

## **Crain's Chicago Business**

### **Time to get Illinois' railroad infrastructure back on track**

**A Democratic administration with an eye out for such projects takes over the White House next month. That's an opportunity for Illinois. Here's how.**

**BY Joe Cahill | December 1, 2020**

It's time to hit the gas on a massive railroad improvement project in Chicago.

A Democratic administration with an eye out for infrastructure projects takes over the White House next month. That's an opportunity for Illinois' congressional delegation to seek full funding of a sputtering program that's vital to the local economy.

Launched 17 years ago, the Chicago Region Environmental and Transportation Efficiency program—aka CREATE—envisions more than \$4 billion worth of upgrades to eliminate epic delays that made Chicago the worst chokepoint in the national freight railroad system. Trains often needed two days to inch across the region, while numerous grade-level track crossings across the region routinely held up auto and truck traffic.

CREATE hasn't moved much faster, falling far short of expectations that all 70 individual projects on its punch list would be done in a decade. Some progress has been made, but much remains unfinished. As the recent Crain's Forum on transportation reported Nov. 23, less than half the projects are complete and less than half the money needed to finish the work has been raised. CREATE still needs \$3 billion to complete the remaining 40 projects.

The largest share of CREATE funding comes from Washington, with Illinois, freight railroads and others providing the rest. Gov. J.B. Pritzker's Rebuild Illinois capital program includes \$492 million for CREATE. A big injection of federal dollars could trigger enough additional contributions to finish the program.

There's an urgent need for money to complete a critical project at 75th Street and Western Avenue in Chicago, where four freight lines and two passenger lines converge. Trains slow to a crawl as they enter the thicket, creating a huge bottleneck with ripple effects across the region. About half the roughly \$1 billion needed to build flyovers and lay additional tracks at the corridor has come through, but the rest is nowhere in sight.

As CREATE pokes along, the problem it's meant to solve is getting worse. The U.S. Department of Transportation predicts freight rail trade in Chicago will double between 2012 and 2045. Freight trains are getting longer as railroads strive for efficiency and e-commerce drives up shipping volumes. Longer trains mean longer delays at rail crossings.

Unfinished CREATE projects continue to sap productivity throughout our area. Motorists stuck at rail crossings lose 7,500 hours per day, according to the Chicago Metropolitan Agency for Planning. Idling cars and trucks burn countless gallons of fuel unnecessarily, fouling the air and

wasting money. Rail bottlenecks push more shipments onto trucks, increasing highway congestion and air pollution.

Slow progress on CREATE also imperils Chicago's status as the nation's freight rail hub. About 37,500 train cars, or one-quarter of all U.S. rail traffic, comes to or through Chicago every day. Those volumes put Chicago at the center of an industry that has created more than 50,000 Illinois jobs paying \$1.7 billion in annual wages, CREATE says. But those jobs and wages are at risk if Chicago can't keep pace with rising freight volumes.

Thanks to CREATE, many trains now get through Chicago in a day, a big improvement but still too slow for railroads and shippers rushing to meet ever-shrinking e-commerce delivery windows. Some railroads are scoping out alternate routes that bypass Chicago. A fully realized CREATE program would enable Chicago to handle 50,000 more train cars, additional capacity we'll need to keep trains rumbling through town.

President-elect Joe Biden's victory opens the door to an all-out push for CREATE funding. The program fits in with his plans to jump-start the economy with infrastructure investment. CREATE projects will put lots of people to work, modernize a key segment of the nation's transportation system and even produce some environmental benefits. Faster freight rail shipping will improve efficiency, putting a charge into economic growth. There's also a social equity element; several unfinished CREATE projects—including the 75th Street improvements—would ease bottlenecks in minority communities hit hard by congestion, pollution and delays at rail crossings.

All these benefits will make strong selling points with a Biden administration looking to achieve multiple policy goals. Another advantage: CREATE has detailed plans and estimates the \$4.6 billion program will generate \$31.5 billion in economic benefits over thirty years. Those factors would carry weight with White House officials who are likely to favor "shovel-ready" projects that produce a significant payoff. Now it's time for Illinois' D.C. team make the case for fast-tracking CREATE.

## **Chicago Tribune**

### **Transit pilot program to bring cheaper fares to Metra riders South, southwest suburbs affected starting on Jan. 4**

By Mike Nolan | November 20, 2020

Boosting affordability of mass transit in a region heavily dependent on trains and buses and the potential of increased economic development are goals of a partnership among Cook County, Metra and Pace that will cut in half fares on two lines running through the south and southwest suburbs.

The Fair Transit South Cook initiative is a three-year pilot program that is intended to make mass transit more affordable for south suburban areas where households spend a disproportionate amount of their income on transportation.

Starting in early January, Metra will reduce by 50% fares on its Metra Electric, which runs through Chicago's South Side and south suburbs, and Rock Island Line, which serves areas of the Southwest Side and southwest suburbs.

The pilot program also proposes improvements, although no fare reductions, on Pace's busiest bus route, Halsted 352.

Metra's board recently approved an agreement with Cook County under which the commuter rail agency will charge all riders the reduced fare normally charged to passengers such as senior citizens and persons with disabilities. The reduction is tentatively scheduled to take effect Jan. 4.

Cook County would pay Metra a maximum of \$30 million over the duration of the pilot program to cover the revenue loss due to the reduced fares.

The pilot program would bring immediate benefits to many south suburban residents who lack access to a vehicle and rely on Metra to get to work, according to Kristi DeLaurentiis, executive director of the South Suburban Mayors & Managers Association.

"Our area really has had some of the longest commute times in the entire Chicago metro region and residents are spending a disproportionately amount of income on transportation," she said.

Cook County officials said that improving the public transportation system could have the side benefit of increasing economic development in an area that has seen decades of disinvestment and decay. That could boost plans in the works for transit-oriented development in suburban areas, with residential and commercial uses clustered within walking distance of commuter rail stations.

"Think of the train stations as anchors within the community," DeLaurentiis said.

In promoting the pilot, Cook County officials point out that thousands of households in the areas covered by the project are heavily reliant on public transportation.

Of about 780,000 households in the areas served by the Electric and Rock Island lines, 106,000 lack access to a personal vehicle while 130,000 spend between 30% and 50% of their income on transportation, according to the county. Another 47,000 spend more than 50% of their annual income on transportation.

“The goal is to increase service and decrease costs for some of our community’s most underserved residents who experience longer commute times than North Side residents,” Cook County Board President Toni Preckwinkle said in a recent announcement of the Fair Transit program. “Now is the time, given the economic challenges from COVID-19, to showcase our commitment to equity by addressing the critical need in the communities most severely impacted by the pandemic.”

Electric, Rock Island ridership falling

According to Metra’s 2019 annual report, estimated ridership on the Electric Line was 7.3 million, continuing a trend of declines.

It was the 12th consecutive year of decreased year-over-year ridership levels, and from 2015 through 2019, ridership was down nearly 20%, according to Metra.

Ridership is estimated based on monthly ticket sales and types of tickets sold, according to Metra.

On the Rock Island Line, estimated ridership had, from 2015 through 2019, dropped 11.6%, according to the annual report.

But those decreases paled in comparison to what Metra has seen amid the COVID-19 pandemic, with ridership systemwide plunging 90%.

In recently approving the agency’s 2021 operating budget, Metra officials estimate that the current year will end with ridership on all lines at 20% of pre-pandemic levels, rising to 50% of pre-pandemic levels by the end of 2021.

Along with fare reductions on those lines, the pilot project aims to improve service on the Pace Halsted 352 route, which is the most heavily used of the suburban bus system routes with average weekday ridership of 5,000 passengers, according to the county.

For trips between the CTA’s 95th Street/Dan Ryan station and the Pace Chicago Heights terminal, for example, the frequency of service would be increased on weekdays and weekends, according to the county.

For riders in suburbs such as Chicago Heights, East Hazel Crest, Glenwood, Harvey and Homewood, rather than two buses per hour in each direction during weekday peak hours, the number would be increased to six, according to the county.

DeLaurentiis said that she is optimistic about the benefits to the Southland that could come about due to the pilot program.

“This is really an exciting opportunity for our region and could serve as a model for other areas of the transportation system,” she said. “It’s an opportunity to grow our region, strengthen our region.”

## **Crain's Forum**

### **The volume of truck and rail traffic passing daily through Chicago clogs expressways and industrial corridors, creating an endless loop of gridlock and pain for the region**

*BY Judith Crown / November 20, 2020*

Six major railroads converge here, offloading goods or transferring them to continue on their journey. Major corridors in Cook County such as Cicero and North avenues carry almost 7,000 trucks a day, from long-haul interstate carriers to midsize trailers to small vans making local deliveries. E-commerce has added the complication of Amazon Prime and UPS trucks zipping around residential streets.

Trucking, rail and warehousing directly employ an estimated 161,000 workers in Illinois, a small percentage of nonfarm payrolls. But these sectors have an outside effect on the regional economy and quality of life.

Industries that rely on the frequent shipment of goods—manufacturing, construction, retail and wholesale trade add more than \$158 billion annually to the area economy, according to the Chicago Metropolitan Agency for Planning. The agency estimated that weekday motorist delays at the region's grade crossings cost residents \$58 million annually in 2017. And those statistics don't convey the intangibles of noise, pollution and safety concerns for those living in the shadow of freight activity.

Solutions are hard to come by. The billions needed for improvements such as grade separations have been difficult to cobble together, although a Biden administration is expected to promote spending to repair crumbling infrastructure and create jobs. Companies have been loath to change long-established shipping and receiving practices. "They want their deliveries first thing Monday morning," says Adan Abarca Jr., director of safety at A&M Intermodal. "That forces everyone on the road at the same time."

In this Forum on freight, Crain's explores the pain points of truck congestion and what can be done. Railroads, through the consortium called the Chicago Region Environmental and Transportation Efficiency Program, or CREATE, have made substantial gains in reducing bottlenecks, although further progress depends on hard-to-get public funding.

#### **PART 1 TRUCKING TIE-UPS**

During a typical 11-hour day shift, Alvaro Nepomuceno spends hours sitting in traffic.

"At peak times, a 15-minute run turns into an hour," says the driver at A&M Intermodal. "You inch along and drivers cut you off. You're exposed to it so long, it's a part of your life. What are you going to do?"

Major corridors in Cook County are clogged for 10 hours a day or more. Harlem Avenue between Interstate 55 and 95th Street is the worst stretch, with congestion clocked at more than 14 hours a day, according to the county's 2018 study on freight. There are 1,600 railroad

crossings in the region that delay passenger and truck traffic. Under the public's radar are the truck drivers who scrounge for parking, whether for breaks or overnight, with some ending up on road shoulders and in Walmart parking lots.

At the start of the pandemic, truck traffic fell sharply but quickly rebounded, with larger combination trucks back to their pre-COVID volumes as of late August, according to CMAP. With consumers shifting to online purchasing, there are more compact trucks like those from UPS and Amazon plying residential streets—their volumes were 10 percent above pre-pandemic levels by summer. UPS reported its residential deliveries in the second quarter jumped 65 percent from a year earlier.

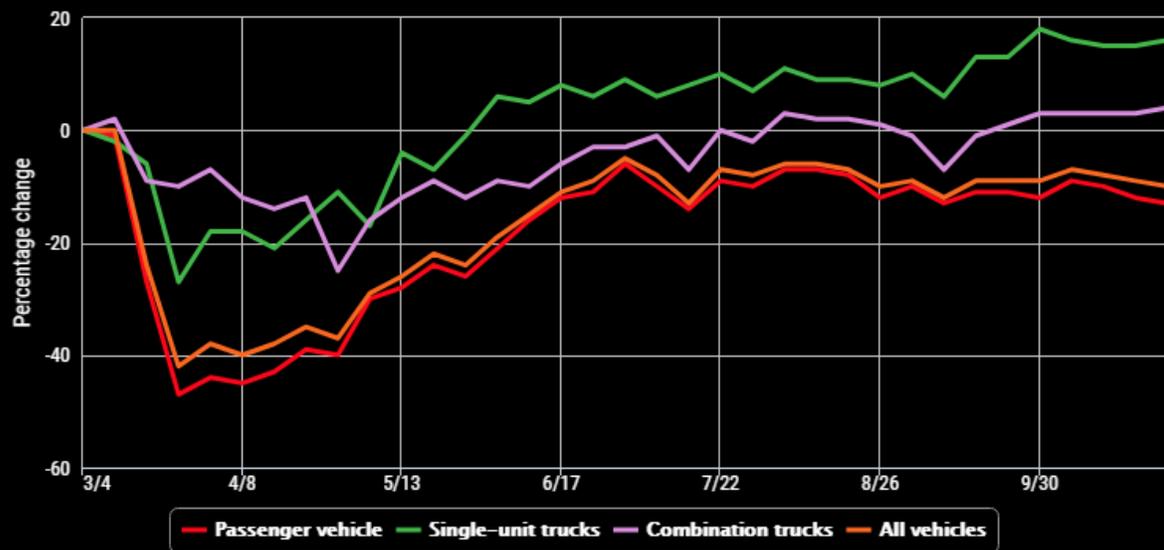
The looming holiday season has experts warning of "shipageddon," with record online ordering expected, which will pour even more small trucks onto residential streets. "I live on a one-way street in the city, and there typically are two Amazon trucks and a FedEx truck blocking traffic two or three times a day," says Nick Shroeger, chief network solutions officer at Coyote Logistics.

## Keep on trucking

Single-unit truck traffic volume is up 16 percent compared to traffic on March 4.

While trucking is up, passenger vehicle traffic is down 13 percent since that date.

Estimated percentage change in traffic volume, Oct. 26 vs. March 4 (for all of Illinois)



Note: Excludes collector roads, local streets, tollways and minor rural arterials.

Source: CMAP

The solutions aren't cheap. A grade separation to elevate a railroad over a municipal street costs about \$60 million but varies with complexity. Since congressional earmarks were eliminated a decade ago, funding for infrastructure projects is a lot harder to come by. That means municipal planners have to search for federal grants and cobble together funding packages.

"There's no one place a community can go to find all the money they need," says Tom Murtha, a senior planner at CMAP. "They have to be aggressive in applying for funds from different sources and put together a package for each project."

That puts Illinois communities in competition with each other in the hunt for federal and state funds. The Illinois Department of Transportation ranks proposals based in part on the severity of the bottleneck, says Michael Vanderhoof, planning services section chief. In 2018, IDOT awarded \$245 million in National Highway Freight Program funds (supplemented by state and local contributions) for 23 projects through 2022 that alleviate bottlenecks and improve safety

and intermodal accessibility. The state received 46 requests from municipalities and government agencies for \$600 million in freight funds.

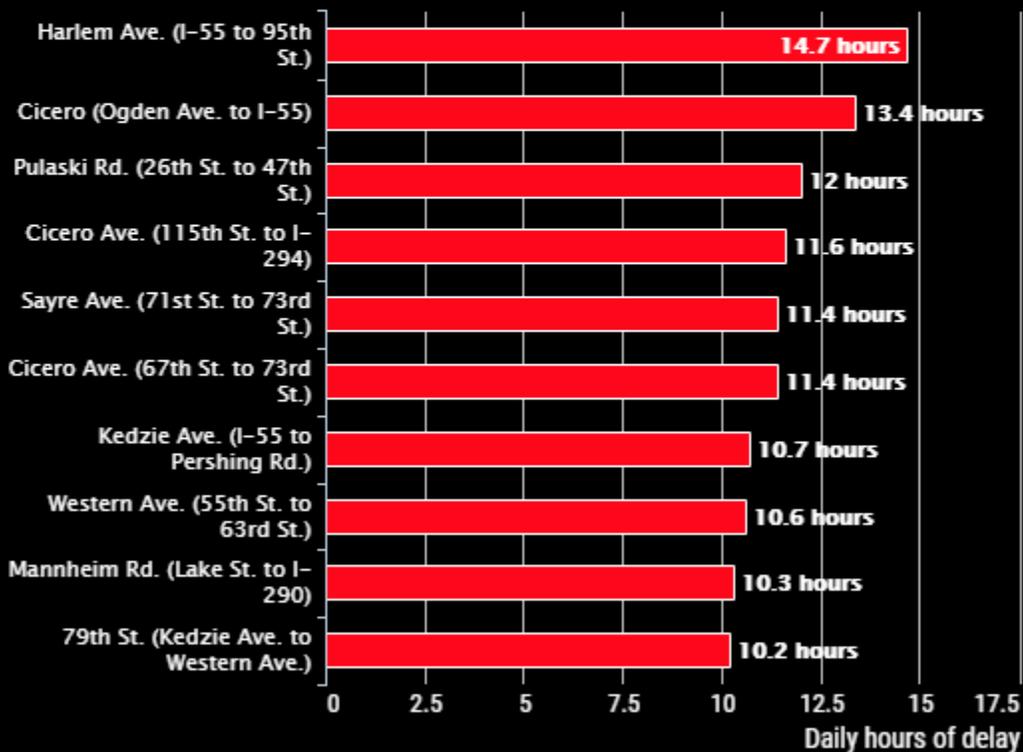
The dynamic could change under a Biden administration, as the campaign pledged to invest in roads, bridges and other neglected infrastructure, creating well-paying union jobs in the process.

If freight congestion hampers the efficiency of commerce and the convenience of motorists, it takes an outsize toll on the low-income South Side and south suburban communities adjacent to the network of rail yards, intermodal facilities and distribution centers. Residents put up with noise, poor air quality and clogged streets. "Having a strong freight infrastructure brings a lot of benefits to the area, but the burdens and benefits aren't equally shared," says Bob Dean, CEO of the Center for Neighborhood Technology.

## The trucks stop here

The stretch of Harlem Avenue from Interstate 55 to 95th Street has on average 14.7 hours of delays each day, the highest level in Cook County.

### Top locations of truck congestion (in Cook County)



Note: Locations are non-interstate locations that are part of the National Highway System. Data is from a 2017-18 report.

Sources: Federal Highway Administration, CMAP

### 'A SPAGHETTI BOWL OF ROADWAYS'

Leslie Wilcox keeps a supply of Reese's Peanut Butter Cups on hand and listens to R&B and hip-hop music as he navigates his truck along congested streets and interstates. "I sit in traffic a big part of my day," says the driver at Brite Logistics. "On I-55 at noon, it's at a standstill."

The obstacles and roadblocks are many. Potholes and poor pavement conditions slow truck traffic and cause additional wear and tear. Bridges with low vertical clearances require trucks to take circuitous routes to avoid them—there are 14 with clearances of less than 14 feet on busy

streets including Cicero, Harlem, Stony Island and Ashland avenues. More than 6,000 trucks a day clear the BNSF overpass on Cicero, according to Cook County. When a truck gets stuck, it can take hours to free it as police are called to reroute traffic.

But the biggest problem is clogged expressways and industrial corridors. Hot spots in Cook County include Harlem, Cicero and Western avenues on the South Side. But bottlenecks extend to the industrial areas around O'Hare International Airport and to the belt of warehouses in Bolingbrook, Romeoville and Joliet.

Many intersections in older neighborhoods aren't built for today's megatrucks, says Jennifer "Sis" Killen, assistant superintendent at the Cook County Department of Transportation & Highways. "They have to be deliberate in making turns, and that can slow down traffic."

County and state planners pick their spots for investment. Cook County teamed with IDOT and the Illinois Tollway to fund a project at the Cook/DuPage line where North Avenue intersects I-290 and I-294, "a spaghetti bowl of roadways," Killen says. The county also is leading work at intersections along Archer Avenue on the South Side and Touhy Avenue on the North Side and in near north suburbs.

As part of its freight program, IDOT keyed on I-80, which is perennially clogged between I-55 and I-57. "You can't address the entire corridor," Vanderhoof says, but a reconstruction of the ramps at I-80 and U.S. Highway 30 near New Lenox should smooth traffic flows.

Rail crossings are a big contributor to backups on local streets. There are some 1,600 railroad crossings in the area that CMAP estimates delay motorists about 7,500 hours per weekday as of 2017. There are 10 crossings just in the south suburban communities of Dolton and Riverdale. Last year the agency set a priority for 47 of the busiest locations based on the number of accidents, daily traffic and proximity to businesses or residential neighborhoods. Some are part of the CREATE consortium of railroads and government agencies that are smoothing road and rail conflicts. CMAP says it aims to cut daily hours of delay to 6,000 by 2050.

Each crossing requires a fair amount of study. "We try to figure out what would be involved, how much would it cost and whether there is community support for it," CMAP's Murtha says. A municipality might oppose the idea because it tears up the downtown and means years of construction. But if a grade separation promises to improve pedestrian safety and reduce delays, "we'll see if we can get it funded."

### **DRIVING THE OVERNIGHT SHIFT**

Aren't there solutions outside of public road and rail improvements that wouldn't cost tens or hundreds of millions of dollars? Could industrial pickups and deliveries, for example, be staggered through the evening and overnight hours? Rey Alverio, a driver at A&M Intermodal, says he often drives overnight-early morning shifts, starting at 2 or 3 a.m. He runs loads among area intermodal yards, "and the earlier I start, the better to avoid traffic," he says. "Any truck driver would prefer working early mornings or the night shift."

Matt Hart, executive director of the Illinois Trucking Association, says he's been involved in discussions for 15 years about staggering delivery times. The problem is that all but the largest shippers and receivers aren't geared to nighttime loading and unloading. "Drivers don't have a problem with it, but they can't deliver if no one is there," he says. "A small manufacturing plant can't afford to send someone in at 2 a.m. to unload a truck," Hart says.

And while drivers would prefer to drive off-peak, their economic incentives are geared to daylight pickups and deliveries. "Drivers want to deliver in the morning so they have time to pick up another load the same day," says Jayme Clarke, director of network solutions at Coyote Logistics. "They'll drive through the night to deliver again in the morning." If a delivery is scheduled for 4 p.m., then they're not able to pick up a load for next-day delivery, she says.

One option, Clarke says, is to enable drivers to drop their trailer at a dock without an appointment. "The driver could deliver at 3 a.m., and the receiving yard could pull in the trailer when they're ready to unload," she says.

One of the biggest headaches for drivers is finding parking, whether for breaks or overnight. When out-of-town drivers hit the metro area late in the day—too late for a same-day delivery—they need to find overnight parking. If they park at a truck stop outside the city, they're hitting the expressways during the morning rush hour, adding to the crowding. Drivers often prefer to park closer to their final destination, but in dense areas, spots are hard to find. The scarcity of truck parking became more urgent when electronic logbooks became a requirement for drivers two years ago, IDOT's Vanderhoof says. Driving hours are regulated, and the logs make it harder to fudge hours.

State-owned rest stops for truckers are at overcapacity. "You see trucks parking up and down the ramps of the rest area," Vanderhoof says. Outside the rest areas, drivers park along shoulders and in strip center parking lots. And that's neither safe for the driver nor secure for their cargo.

Planners are trying to find real estate that could be repurposed for truck parking. One idea kicking around is a kind of SpotHero for truckers, establishing an inventory of available spaces. Industrial properties in the county that have empty parking lots at night presumably could offer up their spaces and even pick up some incremental income in the process, says Melissa Jordan, vice president of network solutions at Coyote.

For now, Jordan says, her team is trying to put a fine point on what drivers need. But the idea is to get the driver as close as possible to the final destination. "That way the driver is not waking up and hitting the expressway during peak hours," she says. "He's already at his appointment." Changing pickup and delivery patterns to relieve congestion will require cooperation among shippers, receivers and logistics companies. "Companies won't change unless they believe it will create value for them," says Shroeger at Coyote. "You need an alliance of six or seven big guys to be transparent (with each other) and work together to solve this."

## **Part 2 – Working On The Railroad, Slowly**

### **For 17 years, a mix of entities has labored to complete projects intended to ease train bottlenecks**

When eight freight railroads in 2003 teamed up with government agencies to tackle the snafus that were backing up traffic across the country, planners figured they could complete the improvements in a decade.

Seventeen years later the consortium called the Chicago Region Environmental and Transportation Efficiency Program, or CREATE, has completed less than half of the 70 projects, which include signal improvements, track repairs and additions, flyovers that bridge track over a different line, and rail-highway grade separations.

Chalk up the slow progress in part to the loss of earmarks, the provisions in congressional appropriations bills that directed funds to particular state projects. The practice, which usually involved political horse-trading, became tainted by corruption and got a bad rap. Now projects are vetted through grant programs at the U.S. Department of Transportation.

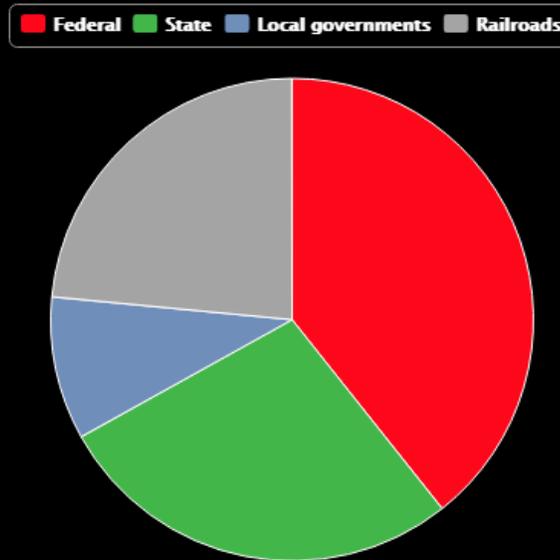
Senators are in a better position to assess the needs of their states rather than a random federal bureaucrat, says an aide to Illinois Sen. Richard Durbin, a Democratic member of the Senate Appropriations Committee. In a less polarized time, the political give-and-take greased the wheels of government—legislators had to cooperate with each other to win support for their projects. Now the hope is that President-elect Joe Biden will bring back bipartisanship to the infrastructure conversation, the aide says.

The 70 projects identified in 2003 were anticipated to cost \$4 billion. Since then CREATE has raised \$1.6 billion, with \$628 million from the federal government. The rest has been funded: \$441 million from Illinois, \$375 million from the railroads and \$153 million from local governments.

"In 10 years we've spent \$1 billion—\$100 million a year," says William Thompson, chief engineer for the CREATE program at the Association of American Railroads, or AAR. "That's the current rate we're able to get funding. We have \$600 million to spend, and we'll spend it faster than \$100 million a year." Thompson says he has "no idea" when we'll see the remaining \$2.4 billion.

## How CREATE railroad improvement projects are funded

The federal government is the largest single contributor to CREATE railroad infrastructure projects. The CREATE program has so far received funding commitments of \$1.6 billion in total.



Source: CREATE

To be sure, the 30 completed projects have gone far to smooth the worst bottlenecks. Before CREATE was launched, it would take an east-west train two days to clear the Chicago area. That's down to 42 hours for trains consisting of tank and box cars. Intermodal trains, which carry containers that can be transferred to and from a truck or ship, average 26 hours, according to AAR.

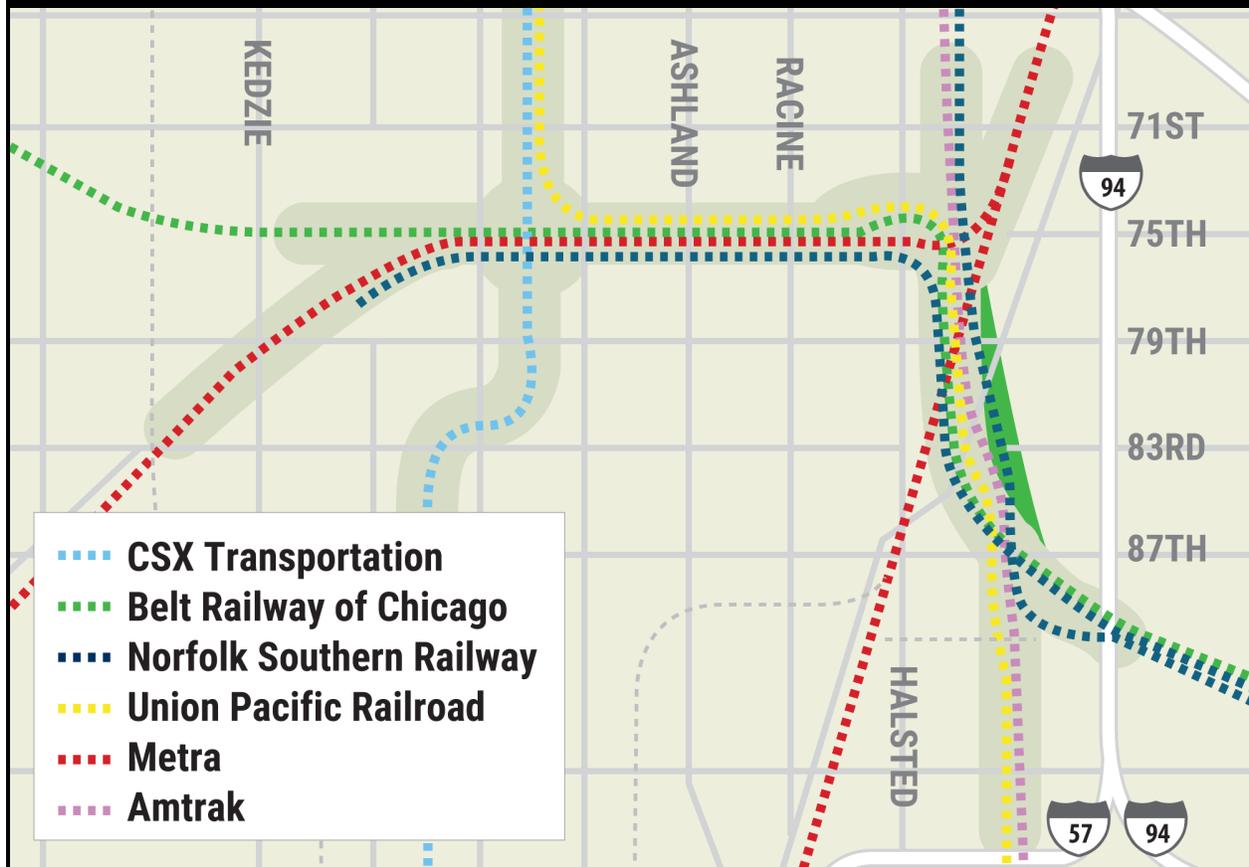
John Wright, general manager of short-line Indiana Harbor Belt Railroad, says it used to take two or even three crews to move a single train across its system, which runs from northern Indiana to the O'Hare International Airport area. Completed improvements on the system include grade separations and upgraded signal systems. "Now we use one crew to move two trains across the railroad," he says.

CREATE is beginning construction on what is considered the most troublesome bottleneck: the 75th Street corridor between Western Avenue and Interstate 94 where Metra and Amtrak meet four freight railroads. The passenger trains have right of way, which holds up the freights

so they can't make much progress during peak times (COVID aside). "This is a huge choke in Chicago and for the entire country," Thompson says.

## The 75th Street railroad corridor

The 75th Street corridor is one of the worst train bottlenecks in the region. Below is a look at where Metra and Amtrak lines meet four freight train lines.



Source: CREATE

The corridor is the largest and most complicated of the undertakings, says Jeff Sriver, director of transportation planning and programming at the Chicago Department of Transportation and the agency's point person on CREATE. A federal infrastructure grant of \$132 million, supplemented with county, city, railroad, Metra, Amtrak and other contributions, provided \$474 million in funding for half the project. This portion, which was recently bid, will build a flyover to raise the north-south tracks over the east-west lines. Although design is underway,

funding isn't yet secured for construction of the second phase, which will add track to the busy junction and build a flyover to connect Metra's SouthWest Service to the Rock Island Line. "We're at the peak of the summit," Sriver says.

Based on the current rate of funding, it could theoretically take decades to complete the remaining 40 projects. But four are under construction, nine are in design and eight are in preliminary engineering and environmental review, leaving 19. "There's a lot of work underway," says an AAR spokeswoman. "It won't take 30 years to finish."

Of the 70 projects, 25 are grade separations, a higher priority for neighborhoods than the railroads. Seven have been completed and seven are in some phase of design, leaving 11. Cook County is leading a grade separation at Cottage Grove Avenue in Dolton, one of 10 crossings in the area. That, along with track realignment and improved signals, will enable the freight trains to move faster and minimize the time that the gate is down, says Jennifer "Sis" Killen, assistant superintendent at the Cook County Department of Transportation & Highways. "And that should help the quality of life."

## **Crain's Chicago Business**

**A key problem in hiring a diverse workforce: Getting employees to work sites  
Subsidizing transport, partnering with ride-hailing companies and locating work sites in high-density neighborhoods are some of the things local companies are doing.**

BY Alma Campos | November 25, 2020

The May killing of an unarmed Black man, George Floyd, by a Minnesota police officer and the protests that followed prompted many business leaders to express solidarity with protesters and vow to adopt more inclusive cultures, including hiring a more diverse workforce.

Hiring people who have been historically left out of work opportunities benefits everyone. But to accomplish that, companies need to address the barriers that exclude people from accessing quality jobs in the first place. One of the biggest barriers: transportation.

In the Chicago region, 2.8 million people, mostly those in low-income communities of color, live in economically disconnected areas, according to the Metropolitan Planning Council. Recently the Boston Consulting Group and the MPC joined forces to examine the transportation disconnect between workers and employers in Chicago alone. The report points to five reasons why companies should sponsor transportation programs:

- Employer-sponsored transportation programs help companies find and retain qualified workers.
- They help employees stay employed.
- They benefit the company's brand.
- They contribute to the region's economic vitality.
- They work.

"There are a lot of entry-level jobs where there is a lot of turnover," says Audrey Wennink, director of transportation at the MPC. "Companies may feel that they can always find people and keep hiring and hiring. But our thought process is: What if you take those resources out of HR, where you're constantly hiring people, training and onboarding, and put those resources into transportation?" According to Wennink, this not only gives people more stability but also saves the company money.

Developed by Boston Consulting, the Transportation-Related Turnover Cost Calculator shows companies how to calculate the potential reduction in turnover costs by investing in a transportation solution to help employees access the workplace.

In a recent study by Equiticity, the MPC and a University of Illinois at Chicago professor and student called "Commuting in Context," 79 focus-group participants were asked if transportation challenges made them miss out on job opportunities. Three-quarters said yes. The same proportion said that transportation was a barrier to keeping a job. Half of

respondents said they didn't own a car and that they wished companies would develop transportation programs.

In fact, 26 percent of Chicago households and 13 percent of regional households do not have a vehicle, according to the MPC.

Some Chicago companies are paying attention.

In August, Blue Cross & Blue Shield of Illinois opened a customer-support center in Morgan Park on the South Side. The site was transformed from an abandoned retail store into an employee workspace coupled with a community neighborhood center for employees and community residents. The center is located just off Interstate 57 and has more than 500 dedicated parking spots. It is also easily accessible to public transportation, with multiple bus routes and three nearby Metra stations served by both the Electric and Rock Island lines.

BCBS employee Angela Joseph, 30, is from nearby Roseland, a 10-minute commute by car. Before working at the customer-support center, Joseph worked at a Corner Bakery Cafe in La Grange. "On a good day it took me about 35 to 40 minutes on the highway," she says. "It's nice being close to home for a change. It's a perk I have not had with other companies I've worked for in the past."

Though Joseph drives, she says she could easily access a CTA bus. "There is a bus stop right at the end on my street, and I live about 20 feet from that stop. There are multiple bus stops along 119th that would drop off right at the parking of the facility."

Opening the center in Morgan Park was intentional, says Colleen Miller, spokeswoman for BCBS.

"We didn't want transportation to be a barrier for the employees working at our service center," says Miller. That is why hiring efforts were focused around the Morgan Park area. Almost 70 percent of new hires live within 10 miles of the center. "Morgan Park has a pool of potential employees and is easily accessible," Miller says.

Setting up shop in a community that needs jobs seems like a viable solution for businesses looking for a new location. But it doesn't apply for businesses that already have a fixed location. However, there are other steps companies can take.

Numerous Chicago-area companies have instituted programs to ease employees' transportation difficulties (shuttle bus connecting to a nearby train station, subsidized transit fares, full sponsorship or ride-hailing credits). Among them: German industrial giant Bosch and real estate investment management firm CA Ventures.

For example, CA Ventures in downtown Chicago covers the costs of all transit (CTA, Metra and Pace), including Divvy bike-share memberships for its employees. A majority of the 170 employees take advantage of the transit benefit.

Bosch found that having the option of commuting via transit is critical to attracting talent. Its North American operations in Mount Prospect are located between the Arlington Heights and Mount Prospect stops on the Metra UP Northwest Line and are served by Pace's Central Road bus line. Bosch has done a couple of things to connect its employees to Metra.

The company contributed financially to Pace to make a special stop at the office location three times during the rush hours. Most recently, the company changed the program to a pretax benefit program. Matt Haran, Bosch's corporate communications manager, says that at its peak, pre-pandemic, about 70 employees were enrolled.

The village of Bannockburn has a first/last-mile pilot project under which the Regional Transportation Authority partnered with Lyft to connect commuters from the Metra station to a local office complex on Waukegan Road, south of Half Day Road. Participants receive a monthly Lyft pass they can use for rides to and from the station. The pilot is funded 75 percent by the property manager and 25 percent by the RTA.

"This partnership is an innovative way to leverage Metra's service and make it more convenient for riders to take transit to and from work," RTA Executive Director Leanne Redden wrote in an April 2019 press release. "This pilot, along with others we are considering throughout the region, have the potential to provide a new solution to the age-old last mile problem and connect riders to their jobs."

Such programs need to happen for low- and moderate-wage workers if businesses want to address equity, says Wennink at the MPC. "For low- to moderate-wage workers, transit access is very important," she says. "Owning a car is a huge household expenditure that is not within reach of many families." AAA estimates the cost to own a car is \$9,282 per year, or \$774 per month.

"For many, the only way to get around is with a car, especially when workers have to travel from suburb to suburb," says Ted Stalnos, president and chief executive officer at the Calumet Area Industrial Commission, a workforce development center. "Some of them have to borrow a friend's or family member's car, but this is hard because many of these workers have late shifts."

For situations such as these, businesses can look to partner with organizations that understand the issues and needs of the community to look at possible solutions. The Commuting in Context study suggests that in order to address the transportation concerns that inhibit mobility, solutions must align with social justice experts who are leading socially and racially just systems transformation.

"When corporations are creating catalytic investment strategies and developing ambitious goals, they often need a partner with hands-on experience to support their efforts and execute on their goals," says Marie Trzupke Lynch, president and CEO of Skills for Chicagoland's Future.

For example, a partnership with Skills helped BCBS of Illinois work closely with the Morgan Park community and address unemployment to design a solution that would also address transportation. "When BCBS of Illinois approached us about their plan to open a location in Morgan Park, one of the key elements of that plan was hiring local people from Chicago's South Side to work at the location," says Lynch.

It's instructive to look at what other cities are doing, Wennink at the MPC suggests. In January, Seattle passed a Commuter Benefits Ordinance, which requires businesses with 20 or more employees to offer employees the option of a monthly pretax payroll deduction for transit or van pool expenses. The ordinance encourages commuters to use transit options other than cars to reduce traffic congestion and carbon emissions. Denver also participates and subsidizes the cost of transportation through various programs available for full-time employees.

"Chicago should really be doing these types of things," Wennink says. "It's good for employees in terms of their wealth, and it is also good for the region in terms of the environment and sustainability."