

CMAP



Agenda for the Illinois General Assembly

2016





At this writing in February 2016, the State of Illinois had yet to adopt a budget for the current fiscal year, FY16. This impasse is taking a significant toll on our state and region. CMAP has not been immune, having weathered a crisis in which the agency nearly closed its doors, placing federally funded transportation projects at risk, in November 2015. We are nonetheless hopeful that the state budget will be resolved and the priorities described in this agenda will be addressed. The eventual passage of a capital program should be seen as a critical opportunity to allow this region to create an infrastructure fund that would begin addressing needs across our seven counties. And independent of such an important advance, the General Assembly should take immediate steps to rectify the procedural problems that repeatedly cause federal and state funding of CMAP and other MPOs in Illinois to be held up in circumstances that long pre-date the current Springfield budget stalemate.

Reliable access to planning funds

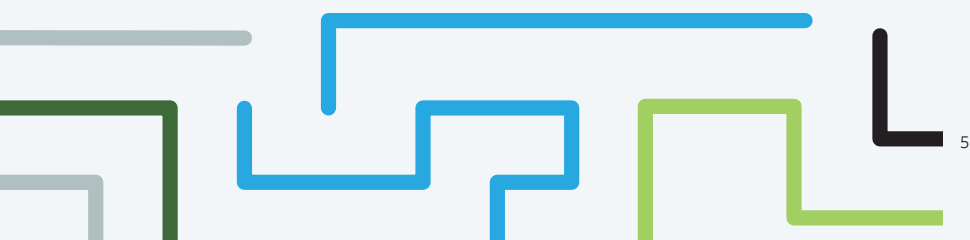
State legislation to create CMAP included language pledging to fund the agency's operations and to match federal formula funds with State funding. The language in the enabling legislation included a directive to the State that "additional funding shall be provided to CMAP to support those functions and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

In 2007, Public Act 95-0677 amended the Regional Planning Act (which had created CMAP) and established a Comprehensive Regional Planning Fund (CRPF). The funding enabled Metropolitan Planning Organizations (MPOs) throughout the state to match federal formula funds. State funding through the CRPF had been essential for the newly created CMAP to carry out its long-range comprehensive planning mandate. However, the CRPF was funded for only two years and was ultimately dissolved in FY11. Since then, MPOs throughout the state have had to rely on Illinois Department of Transportation (IDOT), and therefore the Road Fund, to meet local matching requirements. Because these funds can be used solely for transportation-related activities, our reliance on them severely constrains CMAP's ability to fulfill its mandate for comprehensive regional planning. CRPF funding, having derived from the General Fund rather than the Road Fund, was more flexible and allowed CMAP to engage in truly comprehensive planning activities that provide greater benefits to our region's 284 communities, including work on housing, regional economic growth, water resource management, community development, and environmental health.

Additionally, IDOT is required by federal law to allocate federal transportation planning formula funds to CMAP and the state's 15 other MPOs. However, the 2015-16 state budget crisis resulted in those payments being held up, requiring extensive and unprecedented efforts by IDOT and the Federal Highway Administration to narrowly avoid a cessation of CMAP's essential planning activities. Absent a temporary solution to this problem, Illinois jeopardized receiving all of its federal transportation funding from the highway trust fund and risked construction on federally sponsored projects across Illinois and the region. These revenues are critical to the operations of the agency and transportation implementers throughout the region, and disruptions have the potential to jeopardize the state's ability to allocate federal transportation funds. While a short-term solution to the withholding of the federally approved funds was developed to allow CMAP and all Illinois MPOs to receive funding, this solution is not permanent. A change in state statute is suggested as a long-term solution that ensures federal transportation funds will continue to flow to implementers.

CMAP supports state legislation reinstating the CRPF, indexing its growth to inflation, and authorizing its continuous appropriation, so that MPOs may continue to match federal funds regardless of whether there is an approved state budget.

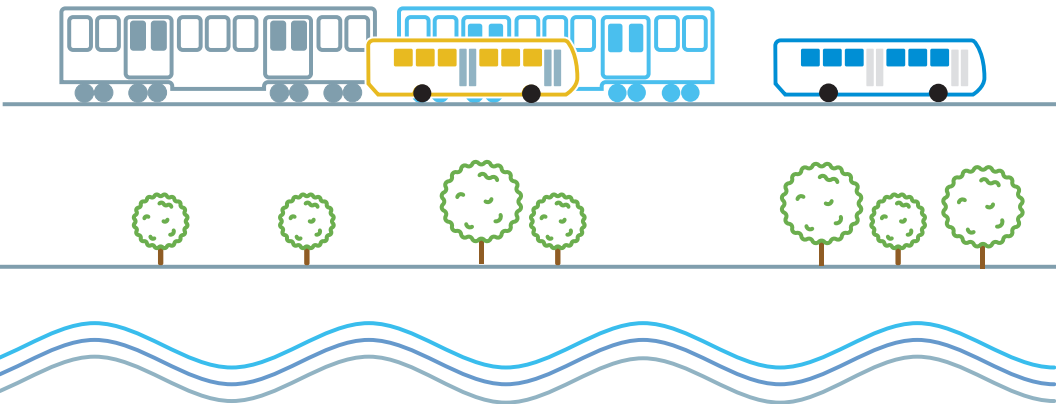
CMAP supports state legislation authorizing a continuous appropriation granting MPOs direct access to federal formula planning funds, regardless of whether there is an approved state budget.



Regional infrastructure funding

Current funding mechanisms in Illinois are inadequate to support improvements that are crucial to our economic competitiveness. While increased state and federal investment is critical, at best it is likely to meet only our maintenance needs. Other U.S. metropolitan regions are far ahead of ours in raising local revenues for infrastructure projects with long-term benefits of livability, mobility, and the economy. These urban areas are using their regional revenues to make investments that give them a distinct competitive advantage over metropolitan Chicago.

Our region needs to create an infrastructure fund for prioritized projects that support implementation of the GO TO 2040 regional plan. The agency calls on the General Assembly to authorize our region to create sustainable funding for infrastructure. This fund is not intended to solve all of the region's anticipated needs. But it would help a significant number of prioritized projects move toward completion while leveraging private and public funding sources. And the program will be an important down payment to help ensure that some especially vital projects can move forward to drive economic growth for years to come.



Transparent and objective project selection

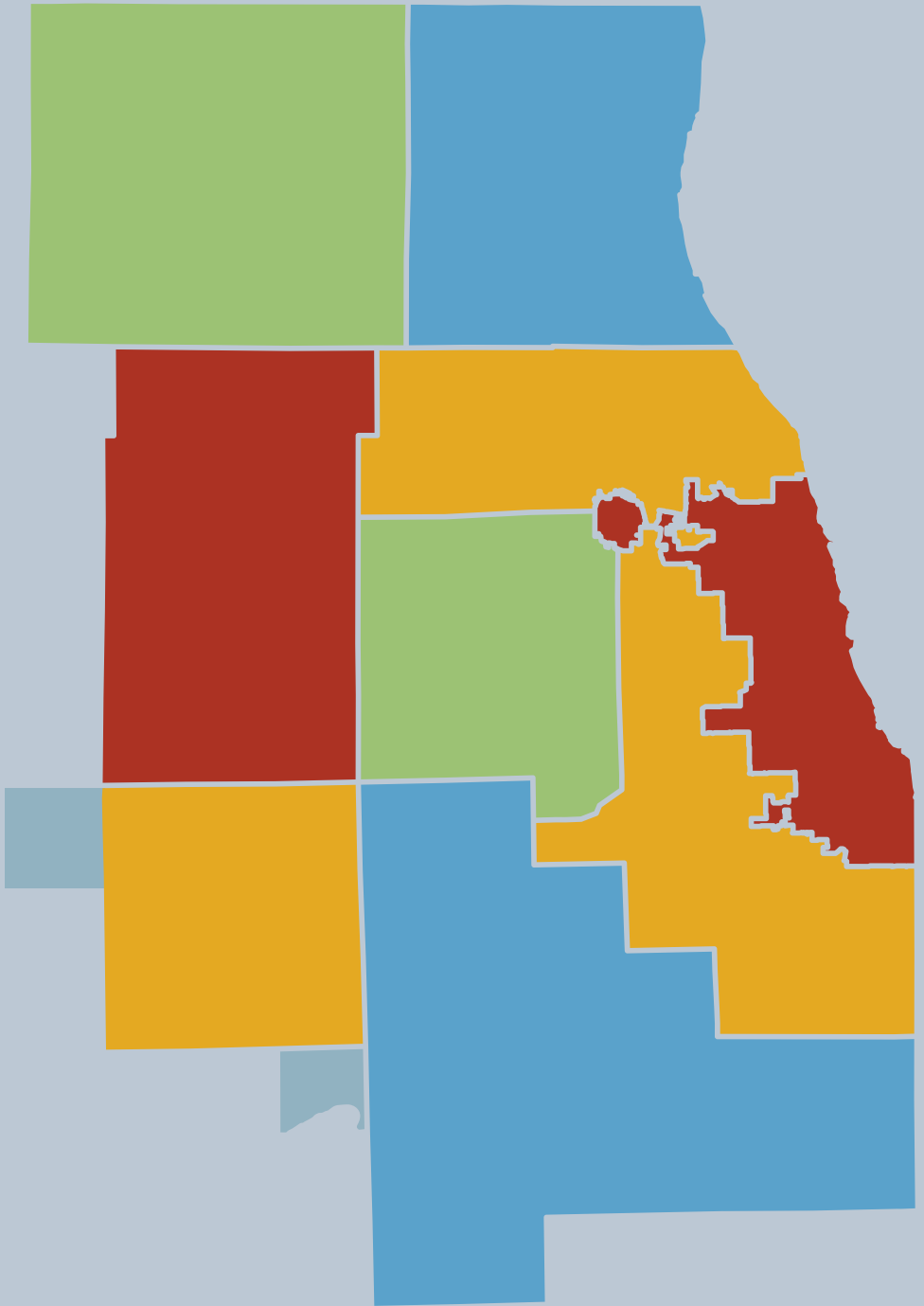
Competitive proposals would be reviewed annually by CMAP, using regionally accepted performance-based criteria in a non-partisan process that builds on the agency's reputation for equity and transparency. The fund should encourage cost efficiencies through coordination of inter-related improvements for transportation and other adjacent infrastructure, with eligible types of projects including:

- Transportation system projects that reduce congestion, increase safety, improve access to transit and jobs, and/or enhance the freight network.
- Open space and green infrastructure projects that mitigate the negative impacts of transportation infrastructure, improve residents' access to recreation, and enhance communities' livability.
- Water projects that ensure access to clean water and stormwater projects that improve the region's ability to avoid flooding of communities and pollution of groundwater.

Revenue and administration

The regional infrastructure fund is intended to be a component within broader statewide legislation that might emerge this spring, such as a possible new capital program or potential tax reform. To cover the costs of administering the fund, each year CMAP would reserve a share of the revenue, which would also match the agency's federal transportation dollars and provide important planning support for local governments.

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





Robust, performance-based transportation investments

Transportation funding in Illinois faces significant challenges. The traditional state revenue sources—the motor fuel tax and vehicle registration fees—have lost significant purchasing power over the last 20 years. Further, the motor fuel tax faces long-term threats to its viability as vehicles become more fuel efficient and travel behavior changes. The Chicago region’s transit system remains critically underfunded and lacks a stable source of non-federal capital funding. Similarly, freight issues must be better incorporated into capital programming processes.

Approximately every ten years, the state provides a major capital program for transportation and other purposes. While these resources are welcome and necessary, their timing is unpredictable and their duration is brief. The most recent program, Illinois Jobs Now!, relied in part on speculative, inadequate new revenue sources, reducing the state’s ability to finance the program. Contrary to GO TO 2040, these sources were also unrelated to use of the transportation system.

Investment decisions in Illinois are governed largely by arbitrary formulas, which do not reflect the most pressing needs throughout the state. A more transparent, performance-based approach would ensure that limited resources are steered toward the most critical projects, also shedding light on how investment decisions are made.

CMAP supports increasing the motor fuel tax by 8 cents and indexing it to inflation in the near term but recognizes the need to develop a sustainable, long-term revenue source—based on transportation user fees—to replace the motor fuel tax.

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

CMAP supports legislative initiatives that encourage a commitment by transportation implementing agencies to use transparent, performance-based capital programming.



Innovative tools for transportation investment

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

Through congestion pricing, express toll rates rise and fall with traffic levels, encouraging more efficient use of the system while also raising revenues. Value capture strategies recognize that transportation investments increase property values and business activity, tapping into these sources to pay for upfront construction costs. Public-private partnership (P3) strategies can reduce costs and accelerate project delivery by tapping into private-sector expertise and financing. But as GO TO 2040 explicitly states, such agreements must be carefully structured to protect the public interest.

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

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

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



State tax policy

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

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

The tax system should also reflect the region's and state's economy and demographics. Outmoded aspects of the state tax system should be modernized and tax policy changes should minimize economic distortions by broadening the tax base and lowering rates. The Illinois General Assembly should reform the tax system in a manner that helps achieve the goals and recommendations included in GO TO 2040. Specifically, the ILGA should evaluate key revenue sources, such as the income and sales tax, to determine whether, in what manner, and how those taxes' structures should be reformed.

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

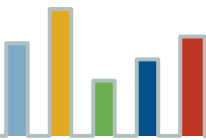
CMAP supports tax policy reforms that encourage effective local land use decisions, generate sustainable economic development, and reduce the focus on intrastate and intraregional competition over economic development.



Water supply planning and management

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

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



Transparency and accountability

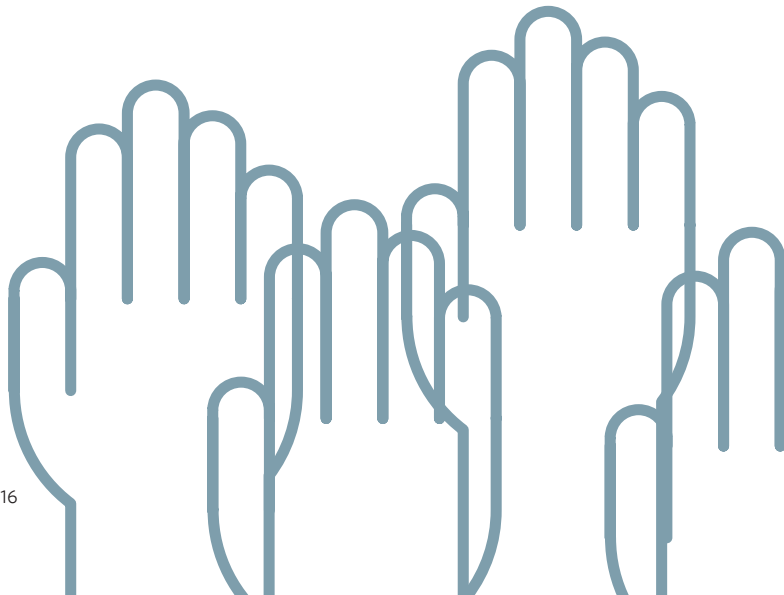
Data sharing through transparent, open governance improves efficiency and accountability. Further, CMAP relies on other agencies' data to complete its own work in planning, policy, and transportation programming. By sharing their data in a timely manner, usable format, and accessible location, public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

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

About CMAP

The Chicago Metropolitan Agency for Planning (CMAP) was created in 2005 through state statute (70 ILCS 1707) and is the federally designated Metropolitan Planning Organization (MPO) for the seven counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. Its state and federal mandates require CMAP to conduct comprehensive regional planning, prioritize transportation investments, provide technical assistance for communities, and compile data resources that enhance decision making.

CMAP developed and now guides implementation of the region's GO TO 2040 comprehensive plan, which was adopted unanimously in October 2010 by leaders from across the seven counties, and updated in 2014. To address anticipated population growth of more than 2 million new residents, GO TO 2040 is an innovative, policy-based plan that establishes coordinated strategies to help the region's 284 communities address transportation, economic development, open space, water, energy, housing, and other quality-of-life issues. In 2013, CMAP received the American Planning Association's first-ever National Planning Excellence Award for a Planning Agency.

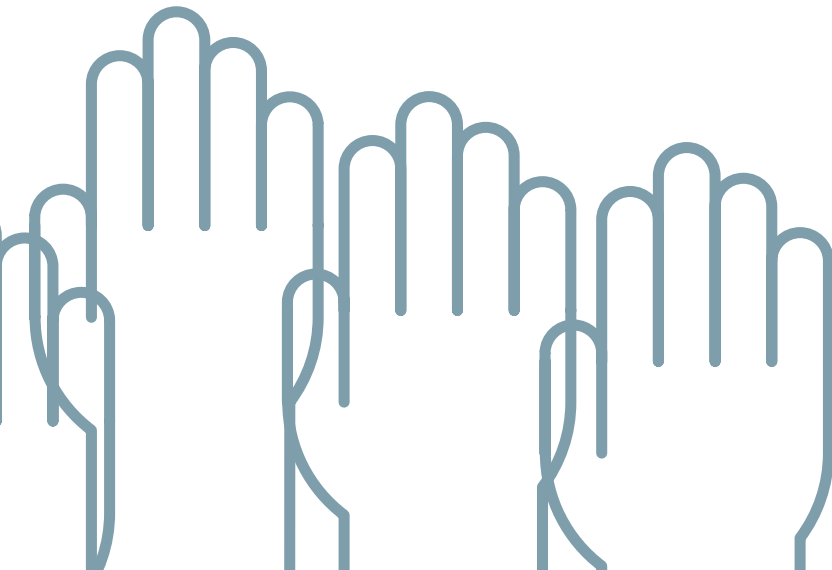


CMAP's annual legislative agenda serves as a tool for the Illinois General Assembly, relevant state agencies, the Governor, and CMAP partners. It describes priorities based on recommendations of the GO TO 2040 comprehensive regional plan and on related CMAP research. For more information about CMAP's policy statements and adopted positions, please visit www.cmap.illinois.gov/about/legislative-policy-statements.

Contact

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