



Illinois Department of Transportation

Office of the Secretary
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August 20, 2013

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Dear «Alt_Salutation»:

As a follow up to the ongoing discussions about the Illiana Corridor project, we would like to take this opportunity to highlight some key issues that have not been fully addressed by the Chicago Metropolitan Agency for Planning's (CMAP) staff as part of their July 30, 2013 evaluation, or in their subsequent presentations to various CMAP committees. These key issues are summarized below, and for further details, please refer to our attached review of CMAP's July 30, 2013 evaluation.

General

The planning work (i.e., Environmental Impact Statement (EIS)) for the Illiana Corridor project was included in the fiscally constrained portion of the GOTO 2040 Plan (Plan), and set the stage for initiating studies in Spring 2011. The Illiana planning process has been a great success thus far, with completion of the first portion of the EIS process (Tier One) through a partnership with stakeholders across a bi-state 900 square mile study area, as well as partnerships between two state Department's of Transportation, two Federal Highway Administration (FHWA) division offices, and all of the bi-state region's environmental regulatory agencies. This represents an unprecedented level of stakeholder participation, technical expertise, and agency oversight, with literally hundreds of stakeholder and agency meetings that supported the Tier One findings and approvals.

CMAP staff has participated in the process from the very beginning, with extensive data sharing, one on one meetings, and as a member of the Illiana Corridor Planning Group. However, CMAP's July 30, 2013 staff evaluation only briefly acknowledges Tier One and the ongoing Tier Two efforts, and instead, CMAP has created a new process for evaluating the Illiana Corridor project that marginalizes the EIS process. The level of information being furnished by the Illinois Department of Transportation (IDOT) in support of this Plan amendment request is well beyond the level of technical detail and stakeholder outreach for any project considered in the development of the Plan.

IDOT cannot obtain FHWA approval of the final portion of the EIS process (Tier Two), which is targeted for early 2014, if the project is not included in the fiscally constrained portion of the Plan. **If the Illiana Corridor project is not included in the Plan, a \$40 million investment in the planning for the project will be lost, and the process for soliciting potential concessionaire teams for a Public Private Partnership (P3) will be halted.**

Therefore, we are requesting a Plan amendment at the October 9, 2013 MPO Policy Committee meeting to keep this regionally significant project moving forward.

Forecast Assumptions

As part of project planning, IDOT and other agencies such as the Illinois Tollway carefully consider the regional data contained in regional plans as a starting point, and make adjustments as appropriate for project level planning. **IDOT is using a “market based” forecast methodology to satisfy the requirements of the National Environmental Policy Act (NEPA).** Our methodology was approved by CMAP staff at the beginning of the Illiana planning process (footnote 14 on page 8 of CMAP’s July 30, 2013 evaluation), and is the same basic methodology that has been used by CMAP and its predecessor agencies for decades. NEPA requires a more rigorous, project level analysis that provides a detailed measurement of the direct, indirect and cumulative effects of the project. A market based forecast is also critical for preparing investment grade traffic and revenue studies, which are used by both IDOT and the Illinois Tollway for ultimately determining the financial viability of tolled projects.

During the Transportation Committee Meeting, there seemed to be a focus on the differences between IDOT and CMAP’s “no build” forecasts, which diverts attention from the critical issue, the impact of building the project. **CMAP’s analysis (figures 4 through 8), which is consistent with IDOT’s analysis, shows that the Illiana Corridor project would not have a significant impact upon the urbanization of the region. In addition, CMAP’s figures 9 and 10 document that the Illiana would be a strong trucking corridor.**

Cost Estimates/Project Financing

As noted in CMAP’s memo on pages 3 and 4, IDOT furnished supporting information with respect to the Illiana Corridor project cost, including a detailed description of assumptions (Tier One EIS Appendix G) as well as examples of lower cost projects. The Illiana Corridor project cost estimate is based upon recent construction prices in both Illinois and Indiana, and quantities derived from the preliminary Illiana design. Our cost estimate also includes additional factoring for materials and labor costs in the study area. At the end of this month, the Illiana Corridor project cost estimate will be formally reviewed by the FHWA, and IDOT will share the results of this analysis when it is completed. **Despite the information provided by IDOT thus far, CMAP staff has concluded that the Illiana Corridor project cost is low, but it is important to recognize that this conclusion was based on a more cursory review.**

With respect to project financing, IDOT and the Indiana Department of Transportation (INDOT) are preparing to issue a Request for Qualifications, which will formally kick off the process for ultimately selecting a concessionaire team to implement the Illiana Corridor project. As noted in CMAP's July 30, 2013 evaluation, certain aspects of the P3 process must remain confidential to ensure a competitive bidding process, depending upon the type of procurement that is pursued. We will provide other financing information as it becomes available. **Overall, it is important to recognize that IDOT will develop a financing strategy that does not assume the removal of any other projects from the fiscally constrained portion of the Plan.**

Local Planning

CMAP only briefly acknowledges (page 18) IDOT's ongoing efforts with Will County and the corridor communities with respect to land use planning, and does not highlight the fact that Will County is proceeding with the adoption of the Illiana Corridor project into their Comprehensive Plan. Further, since beginning Tier Two earlier this year, the Illiana Corridor project team has conducted over 60 meetings regarding local land use and potential project impacts. In addition, IDOT has provided a \$500,000 grant to Will County to facilitate updates to local plans. While CMAP's conclusion that local plans may not reflect the Illiana project may be technically correct, it marginalizes the substantive fact that planning for the Illiana corridor is extensive and ongoing. Comparisons to local planning for the proposed South Suburban Airport (SSA) are also not meaningful, given that the SSA has been discussed for decades. **In addition, as noted above, both IDOT and CMAP agree that the Illiana Corridor project will not significantly increase the urbanization of the region.**

Conclusion

The Illiana Corridor project is consistent with the major goals of the Plan, and the project was acknowledged by CMAP prior to formal adoption of the Plan in October 2010. This set the stage for IDOT's comprehensive planning process, and this request for a Plan amendment. IDOT and INDOT have advanced the NEPA process on an accelerated schedule, which has been a goal of stakeholders both locally and nationally for decades, and is a key feature of MAP 21. IDOT also has had a longstanding practice of collaborating with CMAP and its predecessor agencies to develop project level analyses, enhance the technical aspects of regional planning, and support the implementation of each successive plan. While the Plan represents a major change from CMAP's past forecasting practices, it is very important to keep in mind that NEPA, and the requirements for a project level analysis, have not changed. Regardless, both IDOT and CMAP have concluded that the Illiana Corridor project will not have a significant impact upon the urbanization of the region, and will be a strong trucking corridor.

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Will County has emerged as a nationally significant inland port, with billions of dollars in goods being imported and exported. Beyond our comprehensive analysis, it's simply common sense that we make strategic transportation investments such as the Illiana Corridor project to maintain and strengthen this existing economic center, and in doing so, strengthen the region.

Thank you, we look forward to working with you on this regionally significant project, and IDOT staff is available at your convenience to provide a project briefing and answer questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ann L. Schneider".

Ann L. Schneider
Secretary

Attachment