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CHICAGO CITY COUNCIL APPROVES CREATION OF DEDICATED TAX-INCREMENT FINANCING DISTRICT TO SUPPORT PROJECT TO REBUILD CTA RED, PURPLE LINES

CTA to Move Forward with the Transformational Program's First Phase after Securing Local Funding, a Key Step that Paves the way to Accessing \$1 Billion in Federal Funding

Mayor Rahm Emanuel and CTA President Dorval R. Carter, Jr. today announced that the Red and Purple Modernization Program (RPM) reached an important milestone, following the approval of a plan by City Council that will provide significant local funding for the first phase of a project to reconstruct the Red and Purple Lines. Chicago City Council today approved the creation of a dedicated tax-increment financing district that will generate \$622 million toward the first phase of RPM.

"This project has been several years in the making, and I am thrilled to be moving forward with the plans to modernize the Red and Purple lines," said Mayor Emanuel. "This type of investment in transit is an investment in Chicago's residents and neighborhoods, connecting them to jobs, education and more. And I want to commend everyone who worked throughout this process to make this project a reality."

RPM will rebuild the CTA's busiest rail line, the Red Line, which is nearly 100 years old. The tracks, structures and stations are well past their useful lifespan, and can no longer handle additional trains to meet the increasing demands of growing ridership – which is up 40 percent during the rush hours over the last five years.

To move the RPM project forward, the City and CTA are pursuing \$1.1 billion in federal grant funding—more than half the project cost. In order to secure those funds, the CTA must provide local matching funds. The Transit TIF will provide a portion of those local funds, with the remainder expected to come from various other CTA sources including bond funds.

The first phase of RPM, which is estimated to cost \$2.1 billion, will rebuild four stations and more than a mile of tracks and track structure from Lawrence to Bryn Mawr, and create a Red-Purple bypass to improve overall service that will benefit the entire Red Line by improving service reliability.

"Today's approval is great news for CTA customers, as we move forward with one of the biggest modernization projects in CTA history," said CTA President Dorval R. Carter, Jr. "This investment will ensure that the Red Line continues to serve as the backbone of the CTA rail system."

The Transit TIF district was made possible by bi-partisan legislation passed by the Illinois General Assembly in June that specifically authorized the creation of a transit-only TIF for the RPM.

The RPM project is a key part of Mayor Emanuel's "Red Ahead" program, a series of projects to improve the Red Line, the CTA's busiest line, carrying more than 30 percent of rail riders—more than 75 million riders annually.

In 2013, the CTA completed the entire reconstruction of the Red Line South, a \$425 million project to refurbish stations and shave more than 20 minutes off of a round-trip commute. Last week, the CTA announced \$75 million in funding for the Red Line Extension (RLE) project, a plan to extend Red Line rail service to 130th Street from 95th Street on Chicago's Far South Side. The 5.3-mile rail extension would include four new stations near 103rd Street, 111th Street, Michigan Avenue, and 130th Street, each of which would include bus and parking facilities.

"Red Ahead" also includes the ongoing \$280 million construction of a new 95th Street Terminal, and a new, \$203 million transfer station at Wilson.

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