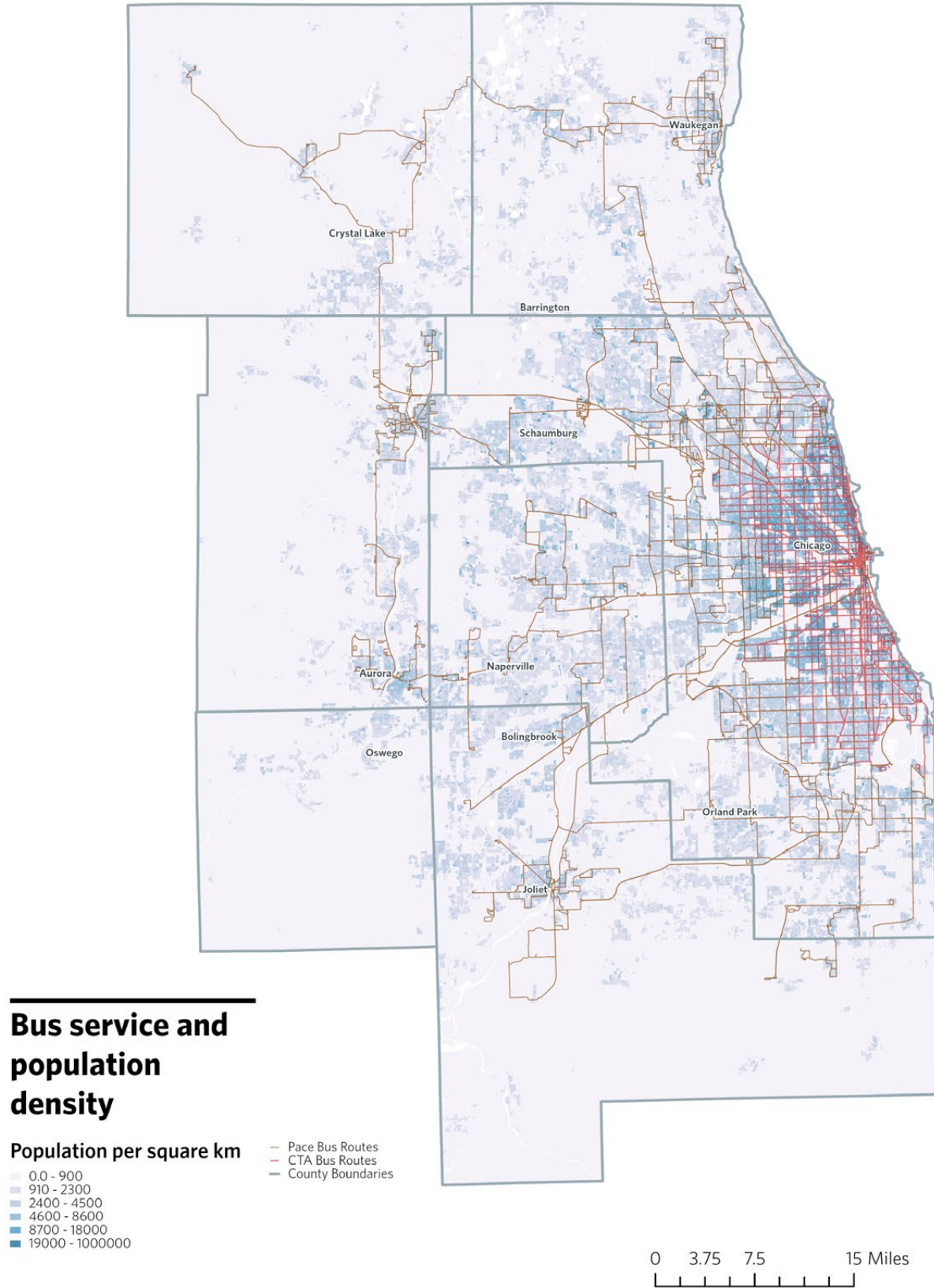


Rail service and population density

- | | | |
|---------------------------------|-----------------------|----------------------------|
| Population per square km | CTA Rail Lines | Metra Rail Stations |
| 0.0 - 900 | BL | ○ Metra Rail Stations |
| 910 - 2300 | BR | - Metra Rail Lines |
| 2400 - 4500 | GR | - County Boundaries |
| 4600 - 8600 | ML | |
| 8700 - 18000 | OR | |
| 19000 - 1000000 | PK | |
| | PR | |
| | RD | |
| | YL | |

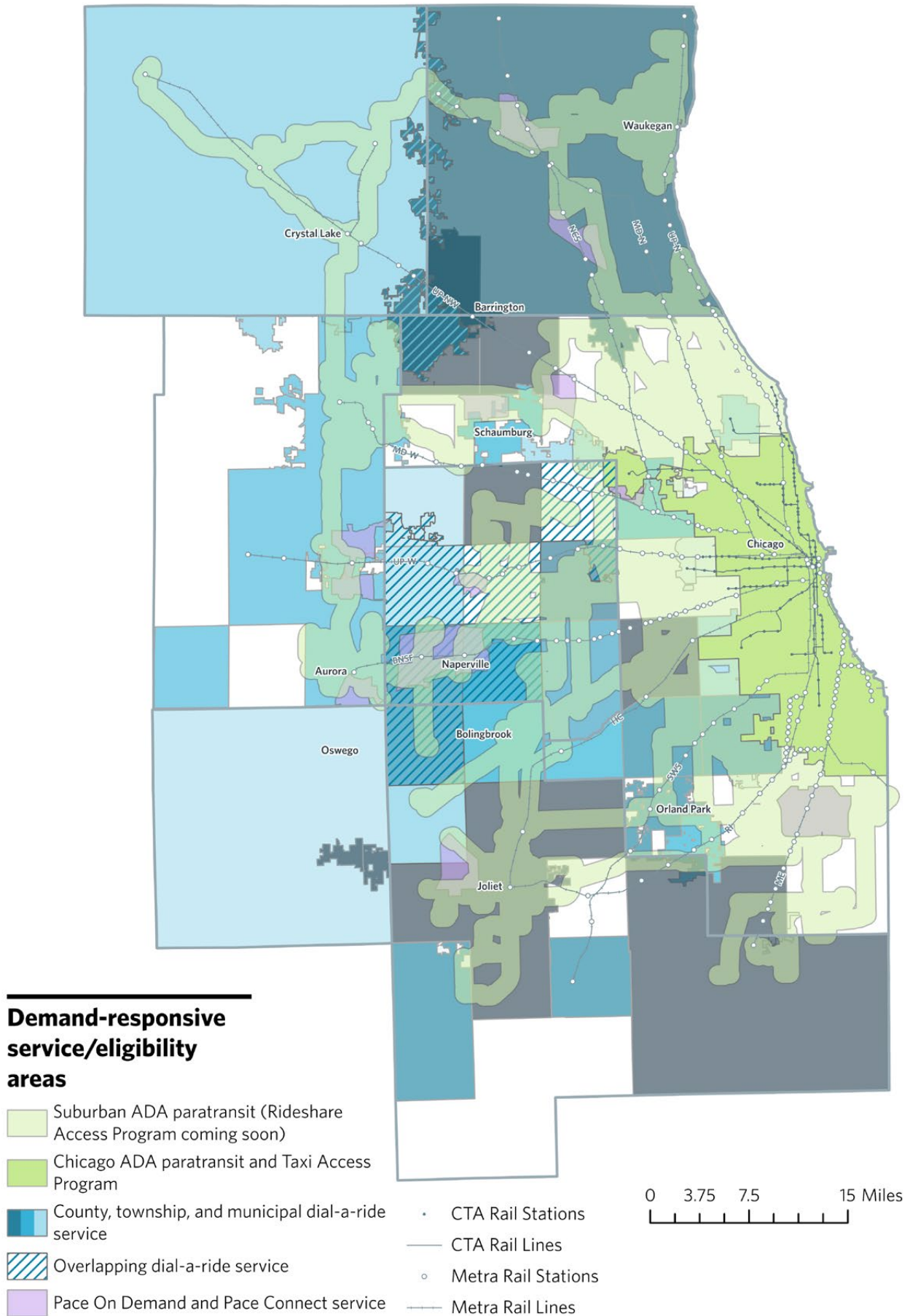
Source: US Census Bureau (Block Level Tabulated TIGER/Line 2022)

Figure 52. The region's bus services



Source: US Census Bureau (Block Level Tabulated TIGER/Line 2022)

Figure 53. The region's demand-responsive/parantransit services



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The Chicago Metropolitan Agency for Planning (CMAP) is the region's comprehensive planning organization. The agency and its partners developed and are now implementing ON TO 2050, a long-range plan to help the seven counties and 284 communities of northeastern Illinois implement strategies that address transportation, housing, economic development, open space, the environment, and other quality-of-life issues.

See cmap.illinois.gov for more information.

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CMAP Board and MPO Policy Committee Resolution
Submitting Plan of Action for Regional Transit pursuant to Illinois Public Act 102-1028

Whereas, transit and the success of our region are directly linked by enabling mobility, fostering a strong economy, improving health (through air quality and climate change mitigation), and advancing equity through access to reliable and affordable transportation; and

Whereas, the Northeastern Illinois region is vital to the state's economy, accounting for 75% of the state's gross domestic product; and

Whereas, drastic shifts in ridership from the pandemic resulted in significant revenue shortfalls for transit agencies and exacerbated existing issues to the region's transit system; and

Whereas, transit agencies face a \$730 million budget gap annually in 2026 when federal operating assistance is fully expended creating a financial crisis that will force severe service cuts; and

Whereas, the General Assembly approved Public Act 102-1028 requiring the Chicago Metropolitan Agency for Planning (CMAP) to develop and submit a report of recommendations to the Governor and General Assembly regarding changes to the recovery ratio, sales tax formula and distributions, governance structures, regional fare systems, and any other changes to State statute, Regional Transportation Authority, or Service Board enabling legislation, policy, rules, or funding that will ensure the long-term financial viability of a comprehensive and coordinated regional public transportation system that moves people safely, securely, cleanly, and efficiently and supports and fosters efficient land use; and

Whereas, the Act directs that the report also consider recommendations on how the Authority and Service Boards can better address racial equity, climate change, and economic development; and

Whereas, per the Act, CMAP convened a steering committee composed of a diverse group of representatives from across the region from business, community, environmental, labor, and civic organizations, as well as academia, who advised on the development of the Plan of Action for Regional Transit (PART) and its recommendations; and

Whereas, the CMAP Board and MPO Policy Committee approved ON TO 2050, the regional comprehensive plan for northeastern Illinois, in October 2018 and reaffirmed approval of the ON TO 2050 plan update in October 2022; and

Whereas, ON TO 2050 recommends specific transit-related strategies to achieve the region's goals, including: making transit more competitive through fast, frequent, reliable, and affordable service that connects people to important destinations; diversifying and increasing

transit funding sources; providing equitable transit access; and making further progress in fare and service coordination; and

Whereas, the Illinois Regional Planning Act states that the purpose of CMAP is to effectively address the development and transportation challenges in the region; and

Whereas, the CMAP Board is responsible for developing and adopting a funding and implementation strategy for an integrated land use and transportation planning process and for identifying regional priorities and providing coordinated advocacy of regional priorities; and

Whereas, the CMAP MPO Policy Committee is the federally designated Metropolitan Planning Organization (MPO) for the Chicago region and shall approve all plans, reports, and programs required of an MPO, including the federally mandated Regional Transportation Plan, Transportation Improvement Program, and Unified Work Program; and

Whereas, it is the intent of the Regional Planning Act that the transportation planning and investment decision-making process be fully integrated into the regional planning process; and

Whereas, the **Plan of Action for Regional Transit** (PART) is grounded in sound public policy; builds on previous regional plans; and includes meaningful public engagement, data, models, analysis, findings, alternatives, and recommendations; and

Whereas, PART is guided by and aligns with ON TO 2050 and accordant with the Board and MPO's mandated responsibilities; and

Whereas, PART fulfills the requirements of Public Act 102-1028 tasking CMAP with developing legislative recommendations on the region's transit system; and

Now, therefore be it resolved that as required by the Act, the CMAP Board and MPO Policy Committee hereby authorize submission of the Plan of Action for Regional Transit to the Governor and General Assembly for their consideration of the recommendations contained therein by January 1, 2024.

Log of changes to the Plan of Action for Regional Transit in revised version posted 10/4/2023

Original text	Revised text	Page (Draft)	Page (Final)
<p>As required by statute, the recommendations envision a system that is:</p> <ul style="list-style-type: none"> - Regionally coordinated - Safe and secure, clean, efficient - Supportive of efficient land use 	<p>As required by statute, the recommendations envision a financially viable system that is:</p> <ul style="list-style-type: none"> - Regionally coordinated and comprehensive - Safe, secure, clean, and efficient - Supportive of efficient land use 	p. 1	p. 1
<p>How to pay for it Identify necessary reforms and funding options to close the operating budget shortfall.</p>	<p>How to pay for it Identify necessary reforms and funding options to close the operating budget shortfall and build the transit system the region wants.</p>	p. 3	p. 3
<p>The difficult question of how to pay for transit in northeastern Illinois has been an enduring policy challenge since before RTA was established in the early 1970s and across recurring fiscal crises. However, despite repeated efforts, past solutions have relied on stopgap funding sources and compromises that have not stood the test of time.</p>	<p>The difficult question of how to pay for transit in northeastern Illinois has been an enduring policy challenge since before RTA was established in the early 1970s and across recurring fiscal crises. However, despite repeated efforts, past solutions have relied on inadequate funding sources, rigid and inflexible distribution formulas, and other compromises that have not stood the test of time.</p>	p. 4	p. 4
<p>The system the region wants requires investment Approaches to improve revenue sources and practices must be informed by what has worked well in the past and what has not. PART recommends two potential investment packages as transit funding solutions for 2026 and beyond. The report outlines the details behind the revenue concepts for each package. In summary, both packages include a set of shared priorities:</p> <ul style="list-style-type: none"> • Full state funding for paratransit. • Full state funding for existing reduced fare mandates. • Modernized state sales tax base to include services, delivering needed revenues for the transit system, state, counties, and local communities. <p>Also, both packages would benefit from additional revenues, including flexing federal funds for transit and new road revenues (e.g., tolling, parking taxes, and vehicle registration surcharges).</p> <p>Investment packages Transformational investment represents the level of investment required to achieve “the system we want.” This would be a significant commitment — \$1.5 billion in new public revenue to support transit operations and at least \$400 million annually in complementary capital investments — that reflects the many social, environmental, and economic benefits that transit can deliver for the region and the state. It would also enable a huge leap forward in modernizing the transit system and creating compelling reasons for riders to return.</p> <p>Meaningful change advances on most, but not all, of the report recommendations. This option would improve on existing service and achieve many of the regional stakeholders’ highest priorities but would fall short of achieving the “system we want in” important ways.</p>	<p>The system the region wants requires investment To achieve “the system we want,” the region and state will need to make significant and sustained investments in the regional transit system. PART recommends an approach to improve revenue sources and practices that is informed by what has worked well in the past and what has not. As shown in Figure 1, this would include \$1.5 billion in new operating support for transit and at least \$400 million annually in complementary capital investments. An investment of this scale would reflect the many social, environmental, and economic benefits that transit can deliver for the region and the state. It would also enable a huge leap forward in modernizing the transit system and creating compelling reasons for riders to return.</p> <p>This level of transformational investment will require the coordinated efforts of state officials, regional leaders, and the region’s transit service providers. Together, they can deliver the system efficiencies and public revenues needed to address the current funding gap and invest in a stronger transit system.</p> <p>PART recommends transit funding solutions that put these priorities into action for 2026 and beyond. The revenue options explored include savings and system-generated revenues, as well as a set of baseline revenues that include:</p> <ul style="list-style-type: none"> • Full state funding for paratransit. • Full state funding for existing reduced fare mandates. • A modernized state sales tax base that includes services, delivering needed revenues for the transit system, state, counties, and local communities. <p>The regional transportation system would also benefit from additional revenues, including flexing federal funds for transit and new road revenues (e.g., tolling, parking taxes, and vehicle registration surcharges). The report outlines the details behind these revenue concepts and others that could be available to fund transit system investments.</p>	pp. 4-5	pp. 4-5

Original text	Revised text	Page (Draft)	Page (Final)
The state and region have many options to consider to best meet the region’s goals. CMAP analyzed dozens of potential revenue sources to help define a short list of options for decision makers.	The state and region have many options to consider to best meet the region’s goals. CMAP analyzed dozens of potential revenue sources to help define a short list of options for decision makers. It is also important to note that these new investments would only partially address the existing and unfunded backlog of “state of good repair” (SOGR) projects. Addressing this \$20+ billion backlog will require sustained investments like those recently made by the state and federal governments. CMAP will continue to support efforts to address these long-term capital needs through the regional transportation planning process.	p. 5	p. 5
<i>Figure on page 5 (unlabeled)</i>	<i>Now labeled Figure 1: Operating revenues necessary to fund a transformational investment . Figure has been adjusted for consistency with later sections.</i>	p. 5	p. 5
Strengthen a re-envisioned RTA Maintain governance of the three service boards	Empower a regional coordinating agency Maintain service boards as operating agencies	p. 6	p. 6
The report details these two paths for structural reform that would make the other changes possible and outlines guiding principles to consider when assigning transit system functions and the factors to consider if creating a regional entity.	The report detailed these two paths for structural reform that would make the other changes possible. The report also identifies factors to consider when contemplating which path to take. Regardless of which path is chosen, the report establishes baseline principles for reform that would make transit more effective in meeting the region's needs.	p. 6	p. 6
Empower the regional agency to look beyond the fare recovery ratio and set updated performance metrics based on regional strategies and goals.	Empower the regional agency to look beyond the fare recovery ratio and set updated performance metrics based on regional strategies and goals, including mobility, climate, and equity concerns.	p. 6	p. 6
<i>Figure 5</i>	<i>Now labeled Figure 7. Figure has been updated with more recent data and now including population centers in addition to employment</i>	p. 17	p. 17
It is critical, therefore, that PART identifies and addresses the various causes for the current gap to achieve long-term financial sustainability for transit operations.	It is critical, therefore, that PART identifies and addresses the various causes for the current operating gap as part of long-term financial sustainability for transit operations. PART focuses on this immediate operating shortfall, along with strategies and investments that could improve the system for both existing and potential new users. However, the region’s transit system also faces a \$20+ billion unfunded backlog of investments necessary to maintain the system, commonly referred to as “state of good repair” (SOGR) efforts. Recent state and federal capital bills have only started to address the backlog. Even if the current levels of capital funding are maintained, it will still take decades to eliminate the backlog. The success of operations and system enhancements recommended by PART will rely on a robust state and federal commitment to addressing these SOGR concerns, so that the system can continue to provide safe and reliable service throughout the region.	p. 23	p. 23
The framework would also need to incorporate broader concerns about equity, reflecting transit’s crucial role in enabling both physical and economic mobility	The framework would also need to incorporate broader concerns about both equity and climate issues, reflecting transit's crucial role in enabling physical mobility, access to economic opportunities, and environmental sustainability.	p. 29	p. 30
The framework would need to account for the factors that influence the effectiveness of regional transit, such as potential ridership demand and the surrounding land use and development context. The framework would also need to incorporate broader concerns about equity, reflecting transit’s crucial role in enabling both physical and economic mobility.	The framework would need to account for the factors that influence the effectiveness of regional transit, such as potential ridership demand, the surrounding land use and development context, and connections to last-mile services and other transportation modes. The framework would also need to incorporate broader concerns about both equity and climate issues, reflecting transit's crucial role in enabling physical mobility, access to economic opportunities, and environmental sustainability.	p. 29	p. 30

Original text	Revised text	Page (Draft)	Page (Final)
Ongoing improvements are also underway, with CTA and Pace procuring a next-generation Ventra system expected to cost an additional \$150 million or more.	<i>Typo (figure was inconsistent with source memo):</i> Ongoing improvements are also underway, with CTA and Pace procuring a next-generation Ventra system expected to cost an additional \$100 million or more.	p. 31	p. 32
The state should facilitate stronger partnerships between transit agencies, private and public social agencies, and research or advocacy organizations.	The state should facilitate stronger partnerships and require additional coordination between transit agencies, private and public social services agencies, and research or advocacy organizations.	p. 44	p. 45
The state should consider increased funding, such as improved lighting at and around rail stations and bus stops, additional bus shelters, cameras and camera feed displays, PA systems, and callboxes that allow riders to communicate with transit system staff.	The state should consider increased funding for coordinated investments to improve safety, such as improved lighting at and around rail stations and bus stops, additional bus shelters, cameras and camera feed displays, public address systems, and callboxes that allow riders to communicate with transit system staff. This recommendation could leverage the complementary investments in transit ambassadors and other transit system staff, who could help to track and respond to rider concerns.	p. 44	pp. 45-46
Nimble and modern trains Faster starts and stops with quicker boarding. Lower operating costs.	Nimble and modern trains Faster starts and stops with quicker boarding. Lower operating costs and scalable to demand. Low or no emissions.	p. 48	p. 49
Suburban and urban benefits Increased frequency for those closer to Chicago's core. Faster, streamlined express service for riders in outer suburbs.	Suburban and urban benefits Increased frequency for those closer to Chicago's core. Faster, streamlined express service for riders in outer suburbs. Lower unit costs allow for more service at similar costs.	p. 48	p. 49
Freight traffic limits how much Metra can grow service on many of its lines. Full conversion to a regional rail model would require close coordination with freight railroad operators to minimize interference and prioritize passenger rail.	Freight traffic limits how much Metra can grow service on many of its lines. These conflicts would constrain near- and medium-term implementation on some corridors. In the long term, full conversion to a regional rail model would require close coordination with freight railroad operators to minimize interference and prioritize passenger rail.	p. 49	p. 50
<i>Within "Recommendation: Identify needs and dedicate funding to support Metra's transformation into a regional rail provider":</i> Governance component: N/A	<i>Within "Recommendation: Identify needs and dedicate funding to support Metra's transformation into a regional rail provider":</i> Governance component: Yes (capital planning)	p. 49	p. 50
Investment in regional rail would maximize the value of existing assets by expanding service and mobility options without requiring significant new construction (e.g., new rail lines). The capital cost to implement regional rail would primarily fund a fleet replacement program.	Major changes to Metra's rail network will require additional capital and operational funding to catalyze its transformation. Investment in regional rail would maximize the value of existing assets by expanding service and mobility options without requiring significant new construction (e.g., new rail lines). Additional operational funding and updated labor agreements will be needed to accommodate the new service model. The capital cost to implement regional rail would primarily fund a fleet replacement program.	p. 49	p. 50
To maximize the value of the region's rail networks, the state should support strategic infill station investments that address rail transit service gaps and build on current efforts. Metra is currently developing two infill stations in the City of Chicago on two of its busiest lines using significant funding from the state. Similar funds could also support targeted investments for infill stations on CTA rail lines, recognizing the fact that the region's rail networks (both Metra and CTA) should be considered as one coordinated system. A combined approach to infill station development, including new connections between these complementary networks, would provide both transit riders and taxpayers with the greatest value.	To maximize the value of the region's rail networks, the state should support strategic infill station investments that address rail transit service gaps and build on current efforts. Metra is currently developing two infill stations in the City of Chicago on two of its busiest lines using significant funding from the state. On the inner portion of the system, the new regional rail service model (with lighter trains that can start and stop more quickly) would increase the feasibility of additional infill stations, especially where significant gaps exist. Similar funds could also support targeted investments for infill stations on CTA rail lines, recognizing the fact that the region's rail networks (both Metra and CTA) should be considered as one coordinated system. A combined approach to infill station development, including new connections between these complementary networks, would provide both transit riders and taxpayers with the greatest value.	p. 50	p. 51

Original text	Revised text	Page (Draft)	Page (Final)
<p>The IDOT Office of Intermodal Project Implementation should study opportunities to better align the use of freight rail-owned land with regional rail goals. Opportunities to relocate rail yards near the region’s core could in turn yield significant new TOD opportunities along existing passenger rail corridors. Opportunities for additional purchases of freight railroad assets for public use would empower the region’s public agencies to prioritize passenger rail and would mirror successful efforts in peer regions like Boston.</p>	<p>The IDOT Office of Intermodal Project Implementation should study opportunities to better align the use of freight rail-owned land with regional rail goals. Opportunities to relocate rail yards near the region’s core could in turn yield significant new TOD opportunities along existing passenger rail corridors. Opportunities for additional purchases of freight railroad assets for public use would empower the region’s public agencies to prioritize passenger rail and would mirror successful efforts in peer regions like Boston. The state could also support Metra in its ongoing negotiations with Amtrak and the private railroads to run additional passenger trains during more hours of the day.</p>	p. 50	p. 51
<p>These factors positively reinforce one another. Greater levels of service can enable new developments that support additional service, as well as a more financially sustainable system overall.</p>	<p>These factors positively reinforce one another. Greater levels of service can enable new developments that support additional service, as well as a more financially sustainable system overall. That financial sustainability matters, because a stronger transit system can continue to provide and expand the kinds of services upon which regional residents and communities rely every day.</p>	p. 51	p. 52
<p>The difficult question of how to pay for transit in northeastern Illinois has been an enduring policy challenge since before RTA was established in the early 1970s and across recurring fiscal crises. However, despite repeated efforts, past solutions have relied on stopgap funding sources and compromises that have not stood the test of time.</p>	<p>The difficult question of how to pay for transit in northeastern Illinois has been an enduring policy challenge since before RTA was established in the early 1970s and across recurring fiscal crises. However, despite repeated efforts, past solutions have relied on inadequate funding sources, rigid and inflexible distribution formulas, and other compromises that have not stood the test of time.</p>	p. 61	p. 63
<p>These issues — insufficient and uneven revenue growth, distribution formulas that do not reflect regional ridership trends and system costs, and escalating paratransit costs — have repeatedly prevented transit providers and the region from realizing system goals. Given the ongoing and present challenges, these structural issues must also be understood and addressed in tandem with new funding solutions to resolve the current fiscal cliff.</p>	<p>These issues — insufficient and uneven revenue growth, distribution formulas that do not reflect regional ridership trends and system costs, and escalating paratransit costs — have repeatedly prevented transit providers and the region from realizing system goals. Riders, especially the most vulnerable across the region, have suffered as a result of these failures. Given the ongoing and present challenges, these structural issues must be understood and addressed in tandem with new funding solutions to resolve the current fiscal cliff.</p>	p. 61	p. 63
<p>No one strategy or revenue source will produce this future state. Instead, there will need to be several solutions — some short term and some more durable and transformational — that together will enable consistent, adequate funding across the service boards to empower them to deliver the transit system the region wants.</p>	<p>No one strategy or revenue source will produce this future state. Instead, there will need to be several solutions — some short term and some more durable and transformational — that together will enable consistent, adequate funding across the service boards to empower them to deliver the transit system the region wants. At the same time, it is essential that the funding sources that are pursued meet the policy priorities of the region and the state. This moment presents a rare opportunity to ensure the entirety of the funding system — new and existing revenues sources alike — is equitable and minimizes future impacts of climate change.</p>	p. 61	p. 63
<p><i>NA - new text</i></p>	<p>One way that transit agencies have coped with a long history of underfunding is to defer capital maintenance. These actions have resulted in a large capital backlog that continues to grow. The RTA’s most recent estimate found that the backlog is over \$20 billion across the three operators. This leads to higher operating costs and user experiences that fall short of what transit riders deserve.</p> <p>There has been recent progress. The 2019 Rebuild Illinois capital program from the state provided \$2.6 billion in bonds and an estimated \$227 million in annual motor fuel tax revenue for transit agencies to replace aging assets and enhance the system. Recent increases in federal funding for transit capital investments, matched with Rebuild Illinois funds, are helping to move the region in the right direction. This new capital funding is projected to pause the increase in the capital backlog. However, the backlog took decades to develop, and it will take decades of consistent capital funding at these levels or higher to address it.</p>	p. 62	p. 64

Original text	Revised text	Page (Draft)	Page (Final)
Initially, responsibility for providing paratransit service was shared between CTA and Pace.	Initially, responsibility for providing paratransit service was shared between CTA and Pace, with Pace taking full responsibility for ADA paratransit in 2006.	p. 65	p. 66
<i>Figures 20 and 21</i>	<i>Now labeled Figures 24 and 25. Figures have been updated to address typos and inconsistencies</i>	pp. 66-67	pp. 68-69
<i>Text and figures beginning with "Investment packages" on page 71 through the end of the section on page 78, stopping before the beginning of "Options for funding packages."</i>	<i>Content on pages 73-78 was streamlined and reorganized to highlight the level of funding required for a transformational investment in the system that corresponds to the improvements identified in the "system we want" section. See the posted PDF for specific changes.</i>	pp. 71-78	pp. 73-78
<i>Section: "Options for funding packages"</i>	<i>Labels added to clarify categorization of revenue options throughout this section</i>	pp. 79-93	pp. 79-93
Savings and system-generated revenues Throughout the PART process, stakeholders from across the region have emphasized the importance of good fiscal stewardship by the entities entrusted with the transit system's operation. Although the service boards in northeastern Illinois have already achieved substantial efficiencies in comparison to their national peers, there is a strong desire to see the system itself take a leading role in the financial solution to the fiscal cliff. Two key opportunities to help meet the fiscal cliff include efforts to contain future cost growth and regularly raise fares to make sure system generated revenue remains a major component of transit funding overall.	System actions Throughout the PART process, stakeholders from across the region have emphasized the importance of good fiscal stewardship by the entities entrusted with the transit system's operation. Although the service boards in northeastern Illinois have already achieved substantial efficiencies in comparison to their national peers, there is a strong desire to see the system itself take a leading role in the financial solution to the fiscal cliff. To achieve this goal, the transit system can pursue efforts to contain future cost growth and ensure that fare revenue remains a stable and significant source of funding overall.	p. 79	p. 79
Responsible financial stewardship by the transit system is the utmost priority. In addressing the fiscal cliff, RTA and the service boards must continue to identify efficiencies and cost savings that demonstrate the system is adapting to the current financial and ridership situation. To be clear, the service boards have a strong record of financial stewardship. Historically, the service boards in the RTA region have outperformed peers by providing transit service at a cheaper per unit cost (Figure 24), but inflation has impacted transit operations across the country and labor markets are highly competitive. To contain costs as much as possible moving forward, the service boards must continue this success and seek innovative solutions and best practices that unlock greater efficiencies and savings. For example, investments in bus priority can increase average bus speeds, thus allowing operators to increase the amount of service they run without increasing costs. Rethinking how the service boards can provide more productive or cost-efficient service with existing assets is a key pathway to realizing greater efficiencies and cost savings.	Responsible financial stewardship by the transit system is the utmost priority. In addressing the fiscal cliff, RTA and the service boards must continue to identify efficiencies and cost savings that demonstrate the system is adapting to the current financial and ridership situation. To be clear, the service boards have a strong record of financial stewardship. Historically, the service boards in the RTA region have outperformed peers by providing transit service at a cheaper per unit cost (Figure 24), but inflation has impacted transit operations across the country and labor markets are highly competitive. To contain costs as much as possible moving forward, the service boards must continue this success and seek innovative solutions and best practices that unlock greater efficiencies and savings. For context, a one percentage point reduction in system cost growth rate relative to 2023 budgets would yield more than \$100 million in savings annually by 2026. It is important to note that any savings and efficiencies should be pursued with the rider in mind. Actions that save money today while making the system less attractive for its users are unlikely to yield long-term success. However, the PART report has also identified some recommendations that could reduce costs while improving the rider experience. For example, investments in bus priority can increase average bus speeds, thus allowing operators to increase the amount of service they run without increasing costs. Based on 2021 figures, increasing bus speeds by an average of 10 percent could enable more than \$50 million in annual savings. More broadly, rethinking how the service boards can provide more productive or cost-efficient service with existing assets is a key pathway to realizing greater efficiencies and cost savings."	p. 79	p. 79

Original text	Revised text	Page (Draft)	Page (Final)
<p>CTA, Metra, and Pace have regularly increased fares over the last two decades to align system-generated revenues with system costs. These fare increases have kept pace with, and in most cases exceeded, the annual rate of consumer price inflation (CPI) and employment costs. However, as the cost of labor, materials, and energy continue to rise faster than before the pandemic, operating expenses will continue to grow faster at a time when the agencies face an unprecedented fiscal cliff. While the service boards reduced fares to attract riders back to post-pandemic transit, PART recommends a return to fare increases and an expansion of income-based fare subsidies.</p>	<p>CTA, Metra, and Pace have regularly increased fares over the last two decades to align system-generated revenues with system costs. These fare increases have kept pace with, and in most cases exceeded, the annual rate of consumer price inflation (CPI) and employment costs. However, as the cost of labor, materials, and energy continue to rise faster than before the pandemic, operating expenses will continue to grow faster at a time when the agencies face an unprecedented fiscal cliff. While the service boards reduced fares to attract riders back to post-pandemic transit, PART recommends a return to fare increases and an expansion of income-based fare subsidies. As noted above, adjusting fares to partially offset recent inflation could yield \$100M in additional fare revenue.</p> <p>Existing fare revenue forecasts also assume that ridership will remain significantly below pre-COVID levels through the end of the decade. If the service boards succeed in attracting former, current, and new riders to use the system in greater numbers, the associated fare revenue would also provide additional system-generated funding for ongoing operations.</p>	p. 79	p. 79
<p>While the new PTF II funding helped to offset the increased local share for paratransit, it has failed to address the persistent steep rise in paratransit expenses. Driven by largely uncontrollable growth in demand, paratransit services have required increasing amounts of sales tax revenue, leading to less 2008 funding for fixed-route transit service.</p>	<p>Although the state reduced its dedicated paratransit support by decreasing annual appropriations, it increased discretionary transit funding through the state match on the RTA sales tax. The state also provided more funding via the increased RTA sales tax rate and the increased state match, which initially helped to offset the region’s greater responsibility to fund paratransit. However, this funding solution has failed to address continued growth in paratransit costs. Coupled with growing demand, paratransit services have increasingly commanded ST II revenues over time, leaving less funding for fixed-route transit service.</p>	p. 81	p. 81
<p>Given the clear relationship between the roadway and transit systems (i.e., congestion management and greenhouse gas emission mitigation), roadway-generated revenues can and should provide solutions to a range of regional transportation issues.</p>	<p>Given the clear relationship between the roadway and transit systems (i.e., congestion management and greenhouse gas emission mitigation), roadway-generated revenues can and should provide solutions to a range of regional transportation issues — especially in place of or in conjunction with other revenue sources identified.</p>	p. 87	p. 87
<p>Accordingly, user fees are best used as congestion management strategies.</p>	<p>Accordingly, user fees are best used as congestion management strategies and are important tools for minimizing climate impacts of the transportation system.</p>	p. 87	p. 87
<p>However, improvements to vehicle fuel efficiency (including growing uptake of EVs) and anticipated changes in travel behavior are expected to continue eroding the productivity of MFT revenues over time. Other revenue tools will ultimately be needed to replace MFT and support the transportation system.</p>	<p>However, improvements to vehicle fuel efficiency (including growing uptake of EVs) and anticipated changes in travel behavior are expected to continue eroding the productivity of MFT revenues over time and increasingly make it a more regressive revenue source. Other revenue tools will ultimately be needed to replace MFT and support the transportation system.</p>	p. 88	p. 88
<p>Geographically, the increased cost should be levied within the Chicago central business district because of its robust transit network, which provides travelers with low-cost transportation alternatives through urban bus and rail or commuter rail.</p>	<p>Geographically, the increased cost should be levied within the Chicago central business district because of its robust transit network, which provides travelers (particularly vulnerable populations who are less likely to drive) with low-cost transportation alternatives through urban bus and rail or commuter rail.</p>	p. 88	p. 88
<p>The Chicago CBD is a strong candidate for cordon pricing because of its robust transportation network, which provides travelers with various low-cost transportation alternatives through walking, biking, taxi, urban bus and rail (i.e., CTA), and commuter rail (i.e., Metra).</p>	<p>The Chicago CBD is a strong candidate for cordon pricing because of its robust transportation network, which provides travelers (particularly vulnerable populations who are less likely to drive) with various low-cost transportation alternatives through walking, biking, taxi, urban bus and rail (i.e., CTA), and commuter rail (i.e., Metra).</p>	p. 88	p. 88

Original text	Revised text	Page (Draft)	Page (Final)
If desired and directed by the state, the Illinois Tollway could dedicate a portion of its revenues to transit, which could be funded by increasing tolls.	If desired and directed by the state, the Illinois Tollway could dedicate a portion of its revenues to transit, which could be funded by increasing tolls. Given potential impacts to the Tollway's creditworthiness, this change can be implemented in coordination with and with support from the Tollway and their bondholders to ensure perceptions of risk are minimized.	p. 89	p. 89
Nevertheless, even after the changes implemented via Rebuild Illinois, MFT will be an unsustainable funding source for transportation (both roadways and transit) in the long term.	Nevertheless, even after the changes implemented via Rebuild Illinois, MFT will be an unsustainable and regressive funding source for transportation (both roadways and transit) in the long term.	p. 90	p. 90
The most prominent example of this is New York City's Metropolitan Commuter Transportation Mobility Tax, a payroll tax applied to firms on a quarterly basis based on their total payroll to generate funds for transit.	The most prominent example of this is New York City's Metropolitan Commuter Transportation Mobility Tax, a payroll tax applied to firms on a quarterly basis based on their total payroll to generate funds for transit. Taxing corporations in this way ensures firms with lower payrolls – which are typically smaller in size or are associated with particular sectors – are not overly burdened. A similar payroll tax in northeastern Illinois could prove to be an important revenue source for transit in the event the state is unable to reach consensus on other funding options.	p. 93	p. 93
<i>NA - new figure</i>	<i>Figure 40: Examples of connections between system improvements, funding, and governance</i>	pp. 97-98	p. 99
The State of Illinois and the region's transit system both rely on each other to achieve their goals. In addition to providing critical funding, the state is a partner in the provision of transit service — it owns and operates many of the roads on which buses run.	The State of Illinois and the region's transit system both rely on each other to achieve their goals. In addition to providing critical funding, the state is a partner in the provision of transit service — it owns and operates many of the roads on which buses run and multiple transit rail lines operate alongside IDOT expressways	p. 98	p. 100
Eliminating statutory formulas and giving a regional entity more discretion over funding allocation may support the transit system more effectively in meeting baseline needs and implementing regional priorities.	Eliminating statutory formulas and giving a regional entity more discretion over funding allocation may support the transit system more effectively in meeting baseline needs and implementing regional priorities, including to address mobility, equity, and climate concerns.	p. 99	p. 101
<i>Section: "Recommendations to improve transit governance"</i>	<i>Throughout this section, "Option 2: Strengthen a re-envisioned RTA" has been renamed "Option 2: Empowered regional coordinating agency." References to this option have been adjusted as appropriate throughout.</i>	pp. 99-106	pp. 101-109
To reliably meet baseline funding needs, the region should articulate a transit vision that defines expectations for baseline transit services, like the system improvement packages described earlier in this report. Once those baseline needs are met, the region should use additional funding to advance the implementation of broader regional goals.	To reliably meet baseline funding needs, the region should articulate a transit vision that defines expectations for baseline transit services, like the system improvement packages described earlier in this report. Essential operations and baseline capital investment needs should be provided through a transparent and predictable allocation approach. Once those baseline needs are met, the region should use additional funding to advance the implementation of broader regional goals.	p. 99	p. 101
Governance reform should enable the regional transit agency to more effectively set, monitor, and adjust performance metrics to align with strategic plans and regional service standards.	Governance reform should enable the regional transit agency to more effectively set, monitor, and adjust performance metrics to align with strategic plans, service standards, and regional and state climate and equity goals.	p. 101	p. 103
Either of the two structural approaches outlined in the next section would maintain and increase the importance of a regional transit decision-making structure. While there could be variation based on the specific structural approach, that regional body should be consistent with the principles outlined below.	Either of the two structural approaches outlined in the next section would maintain and increase the importance of a regional transit decision-making structure, with a goal of improving regional transit system outcomes. While there could be variation based on the specific structural approach, all governing boards and relevant committees should be consistent with the principles outlined below.	p. 101	p. 103
Stakeholders who are well positioned to provide these perspectives include policy advocacy organizations, state transportation officials, community advisory committee leadership, and CMAP as the region's metropolitan planning organization.	Stakeholders who are well positioned to provide these perspectives include policy advocacy organizations, community advisory committee leadership, and CMAP as the region's metropolitan planning organization.	p. 101	p. 103
<p>Provide a greater role for the state, especially as it increases its funding support</p> <p>If the state contributes more funding to northeastern Illinois' transit system, representatives of the state should participate on the regional transit board.</p>	<p>Provide a greater role for the state, especially as it increases its funding support</p> <p>If the state contributes more funding to northeastern Illinois' transit system, representatives of the state should participate on regional transit boards and committees.</p>		

Original text	Revised text	Page (Draft)	Page (Final)
Having greater state government involvement in transit can help advance a regional vision that aligns with statewide priorities.	Having greater state government involvement in transit can help advance a regional vision that aligns with statewide priorities. The state appointments, along with the regional representatives noted above, are intended to provide additional perspectives and thus help overcome potential decision-making impasses. Their role is not intended to give the state a controlling role on the regional agency board and/or other governing boards. The regional appointees should be empowered to advance their vision where regional consensus exists.	p. 101	p. 103
Appoint board members with relevant and diverse experiences Having diverse perspectives on the regional board will promote decision making that improves the transit experience for a broader set of stakeholders	Appoint board members with relevant and diverse experiences Having diverse perspectives on regional boards and committees will promote decision making that improves the transit experience for a broader set of stakeholders	p. 101	p. 104
<i>NA - new figure</i>	<i>Figure 41: Overview of governance reform options vs. today</i>	p. 102	p. 104
Existing systems for procurement, pensions, and labor negotiations would be merged under the integrated agency.	Existing systems for procurement, pensions, and labor negotiations would be merged under the integrated agency, which would require additional considerations (discussed in "Strengths and challenges of structural options" below).	p. 103	p. 106
The service boards continue to exist as three, separate agencies that are overseen by RTA. The service boards provide transit operations and service planning, while RTA is strengthened with greater authority and resources to develop regional policies, coordinate comprehensive mobility planning, and allocate funding to the service boards. All four agencies have their own agency executives and governing boards.	The service boards would continue to exist as three, separate agencies that are led by a regional coordinating agency. The service boards would provide transit operations and local service planning, while the regional entity would be strengthened with greater authority and resources to develop regional policies, coordinate comprehensive mobility planning, and allocate funding to the service boards. All four agencies would have their own agency executives and governing boards. Membership, structures, and procedures for each board would be consistent with the baseline principles for reform outlined above.	p. 104	p. 106
<i>Figure 39</i>	<i>Now labeled Figure 43. Figure has been updated to clarify the roles and responsibilities of the empowered regional coordinating agency in relation to the service boards.</i>	p. 104	p. 106
Financial stewardship: In addition to the existing financial oversight that RTA currently provides, it would also set and monitor systemwide standards for operational efficiencies and progress on regional priorities, such as capital planning, climate resilience, and the regional vision.	Financial stewardship: The regional coordinating agency would inherit the existing financial oversight functions provided by RTA today. It would also set and monitor systemwide standards for operational efficiencies and progress on regional priorities, such as capital planning, climate resilience, and the regional vision.	p. 104	p. 107
Capital planning and funding: RTA would be responsible for prioritizing capital funding for the region and planning both system expansion projects and efforts to achieve a state of good repair.	Capital planning and funding: The regional coordinating agency would be responsible for and empowered to prioritize capital funding. It would also be empowered to plan both system expansion projects and efforts to achieve a state of good repair. The regional agency's responsibility to prioritize capital projects would also require that it represent the region in seeking capital funding (as well as complementary operating investments) from state and federal partners.	p. 104	p. 107
Regional service planning: RTA would monitor bus, rail, and paratransit planning throughout the region to prevent disconnections or duplications in service. Additionally, RTA would conduct analyses to determine how different markets should be served by transit.	Regional service planning: The regional entity would coordinate bus, rail, and paratransit/demand-responsive service planning throughout the region to prevent disconnections or duplications in service. Additionally, the regional entity would conduct analyses to determine how different markets should be served by transit, identifying which service(s) can best meet the different needs of travelers throughout the region.	p. 105	p. 107

Original text	Revised text	Page (Draft)	Page (Final)
<p>Funding allocation: To support RTA’s strengthened role, it would have greater authority to allocate discretionary funding in alignment with regional priorities and plans. RTA would also lead efforts with state and federal partners to secure investments in transit operations and capital projects.</p>	<p>Funding allocation: The regional entity would have greater authority than the existing RTA to allocate discretionary funding in alignment with regional priorities and plans. The agency would collect system-generated revenues as well as funding from state and federal partners to distribute among the service boards — including any new revenues identified through the state’s consideration of PART. This power would be critical to the regional entity’s ability to fulfill its other responsibilities, such as regional service planning and fare policy.</p>	p. 105	p. 107
<p>Funding allocation A strengthened RTA would collect system-generated revenues as well as funding from state and federal partners to distribute among the service boards — including any new revenues identified through the state’s consideration of PART. RTA’s responsibility to prioritize capital projects would also require that it represent the region in seeking capital funding from state and federal partners.</p>	<p><i>Text incorporated into section above</i></p>	p. 105	p. 107
<p><i>NA - new text</i></p>	<p>Oversight In this model, the regional entity and the service boards would each maintain separate governing boards. As noted above, however, these boards would differ in both responsibility and composition from the existing governing boards for the region’s transit system. The membership and decision-making structures of each board would be consistent with the baseline principles for reform. The regional entity board would also be the owner of the functions noted above, such as fare policy and regional service planning. The governing boards for the transit service boards would have a narrower focus on corporate functions and day-to-day operations.</p>	p. 105	p. 107
<p>On the contrary, the reforms detailed in this report could face implementation barriers if RTA lacks sufficient authorities and resources. State mandates for regional transit will fall short if the implementers are not empowered to enact reform. Notably, past attempts to strengthen RTA have fallen short of the intended outcomes. The state should be mindful of permissions, resources, or additional support that changes to governance may require.</p> <p>Additionally, dynamics between multiple boards may continue to challenge regional decision making and funding allocation.</p>	<p>However, the reforms detailed in this report could face implementation barriers if RTA lacks sufficient authorities and resources. State mandates for regional transit will fall short if the implementers are not empowered to enact reform. Notably, past attempts to strengthen RTA have fallen short of the intended outcomes. The state should be mindful of permissions, resources, or additional support that changes to governance may require. As highlighted above, this could include adjustments to voting structures (e.g., supermajority thresholds), appointing authorities (e.g., a significant but not controlling role for the state) and clearly defined allocations of which responsibilities rest with which entity (e.g., fare policy as an exclusive responsibility of the regional board).</p> <p>These considerations would be important in either path of reform, but are especially critical in Option 2, given the continuing existence of multiple agencies and governing boards. The dynamics between multiple boards may continue to challenge regional decision making and funding allocation.</p>	p. 106	p. 109
<p><i>NA - new figure</i></p>	<p><i>Figure 44: Example implementation considerations for each structural option</i></p>	p. 106	p. 109
<p><i>NA - new figure</i></p>	<p><i>Figure 45: Examples of legislative actions to achieve baseline principles for governance reform</i></p>	p. 107	p. 110

Original text	Revised text	Page (Draft)	Page (Final)
<p>Recognizing that additional analysis is needed and that implementing governance reform may take time, CMAP encourages the state to reach consensus on one of the structural reform options and establish an implementation plan for how that approach could achieve the baseline principles for reform.</p>	<p>Recognizing that additional analysis is needed and that implementing governance reform may take time, CMAP encourages decision-makers to consider the unique strengths and challenges of each of the structural governance reform options and reach consensus on one. A critical next step in achieving these baseline principles is through new or revised legislation. Figure 45 provides an overview of the unique legislative considerations that would need to be undertaken for each option to be responsive to each of the baseline principles. As shown in Figure 46, these statutory changes would also need to be coupled with an implementation plan for the chosen option to account for the unique challenges and considerations noted in the previous section.</p>	p. 107	p. 110
<p>NA - new figure</p>	<p><i>Figure 46: Next steps for the Illinois General Assembly on governance reform</i></p>	p. 107	p. 111
<p>NA - new text</p>	<p>A stronger transit system is possible When taken as a whole, the recommendations in the PART report – from system improvements, to funding, to governance – are all in service of that vision of a stronger and more user-centric transit system. Achieving the system users want will require a combined approach. As this report has outlined, the elements of the PART report build upon and reinforce one another. A more frequent and reliable transit system will improve mobility for existing users and attract new ones. The fares those riders pay will provide operators with a stable funding source, magnifying the impact of significant new investments from the region. And a stronger regional transit governance structure will identify how those funds can best be invested, ensuring that everyone who calls northeastern Illinois home can affordably and seamlessly move throughout the region.</p> <p>ON TO 2050 makes it clear that “regional success relies on transit.” Transit enables mobility, equity, sustainability, and economic vitality, with impacts that extend across Illinois. The crisis facing the region’s transit system is as profound as any since the initial creation of the RTA and the service boards. Addressing these challenges will require significant action and investment. But the region’s transit system – the legacy of more than a century of sustained leadership and investment – is too important to let fail.</p>	p. 107	p. 112
<p><i>Figure (no number): The region's rail, bus, and demand-responsive paratransit services.</i></p>	<p><i>Now labeled Figures 51-53. All updated to new version; Figure 53 now includes Pace Connect service areas.</i></p>	pp. 116-118	pp. 121-123
<p><i>Throughout</i></p>	<p><i>The updated report also includes various minor corrections and adjustments for clarity and style.</i></p>	NA	NA



COOK ♦ DUPAGE ♦ KANE ♦ LAKE ♦ MCHENRY ♦ WILL

August 7, 2023

Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning (CMAP)
433 West Van Buren, Suite 450
Chicago, IL 60607

Re: PART and Collar County Positions

Dear Director Aleman:

Thank you for your continuing efforts on behalf of the region regarding mobility recovery. We appreciate the number of one-on-one discussions you have had with counties throughout the region and we recognize that your obligation to the Illinois General Assembly (ILGA) is quickly approaching. In the spirit of cooperation, the counties offer the attached document that reflects common positions regarding the principles of Governance (how to implement it), Finance (how to pay for it) and System Services (what we want).

As representatives of over 5.5 million residents, the counties feel that it is absolutely imperative that our shared opinions on mobility recovery are included and reflected in the recommendations presented to the ILGA. Our respective positions on Finance and Governance are laid out clearly. We agree that the “fiscal cliff” as reported by CMAP and RTA is profound and will require long-term solutions. However, it is our belief that new or expanded financial mechanisms must be accompanied by enhancements to county services and mobility. Counties are generally opposed to re-purposing roadway funding to transit without a direct connection between the roadway and transit service. Diversion of motor fuel taxes to transit is not favored as road agencies are facing a similar fiscal cliff due to the erosion of motor fuel taxes with the emphasis on the electrification of vehicles. There is a shared belief that solving the fiscal cliff through revenues alone is not the way forward. The region must seriously consider operational savings that reduce short- and long-term burdens on transit agencies and reduces the focus on increasing revenues.

As to governance, the counties understand that CMAP is investigating a variety of structures. Suburban counties strongly believe that other models involving the counties must be considered in order for the counties to be fully invested in the governance of transit in the years ahead. It is incumbent upon the ultimate oversight agency to incorporate suburban stakeholders in strategic operating and capital decisions in the coming years.

The counties represented in this letter look forward to working with CMAP over the next few months, detailing our ideas, and helping craft a report to the general assembly that is truly representative of opinions held throughout the region.

Sincerely,



Toni Preckwinkle
Cook County Board President



Deborah A. Conroy
Chair, DuPage County Board



Corinne M. Pierog
Chair, Kane County Board



Sandy Hart
Chair, Lake County Board



Michael Buehler
Chairman, McHenry County Board



Jennifer Bertino-Tarrant
Will County Executive

enclosure

Background

In response to COVID and its effects on mobility in the region, Chicago Metropolitan Agency for Planning (CMAP) has undertaken a multi-year effort under the Mobility Recovery Initiative. At the same time, the Regional Transportation Authority (RTA) developed a strategic plan (*Transit is the Answer*) that promoted a new vision for transit in the region – one that attempts to develop new systems, evolve services, and create a valued, competitive, and safe environment for people.

During COVID, federal support was received in three separate instances to sustain the operations of the service boards (CTA, Metra, Pace, RTA). The money received was instrumental in offsetting revenue losses stemming from the precipitous decline in ridership. With 50 to 90% lost in farebox revenue across the service boards, many routes would have been discontinued without the federal funding. Federal funding is scheduled to be exhausted by the end of 2025. However, ridership is not expected to return to pre-pandemic levels for some years after, meaning that the service boards will have a significant funding gap to simply maintain the system as it is. This gap has been called the *fiscal cliff* and has been estimated to be nearly \$730 million in 2026. This gap is projected to widen in future years. Through the work of CMAP and the RTA, the region has come to recognize that transit is on the precipice of making some very difficult choices.

In the decade preceding the pandemic, the combined annual operating budgets of the service boards was approximately **\$2.2-\$2.8B**. 2023 Expenses are expected to be in the **\$3.58B** range and, by 2026, the combined operating budgets are projected to increase to nearly **\$3.9B** or almost **40%** more than pre-pandemic levels.

Based on input from Pace and Metra, their share of the projected \$730M fiscal cliff is approximately **\$110M (including paratransit) and \$200M**, respectively, or about **42%** in FY 2026. Specific data for each service board for FY 2027 and beyond has not been shared and it is not apparent whether this split between the service boards remains constant or increases. It would be helpful if this information could be shared.

In addition to the forecast transit fiscal cliff, there is a projected fiscal cliff for highway funding as the primary fund source for surface transportation, motor fuel taxes, is expected to continue to erode at an accelerated rate due to fleet and personal vehicle conversions to alternative fuels, notably EV. The issue facing our region and state is broader than how we fund any single mode. We must look at how we fund transportation to ensure a sustainable and reliable revenue stream.

CMAP and the region have been tasked by the Illinois General Assembly to provide a report related to public transit in northeast Illinois. The report will be informed by the recommendations that flow out of three Plan of Action for Regional Transit (PART) subcommittees. The subcommittees are addressing aspirational goals related to the system the region wants, how to pay for the existing and future systems and the governance of that system. CMAP is also conducting one on one interviews with regional stakeholders including the counties. A draft of the ILGA required report is anticipated to be released at a special call joint MPO Policy Committee and Executive Board meeting on **September 13**. Then a final vote by the MPO Policy Committee will occur at the annual joint meeting with the Executive Board on **October 11** ahead of the the January 1, 2024 deadline.

There will be few opportunities for the counties to contribute ideas and needs prior to the Draft being produced. The recommendations that follow represent a consensus opinion on county positions relative to the main regional talking points.

Proposition #1. Governance

The PART “How to Implement” subcommittee is evaluating a spectrum of governance models. It is clear from recent CMAP presentations that the governance system that exists today will not be considered moving forward. Nor will a system that disaggregates the service boards with no regional oversight. New ideas that have been floated: 1) A stronger regional coordinating agency with centralized fare policy, financial stewardship and capital funding authority, 2) Stronger agency with additional authority to plan, program and implement state of good repair and expansion projects, and centralize planning functions; 3) A strong regional entity that integrates all service boards as subcommittees under the entity’s Board, and 4) A strong unified agency with no service board identity under the agency. It is unclear how county and suburban interests would be represented in a stronger regional entity, but centralized decision-making has often favored City interests over others.

Statement 1. Investigate governance models that align with the mobility needs of county suburban counties.

The region must consider additional governance structures that meet the needs of the 5.7 million people living in the suburbs and account for post-pandemic travel patterns. The counties suggest a model that consolidates service boards and allocates more control to county elected officials. The creation of a regional coordinator and operator focused on paratransit, call and ride, ride share, on demand and non-fixed route services should be considered. Because of the vast differences in funding, operating and capital needs, service, and market niches, the region must consider the case for stronger suburban transit governance models with representatives comprised of county stakeholders.

Statement 2. Improved communication, coordination and planning between highway and transit agencies is essential.

Reform should include integrating counties, local experts and transportation agencies such as IDOT and ISTHA in the development of transit projects, programs, and route adjustments. This reform should manifest itself as a permanent working group that would meet annually or semi-annually to consider recissions, route changes, schedule changes, services, equity, local supportive infrastructure, property acquisitions, coordinated investment, etc.

Proposition #2: Financing

The PART “How to Pay for It” subcommittee is considering many existing and proposed funding sources with the intent to address the estimated \$730M “fiscal cliff” that is expected to manifest itself in 2026 after federal transit operation support abates. What is not discussed is the widening gap in operating funds in years beyond 2026. Historical analysis shows average annual revenue increasing at a rate of 1.5% per year while expenses are increasing at a rate of almost 2.25% per year. Increases in costs during the pandemic and post-pandemic inflationary period are at least double the rate of the previous decade.

Statement 1. New financial mechanisms must be accompanied by operational saving options.

PART discussions have been built around the notion of the need to transform transit service paired with a list of financial options that focus on increasing costs to our residents. With a system that has a current annual operating cost of nearly \$3.5 billion, 40% greater than pre-pandemic levels and growing, we owe it to the region and our residents to understand what forces are driving this significant increase and to consider options that reduce operating costs and increase cost efficiencies while considering short- and long-term financing fixes.

Statement 2. Benefits to Counties Commensurate with Financial Contributions

Many of our collar county citizens contribute to the RTA Sales Tax fund without having access to or use of transit services. While it is noted that transit is a public good and functions to elevate economic conditions throughout the region, the counties expect commensurate services to be offered for the benefit of suburban citizens.

Statement 3. Safeguard existing funding and amend use of TRF.

Counties are opposed to diverting existing state and local motor fuel tax funds and RTA Sales Tax funds. These funds, which will face a fiscal cliff in a decade or less due to vehicle electrification, are being used by highway agencies to make roads safer and improve non-motorized accommodations such as bike paths and sidewalks, and to provide transit improvements such as first-last mile connections, bus stops, and paratransit services. Use of revenues from tolls, managed lanes, or HOT systems on Expressways/Tollways where transit is **also** a mobility option should be prioritized. Transit was allocated 20% of the Transportation Renewal Fund (TRF) as part of the Rebuild Illinois Capital Program. Counties recommend that legislation be amended to allow service boards to utilize this fund in the short term for operations in addition to capital needs.

Statement 4. Sustainable fund sources for all modes are critical to a strong, resilient, transportation system.

Any funding mechanisms being considered for transit operations need to be sustainable and indexed where feasible. Motor fuel taxes that are essential for both the highway and transit systems are predicted to substantially diminish over time and should not be considered a sustainable fund source, long term. While there has been a prioritized focus on transit funding, given the predicted erosion of motor fuel taxes, we encourage a broader discussion and recommendation of how we should fund transportation, in general, regardless of mode, going forward.

Proposition 3. Services

The Plan of Action for Regional Transit (PART) subcommittee for “The System We Want” is considering some of the following: improved service delivery (vehicles and frequency), fare systems, fare levels and affordability, transit accessibility for disabled and seniors, safety and security, regional rail model, demand responsive services and land use/development.

Statement 1. Request access to transit beyond traditional fixed route bus and commuter rail.

Access means implementation of transit systems that are responsive to suburban daily needs including inter-county services, services to Justice40 communities, OnDemand services, development of options to extend the reach of Metra and Pace fixed routes, and consolidation and integration of Dial-A-Ride and Township sponsored services under a general suburban mobility authority. This vision includes amending inefficient route systems and schedules that have been in place for decades and repurposing existing services to meet new demands.

Statement 2. Integrate ride share services.

The counties urge the coordination of the county rideshare services across borders, reconciliation and alignment of fare structures and program policies, and the development of ticketless, seamless, transfers between the rideshare services and Pace and Metra transit systems. Under this umbrella, the counties believe that extension of TNC subsidy programs to non-paratransit trips will complement formal services.

Statement 3. Strongly support efforts to integrate and modernize the existing fare systems.

The region needs to be building a fare system that is accessible to all public modes of travel. The system should be easy to use, include a process that allows end-to-end fare payment across modes, allows transfers, and incorporates regional equity initiatives through discounted fares. The region should strongly consider discounted costs for multi-mode travel and cross-mode subsidy when people must use TNCs to complete their journey.



CITY OF CHICAGO

CHICAGO DEPARTMENT OF TRANSPORTATION

September 22, 2023

Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning
433 W. Van Buren St., Suite 450
Chicago, IL 60607

Re: Draft Plan of Action for Regional Transit for Northeastern Illinois

Dear Executive Director Aleman,

Thank you for your team's leadership in assembling the Draft Plan of Action for Regional Transit for Northeastern Illinois. The draft plan presents a vision that highlights qualities of "the transit system the region wants." It then explains that significant additional revenue will be necessary to achieve this system. Finally, it offers proposals for governance changes to the region's transit service providers to implement the system the region wants. As we work together to envision a more comprehensive and coordinated regional public transportation system, we must ensure that vision equitably centers the needs of the region's current and future transit users.

The most significant policy proposal in the Draft Plan of Action relates to governance of the region's transit service providers. Both options proposed in the draft report recommend a more consolidated regional transit agency with increased centralization of decision-making over funding allocation and service planning. How a more consolidated and centralized structure will or will not result in decision making that better serves the people and places in our region who can and do use transit the most will depend on how transit priorities are established and in turn what transit services are delivered for the region's transit riders.

As the draft report notes, public operating funds for CTA, Metra, and Pace are currently derived from a variety of regional sales taxes and then allocated by a statutory formula to each agency. These formulas provide a way to budget predictably and transparently for all three service boards and their riders. Similarly, if the region uses an alternative model for distributing transit funding, it will also need to ensure it provides predictability and transparency. We will achieve the "the system we want" by focusing these conversations on the needs of the transit users including exploring the following:

- how will regional transit priorities be set,
- how will funding be allocated to serve the travel needs of current and prospective transit riders, and
- how will metrics establish equitable service for people and places in the region that are most reliant on transit or that are best positioned to achieve the mobility and opportunity benefits that can come from improved transit service.

CTA serves an overwhelming majority of regional transit rides, and most of those rides are in the City of Chicago. There are certainly opportunities to improve the current funding formulas, and as we do so we must ensure that changes result in improvements that directly benefit the people in our region who can and do use transit the most.

Sincerely,

A handwritten signature in black ink that reads "Thomas Carney".

Thomas Carney
Acting Commissioner, CDOT



September 22, 2023

Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning (CMAP)
433 West Van Buren, Suite 450
Chicago, IL 60607

Re: Plan of Action for Regional Transit

Dear Director Aleman:

CTA appreciates the work that CMAP staff has conducted in response to being tasked by the Illinois General Assembly with developing recommendations regarding our region's public transit system. We are at a critical moment for transit in the region's history, and CMAP's efforts to engage stakeholders for input provided important forums to highlight the pivotal choices facing our region.

While the current circumstances are unprecedented, the narrative taking shape in both the report and associated discussions are haunted by a history of inequity. There is one singular issue above all else that is at the root of our region's transit challenges: a decades-long lack of sufficient funding. To attribute the region's challenges to anything other than a funding shortage is to perpetuate a narrative that will – at best – serve as a distraction to the funding crisis we face, and – at worst – deepen the disparities of opportunity and access plaguing our region by claiming that it is governance and management issues that are the premier drivers of our challenges.

To that end, CTA applauds CMAP for presenting funding levels that begin to capture the level of operating funding needs of the region. This is an important step in shifting understanding regarding the actual operating financial need of the transit agencies, and it demonstrates how efficient and creative CTA has been in continuing to function in a deeply underfunded environment. This, however, is just the first step to remedying this longstanding inequity. True solutions lay in the correction of a discriminatory distribution formula. While the report acknowledges the formula needs to be corrected, the work of getting to that solution still lays ahead. And significantly, the report is also silent on both the racially informed history of how the current formula came to be, and how that disparity has negatively impacted Black and Latino residents over the past decades.

The CTA system has historically faced serious structural financial challenges that were caused by a regime that institutionally underfunded the system. That systemic ill was put in place by the Illinois General Assembly 40 years ago as part of a legislative deal to bail out the region's transit system. This debate occurred under the backdrop of a downstate and collar county controlled state legislature, Chicago's first African American Mayor Harold Washington and the City's "Council Wars." The resulting legislative agreement came with strings attached that were in

place to ensure CTA's and the Mayor's influence was always controlled ultimately by other entities. As part of the deal, the Legislature replaced the RTA Board with a new, suburban-controlled fiscal regulatory board with veto power over the budgets of the Service Boards. The deal also came with an unjust and uniquely restrictive farebox recovery requirement that meant that the RTA system must recover 50 percent of what it spends from the farebox to access the state operating funding it needs to survive.

The 1983 plan also established a new operating funding formula that divided sales tax revenues between CTA and the Service Boards that was based on geographic boundaries and retail sales, not ridership, service levels and other performance-based criteria. As a result, CTA currently provides more than 80 percent of all transit trips in the six-county RTA region, but only receives 49 percent of regional public transportation funding. Prior to the 1983 legislation, CTA received more than 70 percent of available transit funding.

We know that this compounding lack of operating funding support has had a disparate impact on CTA riders, the majority of which identify as an ethnic or racial minority, as CTA is challenged in providing the level or quality of service these riders deserve, ultimately impacting their access to jobs, education, and other opportunities. This legacy funding structure of the region's transit system has led to decades of inequitable outcomes for black and brown people in terms of access to employment opportunities and the number of jobs reachable within a 45-minute commute.

And forty years since the 1983 legislation, I fear we are doomed to repeat the same inequitable policies. The combination of ignoring the injustices of the current distribution formula while focusing instead on alleged governance issues as the primary aspect needing correction has created a report and public dialogue that harkens back to periods in our region and nation's history that we all would like to think we have progressed past. Each and every one of the recommendations for improvements – in service coordination, fare policy, and the rider experience – are all rooted in a lack of financial support for transit. It would be a grave mistake to spend the coming months and years focused on restructuring our region's systems; this is a near impossible task to practically accomplish given the complexities of our service delivery. And given the lack of awareness of our racially informed history thus far in this process, there is great concern that such a governance solution would produce an even further pronouncement of inequity in our region.

Rarely has there been such an opportunity to correct historical inequities than the one CMAP and the Illinois General Assembly have at this juncture. The future economic potential of Chicago and region rides on these decisions.

Sincerely,

A handwritten signature in blue ink that reads "Dorval R. Carter, Jr." with a stylized flourish at the end.

Dorval R. Carter, Jr.
President, Chicago Transit Authority

CC: John Roberson

From: Frank Beal
Sent: Friday, September 22, 2023 10:26:24 AM
To: Erin Aleman
Subject: Plan of Action for Regional Transit (PART)

Erin:

Thank you for the opportunity to comment on the PART report.

I think the CMAP staff, and the Steering Committee, have done a fantastic job of addressing an extremely important and complicated issue. You have effectively made the case that the transit system needs more money and a redesign of its structure and powers of implementation. The two issues must be addressed simultaneously. Addressing one without the other would be a mistake.

My only comment is that the section on implementation falls short of offering a clear path forward.

Implementation is far more than organizational charts. In order to achieve the very laudable recommendations of the system we want, the powers, jurisdiction, duties, policies, AND governing structures of the service boards need to be amended. It is not simply a choice between two simple organization charts.

The implementation section of the PART report essentially defaults to the organization charts. Option #1, by definition, will require a careful review and amendment of all of the enabling legislation for the service boards as well as the RTA.

Option #2 appears almost, but not quite, like business as usual, with a slightly strengthened RTA. The evidence you have provided, which is further described in the ENO report, indicates that past efforts to "strengthen " the RTA have not worked or have been ignored. Further, the RTA has powers that have never been fully used. Forty years ago, the RTA was designed to be an administrative agency, with virtually no authority to shape the policies, resources, or operations of the service boards. It is not clear that your option #2 would significantly change that reality.

Therefore, I would recommend that you delete Option #2 before it is forwarded to the General Assembly. If that is not feasible at this late date, I would ask that you at least be clearer as to how a strengthened RTA will in fact work to achieve the system we want.

Frank Beal

To: Erin Aleman, Executive Director, Chicago Metropolitan Agency for Planning (CMAP)
From: Stefan Schaffer, CMAP Board Member
Date: September 22, 2023
Re: CMAP Plan of Action for Regional Transit (PART)

To Director Aleman –

Thank you for the opportunity to provide comments to enhance the CMAP Plan of Action for Regional Transit (PART) draft report, released on September 6th, 2023.

We face unprecedented challenges to ensure the long-term solvency of our region’s transit system. Ridership has decreased in recent years due to unforeseen events, such as the COVID-19 pandemic and resultant rise in work-from-home arrangements. Federal funding has helped fill the gap; however, this has served as a short-term fix that will end in the coming years. As you are aware, we must address the looming “fiscal cliff” of over \$730 million annually.

While the fiscal cliff and other financial issues are top of mind – including diminishing revenue sources, an over-reliance on farebox dollars, and insufficient funds to address the capital needs of the system – we must also confront other longstanding issues as part of any reforms.

Our region’s transit system must **address enduring inequities**, so that all Chicagoland residents are able to pursue economic and recreational opportunity, regardless of their race, income level, disability status, or where they live.

Our region’s transit system must **eliminate the politics of decades past**, which have contributed to our current moment of crisis. This means re-examining statutory funding formulas, the farebox recovery ratio requirement, and transit service boards, and whether they are adequately serving our region’s transportation needs.

Our region’s transit system must **tackle the existential crises of our time** – like the climate and affordability crises – and center these in its design. We must support climate-friendly and affordable forms of transportation like rail, bus, and bike and be cognizant of our ongoing investment in transportation modes that are costly and exacerbate the warming of our planet.

Bold action is needed in this moment, and we cannot fall back on the status quo.

Thank you for your consideration of my comments. Please don’t hesitate to reach out.

Sincerely,



Stefan Schaffer

Topic	Comment
Revenue	Given the growing nature of the budget shortfall this region’s transit system (\$730 million in 2026 and over \$1 billion in 2030), I support pursuing the transformational investment option (\$1.5 billion in new public revenue to support transit operations and at least \$400 million annually in capital investments) to ensure the region’s system is well-positioned for long-term sustainability.
Capital Needs	It would be helpful for the report to speak with greater precision about the capital investment needs of the system. Perhaps there is an opportunity to expand upon the challenges that would be addressed by the \$400 million in annual dollars, so that this figure does not get lost as part of any reform package at the State level that would also seek to simultaneously close the budget gap.
Durable Sources of Revenue	It would be helpful for the report to identify other potential durable sources of funding to help diversify the funding mix within this revenue category. Currently, the expansion of the state sales tax base to include additional services currently represents \$315 million of the necessary \$540 million, which could pose a high risk in the success of any reforms should this not be palatable at the state level. While this recommendation language can remain the same, clarity around alternatives would be appreciated.
Climate-Friendly Revenue Options	For revenue options more greatly aligned with the region’s climate goals , such as road usage charges (RUCs), tolling, and cordon pricing, the report does not appear to emphasize the climate benefits of these approaches. I would encourage adding more language to this effect to help bolster the importance of shifting to these types of over time in alignment with previously stated regional climate goals.
Equity and Climate Metrics	On page 6, I would strongly suggest incorporating equity and climate metrics as part of the “baseline principles for reform” section (and other relevant sections of the report, as needed). These could either be named explicitly on their own or called out as a potential subset of “updated performance metrics”. This will help add a level of specificity to what we mean by “performance” and avoid an overly prioritizing “efficiency” at the expense of critical equity and climate goals and outcomes, a topic that was covered in discussion at our September Board meeting.
Funding Formula	I strongly support the shift away from fixed, statutory funding formulas as outlined on page 6 of the report. This structural shift will help mitigate the risks posed by unforeseen events (such as a global pandemic) and allow decision makers to be more nimble in their approach. Currently the Chicago Transit Authority (CTA) provides over 80 percent of the transit rides in the region, while only receiving 49 percent of the distribution formulas. In the near-term, this figure should be increased as part of any update, while preserving a baseline floor for Metra and Pace to ensure successful operations.
Farebox Recovery Ratio	I strongly support lowering the current farebox recovery ratio requirement of 50 percent . As the report states on page 97, “the mandated 50 percent fare recovery ratio has become increasingly challenging for the service boards to achieve in the face of the COVID-19 pandemic and its ongoing effects.” As offered on page 101, this figure should not be locked into State statute and should be flexible over time, at the discretion of the regional entity. These structural shifts will help mitigate the risks posed by unforeseen events and allow decision makers to be more nimble in their approach.

<p>Governance – Pensions, Labor negotiations, and debt in Option 1</p>	<p>It is not fully clear at this time what the effects of merging pensions, labor negotiations, and debt under an integrated regional agency would entail, as stated on page 106. I would caveat how these are currently presented as distinct “Regional corporate functions” on page 103, drawing attention to the need for “additional analysis and key stakeholder engagement” as mentioned on page 106 to ensure there aren’t significant potential unintended consequences of an integrated approach (e.g., unintentionally diminishing the bargaining power of employees under current arrangements). Perhaps an asterisk could be added next to “Pensions” and “Labor negotiations” on page 103 to encourage the reader to refer to this language on page 106.</p>
<p>Governance – Option 1</p>	<p>I would encourage making a clear recommendation to explore how to go about establishing thoughtful representation within a consolidated regional entity’s board and agency leadership. This should draw heavily upon existing indicators that would help “right size” the approach (e.g., current size of transit agencies, proportion of rides provided by transit agency, ridership by geography, etc.).</p>
<p>Governance – Option 2</p>	<p>I would encourage making a clear recommendation to explore how to best enhance representation on Service Boards under this option to afford the opportunity for greater regional coordination and alignment in approach.</p>



OFFICE OF THE PRESIDENT
BOARD OF COMMISSIONERS OF COOK COUNTY

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TONI PRECKWINKLE
PRESIDENT

September 22, 2023

Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning (CMAP)
433 West Van Buren, Suite 450
Chicago, IL 60607

Re: Cook County PART Comment Letter

Dear Director Aleman:

I am grateful for the work you and your staff have put into the Plan of Action for Regional Transit (PART) report. It develops thoughtful responses to the fiscal crisis the transit system in the Chicago area faces following the COVID-19 pandemic. Cook County strongly supports many of the recommendations, as they align closely with the goals of the County's own transit plan, which calls for increasing ridership, making the system more seamless and focusing on the needs of the most transit-reliant communities. While the report presents a compelling case for additional funding, I believe the report must take a stronger stance as it relates to transit board structure and governance.

I applaud the report's recommendation to expand reduced fare programs to include riders with low incomes. Adopting such discounts would make the region's transit fares more equitable and would mitigate some of the negative effects caused by future fare increases. This is a key next step to operationalize transit equity across our region and build upon the success of our Fair Transit South Cook pilot.

I also support the PART report's focus on improving bus speed and reliability. We strongly support the bus priority planning, building staff capacity at roadway agencies, and revising state design manuals and performance measures as needed.

Fare integration remains a top priority for Cook County. The report showcases how critical this initiative is and highlights the progress transit agencies have already made. We need to keep the momentum for integration moving forward.

But to do all this, more public funding is needed for public transit. If we want transit to better meet the needs of our residents and support access to a robust workforce for our businesses, we need to pay for it. I support the bold \$1.5 billion funding package outlined in the report, although I know that it will not be easy to accomplish. Sustainable funding sources for all transportation modes are critical to a strong, resilient transportation system. While the report rightly focuses on transit funding, given the predicted erosion of motor fuel taxes as electric vehicle sales increase, we encourage a continuing discussion of how to fund transportation more generally.

However, new transit funding cannot come without reform. The basic structure by which transit funding is distributed has not changed in 40 years while mobility needs have changed dramatically across the region since then. I agree that, as the PART report calls for, more of the operating funding should be allocated through a regional discretionary process, based on appropriate criteria that can respond to changing needs.

I also believe that the report needs to be clearer about governance reform. At present, the transit system has 47 board members across four boards, appointed by 21 elected officials. This does not promote accountability or clarity of vision.

Of the options to restructure the boards as presented in the report, I favor the integrated regional transit agency option (option 1). This bold approach holds the maximum potential for transparency and efficiency as well as responsiveness to local needs.

The report also includes an option to strengthen a re-envisioned RTA (option 2) which I believe requires much more detail to gain a better sense of its potential benefits.

Lastly, your criteria for board membership should reflect what the report is trying to achieve. The criteria should reflect the fact that any type of transit service has benefits for the whole region. The major appointing authorities should each be represented on any transit board. Each of the options will require a full rewriting of the current legislation, and this should be clearly identified.

CMAP has risen to the task set before it and has prepared a strong report on a difficult issue. I look forward to working with you and with the General Assembly on next steps.

Sincerely,

A handwritten signature in blue ink that reads "Toni Preckwinkle". The signature is fluid and cursive, with the first name "Toni" and last name "Preckwinkle" clearly legible.

Toni Preckwinkle
President



**DUPAGE
COUNTY**

DEBORAH A. CONROY
County Board Chair

630-407-6060
chair@dupageco.org

September 21, 2023

Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning (CMAP)
433 West Van Buren, Suite 450
Chicago, IL 60607

Re: DuPage County comments on Plan of Action for Regional Transit (PART)
Draft Report

Dear Director Aleman:

Thank you for affording the region the opportunity to comment on the Draft PART report. DuPage County respects the tremendous effort you and your staff have exerted this year to produce this document. Moreover, your outreach and update effort throughout the development of the report has been significant and very well received.

DuPage County staff and I have reviewed the Draft Report. I would like to enumerate, briefly, some of the principles the County feels strongly about. With respect to governance, DuPage County remains supportive of a stronger RTA with separate executive service boards. DuPage County also believes in a greater role for paratransit and rideshare services, and for regional roadway agencies, in the overall context of governance. Furthermore, the County believes that because of the service aspirations of the plan and the financial lift that is being asked of the whole region, greater suburban representation on the RTA Board must be considered.

As to Finance, the County remains squarely behind the principle that financing the system we want shall continue to be substantially supported by users of the system. We are also supportive of fare equity and managing the impact of fares on seniors, students and paratransit users.

Finally, DuPage County supports the re-imagining of suburban transit, ancillary services and transit infrastructure that increases access to mobility options across the region, especially the suburbs that disproportionately lack availability to existing transit services. We are firmly supportive of efforts to integrate fares and



**DUPAGE
COUNTY**

DEBORAH A. CONROY
County Board Chair

630-407-6060
chair@dupageco.org

administrative functions that make it easier for users to schedule whole trips, pay on one platform and acquire transfers on inter-modal inter-regional journeys.

As we have stated, DuPage County stands ready to work with the General Assembly, CMAP and the service boards to create a greater and re-imagined system for the whole region.

Sincerely,

A handwritten signature in black ink, reading "Deborah A. Conroy".

Deborah A. Conroy
Chair, DuPage County Board

From: Carolyn Schofield
Date: September 22, 2023 at 3:27:44 PM CDT
To: Erin Aleman
Cc: Laura Wilkison
Subject: Re: Plan of Action for Regional Transit (PART)

Erin and Laura-

First, thank you for all of your time and efforts on PART. I know it is a huge undertaking. I wanted to summarize my comments on the PART even though I believe I have already brought all of them to your attention.

- I have concern that the order of which we should be viewing things may be reprioritized by the General Assembly (and others). We need to keep focus on The System We Want, How do we pay for it, and then How to Implement it. In that order.
- It should be stressed that far more work needs to be done to understand the impact and determine the scenario choices.
- The governance piece is similar to consolidation. There has been a great deal work on consolidation at the State level and local level. When I headed a task force the biggest issue with consolidation is that all of the entities are starting at different points. This case is no difference. Each service board has different contracts (Services and union), liabilities, assets, funding, etc. In order to fully consolidate them there should be some equity achieved first. Some of the recommendation being made are based on the ideal scenario as if we were starting from scratch. However, we are not at the foundational stage. We cannot figure out what is best for the future of transit without fully considering the past. The CTA is a concern. From what I understand the funding formula does not align, their debts and liabilities are greater than other boards. These should be equalized first if they are going to be all brought under one over arching board. For these reasons I do not think that is the best solution for this situation *jus my two cents).
- One comment made by a board member was “efficiency does not equate to equity” but I think we can achieve both or at least close to it. Hopefully you can guide the legislators into the decisions needed to achieve this.

Again, thank you for all of your work on this.

Have a great weekend-
Carolyn Schofield

September 22, 2023

Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning
433 W Van Buren Avenue, Suite 450
Chicago, IL 60607

RE: Plan of Action for Regional Transit (PART) Response

Dear Ms. Aleman:

We appreciate the opportunity to comment on CMAP's Plan of Action for Regional Transit (PART), which developed comprehensive and visionary recommendations to address transit funding, operation, and governance issues in our region. The plan is an impressive document that outlines our current challenges and suggest ways to overcome them, and should provide Springfield with the guidance it needs to transform public transportation in our region. We applaud you for thinking big, being bold, and not being afraid to emphasize that greater funding is needed to do the job right.

We do, however, believe that the current draft does not adequately address some of our concerns. We will outline those below.

The Plan addresses the crisis that prompted this effort – the looming fiscal cliff that is expected in 2026 as federal COVID relief funding runs out before ridership, and therefore fare revenue, returns to pre-COVID levels. It also identifies the operating and capital costs of implementing other changes that will create the system we want. But we would like to see a greater recognition of the fact that our current capital funding streams have long been inadequate to meet our state of good repair needs. Maintaining our infrastructure is an important precursor to more exciting systemic changes. While the report considers some capital funding, that funding is limited and will not address our state of good repair backlog of critical infrastructure projects (cars, locomotives, bridges, stations, tracks, signals, etc.). A world-class transit system requires real investment.

Metra is pleased that CMAP supports Metra's vision to become a regional rail service provider as a key element of PART. As we work toward that vision, we need to ensure that both capital and operating funding are available to bring this vision to fruition. Metra views regional rail as an evolution from commuter rail, with service transitioning on different rail lines based on customer demand, operational feasibility, rolling stock availability, and fiscal resources. Solving the near-term operating funding gap is essential to fulfilling this vision, but it is only one step in the process.

As PART makes recommendations regarding changes in transit governance, there should not be an inference that the current fiscal cliff is a result of the RTA governance structure. The RTA governance structure has served the region for more than forty years and has facilitated consensus-building around key issues and regional representation. The region should continue to focus on opportunities to increase coordination on service delivery, fare policy, capital investment, and many other issues.

It's important to note that there are many complicated issues that will need to be addressed if transit governance is further consolidated, including the following differences among the service boards:

- Different pension systems, retiree health insurance benefits, and pension obligations

- Different debt obligations and different plans to address those debt obligations
- Different employee benefit systems, including participation in Railroad Retirement vs. Social Security
- Different agreements with freight railroads and other entities
- Different commitments to regional projects like the CREATE Program

The efficiencies that are sought through governance reform need to be compared against the challenges of addressing these and other differences and the financial implications that they involve, to avoid any unintended consequences of consolidation. The response to address the fiscal cliff should focus on a more sustainable and equitable system and increasing public funding for transit operations. While finding funding solutions are challenging and complex, they pale in comparison to the challenges and complexity of the governance issues, and as such any changes to transit governance will require more time to be fully vetted, explored, and agreed upon. Pursuing changes to transit governance could risk finding a timely solution to the region's transit funding needs.

Metra has previously provided comments on the published policy white papers, and we appreciate CMAP's consideration of our feedback to date. In addition to those comments and the overall feedback provided here, we have attached more specific comments. We have also included five specific questions that our Board of Directors posed at its Sept. 20 meeting.

Metra is committed to working with CMAP, the Illinois General Assembly, CTA, Pace, and RTA as well as all the other impacted governments, agencies, and officials to help identify the best solutions to our current transit fiscal crisis. We applaud these initial efforts and hope that they can build a framework for a consensus solution to allow us to deliver the world-class transit system that our region demands and deserves.

Sincerely,



Jim Derwinski
CEO/Executive Director

Attached: Specific Comments on Draft PART Report
Questions Regarding Consolidated Transit Governance Raised by the Metra Board on 9/20/2023

- p.1 The report should begin with a public- and legislature-friendly executive summary that lays out the recommendations. This document is very detailed and contains lots of useful technical information. However, it can be difficult to find the key recommendations for service, funding, and governance in the report.
- p.12 The report mentions that the \$2.6 billion in state bonds cannot resolve the region's annual operating shortfall. The funds obtained from those bonds were used for capital projects to bring selected pieces of infrastructure to a state of good repair, but the funding fell far short of meeting the system's state of good repair needs. There has been a chronic underfunding of regional transit infrastructure, which these bonds only began to address. This significant gap in capital funding needed to cover state of good repair needs is not sufficiently addressed in the PART plan.
- p.31 There have been questions about where the \$200M from fare increases and operating efficiencies will come from or how it would be generated. We would like to see more details illustrating the revenue projections that add up to near \$200M and the assumptions behind this estimate.
- p.35 The fare integration discussion is interesting, but do all the details belong here? It has the potential to dilute other key findings. Note that the process to develop integrated fares will be challenging, complicated and expensive – potentially undermining some of the revenue projections.

Aligning fare structures for similar trips does not take into account differing operational costs. For example, by the nature of the type of vehicle, heavy rail is much more expensive to operate than rapid transit or a bus route. How does aligning fare structures impact fare box recovery and/or any state funding Metra would receive? Is this considered in the \$200M assumed to be provided by fare increases and operating efficiencies?

- p.47 Regional rail: This revision reflects a better understanding of the regional rail service model compared to the whitepaper, including the benefits and challenges. However, some challenges are still not fully represented: Metra does not have a vast commuter rail network. We have a dense concentration of railroad tracks in Chicago, most of which are owned by freight railroads. The amount of infrastructure to facilitate regional rail is significant, but it may need considerable capital improvements that would have to be determined, based on the service level. At this time, Metra has not estimated capital costs. All 11 of Metra's rail lines have some level of shared infrastructure. This is a complex operating environment, and we cannot simply add trains to meet regional rail service standards. There are also likely labor agreement issues that will need to be considered. Note that Metra has no plans to fully electrify its diesel-operated rail lines and instead plans to pursue zero-emission locomotives and trainsets to achieve similar benefits at a fraction of the cost.
- p.49 Metra already has more stations than any other rail operator in North America. While more stations can provide additional access to the network, more stations can have a downside by slowing service, which can make it more challenging to attract riders to the system. Infill station opportunities are very limited and there should be a focus, instead, on TOD and infill development near connecting transit routes.

None of the recommendations address the problem of getting slots from freight railroads to be able to run more trains, which is one of the biggest obstacles to develop regional rail service.

- p.55 Accessible routes to transit stops are important to provide sufficient access and potentially decrease demand on paratransit special services. However, sidewalk and roadway infrastructure on these accessible routes have literally hundreds of jurisdictions in the region. They are outside the purview of the transit boards. Supporting CMAP's efforts for municipalities to develop ADA transition plans and advocating funding sources for their implementation seems like a next logical step to achieve this.
- p.70 The underpinnings for the assumption that fare increases and operational efficiencies can raise \$200 million annual are unclear. Significant fare increases would greatly add to the challenges of recovering ridership lost during the pandemic.
- p.83 It is advisable to complete equity analysis of the impacts of these the proposed new taxes and fees on lower income populations. Although we understand that there will be impacts of new taxes/fees to all populations, the options selected should consider the impact to economically at-risk populations.
- p.94 Achieving consensus on governance reform is likely to be significantly more challenging than revenue reform. Consider a parallel path approach to achieving success so that changes to governance and funding could proceed independently from one another.

Questions Regarding Consolidated Transit Governance Raised by the Metra Board on 9/20/2023

1. How long did it take MTA to convert their agencies and were there any lessons learned from the conversion we can avoid?
2. Who will control land redevelopment? Many planners want the transit development to be focused in downtown areas. How would that impact areas outside of downtown Chicago and into the city neighborhoods and suburbs who also want to develop their areas around Metra stations?
3. The RTA pension for RTA, PACE and Metra employees is separate from the CTA's pension and if the state or counties want to attract other employees, they also have different pensions, funding and retiree health insurance benefits. Moreover, Metra is part of the Railroad Retirement Board and not part of social security. With the super entity option, how will everyone's pension and railroad benefits be impacted and how can we prevent our employees from leaving to join another railroad to meet their 30-year pension goal?
4. CRD has purchase of service agreements with various railroads: NIRC, BNSF Railway, Union Pacific Railroad, and the Northern Indiana Commuter District. Will the superagency be handling these agreements?
5. The CREATE program has been a successful effort between private railroads and public agencies like Metra involving joint capital improvement projects. Will the regional agency be taking over similar capital-intensive railroad agreements involving the largest railroads in the country?



Melinda J. Metzger
Executive Director

September 22, 2023

Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning (CMAP)
433 West Van Buren Street, Suite 450
Chicago, Illinois 60607

Dear Ms. Aleman and the PART Steering Committee:

Thank you for the opportunity to offer input on the draft Plan of Action for Regional Transit report and to comment on CMAP's recommendations. I recognize the time and effort that went into crafting these documents and appreciate the CMAP team's diligence. Allow me to first offer some general input on PART and then on the report itself.

- First, all three service boards are efficient, well run, and compare favorably to our peers in other major US metropolitan areas. Data presented by CMAP over the course of this year (as well as the chart on page 68 of the report) prove that there aren't major performance problems to be solved by a reform effort.
- Second, the cause of the RTA system's "fiscal cliff" is the COVID-19 pandemic, not mismanagement or a lack of interagency coordination. In fact, nearly every transit system in America is facing a similar challenge in regaining lapsed riders and the ongoing reduction in fare revenue.
- Third, Pace recognizes the need to adapt our services to meet the changing transportation needs of a region emerging from the pandemic, and we have already implemented a long list of service innovations that better serve our customers while ensuring we continue to be a good steward of taxpayer resources.

Pace is a proven innovator as well as a model of fiscal stability. For decades, we've taken bold and innovative actions to diversify Pace's family of services beyond our fixed bus routes—such as our longstanding vanpool program, bus-on-shoulder service, Pulse rapid transit lines, On Demand services, and dial-a-ride partnerships with many different units of government. More recently, we have recognized the shift in post-pandemic commuting patterns and are already addressing those rider needs through our VanGo, Pace Connect, and transportation network company (TNC) options. Pace has unique challenges because of the geographically and economically diverse nature of the large region we serve, but we are already rising to that challenge with recent successes.

On the topic of governance reform, a few points are worth noting:

- The structure created by 1983 RTA act allows suburban policymakers control over suburban transit service and suburban tax dollars. The current Pace Board structure offers accountability to suburban policymakers and the disability community, through the Commissioner of the Mayor's Office for People with Disabilities, and reflects geographic diversity.

- Our current structure is already the result of consolidation of multiple suburban operators into what became Pace in 1984. It is also true that other US metropolitan areas have many more transit agencies than Chicagoland does. Our transit governance is already streamlined by comparison to many of our peers. More importantly, one size does not fit all. What works in New York or Europe may not be appropriate for northeastern Illinois.
- Coordination of transit service, procurement, marketing, and construction projects—where and when it makes sense—is already happening. Furthermore, taxpayers get value from the synergy between the variety of service types within Pace’s operation, including traditional fixed route bus services, express services, vanpool, On Demand, dial-a-ride, and ADA Paratransit.

While Pace never shies away from being bold, now is the time to engage in a thoughtful and ongoing dialogue with all affected parties--Service Board leadership, lawmakers, and others--on how to secure adequate funding for our transit system and the effects any governance change would have on transit operations in all parts of the diverse northeastern Illinois region.

The governance reform option which creates a single mega-agency raises grave concerns when it comes to efficiencies, cost savings, and the future of suburban transit. How would transit funding be allocated? How would capital planning respond to suburban needs? Would our suburban communities see less representation and resources? How much money, if any, is a consolidation projected to save? The PART report does not document any purported savings and doesn’t fully recognize the immense undertaking required to operate one of the largest and most diverse transit systems in the country.

We know the creation of one large mega-agency would come with its own unique set of challenges. Combining all three Service Boards into one also has its less obvious costs. There are contractual labor issues and disparate federal regulations, as well. We need to stay focused on the immediate crisis—the fiscal cliff—and support a regional transit system that is gaining back riders, collaborating on new ways to deliver public transportation, and responding to its customers. A new governance structure at this time would add a layer of uncertainty to an already precarious situation and only serve to delay the forthcoming improvements to the system.

The recently published draft PART report was a major undertaking which explored many different subjects, some of which Pace leadership have called attention to over many years. The authors acknowledge on page 106 that “additional analysis is needed” on the governance recommendations. While I understand your legislatively-mandated deadline, we believe this process was rushed, and undertaken without enough input from the experts who operate our systems on a daily basis. It was also clear from the joint meeting on September 13 that there is no consensus from the voting members on this topic. We are troubled that the CMAP Board and MPO Policy Committees vote in a few weeks on a report that will have significant consequences on how public transit in our region is funded and operated despite the authors’ admission of the uncertainty surrounding the effect the proposed governance changes would have.

Pace welcomes financial solutions that can address the immediate fiscal crisis and put northeastern Illinois’ transit agencies in a stronger position to continue to innovate, collaborate, and build the world-class transit system our region deserves. Well before the pandemic began, Pace recognized residents’ desires for a responsive, multimodal transit system that could get them where they need to go at all hours of the day in our region. For decades, we’ve taken bold and innovative actions to provide transit riders affordable and accessible options, whether they’re headed to the office at 9am or returning home

from working the third shift. We've worked together with Metra and the CTA to provide holistic options for our transit riders, from our VanGo vans stationed at Metra and CTA parking lots to jointly developed capital investments in our shared transit hubs like the Harvey Transportation Center.

We know our riders, and we know they want equitable and affordable transit options. In collaboration with Cook County and Metra, Pace is a proud partner in *Fair Transit South Cook*, a successful pilot program that reduced fares, enhanced Pace bus service, and integrated fares with Metra's Rock Island and Electric lines. We worked with CTA to recently deliver integrated unlimited ride passes, including a lower-cost monthly pass. The shared Ventra fare system, now a decade old, is a national model for interagency fare coordination. Our region is incredibly diverse, and Pace and our sister agencies have evolved to continue serving those needs within our limited budget.

Through decades of work providing transportation to our region's people with disabilities, we have continually improved service to that community and enhanced the technologies that enhance their user experience. We've worked with DuPage, Lake, Kane, McHenry and Will County leadership to enhance demand-response transportation access for seniors and people with disabilities. Within the past few years, Pace's TripCheck tools provide information about every paratransit trip at riders' fingertips. Our partnership with the Transit app sets Pace up as a "mobility as a service" provider and has already enabled several of our demand-response services in the app's trip plan results. Additional technological advances benefiting ADA Paratransit riders are forthcoming and any changes to the region's transit systems should not negatively impact that progress.

The state and federal governments have placed their trust in Pace's leadership in recent years through major capital investments which benefit suburban bus and paratransit riders. Pace is underway with many important projects in all parts of northeastern Illinois, creating good paying jobs as we improve the riding experience and job access for those who rely on transit. Our ongoing improvements to passenger facilities, garages, and rapid transit lines and our conversion of ten facilities and more than 700 buses to become a zero-emission fleet are being successfully deployed, and those positive developments should not be stalled by governance changes that offer an uncertain future.

The pandemic has intensified challenges, but Pace is responding through partnerships and innovation. Combined with our fellow Service Boards, we operate one of the most efficient and largest regional systems in the country in a region with diverse land use and population. We compare favorably to our peers on performance measures, even as our region gets less funding per capita than most other major metropolitan areas. Pace needs financial solutions that can continue our momentum, not hinder it. Pace has made considerable progress in recent years and will continue doing so in 2024 and beyond.

As our region's transit systems approach the fiscal cliff, new funding is the most important item for the PART report to address and for the Illinois General Assembly to solve. Regarding the future funding needed to support our regional public transit system, we are pleased that CMAP recognizes that funding beyond the \$730 million annual gap is warranted to fill that gap but also expand service beyond today's status quo. To reiterate, suburban commuters—who now represent two-thirds of the region's population—are clamoring for more service, not less, and Pace stands ready to provide the innovative transportation solutions that meet the suburbs' post-pandemic needs. But, we need the funding to be able to do so.

Thank you for the opportunity to provide input on this PART report. We look forward to finding a legislative solution that provides adequate funding for transit options throughout this large and diverse region we all serve.

Sincerely,



Melinda Metzger
Executive Director

Memorandum

175 W Jackson Blvd
Suite 1550
Chicago, IL 60604
312 913 3200
rtachicago.org

To: CMAP
From: RTA
Date: 9/22/23

RTA Comments on Plan of Action for Regional Transit (PART)

Thank you to the PART steering committee and CMAP staff for your months of hard work developing the PART report. We appreciate your continued dialogue with RTA and the transit operators. The latest draft reflects much of the feedback we shared throughout the process, including the need to fully address the projected \$730 million budget gap, and the need for the state to fully fund existing programs like ADA paratransit service and free and reduced fares.

Public transit plays a critical role in advancing regional economic, climate and equity goals. Our transit system is an economic differentiator for the region – linking talent to opportunities and spurring growth. Amidst a climate crisis, transit currently provides more than one million rides per day while contributing less than two percent of the region's transportation emissions. The transit system is a critical tool for the region to address a legacy of racism and segregation that has left people of color, people experiencing low incomes, and people with disabilities with limited access to critical services and opportunities. Decisions about transit funding are decisions about equity and about the future of the region's economy and climate.

This is why the region's comprehensive plan – ON TO 2050 – features commitments to doubling transit ridership from 2018 levels, reducing transportation emissions, and growing the portion of non-single occupancy vehicle trips. We cannot achieve progress on shared regional goals without a fully funded, reliable, and accessible transit system. With sustainable funding, we can work together to build the truly world-class transit system that the people of the Chicago region deserve.

Following are additional points of feedback as the final report is considered:

- **Chronic Underfunding:** The problem statement in the executive summary should be revised to address the historic underfunding of the transit system, which predates the pandemic. The issues and challenges the transit system is experiencing today are fundamentally tied to how it is funded. The funding structure developed in 1983 has never provided enough funding to fully support regional transit operations, limiting

opportunities for regional coordination because resources are so tight. Subsequent reforms never dealt with this fundamental issue. Now, the pandemic has further exposed this problem and we have an opportunity to advocate for legislators to correct these mistakes and develop a truly sustainable and equitable funding structure. This must be our focus as we work with elected leaders to address the projected fiscal cliff over the next two years.

- **State of Good Repair Need:** In addition to the operating shortfalls, the executive summary should more clearly acknowledge the system's outstanding state of good repair needs to rebuild and upgrade existing infrastructure. Rebuild Illinois and the Bipartisan Infrastructure Law have made a big impact, but we need more sustainable capital funding to improve speed and reliability across the current system. This must be addressed as we work to close the operating budget gap and consider expansion projects.
- **Reforming Land Use and Street Design:** The legislative actions recommended in the report largely look at the transit system in isolation and miss the connections between transit ridership, land use, and street design. State leaders can enact major policy change linked to climate goals that would reform how we design our communities and our streets that would help grow ridership and improve quality of life. These policies are outside of the control of transit agencies and require leadership from roadway agencies, municipalities, counties, and state leaders. Without significant progress in these areas, the state would be limiting the impact of the transit system and putting a ceiling on how much we can continue to grow and improve.
- **Menu of Revenue Options:** The report should present and analyze various revenue options as a menu rather than assembling them into specific funding packages. It's important to avoid eliminating revenue options or putting too much emphasis on a specific package at this stage given political uncertainty and the lack of clear regional consensus. Instead, we can present the range of options and analysis to legislators for them to weigh. In addition, we are concerned about including an estimated \$200 million annually from fare increases and cost savings in all packages. Reasonable and timely increases in fares can help close the gap but increases of the magnitude needed to raise close to \$200 million could inhibit ridership growth and exacerbate current funding challenges. Cost savings should continue to be pursued but their potential yield is limited given the operators are highly efficient as compared to their peers, as the report highlights.
- **Ongoing Collaboration:** The funding and governance sections of the report should address how stable funding could lead to greater coordination and collaboration across agencies, independent of structural reform. The pandemic initiated an unprecedented number of shared initiatives among the region's transit agencies. The COVID relief funding coupled with a lifting of the farebox revenue requirements provided

temporary relief from fare revenue pressures and opened the door to significant progress on fare integration, fare affordability, service coordination, and joint capital projects. A sustainable funding structure that's less reliant on fare revenue and more stable would lead to much greater progress.

- **Governance Reform:** In addition to the structural reform options, the governance recommendations should include ways legislators could incentivize greater coordination and progress on regional goals under the current structure. The RTA and transit operators are eager to work with regional and state partners to pursue reforms and efficiencies that will strengthen the current approach to service delivery, fare policy, capital investment, and many other issues. We encourage lawmakers to consider changes that will challenge the current structure and incentivize collaboration and progress on regional goals while balancing the diverse interests of the entire RTA service area. But these discussions should happen in the context of understanding the revenue and resources the system will have available. We cannot distract or delay attention from difficult conversations about how to secure the funding needed to sustain the system for the long-term. We believe providing certainty on future operating funding for the system can enable broader discussion of governance changes.
- **Impact of Governance Changes:** The governance recommendations should be strengthened with more analysis of how the structural reform options would change how transit service is delivered to a diverse ridership base. Improvements to regional service coordination are needed but we cannot underestimate the complexity of running a transit system in a region as large and diverse as Chicago. Each of the Service Boards has different bases of riders and vast differences in how they are managed and how they deliver service. Local perspectives are critical to fully understanding community needs and how transit can help address them. We must be thoughtful and deliberate in how we approach governance reform to limit unintended consequences and ensure riders ultimately benefit.

Throughout the PART process the RTA and transit operators have continued to advance capital projects and operations improvements needed to build a safer, faster, and more reliable regional transit system. This includes upgrading and adapting service to meet post-pandemic travel demand, integrating fares, and investing in new safety and security initiatives. None of what we envision for the future of the transit system is possible without more public funding for transit operations and capital infrastructure. We invite everyone to work with us in Springfield, Washington, D.C., and across the Chicago region to help support and advance our shared vision for the future of the transit system.



P. (815) 740-4601
F. (815) 740-4600
E. countyexec@willcountyillinois.com

Will County Office Building
302 N. Chicago Street
Joliet, IL 60432

September 22, 2023

Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning
433 West Van Buren, Suite 450
Chicago, IL 60607

RE: Will County Comments on Plan of Action for Regional Transit (PART) Draft Report

Dear Director Aleman,

Thank you for your efforts on behalf of the region regarding mobility recovery. I appreciate the continued outreach and opportunities to provide comments on the draft PART report.

I would like to reiterate that Will County supports improvements to the transit system that benefit residents within the entire region. Will County remains supportive of a strengthened RTA while also working towards integration of services throughout the system.

However, as it pertains to transit governance, we believe that local control and the ability to provide feedback within the governance structure must be considered. We must ensure that advocacy can effectively continue for those who reside in areas with limited service, specifically our less dense areas of population. Continued conversations regarding governance can allow for the improvements we all desire, while also ensuring adequate representation.

Additionally, the financial recommendations to fund an improved system are outside the jurisdiction of CMAP. The funding proposals require legislative actions that cannot be guaranteed to pass. It is problematic to base must-needed improvements to the system on theoretical funding.

Will County is ready to work towards improvements within our transportation system to ensure all residents have the access that they deserve and need.

Sincerely,

Jennifer Bertino-Tarrant
Will County Executive



September 21, 2023

Dear Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning (CMAP)
433 West Van Buren, Suite 450
Chicago, IL 60607

RE: Plan of Action for Regional Transit (PART)

Director Aleman:

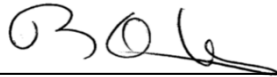
Thank you for the commitment to share the CMAP work product which will culminate in the Plan of Action for Regional Transit (PART). We appreciate the opportunity to share our concerns and look forward to working together on this important topic. We offer the following observations on behalf of our collective members:

- Municipalities, as stakeholders, must have a direct voice in any redesign or reconfiguration of transit in the region. CMAP calls for “more regional perspectives on the regional governing board(s).” We believe regional goals can be achieved by incorporating local perspectives and finding consensus. Suburban transit needs are different than those of the city and in many cases are currently unmet. Moreover, mayors and former mayors, past and present, have contributed significantly through their service on the service boards. Regional mayoral representation on service boards is valuable and must continue in the future.
- Funding is a significant issue facing transit in the region. Most recently, CMAP has acknowledged that the Transformational strategy, which funds transit well beyond the fiscal cliff, has become the preferred alternative. A significant majority of the sales taxes used to fund transit come from incorporated areas. It should also be noted that many of the new revenue sources proposed by CMAP in the Transformational strategy also seem to come from municipal residents. Future investment in transit needs to reflect those contributions. The region should work collectively for state and federal funding sufficient to address transit needs and address inequities and deficiencies in levels of service in the entire region. The region deserves to know what specific outcomes will be derived from the extraction of additional taxes from its residents.
- In addition to the revenue generated from municipalities, acknowledgment must also be made of the contributions to transit infrastructure made by municipalities. These investments have been made both in concert with the service boards and as stand-alone endeavors. The “system we want” must be established in collaboration with municipalities to ensure continued financial and governmental support of transit services.

- Decisions regarding zoning, land use, and development must remain with local authorities. Regional transit agencies, current and future, need to respect the principles of local control as it pertains to zoning, land use, and development.

We appreciate the significant investment of time that has gone into the development of PART. We look forward to a process following its release that is inclusive of the region's communities and their needs.

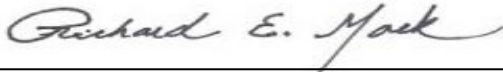
Sincerely,



President Brian Cecola, Village of Barrington Hills
Chairman, Barrington Area Council of Governments



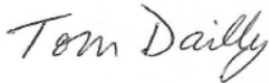
Mayor Phil Suess, City of Wheaton
President, DuPage Mayors and Managers Conference



President Richard E. Mack, Village of Ringwood
McHenry County Council of Government



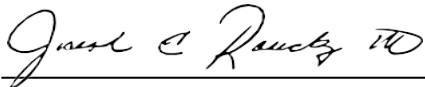
President Stephan Pickett, Village of Sleepy Hollow
Metro West Council of Government



Mayor Tom Dailly, Village of Schaumburg
Northwest Municipal Conference



President Ronald Gardiner, Village of Glenwood
South Suburban Mayors and Managers Association



Mayor Joseph Roudez, Village of University Park
Will County Government League



RESOLUTION 23-02

A RESOLUTION REGARDING THE IMPACT OF RECOMMENDATIONS IN THE PLAN OF ACTION FOR REGIONAL TRANSIT (PART) ON LOCAL GOVERNMENTS

WHEREAS, the Barrington Area Council of Governments has a long history of fostering regional collaboration and represents six villages and one township in the Barrington Area across Cook, Kane, Lake, and McHenry Counties; and

WHEREAS, transit agencies in northeastern Illinois are facing an estimated \$730 million operating budget shortfall beginning in 2026, due to changes in travel behavior following the COVID-19 pandemic and the expiration of emergency federal assistance; and

WHEREAS, the Illinois General Assembly tasked the Chicago Metropolitan Agency for Planning (CMAP) with developing legislative recommendations on the region's transit system; and

WHEREAS, CMAP has released a draft Plan of Action for Regional Transit (PART) report, which contains recommendations in three subject areas – the system we want, how to pay for it, and how to implement it; and

WHEREAS, the Barrington Area Council of Governments has reviewed the draft PART report and offers the following comments to CMAP.

NOW, THEREFORE BE IT RESOLVED, that the Barrington Area Council of Governments hereby:

1. Supports all efforts to strengthen the region's transit system in meeting the needs of users while also using the system to improve mobility and maintain economic competitiveness; and
2. Supports the PART report's vision of *The Transit System the Region Wants*, especially as to *strengthening demand-responsive transit service with improved coordination and integration*; and
3. Cautions that all decisions regarding zoning, land use, and development must remain with local authorities, underscoring the importance of the state and regional transit agencies, current and future, respecting the principles of local control as it pertains to zoning, land use, and development; and
4. Does not support the integration of the RTA and the service boards into one regional transit

entity in the interest of transparency and accountability as each service's mission is distinct and its financial position including debt, pension, and labor obligations is different; and

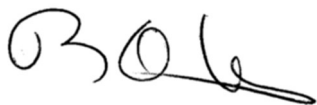
5. Recommends that RTA be given greater ability to coordinate service efficiencies; and
6. Recommends that any governance changes considered by the Illinois General Assembly respond to the unique nature of transit needs, which for suburban areas consists mainly of Metra rail service and demand responsive service, such as the PACE/Dial-A-Ride program; and
7. Insists that any changes made to regional board appointments either maintain or expand representation of suburban communities to ensure they have a meaningful role in regional transit decision-making; and
8. Encourages CMAP to recommend that any changes to the regional transit system considered by the Illinois General Assembly be based on the most current and accurate ridership data available to fully evaluate the state of transit.

BE IT FURTHER RESOLVED, that copies of this resolution shall be forwarded to CMAP to make them aware of the desires and opinions of the Barrington Area Council of Governments.

This resolution is passed the 26th day of September 2023, by the Executive Board of BACOG:

Karen Darch, President, Village of Barrington
Brian D. Cecola, President, Village of Barrington Hills
D. Robert Alberding, Supervisor, Barrington Township
Greg Rusteberg, President, Village of Deer Park
Kevin C. Richardson, President, Village of Lake Barrington
Paula McCombie, President, Village of South Barrington
Andy Hay, President, Village of Tower Lakes

For the Executive Board:



Brian D. Cecola, Chairman
BACOG Executive Board



Mary L. Tarpey, Secretary
ATTEST

McHenry County Council of Governments

MCCG
MCHEMRY COUNTY COUNCIL OF GOVERNMENTS
Executive Committee

President Rick Mack
Village of Ringwood
MCCG President

Mayor Mark Kownick
Village of Cary
MCCG Vice-President

Mayor Haig Haleblan
City of Crystal Lake
MCCG Treasurer

President Toni Wardanian
Village of Richmond
MCCG Secretary

Supervisor Gary Barla
McHenry Township
Chair of the
Finance Committee

President Debby Sosine
Village of Algonquin
Chair of the
Legislative Committee

President Ray Bogdanowski
Village of Lake in the Hills
Chair of the
Transportation Committee

Chairman Mike Buehler
McHenry County Board
Ex-Officio Member

September 27, 2023

Erin Aleman, Executive Director
Chicago Metropolitan Agency for Planning
433 West Van Buren Street, Suite 450
Chicago, IL 60607

Dear Executive Director Aleman,

Enclosed is resolution R23-001 in regards to the Plan of Action for Regional Transit approved by the McHenry County Council of Governments Executive Committee on September 27, 2023.

Please feel free to reach out to me with any questions.

Sincerely,



Chalen Daigle
Executive Director
McHenry County Council of Governments

Chalen Daigle
Executive Director
620 Dakota Street
Suite 251
Crystal Lake, IL 60012
815-788-4390 (p)
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cdaigle@mchenrycountycog.org
www.mchenrycountycog.org

MCHENRY COUNTY COUNCIL OF
GOVERNMENTS

RESOLUTION NUMBER: R23-001

APPROVED DATE: September 27, 2023

**A RESOLUTION EXPRESSING THE OPINION OF THE MCHENRY COUNTY COUNCIL OF
GOVERNMENTS REGARDING RECOMMENDATIONS IN THE PLAN OF ACTION FOR REGIONAL
TRANSIT (PART)**

WHEREAS, the McHenry County Council of Governments is a Council of Governments that fosters intergovernmental collaboration and represents a total of twenty-eight local governments in McHenry County; and

WHEREAS, transit agencies in northeastern Illinois are facing an estimated \$730 million operating budget shortfall beginning in 2026 due to changes in travel behavior following the COVID-19 pandemic and the expiration of emergency federal assistance; and

WHEREAS, the Illinois General Assembly tasked the Chicago Metropolitan Agency for Planning (CMAP) with developing legislative recommendations on the region's transit system; and

WHEREAS, CMAP has released a draft Plan of Action for Regional Transit (PART) report, which contains recommendations in three subject areas – the system we want, how to pay for it, and how to implement it; and

WHEREAS, the McHenry County Council of Governments has thoroughly reviewed the draft PART report and offers the following comments to CMAP.

NOW, THEREFORE BE IT RESOLVED, that the McHenry County Council of Governments hereby supports all efforts to strengthen the region's transit system and understands that transit is crucial in addressing the region's goals of improving mobility, maintaining economic competitiveness, combating climate change, and building a more equitable region; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Governments supports the PART report's vision of *The Transit System The Region Wants*, especially the recommendations of *supporting Metra's transformation into a regional rail provider and strengthening non-ADA demand-responsive transit service with improved coordination, integration, and governance*; and

BE IT FURTHER RESOLVED, that while the McHenry County Council of Governments understands a combination of new tax revenues, fare increases and service cuts will be necessary to maintain the region's transit system and make targeted improvements in the future, our members insist that any new revenue generated from residents of McHenry County be directed to service improvements in areas of McHenry County currently underserved (or unserved) by transit; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Governments does not support the integration of the RTA and the service boards into one regional transit entity. Instead, the Council suggests that the final report only include one governance recommendation – *Strengthening a re-envisioned RTA to coordinate transit across the service boards*; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Governments would like the Illinois General Assembly to consider governance changes that respond to the unique nature of transit in McHenry County, consisting mainly of non-ADA demand responsive service provided by the County's MCRide program; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Governments also insists that any changes made to regional board appointments not dilute the voices of suburban residents who today feel underrepresented in regional transit decision-making; and

BE IT FURTHER RESOLVED, that copies of this resolution be forwarded to CMAP to make them aware of the desires and opinions of the McHenry County Council of Governments.

APPROVED this 27th day of September in Crystal Lake, Illinois.



Richard Mack
President, McHenry County Council of
Governments and
Village President, Village of Ringwood

MCHENRY COUNTY COUNCIL OF MAYORS

RESOLUTION NUMBER: R23-002

APPROVED DATE: September 22, 2023

A RESOLUTION EXPRESSING THE OPINION OF THE MCHENRY COUNTY COUNCIL OF MAYORS REGARDING RECOMMENDATIONS IN THE PLAN OF ACTION FOR REGIONAL TRANSIT (PART)

WHEREAS, the McHenry County Council of Mayors are duly elected local officials as defined in the Federal Highway Acts of 1970, 1973, and 1976, the Surface Transportation Assistance Acts of 1978, 1982, 1987, the Intermodal Surface Transportation Efficiency Act of 1991, the Transportation Equity Act for the 21st Century of 1998, the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users of 2005, Moving Ahead for Progress in the 21st Century of 2012 and Fixing America's Surface Transportation Act of 2015, the Infrastructure Investment and Jobs Act of 2021, and represent a total of twenty-nine local governments in McHenry County, being twenty-eight municipalities and the County of McHenry; and

WHEREAS, transit agencies in northeastern Illinois are facing an estimated \$730 million operating budget shortfall beginning in 2026 due to changes in travel behavior following the COVID-19 pandemic and the expiration of emergency federal assistance; and

WHEREAS, the Illinois General Assembly tasked the Chicago Metropolitan Agency for Planning (CMAP) with developing legislative recommendations on the region's transit system; and

WHEREAS, CMAP has released a draft Plan of Action for Regional Transit (PART) report, which contains recommendations in three subject areas – the system we want, how to pay for it, and how to implement it; and

WHEREAS, the McHenry County Council of Mayors has thoroughly reviewed the draft PART report and offers the following comments to CMAP.

NOW, THEREFORE BE IT RESOLVED, that the McHenry County Council of Mayors hereby supports all efforts to strengthen the region's transit system and understands that transit is crucial in addressing the region's goals of improving mobility, maintaining economic competitiveness, combating climate change, and building a more equitable region; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Mayors supports the PART report's vision of *The Transit System The Region Wants*, especially the recommendations of *supporting Metra's transformation into a regional rail provider and strengthening non-ADA demand-responsive transit service with improved coordination, integration, and governance*; and

BE IT FURTHER RESOLVED, that while the McHenry County Council of Mayors understands a combination of new tax revenues, fare increases and service cuts will be necessary to maintain the region's transit system and make targeted improvements in the future, our members insist that any new revenue generated from residents of McHenry County be directed to service improvements in areas of McHenry County currently underserved (or unserved) by transit; and

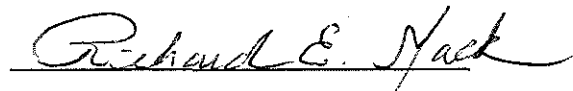
BE IT FURTHER RESOLVED, that the McHenry County Council of Mayors does not support the integration of the RTA and the service boards into one regional transit entity. Instead, the Council suggests that the final report only include one governance recommendation – *Strengthening a re-envisioned RTA to coordinate transit across the service boards*; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Mayors would like the Illinois General Assembly to consider governance changes that respond to the unique nature of transit in McHenry County, consisting mainly of non-ADA demand responsive service provided by the County's MCRide program; and

BE IT FURTHER RESOLVED, that the McHenry County Council of Mayors also insists that any changes made to regional board appointments not dilute the voices of suburban residents who today feel underrepresented in regional transit decision-making; and

BE IT FURTHER RESOLVED, that copies of this resolution be forwarded to CMAP to make them aware of the desires and opinions of the McHenry County Council of Mayors.

APPROVED this 22nd day of September in Harvard, Illinois.



Richard Mack
Chair, McHenry County Council of Mayors
and
Village President, Village of Ringwood



September 21, 2023

Ms. Erin Aleman
Executive Director
Chicago Metropolitan Agency for Planning
433 West Van Buren, Suite 450
Chicago, IL 60607

Re: Plan of Action for Regional Transit Draft Report

Director Aleman,

On behalf of the member communities of the WCGL we submit the following comments on the PART Draft Report. These comments are in addition to those submitted jointly by the regions council of governments.

Governance: Throughout this process WCGL communities have been concerned about changes to the governance structure of the regions transit agencies that could negatively impact our region. While not agreeing that now is necessarily the time for such an overhaul, of the two options presented we would support an enhanced RTA with the service boards remaining independent. Additionally, we believe that is critical that appointing authority to the RTA and service boards remain a local decision.

Revenue: There is no denying that our region is facing difficult decisions as a result of the pending fiscal cliff. No region wants to see a world class transit system cutting services because of financial difficulties. The draft report highlights numerous options for revenue enhancements to avoid these cuts, however, it is our view that these options are not all politically viable.

Consolidation Costs: Our members are concerned that the draft report does not reflect costs associated with consolidation of the transit agencies. There are differing pay scales across all of the transit agencies. As an example it is our understanding that just bringing Pace drivers in line with CTA drivers would add \$30 million in extra costs a year. Our region is also concerned that there is no clear plan for how pension obligations would be handled. Our region does not want to take on pension obligations we did not incur.

In closing we want to compliment the staff at CMAP for their work on putting this report together in such a short amount of time. This is a complicated matter and we look forward to working with all our regional partners as this issue now moves to the legislature.

Sincerely,

A handwritten signature in black ink, appearing to read "Hugh O'Hara", with a horizontal line extending to the right.

Hugh O'Hara
Executive Director

Beecher Bolingbrook Braidwood Channahon Coal City Crest Hill Diamond Elwood Frankfort
Homer Glen Joliet Lemont Lockport Manhattan Minooka Mokena Monee Morris
Naperville New Lenox Orland Park Oswego Peotone Plainfield Rockdale Romeoville
Shorewood Symerton University Park Wilmington Woodridge
County of Grundy County of Will