

Transportation Investments Generating Economic Recovery (TIGER)
Discretionary Grant Application
Rockford, IL Region
Fact Sheet

The Rockford Metropolitan Agency for Planning prepared a TIGER Grant application on behalf of the residents, industries and transportation providers in the Rockford region. The application for funds is to support freight rail and passenger rail infrastructure investments to bring existing and proposed rail assets into a state of good repair and operability leading to sustained economic growth and employment. The application describes a group of projects that captures the benefits of the Rockford region's industrial legacy and transportation geography. The application describes a transportation investment project that is anchored by:

- Freight rail infrastructure upgrades that will be combined with private investment to create a rail-to-highway intermodal or transload facility that all railroads serving industries in the Rockford region can utilize.
- Investments in passenger rail to expedite the entry of both inter-city passenger rail and commuter rail into revenue service aligned with freight rail infrastructure and facility upgrades.
- Freight rail infrastructure consolidation that maximizes the economic competitiveness of the region, creates jobs and allows the increased freight activity to coexist with passenger service in accordance with all of the regional long range planning that has occurred since 1999.

The cornerstone pieces of the TIGER project bring together a diverse set of public and private entities and add considerable value to existing and proposed transportation assets as follows:

Railroad Transportation

- The acquisition by the Canadian Pacific (CP) Railroad of the Dakota, Minnesota & Eastern Railroad (DM & E) and the subsidiary holding of the Iowa, Chicago & Eastern (IC & E) Railroad in 2008.
- Legislation approved by the Illinois General Assembly in 2007 to create the Winnebago County Rail Authority under the auspices of the airport board at RFD.
- Approval of a 2009 Capital Program by the Illinois General Assembly that allocates significant funding to rail infrastructure upgrades.
- Significant private investment by the four railroad companies that serve the Rockford region - Canadian Pacific (CP), Canadian National (CN), Union Pacific (UP) and Illinois Railway (IR). All four railroads have agreed to cooperate in a rail consolidation program that enhances key rail components, eliminates redundant and non-critical rail assets, sustains access to industrial sites, and generates significant private investment that will create jobs and spur long term economic development and growth.

Air Transportation

- The explosive growth in air cargo and freight activity at RFD and the prominence of RFD to regional economic development, with over 700,000 tons moved in 2008.
- The Rockford Global TradePark, which surrounds RFD, brings together a multitude of economic development tools such as Foreign Trade Zone #176, US Customs Port of Entry, three economic recovery TIF districts and a planning area of over 6,600 acres for industrial and commercial projects.
- New regional private investment in distribution and logistics, such as the \$40 million air cargo center by Tandem Development Group of Hoffman Estates, IL in its first of three development phases.

Industrial Development

- Regional investment by private sector transportation and logistics companies that are willing partners in long term economic growth, especially given the crushing economic conditions of the region.
- The purchase of the Belvidere Assembly Plant by the Fiat Corporation from Daimler-Chrysler that will help to capitalize on the over \$400 million dollar investment made by Chrysler prior to the current economic downturn.
- Direct foreign investment by companies such as Wanxiang America Corporation targeted for the Rockford Global TradePark, bringing a \$12.5 million investment to the region.
- Large regional distribution centers, such as the 1.5 million square foot Lowe's Distribution center in Rockford, are strategically positioned to take advantage of the TIGER project and the resultant benefits to the supply chain for their \$80 million home hardware inventory.

Public Administration

- The implementation of regional comprehensive land use plans that call for transit-oriented development around passenger rail service as a prominent component of a regional economic development strategy. These stakeholder communities represent more than 314,000 residents. The proposed improvements are key drivers to the future sustainability and livability of the region.
- Revitalizes a region that economically has been the hardest hit in Illinois and one of the hardest hit in the nation with unemployment climbing above 14%. The Rockford MSA region qualifies under all of the federal economic distress criteria and has a large percentage of economically disadvantaged populations that will benefit from the proposed investments.

The regional TIGER application is characterized by:

- A \$71.4 million investment being sought for rail infrastructure upgrades are intricately linked to rail consolidation and passenger rail planning. The Rockford region has undertaken a significant planning effort since 1999 to strategically position the region for funding and investment opportunities; the TIGER application is the culmination of those efforts. Taken as a whole the project portfolio brings together transportation investment that creates economic wealth for the region, serves the travel needs for a major segment of the population that has been the most severely affected by the economic downturn, delivers public dollars into a highly successful public-private partnership that has a track record of creating jobs, and links existing transportation assets and capacity with strategic additions across complementary modes.
- Federal law (Environmental Justice and Title VI) requires that regional planning and investment strategies using federal funds not discriminate against persons of low income, minorities and transportation-disadvantaged persons. The regional TIGER application restores and sustains regional equity and provides passenger rail service to the inner urban core of both Rockford and Belvidere where the concentration of these populations reside. Moreover the other infrastructure investments being sought target rail consolidation in a severely distressed area of the community where a mixed-use, mixed-income development that targets housing, shopping and transportation needs of these populations can replace the blight of old and neglected former industrial and rail properties.
- The Rockford Global TradePark has a track record of success as the region's premier public-private partnership. Public investment in infrastructure to date has been concentrated on core needs (sewer, water, roads) and development assistance for projects in the air cargo and roadway trucking industry. The TIGER application targets the rail portion of the freight industry as the next business cluster ready to be developed. Based on an analysis of regional, national and global supply chains and the investment of the Class I railroads serving the region a strategy to continue the economic development success has been packaged into the TIGER application.
- The economic distress of Winnebago and Boone counties is well documented. Unfortunately the MSA leads the State of Illinois in unemployment, poverty and the largest number of mass layoffs (per capita). The Rockford region is the poster-child for the type of economic recovery that Congress intended when the Recovery Act and the TIGER programs were created.
- The regional application represents an investment strategy that mirrors the core components and outcomes of TIGER; state of good repair, economic competitiveness and job creation, livability, sustainability, safety, innovation and strong partnership. The anticipated growth in employment will permeate throughout the regional economy, sustaining industrial and economic development long after the initial construction period, in part due to the high correlation among area industries. The regional TIGER application is the strongest and most effective means to reach the TIGER investment objectives in Illinois, regardless of investment magnitude.
- The return on investment will be significant. High value job creation is forecast to be over 3,500 new or retained jobs. The long term regional goals of reinvesting in the urban core, sustainable regional development, congestion relief, safety, reduction in greenhouse gas emissions, blending of affordable housing and transportation to produce improved mobility, and transportation investments tied to economic development are satisfied. It is the model for the future of urban regions in the United States.