Freight and friends

At a Chicago press conference last month, a local television reporter asked Barack Obama how the president-elect would use the federal budget to help his friends and supporters back home in Illinois.

“Friendship does not come into this,” Obama replied. “That’s the old way of doing business. The new way of doing business is, let’s figure out what projects, what investments are going to give the American economy the most bang for the buck.”

Right on, most taxpayers would say. But when it comes to transportation spending, the old and new ways of business don’t have to be mutually exclusive. If the new administration is looking for an infrastructure project that would deliver maximum economic benefit, there’s a big one waiting right in Obama’s hometown.

We’re talking about CREATE—the Chicago Region Environmental and Transportation Efficiency program, an innovative project that would harness public and private resources to smooth the flow of intermodal and other trains through the nation’s busiest rail hub.

With its central location, Chicago has a unique role in the nation’s transportation system. Every day, 500 freight trains and 700 passenger trains converge on the city, using a rail network that’s developed piecemeal over 150 years. Bottlenecks are numerous, and delays frequent. A container that takes two days to arrive from the West Coast may take another two to get through Chicago.

CREATE would untangle this mess by eliminating grade crossings, separating passenger and freight rail operations and upgrading signaling. The program would use a combination of funds from the federal government, the state, the city, the Metra commuter-rail system and six Class 1 railroads.

Funding problems, however, have put CREATE on the slow track. The 2003 surface-transportation bill, finally enacted in 2005 as SAFETEA-LU, provided only $100 million to the Chicago project, far less than the $900 million that backers had sought. Insufficient funding has slowed the project’s completion and driven up its cost, which in 2003 was estimated at $1.5 billion.

Frustrated with the delays, Canadian National Railway is seeking Surface Transportation Board approval to buy the Elgin, Joliet & Eastern Railway, which would allow CN to circumvent city congestion for its trains.

That still leaves other railroads and their customers with a Chicago problem. They’ll have another shot at federal funding next year, when Congress takes up a replacement for SAFETEA-LU, which expires on Sept. 30. Congress and the administration should act promptly on the new legislation, and resist the impulse for pork-barrel spending on bike paths, historical museums and bridges to nowhere.

CREATE will have national as well as local importance. It’s a way for the new administration and Congress to give the economy the most bang for the buck, and to make new friends in transportation.