INTRODUCTION

The Northwestern Regional Planning Commission (NIRPC) 2040 Comprehensive Regional Plan (CRP) was adopted in June 2011, and represents the first plan with a comprehensive vision for sustainable growth and development in Lake, Porter, and LaPorte Counties in northwest Indiana. The 2040 CRP is a long-term, integrated planning framework that “seeks to align federal and state planning and investment resources with local and regional strategies for achieving sustainable communities.”

The 2040 CRP includes policies and strategies that support the implementation of the plan concepts and vision. The 2040 CRP was developed through an extensive public involvement and input process conducted by NIRPC. “Integrating land use and transportation planning with economic development, environmental and social equity considerations, the CRP provides a framework for how the region will grow through the year 2040 and is a tool to guide actions and direct resources to achieve a common and shared vision for Northwest Indiana.”

The 2040 CRP is based on a concept of livable centers, which are mixed-use neighborhoods where residents can safely walk to shopping and employment centers. The 2040 CRP seeks to concentrate growth in and around the 41 existing local municipalities, and encouraging redevelopment in Gary, Hammond, East Chicago and Michigan City.

The 2040 CRP identifies four vision themes: Vibrancy, Revitalization, Accessibility and Unity. The accessibility theme is a fundamental component of the vision, because by supporting person and goods movement, it provides a foundation for a prosperous and lively region. The 2040 CRP envisions a sustainable transportation system that enables social and economic activity of our daily lives to occur at all scales.

The Illiana Corridor, which is currently a fiscally unconstrained project in the 2040 CRP, responds to the critical issue of people and freight accessibility, and is being developed as a sustainable corridor.

Purpose

This document provides supporting information for the Indiana Department of Transportation’s (INDOT) April 5, 2013 request to amend the region’s fiscally constrained long-range transportation plan, the NIRPC 2040 Comprehensive Regional Plan, to include the Illiana
Corridor. Currently, the 2040 CRP includes the Illiana Corridor as an unfunded need. In addition, preliminary engineering, including the completion of the Tier Two EIS, is included in the Transportation Improvement Programs (TIPs) for NIRPC and CMAP.

Due to the accelerated project schedule, INDOT will be requesting this plan amendment in the near term, rather than waiting for the quadrennial update of the plan. As seen in the Illiana Corridor project schedule below, the Tier Two National Environmental Policy Act (NEPA) process is scheduled to conclude in early 2014. In order to receive a federal Record of Decision (ROD) for the Illiana Corridor Tier Two Environmental Impact Statement, the project must be included in the region’s fiscally constrained long-range transportation plan. For this reason, INDOT has requested amending the long-range transportation plan at the October 2013 NIRPC Commission meeting. Subsequently, NIRPC staff has requested and INDOT has agreed on a December 2013 meeting of the NIRPC Commission to consider amending the fiscally constrained long range transportation plan to include the Illiana Corridor project.

In addition, INDOT and the Illinois Department of Transportation (IDOT) have already initiated the supporting analyses and planning activities for a public-private partnership (P3) procurement for the Illiana Corridor. The inclusion of the project in the fiscally constrained long-range transportation plan will also benefit the P3 procurement process by minimizing project risk related to completion of the NEPA process, which is a key component in pricing of a concessionaire’s bid.

**Illiana Corridor Project Schedule**

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Under a best case scenario, which includes a successful P3 procurement, construction of the Illiana facility would begin in 2015 and conclude by 2018, when a new Illiana facility would be open for operation.
ILLIANA CORRIDOR STUDY DESCRIPTION

The concept of an Illiana Corridor dates back to Daniel Burnham’s 1909 Plan of Chicago. Over many decades, there has been a strong local consensus amongst regional and local leaders that a major transportation facility is needed. Previous versions of the Illiana Corridor have been examined in a variety of studies, including the 1974 Plan developed by the Lake-Porter County Regional Transportation and Planning Commission (now the Northwest Indiana Regional Planning Commission), the I-80/I-94 Congestion Relief Study in 1992, and the Northwest Indiana Corridor Study in 2000. These prior studies have indicated possible benefits from the development of an east-west limited access highway corridor. These benefits have included providing an alternate route for motorists travelling the I-90/94 corridor; relieving traffic on the I-80 Borman/Kingery Expressway and US-30; serving as a bypass for trucks around the congested metropolitan area highways; improving access to one of the largest intermodal freight areas in the U.S.; improving access to the proposed South Suburban Airport (SSA); supporting area economic development; and increased potential for substantial job creation.

As traffic volumes on other highways in the region have increased, the associated congestion has resulted in travel delays with substantial economic impacts to commuters and industries that depend on the ability to efficiently move freight within and through the region.

In late 2006, the states of Indiana and Illinois, through their respective Departments of Transportation, initiated further development of the Illiana Corridor, including the preparation of a Freight Corridor proposal for the U.S. Department of Transportation’s Corridor of the Future program, and conduct of the Illiana Expressway Feasibility Study. The Illiana Expressway Feasibility Study concluded that a new transportation facility between I-57 and I-65 would provide congestion relief in the I-80 corridor, improved traffic operations, regional economic benefits, improved freight mobility and improved safety. The Illiana Expressway Economic Opportunities Analysis concluded that a new east-west facility between I-55 and I-65 would provide substantial regional benefits.

Both states have passed legislation (the Indiana Senate Enrolled Act No. 382 and the Illinois Expressway Act - Public Act 096-0913) enabling public-private partnerships (P3s) for the Illiana Corridor, allowing a collaborative planning effort for a “new fully access controlled interstate highway connecting Interstate Highway 55 in northeastern Illinois to Interstate Highway 65 in northwestern Indiana, which may be operated as a toll or non-toll facility.”

On June 9, 2010, Governors Mitch Daniels of Indiana and Pat Quinn of Illinois signed a Memorandum of Agreement (MOA) for a mutual commitment to the project by both states. In April, 2011, INDOT and IDOT initiated the Illiana Corridor Study as a tiered environmental impact statement (EIS).

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The Illiana Study Area was established in Tier One and includes approximately 950 square miles encompassing portions of Lake County in Indiana and Will and Kankakee Counties in Illinois. The study area is projected to see an increase of approximately 400,000 in population and 200,000 in employment between 2010 and 2040 based on the forecasts prepared for the Illiana Corridor Study. The study area has a roadway network lacking an east-west interstate or continuous multi-lane arterials to handle the growth demands it will confront over the next 30 years. The area south of Lake Michigan (South Sub-Region), including the Illiana Study Area is also experiencing severe adverse effects resulting from the growing national east-west truck freight corridor that funnels traffic through this area. Based upon the Tier One EIS, much of this traffic travels along I-80 and is merely bypassing the Chicago region between other states and locations. The Illiana Corridor will contribute to relieving these conditions and provide positive effects for the congested South Sub-Region, improve national freight flows, and reduce the physical strain on the Illiana Study Area’s local highway network.

In addition, the region has emerged as a prominent national freight intermodal and logistics center. Within the Illiana Study Area, new intermodal freight terminals have recently opened in Will County. Truck traffic originating from or destined to intermodal terminals in Elwood, Joliet, and other large intermodal and truck terminal facilities is weaving across the Illiana study area on state and county roads due to the lack of a quality east-west connections that are designed to serve them. Stakeholder input received during Tier One highlighted the amount of truck
traffic on local roads in the study area. With additional intermodal terminals in construction or planned, this additional truck traffic will further exacerbate traffic conditions on local roads that are not designed to serve longer distance traffic.

A comprehensive public outreach program is being conducted for the project using a Context Sensitive Solutions approach. Tier One included nine Corridor Planning Group meetings, well over 100 one-on-one stakeholder meetings, three rounds of public meetings, formal public hearings, as well as a project website (IllianaCorridor.org) that included an interactive corridor map and a library of all documents and meeting presentation material. Through this outreach, stakeholders were involved in every aspect of the decision making process, including the definition of transportation needs, the project Purpose and Need, alternatives development, and alternatives evaluation, and selection of a preferred alternative.

In January 2013, the Tier One Single Document Final EIS and Record of Decision (ROD) was issued identifying the B3 Corridor as the selected corridor. This single document combined Final EIS and ROD was the first to be issued in the country under the new Moving Ahead for Progress in the 21st Century (MAP-21) act environmental streamlining provisions. The B3 Corridor and the No Action Alternative were both advanced into Tier Two of the study. The selected B3 Corridor is an approximately 2,000 foot wide, 47-mile long east-west oriented
Corridor with a western terminus of I-55 just north of the City of Wilmington in Illinois and an eastern terminus at I-65 approximately 3 miles north of State Route 2 in Indiana. Corridor B3 is depicted in the figure below.

Tier One B3 Selected Corridor

The B3 Corridor provides a high speed connection across Indiana and Illinois in the Study Area where no higher-capacity, multi-lane facility exists. The B3 Corridor attracts greater traffic and greater portion of long distance truck trips, due in part to its more direct east-west alignment, which can efficiently serve more long distance traffic. The B3 Corridor also minimizes environmental impacts and is the most financially feasible based upon relatively higher traffic levels and lower construction costs. Since the corridor is farther from I-80/US-30, the diversion from I-80 is mostly long distance through trips taking an alternative route, so there is less of a shift of population and employment from the South Sub-Region as traffic shifts to utilize the capacity that is opened up on I-80 and US-30.

In summary, the Corridor B3 offers many benefits, including:

- Reducing the strain of truck traffic on local roads, improving safety, cutting commuting times and reducing congestion.
- Improving accessibility to one of the largest intermodal freight areas in America and the proposed South Suburban Airport.
- Value of travel time savings in the region up to $5 billion over a 75 year life.
- Reducing vehicle miles of travel on arterial roads in study area by up to 26 million miles annually.
• Environmentally, it will help by reducing the number of miles traveled and hours and fuel wasted due to cars and trucks caught in traffic.
• Serving as a backbone for local planning of many other land use needs in this area of dynamic growth by connecting communities.
• Stimulating and supporting sustainable features such as open spaces, transit, greenways, recreation, water quality, wildlife, farmland preservation, utilities, etc.
• Providing over $4 billion of long term, far-reaching economic output.
• Creating almost 9,000 local construction jobs immediately. The creation of almost 28,000 local jobs is projected for the long term.
TECHNICAL ASSUMPTIONS FOR THE ILLIANA CORRIDOR

Socioeconomic Forecasts

The Illiana Corridor Study has developed independent market-based population and employment forecasts. The market-based forecasts are required for use in the Illiana Corridor EIS to satisfy the requirements of the National Environmental Policy Act (NEPA) and for project level engineering design and financial analysis.

The Illiana Corridor market-based forecasts were developed consistent with FHWA guidance\(^2\). These market-based forecasts were developed by a subconsultant (The al Chalabi Group) who has decades of experience in the development of socioeconomic forecasts for the region for major transportation infrastructure projects, including previous experience at Real Estate Research, the Northeastern Illinois Planning Commission and the Chicago Area Transportation Study (CATS).

The Illiana Corridor market-based forecasts were developed based on: 2010 Census data, 90 years of historic population and employment data for the region, current and previous MPO socioeconomic forecasts, land availability for development, population holding capacity, demographic data and trends (household size, migration patterns, etc.), local land use policies, and independent Woods & Poole economic forecasts for the region. Documentation of the Illiana Corridor Study socioeconomic forecasts can be found in Appendix E of the Tier One Single Document FEIS/ROD.

The Illiana Corridor Study team coordinated with NIRPC staff during Tier One, which included the development of the market-based forecasts. INDOT has provided NIRPC staff with the detailed 2040 No Build and Build socioeconomic forecasts used in the Illiana Corridor Study, as well as geographic information system (GIS) correspondence files for the Illiana zone system.

It should be emphasized that the 2040 Lake County population totals for the NIRPC 2040 CRP and the Illiana Corridor Study are consistent. Both the NIRPC and Illiana socioeconomic forecasts assume growth in all portions of Lake County between now and 2040, and both forecasts assume a 2040 total population for Lake County of 625,000. The primary differences between the 2040 forecasts are that the NIRPC forecasts assume more growth in northern Lake County, while the Illiana forecasts assume more growth in central Lake County, keeping in mind that both sets of forecasts see growth in all portions of Lake County.

The NIRPC 2040 CRP socioeconomic forecasts are consistent with the comprehensive vision for sustainable growth and development. The 2040 CRP socioeconomic forecasts reflect policies and strategies that are designed to re-direct growth to achieve the desired livable centers outcome.

\(^2\) Interim Guidance on the Application of Travel and Land Use Forecasting in NEPA, FHWA, March 2010
The NIRPC 2040 CRP policy-based population and employment forecasts and the Illiana Corridor Study market-based population and employment forecasts were developed for different purposes. The 2040 CRP policy-based forecasts are not intended for detailed project level use, as they assume that the recommended policies and strategies will re-direct growth, rather than a market-based approach. As noted earlier, market-based forecasts are needed to satisfy NEPA requirements, such as a detailed review of direct, secondary and cumulative impacts, as well as supporting engineering design and financial planning.

**Travel Demand Modeling**

The Illiana Corridor Study spent considerable effort in developing a travel demand model for this project, as the forecasted traffic for this facility will be key measuring benefits, disclosing impacts and determining the viability of the project as a public-private partnership. The starting point for this effort was the Chicago Metropolitan Agency for Planning (CMAP) regional travel demand model, which included information from the NIRPC regional travel demand model, was used to develop the internal auto trip forecasts. It should be emphasized that the socioeconomic inputs to the Illiana travel model were the Illiana Corridor Study market-based forecasts described above.

The majority of the effort was placed in the development of new truck freight models and external auto trips (auto trips with either one or both trip ends outside the MPO modeling areas). The NIRPC and CMAP truck and external auto models available at the time of the development of the Illiana Corridor Study travel demand model were based on older survey data, and were static, which means the truck and external trip patterns were not sensitive to transportation network accessibility changes.

As documented in Appendix D of the Tier One Single Document FEIS/ROD, a national truck model was developed for this study based on FHWA’s Freight Analysis Framework (FAF3) 2040 forecasts of national freight movement. An internal truck trip model (for truck trips less than 50 miles in length) was also developed for this project based on the FHWA’s Quick Response Freight Model (QRFM) fit to the Chicago region. A model estimating external (long-distance) auto trips was also developed for the project based on the National Household Travel Survey.

These new truck and external auto trip models provide improved estimation of truck freight trips, which is an important component of the traffic using the Illiana Corridor. The Illiana Corridor project team has provided the new truck models to MPO staffs.

In addition, the Illiana Corridor Study implemented revised tolling procedures in the traffic assignment that are more sensitive to the tolling policies being considered for the Illiana Corridor Study.
The Illiana Corridor Study is following the federal NEPA process in the development of a Tiered EIS. The NEPA process requires the:

- Assessment of the social, economic, and environmental impacts of a proposed action or project
- Analysis of a range of reasonable alternatives to the proposed project, based on the applicants defined purpose and need for the project
- Consideration of appropriate impact mitigation: avoidance, minimization and compensation
- Interagency participation: coordination and consultation
- Public involvement including opportunities to participate and comment
- Documentation and disclosure

The Illiana Corridor Tier One Single Document FEIS/ROD documents the above as related to the selection of the 2000’ wide B3 Corridor. It includes the evaluation, at a conceptual level of detail, of:

- Social and economic impacts (population and housing characteristics, economic impacts, neighborhood and community, environmental justice, public facilities, relocations, businesses to remain, local planning, transportation facilities)
- Agricultural (impacts and measures to minimize impacts)
- Cultural resources (Section 106, cultural features, archaeological resources, historic resources, area of potential effect)
• Air quality (relevant air pollutants for analysis, standards, compliance with standards, monitored air quality levels, potential project impacts and analysis to be conducted)
• Noise (criteria, methodology, potential sensitive land uses, construction noise, traffic noise and abatement measures)
• Energy
• Natural resources (upland communities, wildlife resources, threatened and endangered species)
• Water resources and aquatic habitats (existing conditions, methodology, impacts, mitigation)
• Groundwater Resources (existing conditions, methodology, well head protection zones, groundwater quality, seeps, karst topography, mitigation)
• Floodplains (existing conditions, methodology, impacts, mitigation)
• Wetlands (existing conditions, methodology, impacts, mitigation)
• Special/Hazardous Waste (affected environment, methodology, site involvement, mitigation)
• Section 4(f) properties/parks and recreation (applicability, Section 4(f) properties, methodology, potential impacts)
• Special lands (existing conditions, methodology, impacts, mitigation)
• Permits and Certifications
• Mineral and geologic resources (existing conditions, methodology, impacts, mitigation)
• Visual resources (existing conditions, methodology, impacts mitigation)
• Indirect and cumulative impacts (methodology, scoping, geographic limits, temporal limits, environmental protection and land use control laws, ordinances, programs, study area trends, impact assessment, cumulative impacts, cause and effect relationships, mitigation)
• Construction impacts (transportation, water resources, air quality, construction noise, solid waste, utility services, energy)
• Relationship between local short-term uses of man’s environment and the maintenance and enhancement of long-term productivity
• Irreversible and irretrievable commitment of resources

For the Tier Two EIS, more detailed environmental analysis will be performed based on field surveys currently being conducted.

It should also be mentioned that the Illiana Corridor Tiered EIS is being closely coordinated with federal and state resource agencies, including the U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, U.S. Fish & Wildlife, U.S. Coast Guard, U.S. Department of Agriculture, U.S. Forest Service, U.S. Energy Information Administration, U.S. Geological Survey, Indiana Department of Natural Resources, Indiana Department of Environmental Management, the State Historic Preservation Office, and other local agencies.
Financial Evaluation

INDOT and IDOT are currently evaluating potential funding and financing strategies for implementing the Illiana Corridor. As part of this financial analysis, public-private partnerships (P3s) are being studied as a potential mechanism for use in this project given the passage of legislation in both states authorizing the use of P3 for the Illiana Corridor. One form of P3 being examined is design-build-finance-operate-maintain (DBFOM), where responsibilities for designing, building, financing, operating, and maintaining are bundled together and transferred to private sector partners.

There are a wide a variety of DBFOM agreements, especially in the degree to which financial responsibilities and risks are actually transferred to the private sector. However, all DBFOM projects are partly financed by debt leveraging revenue streams (usually tolls) dedicated to the project. Future revenues are leveraged to issue bonds or other debt that provide funds for capital and project development costs. Toll revenues are often supplemented by public sector subsidies in the form of upfront construction payments, right-of-way acquisition, or through payments made to the concessionaire during the operating period based on availability and overall performance of the facility (availability payments).

In addition, other financing strategies, such as the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) program are being evaluated. The TIFIA program was created because state and local governments that were trying to finance large-scale transportation projects with tolls and other forms of user-backed revenue often had difficulty obtaining financing at reasonable rates due to the uncertainties associated with these revenue streams.

TIFIA provides Federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance. TIFIA credit assistance provides improved access to capital markets, flexible repayment terms, and potentially more favorable interest rates than can be found in private capital markets for similar instruments. TIFIA can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues. With the passage of MAP-21 in July 2012, the TIFIA program was greatly increased the lending capacity from approximately $1 billion per year to $10 billion per year, and increased the TIFIA participation from 33% of project costs to 49% of project costs. The Illiana Corridor Study intends to submit a TIFIA program Letter of Interest (LOI) in the upcoming months.

The Illiana Corridor Tier One EIS estimated the total construction cost (including land acquisition, and engineering costs) at $1.3 billion in year of expenditure (YOE) dollars assuming a 2018 completion. Given the bi-state nature of the project, the State of Indiana’s share of the construction cost would be approximately one-quarter of that amount. A financial plan is being prepared that will include refinement of the Illiana Corridor's cost estimate and a recommended funding strategy that will show how there will be sufficient financial resources available to implement and complete the project.
On June 24 and 25, 2013, an Illiana P3 Industry Forum was held with over 600 attendees. The industry forum was designed to bring investors, contractors, labor, engineers, and disadvantaged business enterprises (DBE) together to gain feedback on the potential P3 opportunities for the Illiana project. The keynote address was given by Governor Pence of Indiana and Governor Quinn from Illinois, who provided their commitment of support for the Illiana project, the importance of the bi-state partnership for the project, and the creation of jobs.

INDOT intends on providing more financial information to NIRPC to demonstrate fiscal constraint for the Long Range Transportation Plan prior to consideration of the plan amendment. It should be noted that due to the potential for a P3 procurement for the project, some financial information will need to remain confidential in order not to jeopardize a P3 procurement and to ensure competition and innovation among the potential concessionaires.
CONSISTENCY OF THE ILLIANA CORRIDOR WITH THE NIRPC 2040 CRP

NIRPC’s 2040 Comprehensive Regional Plan: A Vision for Northwest Indiana received the Daniel Burnham Award for a Comprehensive Plan from the American Planning Association in January, 2013. While incorporating the long-range transportation plan (LRTP) as an element, the 2040 CRP focuses on a variety of local government issues beyond transportation, including land use, human and economic resources, and environmental policy objectives.

Stated principles of the 2040 CRP (summary, page 5) include the following:

- Support urban reinvestment;
- Ensure environmental justice;
- Protect natural resources and minimize impacts to environmental features and watersheds; and
- Integrate transportation and land use.

The NIRPC 2040 CRP includes a strong emphasis on focusing growth in existing communities, and a desire to promote redevelopment and revitalization of the urban core. The 2040 CRP was coordinated with the implementation of a comprehensive Economic Development Strategy for Northwestern Indiana and CMAP’s GO TO 2040 Comprehensive Regional Plan.

Stated 2040 CRP goals for the transportation system (Chapter 3) include:

- A safe and secure transportation system;
- Increased mobility, accessibility, and transportation options for people and freight;
- Adequate transportation funding and efficient use of resources; and
- A transportation system that supports the health of all people.

NIRPC held a freight planning workshop for the 2040 CRP on December 15, 2010, noting that the expected doubling of regional freight traffic was a policy issue of high concern. The workshop identified and prioritized freight-associated projects and policies; the Illiana Expressway was identified as a project of “high priority” (presentation to the Steering Committee on January 20, 2011 by Cambridge Systematics, page 6). By the time of the 2040 CRP adoption, the Illiana was not listed in the fiscally-constrained capacity project listing (summary, page 47), but shown as an “illustrative” project (i.e., no funding assigned).

Consistency of the Illiana Project with the 2040 CRP

This section addresses how the Illiana project supports the NIRPC 2040 CRP. It includes applicable 2040 CRP policies and goals and a description of how the Illiana project supports those policies and goals.
NIRPC Goal Growth and Conservation (G&C) #1: Livable urban, suburban and rural centers.

The Illiana Corridor will prove to be a strong foundation for community livability along the B3 Corridor. It will provide a long needed east-west limited access facility that will improve mobility for all residents along the corridor as well as ease regional congestion and improve regional mobility. Most importantly, the B3 Corridor provides improved access to open natural areas like the Midewin National Tall Grass Prairie and recreational amenities, such as Cedar Lake in Indiana. Potential multi-use benefits of the corridor will include connecting existing trails to improve trail system connectivity.

Beyond these benefits, IDOT and INDOT have made strong commitments to design and implement the project following sustainability practices to ensure a vibrant environmental and thoughtfully planned corridor. To this end, the engineering approach to the corridor has utilized context sensitive design practices, while county and community officials have initiated steps to establish a multi-jurisdictional plan to coordinate land use and community plans both along the corridor and within the corridor’s communities.

As part of Tier Two, the Land Use TTF has initiated the development of a multi-jurisdictional plan to coordinate land use and community plans both along the B3 Corridor and within the corridor’s communities. Based on feedback to date, environmental protection and opportunities, economic development, and smart growth are recurring themes for land use planning for the area.

The implementation of the Illiana project upon is anticipated to increase county-wide population by about 5,200 persons and employment by about 7,750 employees by the year 2040; township-level population and employment differences are shown in Figures 5 and 6, below. Ross Township seems to experience the highest population differential under the build scenario, with an additional 1,860 people, while Eagle Creek Township has the highest employment differential, with an additional 2,400 jobs.

The key finding here is that the Illiana project results in population and employment growth for the existing urban areas of Lake County. Special attention will need to be paid to suburban and rural centers to ensure that population and employment growth occurs in areas with sufficient public services and amenities, and in an environmentally responsible manner. As part of the Illiana Tier Two FEIS currently underway, the project sponsors (IDOT and INDOT) have convened discussions of local land use planning and zoning jurisdictions located along the B3 alignment to coordinate future land use, economic development, and redevelopment efforts.
NIRPC Goal Growth and Conservation (G&C) #2: Revitalized urban core.

The area south of Lake Michigan (South Sub-Region) includes regional transportation facilities such as I-80, the Indiana Toll Road, and portions of I-55, I-57, and I-65. The northern portion of the South Sub-Region that includes I-80 is developing and is expected to reach holding capacity before 2040 based on the Illiana Corridor Study forecasts.

In support of infill and redevelopment, the Tier Two of the Illiana Corridor Study is facilitating land use planning for the B3 corridor with affected local jurisdictions and agencies. Three land use planning workshops are being conducted during Tier Two to facilitate planning for future developments.
corridor development. In Indiana, support for local planning reviews is targeted at Cedar Lake and Lowell. Based on feedback to date, environmental and farmland protection, economic development, and concentrating growth in existing population centers are recurring themes for land use planning for the area.

Corridor B3 will result in an increase of 18,000 more jobs that would be accessible within 30 minutes from the study area in 2040 as compared to the No Build option. This finding is based on the Illiana Corridor 2040 employment forecast used in the Illiana Corridor Tier One FEIS.

**NIRPC Goal Growth and Conservation (G&C) #3: Managed growth that protects farmland, environmentally sensitive areas and important ecosystems.**

As previously noted, IDOT and INDOT have worked closely to promote thoughtful land use and environmental planning within and along the Illiana corridor. A series of land use meetings provided both input to the corridor alignment and design but also initiated local interest in strategies to protect farmland and environmentally sensitive resources.

**NIRPC Goal Transportation (T) #1: A safe and secure transportation system.**

The B3 Corridor will enhance safety by providing additional east-west limited access highway capacity, which have lower crash rates, and reducing traffic on the arterial system, which exhibits higher crash rates. It is estimated that the number of crashes would be reduced by 920 annually in 2040 under a no toll scenario and 640 crashes under a tolled scenario. Security will be enhanced by providing additional capacity to facilitate travel for evacuation, and improved travel speeds for response to incidents.

**NIRPC Goal Transportation (T) #2: Increase mobility, accessibility, and transportation options for people and freight**

This goal states (under Objective B) the improvement of freight facilities connecting the region to national and global markets, as well as (under Objective C) the reduction of congestion on major freight and transportation routes. The goal also discusses (under Objective D) improving the internal connectivity of the transportation network.

The Tier One FEIS lists improving freight movements (#1.4.3) as a major component of the project’s purpose and need. By alleviating congestion in core corridors in Northwest Indiana and providing more stable travel times (Tier 1 FEIS, #1.4.1 and 1.4.2), the Illiana corridor provides for enhanced safety and security. Also, the Tier 1 FEIS discusses improvement of east-west access along the corridor (#1.4.2.2).

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3 Illiana Corridor Tier One Final Environmental Impact Statement and Record of Decision, January 17, 2013, pages 2-44 to 2-49.
The existing roadway network in the Study Area does not include any east-west multi-lane roads, as seen in the figure below. The lack of higher type, multi-lane east-west roads in the Study Area results in longer distance trips using the two-lane roads that are designed primarily to provide local access and subsequently limits east-west travel options across the Study Area. In addition, there are no existing east-west roads, two-lane or otherwise, that run continuously across the study area.

Population and employment growth in the corridor is expected to result in a 128% increase in vehicle trips between 2010 and 2040 in the Illiana Study Area, even without building the Illiana Corridor. At the same time, regional growth will occur, with the South Sub-Region adding more than 5 million vehicle trips a day by 2040.

### 2010 – 2040 Daily Vehicle Trip Growth

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<th>2010</th>
<th>2040</th>
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<tr>
<td>Illiana Study Area</td>
<td>1,680,000</td>
<td>3,824,000</td>
<td>+128%</td>
</tr>
<tr>
<td>South Sub-Region</td>
<td>14,224,000</td>
<td>19,323,000</td>
<td>+36%</td>
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<tr>
<td>Region</td>
<td>61,733,000</td>
<td>77,685,000</td>
<td>+26%</td>
</tr>
</tbody>
</table>

Source: Illiana Corridor Study
This increase in vehicle trips will result in more traffic and congestion on Illiana Study Area roads, as shown below. Daily traffic on interstates in the Study Area is projected to grow by 65% by 2040, with other principal arterials, minor arterials and collectors growing by 124%, 98%, and 159% respectively.

**Figures 3 and 4: 2010 & 2040 Daily Traffic Volumes**

![Traffic Volumes](image)

Source: Illiana Corridor Study

This translates into a projected 72% increase in vehicle miles of travel (VMT) in the Illiana Study Area and an 84% increase in vehicle hours of travel (VHT) between 2010 and 2040.

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<th>Area</th>
<th>2010-2040 Change in VMT</th>
<th>2010-2040 Change in VHT</th>
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<tbody>
<tr>
<td>Illiana Study Area</td>
<td>72%</td>
<td>84%</td>
</tr>
<tr>
<td>South Sub-Region</td>
<td>46%</td>
<td>53%</td>
</tr>
<tr>
<td>Region</td>
<td>31%</td>
<td>34%</td>
</tr>
</tbody>
</table>

Source: Illiana Corridor Study

The Illiana Corridor improves mobility by serving the longer distance trips that previously used the Study Area arterial roadway network and congested regional east-west facilities, such as I-80. This net result is reduced congestion and improved travel times. At the regional level, an estimated 3 million vehicle hours of travel would be saved annually in 2040 by implementing the Illiana Corridor under a tolled scenario. At a value of time of $24 per hour, this translates to $3.6 billion dollars in travel time savings over a 50-year period.

At the local level, congestion would be reduced with vehicle miles of travel on arterial streets in the Study Area reduced by over 26 million vehicle miles annually in 2040 by implementing the
Illiana Corridor under a tolled scenario. This represents 1.3 billion reduction in vehicle miles of travel on arterial streets over a 50-year period.

Studies documenting the benefits of the Illiana Corridor date back to the early 20th Century. These studies have consistently identified the benefits that include:

- Providing an alternate route for motorists travelling on the heavily trafficked I 80 Borman Corridor;
- Serving as a bypass for trucks around the congested metropolitan area highways;
- Improving access to one of the largest intermodal freight areas in the US;
- Improving access to the proposed South Suburban Airport;
- Supporting economic development in the area south of Lake Michigan; and
- Aiding substantial job creation.

**NIRPC Goal Transportation (T) #3: Adequate Transportation Funding and Efficient Use of Resources.**

Construction of the Illiana project provides another major east-west regional facility to accommodate the growing national truck demand through the South of the Lake region. As such, it helps divert through truck volumes away from the Lake County urban core and for increasing available roadway capacity for local economic growth and freight shipments. Without this relief, the continuing risk for northern Lake County is that delays due to congestion will discourage potential businesses away that might otherwise seek to locate in the northern core areas.

Further, the Illiana project is proposed as a toll road. Tolls reflect user fees that individuals directly pay for the use of that facility. While it is unlikely that the toll revenue from the Illiana project will completely pay for itself, it will certainly contribute towards a significant portion of the construction cost. The Illiana project is also a candidate for public-private partnership. As such, the facility could leverage private investment for its construction and operation. P3s have been shown to result in cost savings and efficiencies, complete large-scale projects by expanding the pool of available money to leverage towards the project, and to transfer a portion of the risks of developing the project from the states to the private sector.

**NIRPC Goal Environment (E) #1: Reduce flooding risks and improve water quality; addressed jointly with NIRPC Goal Environment (E) #3: Clean land.**

An instrumental guide to development of the Illiana Corridor has been the utilization of context sensitive design concepts that marries engineering needs with the physical environment. Design concepts that avoid disruption to natural areas or blend the silhouette of the highway into the landscape to reduce visual discontinuity are being incorporated, where possible, to make the expressway less intrusive to both nature and the traveler experience. Opportunities
for context sensitive design concepts at points of connection between the roadway and natural areas, such as waterways, forest preserves and natural open spaces are also being identified. In addition, the corridor plan looks at the linkage of human activities that intersect with the corridor on trails and at recreational areas.

The Illiana Corridor Study also commits to developing a sustainable transportation solution, as documented in the Purpose Statement in the Purpose and Need Statement in the EIS. In addition, IDOT and INDOT have committed to using sustainable design practices in development of the Illiana Corridor. This will include roadway alignments that mimic existing grades where possible, cuts and fills shaped to match slopes of existing landscape, and best management practices for stormwater, including the use of bio-swales and detention area that have a natural shape and cross section along the perimeter to promote vegetation establishment. The project has also committed to using FHWA’s INVEST sustainability tool through the various phases of the project to promote sustainable design and construction practices.

The Illiana Land Use TTF is also serving as an initial backbone for local planning of land use needs in this area of dynamic growth to ensure the overall quality of life is maintained and enhanced. Stimulating and supporting sustainable features such as open spaces, transit, greenways, recreation, water quality, wildlife crossings, farmland preservation, utilities, etc. are being discussed.

**NIRPC Goal Environment (E) #2: Improve Air Quality.**

The Illiana Corridor is expected to improve regional air quality by reducing congestion and improving travel speeds. As overall regional travel speeds increase, volatile organic compounds (VOC), which are the pre-cursors for ozone, decrease. A regional air quality conformity analysis was completed in October 2013 that tested the inclusion of the Illiana project in the Long Range Transportation Plan and TIP. This analysis found continued air quality conformity of the plan and program with the inclusion of the Illiana Corridor.

**NIRPC Goal Economic Development (ED) #1: A globally competitive, diversified economy that protects and enhances our natural environment.**

The purpose of the Illiana is to support the diversion of long-distance commercial truck traffic away from the I-80/I-94 corridor. This purpose is to free up needed roadway capacity along the northern corridor as well as direct otherwise through-traffic to either markets beyond the NIRPC region or to the new intermodal hubs in neighboring Will County. These intermodal terminals are expanding rapidly: the two existing facilities in Joliet and Elwood are expected to double their traffic at full build-out and two additional facilities are either in construction (Wilmington) or being planned (Crete).
For Lake County, the potential benefits of being located near this major freight hub are immense. Already many industrial firms and logistics operators have sought to locate in the vicinity of these new facilities. Will County is expected to experience strong growth over the next half century. The dynamics of this economic engine in an adjacent county can also provide similar opportunities for Lake County. A shift in freight patterns within the region will provide northern Lake County similar opportunities to those of northern Will and southern Cook Counties in Illinois, particularly along the I-80/I-94 corridor. Additional intermodal facilities and services could be needed as new opportunities develop. The benefits of expanded intermodal operations have had far-reaching impacts on how both finished and raw products are shipped. Access of intermodal container service has opened up international markets for farmers who can now load product on their fields and ship directly to foreign markets without use of the traditional middle man.

In recognizing the economic opportunity of global market access via intermodal freight, Lake County can provide readily available access to new world markets for a wide range of industrial companies, logistics operators and to local businesses, including farmers, to diversify its economic base. In doing so, it provides new opportunities for local workers to find a wide range of jobs that require advanced education or skills development.

Based on the economic analysis performed for the Illiana Corridor Tier One FEIS, the short-term (2013 – 2018) economic benefits of a tolled B3 Corridor include an additional 9,124 short-term jobs (in job years). In the long-term (2018 – 2048), 28,218 jobs (in job years) are expected to be generated due to the additional travel time savings provided by Corridor B3. Of these totals, Illinois can expect the creation of 6,840 short-term jobs and 21,160 long-term jobs (based on a 75-25 percent split between Illinois and Indiana).

Based on the Tier One FEIS, economic output, as represented by the productivity of the region measured by the value of goods and services produced, will experience a $1.4 billion gain in short-term (2013-2018) output with the construction of the Illiana. In the long-term (2018 – 2048), the additional economic output resulting from implementation of the B3 Corridor is estimated to be $3.9 billion.

In terms of state and local tax impacts, the Illiana Corridor Tier One FEIS estimates an additional $49 million in short-term (2013 – 2018) construction economic output. In the long-term (2018 – 2048), the additional economic output resulting from implementation of the B3 Corridor is estimated to be $271 million.

NIRPC Goal Economic Development (ED) #2: Expanded access to knowledge and educational opportunities.

The benefits to the Human Capital goals of the region are broad. The construction of the Illiana will help spur growth within the region along the I-80/I-94 and I-65 corridors in northern Lake County. These benefits can be summarized as:
• Expanding employment opportunities,
• Increasing short-term and long-term employment opportunities in the region,
• Increasing the number of jobs within 30 minutes of home locations,
• Improve access to higher education institutions in Gary, Hammond and Merryville.

A key component of all these benefits is the strategic nature of the investment to support diverse opportunities for development. With Will County already developing as a major freight hub, Lake County becomes an ideal location for a wide range of manufacturers and other shippers looking to reach global and domestic markets. A key to this opportunity will be access to university degrees along with opportunities for new skills and training for local job seekers.

Logistics is identified as a new core “cluster” industry for region. As one of the driving economic forces in the metropolitan area, both historically and in the future, logistics activities centered at the crossroads of I-55, I-57, I-65 and I-80/I-94 will provide a powerful job creating force for all residents.

NIRPC Goal Stewardship and Governance (S and G) #1: Environmental Justice

Briefly put, environmental justice analysis assesses whether project costs (including externalities) borne by disadvantaged populations are disproportionate to the benefits to those same populations. A formal analysis of the environmental justice issues associated with the Illiana project will be conducted by NIRPC prior to consideration of amending the Illiana project into the fiscally constrained NIRPC 2040 CRP. It should also be mentioned that the Illiana Corridor Tier One EIS did not identify any environment justice issues.

NIRPC Goal Stewardship and Governance (S and G) #2: Efficient and coordinated government

The Illiana Corridor is generally located at the edge of development in the region. The Tier One EIS documented the extreme difficulty in locating such a facility closer in, because much of the land is already developed and the displacements and environmental impacts would be substantial.

With the location of the Illiana Corridor at the edge of development in the region, it could be used in part as an easily understood boundary for development for the region. Within the Illiana Corridor, CMAP and NIRPC together with the local jurisdictions could help synchronize development so that it is contiguous and is supported by the necessary roads, sewers, and other infrastructure. The Illiana Corridor can be used to develop a balanced approach that encourages and directs development to areas that promote efficiency and accessibility to jobs and other destinations, and at the same time provide opportunities for green infrastructure.

The Tier Two portion of the Illiana EIS has been built on the concepts of coordinated, cooperative and comprehensive planning that were established in Tier One. IDOT and INDOT
have directed a massive planning and coordination effort that has outreached and nurtured coordinated planning with federal, state and local government agencies, with special interest groups representing environmental and economic issues, with landowners and with the general public.

Existing regional, county and local community plans have been assembled and are being considered when selecting the best corridor alignment during Tier Two work. A series of land use and context sensitive design meetings have been undertaken to ensure all development and corridor design alternatives are put forward for consideration.

**Conclusions**

As an infrastructure improvement, the Illiana project will primarily support the Goals, Principles and Recommendations of the NIRPC 2040 Comprehensive Regional Plan by providing improved regional mobility and enhancing the region’s quality of life. The most recognizable benefit of the Illiana construction will be to alleviate the inevitable growth in congestion in the northern portion of Lake County. This benefit will be realized by the rerouting of long-distance truckers away from I-80 driving through the study area.

As outlined in the Tier One EIS, the Illiana B3 alignment provides the best fit for addressing all elements of the Purpose and Need goals of the project. The Illiana project clearly addresses the northwest Indiana transportation needs and goals as stated in the NIRPC 2040 CRP. In particular, the Illiana project addresses NIRPC’s goal for “increasing mobility, accessibility, and transportation options for people and freight” (goal #2).

The entire region is experiencing significant rises in overall truck traffic. Much of this traffic travels along I-80 and is merely bypassing the NE Illinois/NW Indiana region between other states and locations. Congestion in northern Lake County will continue to rise and without relief will make development in that northern corridor more difficult. The Illiana will help relieve these conditions, with time savings totaling nearly 4 million vehicle hours annually, resulting in over $4 billion of travel time savings over a 50-year period. The Illiana project will also improve national freight flows and reduce the physical strain on the Study Area’s local highway network.

Benefits from implementation of the Illiana will extent to the most congested segments of the existing highway network and the jurisdictions and areas that they intersect; in Lake County, these jurisdictions include the most urbanized areas in Northwest Indiana, including Center, Calumet, and Hobart Townships.

Finally, as the Governors of Indiana and Illinois stated, the Illiana project will provide jobs – 9,000 construction-related jobs, and 28,000 long-term jobs. Indiana is the Crossroads of America – the Illiana project is needed to maintain and improve the global connections that link the region to international trade and information networks, providing economic opportunities and a broad range of jobs.