

CITY OF CHICAGO . OFFICE OF THE MAYOR

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## TRANSIT TIF DISTRICT PROPOSED TO SUPPORT 5.6-MILE SOUTHERN EXTENSION OF CTA RED LINE

**CHICAGO** — A new Transit Tax Increment Financing (TIF) district proposed to City Council today by Mayor Lori E. Lightfoot would provide financial support for the \$3.6 billion extension of the Chicago Transit Authority (CTA) Red Line from 95th Street to 130th Street on the Far South Side.

Planned as one of the most transformative investments in CTA's history, the Red Line Extension (RLE) would improve Far South Side connections to jobs, education, and commerce, while also serving as a catalyst for equitable economic development along its length.

"The Red Line Extension project represents one of the most critical investments in CTA's history and will undoubtedly be a transformative development for our Far South Side community," said Mayor Lightfoot. "Not only will this project correct a decades-long lack of rail access for community members, but it will also connect them to jobs, education, and commerce, as well as bolster the economic development of their neighborhoods. This project has been a long time in the making, and I am thankful to all of the government, community and labor partners who have been deeply involved in making it a reality."

The proposed Transit TIF legislation includes three measures that would generate up to \$959 million in local funds for eligible costs involving RLE construction and administration. The measures include:

- The designation of a **RLE Transit Facility Improvement Area (TFIA)**, where TIF revenues could be spent on the project. The TFIA includes property located within one-half mile of existing and proposed Red Line right-of-way between Madison and 130th street.
- The designation of a **RLE Redevelopment Project Area (RPA)**, where new property tax growth would provide TIF assistance for the project. The RPA



includes 7,726 parcels on approximately 1,445 acres of land located within one-half mile of Red Line right-of-way between Madison and Pershing Road.

• The adoption of a **RLE TIF Redevelopment Plan**, which outlines the project scope, budget, and use of TIF funds.

The 5.6-mile RLE project includes four new commuter stations south of 95th Street: at 103rd Street near Eggleston Avenue, 111th Street near Eggleston Avenue, Michigan Avenue near 116th Street, and 130th Street near the Altgeld Gardens public housing complex. Plans also include park-and-ride facilities at each station and a new railcar storage and maintenance facility at 120th Street.

"The Red Line Extension will be one of the single biggest investments on the Far South Side in decades," CTA President Dorval R. Carter, Jr. said. "At CTA, we are dedicated to community involvement when it comes to our projects and always want to hear the voices of Chicago residents. RLE has been a community-input-driven project from the start, and members of the surrounding communities will remain vital in helping shape this project and its path forward."

The creation of the Transit TIF would leverage up to \$2.1 billion in Federal Transit Administration funding for the RLE. The project has already received \$30 million through the U.S. Department of Transportation, and the CTA is pursuing additional federal, state, county, and Regional Transportation Authority financial support.

Part of the CTA's Red Ahead Program, the RLE would eliminate a gap in CTA rail service within predominantly Black and Brown neighborhoods on the Far South Side, which is the only major portion of Chicago that does not have a CTA rail line that extends to the city limits.

The Red Line is the CTA's most heavily used rail line, providing 24-hour north-south service to more than 67 million riders in 2019. A Far South Side extension has been under consideration since 1958.

The RLE Transit TIF would be the second Transit TIF district in Chicago. In 2016, the City established the Red Purple Modernization Phase I Transit TIF, which was used to generate \$622 million in local funding toward \$2.1 billion in improvements to North Side portions of the CTA's Red and Purple Lines.

More information about the proposed RLE Transit TIF is <u>available on the City's</u> <u>website</u>.

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