

**MINUTES OF THE PUBLIC MEETING OF THE BOARD OF DIRECTORS
OF THE REGIONAL TRANSPORTATION AUTHORITY**

The Board of Directors of the Regional Transportation Authority met in public session on **Thursday, March 16, 2016** in Suite 1650, 175 West Jackson Blvd., Chicago, Illinois pursuant to notice.

Chairman Dillard called the meeting to order at 9:45 a.m. The Pledge of Allegiance followed.

ROLL CALL

Board members present (13): Coulson, DeWitte, Durante, Frega, Fuentes, Higgins, Hobson, Lewis, Melvin, Pang, Ross, Troiani, and Chairman Dillard

Board members absent (3): Anderson, Buchanan, and Magalis

Approval of minutes from the meeting held on February 16, 2017

Director Ross moved, and Director DeWitte seconded that the minutes from the meeting held on February 16, 2017 be approved as submitted. The motion carried on the following roll call vote:

13 Ayes: Coulson, DeWitte, Durante, Frega, Fuentes, Higgins, Hobson, Lewis, Melvin, Pang, Ross, Troiani, and Chairman Dillard

3 Absent: Anderson, Buchanan, and Magalis

Executive Director's Report

Ms. Leanne Redden reported that the RTA is owed \$399.7 million from the state and the cost for short term borrowing in 2017 so far is already \$419,620.00 with \$100 million remaining within the agency's capacity.

Ms. Redden briefed the Board on the state General Assembly, specifically bills that were filed with the hopes of coming to a "grand bargain" solution to the ongoing budget impasse, but have apparently stalled in the Senate. House Bill 3004, the RTA's short term borrowing initiative which will allow the RTA extended short term borrowing authority and greater flexibility when borrowing to pay the Service Boards to cover the state's delinquent payments, will be scheduled for a committee hearing in the next few weeks.

Ms. Redden then gave an update on events happening in Washington DC. On February 28, President Trump addressed a joint session of Congress and reiterated his plans for \$1 trillion in investment for U.S. infrastructure, citing his concerns over "crumbling infrastructure."

**APPROVED BY THE BOARD OF DIRECTORS
APRIL 20, 2017**

On March 2nd, the White House convened a meeting with representatives from at least 15 different agencies to discuss an infrastructure proposal. Industry stakeholders continue to pressure the White House and Congress to provide real spending in a future infrastructure bill.

The RTA is inviting local governments, private non-profit organizations, and transportation providers to apply for Section 5310 funding through an open, competitive process initiated by the RTA. The RTA estimates \$8.4m in federal funds will be available for award through this process and no RTA funds will be utilized. The Section 5310 program is the only available source of federal transit funds for projects designed to serve older adults and people with disabilities that go beyond the requirements of the Americans with Disabilities Act (ADA).

Finally, March 17th and 18th are “Transit Employee Appreciation Days” in order to honor the contributions of the hard-working transit employees at CTA, Metra, Pace and the RTA.

Consent Agenda

Director Frega moved, and Director Durante seconded the adoption of the following ordinances:

- 2017-08 This ordinance authorizes the execution of annual federal formula funding allocation attachments to the Letter of Understanding (LOU) agreements between Northeastern Illinois and Northwestern Indiana and between Northeastern Illinois and Southeastern Wisconsin for the region’s Federal §5307 including §5340 Urbanized Area, §5337 State of Good Repair, §5339 Bus and Bus Facilities, and §5310 Enhanced Mobility of Seniors and Individuals with Disabilities funds. The federal formula funding allocations included in these attachments represent the current partial FFY 2017 funding appropriation levels published for the region, and the FFY 2017 federal funding sub-allocation percentages to be applied to any additional federal formula funding appropriated to the region for the remainder of FFY 2017.
- 2017-09 This ordinance amends the 2017-2021 Capital Program and incorporates changes in program revenue and expenditures for CTA and Pace.
- 2017-10 This ordinance approves time extensions for implementation of CTA and Metra Innovation, Coordination, and Enhancement (ICE) funded projects.
- 2017-11 Effective January 1, 2017, the Illinois General Assembly adopted the Local Government Travel Expense Control Act (“the Act”; 50 ILCS 150/1 et seq.). This ordinance which codifies the agency’s processes and procedures for approval of travel related expenses.

The motion carried on the following leave for last unanimous roll call vote.

13 Ayes: Coulson, DeWitte, Durante, Frega, Fuentes, Higgins, Hobson, Lewis, Melvin, Pang, Ross, Troiani, and Chairman Dillard

3 Absent: Anderson, Buchanan, and Magalis

Executive Session

Ms. Nadine Lacombe provided the exceptions for the closed session as Section 2(c)(21) and 2(c)(11). Chairman Dillard pointed out that following the Executive Session, the Board would return to the public session. Director Fuentes moved, and Director Melvin seconded that the meeting move into Executive Session.

The motion carried on the following voice vote.

13 Ayes: Coulson, DeWitte, Durante, Frega, Fuentes, Higgins, Hobson, Lewis, Melvin, Pang , Ross, Troiani, and Chairman Dillard

3 Absent: Anderson, Buchanan, and Magalis

The Board moved into Executive Session at 10:00 a.m.

The Board reconvened at 10:25 a.m.

Ms. Allison Noback, Deputy General Counsel reported on the finding of the Semi-Annual Docket review by stating that the Board concurred in the recommendation that no minutes would be released at this time. The minutes would be reviewed again later in the year.

Strategic Plan RTA Board Workshop

This item was a working session of the Board on the development of the next RTA Strategic Plan. Ms. Leary provided an overview of what the Strategic Plan is intended to do and an explanation of how the workshop would be conducted. The Board participated in interactive exercises to gain their input and ideas into the process. Attached to these minutes is a compilation of the discussion, along with the interactive exercise questions and answers from the workshop.

ADJOURNMENT

There being no further business to come before the Board of Directors following the Strategic Plan Workshop, Director Troiani moved, and Director Lewis seconded that the meeting adjourn.

The motion carried on the following voice vote.

13 Ayes: Coulson, DeWitte, Durante, Frega, Fuentes, Higgins, Hobson, Lewis, Melvin, Pang , Ross, Troiani, and Chairman Dillard

3 Absent: Anderson, Buchanan, and Magalis

The meeting ended at 12:05 p.m.

Audrey MacLennan

AUDREY MACLENNAN

Secretary of the Authority

RTA Board Strategic Plan Workshop

HEADLINE #1

The Chicago Region is Built on Transit

1. What key words best capture your vision for the Region's Transit System?

- 17% **World-class** system that rivals international peers
- 0% **Resilient** system supporting the region's prosperity, livability, vitality
- 42% **Modern** system that is the first choice for travel as part of a bigger mobility ecosystem
- 42% **Affordable** system that is a cost-efficient alternative to driving

DISCUSSION

- Director DeWitte asked whether the 90-minute threshold is appropriate or accurately representative of commutes in the region. DED Leary answered that 90 minutes captures the full range of commutes for such a large region, but we also have the statistics for 30- and 60-minutes. ED Redden clarified that the 90-minute threshold is not a goal, just an analytical way to understand commutes.
 - Directors Melvin and Pang noted that the vision should include some combination of these. World-class incorporates all of the other three answers.
 - Chairman Dillard noted that our systems are affordable (e.g. CTA hasn't had a fare increase in 8-years), but the services still aren't as well-used as we think they should be, and therefore, some other quality is missing.
 - Director Melvin commended CTA for their affordability, and both he and Dr. Lewis talked about the need to creatively pursue other sources of funding and understand whether the level of subsidy here is comparable to peers.
2. How much should we invest to pursue that vision?
- 0% **Less investment than today** (because you don't think transit is the highest priority given the other needs that exist today)
 - 0% **Same as is available today** (because you think we should focus on doing the most with what we already have)
 - 64% **A modest increase in investment over today** (because you think a bit of a lift could go a long way in terms of improving transit)
 - 36% **Whatever funding it takes to get there** (because you think the future of the transit system is worth investing in)

DISCUSSION

- Director Pang noted that it is hard to uncover how the lack of capital investment impacts our ability to gain new riders, and this is something that should be explored, along with the ridership impact of new extensions.
- Chairman Dillard shared anecdotes about how delays caused by older equipment and mechanical issues “drive people crazy” and thus make it less appealing for new people to try. Even so, we are more resilient than cities like DC whose systems are easily shut-down by small amounts of snow.
- Director Pang wanted to know if extensions are really the way to move the needle on getting new riders.

HEADLINE #2

The Region’s Investment in Transit is at Risk

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

36% Yes

64% No

DISCUSSION

- Director Melvin asserted that it’s important to understand what this really means. If things will remain as they are then it’s difficult to push for such a change, but if something will be improved then it is easier to get buy-in. Increasing the cost per mile has to be communicated in terms of what it will deliver. He shared his perception that in Boston and NYC, the “culture” is that taking rail is easier and the self-evident choice, but perhaps this isn’t the case in Chicago.
 - Director Hobson said that when the agencies maintain a low operating cost, it frees up money for capital and also makes you sharper, more agile, and more competitive.
4. Which funding sources should we pursue in order to increase capital funding to the level of peers? (Choose 2)
- 45% Vehicle user fees (gas tax, VMT)** (by far the largest potential source of funding...the Chairman has been vocal about raising the federal gas tax which not indexed for inflation has lost much of its buying power; CMAP and other agencies have been advocating for increases at the federal and state level).
 - 15% Sales tax extended to services** (this is also a large potential source of revenue for RTA and is a part of current discussions in Springfield)
 - 10% Rental car tax** (this is a smaller source of revenue but within our taxing Authority)
 - 10% Parking fees** (this would also be smaller and politically challenging, but has a nice tie-in to transit because it also helps incentivize transit use)

- 15% Value capture (TIF, fees)** (similar to legislation passed last year that allowed CTA to leverage value capture for federal funding on the next phase of the RPM project)
- 5% None- OK that we are behind peers** (for those of you who think we have enough taxes and would rather see us live within our means even if that means operating old equipment).

DISCUSSION

- Director DeWitte asked which of the funding mechanisms are achievable by RTA right now, and ED Redden responded that the Rental Car Tax is the only one we could levy immediately. Director DeWitte followed about the need for RTA and the transit agencies to take control of our own destiny, and not wait for Springfield to provide the funding that we need. ED Redden acknowledged that although the magnitude of this may be small it could be part of a package, along with other larger sources such as Value Capture that would require legislation but provide larger sources of funding.
- Director Hobson noted that the “Metra approach” of raising fares for capital investment is not listed. ED Redden clarified that raising fares tends to impact the operating, not capital budgets. Hobson went on to say that it could be a combination
- DeWitte, Melvin, and Pang asked about the relative size and scale of different taxes. ED Redden and staff responded that the Rental Car tax was likely to provide a small amount of taxes, whereas the vehicle user fees would generate much more.
- Chairman Dillard went on to say that:
 - * He is concerned about region not being ready to have in place local match when an infrastructure program comes from the Trump Administration.
 - * IL State gas tax base hasn’t been increased since the ‘90s and has lost 60% of buying power. Several conservative neighbor states Indiana, Iowa, Nebraska have raised their gas taxes recently and it’s a shame we haven’t.
 - * State budget “grand bargain” discussions include interest in broadening the sales tax base, but current structure wouldn’t provide addition to transit so it is important for us to keep our eyes on it to make sure it benefits transit. He also mentioned an electric vehicle tax increase bill that RTA will be supporting in order to generate more revenue for transit.
 - * Rental car tax should be considered as emergency back-up source – we have authority but the strength of rental car lobby would make enactment politically difficult without emergency need difficult.
 - * Need to be “ready to go” when the federal administration comes out with a Trillion dollars, lest our tax dollars go to other economic competitors (states and cities) that do have the matching funds available.

5. What is the appropriate use of bonding and other borrowing?

- 17% Avoid any more bonding than today**
- 8% Extend resources by bonding more**
- 75% Only for specific projects/purposes**

DISCUSSION

- Director Ross noted that it's important to know how the bonding will be paid back when making a decision like this. Director Lewis agreed and used the analogy that bonding is like fire in the house – can be used for good to heat and cook food, but if out of control will consume everything in sight. Bonding should be used in a comprehensive and strategic way, knowing how we are going to pay it down the road, “not kicking the can down the road”
- Director Melvin indicated that debt belongs to SB's – they control costs and have resources to manage. He doesn't think it's appropriate for RTA to have a lot of debt at our level, because during hard times we will all be fighting for the same resources - bonding can get in the way if economy goes bad.
- Chairman Dillard asked whether Metra has ever bonded. DED Leary indicated that Metra had never bonded.

HEADLINE #3

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

6. What types of strategies should we focus on?

- 0% Pricing** (pricing parking, fare strategy, motor fuel taxes, tolls)
- 0% Land use** (more jobs in CBD, more jobs near rail, more households near transit)
- 50% Transit service** (increasing frequency of existing buses, or enhancing bus routes)
- 50% Transit capital** (expanding the rail system, improving stations/transit vehicles)

DISCUSSION

- Director Lewis mentioned the importance of connectivity, and making sure transit gets people to where they need to go. (AT 1:19:00 the video loses sound, 1:21:00 it comes back)
- ED Redden wondered how to increase bus ridership through better travel times. Proliferation of TNC's is taking up street space and this raises policy question on agency role to control land use and street use.
- Directors Melvin, Pang, and Lewis talked about the importance of improving bus speeds and adding more express services, so that transit is faster and more competitive with other options.

7. What kinds of fares & marketing initiatives could generate new riders and new revenue?
(Choose 2)

- 24%** **Regional-wide passes (daily, weekly)** (use entire system with one pass and integrated transfers)
- 19%** **Creative fare pricing strategies** (variations by time-of-day, capping allowances, higher fares overall with discounts for low-income riders)
- 5%** **Promotional fares** (families, events, holidays)
- 19%** **Modal partnerships** (e.g. Divvy) (joint fares allow mode choice)
- 10%** **Improved information** (maps, apps, wayfinding)
- 19%** **Ad campaigns by SB's or RTA** (Ride on)
- 5%** **User education outreach** (on how to use system)

DISCUSSION

- Director Pang stated that marketing campaigns work best when there is something new to advertise. Partnerships are a way to advocate for transit and get new people tuning in.
- Director Lewis talked about the fact that local information is needed; many still are unfamiliar with transit and with Ventra, so it is helpful to get the word out.
- Director Higgins mentioned the need to look at more at modal partnerships and see where we can do better by adopting private/TNC technology and methods like in Pace's rideshare. TNCs are offering better travel times and point-to-point service. Could increase ridership and revenue by offering higher quality products also.

HEADLINE #4

Great Transit Access Serves a Strong Chicago Central Business District

8. How do we best support major infrastructure projects, such as RPM, Union Station and Metra's A-2 interlocking, that support this giant & growing market?
- 73%** **Long term, sustainable funding** – rely on a strong capital program
 - 0%** **Increase density and more businesses** in those growth corridors to sustain ridership and provide potential local funding such as TIFs
 - 27%** **More Public-Private Partnerships** to bring in new, private funding and perhaps project ownership or maintenance by private entities, although not all projects may work for the P3 model.
 - 0%** **Integration between highway and transit projects**, such as with IDOT for Bus On Shoulder and the Forest Park/Blue Line Vision Study the Tollway with I-90 and enhanced Pace service, or CDOT street reconstructions to incorporate transit first plans.

DISCUSSION

- Director Ross commented about the fact that funding is a prerequisite to anything else; you can't do the bottom 3 without the first.
- Chairman Dillard discussed a meeting that he and ED Redden had with new USDOT assistant to Secretary Chao, during which the USDOT rep suggested transit agencies need to do more to acknowledge the value of transit in economic development and provide a story for the ROI. He also mentioned:
 - * Federal administration is likely to be money-minded, and therefore, showing the link between transit investment and other revenue and value streams may resonate well.
 - * Chicago has led the nation in corporate relocations downtown. It is driven by the talent pool, but moving that pool requires transit (both in terms of capacity and also in terms of the preferences of younger people).
 - * P3 is a way to shift to new source of revenues; but need to educate private sector about the project being funded and its benefits, trickle-down effects. Brown Line is a good example.
 - * APTA also has a new stat about the fact that 87% of transit riders are going to work, which was useful and resonated with people. Chairman also thinks we should focus on retail areas and student transport in our region.
 - * Growth in the CBD is twice that of the state of IL.
- Director Pang suggested that ED Redden and staff talk with Joan Coogan at the Mayor's office to learn about the data they get from World Business Chicago and from interviews they do with companies thinking of moving to the area. The surveys and discussions are all about transit, and the value is evident, particularly on the North Ave Corridor that is now the second largest sales tax generator outside of Michigan Ave.
- Chairman Dillard said to look at the Morgan Green Line stop as a great example of what transit can do.
- Director Lewis said that we need to have to have a bit of a shift in where we source some of our revenue, and be more specific about how we approach private entities in requesting their direct support for transit as a new form of public-private-partnership (e.g. Amazon is opening a new distribution center near University Park Metra stop; if they support Pace, it could be a win-win). We could do more to explain to them the direct benefits they receive.

9. What would it take to get more people out of their cars and into transit for trips headed downtown?
- 27%** **Incentives for using transit** (like Transit Benefit Program, Dump the Pump, parking buy-outs)
 - 55%** **Easier/cheaper connection between modes** (such as cheaper and more straight-forward downtown shuttle/circulators)
 - 9%** **More expensive parking downtown**
 - 9%** **Giving transit more priority on roads** (such as bus lanes and signal priority to improve transit's speed and reliability)

DISCUSSION

- Director Pang asked about what Incentives would look like and the difference between incentives and marketing. Not much discussion.

HEADLINE #5

Growing Markets in Suburban Cook Could Benefit Transit

10. How do we reinforce TOD in the suburbs?
- 18%** **Advocate and educate** (Provide information, etc.)
 - 9%** **Fund planning studies** (continue to or increase funding for)
 - 64%** **Provide implementation assistance** (increase this ongoing effort)
 - 9%** **Influence new developments** (new area for us; development reviews, etc.)

DISCUSSION

- Director Lewis asked what are they using transit for; work, moving around the area, etc.
- Director Hobson asked what implementation assistance looks like, and how these options would be different from what we do now. Heather described the zoning code updates and developer panels that we fund now, and would like to do more of.
- Director Troiani asked whether we'd like to continue to Fund Planning Studies, which staff indicated that we would.
- Director Lewis referenced the chart previously shown, and wondered what types of trips people need to make and whether our work supports those types of trips. Staff clarified that the chart was for work trips.

11. What types of transit services could better support suburb-to-suburb travel?
- 27%** **Arterial Rapid Transit /Express Bus** (Such as Pulse Service or I-90, I-55)
 - 9%** **More traditional bus service** (Typical Pace service)
 - 9%** **Local, on demand service** (Dial-A-Ride, Call-N-Ride)
 - 0%** **Vanpools** (Pace offers vehicle for workers to carpool)
 - 55%** **Private partnerships for direct services**, bike and car share, etc. (Particularly for the last-mile: Employer-provided shuttles, Zip-Car, Divvy, Uber / Lyft type services)]

NO DISCUSSION

HEADLINE #6

More Jobs and New Connections on the South Side & South Suburbs

12. How can transit agencies support economic growth on the South Side?
- 0%** **Develop land around stations** (take an active role in land development by buying parcels around stations or partnering with those who do and working to encourage developers to build TODs there)
 - 18%** **Promote area to developers** (we would be less active in development but work as advocates to make sure the benefits of transit connectivity are known)
 - 27%** **Support transit employment programs** such as local recruiting efforts, CTA's 2nd Chance program, or Pace's partnership with local community colleges to make it easier for residents in these areas to pursue transit careers.
 - 55%** **Improving transit connections**, by rehabilitating and improving what's there as well building new services.

DISCUSSION

- Director Lewis asked whether a provision to increase local supplier participation in agency purchases would be included in the employment program option, and indicated that it should.

13. How do we improve transit connections? (choose 2)

- 5%** **Restructure bus services** by rethinking existing bus services to allow for more connections to jobs.
- 37%** **Add workplace express services** such as CTA and Pace services to UPS in Hodgins and Bedford Park, or Pace south suburban direct services to Schaumburg
- 26%** **Metra/CTA fare integration in City** which could bring fare parity and seamless transfers
- 21%** **Upgrade existing rail services** such as improving some Metra stations or adding service to the ME
- 11%** **Support rail extensions** such as CTA's Red Line Extension project on the south side

NO DISCUSSION

HEADLINE #7

More Capacity is Needed on Chicago's North Side

14. What is needed to support further transit growth on the north side?

- 82%** **Increased capacity on existing service** (both bus and rail)
- 18%** **Improved transit infrastructure** (to improve speed, comfort, and amenities)
- 0%** **Prioritize buses on roadways** (for faster, more reliable bus service)
- 0%** **New routes & services**

DISCUSSION

- Chairman Dillard and Executive Director Redden mentioned the Trump Administration's proposed budget which reduces funding to Amtrak and cuts the DOT funding for Core Capacity and New Starts. ED Redden noted that the RPM project was successful in getting the last Full Funding Grant Agreement issued. However, Director Pang mentioned that it is important to look to the future and think about what that holds as Congress works on the budget that will eventually pass.

HEADLINE #8

Large Suburban Job Clusters are Difficult to Serve by Traditional Transit

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

- 10%** Provide assistance for TOD (planning and implementation)
- 30%** Partner w/ employers (to provide pedestrian infrastructure, reduce the sea of parking, Vanpool programs, transit incentives)
- 10%** Continue the push for shuttles (serving reverse commute from Metra stations to employment centers)
- 50%** Adopt apps & tech. innovations (to make local service more effective)
- 0%** Leave it to the locals/private firms (to sort this out themselves)

DISCUSSION

- Chairman Dillard noted the push for more shuttles may not be fruitful, based on experience with the 465 Esplanade service which is recommended for discontinuation due to low ridership. Staff elaborated on the ridership goals.
- Director Pang talked about the need to talk to and gain understanding from employers what their needs are. Partnerships with employers are valuable to understand where they are trying to get people to come from, rather than guessing. This gives access to both their recruitment strategy (future plans, looking ahead) and their employer base (current plans). Peter elaborated that companies are finding value in these shuttles as a recruitment technique.

HEADLINE #9

Millennial and Boomers Push Transit to Adapt

16. How can we adapt to the changing mobility market, including private mobility services?

- 9%** Offer data for app-development
- 55%** Pilots and partnerships with private services for last-mile connectivity and alternative service delivery
- 0%** Protect right-of-way for transit & highest occupancy modes, in the event that new mobility increases highway congestion
- 36%** Adapt and implement best practices from private sector for on-demand and flexible services (i.e. do it ourselves!)

DISCUSSION

- Director Lewis seconded Director Pang's input on talking with employers and companies, to get information on what they need and want from us.
- Director Higgins said that best practices should be searched for how to best do partnerships.

- Chairman Dillard doesn't want to give non-public data to TNC's that they could use to go after transit markets.
- Director Pang mentioned that she was thinking about the provision of data in reverse: how can agency data be used to incentivize partnerships. They probably have more data than we do at this point.
- Chairman Dillard talked about conversations he had with an Alderman who said that Uber has had negative impact on Michigan Ave. congestion. Increasing pickup/drop-off in curb lane does impede transit service. DED Leary mentioned the need to protect transit right of way accordingly.

17. How do we prepare our transit system for technological advances in the future?

73% Set aside funding for technology

18% Encourage and host pilots

9% Monitor what's happening and evaluate what action is needed **once the market is more proven.**

NO DISCUSSION

18. What are specific opportunities to improve paratransit and local dial-a-ride services?

18% Engage in more partnerships

45% Work with locals to encourage more **sustainable funding** for these services

27% Promote fixed-route first (recognizing challenges with pedestrian environment)

9% Evaluate and adapt current services to take advantage of new technology and operating methods

DISCUSSION

- Director DeWitte said we need to solve the problem of getting the last mile (or few hundred feet) to the bus stop to make fixed-route viable for ADA paratransit passengers.

CLOSING DISCUSSION

- Director Pang reiterated that we need to look to downtown business interests such as Loop Alliance and BOMA to understand their needs.
- Director Lewis added that he would like to see the RTA work to harmonize with other regional plans as well (i.e. Cook County Transportation Plan, Northeast Indiana). He also suggested that we look at international examples, particularly in Europe, for any new ideas that we haven't thought of for our system.