

Metropolitan Planning Council

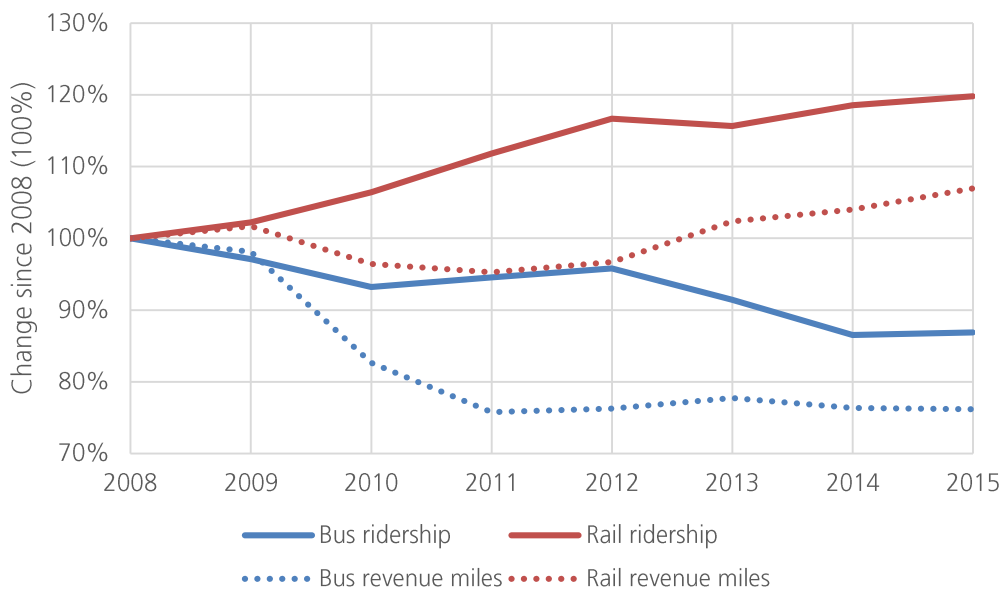
80 Years of Reinventing the Region

The Metropolitan Planning Council commends the Chicago Transit Authority's latest budget proposal. Over the past four years, CTA has made great strides toward balancing its budget, it has generally increased its ridership and it has invested appropriately in the upgrade of the system's most important physical infrastructure.

CTA has been a good steward of taxpayer support and the fares paid by its riders. The agency's costs per passenger served are lower than those of peer agencies all around the country. The agency is increasing rail service next year *without* increasing fares—sign of stable, good management.

Yet CTA's ability to provide the transit service our region needs is constrained by the limited public support we have given it. In the aftermath of the Great Recession, regional tax receipts declined significantly, and CTA was forced to cut service. Fortunately, rail service offered to customers is now similar to what it was in 2008, but revenue miles provided by CTA buses have declined by 24 percent over that period, as shown in the following chart. In that context, it is not surprising that the number of bus riders also has declined. People are responding to less effective, less convenient service in their communities.

Change in CTA ridership and service since 2008



We must increase the level of transit service offered to our citizens in order to increase the share of the region's residents using sustainable modes to get to and from work, shopping and other daily needs. Between 2000 and 2013, according to U.S. Census data, the share of city of Chicago commuters using transit to get to work increased by 1.2 percentage points. In New York City, the share increased by three times as much, by 3.6 percentage points, to 56 percent of commuters, more than double Chicago's rate.

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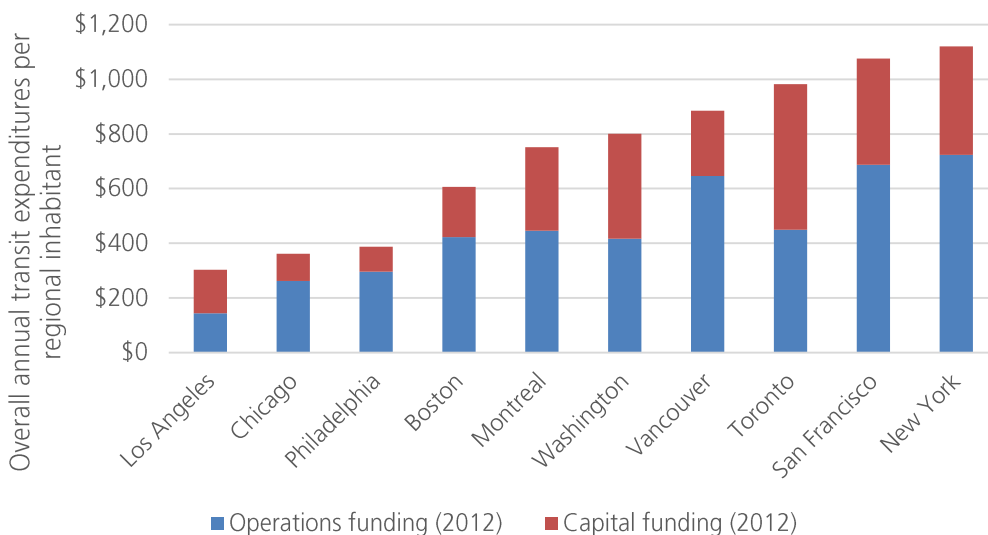
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Compared to our peer regions, we're investing significantly less in transit operations and capital per resident than, among others, Boston, New York, San Francisco and Washington, as illustrated in the following chart. As a result, we're falling behind, not only on operations as discussed above, but also in terms of system expansion. While the Central Loop BRT project, to be operated by CTA, will provide significant improvements in service for commuters downtown, CTA's Red-Purple Modernization and Ashland Avenue BRT will be even more transformative. But we have yet to identify the local funding to fully cover the costs of those projects.

Spending on transit in major U.S. and Canadian regions



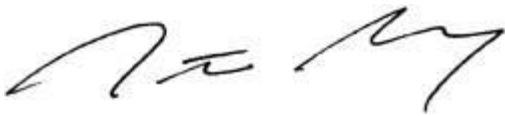
In order to address these funding concerns and the need to improve service in general, MPC recommends the following:

- CTA should work with the City of Chicago, Cook County and representatives of each to **advocate for new, stable revenues dedicated for transit**. MPC is working with a broad coalition to advance sustainable revenue streams for transportation in the general assembly next year, all options are on the table.
- CTA should work with the state legislature to **identify state funds to cover the unfunded mandate** represented by the free and reduced-cost rides CTA is required to provide.
- CTA should focus on **integrating planning for TOD into its transit projects and develop a plan for the development of the land it owns but does not use**. TOD produces a virtuous cycle for CTA; the agency can sell land, thereby contributing revenues to its budget, and developers can build new housing and commercial space, which will attract more customers to the CTA system.

- CTA should continue **optimizing its bus operations** so as to reduce dwell times, increase speeds and reduce bunching, both of which could produce reductions in bus operations costs. CTA should continue working with the Chicago Dept. of Transportation and the Regional Transportation Authority to implement bus priority measures on routes throughout the system, including off-board or pre-paid fare payments and transit signal priority.

Given the relative lack of funding, CTA's budget is a feat of responsibility. But, as a region, we must work together to identify new sources of long-term, stable revenue to take advantage one of our most valuable economic drivers—access to convenient, reliable transportation options for everyone.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Skosey". The signature is fluid and cursive, with the first name "Peter" and last name "Skosey" clearly distinguishable.

Peter Skosey
President, Metropolitan Planning Council
November 2014