Enacted in 1999, Illinois FIRST (Fund for Infrastructure, Roads, Schools, and Transit) was a historic, five-year legislative initiative, committing $12 billion in funding to build, repair, and upgrade the state’s critical, unmet infrastructure needs. The primary targets of the program were highways, transit, schools, and quality of life improvement projects throughout the state.

One of Illinois FIRST’s most notable achievements was the unprecedented $6 billion in funding it committed for transportation improvements, dedicated to reducing the serious backlog of deficient roads and bridges and enabling the state to leverage much needed federal dollars for transit. These resources will be exhausted by June 30, 2004.
Business Leaders for Transportation, a coalition of Chicago-area businesses that advocates for improved policy and funding on surface transportation issues critical to the region, helped create the momentum that resulted in Illinois FIRST. Business Leaders has been closely monitoring the program, producing yearly reports on highway and transit program expenditures. This report continues the tradition of documenting the latest fiscal year expenditures, and looks closely at its successes and shortcomings. It also recommends improvements for the next state infrastructure funding program.

**Background**

In 1999, as a new administration took the reigns in Springfield, a task force was appointed to investigate the state’s infrastructure needs, identify funding sources, and explore strategies for project implementation. Business Leaders for Transportation, the only civic entity invited to provide expert testimony, highlighted a $7-billion, five-year need for surface transportation facilities. The results of the task force report were alarming: $12 billion worth of unmet critical infrastructure needs that included transportation, schools, water treatment facilities, and other infrastructure projects important to quality of life. With these facts in hand, Gov. George Ryan’s administration created a program that would address all of these needs.

The idea of an all-encompassing infrastructure program was not new to the State of Illinois. Fourteen years prior, state leaders had sought to make Illinois a "mecca of economic development," and approved the Build Illinois bond program. Build Illinois set the stage for a statewide public works improvement program, acknowledging that infrastructure, education, environment, and business development should all go hand-in-hand. At the time, Build Illinois was the largest public works program the state had ever undertaken. It provided $1.3 billion for a wide array of projects. The last programming year of Build Illinois was 1993, but its legacy was to prove the importance of a dedicated state-funding source for infrastructure improvements to Illinois’ economic prosperity and quality of life.

Policy makers must delve deeper into the Illinois FIRST program and examine its successes and shortcomings, then make smart recommendations on improvements for the next state infrastructure funding program.

When the Build Illinois program expired, a five-year lapse in new funding for state capital investment ensued. During this period, Illinois’ infrastructure needs dramatically exceeded available funding for maintenance and new facilities. In 1999, unfunded transportation needs statewide were in excess of $4 billion for the Illinois Department of Transportation (IDOT) five-year road program. Mass transit had a devastating $3-billion shortage; more than $10 billion was being sought for education facilities statewide over the next decade; and more than $13 billion was needed for sewer system, wastewater treatment plants, and public health protection at Illinois waterworks. Between 1980 and 1995, the population of northeastern Illinois increased by six percent, and vehicle miles traveled on congested roads...
increased by 46 percent. By 1999, it was no longer a matter of "if" a program was needed, but "when" a program would be put in place.

In May of that year, the General Assembly stepped up and passed Illinois FIRST. This new funding program was dedicated to addressing these unmet needs, increasing Illinois' ability to capture much needed federal monies, and catapulting its infrastructure into the 21st century.

**Major Findings of Business Leaders for Transportation**

Illinois FIRST's impact on the state transportation program has been noteworthy. Between FY 2000 and 2004, Illinois FIRST has helped make available $5.25 billion for transit and $10.5 billion for the state highway program, with 80 percent of the total funding directed toward maintenance and repair of the existing system.

**Accomplishments**

**Illinois FIRST increased resources to make public transit a viable alternative to the automobile.**

Illinois FIRST increased transit funding by 60 percent and provided a portion of the matching funds to obtain an unprecedented federal funding commitment of $956 million for five New Start projects in northeastern Illinois — three for Metra and two for the Chicago Transit Authority (CTA).

Major program advancements between July 2002 and June 2003:

- **CTA:** completed overhaul of 485 buses (five buses scheduled for retirement); purchased 484 new Nova buses; rehabilitated 65 percent of the Douglas Branch of the Blue Line; completed installation of 138 inverters on railcars for better winter reliability.

- **Metra:** secured Federal Full Funding Grant Agreements for 40 percent of funding for New Start projects; started three regional extension projects to the north (double tracking of the North Central line to Antioch), west (extension to Elburn in Kane County), and south (extension to Manhattan).

- **Pace:** purchased 178 fixed route buses; implemented automatic vehicle location, passenger counter, on-board display, and voice announcement components of Intelligent Bus System.

**Illinois FIRST has been instrumental in reducing the serious backlog of deficient roads and bridges.**

The failure to dedicate increased funding to infrastructure projects in the five years before Illinois FIRST created a potentially dangerous backlog of needed roadway and bridge projects. Illinois FIRST directed $3.71 billion to the state’s existing five-year, $6.6-billion road and bridge improvement program, bringing the total five-year program to $10.5 billion. This made possible the repair of over 1,000 miles of roads and highways and more than 125 bridges.

Prior to Illinois FIRST, IDOT reported that 2,600 miles of road and 1,100 bridges were in disrepair. With additional funding available though this program, IDOT has committed to ensuring that 85 percent of the state’s roads and bridges be in good to excellent condition. The FY 2004 budget provides $1.73 billion for new construction and related highway improvement work, with an emphasis on preservation, modernization, and expansion to address suburban congestion and enhance economic development opportunities.
Northeastern Illinois’ transportation agencies are more aware of the importance of integrating land use and transportation planning, and have taken some small but positive steps.

- IDOT’s Illinois Tomorrow Corridor Grant Program has encouraged local communities to better coordinate land development and infrastructure decisions. This $15-million program has funded (for FY 2001-2003) over $9 million in projects within urbanized areas, such as Oak Park’s study to develop use of alleys as bicycle routes from residential areas to mass transit stations, and South Holland’s study of land use and local financing options to support new high-capacity transit service in the south suburban rail corridor.
- The Regional Transportation Authority’s (RTA) Regional Technical Assistance Program has supported efforts to study transit corridors and encourage transit-oriented development and other transit supportive land uses.
- Encouraged by federal funding guidelines for capital investments in major new fixed guideway systems or extensions to existing systems, communities in the Interstate 90 northwest corridor are revising their zoning and land use laws to support new capacity transit service in the corridor. Led by RTA, IDOT, and the Campaign for Sensible Growth, other groups and communities anticipating major new transportation improvements are following suit with development of regional corridor planning standards.

**Illinois FIRST: Solid Start, with Room for Improvement**

Business Leaders for Transportation members know from firsthand experience that state leaders need to begin a serious discussion right now on how the next state infrastructure investment package can be an improvement over Illinois FIRST. The coalition offers the following recommendations to jump-start the debate.

The next state transportation investment program must rely upon integrated regional land use and transportation planning, and use clear criteria for selecting and evaluating projects.

Transportation decisions in the region and state must be integrated with plans for land use and development, and clear criteria should be applied in selecting projects for public investment.

Integrated regional plans can provide the basis for a long-term state financial plan for transportation — a top priority of Business Leaders for Transportation. Illinois needs a comprehensive financial plan to guide its transportation investments, and a consensus vision for the growth of the Chicago region, with respective goals to make sure that investments produce the desired outcome.

Unfortunately, the recently approved Chicago Area Transportation Study (CATS) 2030 Regional Transportation Plan had neither an underlying land-use plan nor criteria for project selection. As a result, projects listed in the plan were a result of competition and negotiation among project advocates, with no comparative analysis of projects, individually or collectively. The approved plan presents several fine goals, but there are no indicators to determine how any of the recommended projects will achieve the goals, or what effect they will have on the growth and development of the region. Thus, the Regional Transportation Plan is not an effective medium for coordinating land use development plans with transportation projects.
The region has not had a comprehensive land use plan since 1977, and it sorely needs one. Planning for transportation without considering plans for growth and development does not work. The Northeastern Illinois Planning Commission’s (NIPC) "Common Ground" initiative is intended to produce a comprehensive regional plan in 2004, but it is underfunded. Land use planning needs to be an integral component of any transportation planning process, and investment decisions should be based on these comprehensive plans.

Tracking the expenditures of Illinois FIRST funds has been extremely difficult. Transparent public accountability will be a prerequisite to winning support for future state transportation investment programs.

The State of Illinois does not provide an unambiguous, consolidated report of Illinois FIRST revenues and expenditures. Illinois FIRST revenues are combined with all other revenue sources in the IDOT budget, and there is not a specific allocation of Illinois FIRST revenues to projects. The public deserves an accessible accounting of Illinois FIRST revenues and expenditures. Several states around the nation are exploring ways to enhance accountability for capital investments. Illinois should review examples from states such as Washington, which recently passed legislation to improve the accountability and efficiency of transportation related agencies — ensuring that taxpayers have greater knowledge of how their dollars are being spent on transportation projects and services.²

Accompanying the development of project selection criteria should be performance measures, which enable evaluation of progress toward meeting identified state and regional goals.

Performance measurement is indispensable to reporting on programmatic accomplishments. It goes hand-in-hand with improved public and stakeholder accountability, and allows agency officials to plan, manage, and evaluate capital investment programs better.

Northeastern Illinois is home to seven regional planning and transportation agencies, with each agency doing its own planning and project implementation.

The state’s new Regional Transportation Task Force offers a historic opportunity to achieve a more integrated, coordinated transportation system that meets the region’s changing transportation needs.

In 2003, The Illinois General Assembly and Gov. Rod Blagojevich created the Regional Transportation Task Force (Public Act 93-0405). This represents a unique opportunity to improve coordination and efficiency among regional organizations. Travel patterns have changed significantly as people and jobs have moved in the last 30 years, and the region faces daunting transportation challenges. Northeastern Illinois is home to seven regional planning and transportation agencies, with each agency doing its own planning and project implementation. Business Leaders for Transportation encourages this Task Force to make recommendations that result in a coherent regional transportation system that moves people where
they need to go in the most cost effective manner possible. Business Leaders looks forward to being a resource to the task force.

**Public input should be sought throughout the highway and road design process to ensure that transportation projects fit within the context of their environment.**

In 2003, legislation was passed (Public Act 093-0545), to ensure IDOT projects adequately meet the state’s transportation needs, exist in harmony with their surroundings, and add lasting value to the communities they serve. This design concept is known as Context Sensitive Solutions, and recognizes that the value of a road includes its usefulness to a community’s pedestrians, bicyclists, businesses, and residents. Transportation facilities have significant economic, environmental, and community impacts. Public input before and during the design process, a key component of Context Sensitive Solutions, can lead to creative, multi-modal designs, and increase acceptability. While roadways continue to be a vital part of northeastern Illinois’ transportation network, their design impacts quality of life as well as mobility options. IDOT, at the direction of the General Assembly, is in the process of creating a new state policy that reinforces these principles, guarantees that roadway designs are tailored to the surrounding built environment, and includes better accommodations for pedestrians, bicycles, and transit.

**The State needs to act soon to develop an innovative infrastructure package to succeed Illinois FIRST.**

Illinois FIRST was created with intentions similar to those of Build Illinois, as a large-scale but time-limited capital investment program that included highways, transit, schools, and a variety of local infrastructure projects. While the member initiative component of the Illinois FIRST program has been tainted by criticism of being no more than political "pork," there is no doubt that the Illinois FIRST transportation program met an urgent maintenance need. Statewide, the number of deficient condition road miles has decreased by 23 percent, and the number of unsafe bridges has decreased by 32 percent. It has created jobs and enhanced mobility options needed to maintain and build the state and regional economy. The program also made it possible for the state to leverage an additional $3 billion in federal funds for upgrades to and rehabilitation of the region’s transit system by providing the match for five New Start transit projects — a feat unmatched by any other region in the country.

Illinois must be poised to provide state matching funds, if it is to be successful in securing transit and road funds in the next federal transportation bill.

With Illinois FIRST expiring in the summer of 2004, much more needs to be done to maintain and rebuild the system, promote coordinated growth and development, and meet diverse state and regional needs.

• Northeastern Illinois’ regional population is expected to grow by 1.9 million, reaching a total slightly over ten million people by 2030;

• The Chicago region is intermodal hub of the nation, and rail freight traffic — which shares
tracks with Metra and Amtrak — is projected to grow in volume by 55 percent by 2020; and
• Absent state action, after 2004, transportation funding will return to pre-Illinois FIRST levels.
This could reduce the RTA transit program by $320 million per year and the IDOT road and bridge program by $400 million per year.

To meet these needs, continuous and thoughtful investment in the Chicago region’s transportation infrastructure is needed. State and local leaders must start addressing these concerns now, before another lapse results in a transportation network in worse condition than in 1999. Prompt action will produce much-needed construction jobs, and help the region and state target limited resources more wisely.

**With current budget woes, at home and nationwide, planning for a new state investment program must start now.**

Transportation funding is a major federal and state challenge. Congress is considering reauthorization of the surface transportation act, known as TEA-21, and is struggling to reach agreement by February 2004 on how to fund the nation’s growing transportation needs. Business Leaders for Transportation has been working closely with the Illinois congressional delegation to shape a federal program that continues some of the excellent provisions of TEA-21, and is more favorable to Illinois. Business Leaders for Transportation published Getting the Region Moving, outlining its recommendations for the next federal transportation bill, and hosted a series of educational events in fall of 2003 with members of Congress in their districts. However, even as higher federal funding levels are debated, the federal government will not have the ability to meet all of metropolitan

Chicago’s unfunded needs. The region’s list of New Start transit projects tackles both needed rail extensions and funding for improved operations.

Illinois must be poised to provide state matching funds, if it is to be successful in securing transit and road funds in the next federal transportation bill.

| Northeastern Illinois New Start Transit Priorities for the Next Federal Transportation Bill |
|-----------------------------------------------|---|
| **CTA:**                                         | **Est. Cost** |
| Project                                                |             |
| Circle Line Phase 2 & 3                              | $2,232 B    |
| Orange Line Extension to Ford City                   | $246 M      |
| Red Line Extension to 130th/Stony Island            | $680 M      |
| Ogden Avenue-Carroll Street Streetcar/ Bus Rapid Transit | $422 M   |
| Yellow Line Extension to Old Orchard Mall         | $231 M      |

| **Metra:**                                         | **Est. Cost** |
| Project                                                |             |
| STAR Line                                             | $1,103 B    |
| Southeast Service                                    | $ 524 M     |
| Union Pacific Northwest Line Upgrades                | $ 144 M     |
| Union Pacific West Line Upgrades                      | $ 384 M     |

| **Pace:**                                          | **Est. Cost** |
| Project                                                |             |
| Transit Signal Priority Network Implementation         | $115 M      |

Metropolitan Chicago transit priorities and their estimated costs may seem a bit overwhelming, but they pale in comparison to the growing list of projects seeking New Start funding nationwide.
In 2003, funds were shifted from many state programs, including transportation, to balance the Illinois budget. While in tight times everyone must share the burden, this decrease in dedicated state transportation spending cannot continue. As congressional leaders fight in Washington to get a fair return for Illinois, state leaders need to begin laying the foundation for a new state investment package that meets current and future needs, and retains the ability to attract much needed federal dollars.

Business Leaders for Transportation was highly supportive of Illinois FIRST, and, as it nears expiration, the coalition will continue to lead advocacy efforts on the need for a new investment package— one that adheres to stronger accountability principles, better integrated land use planning, and clear criteria for selecting and evaluating projects.

**FY 2003 Illinois FIRST Program Summary and Highlights**

The following provides detailed information on Illinois FIRST progress between July 2002 and June 2003 for IDOT, CTA, Metra, and PACE.

### Northeastern Illinois Transit Program Summary

The RTA and its three service boards have been meeting and exceeding their goals for the expenditures of Illinois FIRST funds. In 2003, the service boards set a goal of expending $174.2 million in Illinois FIRST related capital. By the end of the third quarter of 2003, the service boards were 14 percent ahead of their expenditure goal.

### Highlights of FY 2003 Investments by the CTA Rail and Bus Network

#### Rehabilitate the Blue Line - Douglas Branch

This federal New Start project provides for reconstruction of the Douglas Branch of the CTA Blue Line. It aims to eliminate slow work zones, rebuild and modernize two at-grade stations and six elevated stations, and make stations fully compliant with the Americans with Disabilities Act. As of June 2003, 65 percent of the entire Blue Line budget of $482 million had been expended. The target completion date is January 2005.

#### Expand the Brown Line

This project provides for design engineering and preliminary real estate acquisition for the expansion of passenger capacity of the Brown Line. All station platforms will be extended to accommod-

### FY 2003 Illinois FIRST Program Summary and Highlights

<table>
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<tr>
<th>Capital Program</th>
<th>2000 to 2004</th>
<th>Through 3rd Quarter 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Granted</td>
<td>Percent</td>
</tr>
<tr>
<td>CTA</td>
<td>$1,985,406,279</td>
<td>82.75%</td>
</tr>
<tr>
<td>Metra</td>
<td>1,652,995,703</td>
<td>94.56%</td>
</tr>
<tr>
<td>Pace</td>
<td>218,390,060</td>
<td>95.61%</td>
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<tr>
<td><strong>Total</strong></td>
<td>3,856,792,042</td>
<td>88.54%</td>
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</tbody>
</table>

Source: Regional Transportation Authority, 2003
date eight-car trains (currently limited to six-car trains), thereby increasing ridership capacity in this ever-growing market area. The design for this project is complete, and it is expected that a Full Funding Grant Agreement committing future federal participation will be received in early 2004. Construction will begin as soon as funds are guaranteed.

<table>
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<tr>
<th>Locations of Metra New Start Project</th>
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Replace Buses
This project provided for the purchase of new, fully accessible, air-conditioned buses to replace those within the CTA fleet that were beyond their useful lives. Illinois FIRST fully funded 180 buses and matched federal funds for an additional 64.

Overhaul Buses
This project’s scope was to extend the useful life of 490 buses (one-quarter of the CTA’s fleet) through scheduled tasks to upgrade their mechanical features and appearance. The project was completed in early 2003, with 485 buses overhauled and five buses scheduled for retirement.

Replace Financial Systems
This project will replace CTA’s multiple outdated financial systems with state-of-the-art technology to allow interface with various industry-standard computer software systems. Installation of the new financial system was complete in December 2003.

Replace Bus Fare Boxes
Current fare box equipment is over 16 years old and beyond its useful life. This project will provide new, state-of-the-art equipment that will be compatible with CTA’s fare payment system implemented in 1997. Design specifications for the new fare boxes have already been established. The project is expected to be complete in September 2005.

Highlights of FY 2003 Investments by Metra

New Bi-Level Cars
This project is for the purchase of up to 300 new, fully accessible, bi-level commuter cars to be used on Metra’s diesel lines. Some of these new cars will replace existing cars that have reached the end of their cost-effective service life and some will be used for service expansion.

Union Pacific North Line Bridges
This project replaces 22 bridges on the Union Pacific North Line in Chicago, from Fullerton Avenue on the south to Balmoral Avenue on the north. These bridges, all over 100 years old, are
showing signs of increased deterioration, and have reached the end of their useful lives. They cannot be repaired economically and must be replaced in order to provide uninterrupted commuter service. In addition, Metra will construct new interlocking equipment that will provide greater flexibility for train operations.

**Provide New Information Systems**
New passenger information display and train information management systems have been installed and implemented on all Metra trains to increase Metra’s ability to collect and disseminate timely travel information to its customers. This project was completed in 2003.

**Highlights of FY 2003 Investments by Pace**
Illinois FIRST has provided funding for Pace to improve operational efficiency and upgrade outdated equipment. The suburban bus division serves both CTA and Metra connections and provides service within the collar counties. FY 2003 expenditures for the agency included:
- Purchase of 178 fixed-route buses.
  Cost: $51 million
- Purchase of 35 para-transit vehicles.
  Cost: $2 million
- Purchase of 28 vans for the Vanpool program.
  Cost: $860,000
- Continued implementation of the Intelligent Bus System.
  Cost: $5.8 million
- Upgraded bus radio and fare box equipment.
  Cost: $1.4 million

**Highlights of FY 2003 Investments by IDOT**
Illinois FIRST enabled a dramatic expansion in the state’s annual road improvement program. The FY 2004 Highway Improvement Program totals $1.713 billion in new construction and related highway improvements. Since FY 2000, IDOT’s overall accomplishment rate has been 96 percent.

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**Extend the Union Pacific West Line, Expand Service on the North Central Line, and Extend and Expand Service on the Southwest Line**
The Union Pacific West Line is being extended to Elburn, Ill., with a new passenger station at LaFox, Ill. The North Central project will allow more inbound and outbound Metra commuter trains. The Southwest Line project will provide a similar service upgrade, and will extend the commuter line to Manhattan, Ill. All three projects are currently under construction, with extended service and additional trains scheduled to begin in 2005.

**Improve Lake Street Interlocker**
This project will provide additional train capacity on the north side of Chicago Union Station. The project, which includes extensive track and signal work, is more than 50 percent complete.
Major Program Projects
Interstate 57 (in Cook County) from Interstate 80 to the Little Calumet River, and the Little Calumet River to Interstate 94
This project provides $25.1 million for the Interstate 80 to Little Calumet River portion of Interstate 57 for resurfacing, bridge rehabilitation, and median barrier and lighting improvements. The second portion of this project from the Little Calumet River to Interstate 94 provided for resurfacing, bridge rehabilitation, median barriers, and lighting at a cost of $18.6 million.

Kennedy Expressway (Interstate 90 in Cook County)
This project included bridge rehabilitation at the Wisconsin Central Railroad in Chicago with a total cost of $25 million.

Eisenhower Expressway (Interstate 290 in Cook and DuPage Counties) South of Illinois 58 to Thorndale Avenue
Reconstruction, bridge rehabilitation, lighting and resurfacing were completed at a cost of $62.4 million.

US 12 (Cook County)
The components of this project were reconstruction, lighting, culvert replacement, and tree removal from 87th Street to north of the Cal-Sag Channel. Total project cost was $26.6 million.

Illinois 64 (DuPage County)
New lanes, signal timing progression, and lighting — from east of Illinois 53 to Villa Avenue — were completed, at a cost of $37.9 million.

Economic Development Initiatives
IDOT committed $41.2 million for infrastructure improvements for the Ford Motor Company Plant and Supplier Campus (Cook County). Ford has invested $100 million to open the first automobile supplier manufacturing campus in North America, near Ford’s Chicago Assembly Plant on the Southeast Side. The project will create 1,000 jobs and allow 2,000 jobs to be retained in northeastern Illinois.

Approximately 2,200 acres of the Joliet Arsenal (Will County) are being redeveloped as the CenterPoint Intermodal Center, a major transportation hub anchored by the Burlington Northern Santa Fe Corporation Chicago Logistics Park. IDOT has committed $46 million for various improvements to surrounding roads to help make this project possible. The new facility is expected to create 8,000 jobs.

Endnotes
1 The CTA anticipates signing a full funding grant agreement for $234.67 million in future New Start funds in early 2004.

2 See, for example, the Washington State Department of Transportation Web site’s accountability section. http://www.wsdot.wa.gov/


4 According to a report from the Chicago Department of Transportation to be released in early 2004, total traffic growth volumes for rail freight are projected to increase by 55 percent by 2020. Overall growth for all freight is projected to increase by 80 percent.
Business Leaders for Transportation actively promoted transportation funding legislation from 1997 until Illinois FIRST was enacted in 1999, and will support a new state infrastructure program to provide funds that support efficient transportation and balanced growth.

For more information on Business Leaders for Transportation, a coalition of businesses and business associations, contact:
• Karyn Romano, Metropolitan Planning Council, at kromano@metroplanning.org or 312.863.6005
• Jim LaBelle, Chicago Metropolis 2020, at jim.labelle@cm2020.org or 312.332.2020
• Rob Nash, Chicagoland Chamber of Commerce, at rnash@chicagolandchamber.org or 312.494.6787
Or visit www.businessleadersfortransportation.org

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