

STATUTORY SELECTION REQUIREMENTS

| 23 U.S.C. 117 INFRA | 49 U.S.C. 6701 Mega |
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| (1) The project will generate national, or regional economic, mobility, or safety benefits. | (1) The project is likely to generate national or regional economic, mobility, safety benefits. |
| <p>CREATE Project EW2A (the Project) will generate:</p> <ol style="list-style-type: none"> 1. National benefits for America’s supply chain network, by reducing freight congestion within Chicago, and by improving a corridor that serves an Amtrak passenger route 2. Regional benefits for Chicago’s freight economy and Metra commuter rail service, by reducing delay and improving infrastructure within the Chicago Terminal 3. Improved mobility throughout the Chicago Terminal and along surface streets that cross through the EW2A Project Area, by reducing travel times and delay, and by enhancing state of good repair of the infrastructure along the corridor 4. Improved safety along the elevated railway, through state of good repair enhancements to the structures, track segments and signals, and through the lighting, sidewalk, pavement, and drainage improvements to the surface streets that cross under the elevated railway in the EW2A Project Area | |
| (2) The project will be cost effective. | (3) The project will be cost effective. |
| <p>As described in the Benefit Cost Analysis Technical Memorandum, and supporting documentation, the Project is expected to be cost-effective with a positive ratio of 1.63. This includes a 7% discount rate and a Net Present Value (NPV) of \$135 million.</p> | |
| (3) The project will contribute to 1 or more of the national goals described under 23 U.S.C. Section 150. | No statutory requirement |
| <p>The Project contributes to all 7 of the national goals including:</p> <ol style="list-style-type: none"> 1. Safety: By reducing the threat of structural failures along the elevated rail corridor, as well auto-related accidents, injuries, fatalities, and crime at surface street viaducts within the Project area 2. Infrastructure Condition: By improving the structures, track segments, signals, viaducts, and surface street infrastructure along the corridor to a state of good repair 3. Congestion Reduction: By reducing freight and passenger rail delay within the Project area, and subsequently through the Terminal, and preventing a potential diversion from rail to truck shipments that results from network saturation or a structural failure | |

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| <p>4. System Reliability: By reducing rail-rail conflict points, streamlining track segments and adding new track capacity, serving to reduce the delay and enable future increases in train miles for freight and passenger service along the corridor</p> <p>5. Freight Movement & Economic Vitality: By improving the infrastructure along a key corridor, and by reducing delay and improving mobility throughout the Terminal, the Project serves to support Chicago’s regional freight economy, particularly for nearby facilities like NS Landers Intermodal Yard. See Project Description - Figure 3. (Chicago Region – Top Commodities by Rail) for a detailing of critical supply chain flows that move through the Terminal. Through these improvements, the Project will also prevent potential closures on the corridor, and any subsequent diversions of freight rail traffic away from the Chicago Terminal, to other locations</p> <p>6. Environmental Sustainability: By reducing emissions related to idling and delay caused by freight gridlock, implementing state of good repair improvements along Metra commuter rail and CTA bus transit lines (thereby improving transit reliability and encouraging transit use), implementing energy efficiency lighting and drainage improvements at viaducts, and by encouraging infill development along the corridor</p> <p>7. Reduced project delivery delays: Through full obligation of Project funding by Q3 2025</p> | |
| (4) The project is based on the results of preliminary engineering | No statutory requirement |
| <p>IDOT and the CREATE partners have been planning for this Project for almost 20 years. This has resulted in a well-defined project and scope defined by the CREATE Feasibility Study, the Phase I Environmental Impact Statement (EIS), Conceptual Segment Schematics, an Annual Financial Plan, and a Preliminary Cost Estimate. These efforts have shown that the Project is warranted, all options have been considered, and the selected option is achievable. The following activities have been completed as of the date of application submission:</p> <ul style="list-style-type: none"> • Environmental Assessments: Completed as part of the Phase I EIS, to be updated during Phase II Design Engineering • Topographic Surveys: Completed as part of the Phase I EIS • Metes and Bounds Surveys: Currently in process, to be completed as part of Phase II Design Engineering • Geotechnical Investigations: Completed as part of the Phase I EIS • Hydrologic Analysis: Completed as part of the Phase I EIS • Utility Engineering: Completed as part of the Phase I EIS • Traffic Studies: Not applicable • Financial Plans: Updated in April 2023, attached as Exhibit 2E. • Revenue Estimates: Updated in April 2023, as part of the Annual Financial Plan • Hazardous Materials: Completed as part of the Phase I EIS | |

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| (5) With respect to related non-federal financial commitments, 1 or more stable and dependable sources of funding and financing are available to construct, maintain, and operate the project, and contingency amounts are available to cover unanticipated cost increases | (3) With respect to non-federal financial commitments, 1 or more stable and dependable sources are available to construct, operate, and maintain the project, and to cover cost increases |

Funding sources for the Project EW2A include:

| Funding Source | Total Funding | 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% |

Please refer to the Funding Commitment Documentation for all non-federal funding commitments, provided as part of this application.

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| (6) The project cannot be easily and efficiently completed without other Federal funding or financing available to the project sponsor. | (4) The project is in significant need of Federal funding. |
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The Project is vital to preserving and enhancing regional and national freight movement, as well as passenger rail service within the Chicago metro area. While the CREATE Program has established successful funding partnerships between the state and local agencies and numerous Class I railroads, *delivery of Project EW2A and the entire 75th St CIP is not possible without federal funding.* As detailed in the Project Budget, 60% of the project’s cost will need to be covered by MPDG funding to enable the successful delivery of the proposed phase. As federal sources have accounted for over 27% of funding to date for the 75th St CIP’s previously awarded phases, federal grants have thus far and will continue to be a critical component of delivering

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| <p>the scoped improvements for the overall project. If federal funds are not received, the CREATE partners will have to maximize the life of the existing infrastructure through costly ongoing maintenance, which would eventually lead to an increase in unplanned closures stemming from structural problems along the corridor, resulting in costly rerouting delays for freight operators and devastating system outages for Metra commuter rail. The cost to the community from these occurrences will be very high with no return on investment.</p> | |
| <p>(7) The project is reasonably expected to begin construction not later than 18 months after the date of obligation of funds for the project.</p> | <p>No statutory requirement.</p> |
| <p>As detailed in the Project Schedule, the Project is expected to begin construction by Q2 2026, comfortably within the 18 months of the planned date of obligation of funds for the Project (Q3 2025). This is because design engineering on Project EW2A is fully funded and underway and expected to be completed and approved by USDOT by Q2 2025. To ensure that the Project meets these milestone dates, the CREATE partners will continue to coordinate on the development of the Phase II design work with state and local agencies, to support the timely ongoing reevaluation of environmental studies, and the securing of all necessary permits in advance of the Project construction phase.</p> | |
| <p>No statutory requirement</p> | <p>(5) The applicant has, or will have, sufficient legal, financial, and technical capacity to carry out the project.</p> |
| <p>IDOT and the CREATE Program have administered over 16 federal grants awarded in the last 20 years, totaling \$750 million in funds, and possess sufficient legal, financial, and technical capacity to carry out the Project. In addition to IDOT, the CREATE Program includes a team of highly qualified partners, ready to support the Project, including leadership from the <i>American Association of Railroads, Amtrak, Belt Railroad, City of Chicago, Cook County, CSX, HNTB (IDOT's PMO), Metra, Norfolk Southern, Union Pacific, and WSP (IDOT's Corridor Management Consultant)</i>. Amongst these partner organizations, the CREATE Program has extensive experience completing projects of similar scopes. Each CREATE project is managed by an individual sponsor, which leads procurement, engineering, and construction activities. For this Project, IDOT will serve as the sponsor, and assume its traditional role related to financial management, partner coordination, oversight of the environmental assessment process. The participating railroads (including Norfolk Southern, Metra, Belt Railroad, and CSX) will oversee the design and construction process, with IDOT and City of Chicago assisting with project oversight and permitting coordination. This Project has followed federal guidelines associated with the receipt of federal funds. The administration of the Project will be carried out in close coordination between the infrastructure owners, funding partners and U.S. DOT.</p> | |

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| No statutory requirement | (6) The application includes a plan for the collection and analysis of data to identify the impacts of the project and accuracy of forecasts included in the application. |
| The Data Plan is included as part of this application package. It includes an approach to measuring Project impacts and analyzing the consistency of predicted impacts and actual outcomes. | |