METROPOLITAN PLANNING COUNCIL

Transportation Investments: Who Decides? A Better Way To Select Transportation Priorities?

Transportation • Issue Brief

ISSUE BRIEF

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Background

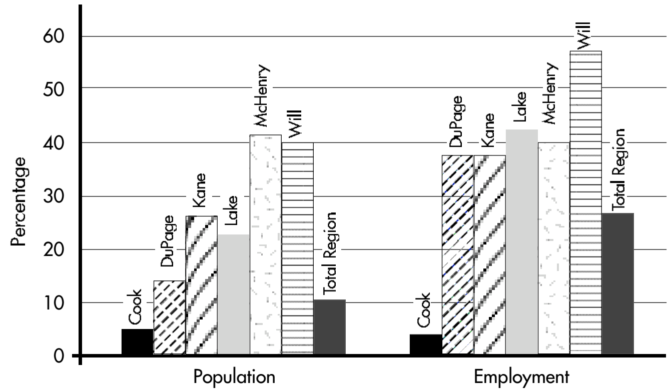
Investing in the Chicago region's transportation system is essential for a vibrant local economy and improved quality of life. As the area continues to grow, so will the need to make investments that meet community needs and regional goals, not only to sustain economic viability but also to serve the mobility requirements of the traveling public. With recent discussions focused on the agencies that conduct regional planning, it is timely to look at how investment decisions are made. This Issue Brief provides insight into the current regional planning process and offers criteria and accountability goals for selecting regionally significant transportation projects.

Northeastern Illinois boasts one of the most complex transportation networks in the United States, with the third largest road system and second largest public transportation system, and as the nation's freight transportation hub.

These statistics accentuate the important role that transportation plays in serving the region's eight million residents and in contributing to its economic stability. However, the side effects of such a complex road, transit and freight network are numerous:

- Chicago-area commuters spend an average of 53 extra hours sitting in peak hour traffic per year, which costs more than $4 billion in wasted gasoline and lost time;[1]
- A lack of viable transit options in some areas of high employment exacerbate the mismatch between jobs and housing;
- Use of single-occupancy vehicles for short trips is increasing; and
- Development patterns are stacked against mixed use and are inconsistent with sensible growth.

Fig. 1 Population and Employment Growth in the Six-County Region (1991-2000)



SOURCE: U.S. CENSUS BUREAU, IL DEPT. OF EMPLOYMENT SECURITY

For More Information...

about Transportation Investment Criteria, contact Karyn Romano, Transportation Director, Metropolitan Planning Council, phone: 312.863.6005 or e-mail: kromano@metroplanning.org.

Issue Brief prepared by Natashia Holmes, Transportation Associate

Commuting patterns and growth trends from 1990 to 2000 provide more evidence that the transportation network is an essential component of northeastern Illinois. However, users of the system need improved transportation options that address both mobility and accessibility.[2] In the six-county region, during the 10-year period, households with three or more vehicles grew by 14.5 percent; workers who drove alone *increased* by 11.4 percent; and transit usage *decreased* by 7.9 percent.[3] (See fig. 3)

With the metropolitan population expected to grow by 1.6 million during the next three decades, along with exponential growth in the job market and daily vehicle travel, there is a pressing need to expand capacity, invest in maintenance of our existing system, and build new facilities where needed.

Northeastern Illinois boasts one of the most complex transportation networks in the United States, with the third largest road system and second largest public transportation system, and as the nation's freight transportation hub.

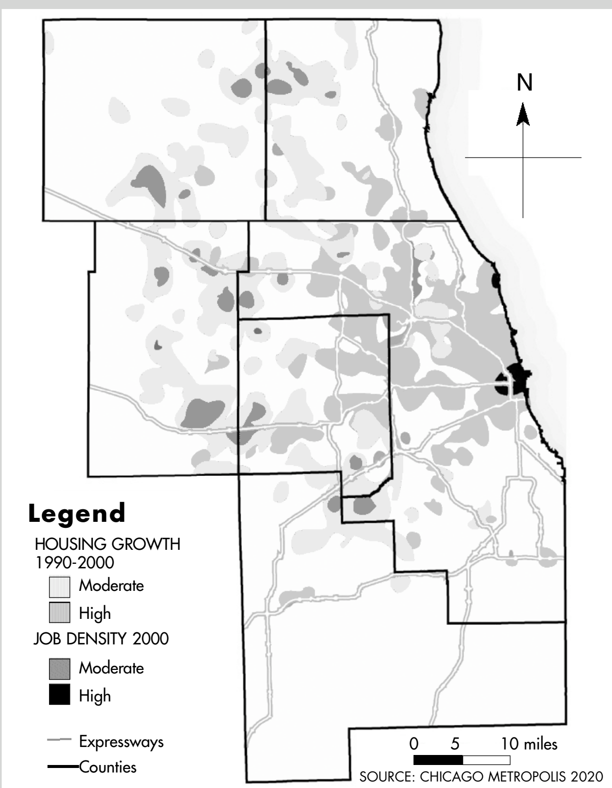
Unfortunately, maintaining and improving the region's transportation network is expensive, and much of the funding for highway and transit improvements is dependent upon limited federal and state resources.

This poses a grave challenge for elected officials and other decision makers, who are faced with stretching financial resources for transit and highway improvements to meet the present and future demands of a growing region. It is not surprising, therefore, that there is greater understanding of the need to better coordinate planning, both interagency and across geographic boundaries, and to wisely prioritize infrastructure investments.

Our transportation network is sorely in need of improved transportation options that address both mobility and accessibility for residents.

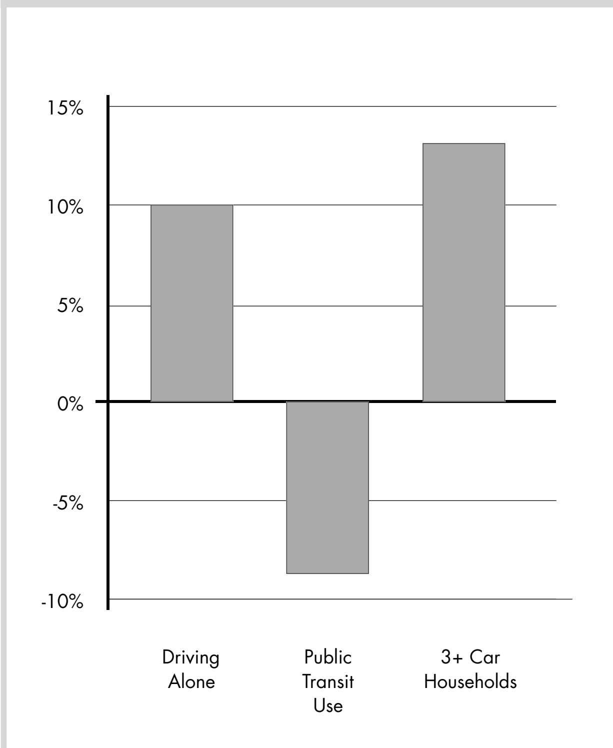
The resulting disadvantages of uncoordinated planning accentuate the disconnect between what the public needs and where infrastructure investments are being made.

Fig. 2 Jobs/Housing-Mismatch Based on 2000 Census
While job growth continues in suburban areas, housing growth has been concentrated in Chicago.



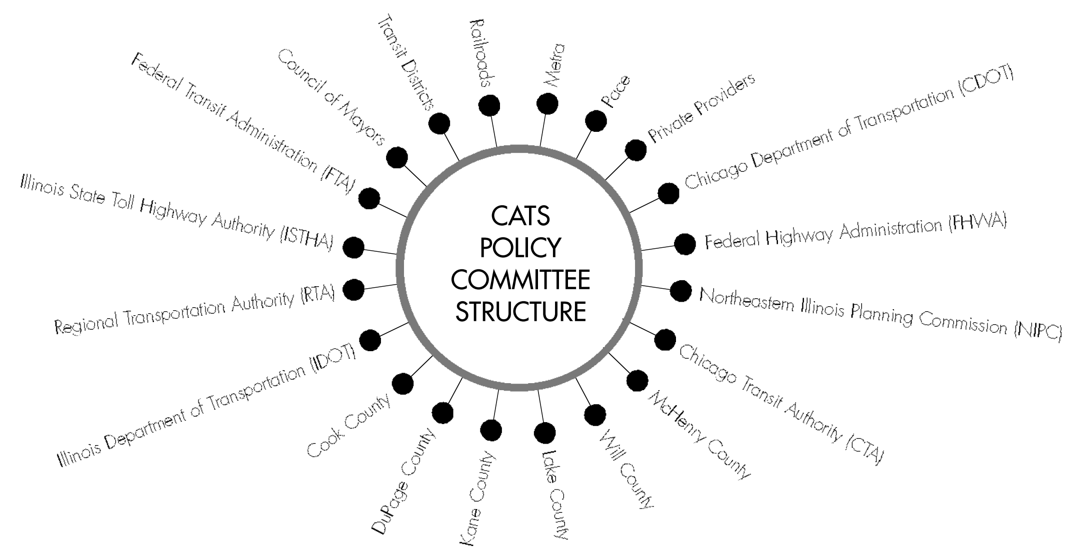
SOURCE: CHICAGO METROPOLIS 2020

Fig. 3 Commuting Patterns and Travel Trend Percentage Change from 1990-2000



SOURCE: U.S. CENSUS BUREAU 2000

Fig. 4 CATS Policy Committee Structure



SOURCE: CHICAGO AREA TRANSPORTATION STUDY (CATS)

What the public wants is convenient, reliable transportation options that provide real choices, and development patterns that do not require getting into a car for every errand. **What the public gets**, too often, is finger pointing among public agencies and excuses about why traffic is worsening.

The Metropolitan Planning Council (MPC) recommends a mechanism to weigh what the public wants, ensure equitable distribution of limited resources throughout the region, establish a strategy to choose investments that improve regional mobility and reduce congestion, and increase accountability to taxpayers on how their money is being spent. Adopting common evaluation criteria would represent a huge step toward desired outcomes.

Regional Planning: The Current Process

The Chicago Area Transportation Study (CATS) Policy Committee (see Fig. 4) has been designated by the Illinois governor and locally elected officials as the metropolitan planning organization (MPO)[4] for northeastern Illinois. The MPO is federally mandated to develop the region's long-range transportation plan.

The long-range transportation plan, more commonly known as the Regional Transportation Plan (RTP), is based on regional population, household and job growth projections developed by the Northeastern Illinois Planning Commission (NIPC) in accordance with anticipated funding. Agencies responsible for operating and maintaining the region's transit system — Chicago Transit Authority (CTA), Metra, Pace, and IDOT — develop their plans and programs within the framework of the RTP. Funding for projects included in the RTP is largely dependent upon federal transportation funds that generally provide for 80 percent of a project's cost.[5] State and local funds make up the remaining 20 percent.

We need to put together the puzzle pieces for a more efficient and deliberative process.

The RTP provides a snapshot of the region's transportation network and outlines how funds will be used to maintain and expand the system over a 20-year period. Most importantly, the plan is fiscally constrained, meaning that all approved projects must have an identified funding source that the region can reasonably expect to tap over the 20-year horizon.

In the *Destination 2020* Regional Transportation Plan, more than 80 percent of projected resources were dedicated to maintaining existing highway and transit systems in their current conditions.[6] The total projected financial resources anticipated to be available for the period was $40 billion, which was stated by plan authors as "not nearly enough to substantially expand the transportation system and meet the increase in demand from a growing region."[7]

This funding shortage continues to be a serious dilemma for the Chicago region, where aged highway and transit systems are overburdened and in need of rehabilitation.

The CATS Policy Committee recently approved a new long-range RTP, entitled *Shared Path 2030*. This plan seeks to balance the political, technical, and grassroots aspects of transportation planning by categorizing projects based on goals and objectives. The goals address system maintenance, system performance, and sustaining the region's vision and values. While this plan took strides forward, it fails in establishing a clear regional vision and aligning goals with those projects that have been deemed regionally significant.

Also, a regional land use plan led by NIPC called "Common Ground" did not finish its work in time to direct the transportation decisions made in the 2030 plan.

Regional Planning: Good on Paper

In theory, our regional planning process makes sense. All the transportation agencies, local and county governments, and private providers are represented on the CATS Policy Committee, which serves as the metropolitan planning organization. Together, they are charged with making investment decisions that should enhance the mobility and vitality of our region. The CATS Policy Committee provides the platform for interagency and inter-jurisdictional coordination, service linkages, and consensus on regional goals.

In reality, parochial politics cloud the process, leaving government entities trading favors to determine whose project gets funded, without regard to how the project will affect other modes, community needs, or regional growth patterns. Northeastern Illinois' regional planning process has been unsuccessful at coordinating transportation and land use planning, and lacks clear goals for identifying, evaluating, and accessing the performance of regionally significant projects. This results in the formation of "transportation factions" that divide the region by geography, leaving the public wondering how and why transportation investment decisions are made.

The wheels are in motion for better government accountability.

In an effort to improve the efficiency and create a truly integrated regional transportation system, Gov. Rod Blagojevich recently established the Regional Transportation Task Force. The Task Force was charged with exploring the region's transportation and land use agencies and making recommendations for a

CASE STUDY

Planning and Accountability in Washington State

In the past 20 years, the state of Washington's population has increased 43 percent while vehicle miles have increased 88 percent, putting the state's transportation network on the verge of collapse.

In the midst of these infrastructure woes, which threaten both traffic safety and the state economy, voters have been reluctant to support referenda and initiatives that would provide increased funding for transportation investments.

According to the *Seattle Post-Intelligencer Editorial Board*, voters had lost trust in state government's transportation leadership and were unwilling to invest more money for new projects while leaving huge projects unfinished. State legislators heeded the call to rebuild public trust in government spending practices. During the 2003 legislative session, both the House and Senate passed bills that called for more accountability and gave lawmakers as well as citizens more say in how funding is spent on infrastructure improvements.

This newly instituted law strives to improve the accountability and efficiency of transportation-related agencies, and measures transportation system performance against established benchmarks. An 11-member Transportation Performance Audit Board has sole responsibility for initiating functional and performance audits of transportation agencies. Members include four citizens with expertise in the transportation industry (planning, construction, engineering, and project management), four state legislators, one legislative auditor, and one member appointed by the governor.[10]

system that effectively and responsibly accommodates the region's needs. The recommendations made by the Regional Transportation Task Force in April 2004 provide northeastern Illinois with an opportunity to address the shortcomings of our current regional planning structure, better coordinate land use and transportation planning, and ensure that investments are evaluated and selected on pre-determined regional growth goals.

Concurrently, congressional leaders are grappling over the reauthorization of the federal transportation bill, which originally expired in September 2003. This delay and lack of political consensus has deferred debate on the next iteration of a state infrastructure investment package. Illinois FIRST, the current state investment package, expired in June 2004. A successor to this program is sorely needed if Illinois is to leverage as many federal dollars as possible.

STPP's Recommendations for Improving Accountability and Performance in the Transportation Sector

- Require clearer goals and reward performance.
- Fix accounting loopholes in the current TEA-21 law.
- Build more transparency into transportation finance.
- Remove regulatory barriers that discourage the repair, maintenance and operation of transportation facilities.
- Require "fix-it-first" provisions for roads and bridges, similar to rules that currently exist for mass transit systems.
- Direct federal transportation dollars beyond state agencies to local governments.

From the Regional Transportation Task Force to debates surrounding state and federal funding packages, the door is wide open to strengthen regional structures; address regional mobility needs and accessibility options; coordinate land use and transportation planning; evaluate proposals based on regionally determined goals; and assess the performance of completed projects.

The Surface Transportation Policy Project (STPP), a national advocacy organization, has issued a challenge to federal lawmakers to include performance measures in the reauthorized federal bill, and to hold agencies accountable for meeting goals and targets. STPP's recommendations are geared toward improving the effectiveness of federal transportation spending, and giving taxpayers a bigger bang for their buck while building more accountability, transparency, and performance requirements into a system that desperately needs them.[8]

With performance measures in place, projects would better meet community needs by improving components of the transportation network that

While other states, including Virginia, Minnesota, and New Jersey, are exploring and implementing better accountability measures for public expenditures and capital investments, Washington's new law puts this concept to the test. Washington state taxpayers will now have greater knowledge of how their dollars are being spent on critically needed transportation projects and services, and be able to ensure that transportation funding is spent on projects that accomplish state and regional goals.

"Performance audits are the key to assuring the public that our transportation dollars are being well spent, and this approach will really give us the flexibility to target the audits where they're needed," said Wash. Sen. Mary Margaret Haugen (D-Camano Island). This bold move by the state legislature is a huge step toward restoring the public's trust in the way transportation projects are evaluated and implemented. It also provides an example for other states that hope to achieve better accountability for transportation projects.

As higher demands are placed on the Chicago region's transportation network, there is going to be a stronger need to follow Washington's example and set standards for project selection and accountability — both for how transportation investments are chosen and implemented. With limited funding, every dollar counts, and decision makers at the local, regional and state level should allocate resources toward projects that are consistent with regional goals and community needs.

CASE STUDY

MPC's Application of Transportation Investment Criteria on the Proposed Extension of I-355

As a policy and advocacy organization on regional growth issues, MPC has been a strong and consistent voice for coordinated land use and infrastructure planning and investments. We believe that the region needs to apply investment criteria to transportation infrastructure projects to make sure they encourage sensible growth, link jobs and housing, and encourage development oriented towards transit.

With these principles in mind, a joint committee was formed of members from MPC's Regional Development and Transportation committees to develop criteria that could be applied toward selected regionally significant transportation investments. MPC formally adopted its Transportation Investment Criteria in the spring of 2001 for internal as well as public use in evaluating proposed major investments.

As controversy escalated over the proposed extension of the I-355 tollway — a 12.5 mile stretch from I-55 to I-80 — MPC began an analysis of the corridor, applying its Transportation Investment Criteria. Representatives from the joint Regional Development and Transportation committee reviewed presentations by the Illinois Department of Transportation, Illinois State Toll Highway Authority, Environmental Law & Policy Center of the Midwest and Business and Professional People for the Public Interest on the proposed extension.

New infrastructure must be designed and built so that both development and the infrastructure are viable and sustainable

The review team realized that a three-fold challenge stood before them. Any new regionally significant transportation investment must coordinate transportation decisions with land use planning and development; decrease the growth rate in vehicle miles traveled; and improve convenience and access to jobs, housing, and services both within the corridor and throughout the larger region.

The group concluded that additional infrastructure investment was going to be needed in the corridor study area (northwestern Will County and parts of Southern DuPage and Cook counties). NIPC's projections for Will County alone show population almost doubling from 2000 to 2030, from 502,266 to 1,107,778. With this surge in population, roadways are doomed to become more congested, creating an even more pressing need to address travel efficiency.

Committee members asserted that if planned and designed correctly, the I-355 south extension could "break the mold." To address this, they recommended a rural-type parkway, designed with sensitivity to the environment, moving people and freight efficiently, and supporting a unique sense of place in the corridor through new, town-centered economic development. Rather than sprawling interchanges that only support auto-centric 'big-box' development, the region has the resources, talent, and expertise to make this roadway extension into a multimodal, limited-access road that drives economic investment, instead of just moving people from one point to another. A project of this nature also requires innovative public sector leadership and intergovernmental agreements to ensure that the livability, mobility, and economic development needs of Southland residents are being met.

Conditions of Support: Environment, Transportation and Land Use

MPC believes that no single major transportation investment can be analyzed in isolation. An interstate highway has been proposed for the I-355 corridor in multiple regional transportation plans in the past. Yet much more work needs to be done to successfully coordinate this planned investment with an economic development and land use strategy.

Large-scale transportation investments have the ability to transform communities in positive and negative ways. To ensure that any transportation system proposed for a corridor has a positive impact, new infrastructure must be designed and built so that both development and the infrastructure are viable and sustainable.

Specifically, the planning of I-355 as a limited-access, rural-type highway — rather than a typical interstate design — should be tied to the adoption of local zoning mechanisms and intergovernmental agreements that would provide for mixed-use and compact land development in the corridor.

The corridor should also include provisions for transit, such as high occupancy vehicles (HOV) lanes restricted to buses and high-occupancy autos or an exclusive transit right-of-way, to prevent congestion from building even further.

With the availability of land in the corridor, there is an opportunity to plan for new development, coordinate it with a bus rapid transit line, and connect it to the region's overall transportation network. This would require a fundamental rethinking of how we build new areas — and a chance that may never arise again in an area with so many communities already close to being built-up.

All new transportation investments should be designed to foster clustered, contiguous, mixed-use, human-scale development that reduces the growth of congestion on the region's overburdened road network and increase the viability of transit options. There has been progress among south suburban communities to work in this integrated manner.

Development should be funneled into those areas already rich in infrastructure that are more pedestrian and transit friendly. Instead of a low-density development plan, communities could promote infill in already developed areas while setting aside green space for preservation.

And, to prevent further decline in the region's air quality, it is imperative to accurately identify all impacts of a new transportation system on the environment.

Innovative land use planning, economic development strategies, and linkages to the proposed facility will fuel the engine for necessary growth in the corridor. A rural highway designed with sensitivity to its landscape that can support multiple modes and incorporate interchanges that foster "town center"-type, mixed-use development will foster economic growth. Long-term economic development strategies call for creating economically diverse centers, rather than traditional big box and exclusively auto-dependent uses at the interchanges. A balanced strategy calls for promoting economic development close to the major interchanges, having a thoughtful plan for land and natural resource preservation between modes, and using the investment stimuli and arterial upgrades linked to I-355 to steer development to existing commercial centers in the area. Without such a comprehensive strategy, the investment will spur sprawling development outside of already built-up areas in the corridor, rather than building on these assets to achieve balanced growth and reinvestment in existing communities.

A sound regional transportation financial plan that specifies funding sources is key to making certain that wise decisions are being made about investments in the region's infrastructure. In order to maintain and improve the region's transportation network, a detailed assessment of the planning and operating entities and their finances is necessary. Substantial increases to funding beyond currently anticipated revenues are needed to insure the system is adequately maintained.

To prevent further decline in the region's air quality, it is imperative to accurately identify all impacts of a new transportation system on the environment.

Various public and private processes — including NIPC's Common Ground, the Metropolis Plan for Growth and Transportation, the Campaign for Sensible Growth and Business Leaders for Transportation — have created momentum to address these issues. MPC's Transportation Investment Criteria (see insert) should be used as a tool in evaluating other regionally significant transportation investments that are being planned such as the following:

- O'Hare Bypass and Western Access;
- IL53 North in Lake County; and
- Major transit investments such as the STAR line and the Inner Circumferential

State and regional decision makers must be poised to deal with the need for improved mobility, access, and economic stability in a way that the investment does not exacerbate the very problems — traffic congestion, location of jobs outside of the south suburbs, environmental degradation — that we are seeking to solve. Use of criteria to select and fund regionally significant transportation projects will aid in making sure the public gets what they want and what they need.

affect health, social equity, land use and other environmental indicators. Predefined goals and criteria then could be applied to projects to assure that these impacts are addressed during the planning stages. Many states are beginning to revise their decision-making processes, with the goal of using state resources more efficiently and tying them to desired outcomes. The U.S. General Accounting Office recommends evaluating and selecting capital assets using an "investment approach."[9] This includes establishing a review and approval framework supported by analysis; ranking and selecting projects based on established criteria; and developing a long-term capital plan that defines capital asset decisions. All of these practices can be easily applied to northeastern Illinois' regional planning process.

Transportation Investment Criteria: A Model

MPC supports applying investment criteria to regionally significant transportation projects to make sure they encourage sensible growth, link jobs and housing, and encourage development oriented to transit.

MPC's Transportation and Regional Development committees jointly developed a set of five investment criteria (see insert) that should be applied to regionally significant transportation projects:

- accessibility and mobility;
- planning, community, and land use;
- environment;
- balanced economic development; and
- financial resources.

Each of these criteria address a broad range of sensible growth goals that promote healthier communities and better mobility, and maintain the region's economic vitality.

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METROPOLITAN PLANNING COUNCIL
25 East Washington Street
Suite 1600
Chicago, IL 60602

Founded in 1934, the Metropolitan Planning Council (MPC) is a nonprofit, nonpartisan group of business and civic leaders committed to serving the public interest through the promotion and implementation of sensible planning and development policies necessary for a world-class Chicago region.

MPC conducts policy analysis, outreach and advocacy in partnership with public officials and community leaders to improve equity of opportunity and quality of life throughout metropolitan Chicago.

Endnotes

[1]Texas Transportation Institute, 2002 Annual Urban Mobility Report, 2002, Appendix A-6, A-7. http://mobility.tamu.edu/ums/study/appendix_A/table_d-2.pdf

[2]Accessibility is the degree to which locations are conveniently linked to transportation facilities and vice versa. For example, pedestrian access to land uses is encouraged through sidewalks and paths and the removal of barriers that inhibit pedestrian activity. Mobility is defined as the ability to move freely in a transportation system, neighborhood or development.

[3]US Census Bureau, 2000 Census

[4]A metropolitan planning organization (MPO) is designated by the governor and local elected officials as the agency responsible, along with the state, for transportation planning in urbanized areas.

[5]Federal funding for transit projects generally does not exceed 50 percent of the project cost.

[6]2020 Regional Transportation Plan summary, 2000 edition, CATS

[7]The $300 Billion Question: Are We Buying a Better Transportation System?, STPP, http://www.transact.org/library/recommendations.asp.

[8]Leading Practices in General Accounting Office Capital Decision Making

[9]Parts taken from the actual bill, see http://www.leg.wa.gov/ pub/billinfo/2003-04/Senate/ 5725-5749/5748-s_pl_ 04262003.txt for greater detail.

[10]A comprehensive transportation plan includes an analysis of all modes and transportation strategies to improve movement in the area.