

PROJECT BUDGET

This document describes the budget for the 75th Street CIP – EW2A (the Project), aligned with the Project scope for which MPDG funding is requested to supplement the committed other Federal funds and local partner match. The Project scope is described in the accompanying Project Description and in [Exhibit 2A. Detailed Project Scope](#). The sections below present previously incurred project expenses, itemized future project expenditures, a breakdown of project funding sources, an illustration of project expenditures across different census tracts, and lastly, IDOT’s approach and plan for addressing potential cost overruns.

Previously Incurred Costs

Previously incurred costs cannot be considered part of the local matching requirement, nor can they be reimbursed with MPDG grant funds. However, previously incurred expenses related to the Project serve to demonstrate the sustained commitment of the partners to complete the Project in a timely manner while preserving the corridor in good condition. Project development efforts to date have incurred a cost of over \$78 million through 2023, summarized below in **Table 1A** in both federal and non-federal dollars.

Table 1A: Previously Incurred Expenses through Q2 2023

Cost Categories	Federal	Non-Federal	Total
P3, GS19, EW2, P2 Phase I – NEPA & Preliminary Engineering	\$0	\$14,120,180	\$14,120,180
P3, GS19, EW2, P2 Phase II – Design	\$7,000,000	\$20,347,155	\$27,347,155
P3, GS19 Phase III – Construction	19,499,057	\$10,409,624	\$29,908,681
P3, GS19, EW2, P2 Utility	\$0	\$0	\$0
P3, GS19, EW2, P2 Right of Way	\$0	\$0	\$0
P3, GS19, EW2, P2 Program Management	\$0	\$6,906,102	\$6,906,102
Total:	\$26,499,057	\$51,783,061	\$78,282,118

As reflected in **Table 1B**, the entire 75th St CIP has secured over \$458 million in funding, to support the design and construction of Projects P3 and GS19, and to fund the design work for Projects P2 and EW2 (inclusive of EW2 Segment A). That said, none of the previous or planned expenditures that are highlighted in Table 1B will go toward supporting construction or ROW acquisition work for EW2A, and in turn, these funds will not serve as match to for the requested FY23/24 MPDG grant.

Table 1B: Total Expenses through Funded Project Phases (in millions)

Cost Categories	Federal	Non-Federal	Total
P3, GS19, EW2, P2 Phase I – NEPA & Preliminary Engineering	\$0	\$14,120,180	\$14,120,180
P3, GS19, EW2, P2 Phase II – Design	\$7,000,000	\$59,225,765	\$68,225,765
P3, GS19 Phase III – Construction	\$105,785,037	\$226,098,196	\$331,883,233
P3, GS19, EW2, P2 Utility	\$0	\$1,446,292	\$1,446,292
P3, GS19, EW2, P2 Right of Way	\$14,000,000	\$11,960,726	\$25,960,726
P3, GS19, EW2, P2 Program Management	\$7,000,000	\$11,000,000	\$19,000,000
Total:	\$126,785,037	\$324,851,159	\$458,636,196

Future Eligible Project Sources & Uses

The total FY 2023 MPDG grant request is \$260,615,208, representing 60% of the total Project cost (\$434,358,680). An additional 2.3% of federal match will be provided by Metra, using Federal Transit Administration formula funding, along with 2.3% of federal match provided by Amtrak, using Federal Railroad Administration formula funds. In total federal match accounts for 64.6% of all future eligible project costs. The estimated budget was developed in April 2023, through USDOT’s Construction Schedule and Risk Analysis process, which established updated cost information and contingencies that were informed by CREATE’s partner organizations and agencies. As indicated in [Exhibit 2B. Project Schedule](#), EW2A has begun Phase II – Design work, reflecting the degree of completion that these costs are based on. Additional detail on this can be found in [Exhibit 2C. Detailed Project Estimate](#), [Exhibit 2E. 75th Street CIP Annual Financial Plan](#), and [Exhibit 2F. Construction Schedule & Risk Assessment Summary Report](#). **Table 2** shows the sum of future eligible Federal and Non-Federal costs by Project component, in both dollars and percentages of the total project cost. Should the Project not receive the requested amount of MPDG funds and future Federal funding tranches as identified in **Table 2**, the Project would be delayed for the foreseeable future, until additional funding can be identified.

Table 2. Project Sources Summary

Funding Source	Total Funding for 75th Street CIP – EW2A	Funding %
MPDG:		
INFRA/MEGA	\$ 260,615,208	60.0%
Other Federal:		
Amtrak	\$ 10,000,000	2.3%
Metra	\$ 10,000,000	2.3%
Non-Federal:		
State		
IDOT	\$ 52,743,472	12.1%
Regional / Local		
Cook County (DoTH)	\$ 26,000,000	6.0%
City of Chicago (CDOT)	\$ 5,000,000	1.2%
Private		
Class I Railroads	\$ 70,000,000	16.1%
Total:	\$ 434,358,680	100%

Regarding non-federal match, the Illinois Department of Transportation is providing over \$52 million in match, using state bond sources. The Cook County Department of Transportation & Highways is supplying \$26 million in local match, using County motor fuel tax revenues. The City of Chicago’s \$5 million in local match is funded through municipal capital improvement funds, and a consortium of the Project’s participating Class I railroads shall supply \$70 million in matching funds. City of Chicago’s planned community mobility improvements, described in Project Description and in [Exhibit 4. EW2A Environmental Commitments](#), totaling \$4 million in cost, will serve as non-matching leverage to this FY23/24 MPDG grant request. **Table 3** presents costs by each major category (and the allocation of funding sources across different cost categories), as identified in the Annual Financial Plan. Based on the current project phase, as well as IDOT’s experience implementing other CREATE Program projects, Project EW2A established an overall 10% contingency and 5% Project Management Reserve (PMR). Additional detail on this is provided in [Exhibit 2D. Estimate Contingency Plan](#).

Table 3. Sources and Uses Table - Project Budget by Major Construction Activity Category

No.	Cost Categories	MPDG	%	Other Fed. Funds	%	Non-Federal	%	Total
1.0	Removals / Demolition	\$1,474,231	60%	\$0	0%	\$982,821	40%	\$2,457,052
2.0	Civil - Earthwork	\$5,896,925	60%	\$0	0%	\$3,931,283	40%	\$9,828,208
3.0	Track work	\$33,000,580	60%	\$5,000,000	9%	\$17,000,386	31%	\$55,000,966
4.0	Signals & Systems	\$36,907,120	60%	\$0	0%	\$24,604,747	40%	\$61,511,867
5.0	Structures	\$106,991,130	60%	\$15,000,000	8%	\$56,327,420	32%	\$178,318,550
6.0	Viaducts	\$8,729,984	60%	\$0	0%	\$5,819,990	40%	\$14,549,974
7.0	Environmental Mitigation	\$7,963,679	60%	\$0	0%	\$5,309,120	40%	\$13,272,799
8.0	Miscellaneous & Temporary Facilities	\$19,712,266	60%	\$0	0%	\$13,141,511	40%	\$32,853,777
9.0	Utility	\$3,946,211	60%	\$0	0%	\$2,630,807	40%	\$6,577,018
10.0	ROW	\$0	0%	\$0	0%	\$0	0%	\$0
11.0	Professional Services	\$35,993,082	60%	\$0	0%	\$23,995,387	40%	\$59,988,469
	Unallocated Contingency	\$0	0%	\$0	0%	\$0	0%	\$0
	Total	\$260,615,208	60%	\$20,000,000	5%	\$153,743,472	35%	\$434,358,680

Project Costs by Census Tract and APP or HDC Status

The Project is located in 13 census tracts within an urbanized area, shown in [Exhibit 1G. Qualifying Census Tracts \(APP & HDC\)](#). An allocation of Project costs per Census Tract is presented in Table 4 below. Of the total Project costs, 78.1% will be expended in tracts that are designated as both an “Area of Persistent Poverty” (APP) and a “Historically Disadvantaged Community” (HDC), while 5.7% will be allocated to Census tracts that are designated only as an APP, and 16.2% of the Project cost is allocated to tracts that are neither an APP nor an HDC.

Table 4. Project Costs per Census Tract and APP or HDC Status

Census Tract(s)	APP	HDC	Project Costs per Census Tract
Census Tract 6611	Yes	Yes	\$0
Census Tract 6610	Yes	Yes	\$3,285,840
Census Tract 6720	Yes	Yes	\$25,061,465
Census Tract 6719	Yes	No	\$16,801,699
Census Tract 6718	Yes	Yes	\$14,053,780
Census Tract 6814	Yes	Yes	\$34,625,581
Census Tract 6813	Yes	Yes	\$60,421,029
Census Tract 7001	No	No	\$47,919,928

Census Tract 7104	Yes	Yes	\$23,284,935
Census Tract 7103	Yes	Yes	\$13,513,202
Census Tract 7102	Yes	Yes	\$25,255,854
Census Tract 7101	Yes	Yes	\$0
Census Tract 6912	Yes	Yes	\$31,847,376
Total	-	-	\$296,070,689

Table 5. Summary of Project Costs by APP and HDC Status

Designation	Percent of Census Tracts	Project Cost per Designation
APP Only	5.7%	\$16,876,029
HDC Only	0%	\$0
Both APP and HDC	78.1%	\$231,231,208
Neither APP nor HDC	16.2%	\$47,963,452
Total	100.0%	\$296,070,689

Documentation of Funding Commitments

IDOT’s documentation of funding commitments for non-Federal and other Federal funds is included in the Letter of Funding Commitment, which includes a signature from Secretary Osman, in addition to similar commitments from CDOT, Cook County, Metra, Amtrak and the participating Class I railroads.

Planned Grant Requests to Other Federal Funding Programs

The CREATE partners are not currently considering other federal grant sources within fiscal year 2023, to fund construction of Project EW2A.

Managing Project Costs

IDOT’s strategies for addressing potential cost overruns include drawing funds from operating revenue and/or unrestricted capital funds. All additional costs will be fully borne by IDOT, without additional future Federal funding requests. CREATE partners will maintain the upgraded service and related infrastructure, without the need for additional Federal funding support. Within Project EW2A, as with all CREATE Projects, construction estimates will be produced by the Designer of Record and included with each design milestone package. Estimates will be assessed against the baseline numbers included in this application, and if costs trend above the available budget, scoping solutions will be developed between IDOT, partner agencies, and the contractor, which will be conveyed through regular reporting with FHWA, FRA, and FTA. Additionally, IDOT’s project management procedures require the estimates to expand in level of detail as design progresses, which will provide additional insights into where costs stand and help guide cost control decisions. IDOT is currently in the process of documenting these procedures in a plan for project estimate monitoring, management, and reporting, which will be utilized throughout the duration of future 75th St CIP project work. Lastly, the 75th St CIP’s [Annual Financial Plan](#) and [Risk Register](#) processes also serve as a routine frameworks for reevaluating cost assumptions and updating scopes and budgets throughout various phases of the Project.