

Regional Transit Strategic Plan 2018-2023

Beginning the Discussion

MAY 2017



Regional Transit Strategic Plan 2018 - 2023

The next Regional Transit Strategic Plan will provide a visionary roadmap for near-term transit investment in the Regional Transportation Authority (RTA) six-county area. Through the Strategic Plan, the Chicago region's transit agencies – RTA, Chicago Transit Authority, Metra, and Pace – will join forces to talk about the policies and investments that are needed over the next five years to deliver great public transportation in light of changing demographics, travel trends, and technology. The Strategic Plan will serve as a guide to each of the transit agencies as we prepare for the future and carry out day-to-day activities to meet passenger needs across the large and diverse region.

This document presents key findings from research conducted during 2016.

In order to identify our priorities and strategies for the next five years, we will be using this research and coordinating with the Chicago Metropolitan Agency for Planning (CMAP) as it develops the ON TO 2050 long range plan for the region.

2016 Conduct **RESEARCH** to develop a foundation for plan development




2017 **ENGAGE** stakeholders and the public



2018 **ADOPT** the 2018-2023 Regional Transit Strategic Plan





Beginning the Discussion presents nine key findings summarizing the state of the Chicago region and the transit system today.

- 01 The Region is Built on Transit
- 02 The Region's Investment is at Risk
- 03 Many People Ride Transit...but Many Don't
- 04 Great Transit Access Serves a Strong Chicago Central Business District
- 05 Growing Markets in Suburban Cook Could Benefit Transit
- 06 More Jobs and New Connections are Needed on the South Side and South Suburbs
- 07 More Capacity is Needed on Chicago's North Side
- 08 Large Suburban Job Clusters are Difficult to Serve by Traditional Transit
- 09 Millennials and Boomers Push Transit to Adapt

Check the Regional Transit Strategic Plan project website for updates throughout 2017.

<http://strategicplan.rtachicago.org>

The Region is Built on Transit

01

Where are we today?

The transit system in our region is the second largest in the nation based on passenger miles traveled. The system provides over 2 million passenger rides each work day.

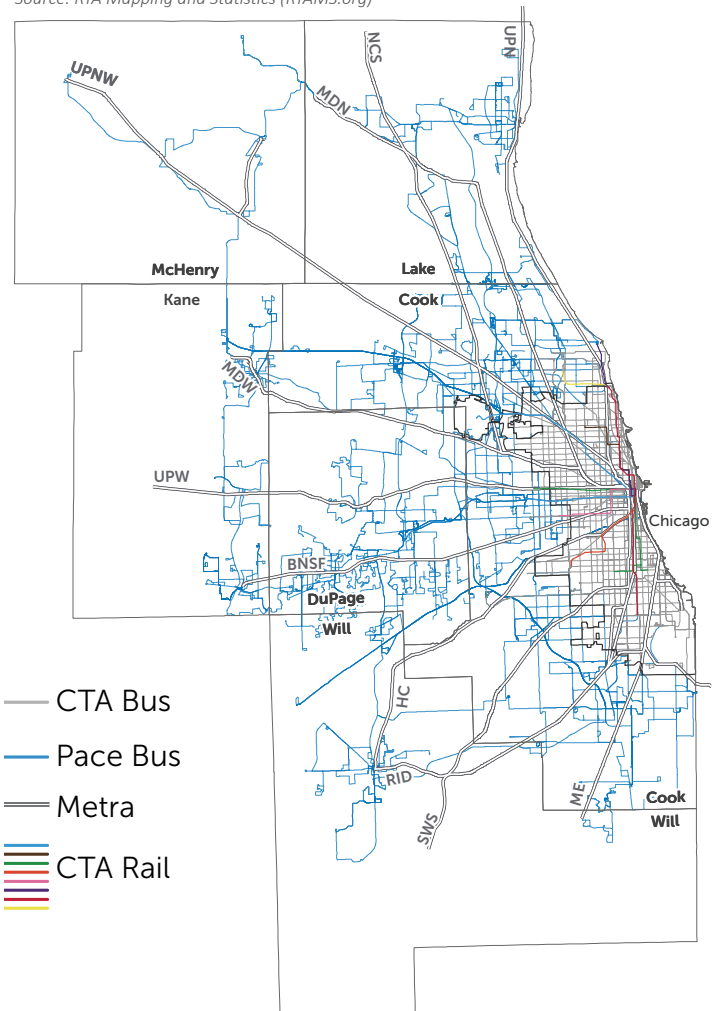
The majority of the rail and bus lines that comprise our regional transit system today have existed in some form for nearly a century. During the first half of the 20th century, the City of Chicago and many suburban towns centered their growth along the transit system.

6 Counties
277 municipalities
8.4 million residents
4 transit agencies
2.2 million rides per day

After World War II, growth moved outward from the City and away from the rail lines with the creation of the Interstate highway system and other roadway expansions. Much of this development occurred in areas easily accessed by car, but not served by transit. As a result, the region is home to a variety of neighborhoods and commercial developments, some of which are near the transit system and others of which are far from it.

THE CHICAGO REGION'S TRANSIT NETWORK

Source: RTA Mapping and Statistics (RTAMS.org)



“Transit is one of our region’s greatest strengths. A Strategic Plan built on collaboration, cooperation, and sustainable funding will allow us to rebuild and modernize our system so that it remains globally competitive for years to come.”

– Leanne P. Redden, Executive Director, Regional Transportation Authority

01

Where are we going?

Population density influences transit service, with higher densities supporting more frequent and effective transit service. Transit likewise influences population density, with the highest densities in the region found in the City of Chicago and along Metra rail lines in suburban areas.

Many residents use transit to get to work in the region, with the transit system providing the

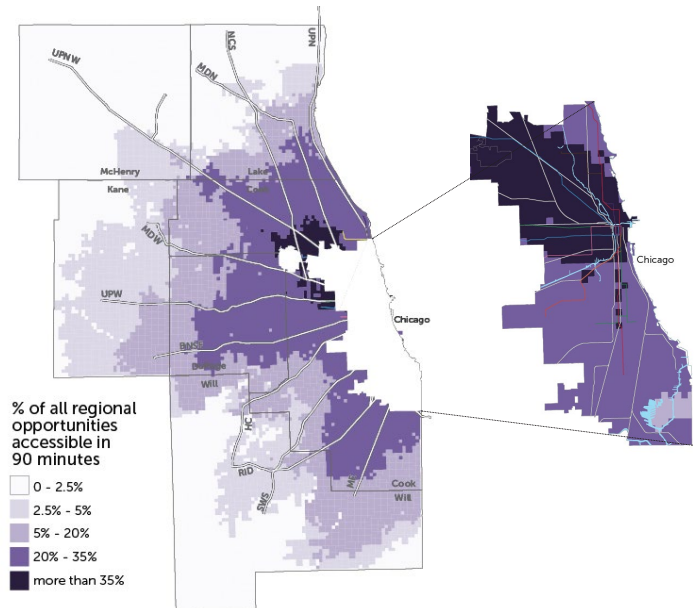
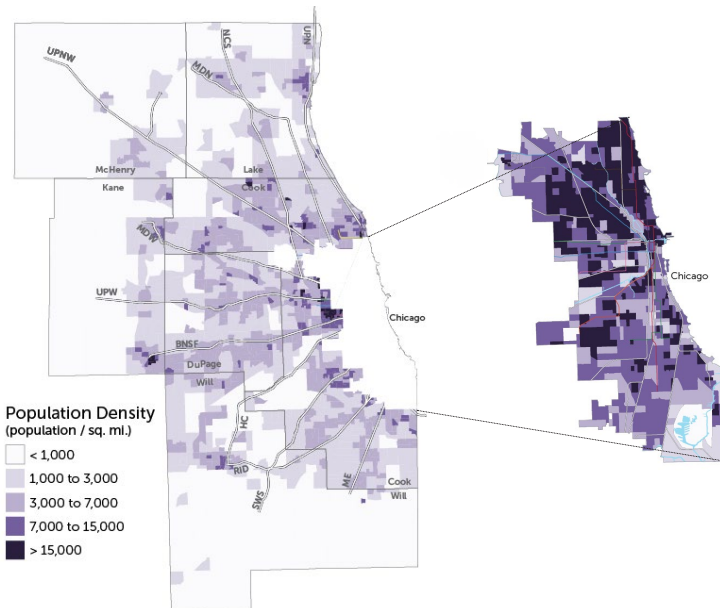
average resident with access to over 425,000 jobs within 60 minutes and up to 1.1 million jobs within 90 minutes. The purpose of the Strategic Plan process is to ensure that there is a strong vision and adequate funding to support the region’s transit system in providing an anchor for development and a convenient mode of travel well into the future.

POPULATION DENSITY

Source: US Census 2010-2014 ACS 5-year est.

REGIONAL JOB ACCESS

Source: RTA Regional Transit Access Analysis (based on 2015 CMAP employment est.)



What key words best capture your vision for the region’s transit system?

Efficient

Resilient

Modern

Affordable

World-class



The Region's Investment is at Risk

Where are we today?

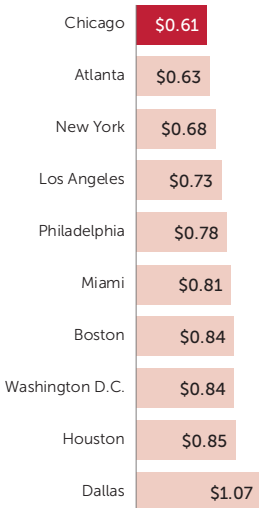
Operating Funding

Our regional operating budget is about \$3 billion in 2017. This is funded by a combination of farebox revenue, sales tax, and other public funding. We use this funding to operate services on CTA, Metra, and Pace as well as for debt service and RTA's own budget.

We operate a very cost-effective service. Our regional cost per passenger mile, at \$0.61, is the lowest operating cost among peer metropolitan areas.

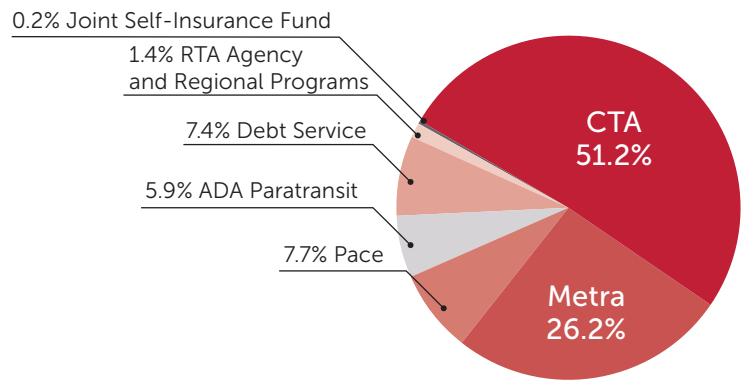
OPERATING COST PER PASSENGER MILE

Source: RTA 2015 Regional Peer Review



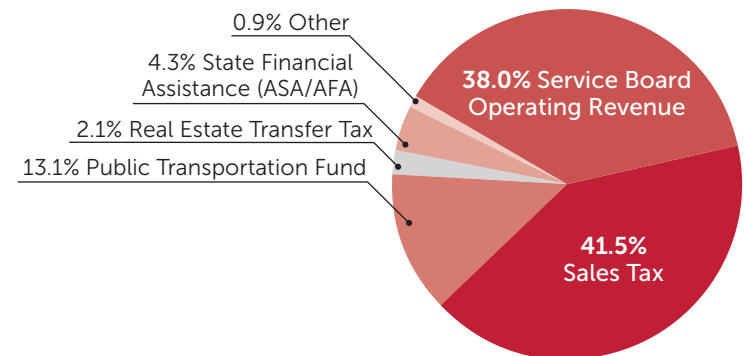
2017 EXPENSES: \$2.976 BILLION

Source: RTA 2017 Operating Budget, Two-Year Financial Plan, and Five-Year Capital Budget



2017 OPERATING REVENUES: \$3.022 BILLION

Source: RTA 2017 Operating Budget, Two-Year Financial Plan, and Five-Year Capital Budget



"We are committed to providing our customers with affordable, reliable, and convenient bus and rail service. As an agency, we devote the necessary resources to achieving these goals every day, while monitoring our spending to ensure that all of our dollars are spent wisely."

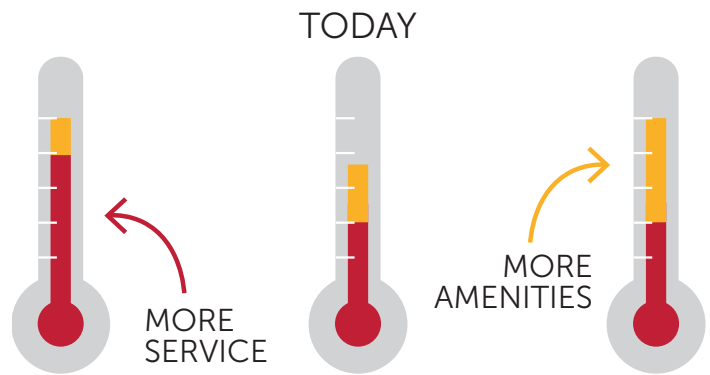
– Dorval R. Carter, Jr., President, Chicago Transit Authority

02

Where are we going?

While we are proud that our agencies are able to keep operating costs low, it is worth considering what could change if the Chicago region was able to invest more in our operations. The middle of our peer group spends about \$0.81 per passenger mile. At this level of investment, the region would still be competitive with our peers, but could invest \$0.20 more per mile in our current operations, potentially providing additional resources for more reliable and frequent service.

Continuing to maintain costs by keeping fares and taxes low requires the agencies to make trade-offs. Through the Strategic Plan, the agencies will engage with stakeholders to determine whether the opportunity to improve services or amenities is a sensible use of higher fares or increased taxes to support more robust operations.



AMENITIES

- Preventative Maintenance
- Technology
- Aesthetic Improvements

SERVICE

- Basic Maintenance
- Labor
- Fuel

Is it important for us to maintain the position of lowest cost per passenger mile?

Yes

No



"Because we are investing in our future, for four years in a row we have seen more companies move their headquarters to Chicago and more investors from around the world invest in Chicago than in any other American city. By investing in our public transportation system we can make it more accessible for residents while attracting businesses to the region and strengthening our position as a world-class city."

– Rahm Emanuel, Mayor, City of Chicago

02

Where are we today?

Capital Funding

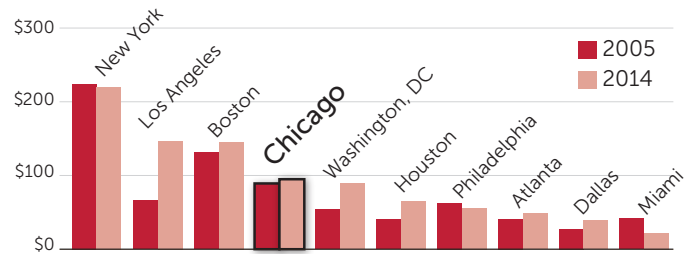
We have a \$5 billion capital budget for the next five years. On a per capita basis, our region ranks in the middle of our peer metropolitan areas. A substantial portion of that available funding is committed to debt service and the Red and Purple Modernization (RPM) Program Phase One, so not much is available for discretionary capital use.

Without an Illinois State budget, or a State capital program, the transit agencies rely mostly on Federal funding to rebuild our infrastructure and purchase new vehicles.

In order to keep construction projects and capital programs moving, CTA is using bonding and Tax Increment Financing dedicated to the RPM Program.

CAPITAL FUNDING PER CAPITA

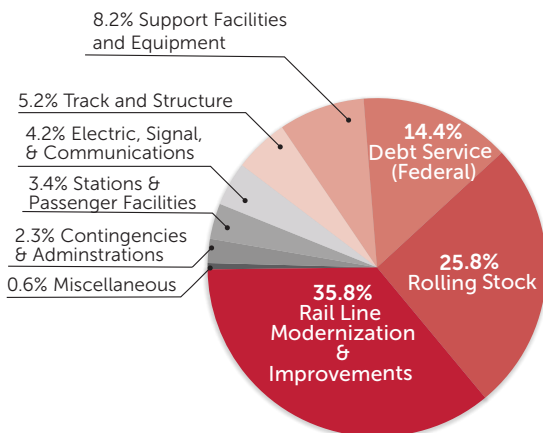
Source: Federal Transit Administration National Transit Database (2005 & 2014)



Metra has increased fares to develop a dedicated pool of capital funds, and has pursued lease programs with locomotive manufacturers. Pace has also bonded, and put some projects on hold pending availability of State funding.

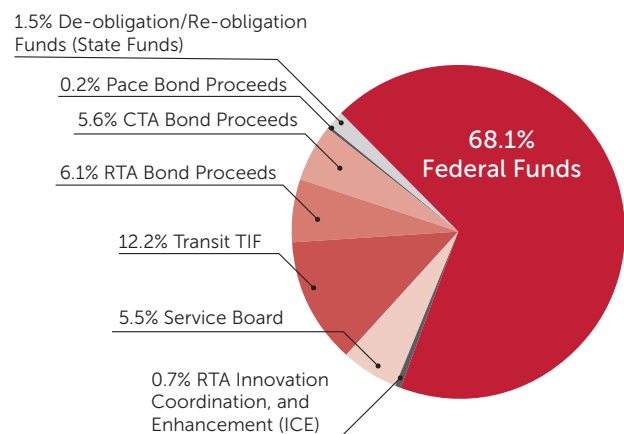
2017-2021 CAPITAL PROGRAM USES

Source: RTA 2017 Operating Budget, Two-Year Financial Plan, and Five-Year Capital Budget



2017-2021 CAPITAL FUNDING: \$5.085 BILLION

Source: RTA 2017 Operating Budget, Two-Year Financial Plan, and Five-Year Capital Budget



Where are we going?

Today about 31% of our assets are not in a state of good repair, which means that they are older than they were designed to last. At our current investment level, nearly 37% of our assets will be too old by 2035.

We estimate that we need \$2 to \$3 billion of capital funding annually – about double what we have now – to substantially improve the state of good repair of our assets over the next 20 years.

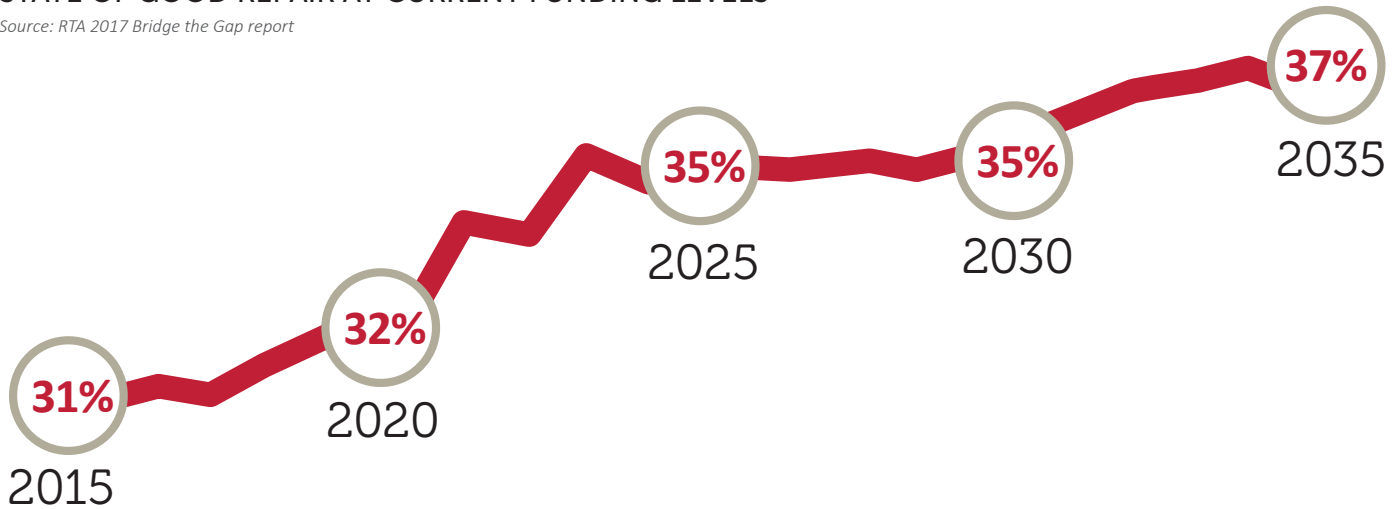
There are two ways to obtain more capital funding. One option is for the region to look to new or expanded revenue sources. This could include

raising vehicle user fees (such as gas tax or a tax on vehicle miles traveled), extending the RTA sales tax to services, or using impact fees to capture the increase in land value created by transit investments.

Another approach is to allocate more of the region's existing transportation funding to transit. The Strategic Plan will lay out capital priorities that can be delivered by the transit agencies should the region's decision-makers provide a stable, reliable source of additional capital funding.

PROJECTED PERCENTAGE OF RTA ASSETS NOT IN STATE OF GOOD REPAIR AT CURRENT FUNDING LEVELS

Source: RTA 2017 Bridge the Gap report



Which funding sources should we pursue in order to increase capital funding to the level of our peers?

- Vehicle mile tax
- Value capture
- Impact fees
- Parking fees
- Sales tax on services
- Ok as we are
- Rental car tax
- Gas tax

Should we as a region pursue policies that would direct more of the total transportation funds toward transit?

- Yes
- No



Many People Ride Transit... but Many Don't

Where are we today?

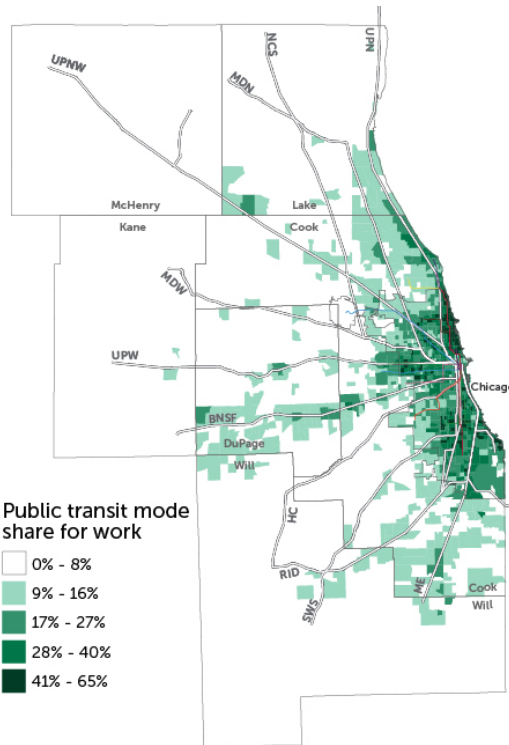
Over two million trips are made every weekday on our transit system. CTA accounts for over 1.6 million, split about evenly between bus and rail. Metra provides nearly 300 thousand trips and Pace about 100 thousand trips. Where transit is robust and land use provides support, more than half of work trips are made on transit.

System ridership declined in the 1980's, led by a major reduction in CTA bus ridership, partly brought on by a loss of industrial jobs. Since the mid-1990's bus ridership has been mostly steady, while rail ridership has grown.

In 2015, CTA rail reached its highest level in decades. Bus used to account for a much larger share of CTA ridership than rail, but with rail growth and bus decline, they are now about even. The CTA is currently studying these changes.

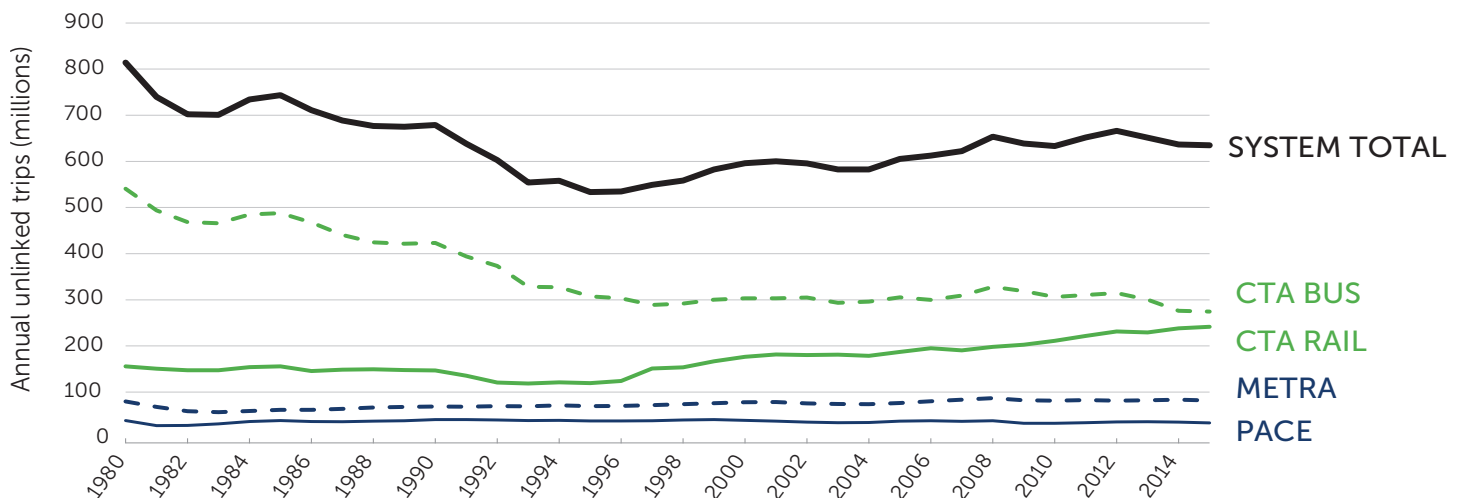
PUBLIC TRANSIT MODE SHARE

Source: US Census 2010-2014 ACS 5-year est.



REGIONAL TRANSIT RIDERSHIP

Source: RTA Mapping and Statistics (RTAMS.org)



"Future capital efforts by the State of Illinois will support smart, multi-modal transportation projects that show a return on investment."

– Randy Blankenhorn, Secretary, Illinois Department of Transportation

03

Where are we going?

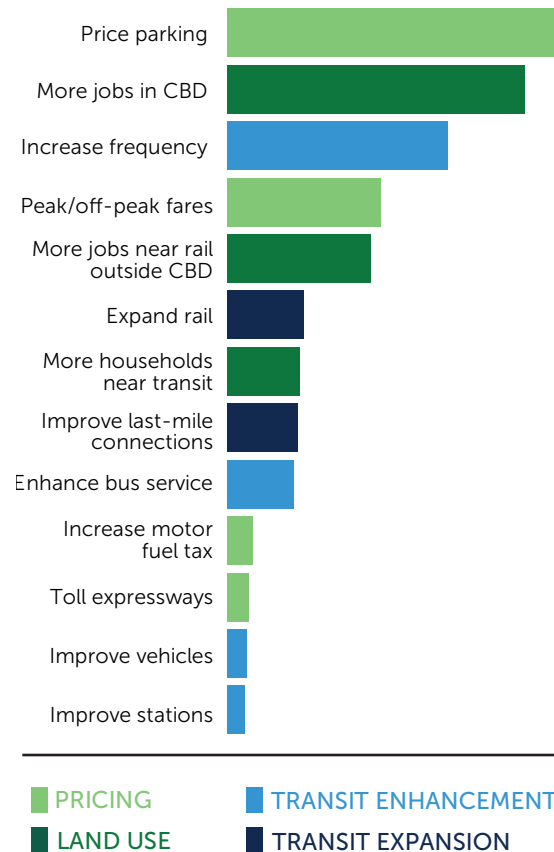
As part of planning for the ON TO 2050 Regional Plan, CMAP used the regional travel demand model to test the potential of various strategies to increase transit ridership.

High-level policies, including pricing and land use strategies, broadly implemented across the region tend to have a significant impact on transit ridership and mode share. Apart from increasing frequency, transit service enhancements and expansion projects have less of an impact on mode share, but are changes that the agencies have more direct ability to influence.

We recognize that mode share and ridership may not be the only goal for transit projects, as capital investments can provide economic development and equity of service benefits. The Strategic Plan will provide a forum for discussing the region's investment priorities in this era of constrained public resources.

RELATIVE IMPACT ON INCREASING TRANSIT MODE SHARE

Source: Adapted from CMAP 2016 Transit Ridership Growth Study



What types of strategies should we focus on to grow ridership?

Transit enhancements
 Pricing Land use Transit expansion

What level of investment is appropriate to pursue that vision?

Less than today Same as today A significant increase Whatever it takes to get there



Great Transit Access Serves a Strong Chicago Central Business District

Where are we today?

The region's rail transit lines are focused on Chicago's Central Business District (CBD), which remains the predominate employment hub in the region, with the densest concentration of jobs – about 150 thousand jobs per square mile. Job growth is also strong in the CBD. Comparing the five-year periods 2004-2009 and 2010-2014, the Chicago CBD saw an increase in jobs of 13.8% whereas the region as a whole had a 6.2% gain.

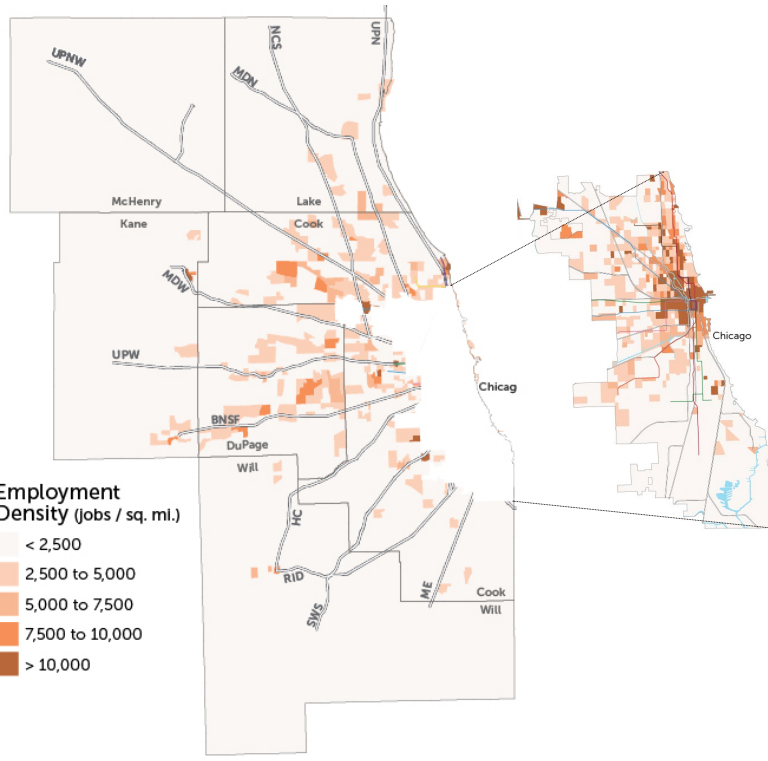
The historic concentration of professional jobs in the Chicago CBD and investments in transit to

serve the Loop give residents within the City of Chicago the highest levels of access to jobs and opportunities in the region. Workers in professional services experience the highest levels of connection to employment locations by the regional transit system.

Transit helps control traffic congestion and enables Chicago's CBD to remain a critical economic engine of the region and the State. This strong transit market is one we want to support by making investments that sustain continued growth.

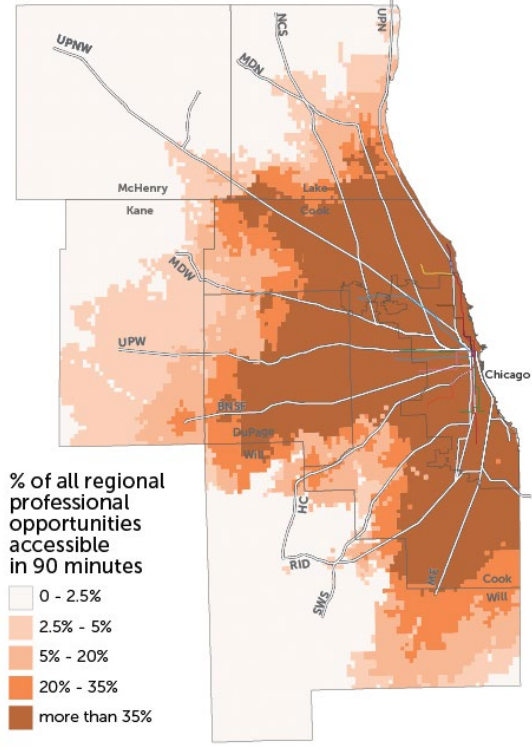
EMPLOYMENT DENSITY

Source: US Census 2014 LEHD Origin-Destination Employment Statistics (LODES)



PERCENT OF PROFESSIONAL OPPORTUNITIES ACCESSIBLE IN 90 MINUTES

Source: RTA Regional Transit Access Analysis (based on 2010 CMAP industry employment data)





Where are we going?

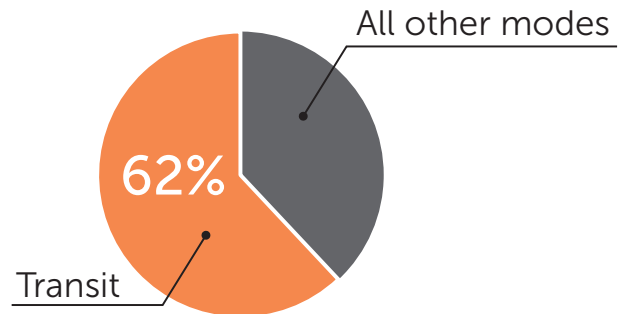
In order to support robust transit to the Chicago CBD, the region needs to invest in major transit infrastructure projects that will provide improvements for all riders and additional capacity for new riders. The CTA has multiple needs to help better serve the Chicago CBD, such as Blue Line capacity and traction power improvements, Brown line capacity improvements, and the Red and Purple Modernization (RPM) Program. The RPM Program is underway, but only Phase One is currently funded.

Metra needs to untangle and upgrade the A-2 interlocking where four rail lines cross at grade just west of Ogilvie Station. Union Station needs to be modernized in order to grow its capacity to handle even today's demand, let alone the projected future growth.

Circulation throughout the Chicago CBD from train stations to River North, the West Loop, and other areas remains a challenge. The CTA operates a robust bus network but is challenged by increasing traffic congestion. All transit agencies and the Chicago Department of Transportation will need to work together to address this issue in the years following development of this Strategic Plan.

TRANSIT MODE SHARE FOR CBD WORK TRIPS

Source: CMAP Travel Tracker Survey (2009)



What are the best ways to fund major infrastructure projects that add capacity to the Chicago CBD?

What would it take to get more people out of their cars and onto transit for trips headed downtown?

Provide long term funding for robust capital program

Explore public-private partnerships

More expensive parking

Easier/cheaper connection between modes

Integrate roadway/transit projects to leverage synergies

Grow density and businesses to provide riders and tax revenue

Faster circulation throughout CBD

Incentives for using transit



Growing Markets in Suburban Cook Could Benefit Transit



Where are we today?

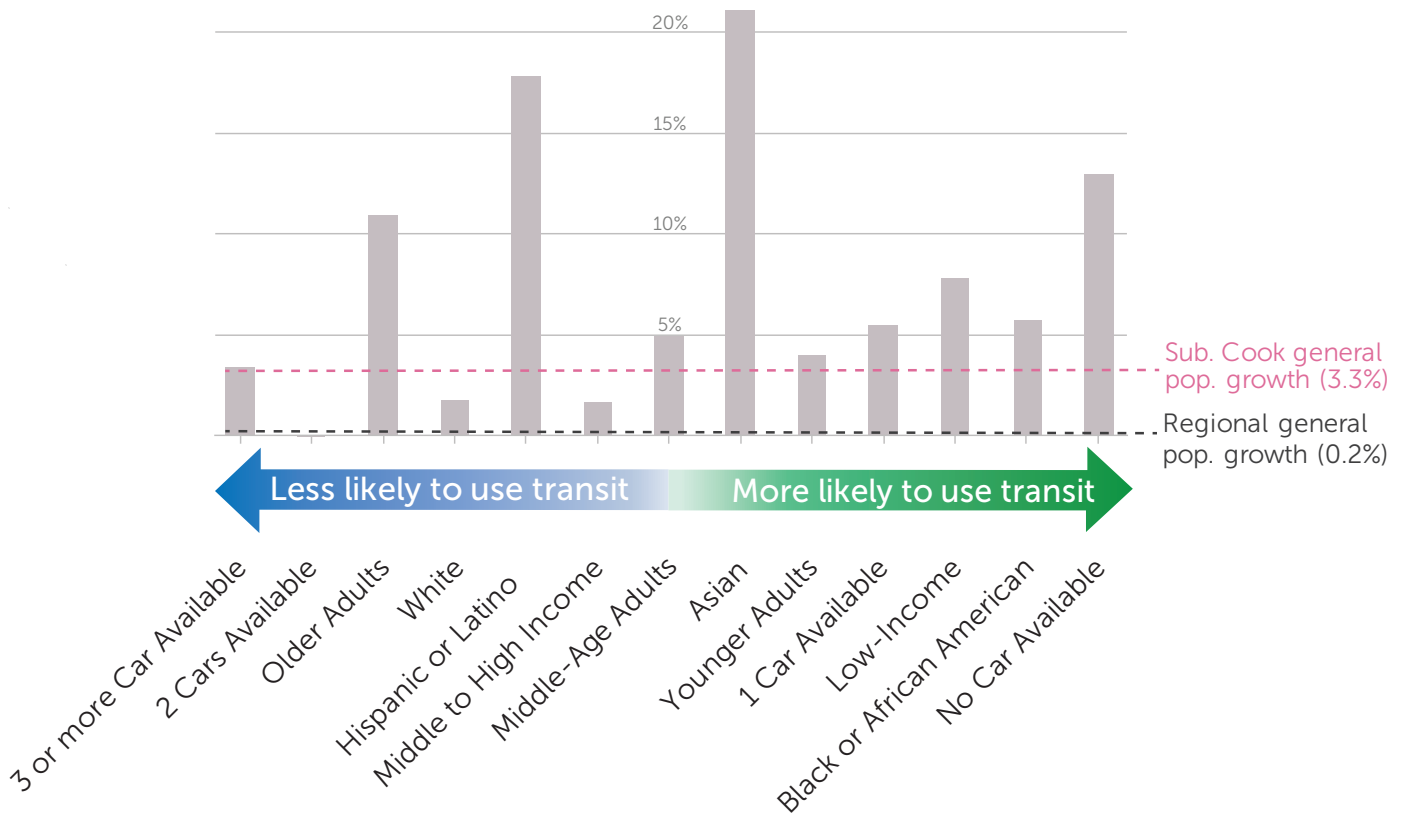
The region’s population has not grown significantly in the last decade. However, suburban Cook County has seen growth at a higher rate than the rest of the region in both population and employment. Much of this growth is in demographic groups that tend to have a higher propensity to use transit. This includes groups that do not own cars or own only one car, low income residents, Asians, African-Americans, and younger adults.

The older adults group is also growing—while this group is overall less likely to ride transit, they may become more dependent on transit as they age.

The combination of employment and population growth in key demographics are a notable trend occurring in suburban Cook County.

SUBURBAN COOK GROWTH IN POPULATION GROUPS AND PROPENSITY TO USE TRANSIT

Source: RTA 2017 Regional Market Assessment (based on US Census 2005-2009 & 2010-2014 ACS 5-year estimates)



“Cook County is extremely fortunate to have one of the largest and most extensive public transit systems in the U.S. Supporting robust transit systems and improving the services they offer are top priorities for Cook County.”

– Toni Preckwinkle, President, Cook County

05

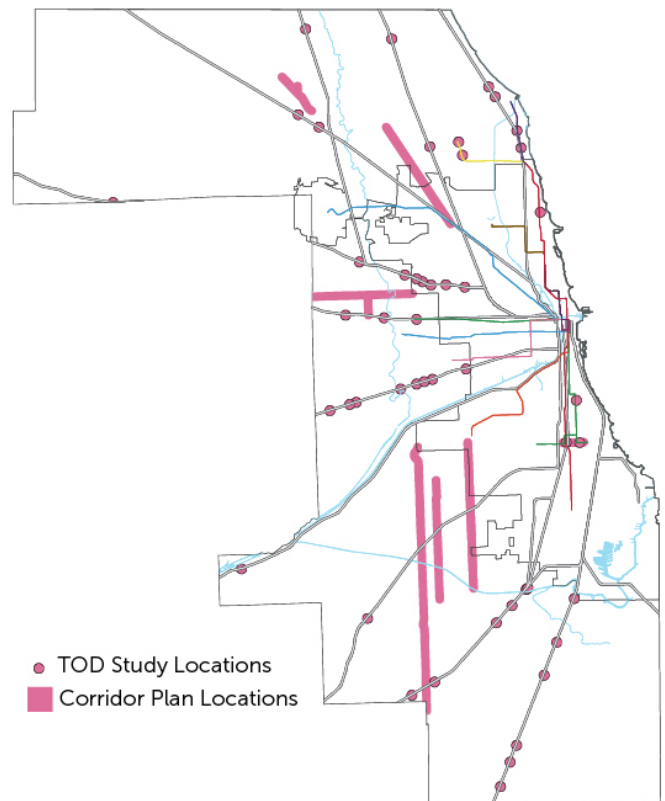
Where are we going?

Suburban Cook County communities have been proactive in planning for transit improvements and transit-supportive land uses, or transit-oriented development (TOD). The majority of TOD work conducted by the RTA has been in suburban Cook County. This indicates that suburban Cook County communities are interested in supporting TOD by planning for walkable communities at rail nodes and along bus corridors, as well as by providing their residents with the ability to own fewer cars by offering mobility options and transit accessible housing.

Creative transit service solutions can also help build transit ridership and improve commute options in suburban areas. Pace’s Pulse Service and express bus network are innovative approaches to providing bus service to residents, particularly by providing improved access to suburban job centers.

While the RTA and the Service Boards do not have control over local land use, it is still prudent for us to support TOD in suburban communities. The Strategic Plan will explore strategies to reinforce TOD in suburban communities, as well as transit services that best support inter-suburban travel.

RTA COMMUNITY PLANNING PROGRAM PROJECTS COMPLETED IN SUBURBAN COOK



What types of transit services could better support travel within the suburbs?

How do we influence land use in the suburbs?

- Implement pedestrian treatments
- Assess impact fees
- Provide implementation assistance
- Advocate and educate
- Influence new developments
- Fund planning studies

- More traditional bus service
- Arterial Rapid Transit / Express Bus
- Local, on demand service
- Private partnerships for last mile connections
- Vanpools



More Jobs and New Connections are Needed on the South Side and South Suburbs

06

Where are we today?

The South Side of Chicago has relatively good transit access, comprised of several Metra and CTA rail lines, as well as robust CTA and Pace bus service. However, residents in this area have the longest commutes, regardless of mode, in the region.

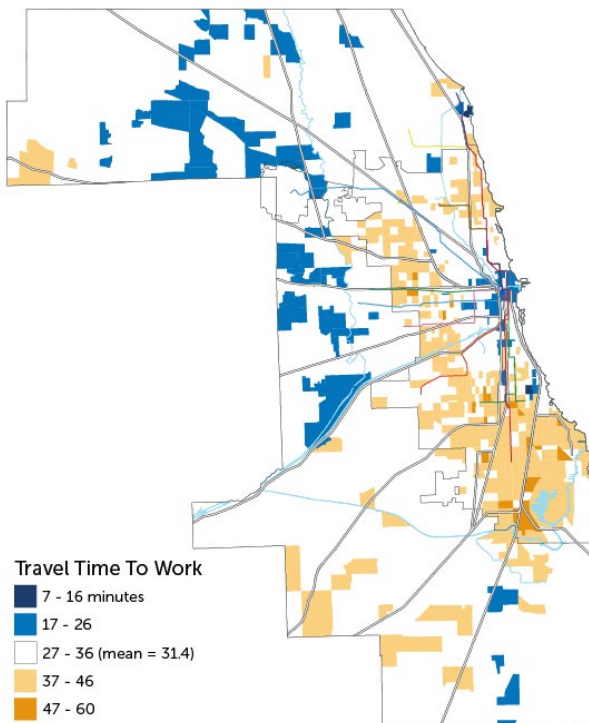
Many South Side residents are employed in industrial or manufacturing jobs, which are not located in Chicago's CBD.

This factor, combined with a relatively low number of jobs within the South Side, requires that residents go further to get to work, on average.

There is also a lot of property vacancy in the South Side, given the relatively high land use density and existing transit access. The combination of vacancies and absence of jobs presents an opportunity for improvement in the future.

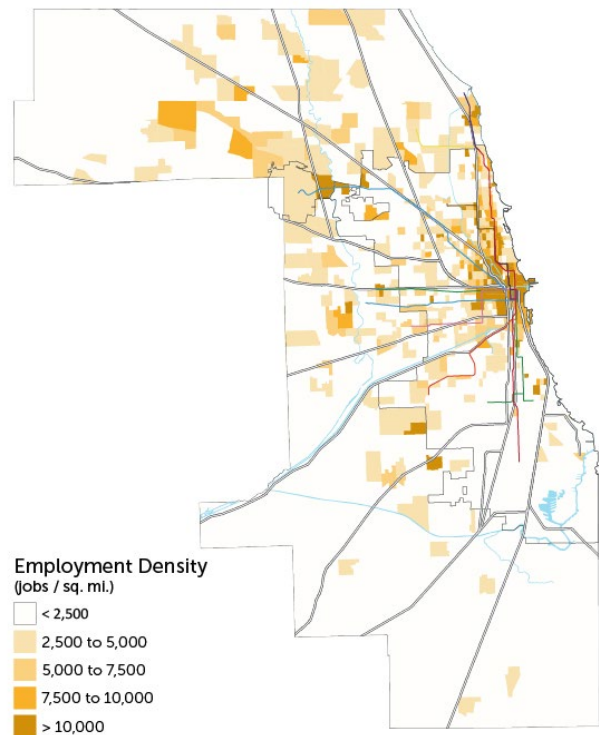
TRAVEL TIME TO WORK: COOK COUNTY

Source: US Census 2010-2014 ACS 5-year est.



EMPLOYMENT DENSITY: COOK COUNTY

Source: US Census 2014 LEHD Origin-Destination Employment Statistics (LODES)



“The good news is, there are new employment centers and job opportunities across the region, especially in our southern service area. The bad news is, Pace has a very limited capacity to expand and serve new commuters without sustainable funding for infrastructure needs, like rolling stock and facilities.”

– Richard Kwasneski, Chairman of the Board, Pace



06

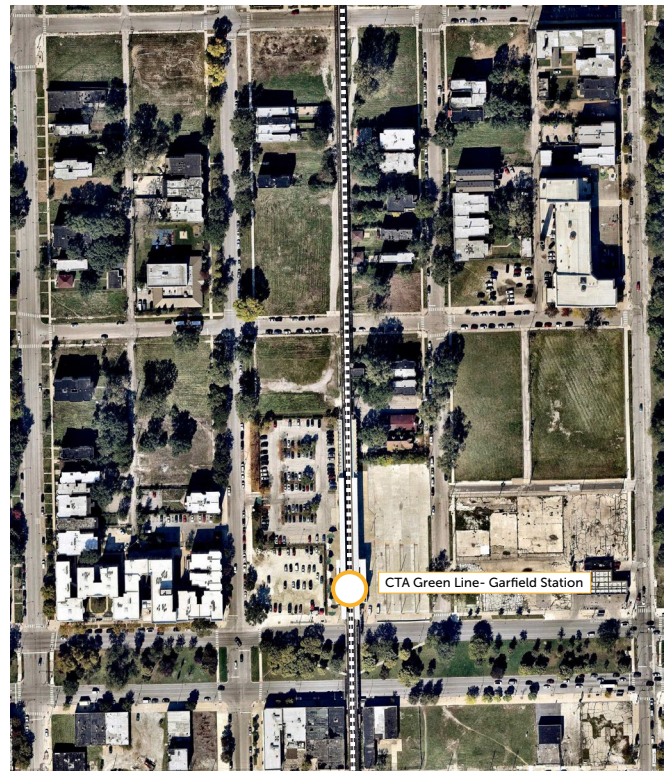
Where are we going?

There are many factors influencing the population and employment trends on the South Side – much more than just transit service. Yet the transit agencies know that access to jobs in a reasonable amount of time will be an important part of a holistic solution to economic revitalization on the South Side.

The Strategic Planning process will provide a forum to discuss the transit agencies’ approaches to improvements on the South Side, whether it be contributing to transit-oriented development, increasing local business opportunities, or focusing on the transit connections themselves.

AERIAL IMAGE OF VACANT LOTS NEAR THE CTA GREEN LINE- GARFIELD STATION

Source: NearMap 2017 imagery



How can transit agencies support commercial land use and job growth on the South Side?

Develop land around stations

Promote area to developers

Support local business through transit contracts

Seek commercial TODs to create jobs

How do we improve transit connections on the South Side?

More Express bus and Arterial Rapid Transit (ART) service

Add workplace express services

Upgrade existing rail services

Support rail extensions



More Capacity is Needed on Chicago's North Side

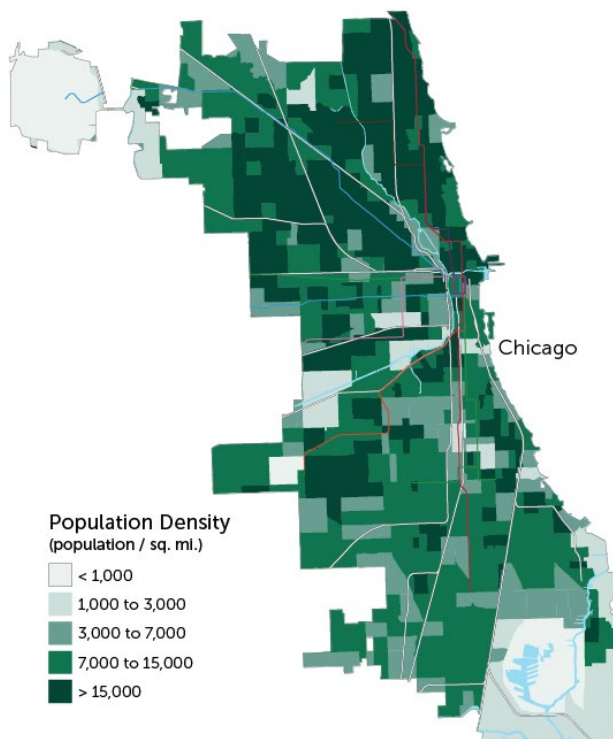
Where are we today?

The North Side of the City of Chicago has high population and employment density. Employment densities in the corridor along the north Red Line approach those of the Chicago CBD.

The combination of both high population and employment densities contribute to transit use in Chicago's North Side that is higher than any other corridor in the region. Transit mode share is strong, particularly along the Red Line and North Lake Shore Drive corridors, with as much as 65% of commutes being made on transit.

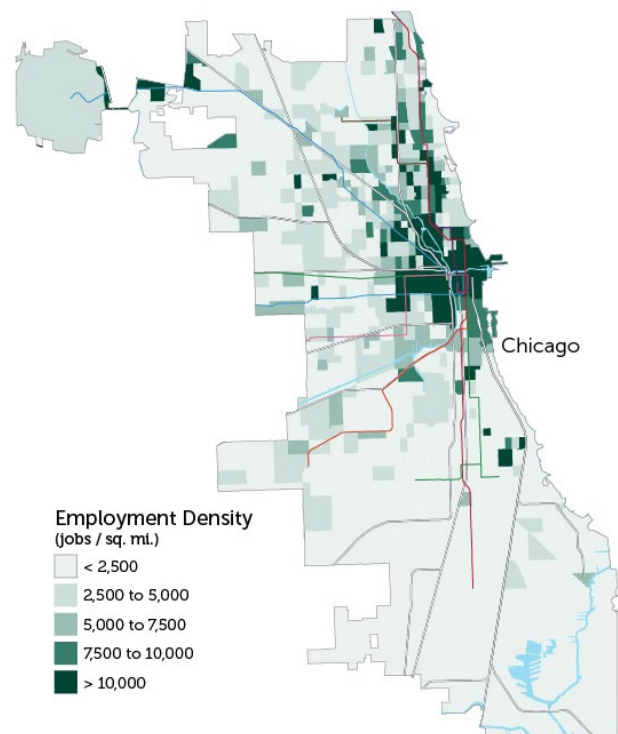
POPULATION DENSITY

Source: US Census 2010-2014 ACS 5-year est.



EMPLOYMENT DENSITY

Source: US Census 2014 LEHD Origin-Destination Employment Statistics (LODES)



“The region would need to build 27 more lanes onto the expressways coming into downtown Chicago if it weren't for Metra. Investing in the A-2 Interlocking will not only save time and improve reliability for our commuters from the north and west, but will also save money in the long run.”

– Don Orseno, Executive Director, Metra

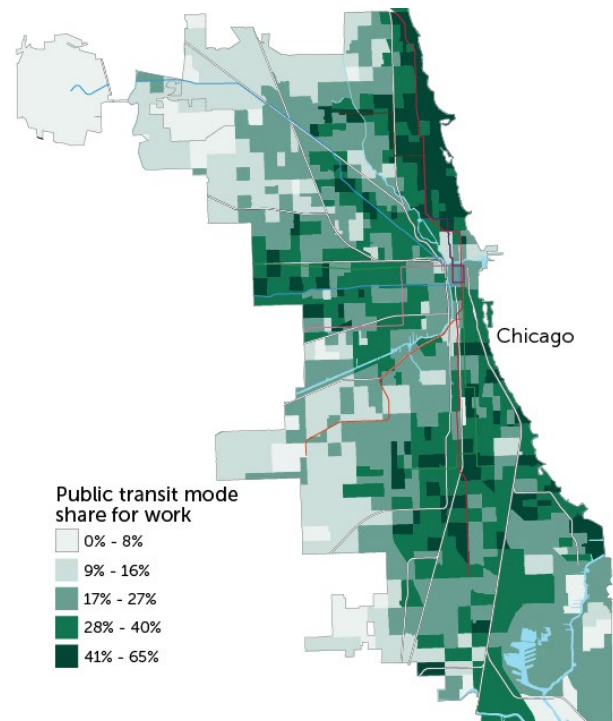
07

Where are we going?

While strong transit use in this corridor is a positive outcome, it does provide some challenges as many of the transit lines are faced with capacity constraints to serve current and future demand. Many lines simply do not have enough room for more people or the ability to add more service with current infrastructure. The Strategic Planning process will work to identify means for supporting this strong and growing market.

PUBLIC TRANSIT COMMUTE MODE SHARE

Source: US Census 2010-2014 ACS 5-year est.



How can we best support this strong and growing market on the North Side?

Focus on projects to increase rail capacity

Develop faster and more reliable bus service

Invest in adding new routes



Large Suburban Job Clusters are Difficult to Serve by Traditional Transit

Where are we today?

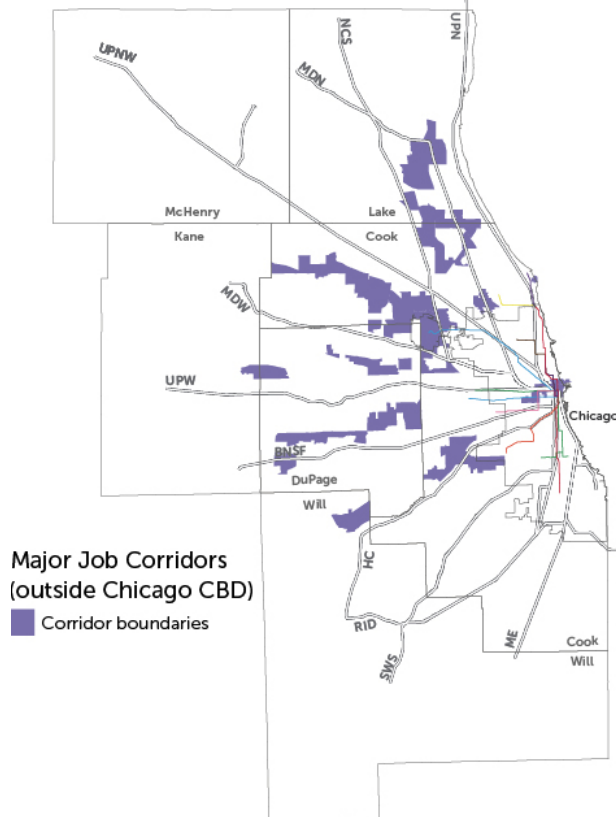
Although the Chicago CBD remains the predominant employment center in the region, there is a substantial amount of employment clustered throughout the region's suburban area.

These employment clusters are dispersed throughout the region and the majority are not located near existing transit services. Their locations are instead influenced by proximity to the expressway system and O'Hare airport.

Due to their locations and development patterns, these employment clusters and corridors are difficult to serve by transit. They are often not located in walking distance of existing rail stations and lack pedestrian access to major roadways, making safe and efficient bus service challenging. Suburban employment centers can be better served by transit when they are located near existing bus and rail service and designed to be more transit-supportive by reducing building setbacks and including pedestrian infrastructure.

MAJOR JOB CORRIDORS OUTSIDE CHICAGO CBD

Source: RTA 2017 Regional Market Assessment, based on US Census 2014 LEHD Origin-Destination Employment Statistics (LODES) data



“We are working collectively with our transit providers, employers, and municipalities to develop innovative methods to connect workers with their jobs.”

– Dan Cronin, Chairman, DuPage County

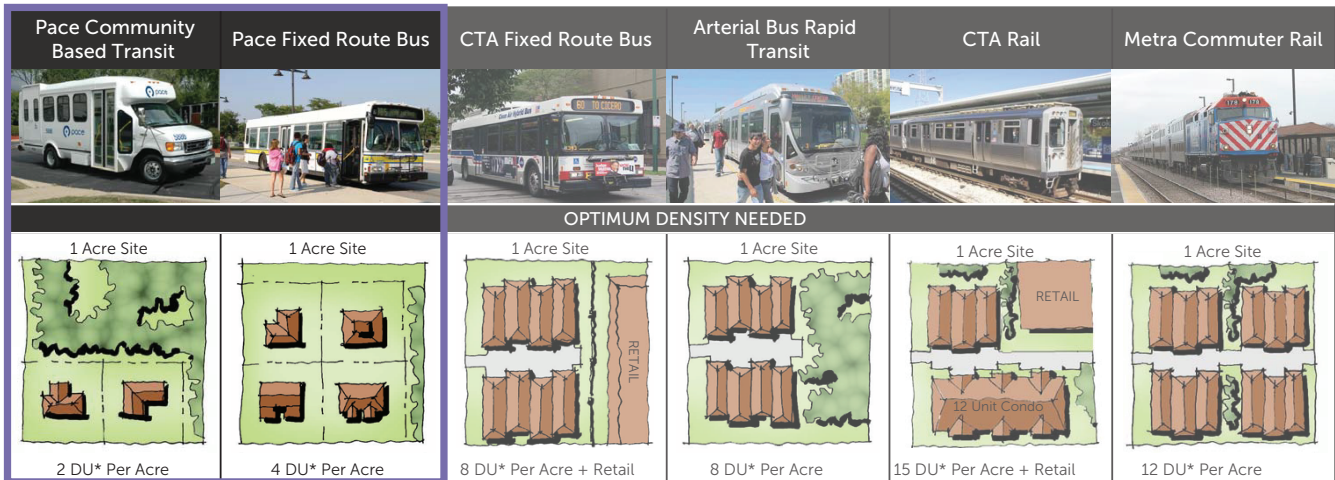
Where are we going?

One of the biggest obstacles to serving these suburban employment clusters with traditional transit is the dispersed patterns of development, both where people live and work. Also, parking is generally free and convenient, undermining the value of affordable public transit. The land use patterns typical of suburban employment clusters make transit in the form of bus or van services

most sustainable, but only with a commitment by communities to provide sidewalks, shelters, and other pedestrian amenities that make it possible for people to take transit in these environments. Through the Strategic Planning process, we will work to identify partnerships, land use changes, and services that are practical for connecting these suburban developments to the transit system.

LAND USE DENSITIES NEEDED TO SUPPORT TRANSIT

Source: RTA Setting the Stage for Transit, emphasis added



* DU = Dwelling Units

What can agencies do to shape land use and mobility in suburban commercial areas?

Provide assistance for TOD

Educate and partner with employers

Continue the push for shuttles

Adopt apps and tech innovations

Focus service on densest corridors



Millennials and Boomers Push Transit to Adapt

Where are we today?

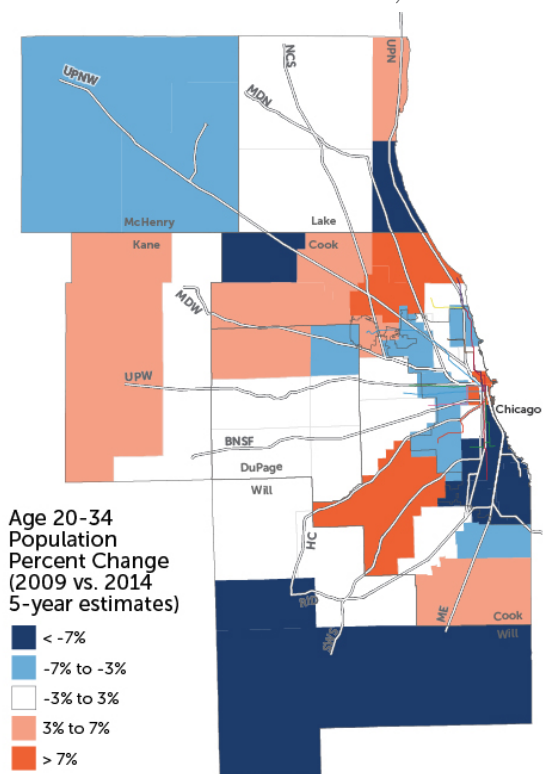
Millennials today live in greater numbers within the City of Chicago, but recent changes show they are beginning to move to the suburbs. This group today has a higher use of transit than average.

The long-term impact of technology and new mobility options on transit ridership is unknown, but there is hope that innovation and cultural changes will keep this demographic group riding transit as they move into their next phase of life.

The region is also aging, with an overall increase in the percent of the population over 65. Growth in the older adult population has been primarily in the suburbs and collar counties, plus Chicago's downtown. This is likely to lead to an increase in demand for paratransit services, including local Dial-a-Rides and ADA complementary service, which are some of the region's most complicated and expensive services to provide.

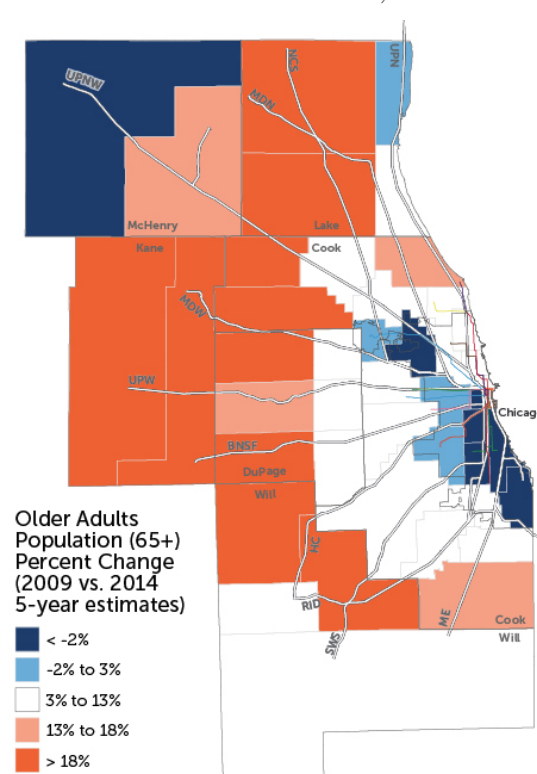
AGE 20-34 POPULATION PERCENT CHANGE

Source: US Census 2005-2009 & 2010-2014 ACS 5-year estimates



AGE 65+ POPULATION PERCENT CHANGE

Source: US Census 2005-2009 & 2010-2014 ACS 5-year estimates



“As a lifelong transit rider, and an elected official in our State for two decades, I know firsthand the value and necessity of public transportation in our region. It is critical to our economy and to the growing numbers of millennials in our region who comprise the talented and hardworking labor force today’s companies require.”

– Kirk Dillard, Chairman of the Board, Regional Transportation Authority

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Where are we going?

Major advances in mobility technologies are impacting the transportation choices of residents in the region. Over the next five years, we continue to expect swift and groundbreaking developments that will introduce new challenges to the transit system, but also open up potential opportunities. Forging partnerships between public agencies and private companies is made difficult by different business objectives, expectations regarding transparency, and regulatory environments. It is also becoming clear that synergies, or competition, between transit and other mobility options will vary across urban and suburban parts of our region.

Adapting transit to be competitive among new mobility options is desirable but complicated, and something that we will continue to wrestle with through the course of the Strategic Planning process.



New technologies, including shared mobility modes like Uber and bike share, have a complex relationship with transit that will vary across the region.

How do we focus our energies on adaptation in the near future?

Develop pilots and partnerships

Prioritize customer-facing technology

Adapt our own operations with best practices

Fund research to understand the issues and impacts

What are specific opportunities to improve transit services for seniors and people with disabilities?

Engage in more partnerships

Promote fixed-route first

Work with locals on sustainable funding

Evaluate and adapt current services



Regional Transit Strategic Plan 2018-2023

What's Next?

The transit agencies will use this data and feedback from stakeholders to develop the plan over the next several months. Visit <http://strategicplan.rtachicago.org> the Regional Transit Strategic Plan project website, for updates throughout 2017.

Throughout 2017, transit agency staff will also be collaborating with the Chicago Metropolitan Agency for Planning (CMAP) as CMAP develops ON TO 2050, the next regional comprehensive plan that will cast a long-term vision for the region. The ON TO 2050 development process includes extensive public outreach and several workshops that will be used as a forum for collecting public input related to the transit system. Visit www.cmap.illinois.gov for a list of public events and opportunities to participate.

