Illinois Route 53/120

Feasibility Analysis | March 2015

Finance Committee
Final Report and Recommendations

Updated April 15, 2015

Final Voting Record

The official voting record of the Finance Committee's decision to approve the Final Report and Recommendations is below. Votes were cast in-person at the Finance Committee's final meeting on March 12, 2015.

Vote	Name/ Representing	Vote	Name/ Representing
Yes	Aaron Lawlor, Lake County	Yes	Dave Brown, Village of Vernon Hills
Yes	Jeffrey Braiman, Village of Buffalo Grove	Yes	Burnell Russell, Village of Volo
Yes	Michael Ellis, Village of Grayslake	Yes	Frank Bart, Village of Wauconda
Yes	Stephen Park, Village of Gurnee	Yes	Wayne Motley, City of Waukegan
Yes	Linda Soto, Village of Hainesville	Yes	John Yonan, Cook County Department of Transportation and Highways
No	Joseph Mancino, Village of Hawthorn Woods	Yes	Charles Witherington-Perkins, Village of Arlington Heights
Yes	Mike Talbett, Village of Kildeer	Yes	Jim Heisler, McHenry County
Yes	Tom Poynton, Village of Lake Zurich	Yes	David Stolman, BRAC Founding Co-Chair
Yes	Matt Dabrowski, Village of Lakemoor	Yes	Brad Leibov, Liberty Prairie Foundation
Yes	Terry Weppler, Village of Libertyville	Yes	Michael Stevens, Lake County Partners
Yes	Steve Lentz, Village of Mundelein	Yes	Marty Buehler, Lake County Transportation Alliance
No	George Monaco, Village of Round Lake		

George Ranney, Co-Chair, BRAC – Recuse

Angie Underwood, Village of Long Grove – Abstain

Linda Lucassen, Village of Round Lake Park – Abstain

A motion was made by Aaron Lawlor, Lake County and seconded by David Stolman, BRAC Founding Co-Chair to finalize and adopt the final report as drafted and to submit the report for the Tollway Board's consideration.

Team Acknowledgements

The Illinois Tollway worked in partnership with the Chicago Metropolitan Agency for Planning (CMAP) and the Lake County Division of Transportation in implementing the work of the Finance Committee. In addition to Tollway consultants TranSystems, Christopher B. Burke Engineering, and Parsons Brinckerhoff, others also assisted in the Committee's work, including Public Financial Management, AECOM, and CDM Smith.

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Executive Summary

The proposed Illinois Route 53/120 project offers the opportunity to dramatically improve mobility for people and businesses and to grow the economies of Lake County communities and the entire region. The Chicago Metropolitan Agency for Planning (CMAP) in the GO TO 2040 Regional Comprehensive Plan ranked this project the highest among all priority projects in its effect on region wide congestion. However, for several decades, it has been impossible to create broad consensus behind the project because of different perceptions about whether the benefits of an Illinois Route 53/120 project would be outweighed by the negative impacts to local communities and to the unique natural resources of the area. For the first time, thanks to the pivotal work of the Blue Ribbon Advisory Council (BRAC), there is now broad consensus about the parameters under which this project could proceed and have the support of a wide spectrum of people and organizations that care about Lake County's future. This strategic project is closer than it ever has been to being implemented.

The next phase of moving this project forward has been proceeding through the work of two committees – the Finance Committee and the Land Use Committee. The Finance Committee was formed and tasked to determine the project's financial feasibility and to develop a recommendation to the Illinois Tollway Board concerning how the project could be funded.

Based on the Tollway's Feasibility Analysis, the project is estimated to cost between $2.3 billion to $2.65 billion. The revenues from the road itself are expected to support $250 million to $330 million in bonding capacity to support the cost of the road (all dollar values expressed in year 2020 dollars).

Understanding the realities of existing funding sources, the Finance Committee recognizes that a successful financial plan for the Illinois Route 53/120 project must rely on a variety of funding sources, including new revenue streams. Consequently, the Finance Committee supports and recommends the following funding tools for the project:

Value Capture:

This method involves the creation of a new and innovative funding mechanism (the Sustainable Transportation Fund) that would collect 25 percent of the increase in real estate tax revenue from parcels of land close to the road developed for non-residential purposes upon the project's adoption in an official Tollway capital plan. The revenue would be directed to the Environmental Restoration and Stewardship Fund that is an integral part of the BRAC's recommendation for the project.
($81 million - $108 million, 2020 dollars in net present value)

County Motor Fuel Tax:

Lake County should be added to the group of Illinois counties that already have a state administered four cents per gallon county option fuel tax. Lake County would commit 50 percent of revenues from this funding source to the Illinois Route 53/120 project, while the other 50 percent would be committed to other transportation priorities in Lake County with the highest priority being the U.S. Route 41 corridor as identified in the Lake County Consensus Plan.

($34 million - $45 million, 2020 dollars in bonding capacity)

Innovative Tolling Strategies:

Indexing and congestion pricing of tolls are strategies recommended for the proposed road as a pilot for eventual implementation along the entire Tollway system. Also, restructuring tolls along I-94 in Lake County is recommended in order to raise revenues for the project, to improve tolling equity, and to mitigate and minimize diversion onto local roads.

($380 million - $510 million, 2020 dollars in bonding capacity)

State Commitments:

The Committee recommends that the project be delineated as a priority in future state capital bills and that the Illinois Department of Transportation (IDOT) complete all future needed land acquisition and ensure that land already acquired by IDOT be dedicated to the project in recognition of the project's benefit to the state's economy.

Tollway System Commitments:

The Committee recommends that the project be identified as the Tollway's next top priority for new projects beyond the Tollway's current *Move Illinois* Program, and that the Tollway should evaluate system revenues needed to both fully fund this project and maintain a financially sustainable Tollway system.

In total, along with the base tolls from the road itself, the recommended funding options are estimated to generate between $745 million to $993 million to fund the project (2020 dollars). This leaves a funding gap of $1.36 billion to $1.91 billion to be addressed through system toll revenues.

The recommendations made by the Finance Committee come after the investment of a tremendous amount of time and energy by its diverse members which reflects the broad consensus that the BRAC was able to generate. The Finance Committee believes this report will continue to build momentum for the project. Yet, many challenges remain. The Finance Committee believes leaders of not only Lake County, but also the membership from the BRAC, Illinois Department of Transportation, and the Illinois Tollway will need to continue to focus on this project so that it stays at the forefront of legislative and political discussions. This Committee concludes its work recognizing that additional analysis and work beyond that of this Committee will bring greater definition to how these funding concepts could be feasibly enabled and

effectively implemented. Further, the Committee encourages the Tollway to recognize the need for completion of the Corridor Land Use Plan and a Phase One Engineering and Environmental analysis to more comprehensively examine issues of roadway alignment, access points, design, project impacts and mitigation prior to initiating construction.

Section 1.0 **Background and Introduction**

An Illinois Route 53 northern extension has been considered since the 1960s. However, due to the lack of consensus among various interests, the project has not yet come to fruition. In 2011, the Illinois Tollway ("Tollway") initiated a unique planning process and created a Blue Ribbon Advisory Council (BRAC) to establish a program for a road that would lead to consensus on whether the Tollway should move forward with the project. In a remarkably cooperative and creative process, the BRAC successfully developed that framework which led to the adoption of the June 2012 *Resolution and Summary Report* (BRAC Report). The BRAC recommendations lay out a blueprint for the extension to be a 21st Century "modern boulevard" with design and environmental requirements that will protect the natural environment while preserving the character of Lake County. This represented a significant shift in how the County and State envision meeting Lake County's transportation needs. Next steps outlined by the BRAC included the development of a corridor land use plan as well as a detailed financial plan in coordination with local governments. As a result, a Land Use Committee (led by the Chicago Metropolitan Agency for Planning, "CMAP") and a Finance Committee (led by the Tollway) were formed.

Section 2.0 **Finance Committee Process**

In October 2013, the Illinois Route 53/120 Finance Committee was formed and tasked to determine the project's financial feasibility and to develop a recommendation to the Tollway Board concerning how the project could be funded. The committee was composed of county and local elected officials as well as representatives of local stakeholders (Table 1). The Finance Committee builds from the final recommendations of the BRAC as captured in the BRAC Report, recognizing its call for "an innovative funding plan for an innovative road." Technical analysis and research required by the Finance Committee to help inform decision making were conducted through the Tollway's Illinois Route 53/120 Feasibility Analysis consultants.

As part of the Tollway's Feasibility Analysis, a concept level cost refinement was provided to the Finance Committee to confirm the major project elements and the total project cost. Also, the Tollway developed new toll revenue forecasts and bonding capacity estimates so the Committee could identify the project funding gap that needed to be addressed. These findings formed the basis for establishing three working groups to efficiently focus on topics that warranted more in-depth analysis and discussion. These working groups were: Lake County Tolling and Motor Fuel Tax, Value Capture, and Environmental Restoration and Stewardship Fund. In total, the Finance Committee and its working groups convened in over 20 meetings to evaluate a broad spectrum of funding options to better define how options might function, and to develop a viable package of funding recommendations for the Tollway Board's consideration. Details of each of the Committee and working group meetings can be found in Appendices A-D.

To ensure an open, transparent and inclusive process, meetings of the Finance Committee and its working groups were all conducted in accordance with the Open Meetings Act and a time for public comment was made at the end of each meeting. The public was made aware of all meetings in advance, and minutes and presentations were made available on the Tollway's website.

Table 1: Finance Committee Membership

Representing	Name	Alternate	Working Group Member
Co-Chair	Chris Meister *		
Co-Chair	Doug Whitley *		
Lake County	Aaron Lawlor		T,V,E
Co-Chair, BRAC Metropolis Strategies	George Ranney	Jim LaBelle	E
Village of Arlington Heights	Tom Hayes	Charles Witherington-Perkins	V
Village of Buffalo Grove	Jeffrey Braiman	Jeffrey Berman	V
Village of Grayslake	Michael Ellis		V
Village of Gurnee	Stephen Park		T
Village of Hainesville	Linda Soto	Al Maiden	
Village of Hawthorn Woods	Joseph Mancino		V
Village of Kildeer	Mike Talbett		E
Village of Lake Zurich	Tom Poynton		V
Village of Lakemoor	Todd Weihofen	Matt Dabrowski	
Village of Libertyville	Terry Weppler	Heather Rowe	V
Village of Long Grove	Angie Underwood	Joseph Barry / David Lothspeich	E
Village of Mundelein	Steve Lentz	Dawn Abernathy	V
Village of Palatine	Jim Schwantz		
Village of Round Lake	George Monaco	Dan MacGillis	T
Village of Round Lake Park	Linda Lucassen		
Village of Vernon Hills	Roger Byrne	Dave Brown	E
Village of Volo	Burnell Russell	Eric Tison	T
Village of Wauconda	Frank Bart	Doug Maxeiner	
City of Rolling Meadows	Tom Rooney	Barry Krumstock	
City of Waukegan	Wayne Motley	Noelle Kischer-Lepper	V
Cook County Department of Transportation and Highways	John Yonan	Jennifer Killen / Mike Streitmatter	T
McHenry County	Jim Heisler		T
BRAC Founding Co-Chair	David Stolman		T
Liberty Prairie Foundation	Brad Leibov		E
Lake County Partners	Michael Stevens		V
Lake County Transportation Alliance	Marty Buehler	Suzanne Zupec	T
Illinois Department of Transportation	Erica Borggren *	Tony Small *	T
Federal Highway Administration	Robin Helmerichs *	Mike Hine *	T

T = Lake County Tolling and Motor Fuel Tax Working Group
V = Value Capture Working Group
E = Environmental Stewardship Fund Working Group
* = Non-Voting Member

Section 3.0 **Project History:** ***A brief look back at how we got here***

The need for an improved transportation system in Lake County has been part of transportation planning efforts for northeastern Illinois dating back to 1962, when regional plans first identified the "Lake-Will Expressway" as a north-south circumferential interstate route. The north section of this route from Lake Cook Road to Interstate 94 has more recently come to be known as the Illinois Route 53/120 project in Lake County. These planning efforts stalled in the past due to funding challenges and lack of consensus. However, with continuing development in Lake County, and in particular central Lake County, as well as overall growth in the northeast Illinois region, traffic congestion continues to worsen. That has compelled local and regional leaders to concentrate even more on the extension of Illinois Route 53 into Lake County combined with the improvement of traffic capacity along the east-west Illinois Route 120 corridor.

The key elements of these planning efforts are summarized below:

Late 1960s

Construction of Illinois Route 53 up to Dundee Road.

1970 to 1990

Two environmental studies of the north extension initiated but discontinued. The Illinois Department of Transportation (IDOT) begin purchasing property for the proposed route. Approximately 65 percent of the needed right-of-way is currently owned by the State of Illinois.

Late 1980s

Construction of Illinois Route 53 from Dundee Road to Lake Cook Road.

1998 to 2001

A Draft Environmental Impact Statement (DEIS) was prepared as a joint effort by IDOT and the Tollway, referred to as the Lake County Transportation Improvement Project (LCTIP). The LCTIP completed a county-wide needs assessment, with two finalist alternatives emerging (Illinois 83/U.S. Route 45/U.S. Route 12 and Illinois Route 53 highway extension). The DEIS was presented at a Public Hearing in 2001, but the project did not advance further due to a lack of consensus.

2006

Lake County officials establish the Route 120 Corridor Planning Council (CPC), which developed the Illinois Route 120 Unified Vision Plan which included a four-lane boulevard as the preferred design. The plan recognized the possibility of the Illinois Route 53 extension moving forward and recommended an access controlled roadway along the Illinois Route 120 corridor, if that occurred.

2009

With increasing travel demand and congestion, and with concern that congestion was at or approaching economically damaging levels, Lake County included an advisory referendum in April asking if voters would support the extension of Illinois Route 53 to central Lake County. Nearly 76 percent of the voters supported that advisory referendum.

2010

The Chicago Metropolitan Agency for Planning (CMAP) identified the Illinois Route 53 extension and Illinois Route 120 improvements as a priority transportation project in the GO TO 2040 Comprehensive Regional Plan.

2011

The Tollway created the BRAC to establish a program for a road that would lead to broad consensus on whether the Tollway should move forward with the project. The BRAC issued their *Resolution and Summary Report* in June 2012, which laid out a blueprint for a 21st Century "modern boulevard" with design and enviromental requirements that will enable the road to meet the County's transportation needs while protecting the natural environment and preserving the community character of Lake County. Next steps outlined by the BRAC included the development of a corridor land use plan as well as a detailed financial plan in coordination with local governments.

2013

Building on the recommendations in the *BRAC Resolution and Summary Repo*rt, the Tollway and CMAP initiated a project Feasibility Analysis and Corridor Land Use Plan, respectively.

2013-14

To provide guidance to the Tollway and CMAP in their efforts, a Finance Committee and a Land Use Committee were formed to provide a recommendation to the Illinois Tollway Board of Directors as to whether the Tollway should continue to move forward with the project.

While challenges remain, the combination of an unprecedented degree of collaboration and creative thinking about the nature of the road system has brought the vision of the Illinois Route 53/120 project closer to realization than ever before.

Section 4.0 **Need for Project:** ***Why it is important to work together***

Since the transportation planning efforts for an Illinois Route 53/120 project began in the 1960s, the population in Lake County has almost doubled, and it is projected to increase an additional 30 percent by the year 2040 (Table 2). Employment within Lake County has also experienced a similar increase over the years and is projected to increase an additional 28 percent by the year 2040 (Table 3).

Table 2: Lake County Population Statistics

Year	Population [1]	% Increase
1970	383,000	--
1990	516,000	35%
2010	703,000	36%
2040	914,000	30%

[1] Source: 1970-2010 US Census Bureau Data; CMAP GO TO 2040 (updated 2014). Rounded to nearest 1,000.

Table 3: Lake County Employment Statistics

Year	Employment [1]	% Increase
1970	116,000	--
1990	229,000	97%
2010	315,000	38%
2040	402,000	28%

[1] Source: 1970-2010 US Census Bureau Data; CMAP GO TO 2040 (updated 2014). Rounded to nearest 1,000.

As a result of this growth, travel demand in Lake County has also increased, well outpacing transportation improvements in Lake County. Traffic congestion in Lake County has become significant in many locations, particularly in the central part of the County. Congestion is no more evident than at the southern border of Lake County where about 100,000 vehicles each week day use existing Illinois Route 53.

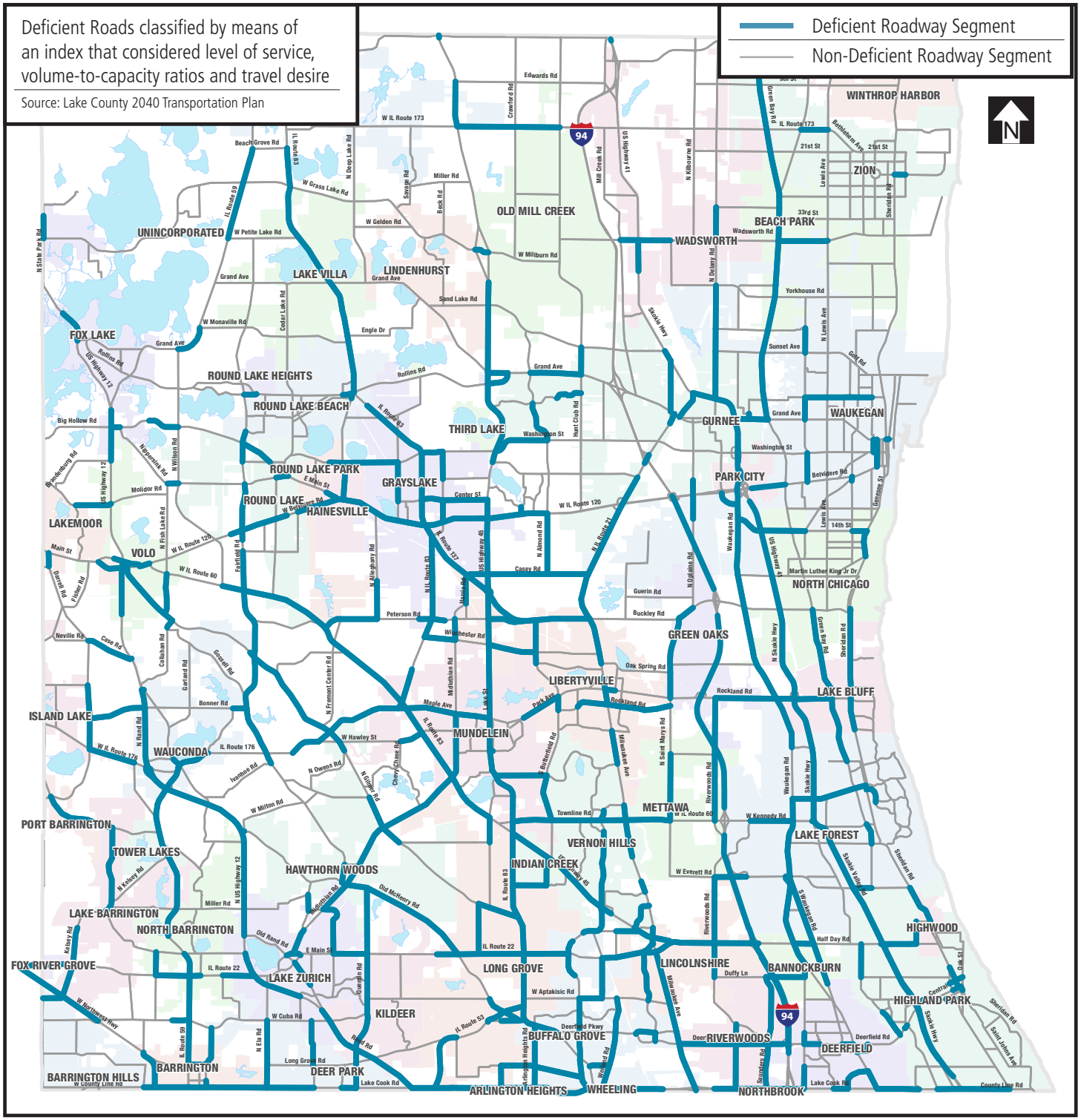
Recognizing the need to alleviate congestion in this part of the region, CMAP included the Illinois Route 53/120 project in the GO TO 2040 Plan as one of five new Priority Capital Projects. The GO TO 2040 Plan indicates that of all the capital projects considered, the Illinois Route 53/120 project would have the highest congestion reduction benefits and the largest economic impacts in the region.

Lake County government has also placed great emphasis on the Illinois Route 53/120 project. Two of the primary goals of the Lake County Board's Strategic Plan of 2013 were enhancing economic opportunities along with reducing congestion and improving transportation[1]. Lake County's 2040 Transportation Plan, adopted by its Board in June 2014, includes the Illinois Route 53/120 project as part of the baseline of improvements, in line with GO TO 2040. As shown in Figure 1, if the Illinois Route 53/120 project is not completed by 2040, nearly half of the major roadways in the county will be deficient, indicating a strong need for additional north-south capacity, and additional capacity along east-west corridors such as Illinois Route 120.

[1] From Lake County website https://prezi.com/fnn1eoomcr3w lake-county-strategic-plan-progress-report/

Figure 1: Lake County Traffic Congestion

Deficient Roads in 2040 if Illinois Route 53/120 is Not Completed
Based on Lake County 2040 Transportation Plan Model



Section 5.0 A New Look at Project Benefits

5.1 Market Demand

Given the unique nature of the BRAC recommendation which calls for a smaller capacity (four lane) and lower speed (45 miles per hour) tolled facility, many questioned the willingness of travelers to pay tolls to use the new road as well as the project's ability to effectively achieve its congestion relief and mobility goals. As a result, an early task in the Tollway's Feasibility Analysis was to conduct a user survey to gain feedback from potential users of the proposed roadway and to thereby establish an objective market assessment. Unlike public opinion polls where the objective of the survey is to assess a population's attitudes and beliefs, the user survey was a stated preference survey which assessed a consumer's preference when faced with constraints and trade-offs. In this case, the constraints and trade-offs were cost (tolls to use the road) and time (achieved travel time savings). The user survey yielded nearly 9,000 completed surveys which provided an indication of the travelers' willingness to pay tolls and propensity to use the Illinois Route 53/120 Project (Appendix E).

The results of the survey were integrated into CMAP's Pricing Model[2], validated to ensure replication of existing traffic count information in Lake County, to estimate future traffic and potential toll revenue for the proposed roadway. Based on this new analysis, travel demand models estimate that the 2040 maximum traffic volume is 62,000 vehicles a day, when assumed as a four lane, access controlled facility, with a 45 miles per hour (mph) speed limit, tolled at 20 cents per mile for passenger cars. In other words, the survey results and forecast models indicate that travelers are indeed willing to pay to use the new road even if configured as a four-lane, 45 mph roadway as proposed by the BRAC. The proven demand for this road results in congestion relief and travel time savings as discussed below.

...the survey results and forecast models indicate that travelers are indeed willing to pay to use the new road even if configured as a four-lane, 45 mph roadway...

[2] Activity-Based Model for Highway Pricing Studies at CMAP", prepared by PB Americas for the Chicago Metropolitan Agency for Planning, October 2011.

5.2 Congestion Relief

The project is expected to provide improved accessibility for central Lake County and improved mobility throughout the corridor. CMAP's GO TO 2040 Regional Comprehensive Plan ranked this project the highest among all priority projects in its effect on region wide congestion, reducing congested vehicle hours of travel by 64,000 hours daily on a regional basis. The project also has a significant benefit to local roads by reducing the number of congested vehicle hours in the corridor by 40,000 in 2040. Efforts through the Feasibility Analysis confirm extensive congestion relief on local roads throughout Lake County.

5.3 Travel Time Savings

With regard to travel time savings, the Feasibility Analysis estimated future travel times for a sampling of origin-destination pairs. As seen in Table 4, under a future no-build scenario, travel times are expected to continue to climb due to continued population and employment growth. But in the scenarios where the Illinois Route 53/120 project is built, travel time reductions of up to 30 percent for some trips are realized. For example, in 2040, a trip from Grayslake to Schaumburg will drop from 98 minutes to 68 minutes due to the road, a savings of 31 percent.

Table 4: Examples of Travel Time Savings

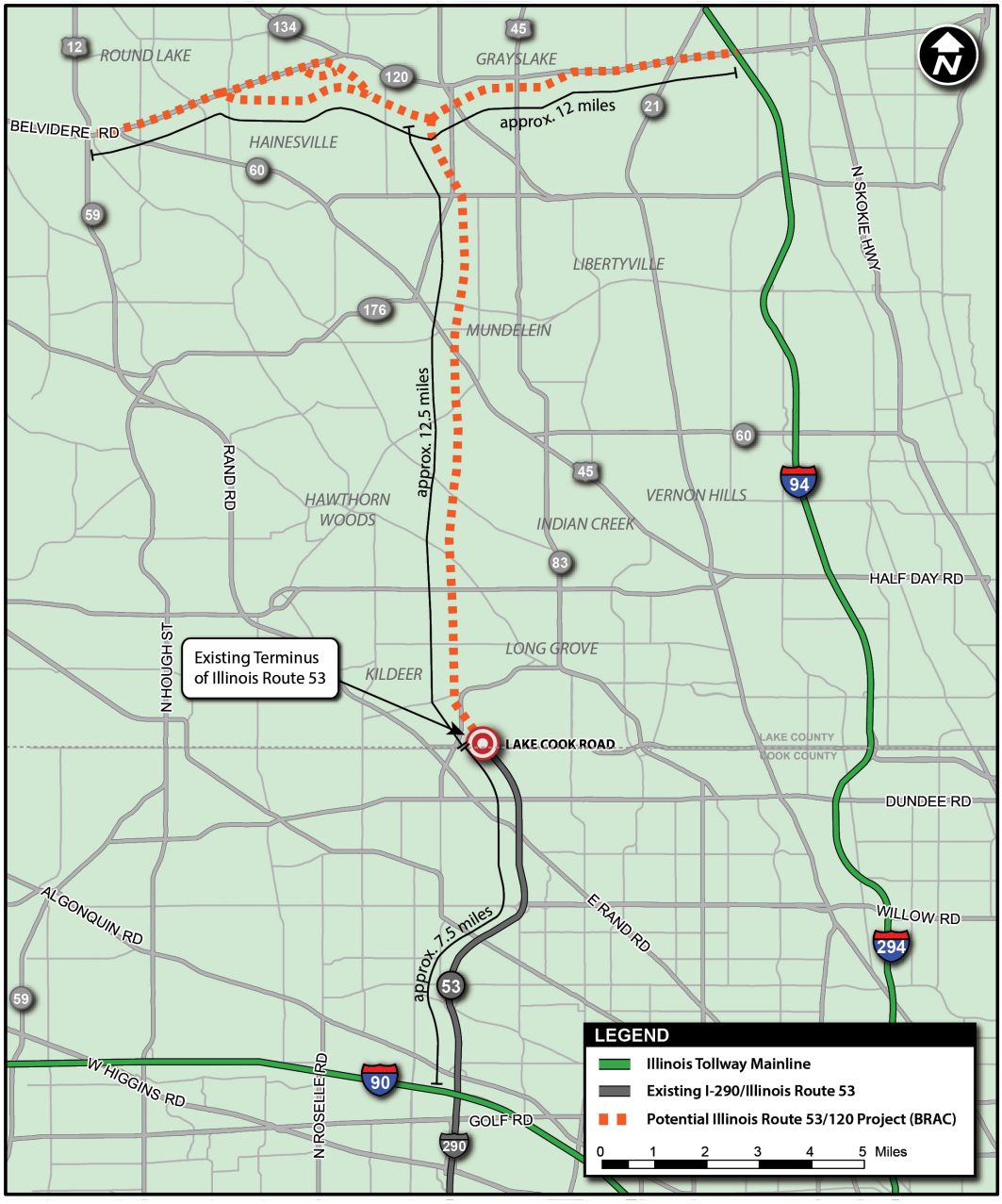
Trip (Origin to Destination)	2040 No Build (minutes)	2040 IL Route 53/120 Project (minutes)	Percent Reduction
Grayslake to Schaumburg	98	68	31%
Hainesville to Schaumburg	89	62	30%
Waukegan to Arlington Heights	98	76	22%
Mundelein to Schaumburg	84	61	27%
Volo to Arlington Heights	86	68	21%

Section 6.0 **Assessing Project Scope and Cost**

For the purposes of cost estimation, the Feasibility Analysis assumed the scope of the project as that recommended by the BRAC (Figure 2). The project scope would include a new access controlled "modern boulevard" extending northward from the current terminus of Illinois Route 53 at Lake Cook Road through central Lake County to Illinois Route 120 extending from approximately U.S. Route 12 on the west to Interstate 94 on the east including a new bypass from Wilson Road to Almond Road, for a total project distance of approximately 25 miles.

Figure 2: Project Location Map

Based on the BRAC Resolution and Summary Report



The Feasibility Analysis developed new planning-level cost estimates by taking a clean-slate, bottom-up approach, basing cost estimates on quantities, refinement of assumptions, and eliminating some uncertainties that were inherent to earlier estimates (Table 5).

Table 5: Illinois Route 53/120 Feasibility Analysis Cost Estimate

Category		Low	High
1	Roadway	$ 631	$ 655
2	Structures	$ 261	$ 362
3	Traffic Management and Tolling	$ 51	$ 74
4	Drainage	$ 148	$ 173
5	Environmental Mitigation	$ 115	$ 131
6	Contingency (30%)	$ 362	$ 418
7	Right-of-Way	$ 225	$ 227
8	Engineering	$ 410	$ 463
9	Utility Relocations	$ 66	$ 66
10	Environmental Restoration and Stewardship Fund	$ 81	$ 81
	TOTAL	**$ 2,350**	**$ 2,650**

- All values in million dollars (2020)
- Costs assume 5% annual escalation

The current project cost estimate ranges from $2.35 billion to $2.65 billion.

The current project cost estimate ranges from $2.35 billion to $2.65 billion. These costs represent the project's total capital costs, including unique design features as well as environmental elements and protections as recommended by the BRAC. The Finance Committee viewed the implementation of the BRAC recommendations, which are above and beyond current regulatory requirements, as critical to maintaining consensus on the project. These elements are estimated to cost $325 million to $400 million and are accounted for in the general cost categories in Table 5 along with the Environmental Restoration and Stewardship Fund. All cost estimates assume the mid-point of construction in 2020 dollars using an escalation rate of five percent annually. Also, a 30 percent contingency was used based on industry best practice[3].

The cost estimates were developed giving careful consideration for all the elements needed to achieve the intent of the BRAC recommendations. As a result, the cost estimates were largely shaped by the following BRAC recommendations:

[3] AASHTO's Practical Guide to Cost Estimating, 1st Edition, 2013

6.1 BRAC Design Standards

The BRAC recommended design standards are intended to avoid or minimize negative environmental impacts, and promote environmental enhancements and sustainable practices in response to the unique project setting. A foundational element of the BRAC's design recommendations was that the road be a four-lane, 45 mph, limited access tolled facility. Additional BRAC design standards that shaped the scope of the project include:

- Enhance the experience of road users and buffer the local communities by depressing the roadway below natural grade where feasible, and adding berms and landscaping.
- Improve the connectivity of the regional bicycle and pedestrian trail networks by creating connections within the project corridor, provide connectivity between conservation lands, and prevent fragmentation of communities.
- Provide accommodations for transit, with the possibility for bus rapid transit in the future.

6.2 BRAC Environmental Performance Standards

The BRAC provided a list of environmental performance standards with the goal of preserving, protecting and/or enhancing this unique environmental landscape, and minimizing impacts to adjacent properties. Additional environmental performance standards recommended in the BRAC Report include:

- Utilize stormwater management techniques that protect the water quality of local streams and water bodies by reducing stormwater runoff volume from the project site in innovative ways.
- Protect open space to reconnect fragmented ecosystems and prevent further fragmentation.
- Mitigate unavoidable wetland impacts at a ratio of at least 5:1.
- Minimize traffic noise by utilizing depressed roadways and berms where practical and feasible, and otherwise meeting the recommended noise abatement standards.

6.3 BRAC Proposed Environmental Restoration and Stewardship Fund

Given the number of unique and threatened ecological resources in Lake County, the proposed Environmental Restoration and Stewardship Fund (ERSF) will provide financial support for the protection and enhancement of the natural resources, including agricultural lands and water bodies, within two miles of the Illinois Route 53/120 roadway. The ERSF will also support efforts to improve the ecological health within the corridor through:

- Protection and restoration of at least 750 acres of land
- Long-term stewardship of the current and newly protected lands and other natural resources, including agricultural lands and water bodies
- Innovative investments intended to remediate ecological health issues that may arise within the corridor
- Monitoring and study to inform governance and funding priorities

These guiding principles were established based on the frame work for the ERSF developed by the BRAC. The Finance Committee work also established funding and governance recommendations for the ERSF that are included in Appendix D. The cost of the ERSF was identified by the BRAC as $81 million.

Section 7.0 **Establishing the Project Funding Gap**

Through the efforts of the Feasibility Analysis, travel demand models estimated that in 2040 the maximum traffic volume of 62,000 vehicles per day would use the road when configured as proposed by the BRAC. Using these models, forecasts were also developed to calculate the toll revenue generated by the road itself, which could be bonded against to fund the construction of the project. Assuming that the road would open in its entirety in 2023 and using standard industry assumptions for interest and inflation rates, the bonding capacity for the Illinois Route 53/120 project is estimated to range between $250 million to $330 million (25-year bond term, 2 to 1.5 times debt coverage respectively). A 25-year bond term and 2 times debt coverage represent standard Tollway policy. The total project cost estimate ranges from $2.35 billion to $2.65 billion (in 2020 dollars). With a projected bonding capacity between $250 million and $330 million, the project is left with a significant funding gap.

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The Finance Committee was tasked with developing a recommendation for how the funding gap could be closed.

The Finance Committee was tasked with developing a recommendation for how the funding gap could be closed. The following sections summarize the options, research and analysis that were considered by the Committee and its working groups.

Section 8.0 **Finance Committee:** ***Funding Options and Findings***

8.1 First Understanding the Landscape: Financial Realities

At the federal level, available funding for the Illinois Route 53/120 project is limited. While the U.S. Department of Transportation has allocated funding through its annual discretionary grant program, Transportation Investment Generating Economic Recovery (TIGER), the funding of the program has been unpredictable, generally limited and highly competitive. In 2014, the entire program only contained $500 million in funding for transportation projects nationwide, for all modes.

At the state level, funding is also limited. The most recent state led capital program, *Illinois Jobs Now*! is near completion and the timing of a new capital program is currently unknown. Also, the Tollway's current capital program, *Move Illinois*, is fully committed to projects through 2026. Only a small portion of the overall program, $100 million, is attributed to future planning studies including Illinois Route 53/120.

Lake County has made transportation infrastructure improvements a priority all around the county. The 2006 Transportation Summit developed a list of projects that comprised the Lake County State Highway Consensus Plan ("One Voice, One Transportation Future" Consensus Plan). Leadership throughout the county developed this consensus list to assist in coordination with IDOT and to determine which projects or studies can be completed by the County on IDOT's behalf. However, the County does not have the existing resources or ability to participate in funding Illinois Route 53/120 without jeopardizing plans to maintain roads and bridges that meet the goals of the Transportation Summit.

Recognizing that existing funding is limited at federal, state and local levels, the BRAC emphasized that a successful financial plan for the Illinois Route 53/120 project must rely on a variety of funding sources, including new revenue streams, in order to bring this project to fruition.

A successful financial plan for the Illinois Route 53/120 project must rely on a variety of funding sources, including new revenue streams.

8.2 A Good Starting Point for Discussion: BRAC Proposed Funding Options

The wide range of funding and financing options for the Illinois Route 53/120 project that the BRAC Report initially developed served as a solid starting point for the Finance Committee's study and discussions. These options included various tolling strategies, new county and local revenue streams and financing strategies.

With regard to tolling, among other concepts, the BRAC Report included congestion pricing on Illinois Route 53/120 and the rest of the Tollway system to manage travel demand. The report stated that other tolls in Lake County could be considered, though they should be equitable and uniform.

Several potential new county and local funding sources were also included in the BRAC Report. Two potential forms of value capture were suggested by the BRAC: Tax Increment Financing (TIF) and Special Service Areas (SSA). In addition, a county sales tax and a county motor fuel tax (similar to those in DuPage and McHenry Counties) were suggested as potential funding sources.

Potential state contributions mentioned in the BRAC Report include land acquisition for the right-of-way and upgrades to the non-tolled portions of Illinois Route 120. The BRAC Report also recommended the pursuit of federal funds, with the caveat that federal involvement would likely eliminate the possibility of expediting the project. This in turn would negatively impact the construction costs and delay toll revenue generation. Several other options for the Illinois Tollway system were also identified, like longer term borrowing, lower cost borrowing and systemwide toll measures, including indexing of tolls.

The BRAC Report did not reach a final funding recommendation for the Illinois Route 53/120 project. However, at the start of the Feasibility Analysis, the BRAC urged the Finance Committee to use the BRAC Report as the foundation for determining how to finance the project in a financially viable, fiscally sustainable, and equitable manner. This included developing a financing strategy, evaluating commitments to financing options, examining any legislative/regulatory hurdles, and developing a recommendation for the Tollway Board.

8.3 Digging into Details: Finance Committee Working Groups

In order to delve into greater detail on these ideas and issues, the Finance Committee formed working groups around concepts that were emerging as the most promising for the Committee to eventually include in its recommendations. The following sections document the analyses presented to and weighed by the working groups that form the foundation of the Finance Committee's final recommendations in Section 9.

8.3.1 Tolling Options along Illinois Route 53/120

Tolling options considered for the Illinois Route 53/120 project corridor included congestion pricing and indexing. These options were suggested by the BRAC as additional revenue sources beyond the base toll of 20 cents per mile. The working group also considered a higher base toll rate to determine how to maximize the revenue available for the project. These results are summarized in Table 6.

Table 6: Tolling Options Considered for Illinois Route 53/120

	Item No.	Option	Bonding Capacity
B	5	Congestion Pricing	$99 - $128
B	6	Indexing	$79 - $102
B	***6A****	***Congestion Pricing Combined with Indexing***	***$128 - $165***
	6B	Toll Rate/Maximize Revenue *($0.35/mile)*	$79 - $102

B Original concepts from the BRAC

* ***Working group supported this item***

- All values in million dollars (2020)
- Range based on 25-year bond term and debt coverage ranging from 2 to 1.5 times

From this list, there was support for Item 6A, a combination of congestion pricing and indexing on the new roadway, and discussion of a pilot program for the Tollway. If deemed successful, this combination strategy could be implemented on other parts of the Tollway system. The working group dismissed further consideration of a higher base toll rate of 35 cents per mile as it was believed to be excessive.

8.3.2 Tolling Strategies along I-94 in Lake County

The working group acknowledged that toll rates along I-94 in Lake County are much lower than portions of I-94 in Cook County. It was also acknowledged that a strategy of restructuring tolls along I-94 in Lake County could help close free movements that currently permit trucks to avoid the Waukegan Toll Plaza by using alternative local routes and U.S. Route 41, which is already overburdened. The working group considered many options for new tolling strategies along I-94. These are summarized in Table 7.

Table 7: Tolling Strategies Considered Along I-94 in Lake County

Item No.	Option	Bonding Capacity
B 12	New toll at Illinois Route 132	$70 - $90
B 13A	New toll at Illinois Route 132 and increase toll at Waukegan Plaza	$224 - $288
B 13B	New toll at Illinois Route 132, increase toll at Waukegan Plaza and toll at state line	$252 - $324
14	New mainline toll plaza near Lake Cook Road	$366 - $472
15*	***New mainline toll plaza near Lake Cook Road combined with revisions at Waukegan Plaza and other locations***	***$350 - $450***
16	New tolls at Illinois Route 132, 21 and 120	$224 - $288
17	New tolls at Illinois Route 132, 21 and 120 combined with tolling all existing untolled ramps	$328 - $422

B Original concepts from the BRAC

* ***Working group supported this item***

- All values in million dollars (2020)
- Range based on 25-year bond term and debt coverage ranging from 2 to 1.5 times
- Item 13B requires legislative action and approval

From the potential I-94 tolling options, the working group members supported Item 15. This item yields the highest amount of bonding capacity and provides for more toll equity along I-94 in Lake County. Should a mainline concept prove to be not feasible, the group supported Item 17 as an alternate strategy.

Options that included tolling at the state line were not supported due to the costly federal requirements associated with introducing tolls along an existing untolled, federally funded facility.

8.3.3 Combined Effect of Tolling Strategies for Illinois Route 53/120 and for I-94

Given that there is a segment of drivers for which Illinois Route 53/120 and I-94 are both viable alternatives, the combined effect of Item 6A along Illinois Route 53/120 and Item 15 along I-94 are not additive. The Feasibility Analysis examined these strategies in combination to more accurately understand the overall revenue impact. The estimated incremental bonding capacity for combining these options is $380 million to $510 million.

8.3.4 Financing Options

Two financing options were considered - longer term borrowing and lower cost borrowing (leveraging Federal TIFIA loans) - to help maximize bonding capacity. The estimated incremental bonding capacities for each of these strategies are shown in Table 8.

There was little support for either of these two options. Not only would the Toll Highway Act need to be amended to permit the Tollway to bond beyond 25 years, but extending the bonding period out to 35 years would negatively affect the Tollway's bond rating and increase the Tollway's borrowing rate. Lower cost borrowing rates were assumed to be similar to that of FHWA's TIFIA loan program. TIFIA was ultimately not recommended as it would federalize the entire project and impede the Tollway's aggressive project implementation schedule, posing cost risks not accounted for in the project cost estimate. However, the working group noted that TIFIA could be considered for stand alone off-system pieces of the Illinois Route 53/120 project to be led by another agency.

Table 8: Other Considered Financing Strategies

Item No.	Option	Bonding Capacity
B 10	Longer Term Borrowing	$45 - $56 *(35 years)*
B 11	Lower Cost Borrowing	$45 - $70

B Original concepts from the BRAC

- All values in million dollars (2020)
- Range based on 25-year bond term and debt coverage ranging from 2 to 1.5 times

8.3.5 Lake County Motor Fuel Tax

Four collar counties in northeast Illinois currently levy a local motor fuel tax: Cook, DuPage, Kane and McHenry Counties. However, Lake County does not levy such a tax. Seeing an opportunity to build on a strategy used in neighboring counties, the working group considered a four cents per gallon fuel tax as well as an indexed tax and a percentage based tax (Table 9).

Table 9: Lake County Motor Fuel Tax Strategies Considered

Item No.	Option	Bonding Capacity
B ***4****	***Flat Fuel Tax ($0.04/gallon)***	***$67 - $89***
4A	Indexed Fuel Tax *($0.04/gallon indexed at 2.25% annually)*	$101 - $135
4B	Percentage Fuel Tax *(1% Excise Tax on Fuel Revenue[1])*	$93 - $125

[1] Assumes $3.70/gallon fuel cost (2013), inflated annually at 2.25%

B Original concept from the BRAC

* ***Working group supported this item***

- All values in million dollars (2020)
- Range based on 20-year bond term and debt coverage ranging from 2 to 1.5 times

The working group ultimately supported the flat motor fuel tax option and proposed that half of the revenue generated be used to fund the Illinois Route 53/120 project, while the other half would fund countywide priority road projects with the highest priority being the U.S. Route 41 corridor as identified in the Lake County Consensus Plan. Based on that revenue, the bonding capacity for the Illinois Route 53/120 project is estimated to be $34 million to $45 million, assuming a 20-year bonding term with the range based on debt coverage ratios of 2 times and 1.5 times, respectively.

8.3.6 Value Capture

While the BRAC considered two forms of value capture (TIF and SSA), the Finance Committee working group's focus on value capture migrated away from either of these forms due to the uniqueness of what is intended for the Illinois Route 53/120 project. The subsequent funding mechanism considered was named by the working group as the Sustainable Transportation Fund (STF).

The working group established that the STF fund would generate revenues based on 25 percent of the increased revenue from the growth in property value of new, non-residential properties within a one mile radius of the corridor and a two-mile radius at interchanges to the Illinois Route 53/120 project. The remaining 75 percent of the increased revenue generated would flow to the underlying tax districts. As a means of garnering the needed support for this concept, the working group believed it was important to tie these revenues back to the Environmental Restoration and Stewardship Fund (Section 6.3), which would protect and enhance natural resources within two miles of the roadway. Further, it was also noted that the Environmental Restoration and Stewardship Fund needed a funding source other than toll revenues, as statutory restrictions limit the use of toll revenues.

New legislation will be needed to establish this funding tool. The main topics that must be addressed in new legislation would include the formation of a multi-jurisdictional funding mechanism, definition of its governance structure, pledging these funds to the Environmental Restoration and Stewardship Fund, and building off the success of other statutes to define a funding mechanism that is effective.

Updated revenue estimates for the STF were developed by CMAP based on guidance from the working group to restrict the fund to just 25 percent of property tax revenue from new, non-residential development within the one to two-mile radius of the corridor. For this scenario, preliminary studies by CMAP resulted in a net present value range of $81 million to $108 million, with the range based on an equalized assessed value (EAV) increase of 2 to 3 percent.

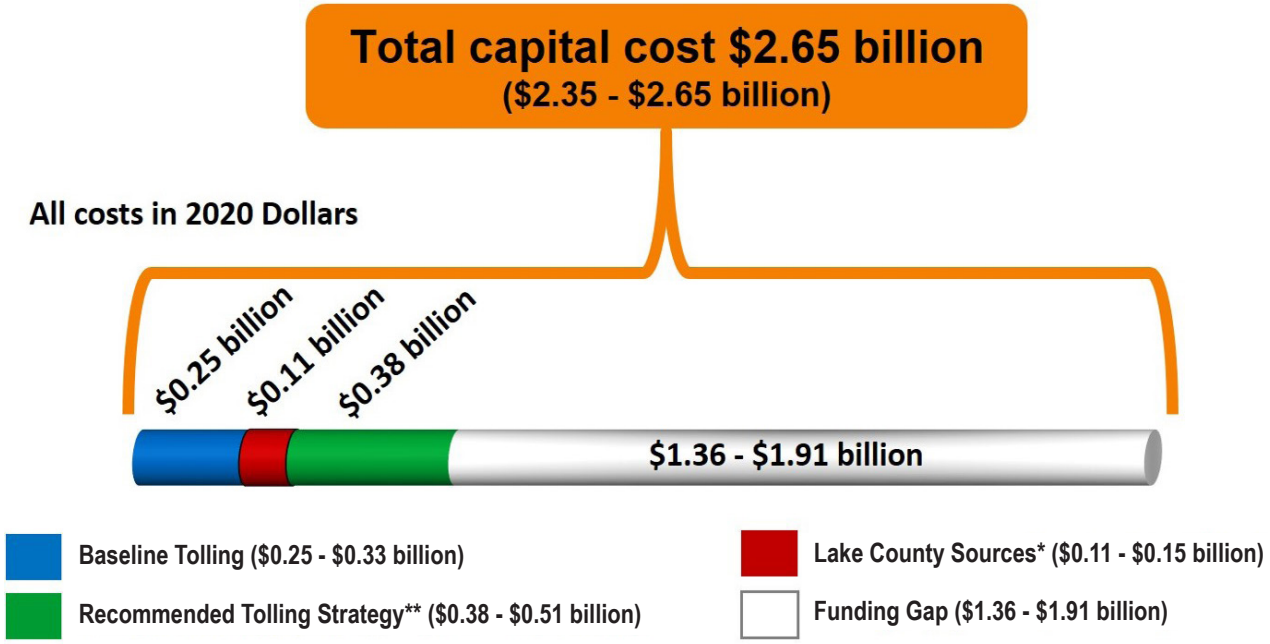
8.4 Compilation of Working Group Findings

The Finance Committee combined the recommendations of each of the working groups into the set of funding mechanisms listed below. The estimates of funding to be generated from each are based on conservative assumptions.

- $250 million to $330 million of bonding capacity from the base tolling of 20 cents per mile
- $380 million to $510 million of bonding capacity for the recommended tolling strategy of adding congestion pricing and indexing to the Illinois Route 53/120 corridor in combination with a new mainline toll plaza near Lake Cook Road on I-94 and revisions at the Waukegan Plaza and other locations
- $34 million to $45 million of bonding capacity from 50 percent of the revenue expected from a new Lake County Motor Fuel Tax
- $81 million to $108 million (net present value) for the Environmental Restoration and Stewardship Fund funded through the Sustainable Transportation Fund (the value capture mechanism).

Summing these funding components together leads to a total amount of $745 million to $993 million based on the ranges presented in Figure 3. This amount of funding is a significant advancement toward creating a viable funding plan for the project. While the funding gap that remains is estimated to range between $1.36 billion and $1.91 billion, the Finance Committee has offered a viable funding plan that provides a substantial down payment towards the construction of the Illinois Route 53/120 project.

Figure 3: Project Funding Gap



* Lake County sources include motor fuel tax and sustainable transportation fund

** Recommended tolling strategy includes I-94 mainline tolling combined with indexing and congestion pricing for Illinois Route 53/120

Section 9.0 **Final Recommendations**

Recognizing the potential negative impacts to local communities a new large scale road in central Lake County and given the vast number of ecological resources in the proposed corridor, the Finance Committee strongly affirms that adherence to the intent of the BRAC recommendations is integral to maintaining local consensus on the Illinois Route 53/120 project. Correspondingly, the Finance Committee strongly recommends that the Tollway Board address the critical and integral need for progress and consensus on the Corridor Land Use Plan currently under development. The Committee recommends that the Tollway advance the project with the commitment to innovate and devise creative solutions to achieve the BRAC's recommendations and guiding principles as represented in the June 2012 BRAC Report. The Committee further urges the Tollway to consider integrating these ideas as best practices in future Tollway projects. After a series of more than twenty Committee and working group meetings, the following represents the key elements of the Finance Committee's final recommendations.

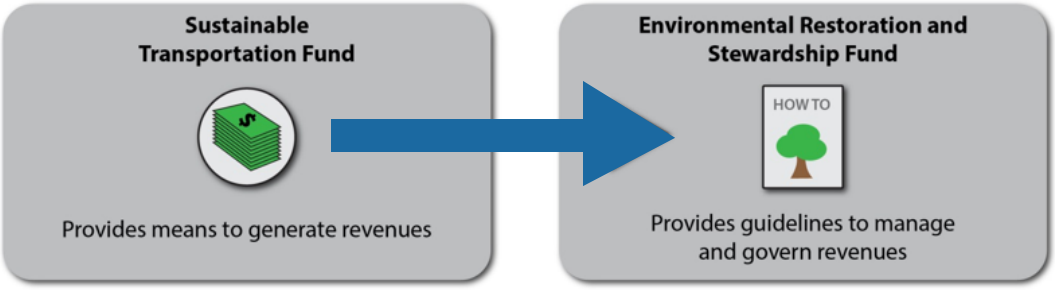
9.1 Innovative local contribution

The Finance Committee acknowledges the Tollway's Cost Share Policy and its requirement for a local contribution for all new projects. The Committee also recognizes the Tollway's expectation for local contributions to fund local requests related to Tollway projects. With these considerations in mind, the Committee supports the following local funding options as developed by the Finance Committee working groups:

a. Stewardship Fund and Value Capture

Given the number of unique and threatened ecological resources in Lake County, the BRAC recommended the establishment of an Environmental Restoration and Stewardship Fund (ERSF). Establishment of this fund is an essential element of honoring the BRAC's key recommendations and its guiding principles, and the Committee believes the ERSF should be managed independently of the Tollway. The Finance Committee, through its working group, has developed an initial framework that outlined the purpose, financing and governance of the ERSF **(Attachment A)**. The Committee recommends that further development of the structure and operation of the ERSF be carried out with the involvement and input of county and local environmental, municipal and elected leaders.

To finance the ERSF, the Committee recommends the creation of a new and innovative funding mechanism dubbed the "Sustainable Transportation Fund." The STF, upon the project's adoption in an official Tollway capital plan, would leverage a portion of the increase in adjacent, new non-residential land values, and would be fully committed to funding the protection and restoration of environmental features within the STF district via the Environmental Restoration and Stewardship Fund.



b. County Fuel Tax

In 1989, the State did not provide Lake County the ability to collect a four cents per gallon local option fuel tax which was offered to most other collar counties including: DuPage, McHenry and Kane. Historically, this revenue has provided a steady funding source to address congestion relief at the local level. As such, Lake County is left with few options to generate local funding toward the local share for the Illinois Route 53/120 project. Consequently, the Finance Committee recommends "Lake County" be added to the State's current four cents per gallon county option fuel tax statute. Lake County would commit 50 percent of revenues from this funding source to the Illinois Route 53/120 project, while the other 50 percent would be committed to other transportation priorities in Lake County with the highest priority being the U.S. Route 41 corridor as identified in the Lake County Consensus Plan.

9.2 Local support for innovative tolling strategies

To support the cost of constructing the road, the Finance Committee affirms the BRAC proposal for tolls along Illinois Route 53/120 set at a rate consistent with the national average for new tolled facilities, assumed to be 20 cents per mile for passenger vehicles. The Committee further supports indexing and congestion pricing of tolls along the proposed road as a pilot for eventual implementation along the entire Tollway system. Additionally, the Committee supports consideration of a strategy to restructure tolls along I-94 in Lake County in order to raise revenues for the project, to improve tolling equity, and to mitigate and minimize diversion onto local roads, always assuming safety as a priority. Restructuring of tolls along I-94 in Lake County may include concepts such as introducing a new mainline toll and/or introducing tolls at existing interchanges that are currently not tolled.

9.3 State contribution is essential

Recognizing that Illinois Route 53/120 is a regionally significant major capital project prioritized within the CMAP GO TO 2040 Comprehensive Regional Plan, the Finance Committee believes and has asserted by resolution that a significant contribution by the State is appropriate and essential to complete this long-overdue project **(Attachment B)**. The Committee recommends that the Illinois Department of Transportation (IDOT) complete all future needed land acquisition and dedicate land already acquired to the project. The Committee further recommends that state funding for the project should be included in IDOT's subsequent multi-year plans and be delineated as a priority in future state capital bills.

9.4 Seek federal funding

In the same manner as the Elgin-O'Hare Western Access project, local partners will actively and aggressively seek federal funding for the project through federal programs such as the Congestion Mitigation and Air Quality (CMAQ) grant program.

9.5 Allocation of funding

Two new and specific revenue sources identified in this report include the creation of a new Sustainable Transportation Fund and a four cents per gallon local option fuel tax.

As stated in this report, the Sustainable Transportation Fund (STF) generates revenue through the taxes generated by increased property values of new commercial properties in the identified corridor area (new and existing residential properties as well as existing commercial are excluded from the STF). Decisions on funding allocation will be made by local municipal leaders and stakeholders who will be supported by a technical advisory committee to assist in providing professional expertise necessary to meet the goals of the STF.

Lake County will be responsible for allocation of the fuel tax revenue in the manner identified in this report. Fifty percent of the fuel tax revenue will be used for the Illinois Route 53/120 project for the term of the bonds. Following that period, all 100 percent of the fuel tax revenue will be used to fund transportation priorities in Lake County identified in their long-term plan and the "One Voice, One Transportation Future" Consensus Plan (or its successor document) which was developed and approved by state legislators, mayors, county board members and other leaders.

Other decisions on funding allocation may be necessary in order to leverage and maximize potential federal dollars to fund off-system improvements and to comply with statutory restrictions related to use of toll and other revenues. The Tollway and Lake County will take the lead on such necessary allocations in a collaborative and inclusive manner so that local municipalities and other stakeholders are aware of the rationale and benefits of those decisions.

9.6 A financially sustainable Tollway system

The Finance Committee believes the remaining project funding gap should be addressed through system toll revenues and that the Illinois Route 53/120 project be identified as the Tollway's next top priority for new projects beyond the Tollway's current commitments in the *Move Illinois* Program. The Finance Committee supports the Tollway in evaluating system revenues needed to both fully fund this project and maintain a financially sustainable system.

9.7 Legislative action required

The Finance Committee recognizes that legislative action will be needed to enable the creation of the proposed Sustainable Transportation Fund, to establish the Environmental Restoration and Stewardship Fund by statute and to authorize the four cents per gallon county option fuel tax by amending the County Motor Fuel Tax Law (55 ILCS 5/5-1035.1). As it relates to the STF, the new legislation would need to ensure existing TIF districts within the corridor would not be impacted and include a provision to terminate the STF once meeting the obligations of the ESRF. The Finance Committee further recognizes that such efforts will require an organized and broad coalition with support from the Tollway and other partners. The Finance Committee recommends and supports leaders from Lake County, municipalities, councils of government, economic development, labor and environmental groups work together to lead the effort to draft legislation, and garnering the support needed for its ultimate adoption. Lake County will work with this broad group of stakeholders to facilitate and coordinate this important effort.

9.8 Continued stakeholder commitment and involvement required

Upon completion of the Finance Committee's final recommendation, continued discussion and coordination among agency partners and stakeholders is still needed as it relates to the Corridor Land Use Plan, development of new legislation and project financing. If the project is then able to move forward, the next phase of planning will involve comprehensive environmental analysis and detailed design work by the Tollway. It is essential that the Tollway seek continued community and stakeholder involvement in that phase, and the Tollway has communicated their commitment to do so to the Committee.

Conclusion

The Finance Committee asserts that it has answered the BRAC's call for an innovative financial plan for the project. The Committee's support of a new and creative funding source – the Sustainable Transportation Fund, a county fuel tax, indexing and congestion pricing of tolls and a re-structuring of existing tolls along I-94 in Lake County, represents a robust step forward by local and county leaders that demonstrates strong consensus around and commitment to the project. This package of options is projected to generate between $495 million to $663 million toward the project. When added with the revenues resulting from the base tolls along Illinois Route 53/120, the total projected contributions to the project sum up to $745 million to $993 million (see Table 10).

Table 10: Funding Recommendations

Funding Options	Projected Contributions to Project
I-94 Toll Restructuring + Illinois Route 53/120 Indexing and Congestion Pricing	$380 million - $510 million (bonding capacity)
Sustainable Transportation Fund	$81 million - $108 million (net present value)
Lake County Option Fuel Tax	$34 million - $45 million (bonding capacity)
SUBTOTAL	**$495 million - $663 million**
Base Tolls from Illinois Route 53/120	$250 million - $330 million
TOTAL	**$745 million - $993 million**

- All costs in 2020 dollars

While the final report marks the completion of the Illinois Route 53/120 Finance Committee, the Committee stresses the importance of continued engagement and coordination with local stakeholders by the Tollway on detailed design matters and the Corridor Land Use Plan as both are critical to maintaining continued consensus on the overall project.

Attachment A

Environmental Restoration and Stewardship Fund Guiding Principles

Environmental Restoration and Stewardship Fund

Purpose:

The Environmental Restoration and Stewardship Fund will provide financial support for the protection and enhancement of the natural resources, including agricultural lands and water bodies, within two miles of the Illinois Route 53/120 roadway. The fund will support efforts to improve the ecological health within the corridor through:

- Protection and restoration of at least 750 acres of land
- Long-term stewardship of the current and newly protected lands and other natural resources, including agricultural lands and water bodies
- Innovative investments intended to remediate ecological health issues that may arise within the corridor
- Monitoring and study to inform governance and funding priorities

Governance Recommendations

- The governance of the fund shall be conducted in a transparent and financially accountable manner that inspires a high level of confidence among key stakeholders and the public.
- The governance system for the fund shall be composed of an independent steering committee of Lake County environmental, municipal and elected leaders and also a technical advisory committee that will advise the steering committee. The steering committee will determine funding priorities, make specific funding decisions and evaluate the performance of the fund administrator.
- The steering committee shall be established concurrent with the Tollway Board's advancement of the project.
- Comprehensive, baseline environmental data on pre-construction conditions in the roadway corridor is necessary for the technical advisory committee to develop criteria standards and funding priority recommendations.

- The fund administrator, under the direction of the steering committee, shall establish an open and competitive project selection process, protocols for field work evaluation and monitoring, reporting mechanisms and opportunities for public engagement. The administrator shall not be allowed to bid on projects funded by the fund.

- The fund administrator shall be a third-party organization with professional and fiduciary expertise in fund administration, conservation field work evaluation, and reporting.

Funding Recommendations

- The Environmental Restoration and Stewardship Fund is an essential and integral component of the roadway project and shall be funded as part of the overall project budget.

- Contributions to the Fund may include a combination of Tollway revenue, value capture, motor fuel tax, or other revenues. Statutory requirements which may impede the use of such revenues for the express purposes of the Fund will need to be considered and addressed.

- The Tollway and Lake County have discretion in how Tollway and local contributions are allocated to the Environmental Restoration and Stewardship Fund.

- While the Environmental Restoration and Stewardship Fund may generally be funded incrementally over time, the commitment to protect and restore at least 750 acres will likely require a mechanism for generating a significant amount of funds upfront or the ability for the Fund to finance large capital expenses over time.

Attachment B

Illinois Route 53/120 Finance Committee
State Funding Resolution

Illinois Route 53/120 Finance Committee

November 13, 2014 Meeting – Motion No. 1

"Whereas, the Lake County Illinois Route 53/120 Project was designated by the Chicago Metropolitan Agency for Planning (CMAP) as one of the top five high priority essential transportation projects for Northeastern Illinois;

Whereas, CMAP's designation of the Lake County Illinois Route 53/120 Project was the catalyst for the Illinois State Toll Highway Authority (Tollway) to create the Illinois Route 53/120 Blue Ribbon Advisory Committee (BRAC);

Whereas, the work of the BRAC established the foundation for the creation and work of the Lake County Illinois Route 53/120 Finance Committee; and

Whereas, significant State funding contribution has been an essential "but for" component of the overall financing package for essential major Tollway expansion projects such as the I-355 extension, the Elgin-O'Hare Western Access/Bypass and the I-294/I-57 Interchange;

Therefore, be it resolved by the Route 53/120 Finance Committee that significant funding by the State of Illinois for the purpose of completing all land acquisition and financing related roadway improvements is appropriate and essential to complete this long-overdue project. State funding for the project should be included in the Illinois Department of Transportation's subsequent five-year plans and be delineated as a priority in future capital bills."

The above resolution was adopted by the Illinois Route 53/120 Finance Committee on November 13, 2014 by a voice vote. The motion was made by Marty Buehler of Lake County Transportation Alliance with a second from Michael Ellis of Grayslake. There were two abstentions—Joseph Mancino of Hawthorn Woods and George Monaco of Round Lake—and one recusal—George Ranney, BRAC Co-Chair.