

# Assessment of the Planning and Decisionmaking Process

## INSTITUTIONAL CONTEXT

The institutions and the process of public transportation planning and decisionmaking in the Chicago Metropolitan Area are extremely complex. Some of the complexity is brought about by external pressures and requirements. Some of the complexity is deliberate in order to control the process and decisionmaking.

The Chicago area involves two States, eight counties, the city of Chicago, hundreds of municipalities, public and privately owned transportation companies, and a number of multi-jurisdictional regional agencies. Bringing together these institutions into one cohesive planning and decisionmaking institution would be extremely difficult under the most optimal set of circumstances and perhaps is impossible as a practical matter, given the wide-ranging diversity of interests as well as authorities and responsibilities.

An understanding of the institutional aspects of transit planning and operations in the Chicago area requires tracing the changes in the institutional mechanisms over time. Modern transportation planning in Chicago has been much more of an evolutionary process than has been true in most of the other metropolitan areas assessed during this study, where new transit institutions were developed to build new systems as well as to purchase and operate existing systems. The following discussions take an evolutionary approach to the discussion of the assessment topics.

### Forum for Decisionmaking

The institutional relationships among a variety of agencies with direct or indirect responsibilities for transit planning in the Chicago area have been chaotic. In the past this condition allowed the city of Chicago to play the primary role in making decisions on transit planning and development. In 1973 the search for more stable financing led to creation of the Regional Transit Authority, which

has diminished the dominance of the city and elevated the importance of the State.

Although the RTA appears to provide an improved forum for regional transit decisionmaking, it does not resolve some of the region's fundamental decisionmaking problems. Neither it nor any other regional organization has the authority and power to make decisions on future joint development of transit and highway facilities. Nor can they effectively coordinate transportation and land use programs.

### Forum for Decisionmaking: the City of Chicago

The city of Chicago, through its Department of Public Works and later through shared responsibility of DPW and the Department of Planning and Development, historically has been the dominant force in the institutional aspects of transit planning and decisionmaking in the Chicago area. Although the Chicago Transit Authority (CTA) has taken an important part in Chicago transit planning and regional organizations have come to the fore in recent years, the shape of Chicago's transit system owes its greatest debt to the city.

The city was the initiator, planner, designer, and builder of the central area's two subways long before there was any serious thought of Federal programs, regional planning requirements, and many of the other institutional requirements or necessities that have emerged through the 1960's and 1970's. The first subway was built when the rail transit system was still privately owned and operated. The second was built after CTA was formed and had the ownership and operating responsibility for the transit system. In neither case, however, could the transit owner have possibly put together the capital required to build the two subways with any hope of repaying principal and interest out of income. Thus, the city assumed and vigorously played the leading role in these early capital project developments, a role which it has carefully guarded until most recent years when economic necessity forced the city to

loosen its grip on transportation decisionmaking in order for the public transportation system to obtain a broader base for its revenue from other than passenger fares.

In contrast, two facts stand out about CTA'S role. First, CTA was regarded as a city institution, notwithstanding its legally independent status and the fact that the Mayor and the Governor had appointive authority with cross-veto rights for members of the CTA board. Second, CTA, while having complete authority and responsibility for transit operations and capital improvements to fixed transportation equipment and rolling stock, played only a technical support role in the planning of new or reconstructed transit lines with but few exceptions.

The dominant role of the city vis-a-vis CTA and other transportation organizations in the region is well illustrated by the evolution of the decision to build a transit line in the median of the Congress Expressway. Except for one of the two central area subways mentioned, the Congress Line was the first major transit development project after World War II.

The decision to build the Congress Transit Line in the 1950's was both accidental and fortuitous. The line did not originate as a transit project but grew out of interest in constructing a new radial expressway into the central area of Chicago to serve the auto-oriented suburban expansion to the west.

The best available corridor in which to build the new expressway at the lowest cost was occupied by the old Garfield Elevated Transit Line. CTA, as the owner and operator of the transit line, wanted to continue service in the corridor but did not give the Garfield Line high priority for redevelopment or reconstruction. The transit planners and those charged with operations, while desiring to continue transit service in the corridor, also were skeptical, and in some cases opposed, to a rail transit line in the median of a high speed, heavily-traveled highway because of the difficulty of operations and maintenance as well as the fact that station access would be difficult and require more time for transit patrons walking to stations.

The highway planners, clearly interested in building a new radial expressway, were not

interested in developing or remodeling the old and largely dilapidated Garfield transit line. b

Notwithstanding these opposing and conflicting views, the Congress Expressway and transit line was designed, constructed, and became a model for future transit development which is continuing in the Chicago area.

The city of Chicago, through its Department of Public Works and its director, George DeMent, was faced with the problem of developing a new expressway and preserving transit service in a narrow corridor with limited resources. The Illinois Highway Division, which largely deferred to the city on highway matters within its jurisdiction, reluctantly went along with Chicago's decision and helped the city persuade the Federal Bureau of Public Roads to provide part of the funds for the highway portion of the joint use corridor. The BPR, responding to this reluctance and aided by highway laws that allowed highway use revenues to be spent only for highway purposes, required a strict accounting of costs between those elements of the construction plans necessary for highway purposes and those attributable to the joint transit development.

The city of Chicago paid for the right-of-way and structural elements of the joint corridor that were attributable to transit with its own general purpose funds, and CTA was charged with the cost of fixed transit equipment and rolling stock.

Thus, the dominant role played by the city department and its director resulted in the joint use project that subsequently has been extolled as an outstanding example of combined highway and transit planning and development. Ironically, the Congress corridor has been displayed frequently and prominently by highway officials to demonstrate their longtime interest in comprehen-

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<sup>o</sup> In fact, during this period and extending well into the interstate program, highway officials developed and implemented very stringent policies which largely prevented the use of controlled access highway right-of-way for any use other than highways. The exclusive-use-of -right-of-way policy was aimed largely at preventing utilities from using shared space, but the policy extended to any use which interfered with the safety features of high-speed, median-divided, grade-separated expressway operation. Thus, most highway planners and designers were skeptical if not outright opposed to deliberately planning a rail transit facility and operation within the narrow confines of the space separating the opposing lanes of the expressway.

sive surface transportation in urban areas without regard to mode or technology.

Rail transit lines subsequently were built into the Kennedy and Dan Ryan Expressways, but the fundamental decision that resulted in Chicago's unique system of expressway median transit lines dates from the middle 1950's and was a decision made largely by the city of Chicago with acquiescence by the other parties to the development.

#### **Forum for Decisionmaking: Toward a Regional Transit Agency**

A major development in the institutional process was the creation of the Chicago Area Transportation Study in 1955. CATS, the first major metropolitan area transportation study program, paved the way for a whole new concept of technically oriented and rigorous transportation planning and evaluation. Most of the basic concepts developed and made operational as a part of the CATS study are in worldwide use today.

CATS, however, has never achieved a role significantly greater than technical support for the policy makers in the areas of transit planning and development. It should be noted that CATS was the creation of the Illinois Highway Division with complete cooperation of Chicago, Cook County, and the other suburban counties. But its policy control was vested in the highway officials of the participating jurisdictions. Notwithstanding, the CATS study and its resulting 1962 plan seriously examined the potential role of transit in the future and developed alternative plans which systematically examined costs and revenue, including the costs of operation and the cost of money over time.

Almost all of the major plans which have been developed in recent years in the Chicago area, including the CATS plan, have some elements which either have been built or continue to be contained in current plans. It is obvious, however, that neither the CATS plan nor the CTA "New Horizons" plan of 1958 were fully acceptable to the dominant decisionmaking force, the city of Chicago. (The CATS plan for highways, however, was fully accepted and has been carried out to a large extent except for the controversial Crosstown Freeway.)

The Northeastern Illinois Planning Commission (NIPC) was formed in 1957, during the years of the development of the CTA and CATS plans. NIPC,

while having broad planning authority including transportation, nevertheless was not a major factor in the decisionmaking process during these years, either for highway or transit programs. Its force as a regional planning body grew incrementally and was substantially enhanced by its designation as the A-95 review agency for the metropolitan area in 1969.

Chicago, unlike any other of the case assessment cities with the possible exception of Boston, has not faced many of the problems of other metropolitan areas with new transit systems in planning or construction. Chicago area decisions have focused on revitalizing the existing transit system and extending it into new service areas. These concerns are manifested in the series of proposals to build the Central Area Plan by replacing the elevated Loop and building the distributor transit line.

Revitalization of the existing system was left largely to the decisionmaking authority of CTA leadership and management. Although CTA had made major strides in renovating its system with self-generated debt funds and money either contributed or advanced by the city, CTA still faced major capital expenditures for fixed facilities and rolling stock at the time Federal funds became available for capital investment following the Mass Transportation Act of 1964. Thus, major portions of the funds allocated to the Chicago area in the subsequent years have been used to replace old and antiquated rolling stock, both rail vehicles and buses. New maintenance and operations facilities have been constructed; stations remodeled; and power, signal, and control facilities replaced or modernized. All of these investments were critically important for preserving and improving service but did not result directly in significant expansion of service to new areas. The investments did, however, improve service on existing transit and bus routes and, consequently, they increased patronage through the 1960's until overall costs required large fare increases starting in 1967.

The other major products of Federal transit capital assistance in Chicago are the new transit lines in the medians of the Dan Ryan and Kennedy Expressways and the Skokie Swift. But the extension of new service into the Kennedy and Dan Ryan corridors did not represent new decisions. Rather, the projects grew out of decisions made in the 1950's when Chicago, as a matter of policy, decided to reserve the medians of all future expressways and freeways for transit service.



Although the Central Area Transit Project continues to dominate the issue of transit improvements in the Chicago area, extensions of service in the Kennedy, Dan Ryan, and Calumet Expressway corridors remain relatively high on the list of priority projects to be undertaken.

Meanwhile, during these same years following the Mass Transportation Act of 1964, the suburban transit districts were formed in order to have access to Federal funds for improvements and additions to commuter railroad rolling stock suburban stations, and park-and-ride lots. The suburban districts subsequently were expanded to provide an institutional mechanism and taxing power for public and private suburban bus operators as well as the commuter railroads.

These several developments during the 1960's created a condition in which several different institutions were making separate and uncoordinated applications for funds to UMTA with no significant indication from any single institutional source as to regional priorities. Routinely, UMTA was faced with annual applications for capital grant funds far in excess of what it could reasonably

allocate to the Chicago area, with no expressed set of priorities for UMTA guidance in deciding what projects it would fund and what projects it would defer.

UMTA started exerting pressure on regional institutions to designate or create a body which could coordinate transit capital grant applications and specifically to present annual applications by order of priority. UMTA even threatened to cut off Federal funds for the region unless a coordinating mechanism was developed, although the threat was never taken seriously. Responding to UMTA pressure, the city of Chicago exercised its leadership by creating the Regional Transportation Planning Board with membership consisting of the city of Chicago (through its DPW and DDP), CATS, NICP, and the Northwestern Indiana Regional Planning Commission. The State of Illinois was represented on the board as an ex officio member.

The RTPB was a paper organization that actually operated out of the offices of the city's DDP and DPW. Its staff support came from the same agencies that supported transit decisions prior to

RTPB's formation. Thus, the RTPB changed decisionmaking in the Chicago area in form but not in substance.

Internal memoranda of UMTA personnel as late as 1974 demonstrate UMTA'S frustration at the inadequacy of its attempts to create a truly regional representative institution to guide Federal participation by setting priorities among area plans for transit developments. It is important to note that this fundamental problem in regional decision-making was not altered until financial conditions internal to the Chicago area forced changes starting in 1971 and extending to the present.

#### **Forum for Decisionmaking: Creation of the Regional Transit Authority**

The CTA first experienced a net operating deficit in 1971 of \$13.2 million (exclusive of depreciation). This operating deficit in effect forced the city of Chicago, Cook County, and the State of Illinois to make grants to CTA to keep it out of the red and to avoid even greater fare increases and service reductions.<sup>7</sup> It was apparent that financial conditions would become more severe in subsequent years, and this realization started the agonizing process of developing a different financing system for transit in the region.

Legislation for various kinds of regional organizations and financing mechanisms was introduced and considered in the 1972 session of the Illinois legislature. But no plan could win sufficient support for enactment. The worsening financial condition of CTA and a very real threat of significant fare increases and service cutbacks led to a crisis, and the legislature finally took action in 1973. The result was the creation of the Regional Transportation Authority. While still in its formative stages, the RTA clearly is becoming the dominant decisionmaking forum for transit development and operations in the entire Chicago metropolitan region.

The factors that led to creation of RTA are critical to an assessment of the present and future decisionmaking process. The State of Illinois, which had taken only a peripheral interest in Chicago area transit in previous years, became an important actor when it started in 1971 to make significant financial contributions to transit systems in the

area. The city of Chicago, with perhaps the largest stake in the outcome of a new institutional and financial plan, attempted to exercise as much leadership as possible in the outcome of the legislative considerations. But Chicago also recognized the growing political strength of the suburban jurisdictions in the legislature as well as the absolute necessity of broadening the tax revenue base for transit support. The suburban jurisdictions banded together and exercised their political power through the Speaker of the House, who represented a suburban constituency. He reactivated the dormant, legislatively created Transportation Study Commission as the mechanism for legislative control.

While there were many important issues to be resolved, primary consideration boiled down to how the resulting institution would be controlled and how taxes would be estimated and apportioned.

Governor Richard B. Ogilvie had created a Governor's transportation task force during 1972, and its January 1973 report became the foundation for subsequent action. The report, *Crisis and Solution: Public Transportation in Northeastern Illinois*, recommended in broad outline an institutional mechanism and financing plan similar to that which was eventually incorporated in the RTA legislation. The report gave elaborate detail on how a regional agency should be created, organized, and controlled. The report, however, was much less explicit on how the regional agency should be financed and instead suggested a number of taxes that should be considered.

As the final critical process started in January 1973, Governor Ogilvie was replaced by Governor Daniel Walker. However, it is clear that the leadership within the legislature came through the Transportation Study Commission and not from the incoming administration of Governor Walker. The new administration took little active part in the legislative negotiations until the final stages, and even then was concerned primarily with the taxing issues vis-a-vis other State tax programs as distinct from the organization and control of the regional transit agency.

The inevitable compromise that resulted from the legislative process created the RTA, subject to voter approval, which was to be controlled by a 9-member board with eight of the members equally divided between Chicago and the suburban jurisdictions. It is important to note that the Governor was given no appointive or veto authori-

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<sup>7</sup> Commuter railroads also were operating at deficits, but their losses were absorbed in total railroad revenue.

ty such as Governors have had in connection with CTA from its inception. s The eight board members had the responsibility of choosing the ninth member, who also would be chairman of the board.

The taxing authority, which will be discussed in detail later in this section, also was the product of compromise,

The RTA plan was submitted to voters on March 19, 1974. It was approved by the slim margin of only about 15,000 votes out of 1.3 million cast. It won by an overwhelming margin in the city but lost in all other jurisdictions, including Cook County. The margin of loss was almost 10 to 1 in suburban McHenry County.

The very significant opposition to RTA in the suburban jurisdictions led to legislative reconsideration of whether the authorizing legislation should be amended to such an extent that the practical result would be a regional agency without the authority to carry out its responsibilities. The legislative fight resulted in several changes to the legislation, including the creation of a metropolitan area transportation council whose authority and responsibility is essentially that of oversight by locally elected officials. The RTA also was constrained in several other ways, but its basic authority was left intact.

Thus, RTA was created through the decision-making forum of the State legislature. The principal actors were the city of Chicago, the suburban jurisdictions, and the State of Illinois. Regional agencies such as CATS and NIPC were called on for technical support services, and transit operators, including CTA and the commuter railroads, were lobbying forces. But the decision was made in the political arena of the State legislature with city, suburban, and State elected officials playing the decisive roles.

#### **Forum for Decisionmaking: the Outlook for RTA**

RTA has gone through and is still experiencing many of the difficulties of organizing and operating a new public institution. It is still too early to assess

its effectiveness, but some comments can be made on factors that are clearly evident.

The first and foremost issue involving RTA, aside from legislative and legal challenges that presumably have been settled, was the selection of the chairman and its full-time executive leadership. Immediately after the city and the suburban jurisdictions named their respective sets of four board members, the city members proposed the selection of Milton Pikarsky as the chairman of RTA. Pikarsky at the time was chairman of CTA and previously had been Commissioner of the Department of Public Works. He had long been regarded as a strong, articulate, and effective leader of city positions in regional, State, and national transportation forums.

The strong advocacy of Pikarsky by the city RTA board members delayed RTA for many months while the suburban members either opposed his selection or insisted on a wide-ranging recruitment and interview program. In the end, Pikarsky was selected and RTA is in the process of organizing and initiating its program.

The city's long and aggressive campaign for Pikarsky's selection as RTA chairman indicates that it intends to exercise as strong a role as possible in the new agency's future policies and operations. It is evident, however, that the city's power over regional transit policy has been diminished significantly. The balanced composition of the RTA board plus specific legislative requirements designed to protect suburban jurisdictions ensure that transit policy and operations in the region will be shared by many jurisdictions. On the other hand, RTA's broad authority and funding resources may eventually make it a semi-independent force of considerable strength in the region.

The creation of RTA does not settle some of the region's fundamental decisionmaking problems. One such problem is that because authority and responsibility for highways and streets remain under the jurisdiction of the State of Illinois and local cities and counties, RTA does not qualify under U.S. Department of Transportation guidelines for designation as the Metropolitan Planning Organization. The Chicago region, therefore, still faces the problem of selecting or creating an institution that meets Federal guidelines. Previously, the Governor made an interim designation of CATS, but that designation expired June 30, 1975, and no subsequent designation has been made. UMTA, on the other hand, still

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<sup>s</sup> During 1975, the Governor has twice vetoed Chicago Mayor Richard Daley's nomination of a board member and chairman-designate of the CTA. These are the only vetoes that have been exercised by either the Mayor or the Governor since the formation of CTA.

recognizes the RTPB as the regional coordinating agency for transit funds and programs.

Theoretically, the new Bi-State Transportation Commission, described earlier in this report, could become the designated MPO for both transit and highway programs. But it also is destined to be largely a paper organization because it has only loosely defined authorities and responsibilities. More importantly, it has no designated source of funds and suffers the ignominy of being specifically prevented from having any staff other than an executive director, administrative support staff, and two planners. The institutions that continue to control highway funds as well as the new RTA with its sources of transit funding, are unlikely to willingly turn over authority for developing programs, setting priorities, and allocating funds to any agency in the absence of a specific statutory directive.

More importantly, the creation of RTA does not directly tackle the two biggest unresolved transportation planning and development issues in the Chicago region—namely, whether to implement the entire Central Area Plan and whether to build the Crosstown Expressway. The new agency represents a major step forward by providing the mechanism and the financing, at least for the immediate future, for the Chicago region to provide stable and reasonably high quality regional transit service on the existing system. However, RTA does not resolve the problems of how decisions will be made for the future development of transit and highway facilities and services.

### **Accountability of Decisionmakers**

In past years, most of the major decisions on planning and developing new or extended transit lines have been made by the city of Chicago through its Department of Development and Planning and Department of Public Works. Both departments are headed by commissioners appointed by the Mayor. To the extent that CTA was involved in technical support of the planning and decisionmaking activities, its interests were represented by the CTA chairman, who is appointed by the Mayor with the concurrence of the Governor. But both in reality and in public perception, the key transit decisionmaker in the city of Chicago was its Mayor, who can be held accountable by the public through the electoral process.

Starting in 1971, other institutions have taken significant decision making roles, and the planning and decisionmaking process has become progressively complex. The State of Illinois, through the legislature, has been deeply involved in Chicago transit activities, primarily through its decisions to provide State financial assistance for both capital investments and operating subsidies. The State legislature also was the forum in which myriad parties and institutions negotiated the legislation creating RTA. The State, through its Department of Transportation, has exercised policy leadership and dominance of CATS planning activities. As more organizations became involved and the forum grew increasingly fragmented, public accountability was significantly reduced.

The advent of RTA may restore direct and well-defined accountability, although the channels are different from those of the past. The RTA board, which has very broad and decisive authority over the full spectrum of metropolitan area public transportation, is made up of nine members. Four are appointed by the Mayor of Chicago. Two are appointed by elected members of the Cook County Board outside Chicago, and two are appointed by the chairmen of the county boards of the remaining counties in the metropolitan area. The ninth member (the chairman) is chosen by a majority of the eight.

Thus, the board members of RTA, and particularly the chairman, are in highly visible positions and are directly accountable to elected public officials. More importantly, because RTA has broad authority and responsibility with a secure independent source of revenue, it is likely to become the forum for much of the region's transit decisionmaking and thus once again focus public attention on the decisionmakers who should be held accountable.

### **Public Involvement**

Public involvement and participation in transit planning in the Chicago area has not been a significant factor in the investment decisions that have been made in the recent past. Until recently, the transit planning institutions neither sought nor made any systematic provision for interacting with the public except through the long-established practice of working with business and civic improvement organizations.

The first preliminary steps toward organized and systematic public involvement were made through

the television airing of the metropolitan area's 1995 Transportation System Plan with the opportunity for the general public to telephone comments or questions or follow up in writing. Central Area Project planners also have made some efforts to meet with broader and more diverse groups than the CBD business interests, whom they consulted regularly during the planning activities.

Amendments to the legislation creating RTA call for a broadly based metropolitan area transportation council to advise and counsel the RTA board and its chairman. The 26-member council, which is to be made up of persons appointed by locally elected officials, has the authority to hold public hearings. Whether this will develop into a mechanism for public participation in the planning and decisionmaking activities of RTA is yet to be established.

## TECHNICAL PLANNING PROCESS

The Chicago area has a long history of highly competent and sophisticated transportation planning.

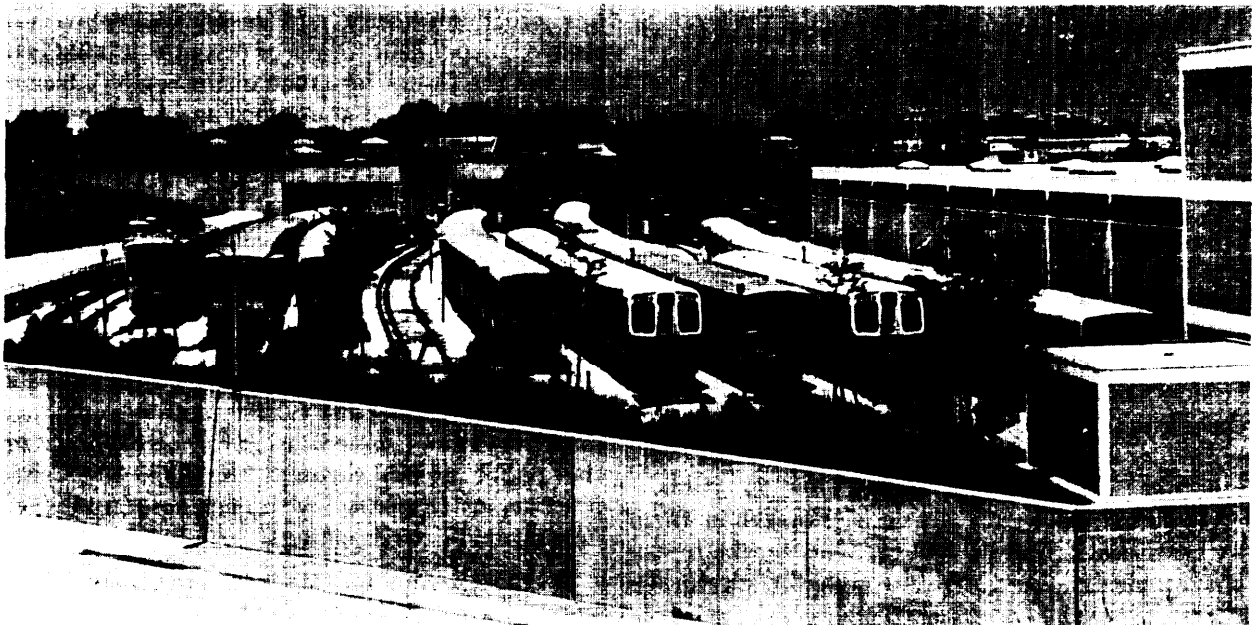
The area relies heavily on CATS for transportation analysis at the regional and systems level. Transit operational planning and development is

the domain of CTA and is accomplished largely through its own planning and engineering staff. Major new capital construction projects, however, almost always are accomplished through the use of consultants under the tight management of the city's DDP and DPW.

Two major factors have influenced or are in the process of influencing the technical planning process in the Chicago area. The first is the emergence of the State of Illinois, through its Department of Transportation, as a major participant in the planning process. The second is the creation of RTA,

IDOT, starting in 1973, has assumed control and direction of CATS and its technical work program. Subsequently, CATS has become much more active in the transit portion of transportation planning and has added significant new studies and other activities to its work program. CATS' new responsibilities brought additional sophistication and competence to Chicago transit planning; the results are reflected in the 1995 Transportation Plan (developed and adopted in 1974), and the 5-year transit development program.

RTA's role in the technical planning process is yet to be defined. The new agency of necessity will be a major factor because it is the primary funding source for all transit operators in the region, not





only for operating subsidies but also for most capital improvements.

### **Goals and Objectives**

The Chicago area for the first time developed an explicit set of goals and objectives as part of its effort to produce its 5-year mass transit development program as required by UMTA. The 5-year program, prepared by the Regional Transportation Planning Board (RTPB) in October 1974, set out in two and one-half pages its set of goals and objectives. The goals and objectives represent an explicit statement of the factors that had been guiding planning and decisionmaking in the past.

RTPB started with three broad and general goals: economic growth; an attractive, healthful, and convenient environment; and optimum use of natural resources. Using these goals as a foundation, RTPB established five broad, functional goals that led to four statements of objectives postulating that the transportation system should meet regional needs for moving people and goods, be functionally viable, contain desirable amenities, and promote positive environmental effects and desirable regional growth.

Within this still general framework, RTPB developed six investment policies with the explanation that consideration was divided into categories of maintaining the existing system, improving the system, and constructing new transit lines. RTPB's report states that some investment should be made in each category consistent with the long-range plan and some benefits from the program should be received in every geographic region of the area.

The investment policies become moderately specific only insofar as to give highest priority to maintenance of the existing system. There also is an implication that improving the existing system is given second priority. The investment policies also assigned high, medium, and low priorities for each of the categories.

### **Development and Evaluation of Alternatives**

The Chicago area, with its long history of established commuter railroads, conventional rail rapid transit, and bus service, has never undertaken a full-scale evaluation of alternatives at an areawide level, although planners have studied alternatives for new lines or major capital projects. The primary technical planning, analysis, and evaluation is concentrated on maintaining and improving the existing system.

Although this assessment has focused on new transit lines and extensions, some of the most significant improvements in Chicago's transit system are due to CTA'S competence in operations management. Their success indicates that CTA'S widespread reputation as an efficient transit operations manager is well deserved.

CTA has successfully carried out two major programs of rolling stock replacement for rail and bus transit, and it expects within the next 2 or 3 years to replace the remaining stock of old or rebuilt transit cars and buses. When that is accomplished, and assuming a reasonably stable flow of funds, CTA will be able to maintain a regular cycle of equipment replacement.

CTA still has a large backlog of remodeling, refurbishing, and other kinds of projects to improve its fixed transportation facilities and equipment, including rights-of-way and stations. However, the completed projects already have resulted in faster and more efficient operations. For example, institution of skip-stop service on lines with low passenger volumes led to major gains in system speed and reduced passenger travel time. Although lacking a four-track system, CTA produced semiexpress service by scheduling certain trains to stop at all stations while other trains bypass light passenger stations, thus producing faster travel speed for patrons.

CTA also has successfully rebuilt and modernized older transit rolling stock, in some instances using components from phased-out streetcars in order to obtain the highest operating efficiency at relatively low cost. The rolling stock for the Skokie Swift is an excellent example of CTA'S abilities to modernize and adapt equipment for new and changed uses.

The commuter railroads also have carried out large equipment replacement programs, primarily through Federal capital grant assistance to local transit districts.

In fact, more than half the capital funds invested in the Chicago area in recent years have been expended for maintaining and improving the existing system as distinct from building new or extended lines. The region's present 5-year development program continues to place high priority on existing system maintenance and improvement. Plans for the development of new or extended transit lines, however, will dominate the amount of capital funds needed in future years,

particularly if the Central Area Plan is carried out as recommended.

The 5-year program gives the Central Area Project and the extension of the Kennedy Line to O'Hare Airport top priority among new or extended lines.

The O'Hare extension, which as a practical matter is likely to be started before any other major new project, was the subject of a technical study by a consultant under the direction and supervision of the DPW in 1973. The consultant made a preliminary evaluation of a busway to connect the Jefferson Park Station (the present outer terminus of the Kennedy Line) with O'Hare and rejected further consideration because of the lack of adequate highway space. The consultant also rejected, after preliminary analysis, consideration of a dual-mode highway-rail system because of technological problems. All other alternatives studied involved variations in Chicago's standard rail transit system. The fact that the O'Hare extension would utilize the median of the Kennedy Expressway up to the edge of the airport property meant that all alternatives to the project provided service connections into the Loop and the CBD.

The study made extensive use of travel and demand data from previous studies, including much of the travel forecasting and analysis done by CATS. The study made a basic assumption, based on an earlier airport study, that O'Hare would experience about a 100 percent increase in airline passengers from 1969 to 1985. This figure represented about a 50 percent increase over passenger levels at the time of the study, in 1973.

All the alternatives carried fully through the study process were systematically analyzed and evaluated against a specified and documented list of both quantitative and qualitative criteria. The study did not include extensive preliminary engineering although some sketch planning and engineering evaluation was necessary in order to develop preliminary cost estimates. The recommended alternative, while clearly not providing the highest level of service, had the highest benefit-cost ratio.

An analysis of the consultant's report indicates that the study was carried out systematically, all relevant factors were fully and fairly analyzed, and each alternative was evaluated against a documented set of criteria. The recommended alternative not only had the highest benefit-cost

ratio but also was the least costly of the alternatives considered.

The Central Area Plan, while clearly much more complex than the relatively simple airport extension study, was conducted in a very different way. The study examined alternatives and then officially reanalyzed the plan in two succeeding study efforts plus some additional less intensive reexaminations.

Both the original planning study and the studies that reaffirmed the original decision were based upon Chicago's goal of eliminating the elevated transit loop and maximizing the opportunity for continued growth and development of the central business district, including lakefront development to the north and south. As a result, the Loop replacement, the Monroe Street distributor, the extension to the Circle Campus, and the extensions north and south to serve the growing lakefront areas were designed to enhance economic growth.

Whether the plan is justified on the basis of measurable criteria has never been demonstrated. It appears likely that the selection of projects for the plan grew out of judgmental assessments about how best to hold and increase central business district investment, jobs, and economic activity.

The same or similar criteria used in the O'Hare extension study would not have justified the more than \$1.6 billion cost of the Central Area Plan.

From the standpoint of pure transportation economics, the plan is exceedingly expensive. But taken in the context of the city's goals for central business district development and redevelopment, the plan obviously is desirable. The application now pending before UMTA for the first allocation of capital construction funds for the project obviously will be a major test of what UMTA means by its new policy of cost-effectiveness evaluation.

## Financing and Implementation

TABLE 2.—Federal Assistance to Chicago Transit Programs From F.Y. 1962 to May 31, 1975

Type of assistance	Federal share	Total costs
Capital Grants . . . . .	\$351,660,000	\$612,237,000
Capital Loans . . . . .	7,500,000	7,500,000
Technical Studies . . . . .	11,663,000	16,992,000
<b>TOTAL . . . . .</b>	<b>370,823,000</b>	<b>636,729,000</b>

Source: Urban Mass Transportation Administration.

The 5-year transit improvement program recommended by RTPB not only is completely dependent upon Federal funds, but is dependent on Chicago's receiving more than twice the present annual average level of funding from Federal sources. " Thus, the recommended 5-year plan can be used to justify requests to Congress for substantial increases in Federal funds for transit improvement and development.

The recommended 5-year development program for all categories totals \$2,297,674,000; this is far more money than can be supplied from existing and presently projected sources of operating and capital revenues. The program contains all high priority maintenance and improvement projects and contains some projects from the medium priority lists for both maintenance and improvement. The largest share of the funds, \$1,431,300,000 would be allocated to new transit lines, with \$1,255,800,000 for the Central Area Project, \$174,300,000 to build the O'Hare Airport extension, and \$1,200,000 for the Archer Avenue Subway.

The 5-year plan makes it clear that the Chicago metropolitan area does not expect any difficulty in raising the local share of funds from a variety of sources, but the plan assumes that revenues from the State or metropolitan area will be needed only to pay 20 percent of the total costs; the remainder is to be paid by Federal funds.

Depending upon the level of funding necessary to subsidize transit operations, it is clear that RTA, from its own revenue sources as well as additional funds from other identifiable sources, can match all presently projected Federal funds as well as very large increases in the Federal program. RTA could not, however, take over the responsibility of financing a large share of the recommended program with 100 percent local funds. Thus, the Chicago area financial plan rests squarely upon the

continued availability of Federal funds in significantly increasing amounts.

The 5-year development program also identifies a "low funding alternative" that is within reasonable limits of the total the Chicago area can expect to receive under the existing Federal transit program. However, the program states that the low funding level would result in such a condition "... that RTA and other agencies will not—cannot—fulfill many of the obligations to modify and improve the region's public transit system. " Under this alternative, the 5-year plan says it would concentrate its resources on meeting all high and medium priority projects for maintenance and improvements, leaving a total of only \$296 million for new lines. Obviously, the Chicago area could not make much of a start on its high priority Central Area Project within the next 5 years given such a level of funding.

Thus, in the final analysis, the success or failure of the Central Area Plan as recommended will rest on the availability of Federal funds.

This financial condition places increased emphasis on the controversy over the Crosstown Expressway because of the interstate transfer provision of the Highway Act of 1973, as discussed briefly earlier in this report. The Crosstown highway project is estimated to cost well over \$1 billion. The provision of the Highway Act, which permits elimination of a highway project and the substitution of transit projects, has created a serious policy dilemma for the city of Chicago. At this time, the city chooses to build both the Crosstown Expressway and the Central Area Plan, notwithstanding the State's open campaign to kill the highway project and use the funds for transit. The State takes the position that the Crosstown Expressway should not be built under any circumstances and has pledged to prevent its construction.

Meanwhile, the estimated cost of the Central Area Project has jumped from less than \$500 million in 1968 to more than \$1.6 billion at the present. It is apparent that unless Congress authorizes a significant increase in UMTA'S budget, it is highly unlikely that Chicago will obtain sufficient UMTA capital grants to carry out the project.

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<sup>9</sup>In fiscal year 1975 Chicago received about \$115 million, which is not much more than the projected annual average for the area under current total Federal funds levels. Table 2 shows Federal transit grants to Chicago area transit programs from 1962 through spring 1975.