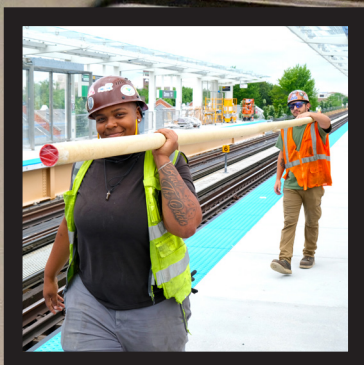
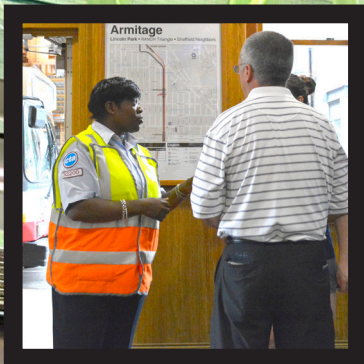
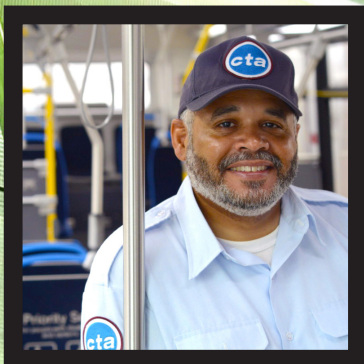


Innovating Transit for a Vibrant City



President's 2025 Budget
Recommendations



The governing arm of the CTA is the Chicago Transit Board. The Board consists of seven members, with four appointed by the Mayor of Chicago and three appointed by the Governor of Illinois. The Mayor's appointees are subject to the approval of the Governor and the Chicago City Council; the Governor's appointees are subject to the approval of the Mayor and the Illinois State Senate. CTA's day-to-day operations are directed by Dorval R. Carter, Jr., President.

The current Mayoral appointees are Lester L. Barclay, Michael Eaddy, Michele A. Lee, and Robert Requejo. The current gubernatorial appointees are Rev. Dr. L. Bernard Jakes, Neema Jha, and Rosa Y. Ortiz.

Lester L. Barclay serves as Chairman of the Chicago Transit Board.



Lester L. Barclay

Chairman

Appointed by: Mayor, City of Chicago



Roberto Requejo

Board Member

Appointed by: Mayor, City of Chicago



Rosa Y. Ortiz

Board Member

Appointed by: Governor, State of Illinois



Michael Eaddy

Board Member

Appointed by: Mayor, City of Chicago



Rev. Dr. L. Bernard Jakes

Vice-Chair

Appointed by: Governor, State of Illinois



Neema Jha

Board Member

Appointed by: Governor, State of Illinois



Michele A. Lee

Board Member

Appointed by: Mayor, City of Chicago



Dorval R. Carter Jr.

President

Table of Contents

President's Letter	i
Strategic Goals	iii
Organizational Chart	v
System Map	vii
Executive Summary	1
Operating Budget	
Operating Budget Schedule	25
Consolidated Financial Overview	29
Consolidated Operating Expenses	32
Operating Funding Summary	37
Consolidated System-Generated Revenues	37
Public Funding	41
Performance Management & Statistics	
Performance Management	45
Operating Statistics	49
Comparative Performance Analysis	51
Sustainability Initiatives	53
Capital Improvement Program	59
Appendices	
History of the CTA	83
Department Overview	87
Debt Administration	91
Economic Indicators	101
Annual Budget Process	103
Accounting Systems, Financial Controls & Policy	105
Acronyms & Glossary	109

(THIS PAGE INTENTIONALLY LEFT BLANK)



Dear CTA Customers:

The Chicago Transit Authority (CTA) is an iconic Chicago institution and a provider of an essential public good that helps our customers live their lives, no matter one's age, gender, race or neighborhood. Since 1947, we've played an indispensable role in serving those who've traveled aboard our buses and trains—especially our most transit-reliant and low-income riders. We are a vital part of Chicago's economic engine, both as a provider of approximately one million public transit rides each weekday and as a direct employer of more than 10,000 public transit professionals, plus thousands more indirect jobs that have been created through investments made into our system.

2024 has been a promising year for CTA. We've seen upward trends in ridership, continued growth in our workforce and significant achievement across our agency. In fact, CTA is now either approaching, meeting or, in some cases, exceeding 2019 levels across key metrics, including workforce and service performance.

These continuing positive trends include notable improvements in service and ridership. In 2024, CTA provided 4.1 percent more combined bus and rail service than it did in 2019, pre-pandemic. In addition, as of this writing, CTA customers have logged 49 days of 1 million or more rides, systemwide. That's up from 27 one-million-plus-ride days in all of 2023.

Our bus customers have already accrued 39 days in which we saw more than 600,000 daily rides in 2024—up from only four days last year. On the rail side, August 1, 2024 marked the first time that our rail ridership exceeded 500,000 daily rides since the start of the pandemic.

I am excited about the continued growth in our ridership. In the coming year, we will further enhance the customer experience and promote our services to remind Chicagoans and visitors that CTA is the best, most affordable mobility option in the region.

In 2024, we continued our focus on growing our workforce and providing the training necessary to hire and promote employees into our most essential positions, including bus and rail operators. This summer, CTA bus operator staffing returned to pre-pandemic levels, which has improved service frequency and reliability. By the end of the year, CTA will have trained 200 new rail operators, which will allow our rail service to also return to 2019 levels, significantly improving rail headways and delivering the rail service our riders need.

In August, CTA celebrated an historic Red Line Extension (RLE) project milestone with the award of the project's construction contract. The contracting team of Walsh-VINCI Transit Community Partners will design and build the 5.6-mile extension of the Red Line, from 95th Street to 130th Street, including four new Red Line stations. This equity-focused initiative is the largest capital construction project in CTA history and I am enthusiastic about the long-lasting economic benefits that will be generated for the Far South Side through small business and career opportunities with RLE and CTA, as well as new economic development in the project area that will benefit all of Chicago.

Another highlight this year was the performance and dedication shown by CTA employees to successfully support the Democratic National Convention (DNC), which was held in Chicago from August 19 to August 22. The convention was lauded as a tremendous success and CTA employees from every department across our agency contributed to that achievement, from beginning to end.

For months, CTA staff met with local and national officials, planning for providing dedicated DNC bus shuttles alongside our regular service. Staff operated buses on newly planned routes, delivered rail service for special events, maintained our fleet and infrastructure, and coordinated resources for safety and security. We also showcased our system through new marketing, visuals and CTA volunteers. CTA employees did a great job and I could not be prouder of them.

Last August, we opened the newest jewel of CTA's rail system, the \$80 million Damen Green Line station. Located at Lake Street and Damen Avenue on Chicago's West Side, the stunning and modern station fills a 1.5-mile service gap between the Green Line's Ashland and California stops, restoring service at that location for the first time since the original Damen station closed in 1948. Construction of the new multimodal station, which included the installation of Chicago's 1000th Divvy Bike station, was a collaboration between CTA and the Chicago Department of Transportation.

In March, CTA launched our new Innovation Studio—CTA's vehicle for partnering with private sector companies, firms and organizations to conceive, develop and test solutions for challenges in vital areas, including the improvement of rail system safety, the development of new solutions for bus stop asset management, and the expansion of real-time information for bus customers. These are among the most important issues facing CTA and we are always looking for ways to improve and streamline the process of finding solutions to the questions they present. Our Innovation Studio presents a tremendous opportunity to make it easier to quickly test cutting-edge technologies with an eye towards meeting our agency's specific needs.

CTA has one of the most impressive, comprehensive bus systems in the world, but we are always looking to improve. That's why, last July, we launched our new Bus Vision Project, which will help us reimagine our bus network, determine what improvements we should implement in the future, and ensure that we are providing the best, most equitable bus service possible for our customers. The project also includes a Framing Report, which provides an extensive analysis of our existing bus system and offers key considerations for the future. This unprecedented study, which can be found online at www.ctabusvisionproject.com, is the first time that there has ever been a holistic look at CTA's bus system and I encourage you to read and consider this visionary report.

CTA has also remained focused on its mission to be one of the most equity- and community-focused public transit agencies in the country, investing in and helping to develop Small and Disadvantaged Business Enterprises (SBE/DBE), while also creating opportunities for jobseekers. Over the past year, CTA has made contract awards of nearly \$84 million to DBE companies and firms, while SBE businesses have received more than \$10.1 million in set-aside contracts. In addition, workers from economically disadvantaged areas have earned almost \$7 million in wages through CTA construction

projects.

While I am very proud of our many successful initiatives and accomplishments in 2024, I am even more excited about the year to come.

For FY2025, I am pleased to propose a balanced operating budget of \$2.16 billion. This budget includes no fare increases or service cuts, and it preserves the affordable and more reliable transit services our customers rely upon.

This budget also provides the resources necessary for CTA to deliver more service hours in 2025 than it did in 2019, before the COVID-19 pandemic. Over the past several years, as we've worked diligently to attract, hire, train and promote CTA employees, I have been consistent in my promise that our successful hiring campaign would result in a workforce that would enable us to restore 2019 service levels. This spending plan will allow us to continue to deliver on those guarantees.

I am also proposing a five-year, \$6.96 billion Capital Improvement Plan (CIP) for 2025-2029. CIP dollars will fund new and ongoing projects and initiatives including RLE, future All Stations Accessibility Program projects and other equity-focused initiatives, along with future Refresh & Renew station improvements, expansion of our electric bus routes, continued bus and rail fleet modernization and other initiatives.

I am very proud of the work being done by CTA's 10,000-plus employees and am committed to investing in them, and our fleet and our infrastructure to ensure the best possible travel experience for our customers. That investment is only possible, however, with a level of funding that not only provides for our system's needs today, but looks forward to FY2026 and beyond.

As I've discussed for the past few years, CTA, and our regional sister transit agencies, Metra and Pace, are facing a post-pandemic fiscal cliff—a \$730 million combined budget shortfall expected in FY2026. This deficit is a direct result of an inadequate state funding formula, passed in 1983, that has been further exacerbated by the ridership and revenue declines caused by the COVID-19 pandemic. While there has been increased public transit funding since 1983, many of those funding changes barely kept up with the cost of employee wages and pension payments which required systemwide service cuts to afford.

In fact, since the funding formula was passed more than four decades ago, real per capita Illinois state transit funding has grown by 50%. By contrast, real per capita transit funding grew by 74% in New York, 108% in Massachusetts, 127% in D.C., and 152% in California.

The resulting disparity in how the three Chicago region public transit service boards are funded is egregious. While CTA provides 84 percent of all the public transit services across our region, it receives only 46 percent of the Illinois State Legislature's funding allocation for public transit. That is a significant inequity and reflects an unfair and unsustainable funding scenario that the Illinois State Legislature must change if CTA is to avoid draconian service cuts and other detrimental impacts to the agency that will very directly impact our customers.

That's why I've continued to lobby and appeal to our elected officials to join me in reimagining how public transit is funded. With a new funding formula and support for transit equity from our elected officials, I believe that we can make transformational change in terms of how we support and provide transit service in the Chicago region.

My vision for CTA's future is ambitious, but with appropriate funding and support:

- We will reimagine our entire bus system in a way that we know is going to reflect the travel needs of current customers and future generations of riders in all parts of our service area;
- We will take lessons learned from our national and international peers and deliver a frequent, reliable rail network all day, every day;
- We will research and test the latest technologies—like transit signal prioritization, active detection collision avoidance, and automated bus lane enforcement—to improve our day-to-day operations, as well as employee and rider safety;
- We will increase the number of useful connections in our system and create a crosstown network through visionary ideas like a Mid-City Crosstown connector, West Loop subway, Green Line extensions to Midway and Jackson Park's future Obama Center, and a Brown Line connection to Jefferson Park; and
- We will add new stations across our rail network and continue to invest in our stations with art from local artists, more benches and seating, better digital signage, and other customer amenities beyond transit, like bike parking, package pick-up and more.

This vision is about prioritizing our customers and the communities we serve through the lens of equity, sustainability, and mobility. It seeks to emulate best-in-class practices from transit agencies across the globe with the goal of establishing truly world-class bus and train service for CTA customers.

Going forward, I will continue to implore elected officials and other public transit stakeholders to engage in a serious public policy discussion that looks unflinchingly at the factors that affect CTA ridership and our organization's financial health. I believe that if we undertake this challenge together, the outcome of that discourse will be a guarantee to future generations of riders that the vital public service that CTA provides will be there for them for decades to come.

Sincerely,



Dorval R. Carter, Jr.
President

CTA provides the Chicago region with quality, affordable, convenient transportation that connects people, places, and jobs. Since he was named President in 2015, President Carter has been committed to three key strategic goals: enhancing safety, improving the customer experience, and expanding workforce development with a focus on equity and inclusion. As we move forward in this post-pandemic climate and beyond, President Carter has set forth his vision for the CTA that lays the foundation for the near term and ensures the CTA will continue to fulfill its mission in the years to come.

CTA Mission Statement: CTA delivers quality, affordable transit services that link people, jobs, and communities.

The CTA mission is focused around both our customers and our workforce. Providing a quality experience is inclusive of, but not limited to, reliability of service, availability of service, safety, security, customer communication, interactions between customers and employees and physical environment. Affordability focuses on providing a range of fare products that meet the various needs of a diverse ridership base and attracts new riders.

CTA Values: The CTA accomplishes its mission with a diverse workforce that embodies the following values:

- Courteous – CTA will create a pleasant environment for its customers and employees
- Innovative – CTA will seek out and encourage employees who initiate change, improvement, learning and advancement of its goals
- Motivated – CTA will meet each task with spirit, enthusiasm, and a sense of pride to be second to none
- Professional – CTA will provide transit service with the highest standards of quality and safety for its customers and employees
- Reliable – CTA will be dependable for its customers and employees and will maintain the highest standards of trust
- Results-Oriented – CTA will focus on getting the job done and will derive personal satisfaction from the service it provides

CTA Strategic Goals

The CTA developed 4 key pillars which to serve as the Strategic Goals for 2025-2029, consistent with our operating budget and capital plan years. These goals generate building blocks supporting each pillar.

- **A “rider first” organization. Provide competitive transit service by placing riders at the center of operational decision making and strategic investments, while building on our core tenets of safety, service frequency and reliability, and cleanliness.**
 - Deliver frequent and reliable bus and rail service
 - Create a dynamic customer experience model
 - Provide service that is agile
 - Equip customers with real-time information to get them where they want to go
 - Secure the system to support riders in feeling safe
 - Provide a clean and comfortable experience
- **Chicagoland’s mobility leader.** Lead the coordination of a seamless transportation network and conscientious mobility policies to link people, jobs, and communities effectively and equitably.

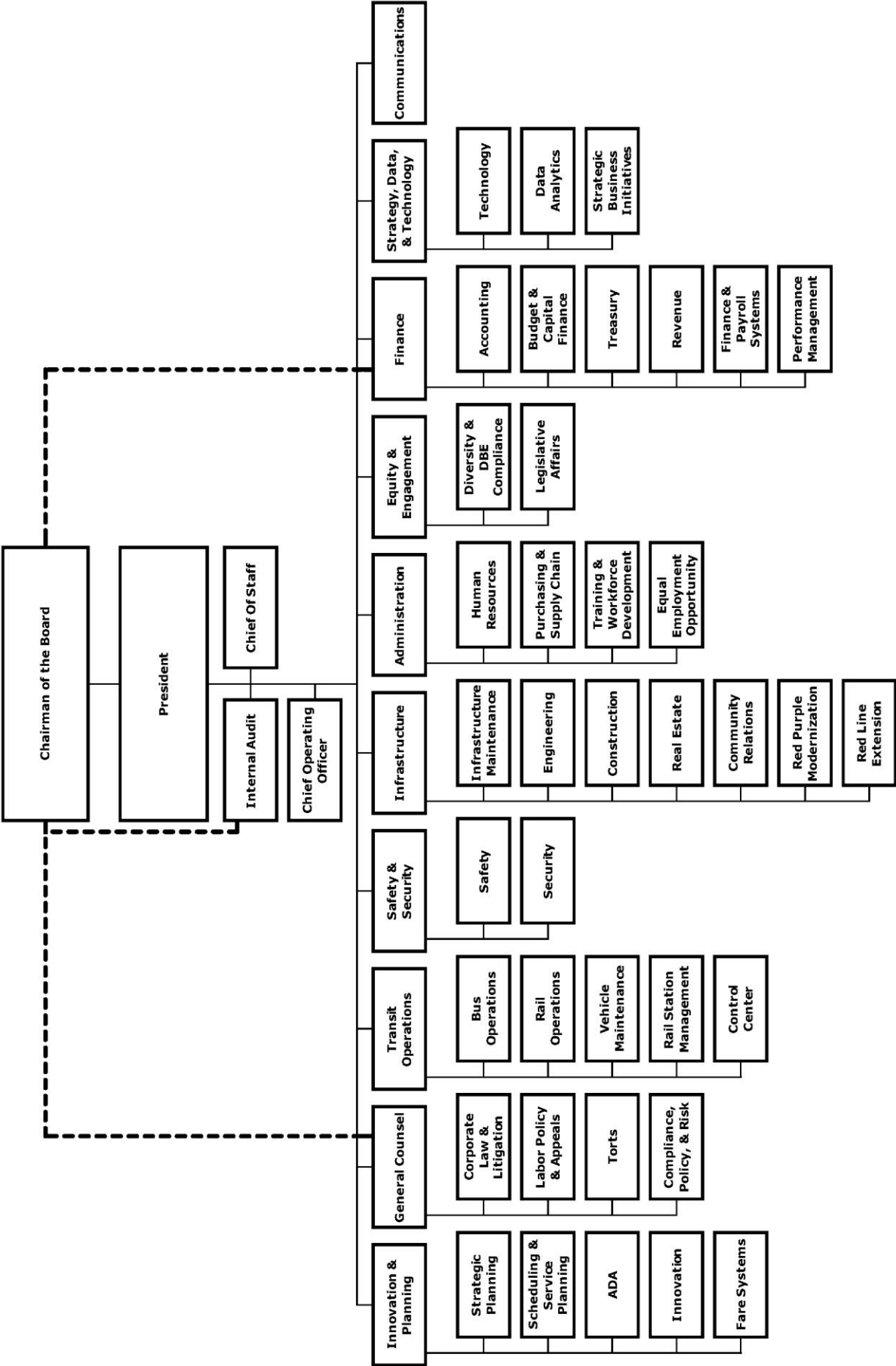
- Prioritize public transit service and active mode (biking, walking, scooting, etc) over car utilization (performance through a partnership with CDOT)
- Continue to coordinate with Metra and Pace on transit network, scheduling, common fare structure, and planning
- Create a highly coordinated network across all providers and modes (e.g., bikeshare, rideshare, shared autonomous vehicles)
- Serve as a policy entrepreneur and mobility coordinator
- Promote equitable transit-oriented development (ETOD)

- **Trusted community partner.** Deliver exceptional regional value by effectively using Authority resources to champion equity, sustainability, and economic mobility for our communities.
 - Continue to engage the community with clear, transparent, and comprehensive communications
 - Uplift the community through strong employment programs
 - Support vulnerable riders by partnering with social service organizations
 - Invest in the Authority’s existing infrastructure
 - Support Chicago’s diverse business community
 - Take action on climate change by significantly reducing CTA’s direct and indirect GHG emissions
- **Employer of choice in Chicagoland. Provide the best employment experience in Chicagoland by attracting, developing, and retaining top talent within a supportive and modern organization.**
 - Create a pipeline of skilled employees
 - Establish “concierge” Human Resource services
 - Prioritize high-quality job training at every level
 - Invest in modern employee facilities and the latest digital and technology tools
 - Recognize high-quality and high-performing employees
 - Foster a cohesive employee culture

(THIS PAGE INTENTIONALLY LEFT BLANK)



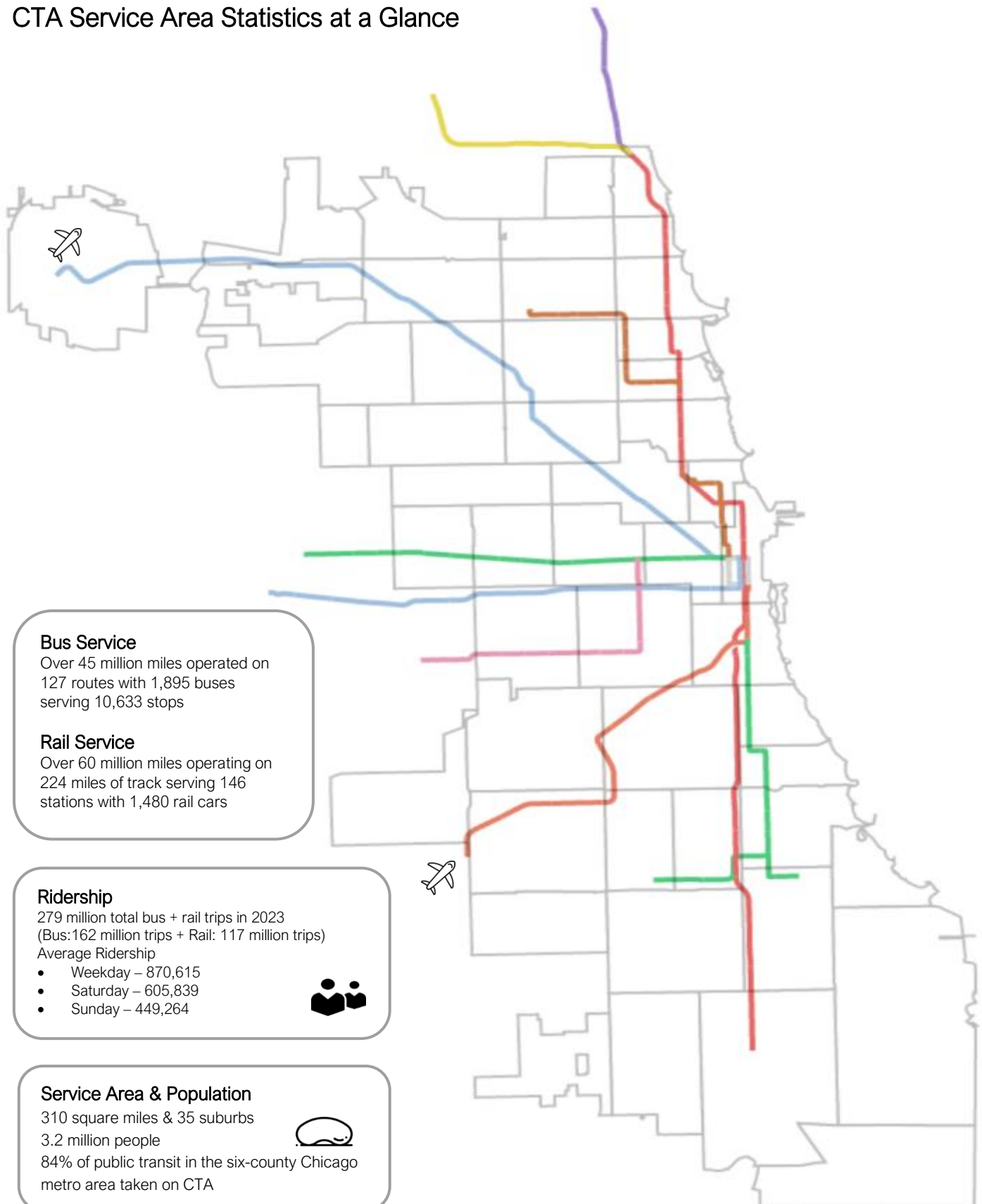
Chicago Transit Authority



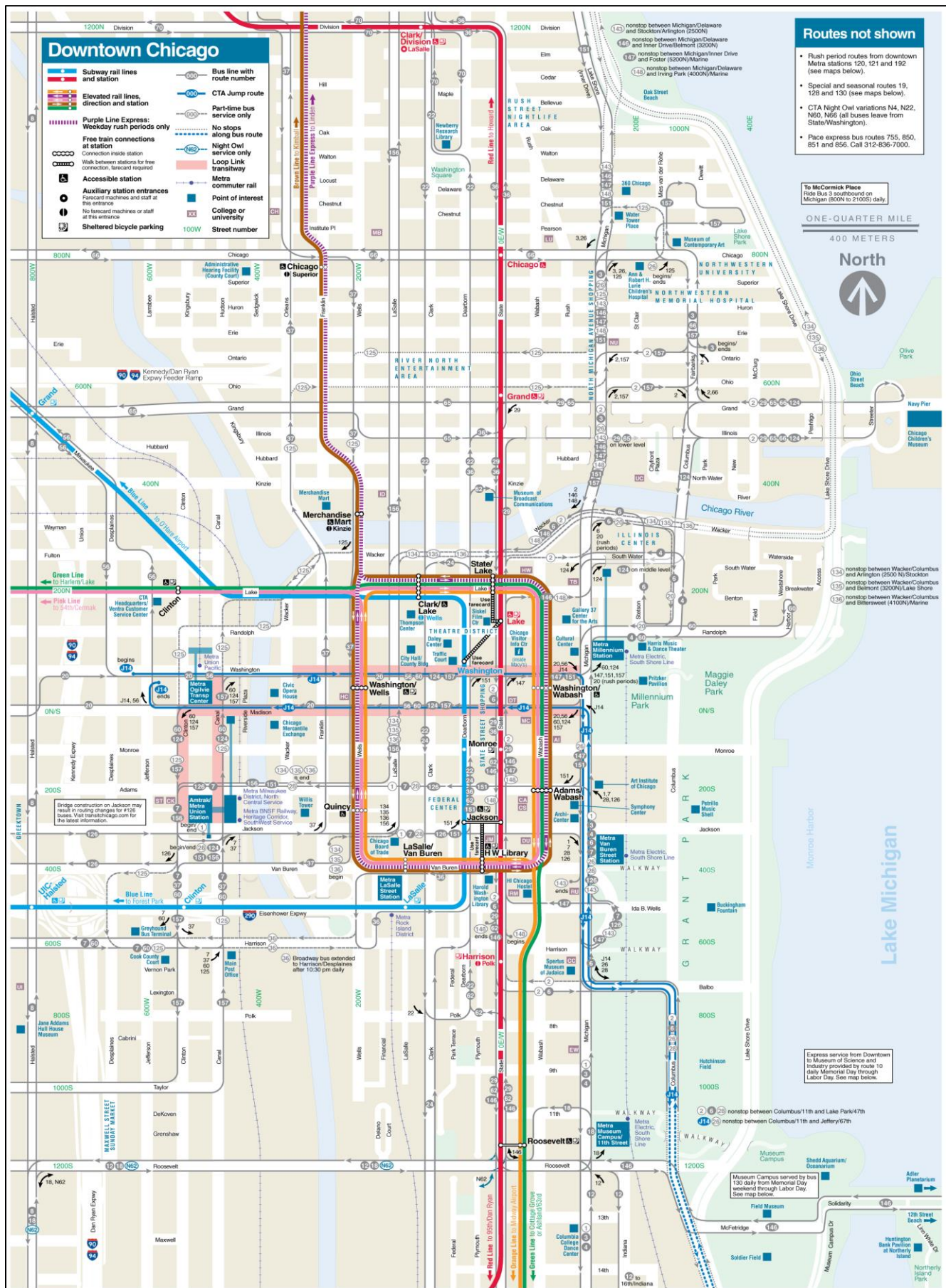
(THIS PAGE INTENTIONALLY LEFT BLANK)



CTA Service Area Statistics at a Glance







(THIS PAGE INTENTIONALLY LEFT BLANK)





OVERVIEW

CTA's mission reads, "we deliver quality, affordable transit services that link people, jobs and communities."

Now more than ever, CTA is focused on delivering on that mission as part of day-to-day operations across all departments, as well as future planning efforts. Core to delivering quality service, is strengthening the workforce, which is something that has been acutely focused on the past couple years.

The following executive summary highlights the continued progress the CTA has made to deliver on its goals of further improving its operations, infrastructure, safety, security, and overall customer experience.

CTA is proud to share that its efforts to bounce back from a pandemic that hit the industry unusually hard have resulted in the agency reaching and surpassing several significant milestones over the past year.

Today, CTA provides over 1 million rides each weekday with nearly 1,900 buses and 1,500 rail cars transporting customers across a service area with 146 rail stations and more than 10,600 bus stops.

Across the agency, many key performance indicators are trending positively —and CTA is excited to continue to build upon its latest achievements and get to not just where the agency was pre-pandemic, but above and beyond that.

While CTA remains focused on delivering on the basics of its services, it is also keeping an eye on the future. And as evidenced in the following executive summary, CTA has been taking the steps necessary to put the agency and the City of Chicago on a solid path toward world-class public transit services where equity is at its core.

**Indicates initiatives that are new or with notable updates in 2024*

STRENGTHENING THE WORKFORCE

CTA is a significant local employer with a growing workforce of more than 10,000 employees from Chicagoland, with a large majority identifying as minority. CTA is proud to have a dedicated and diverse workforce that has continually stepped up to meet various challenges the agency has faced in recent years and has kept the system running 24/7 for those who depend on public transit. CTA remains committed to seeking out ways to attract and retain top talent to ensure buses and trains keep the City of Chicago moving.

Hiring and Retention*: Coming out of a pandemic which rocked the entire public transit industry, CTA, like others, saw disruptions to its service due to dramatic changes in workforce that were impossible to predict. Fortunately, and thanks to the hard work and dedication of CTA employees from various departments, as well as external partners, CTA is solidly on the right path to having a stronger than ever workforce.

For 2024, CTA anticipates hiring over 1,000 bus operators, continuing the momentum from the previous year. On the rail side, more than 300 flaggers—the entry-level position to becoming a rail operator—are expected to be hired by year's end. And a total of 200 employees will be trained to serve as rail operators this year, which is more than double the number in 2023.

As part of its recruitment efforts, in 2024, CTA participated in over 65 job fairs, with an additional 12 scheduled for the remainder of the year. The CTA also hosted its annual one-stop job fair, yielding more than 3,000 job applications.

Over the last few years, CTA has also worked closely with its unions and negotiated key contract provisions that allowed for the hiring of full-time operators, the introduction of recruitment and retention incentives, and an increase in hourly pay to better compete with peers.

To further remove barriers for job applicants, in 2023, CTA implemented on-demand interviewing technology, enhancing its recruitment process to be entirely virtual and on-demand. This innovation streamlines and simplifies the hiring experience for applicants, particularly for bus operator positions, and builds upon other hiring process innovations deployed in recent years, including the full digitalization of the application process.

Another important initiative helping to remove barriers for job candidates is the availability of free Commercial Learner's Permit classes, which CTA can offer through a partnership with the City Colleges of Chicago's Olive-Harvey College. These classes prepare bus operator candidates to successfully obtain their Commercial Learners Permit so they can complete their bus operator training and obtain their Commercial Driver's License.

CTA will persist in planning, monitoring, and adapting to the evolving employment landscape to meet its staffing and service requirements.



Chicago Mayor Brandon Johnson in attendance at one of CTA's monthly graduation events, celebrating the successful efforts of CTA employees who have completed the required training to either begin or advance their careers at CTA.

SERVICE IMPROVEMENTS & PLANNING

CTA continues to advance the goal of customer-centric service and customer-centric investments that support more bus and rail service; identify opportunities to achieve new transit connections in the region; and reduce friction throughout riders' journeys with ongoing support of innovative initiatives that make regional travel affordable, easy, and convenient.

The pandemic has brought inevitable changes to public transit and its ridership, which will require transformative investments and innovative solutions in 2025 that build on the strategies and victories of prior years, while also building a long-term strategic agenda for CTA.

In this section:

- Returning to Pre-Covid Service Levels
- 2025 Service Plan
- New Connections Unlocking New Riders
- Investing in Bus Service
- Revitalizing Rail



Returning to Pre-COVID Scheduled Service Levels*: This year, CTA continued its arduous efforts to recruit and train the workforce needed to bring scheduled bus and rail service to pre-COVID levels by the end of 2024. Given CTA's success in meeting its workforce goals and adding service along the way, by early November 2024, CTA's scheduled rail service will be returned to pre-COVID levels. In December 2024, scheduled bus service will also reach pre-COVID levels, fulfilling a commitment the CTA and its President, Dorval R. Carter, Jr., made to riders earlier this year.

Along with prioritizing returning service frequency across all bus routes and rail lines, the CTA made marked improvements in service reliability throughout the year. As of August 2024, CTA regularly delivered over 98 percent of scheduled service on bus and approximately 96 percent of scheduled service on rail.

CTA has also been growing its ridership, which continues to positively respond to service investments. The CTA's ridership growth year-over-year is the second-fastest ridership growth among the largest American transit agencies, reaching 14 percent growth from April thru July 2024. The number of active Ventra accounts using the system reached pre-pandemic levels in early summer 2024, demonstrating that riders are back to riding CTA – directly countering the narrative that CTA is losing riders. Though CTA has regained ridership, riding patterns for some segments have changed, and CTA has not fully recovered the same number of rides taken each month per active rider.

One of the factors supporting ridership return is service frequency, and CTA plans to redouble its efforts to improve service frequency and

deliver reliable service in 2025. CTA's bus riders are driving ridership return, especially riders on the bus routes with added service in 2024. Ridership return on bus routes with added service is outpacing routes that have yet to see increased service. Specifically, bus routes with added service grew by 15 percent year-over-year (YOY), which outpaced routes that have yet to see increased service (9 percent YOY).

While riders are returning across the system, CTA is experiencing strong ridership return on weekend, mid-day and evening service. In fact, half of Sundays in the summer months were over 85 percent of pre-pandemic levels at the system level and mid-day ridership on bus was at 80 percent over this time.

More Bus and Rail Service Coming in 2025*: In 2024, CTA significantly grew its workforce, allowing it to bring scheduled bus and rail service to pre-COVID scheduled service levels.

With the 2025 budget, CTA will make a downpayment on its goal of increasing frequent service that will be in line with that of international public transit agency peers. Specifically, CTA will look to improve service frequency on key bus routes and rail routes all day, every day, including weekends. Additionally, CTA will identify opportunities to invest in late night or owl service and expand daily service coverage or span of service.



CTA's Chief Innovation Officer, Molly Poppe, joins 47th Ward Alderman Matt Martin in a ribbon-cutting event celebrating the extension of the #9 Ashland bus service north to the Metra Ravenswood rail station.

New Connections Unlocking New Riders*:**#9 Ashland Bus Route Extension**

Building on the recent successes of extending the #157 Streeterville/Taylor bus to the North Lawndale community or creating new service options like the express service for the #4 Cottage Grove route, CTA extended the #9 Ashland to the Ravenswood Metra station located at Lawrence and Ravenswood.

The extended #9 Ashland bus route now reaches an additional 21,000 residents and 5,000 jobs (within ½ mile). The new routing also provides new connections for riders to the Metra UP-North line and two more major bus routes, #78 Montrose and #81 Lawrence. The service starts as far south as 104th Street, and this extension will provide benefits not just to the Ravenswood neighborhood, but to a wide cross-section of the city. The 1-mile extension includes 9 new bus stops. During the first month of service, CTA saw over 23,000 rides taken on the extension. In 2025, CTA will continue seeking opportunities to extend existing bus routes to reach new riders, address gaps in CTA service, improve connectivity to Metra and Pace service and other CTA bus and rail service, and provide better relief options for operators.

Investing in Bus Service*:*Better Streets for Buses*

Throughout 2024, CTA continued working closely with the Chicago Department of Transportation (CDOT) to implement the Better Streets for Buses Plan. This Plan was released at the end of 2023 and was Chicago's first citywide framework for bus priority infrastructure. Bus priority infrastructure includes a range of street treatments, from bus-only lanes and traffic signal adjustments to enhanced bus stop areas.

CTA's work with CDOT to increase implementation of bus priority infrastructure was celebrated and promoted at a hearing of the Chicago City Council's Committee on Pedestrian Safety in Summer 2024. This was the first time a hearing of this type, focused exclusively on bus priority infrastructure, had been held. It was a testament to the growing awareness of the importance of bus service and the need to improve street infrastructure to support it.

To keep up the momentum around bus infrastructure investments, five corridors -- Pulaski, Western, Cottage Grove, Fullerton, and 55th/Garfield -- have been selected for developing concepts for robust, corridor-scale, bus priority. Outreach to communities and stakeholders along these corridors is anticipated in 2025.

Automated Bus Lane Camera Enforcement

To ensure bus priority infrastructure can fully deliver improvements to bus speed and reliability, and improve safety and accessibility systemwide, CTA is working with CDOT to conduct a pilot deployment of automated camera enforcement of bus lanes and bus stops restrictions in the downtown area, authorized by the Smart Streets Ordinance passed by Chicago City Council. Initial rollout of a limited number of cameras for testing and issuance of automated warnings is anticipated in early 2025, with potential to expand later in the year.

CDOT and CTA are working to identify opportunities to further build out bus priority infrastructure on bus corridors throughout Chicago in 2025.



New dedicated website created for the launch of the CTA Bus Vision Project.

Bus Vision

Just as important as bus infrastructure investments is the bus network design. CTA officially launched the second phase of the Bus Vision project in 2024, which aims to reimagine the CTA bus network with respect to service allocation, route design, and more. The Bus Vision Framing Report, which includes an extensive analysis of the existing bus network, was completed to serve as the basis for a public conversation about shared priorities for how to improve bus service. Its key findings included an evaluation of how the current network increases equitable access to jobs and opportunities, and how bus service might contribute more to this goal. Public engagement activities, including attending community events to answer questions and collect feedback, plus an online survey, all began in 2024. A series of public meetings throughout

the CTA service area is planned for 2025, which will then inform completion of a Bus Vision Recommendations Report.

Revitalizing Rail*: CTA continues to pursue and identify opportunities to enhance its rail service, including capital projects to rebuild, modernize, and expand the rail network, incorporation of new technology and other service improvements.

2024 saw several major milestones in this area, including the opening of the Damen Green Line Station, continued construction of the Red Purple Modernization (RPM) Phase One project, and completion of the final steps needed to leverage a significant federal investment to build the Red Line Extension to 130th Street (*see separate project summaries below for more details*).

To lay the groundwork for future phases of the RPM project, the RPM Next Phases Study completed its initial public outreach this year. In 2025, the study is expected to be complete and will include an implementation plan.

Improving the Forest Park Branch of the Blue Line continues to be an area of focus, as CTA works with the Illinois Department of Transportation (IDOT) and the Chicago Metropolitan Agency for Planning (CMAP) to accelerate work to plan and fund multimodal investments in I-290 Eisenhower Expressway corridor.

Along with planning for major rail infrastructure projects, CTA will be working with Cook County to evaluate the potential benefits of adding new rail stations at several locations on the existing rail network throughout the region.

In 2024, CTA worked closely with the Chicago Department of Planning and Development (DPD) to advance the 95th Equitable Transit-Oriented Development (ETOD) Corridor Plan. This plan aims to build community consensus around supportive land use concepts to complement several transit investments by CTA and Pace along the segment of the 95th Street corridor between Halsted and Cottage Grove. Public meetings, walking tours, focus groups, and pop-up events were held throughout the course of 2024 with high levels of community engagement. The resulting plan is anticipated to be presented to the Chicago Plan Commission in early 2025, after which CTA will be supporting its implementation in coordination with DPD, elected officials, and community stakeholders.

CTA will continue to promote efforts to advance ETOD to align public investments in transit and land to support regional sustainability and equity goals and maximize benefits for the people and businesses in the communities that transit links. In 2025, CTA will also continue to work closely with DPD and other agencies to ensure that available sites near the Red Line Extension and elsewhere are developed to serve as catalysts for community-building and economic development.

[INTENTIONALLY LEFT BLANK]



CDOT crews shown painting a portion of the street surface red to demarcate a new stretch of bus only lane along Chicago Avenue. Work is part of ongoing efforts by CTA and CDOT to prioritize bus services along congested corridors.

MAKING PUBLIC TRANSIT ACCESSIBLE TO ALL

Accessible public transit benefits everyone. CTA is committed to advancing on its plans and vision to make its system accessible to everyone in the next 14 years.

In this section:

- All Stations Accessibility Plan
- Tactile Bus Stop Signs

All Stations Accessibility Plan (ASAP)*: Since launching the ASAP Program in 2018, CTA has made significant strides in achieving its goal to make the rail system fully accessible to people with disabilities by the year 2038.

Funding has been a major obstacle to achieving this goal. However, thanks to ongoing advocacy and the efforts of U.S. Senator Tammy Duckworth, the federal government established the All Stations Accessibility Program discretionary grant program in 2021 – a program that CTA helped to create. Under this five-year program, \$1.75 billion will be allocated to help transit agencies across the country make their stations accessible.

In July 2024, the CTA released an updated All Stations Accessibility Strategic Plan, reaffirming its commitment to becoming a fully accessible transit system. The plan incorporates new external input, changes to project phasing, and updates about costs and funding sources. It outlines new stations being made fully accessible in the near-term, as well as the long-term, and includes the rehabilitation or replacement of 162 existing passenger elevators, plus enhancements to signage and wayfinding for riders with visual and hearing impairments.

Currently, 70 percent of CTA's 146 stations are accessible to those who use mobility devices. In 2025, CTA plans to open six newly accessible stations: Lawrence, Berwyn, Bryn Mawr, and Argyle as part of the Red Purple Modernization (RPM) Phase One Project; Racine as part of the Forest Park Branch Rebuild; and the Austin on the Green Line. Approximately \$37 million in funding has been secured for systemwide elevator replacement work, which is also expected to begin in 2025.

The ASAP Program is contingent on federal, state, and local funding. CTA will continue to seek out these funds and apply for future federal All Station Accessibility Program grants to achieve its accessibility goals.

Tactile Bus Stop Signs: To make public transportation easier to navigate for people with disabilities, between 2022 and 2023, CTA installed roughly

2,150 tactile signs along 16 bus routes as part of a pilot to help make bus stop boarding locations easier to identify for riders who are blind or have low vision. Efforts are underway to install signs along six more routes for a total 22 routes fully-equipped with the tactile signs by year's end. CTA is currently working on plans to expand this initiative to all remaining bus stop locations beginning in 2025.

The concept for this pilot was based on feedback CTA received from customers who are blind, low vision, or DeafBlind, and indicated they would often avoid taking public transit buses, opting for paratransit or rail services because they were unable to confidently locate a bus stop.

Although these tactile signs are not required by the Americans with Disabilities Act, CTA strives to address transportation barriers experienced by individuals of all abilities. This initiative highlights the agency's commitment to accessibility, as well as finding new and innovative ways to make taking public transit easier and more convenient for everyone. In 2023, after public outreach regarding the pilot program received positive feedback, CTA was awarded additional federal funding to support the procurement and installation of tactile signs systemwide — at every one of CTA's nearly 11,000 bus stops.

SAFETY & SECURITY

The safety and security of riders and employees are CTA's No. 1 priority. CTA is committed to exploring the latest technologies and measures to provide the safest transit environment for both riders and employees. The CTA also has a formal joint labor-management safety committee that meets periodically to provide frontline workers with input into safety decision-making. CTA has, and continues planning for additional, customer-facing initiatives to ensure a welcoming and safe environment for all riders.

Chicago Police Department: To address system security, CTA has established a decades-long partnership with the Chicago Police Department (CPD), which provides law enforcement for CTA through a dedicated group of officers assigned to the Public Transportation Section, as well as district officers who respond to incidents throughout CTA's service region.

To further supplement CPD's resources, in 2022, CTA extended its Voluntary Special Employment Program (VSEP) agreement with CPD for additional sworn police officers who volunteer to patrol the CTA system on their days off. Through this extension, CTA increased the program's pay at a rate of one and a half times the officer's regular hourly rate. As a result, more police officers are signing up to work on the CTA system on their days off.

CPD works in close coordination with CTA's Security Department each day, using both historical and real-time information in directing patrols and resources to address the issue of crime on and near the system. Their efforts are supported by private security guards, as well as a network of more than 33,000 security cameras, one of the largest networks of any U.S. transit agency.

In this section:

- Upgraded Driver Barriers
- Innovative Technology Initiatives
- Social Services Outreach
- Awareness Campaigns

Upgraded Driver Barriers: For more than a decade, the use of protective barriers for bus operators has been one of the measures in place to provide a safer work environment behind the wheel. Each bus in the fleet is equipped with a driver barrier shield made of Lexan, a stronger and more resilient version of Plexiglass, and can withstand cracking and shattering from continuous or forceful impacts.

In response to feedback received by CTA employees, work is underway to retrofit the fleet with new, upgraded barriers that are even sturdier and bigger to provide improved coverage. Currently, over 75 percent of the fleet is equipped with the new and improved barriers, with continuing plans for in-house resources to retrofit the remaining portion of the fleet; while all new CTA buses acquired recently are being manufactured with the latest version of the driver barriers.

Innovative Technology Initiatives*: As part of ongoing efforts to bolster system security, CTA announced a new security pilot in August with ZeroEyes.

Leveraging CTA's existing network of live-streaming security cameras, ZeroEyes' proprietary artificial intelligence (AI) technology will work in real time to detect and alert local law enforcement and CTA of potentially dangerous situations in which a firearm is brandished. The goal of this technology is to take proactive steps to identify and enable law enforcement to respond to these types of situations as quickly as possible.

ZeroEyes will provide 24/7 monitoring of multiple cameras across the rail system, plus supervision and supporting equipment for the duration of the pilot. Upon conclusion of the pilot, CTA will decide whether to adjust, expand or conclude its use of the technology.

Social Services Outreach: Like other transit agencies across the nation, CTA has seen first-hand how the pandemic, extreme weather conditions, and other factors have exacerbated the challenges presented by an increase in the number of individuals who are unhoused and resorting to taking shelter on public transit.

While this is a larger societal issue that extends beyond public transit, CTA has partnered with the City of Chicago to work together on initiatives to address this issue. These efforts aim to be compassionate and respectful to this vulnerable population, while being considerate of the needs of everyday riders and providing them a safe and pleasant travel experience.

CTA partners with Chicago's Department of Family & Support Services (DFSS) by funding outreach and support services for unhoused passengers, including referrals for temporary and permanent housing, mental health services, and substance-abuse treatment. CTA invests \$2 million annually for homeless outreach efforts on the Red and the Blue Lines, which include engaging and providing support services to unsheltered individuals. The services are provided through nonprofit social service organizations, Haymarket and Thresholds, which provide qualified trained workers who build trust with clients and provide transportation to shelter and assessments so that people can receive services they need and get connected to temporary and permanent housing opportunities. These organizations leverage their connections to other service providers, including appropriate healthcare partners, to ensure the necessary level of care is provided.

Last year the outreach teams' engagements resulted in 7,800 interactions with unhoused riders. Between January 2023 through July 2024, the CTA-funded outreach partnership connected 88 people to housing and successfully facilitated 220 shelter placements for unhouse individuals on the CTA Red and Blue Lines.

This partnership with DFSS builds on an existing and ongoing partnership with Chicago's Department of Public Health (CDPH), through which other local social service outreach teams provide related services on CTA's rail system.

Employee Safety Awareness Campaign*: Over the past year, CTA launched a two-part, in-system campaign aimed at warning would-be offenders of the penalties for assaulting CTA employees and riders, which can result in imprisonment of up to 10 years and a felony record.

The first phase of the campaign featured car cards displayed in buses and trains across the system aimed at reiterating existing system signage and decal messaging that warn cameras can be monitored, record activity across the system, and that CTA will fully prosecute anyone who assaults a transit employee or rider.

The second phase of the campaign featured ads of CTA frontline employees emphasizing that they, "...are here to get you where you're going safely, not to take abuse." Complementing this visual campaign were pre-recorded announcements on all vehicles reminding riders it's a crime to assault an employee.



One of CTA's ads created as part a large rider awareness campaign to warn of the dangers of going onto the tracks.

Track Trespassing Prevention Campaign*: In October 2023, a new awareness campaign was launched aimed at preventing riders from trespassing on CTA's railroad tracks. The campaign uses a mix of visuals and messaging to emphasize the dangers of retrieving dropped items on tracks, standing too close to the platform's edge, or playing around on the platform or tracks — all of which can lead to serious injuries or death due to the presence of the electrified third rail and oncoming trains.

These types of campaigns are important and are updated periodically to raise awareness about the dangers of accessing the tracks unauthorized. In 2023, there were over 1,100 such incidents, with the most common cause being attempts to retrieve dropped items. Trespassing not only poses a danger to individuals but also causes significant delays to rail service.

CTA is utilizing multiple communication channels to amplify this campaign, including use of its rail system digital screens, vehicle car cards, social media channels and safety brochures.

HARNESSING INNOVATION

A challenge that CTA and all public transit agencies around the world face is funding and finding ways to improve operations and the riding experience without falling behind on the rapidly evolving world of technology. Recognizing there are better and faster ways to address issues impacting operations and harness the latest technologies, CTA is putting innovation at the forefront to ensure it remains a viable and relevant transportation option.

In this section:

- Innovation Studio
- Expanding Data Analysis

Innovation Studio*: In early 2024, CTA launched the Innovation Studio to solicit proposals to test new and state-of-the-art solutions. The Innovation Studio is a truly novel concept that will improve CTA's service and operations by incorporating cutting-edge technology proof of concepts to address some of the Agency's challenges.

Three problem statements were released as part of the inaugural year of Innovation Studio and 30 unique proposals were received to address the problems put forth. The problem statements included:

- **Safety:** How can CTA automatically detect people or large objects on the rail right-of-way (ROW) to enable swift intervention?
- **Process:** How can CTA automatically monitor the condition of physical assets at bus stops or their use over time?
- **Customer Experience:** How can CTA expand real-time arrival and alert signage to bus stops?

CTA is working with vendors to finalize pilots and begin testing these new tools in 2025. The Innovation Studio will release the next round of problem statements in spring 2025.

Expanding Data Analytics*: CTA is always looking for new data sources and data analytics tools to drive decision making and support transit policy making in the region.

In 2024, CTA continued to prioritize customer surveys and market research with biannual surveys, focus group research, in-person surveys conducted out on the system, and some surveys focused on specific customer segments and/or effects of a specific initiatives, e.g., bus priority treatments.

One of the most exciting new market research tools CTA launched in 2024, and will continue to utilize in 2025, is "Rate-My-Ride" surveys. These surveys are deployed on buses, rail cars, and rail stations, and allow the agency to receive real-time customer feedback and extend market research beyond email lists or social media outreach. The surveys ask riders to rate their trips and provide feedback about their rides. The surveys also ask a question about how likely the rider is to recommend CTA, which will help develop CTA's Net Promoter Score (NPS). The NPS is an important customer loyalty score that will allow CTA to track its performance and understand impacts of new investments in 2025.

Ridership data is key to decision-making at the agency, and CTA is working to update its current customer travel patterns data, such as origin-destination pairs, transfers, and vehicle loads, with a new robust Software as a Service (SaaS) tool. This new tool will apply algorithms or other logic to infer and validate the details of customer travel patterns. This data will be vital as it looks to plan and deliver services that are on par with the world's leading transit agencies.

In 2025, CTA will expand and enhance the agency's ability to utilize Geographic Information Systems (GIS) functionality, including mapping and location analytics. The GIS system underwent a major upgrade in 2024, and to ensure the GIS tool will be deployed to its highest value, a GIS Strategic Plan will be developed to identify and prioritize analytics needs. The GIS Strategic Plan will help CTA best deploy and utilize new tools and apps, in service of improved work processes, more informed decision-making and efficiencies.

FARES SYSTEM ENHANCEMENTS

Simplifying the process to board and travel on CTA and its regional transit partners, Metra, and Pace, is key to opening the doors to seamless, regional public transit travel. CTA continues to work with Metra and Pace to expand and explore fare offerings and make the necessary upgrades to make public transit the best and only choice for travel in the region.

In this section:

- Regional Fare Products
- Ventra Vanity Cards and Tickets

- Ventra Investments
- New Fareboxes

Regional Fare Products*: In recent years, CTA has made fares more affordable and easier to pay by offering fully integrated passes for CTA and Pace riders, as well as revamping the Metra Link-Up pass to become the Regional Connect Pass. This provides customers who use CTA, Metra, and Pace a lower price option to ride all monthlong. This work has made the experience for travel on the region's transit systems more convenient.

At the beginning of 2023, CTA's 1- and 3-Day passes became valid for use on Pace. Additionally, CTA combined its two 7-day passes into one offering valid with Pace for \$20, allowing seamless interconnectivity between the two transit systems. Pricing for the passes has proven to be successful in attracting additional rides beyond the work-week commute.

Building on the popularity of the monthly Regional Connect Pass, CTA is working with Metra, Pace, and the Regional Transit Authority (RTA) to create the Regional Day Pass (RDP). The RDP will offer customers cost-effective, convenient, and unlimited travel across all three systems during the day, further improving customer experience and paving the way for regional fare integration. The RDP is set to launch in early 2025.

Students are also getting in on the regional fare action. CTA worked with Metra to launch a one-year pilot program providing University of Illinois Chicago students the option to choose a combined CTA-Metra U-Pass+ for the semester. This is the first time Metra has offered a reduced fare to college students.



Samples of some of the new, limited-edition Ventra farecards available for purchase on VentraChicago.com that celebrate cultural diversity.

Personalizing Ventra with the Signature Card Program*:

In 2024, Ventra added five Signature Cards to its suite of limited edition, branded cards, which were available for purchase on VentraChicago.com. Ventra released new cards for Black History Month, AANHPI (Asian American, Native Hawaiian, and Pacific Islander) Heritage Month, and Hispanic Heritage Month. All cultural cards released this year drew inspiration from the legacy and local history of culture. These cards build on the Ventra Pride Month Card released in June 2023.

In addition to Signature Cards, Ventra is releasing commemorative limited-use tickets with four unique designs, inspired by vintage CTA tickets, to celebrate CTA's 77th anniversary. Limited-use tickets are

available for purchase via Ventra vending machines in all CTA stations. CTA will continue to look for opportunities for riders to show their personality with Ventra cards in 2025.

Investing in Ventra: A comprehensive upgrade of the Ventra system and transition to the brand-new, modern Ventra platform is planned to begin testing in winter 2024. This multi-year upgrade will move CTA, along with its transit partners Pace and Metra, to a modern, open architecture platform that harnesses technology enhancements and fare system advancements from the past 10 years. This overhaul is focused on improving the customer experience with fare collection and establishing a more modern, integrated, and seamless fare system.

Modernizing Cash Collection on Buses*: Along with the comprehensive upgrade of the Ventra system, CTA is also working on a total overhaul of its 30-plus-year-old bus fareboxes. By September 2024, CTA installed new fareboxes on over half of its bus fleet and is scheduled to complete the project the first quarter of 2025.



Efforts are now underway to replace CTA's 30-year old bus fareboxes with newer models (shown above) that are modern, accessible, and will improve not only rider experience, but also day-to-day, back-end operations.

The new fareboxes feature a more modern, accessible design coupled with improved back-end reporting systems that allow for seamless integration with Ventra and other on-board bus operating systems and provide more efficient operations at CTA's bus garages.

CUSTOMER EXPERIENCE

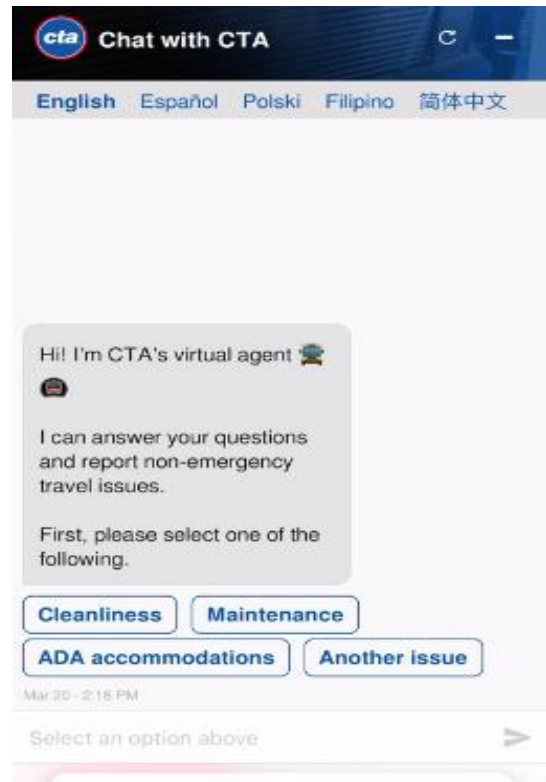
CTA continues to prioritize its customers through a variety of modernization projects including facility upgrades and new amenities, to new and enhanced customer-facing digital assets – all with the goal of improving the customer experience on CTA. One area of focus for CTA in 2025 is on expanding the ease and use of customer feedback tools, supporting the resolution of incidents by CTA staff, and enabling trustworthy, seamless travel planning.

In this section:

- Chatbot: Phases 1 and 2
- Customer Relationship Management
- Regional Transit Mobile App

- Refresh & Renew
- New System Amenities

Chatbot (Phases 1 and 2)*: In April 2024, Chat with CTA was launched – a virtual assistant on transitchicago.com, that helps customers report when something is not right. Now, CTA customers have access to a real-time customer service tool to report issues like station or vehicle cleanliness, find out if there is a service disruption on their route, send a commendation for an operator, and other topics.



View of the welcome screen to the new Chat with CTA chatbot feature available on transitchicago.com.

The Chat with CTA virtual assistant has generated over 22,389 conversations since its launch in April 2024. CTA staff reviewed, and when appropriate, acted on, over 6,257 reports. To further expand engagement opportunities, CTA installed new decals on buses, trains, and at stations that feature a QR code that leads customers to a new, Rate-My-Ride survey or report an issue through Chat with CTA. These decals will capture 68 percent more real-time reports and provide CTA with better insights.

The 2025 budget includes the second phase of Chat with CTA conversation development, which will include an AI integration plan for broader customer support. Customers will be able to ask about more topics, using their own words, and supply more information through direct engagement with the chatbot, instead of more structure dialogue in place today.

Customer Relationship Management (CRM)*: Building on the success of the Chat with CTA feature, in 2025, CTA will start analyzing and developing a plan for how CTA staff can better receive customer comments, turn them into action, and record outcomes. This work will include the development of a framework for action items tied to customer comments, including feedback from relevant employees, and support to procure a customer relationship management tool. CTA's goal is to quickly respond, within minutes, to issues reported.

Regional Transit Mobile App*: Also new in 2025, CTA will work with Metra and Pace to launch a new, regional mobile app – separate from the current Ventra app. A new technology partner will provide the Chicago region with multi-modal trip planning, personalized notices about service disruptions, and potentially other fare collection and fare payment features. Long-term app support will unlock more enhancements as technology changes and the region grows. This app is important because over 75 percent of customers access the CTA website on their phone, and over half of all fare purchases occur in the Ventra app.

Refresh & Renew: As part of CTA's ongoing commitment to providing a top-notch transit experience, significant improvements will be made to nearly 30 rail stations and 14 bus turnaround areas in 2024 as part of the ongoing Refresh & Renew program.

Refresh & Renew, which is in its fifth year, is a cyclical program designed to make upgrades and repairs to various rail station components, as well as cosmetic enhancements to improve the overall appearance of CTA facilities.

Key improvements performed as part of the program include:

- Concrete repairs
- Replacement of outdated fixtures and equipment
- Utility and plumbing line repairs
- Cosmetic upgrades (painting, signage replacement, lighting upgrades, surface repairs)
- Power washing of stations and bus turnaround areas

Dedicated power-washing crews complement these efforts during the warm-weather months and are tasked with washing each of CTA's 146 rail stations at least once a month to ensure a clean and inviting atmosphere for customers and employees.

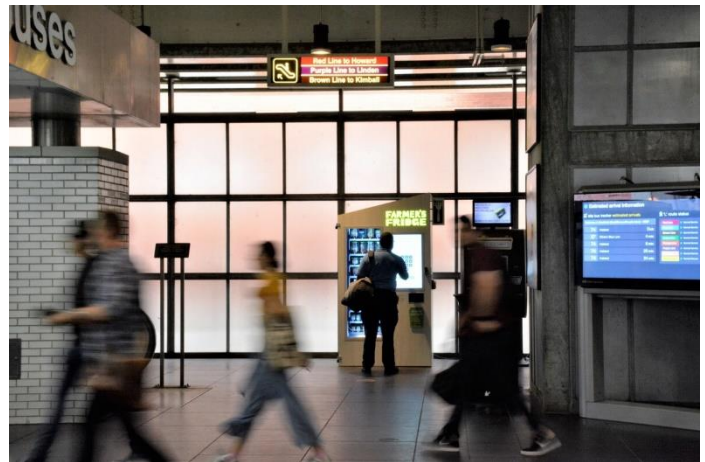
These enhancements not only maintain the physical condition of stations but also provide a more pleasant and comfortable transit experience.

Specialty Vending: As part of ongoing efforts to provide riders with amenities that help make taking public transit more attractive, this year the Chicago Transit Board authorized two new, three-year agreements with Farmer's Fridge and Fuze Technologies. Both companies have been on CTA properties since 2019.

Farmer's Fridge refrigerated vending machines offer a thoughtfully sourced and seasonal menu consisting of top-quality, wholesome, and delicious meals for breakfast, lunch, dinner, and snacks. They have three machines located at: 95th/Dan Ryan (Red Line), Damen (Pink Line) and Fullerton (Red Line).

Fuze operates a platform of kiosks that dispense mobile phone charging devices/battery packs. Customers may rent a battery pack for \$3 per 24-hour period for up to 3 days. The battery pack can be returned to any other Fuze kiosk. Customers will also have the option to purchase the battery pack for \$40 if not returned in 72 hours. Fuze currently has machines at 50 CTA stations and has plans to expand to more stations in 2025.

In addition, CTA has a contract with Amazon to operate package pickup lockers at rail stations across Chicagoland. The Amazon program originally started as a pilot in June 2020 with lockers installed at four CTA locations, which has expanded to nine stations currently. CTA riders can have their Amazon packages delivered to lockers at any of the following CTA stations: 95th/Dan Ryan (Red Line), Pulaski (Orange Line), Cicero (Green Line), Thorndale (Red Line), 79th (Red Line), 63rd (Red Line), Foster (Purple Line), Dempster (Purple Line) and Central (Purple Line).



As riders head to their destinations, one rider stops to take advantage of offerings made available at one of the specialty vending machines available across the rail system.

In September 2023, the Chicago Transit Board approved a License Agreement with the City of Chicago to install, operate and maintain Public Health vending machines at CTA stations. The first "Public Health Vending Machine" on CTA property was installed at the North Terminal of the 95th/Dan Ryan Red Line station on a pilot basis in November 2023. The Public Health vending machines deliver free general hygiene, health, and harm reduction supplies to individuals experiencing substance abuse, homelessness, or other social vulnerability. The offerings include naloxone, which can be used to reverse opioid overdose. On February 8, 2024, the CTA and the City extended the License Agreement through February 2029.

RAIL & BUS FLEETS

Central to CTA's day-to-day operations are the vehicles used to get riders from Point-A to point-B. The CTA recognizes the importance of ensuring its rail and bus fleets are properly maintained, which is not only key to providing a safe public transit environment for riders and employees, but also ensuring efficient operations.

In this section:

- New 7000-Series Railcars
- 5000-Series Railcars Quarter-life Overhauls
- New Buses

7000-Series Railcars: CTA continues to take receipt of the 7000-Series railcars, the agency's newest generation of railcars and the first purchased by the CTA in more than a decade. Revenue testing of these railcars began in 2021 and was completed in 2022. They were tested across all eight rail lines and through various types of weather and working conditions. CTA has 136 7000-Series railcars, 124 of them are in service on the Blue Line.

These new railcars provide customers with a more comfortable and reliable commute, while also lowering the agency's maintenance and repair expenses. Among the new features for customers are multiple interior digital information displays that show upcoming stops and other information, a new seating configuration, and a refreshed interior layout that features clear windscreen panels.

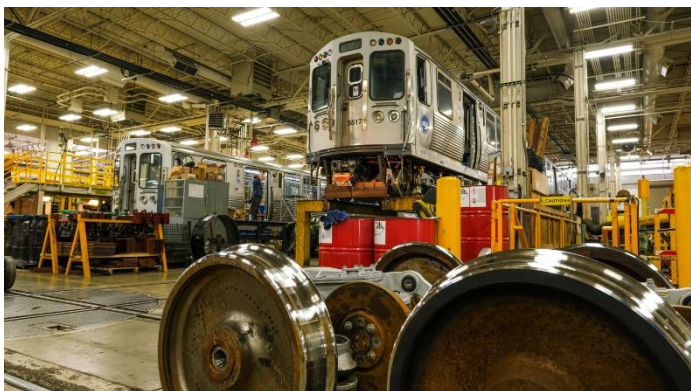
Final assembly of the 7000-Series railcars continues to occur at the manufacturer's, CCRC's, 45-acre facility on the Far South Side of Chicago. This investment not only brought back railcar manufacturing to Chicago, but also helped create 170 new manufacturing, warehouse, and professional jobs as part of the project.



A 7000-Series train approaching the Racine Blue Line station, where work is currently underway to construct a brand new, modern, and fully accessible main stationhouse.

5000-Series Railcar Overhauls: The CTA's quarter-life overhaul of the 5000-series railcars is well underway. Overhaul work is necessary and will improve the performance and reliability of the railcars, allowing them to reach their expected useful life of 34 years. This scheduled maintenance activity includes the rebuilding and completion of needed repairs to various subsystems on the car. The quarter-life overhaul work for each of the 714 railcars is overseen by CTA personnel at the rail heavy maintenance facility in Skokie, IL.

Phase 1 of the fleet overhaul, which included priority items, occurred in 2019 and 2020 on all railcars. In 2021, CTA began Phase 2 of the overhaul, which includes the rebuilding of the railcar trucks, which in turn, includes rebuilding of the various sub-components, such as the wheel assemblies (gear box, wheels, calipers, traction motors, and axles), leveling actuators, track brakes, suspension springs, primary suspension pads and more. Other subsystems also will have heavy maintenance or overhaul work performed, including vehicle doors, seat inserts, propulsion, electrical, braking, hydraulics, communications, video, couplers and more. CTA has completed the overhaul of 486 cars through August 2024. Phase 2 work is scheduled to be completed by the end of 2026.



Quarter-life overhaul work being performed on CTA's 5000-Series railcars.

Conversion to a Zero Emissions Fleet: Electrifying CTA's bus fleet is a complex undertaking. It requires much more than just purchasing electric buses to replace the current fleet of more than 1,800 buses. To support and maintain a zero emissions fleet of this size, other vital upgrades and capital investments must be made to facilities and other supporting infrastructure, to provide a comprehensive system of charging infrastructure, both at garages and along routes.

Charging Forward: CTA Bus Electrification Plan

To guide CTA in this multi-faceted endeavor, in February 2022, it unveiled the "Charging Forward: CTA Bus Electrification Planning Report," the agency's first roadmap for the full electrification of the bus fleet, facilities, and supporting infrastructure by 2040. Under this plan, CTA would continue adding more zero emissions buses to its fleet, with 2026 serving as the cut-off point for the purchase of any new diesel buses. Last August, the Illinois General Assembly signed into law HB 1342, which among other things, requires the CTA and Pace to purchase only zero-emission buses after July 1, 2026.

In addition to summarizing the findings of key analyses, the report provides strategic recommendations on various facets of the fleet conversion process, including guidance on which technologies to invest in; where to install charging infrastructure; how to sequence the electrification of garages and routes to ensure that the related facility upgrades are coordinated with other modernization needs to maximize cost effectiveness and overall system reliability; and an achievable transition timeline for meeting the 2040 deadline. The report also acknowledges external factors impacting CTA's zero emissions plans, including the current limited capacity of zero emissions bus manufacturing and the ability to increase the supply of reliable electricity to charging locations.

Current Electric Bus Service

Currently, CTA has zero emissions bus service on the #66 Chicago and #63 63rd routes. CTA has prioritized equipping garages that serve neighborhoods with the highest air pollution levels for electric bus deployment, to best serve the communities in areas with disproportionately higher health vulnerability risks.

New Electric Buses and Charging Infrastructure

CTA continues to make progress towards converting to a zero-emissions bus fleet. The agency has taken receipt of 23 all-electric buses purchased under a \$33 million contract in 2018 following a competitive procurement process and plans to purchase 22 additional all-electric buses as part of a contract option authorized by the Chicago Transit Board in 2023. †

As part of this contract, CTA has also installed five quick-charging stations at the Navy Pier and Chicago/Austin bus turnarounds, as well as the Chicago Avenue garage. These overhead, cantilever-type chargers allow buses to "reload" while on their route, allowing the vehicles to return to service quickly. Electric buses can run between 75-120 miles on a single charge.

CTA is working on a task order for the design of the remaining chargers to be installed. To facilitate the expansion of electric bus service on the #66 Chicago route, the project will utilize the existing space, duct banks (i.e., underground facilities to keep wires safe underground), and foundations to install additional fast chargers at the bus turnarounds. Two (2) fast chargers will be installed at Navy Pier and one (1) fast charger at Chicago-Austin. At the Chicago garage, two (2) fast chargers will be installed in the next adjacent fueling lanes.

Building on these efforts, in June, CTA was awarded a \$25 million grant by the Department of Transportation's RAISE Discretionary Grant

Program, to further the expansion of electric bus operation at the 95th Street/Dan Ryan Terminal. Up to six pantograph (overhead) chargers will be installed to support electric bus service at the multi-modal terminal, which serves 16 bus routes and roughly 26,000 bus riders each weekday. Prior to that, CTA received a FY2021 \$6 million FTA Low or No Emission Vehicle Program (LoNo) grant for the purchase of six (6) electric buses and the installation of two (2) slow chargers with six (6) pantographs at the 103rd Street Garage.

New Clean Diesel Buses

Currently, though, CTA has more than 1,000 buses purchased in 2006 that are at or near the end of their useful life, plus another 200 buses that reached the end of their useful life in 2022. CTA must replace these buses immediately. Unfortunately, replacing all of these with zero emissions buses is simply not an option. CTA is one of hundreds of transit agencies around the world looking to convert its fleet to zero emissions, but the industry has very few bus manufacturers and therefore cannot meet the need for zero emissions buses.



One of CTA's newest electric buses serving the #66 Chicago bus route.

In the interim, 600 of the latest clean diesel buses have been procured. It is important to note that public transit buses, by their very nature, help address air pollution by taking thousands of single-occupancy automobiles off the road.

Even on corridors with the most frequent bus routes, buses typically constitute less than 2 percent of all vehicles. Further, buses are responsible for a very small portion of vehicle emissions and overall emissions throughout the City of Chicago. The newest CTA diesel buses are more fuel efficient and meet the latest EPA emissions guidance, emitting 22 percent less CO₂; 64 percent less NO_x; and 91 percent less PM_{2.5} (particulate matter) on a per-mile basis compared to the older buses they will replace.

† *Editor's Note: Since CTA exercised its contract option in June 2023, the original electric bus manufacturer Proterra filed for Chapter 11 Bankruptcy protection and Phoenix Motor Inc completed the acquisition of the Proterra Transit business line in January 2024. At this time, CTA is assessing what impact—if any—this will have on converting the fleet to non-emission vehicles. CTA continues to closely watch the rapidly evolving field of battery and zero emissions technologies.*

WORKFORCE DEVELOPMENT AND INCLUSION

CTA is more than just a job; it is an opportunity to establish and foster a career in the field of transportation. CTA has long, rich history of providing life-long careers for thousands of Chicagoans, many of whom who have risen through the ranks from entry-level to C-Suite positions over the years.

To help set its employees on the path to success, CTA has greatly invested and expanded in programs aimed at providing its workers with the tools and resources to advance in their careers, through key programs.

In this section:

- Second Chance Program
- Educational Opportunities
- One Summer Chicago Intern Program
- “Common Grounds” Diversity Dialogues
- Diversity and Inclusion Task Force
- Employee Resource Groups
- Inclusive Recruiting



A special “Hall of Fame” celebration was held in September 2024 to recognize CTA Second Chance Program participants who successfully completed the program and went on to secure full-time positions at CTA.



CTA 2024 One Summer Chicago Interns gather in the lobby of CTA Headquarters for a group photo with Chicago Transit Board Chairman Barclay, CTA President Carter, Board Directors Ortiz and Eddy.

Second Chance Program: In April 2024, CTA celebrated participants in the agency's nationally recognized Second Chance Program during National Second Chance Month. CTA's program is one of the largest of its kind in the country.

CTA's program is a strong model that prepares people who are returning residents, and others with barriers to employment, to re-enter the workforce. This life-changing, holistic program provides training, educational opportunities and support that help participants gain valuable work experience and get back on their feet. CTA partners with various social services agencies to recruit program participants and provide them with a wide array of in-class education, hands-on training,

and networking opportunities to further develop their skill set and enhance their future job prospects.

The CTA Second Chance Program offers many program benefits including: 40 work hours per week for at least one year; paid training to obtain a Commercial Learner's Permit; professional development opportunities; workshops and assistance to apply for permanent CTA Positions; plus, free access to transit on CTA, Metra, and Pace.

CTA has served nearly 3,000 people through this invaluable program and over 650 have secured permanent employment with CTA, with several later being promoted to management positions. Countless others have secured permanent jobs elsewhere because of their successful experience at CTA.

Promoting Educational Opportunities: CTA provides career development opportunities through its multiple internship programs. Among those is CTA's year-round and highly competitive college internship program, which attracts more than 6,000 applicants from across the country annually, who are seeking opportunities for career development in a variety of fields, including bus and rail operations, engineering, safety and security, training and workforce development, diversity, and more. Over the past program year, the college internship program had 75 undergraduate and graduate-level interns representing approximately two dozen colleges and universities. Among the 75 interns that

participated in the 2024 summer term, 61.3 percent were minority -- identifying as African American, Hispanic, Asian, or with two or more ethnic backgrounds.

One Summer Chicago/Chicago Youth Service Corp: Since 2016, CTA has partnered with the City of Chicago's One Summer Chicago (OSC) program to offer hundreds of high school students meaningful and paid part-time employment opportunities. As the largest corporate partner in the program, CTA offered over 240 local high school freshman, sophomore, junior and senior students a 7-week paid internship, and 30 high school externship experiences in 2024.

Interns in the 2024 OSC cohort represented nearly all Chicago's neighborhoods, with many from the city's South Side and West Side. Additionally, 98.7 percent of this year's interns identified as minority, with 86.3 percent identifying as African American, 12.4 percent as Hispanic, 1.2 percent as Asian, and 4.5 percent identifying with two or more ethnic backgrounds.

CTA interns participated in a hybrid internship experience that included an innovative approach to CTA's hallmark program model focusing on work experience, professional development, and mentorship from transportation industry leaders. This year's theme "In The Loop" led participants through a variety of experiences named after CTA's iconic rail lines -- Green Line: Route to the Workforce, Yellow Line: Route to Career Pathways, Blue Line: Route to Higher Education, Red Line: Route to Service, Purple Line: Route to Health and Wellness, Brown Line: Route to Financial Freedom, Orange Line: Route to Financial Literacy, and Pink Line: Route to Professional Development.

The CTA OSC program continued its partnership with the Chicago Youth Service Corps (CYSC), a citywide initiative led by the Chicago Department of Family and Support Services, where Chicago youth earn money while supporting their neighborhoods and city. The OSC interns set a goal to plan and implement a service-learning project that was grounded in the CYSC's guiding principles and related to community service, civic engagement, or social justice as a part of the corps' programming. This year, CTA's high school interns focused on food

insecurity. They volunteered at the Greater Chicago Food Depository and, over the summer, packaged over 20,000 meals as part of this initiative.

Another addition to this year's programming was a partnership with Chicago Public School's Southside Occupational Academy (SOA). Thirty of their Extended School Year (ESY) students served as externs to the CTA OSC program and worked on curated projects in computer arts, horticulture, art, and culinary. SOA also participated in the 3rd Annual Clean & Green Beautification Project and planted flowers at the CTA's 103rd Street Bus Garage.

All CTA OSC high school interns worked with their cohorts to develop and deliver a capstone presentation showcasing the research and knowledge they gained from the program. Each cohort had the opportunity to share how participation in their summer internship "In the Loop" experience impacted their professional and personal lives.

"Common Grounds" Diversity Dialogues: In 2024, CTA continued to embrace its commitment to its core values of diversity, equity, inclusion, and racial justice. This year, CTA's Equal Employment Opportunity Unit continued "Common Grounds"—a very successful, ongoing dialogue and learning series for CTA personnel that presents informative and interactive educational opportunities on topics related to diversity, equity, inclusion and belonging, and accessibility in the workplace. Continuing for its fourth year, CTA partnered with DePaul University and the National Diversity Council to bring a range of speakers and topics to the "Common Grounds" dialogues during 2023 and 2024.

Diversity and Inclusion Task Force: Established in 2018, CTA's Diversity and Inclusion Task Force, in conjunction with the Human Resources and Equal Employment Opportunity (EEO) Departments, has continued to create educational, recognition, and celebratory events and opportunities to observe and honor the diversity of CTA employees during Black History Month, National Hispanic Heritage Month, Women's History Month, Asian American Pacific Islander Heritage Month, Pride Month and others. These celebrations include fireside chats with diverse leaders in the transportation industry, employee recognitions and spotlights, and relevant educational content distributed via email, in person and virtual seminars, and video screens throughout work locations.

Employee Resource Groups*: Most recently, The HR Employee Engagement, Marketing, and Outreach team has launched the already burgeoning CTA Women's Employee Resource Group, (WE@CTA). This is CTA's second Employee Resource group, next to the already successful Veteran Employees Resource Group (VERG). Both groups have increased employee engagement by creating communities and spaces for advocacy and allyship. They have also provided opportunities for leadership development for their participants.

Inclusive Recruiting: CTA partners with a variety of non-profit and professional organizations from various communities to recruit more applicants for CTA jobs from under-represented communities.

CTA hired a military veteran recruiter dedicated to veteran outreach which includes partnering with Recruit Military, an organization that connects employers with the military community; attending hiring events hosted by the Army National Guard; and assisting with CTA's Veteran Resource Group.

Since signing a memorandum of understanding with the U.S. Army to join the Partnership for Your Success Program (PaYS), the CTA has seen an increase in veteran hiring. PaYS is a recruiting initiative that prepares U.S. Army soldiers for their future after honorably serving our country. The Army PaYS partnership provides CTA a new direct recruiting channel for veteran men and women of the Army, Army Reserves, Army National

Guard, and the Reserve Officers' Training Corps. – a vital asset as CTA works to aggressively recruit and strengthen its workforce. This partnership is the latest in a series of initiatives that the CTA has taken to recruit and support the veteran workforce.

CTA has hired 82 veterans by late 2024, which is the largest number of veteran hires since 2016. This number already surpassed the 2023 total number of hires of 77.



CTA's January hiring event, which focused on hiring flaggers, was a huge success with more than 1,000 interested applicants attending the in-person and virtual events.

CREATING OPPORTUNITIES

Beyond its efforts to provide quality, affordable transit services every day, CTA also works committedly on finding ways to extend the investments made in public transit to the communities served. As a result, CTA is at the forefront of creating both workforce opportunities, as well as business opportunities for area small and disadvantaged businesses and providing them with the tools for success. These are all part of CTA's ongoing commitment to make equity central to its everyday business decision-making.

In this section:

- CTA's Small, Disadvantaged Business Initiatives
 - o DBE/SBE Outreach and Inclusion
 - o SBE Set-Aside Program
 - o Building Small Businesses Program
 - o Small Business Educational Series
- Workforce Goals on Contracts
- Equity in Infrastructure Project (EIP)

DBE and SBE Outreach and Inclusion: As part of its Disadvantaged Business Enterprise (DBE) program, CTA evaluates all its contracts for DBE opportunities and establishes DBE goals based on the availability of DBEs in relation to the scope of the contract to ensure the participation of DBE firms is maximized.

CTA also takes a proactive and innovative approach towards this end of increasing opportunities for disadvantaged and small businesses.

[INTENTIONALLY LEFT BLANK]



One of several CTA Diversity Programs events hosted in 2024 to help create new business contracting opportunities for small, disadvantaged businesses.

CTA's small and disadvantaged business development efforts include programs to certify companies as DBEs and Small Business Enterprises (SBEs), and educational events and resources to increase their chances of participation in CTA contracts.

CTA also offers in-person and virtual outreach programming regarding contract opportunities and educational/technical assistance sessions. Among these are quarterly events to connect potential prime contractors and DBE firms for upcoming contract opportunities; CTA's Building Small Businesses Program, which helps small businesses access capital to build capacity; and CTA's Small Business Educational Series sessions, where industry leaders teach participants how to successfully pursue contracts and how to prepare for, manage, and close out a project and/or contract.

Over the past several years, CTA has taken additional steps to enhance its DBE program. Among these is the establishment of a DBE Advisory Committee, which is comprised of members who represent the DBE and small business community, including small businesses, small business organizations and advocates, and other small business stakeholders; launching a mentor-protégé program; and breaking apart large contracts to create more opportunities for small businesses as prime contractors.

Additionally, CTA's Request for Proposals (RFPs) for major construction projects solicit a Diversity Outreach Plan from contractors as part of their proposal, which allows them the opportunity to earn additional points when evaluated. Diversity Outreach Plans must include detailed information about how the contractor plans to achieve the project DBE and workforce goals.

As a result of CTA's various efforts to increase opportunities for DBEs, more than \$159 million in prime- and sub-contracts was awarded to DBEs in 2023 – which accounts for 30 percent of the total dollars awarded in 2023; all of them minority- or women-owned businesses. So far this year, through August 2024, DBEs have been awarded over \$83 million.

SBE Set-Aside Program: To help small businesses grow even further, CTA established a Small Business Enterprise (SBE) program in 2013. Since then, the agency set aside numerous contracts exclusively for

SBE-certified businesses. This program is part of CTA's approach to creating more prime contracting opportunities for SBEs.

In 2023, CTA awarded nine SBE set-aside prime contracts valued at over \$2.9 million to eight unique SBE firms. CTA eclipsed that number by Fall 2024, awarding nine SBE set-aside prime contracts valued at over \$10 million to nine unique SBE firms. Since 2013, CTA has awarded 124 SBE contracts valued at over \$76.5 million.

Building Small Businesses (BSB) Program: The BSB program began as part of a successful pilot in 2019 as part of the \$2.1 billion Red and Purple Modernization Phase One project's commitment to engage new and more diverse contractor participation on CTA's largest capital project to date.

The BSB's primary objective is to assist firms in securing enough funding to build financial capacity, so they can successfully bid on and perform CTA contract opportunities. Through the program, firms are connected to consultants who assess and present them with traditional and non-traditional options to gain access to capital, are invited to participate in technical and back-office assistance programs and are informed of contracting opportunities on the RPM Phase One project and other CTA projects.

Following the successful pilot with RPM Phase One design-build contractor Walsh-Flour and LISC Chicago, the CTA made the BSB a permanent program. In July 2022, CTA announced it was expanding the BSB program to all major CTA contracting opportunities to assist small businesses in not just competing for those contracts, but also successfully completing the work, as well as growing their capacity.

Through September 2024, including the RPM pilot, BSB has assisted over 30 small businesses in receiving approval for and accepting more than \$14 million in working capital; and more than 100 small businesses have participated in technical assistance training and back-office support. This program is now building out a procurement navigator component and is proud to see its first small business program participant secure a subcontract on the Red Line Extension project.

Small Business Educational Series: CTA works diligently, making every effort to ensure diversity in contracting and that its small business and Disadvantaged Business Enterprise (DBE) goals are met.

The Small Business Educational Series is yet another CTA program created to maximize contracting opportunities for small businesses. It focuses on providing training and assistance to cohorts of small businesses and DBEs, so they may compete for opportunities on upcoming, large-scale CTA construction projects. The series is hosted by CTA and taught by experienced prime contractors who provide their insight on best practices, managing and understanding projects, project reporting and other subject areas.

Due to the success of the program since 2017, the Small Business Educational Series has now been made a permanent part of CTA's programming and is now offered on an annual basis. Identifying a need for both construction and professional services training, the Small Business Education Series is now comprised of two distinct tracts held separately, twice a year. Including the 2023 graduates, over 130 firms have graduated from CTA's Small Business Educational Series, and several have been awarded work on CTA projects.

Workforce Goals on Contracts: In 2019, the Chicago Transit Board approved the Contracting Careers Opportunity Policy, which amended CTA's existing purchasing policies and procedures to cement the practice of creating job opportunities through CTA contracts.

This practice began in 2013, on the \$425 million Red Line South Reconstruction project, with CTA requiring that a minimum percentage of the workforce on the project be disadvantaged/dislocated workers.

CTA now regularly adds workforce goals for disadvantaged/dislocated worker, union apprentices, and residents of economically-disadvantaged areas (EDAs) on all its major construction contracts. In 2024, EDA residents within the CTA Service Area logged over 127,000 labor hours on CTA construction projects and earned over \$6.9 million in wages, apprentices logged over 64,000 labor hours and earned over \$2.7 million in wages.

In 2019, CTA partnered with the Chicago Cook Workforce Partnership and HIRE360 to further strengthen the participation of under-represented and disadvantaged populations in CTA's RPM Phase One workforce through outreach, training, and placement. Through these partnerships, there is targeted focus on ensuring that CTA's investments create job opportunities and career paths in construction for all the communities served by CTA.

Following the success on RPM, CTA advertised two contracts to expand this program to the rest of the CTA's capital projects. The new workforce partners model includes two pools of partners: pre-apprenticeship partners and placement partners.

The pre-apprenticeship partners, which include Chicago Women in Trades, Metropolitan Family Services, and Revolution Workshop, assist individuals with training and resources to prepare for building trade apprentice exams. The goal of the pre-apprentice partners is to assist individuals that meet one or more of CTA's workforce goals get accepted into U.S. Department of Labor-approved apprenticeship programs.

The placement partners, which include Chicago Women in Trades and HIRE360, coordinate with CTA's prime and subcontractors when they have hiring needs and provide candidates that meet one or more of CTA's workforce goals. The placement partners also provide training and resources for individuals to prepare for upcoming positions within the construction industry.

The CTA has expanded its commitment to providing residents of the CTA Service Area with access to job opportunities and career paths. In April 2024, the CTA, through its involvement in the Chicago is With You Task Force, partnered with various City and State agencies to host a Citywide Career Fair that included over 400 attendees and over 60 employers and career resources onsite. CTA is working with the same group to host another Citywide Career Fair in October 2024.



President Carter speaking at the Equity in Infrastructure Project (EIP) pledge-signing ceremony hosted in Chicago by CTA.

Equity in Infrastructure Project (EIP)*: In December 2021, CTA was one of five founding "First Mover" agencies that launched the Equity in Infrastructure Project (EIP), a national initiative that seeks to improve public contracting practices throughout the transportation industry. EIP creates opportunities for Small Business Enterprises (SBEs), Disadvantaged and other Historically Underutilized Businesses Business Enterprises (DBEs)

(HUBs) to build generational wealth and reduce the racial wealth gap, in part by creating more prime, joint venture, and subcontracting opportunities for these firms. EIP was established in anticipation of the Infrastructure Investment and Jobs Act, and to answer President Biden's call to leverage infrastructure spending to build wealth in underserved communities. Since the program's launch, 60 public and private sector agencies across the country have signed onto EIP, pledging to help increase the number, size, and scope of contracts going to HUBs by facilitating access, and reducing barriers, to compete for business.

As an EIP "First Mover" agency, CTA is working with the Southeastern Pennsylvania Transportation Authority (SEPTA), another "First Mover," to create a small business certification reciprocity program between the two agencies. Through this program, SBEs that are certified by either CTA or SEPTA will have the immediate opportunity to compete for work with either agency on their SBE contracts, without any need to get an additional certification. This program will serve as a model for other agencies and even for a national uniform and streamlined certification program.

On August 16, 2024, CTA hosted the first Chicago EIP pledge-signing ceremony, where representatives and officials from nine public and private sector agencies and organizations signed the pledge. They were joined by more than 150 supporters including elected officials, community stakeholders, local leaders, business owners and other program supporters.

RAIL MODERNIZATION INVESTMENTS

In this section:

- Red Line Extension
- Red & Purple Modernization
- Forest Park Branch Rebuild

Red Line Extension*: The long-awaited Red Line Extension (RLE) project exemplifies CTA President Dorval R. Carter, Jr.'s vision of transit equity and improving the quality of life for Chicago residents.

The 5.6-mile rail extension from 95th Street to 130th Street will include four new, fully accessible stations near 103rd Street, 111th Street, Michigan Avenue, and 130th Street. The project also includes a new, modern, and more efficient railcar storage yard and maintenance facility.

This \$3.6 billion investment will connect the isolated Far South Side community to the rest of the city, igniting a variety of opportunities for the neighborhoods, including affordable and accessible transit, and improvements to their overall mobility and quality of life. This project will provide a much needed one-seat ride for Far South Side residents from 130th Street to downtown and further north, reduce commute times by up to 30 minutes, improve quality of life for transit-dependent residents, provide multi-modal connections, and foster economic development -- while also providing viable links to affordable housing, jobs, services, healthcare, and educational opportunities, thereby enhancing livability and neighborhood vitality.

Following significant strides made over the past year -- including a nearly \$2 billion commitment from the Federal Transit Administration (FTA) -- in August 2024, CTA took the next major step in the transformational Red

Line Extension (RLE) Project by selecting an experienced contracting team, Walsh-VINCI Transit Community Partners, to design and build the project.

CTA is closer than ever to breaking ground on this transformational investment that will benefit surrounding communities, as well as the entire City of Chicago, for many generations to come.

RLE Equitable Transit Supportive Development (ETOD)

In 2020, CTA began a year-long process of developing a community-driven Transit Supportive Development (TSD) Plan for the RLE project, which looks at economic development opportunities and transit-related activities for several miles along the entire length of the 5.6-mile extension. The RLE TSD Plan complements the city's efforts to make more investments in the south and west sides of Chicago, as the proposed Michigan Red Line station will serve as the southern anchor for the Michigan Avenue corridor (between 111th and 115th streets) identified for economic development.

Importantly, the TSD Plan utilizes an equitable Transit Oriented Development (ETOD) planning approach, which seeks to promote development without displacement and realize community-focused benefits such as affordable housing, local economic development, and environmental sustainability. In May 2023, the Chicago Plan Commission adopted the RLE TSD Plan, which later went on to win the 2023 Strategic Plan Award from the American Planning Association – Illinois Chapter.

With the adoption of the TSD Plan, the City of Chicago now has an overarching guide for future community and economic development in the RLE area that charts a course for interagency collaboration, including prioritizing ETOD for the areas surrounding the four RLE stations. The RLE TSD Plan provides a broad set of recommendations, focused on addressing the following four goals:

- Increase residential development, variety, and affordability;
- Strengthen commercial, retail, and mixed-use development;
- Public space and greater transportation access; and
- Encourage economic development and employment generators.



Following the Board's approval to award a design-build contract for the transformative Red Line Extension (RLE) project, CTA President Carter displays a new station sign for the proposed 130th Street station, one of the four new, fully accessible stations planned as part of project.

Federal New Starts Project Planning Stages

At the end of 2020, the RLE Project received approval from the FTA to enter the Project Development phase of the "New Starts" program, which is the proposed federal funding source for this project. The FTA "New Starts" Program is a highly competitive federal funding program, and in August 2023, the FTA notified CTA that the RLE Project was approved to advance into the Engineering phase of the federal "New Starts" program – an important step to moving the project closer to groundbreaking.

During the fast-paced Project Development phase, CTA completed the project's Final Environmental Impact Statement (EIS)/Record of Decision (ROD) and Final Section 4(f) Evaluation and preliminary engineering documents to successfully meet the federal requirements for this phase. These were critical steps in allowing CTA to apply for entry into the Engineering phase of the "New Starts" program. Fortunately, in the years leading up to this point, CTA laid the necessary groundwork to ensure it would achieve the milestones by getting a head start on key components to advance the project in the federal process.

The Engineering phase of the project continued in 2024 and CTA anticipates a funding award by the end of 2024 subject to federal review and approvals. Upon receiving a full funding grant agreement from FTA, the project will move into construction, which is expected to last about five years.

Project Timeline

At this time, the earliest anticipated start of construction is 2025, with service expected to begin in 2029.

Project Funding

In December 2022, the RLE Tax Increment Financing (TIF) district was approved by the Chicago City Council – an important step to meet the local funding match required to access billions of dollars in federal grant funding for the RLE project.

The adopted Transit TIF legislation includes three measures that will generate up to \$950 million (or 26 percent of total project costs, including project financing) 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 can 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 will 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.

As part of the announcement that the RLE project was advancing into the Engineering phase, the FTA also announced that RLE is in line for \$1.973 billion (or ~50 percent of total project costs, including financing) in critical grant funding needed to build the project as part of the "New Starts" program.

The remaining project funding will include a mix of local, federal, and other sources, including CTA bonds.

Contracting Goals and Opportunities

As with the current mega-project, RPM, CTA has set aggressive DBE and workforce goals on RLE. The RLE design-build contract has DBE goals of 25 percent for design and 22 percent for construction, and robust outreach strategy – all part of CTA's commitment to extend contracting and job opportunities to the communities the agency serves.

While the main RLE project work has not yet started, since 2022, CTA has been hosting numerous outreach events for DBE-certified and other small and minority-owned businesses that wish to participate in the project, including the advance pre-construction work started in 2024, such as property demolition and advanced utility relocation work.

During these initial outreach events, vendors interested in working on the project were provided with an update on the overall RLE project, an overview of future contracting opportunities, and guidance on how to become certified to do business with CTA.

In September 2023, CTA issued its Request for Proposals (RFP) to three contracting teams pre-selected by CTA earlier this year through a Request for Qualifications (RFQ) process. The contracting teams' proposals were considered on a variety of criteria, including experience, price, workforce programs, inclusion of DBE-certified firms and other minority owned firms on the project, and other factors. percent

Workforce Goals and Opportunities

CTA also placed the following workforce goals on the RLE design-build contract, as it's done with many other major capital projects. On the construction portion of the project, workforce goals include a: percent 10 percent Careers Opportunity goal, which targets those enrolled in WIOA (Workforce Innovation and Opportunity Act) programs and Section 3 Workers (low income workers who meet certain criteria under the Department of Housing and Urban Development), 15 percent union apprentices goal, and 35 percent local EDA (Economically Disadvantaged Areas) goal, which provides opportunities for residents from zip codes within the CTA Service Area with a median household income of \$40,000 or less.

For the first time, CTA also placed a workforce goal on the design portion of the project, which requires that 10 percent of the workforce must come from economically disadvantaged areas (EDAs).

CTA has awarded contracts to various workforce partners to provide training, resources, or placement support to individuals interested in a career in the building trades on RLE and other CTA projects. The workforce partners will also work with the prime and their subcontractors when they have hiring needs to connect them with individuals that meet one or more of the workforce goals on the project.

In total, the RLE project is expected to create 6,200 direct construction jobs and generate more than 25,000 jobs throughout Cook County in the coming years.

Red and Purple Modernization (RPM) Phase One: The \$2.1 billion RPM project, CTA's largest capital improvement project in the agency's history to date, continued work and reached new milestones in 2024.

CTA's entire RPM program rebuilds, over multiple phases, the century-old North Red Line from Belmont station to Howard station, and the Purple Line from Belmont station to Linden station. The project will increase much-needed capacity in this corridor to accommodate riders and will deliver faster and smoother rides with less crowding and more frequent service. Future phases of RPM are in the planning stage.



Pre-cast segments hang in place before being permanently sealed together to make a portion of the new elevated structure being constructed as part of RPM Phase One work.

Phase One includes three major components, including the construction of a Red-Purple Bypass north of the Belmont station to modernize the 100-year-old Clark Junction where Red, Purple and Brown line trains intersected. The bypass was completed and put into service in November of 2021. Following its opening, CTA began demolishing and rebuilding the century-old Red and Purple Line structures north of Belmont. The southbound tracks were completed in 2023, and work on the northbound tracks is currently underway with a scheduled completion in 2025.

Phase One also includes reconstruction of the Lawrence, Argyle, Berwyn and Bryn Mawr Red Line stations and adjacent track structures. In 2023, the construction of new northbound Red and Purple Line track structures, also known as "Stage A" was completed. Following the completion of "Stage A", CTA began "Stage B," which is rebuilding the southbound tracks and the new stations. The third component of Phase One is the installation of a new signal system between Belmont and Howard stations, which is underway. The RPM Phase One project is expected to be substantially completed in 2025.

As part of the RPM project, CTA developed very intentional and aggressive DBE and workforce outreach programs to maximize contract opportunities on the project for DBEs and small businesses, as well as job opportunities for individuals looking to enter the building trades.

Contracting Goals and Opportunities

The RPM design-build contract has goals of 20 percent on design and 20 percent on construction. To-date, DBEs have been awarded over \$323 million on this project, with over \$250 million going to 115 unique DBE firms – 51 of which had never done business with CTA as a prime or subcontractor. This success is a direct result of the robust outreach and engagement campaign that CTA launched in partnership with the prime contractor. As part of these efforts, CTA has hosted or supported many outreach, networking, and educational meetings and programs including what is now a well-known CTA staple, "Meet the Contractor" events, where interested DBEs get connected with opportunities on the project, as well as externally hosted events, such as technical assistance agencies' membership meetings.

Workforce Goals and Opportunities

CTA also placed the following workforce goals on the design-build contract: a 10 percent Workforce Innovation & Opportunity Act (WIOA) goal, which targets dislocated workers; a 15 percent union apprentice goal; and a 35 percent EDA goal, which creates opportunities for

residents of zip codes with a median household income of \$40,000 or less -- all three workforce goals are a percentage of the total trade labor hours on the contract.

To-date, WIOA workers have logged over 167,000 labor hours and earned over \$8.9 million in wages, apprentices have logged over 178,000 labor hours and earned over \$7.7 million in wages, and EDA-residents have logged over 444,000 labor hours and earned over \$24.8 million in wages. In total, over 1,900 individuals have logged over 1.4 million labor hours and earned over \$82.5 million in wages on the design-build contract. CTA has two workforce partners that provide interested individuals with training, support, and resources to prepare them for a career in the building trades, and who work with prime and subcontractors on their hiring needs to meet the criteria of one or more of the project's workforce goals.

RPM Next Phases Planning Study*: The Red and Purple Modernization program is intended to reconstruct and modernize a 9.6-mile corridor of the northern branch of the Red Line and the entire Purple Line Evanston branch. Much of the elevated structure, embankments, and stations along this corridor were originally built in the early 1900s. They are well beyond their useful lifespan and require frequent maintenance. The corridor needs investment to add capacity, reduce travel times, increase access to jobs and destinations, and improve access for people with disabilities.

With work well underway for RPM Phase One, CTA is now proceeding with advancing a multi-year planning process for the next phases of the RPM program. In March 2023, CTA held virtual public meetings with community members as part of the first step known as the Planning Study, which will set goals and objectives, engage the public, identify potential projects, and evaluate alternatives and phasing. The RPM Next Phases Planning Study focuses on the following three segments of the Red and Purple lines:

- Addison to Sheridan
- Thorndale to Howard
- Evanston Branch (Howard to Linden)

The study is expected to be finalized by the end of 2024, which is the first of several prescribed steps CTA must complete to secure future project funding. Additional required steps include engineering work, conducting a National Environmental Policy Act (NEPA) environmental review, and identifying funding for implementation.



Crews constructing the new main stationhouse of the Racine Blue Line stop this spring.

Forest Park Branch Rebuild (FPBR)*: The Forest Park Branch Rebuild is a multi-year, multi-phased investment program to reconstruct the entire Forest Park Branch of the Blue Line and make it 100 percent accessible to those who use mobility devices.

Opened in 1958, when Dwight D. Eisenhower was president, the Forest Park Branch of the Blue Line had received some improvements, but after six decades of heavy use, the tracks along the entire branch are beyond their useful life. This has resulted in more than 70 percent of the branch being under slow zones, which cause service delays. Further, only four of the 11 stations along the branch are accessible to people who use wheelchairs or other mobility devices.

Under the FPBR, CTA will rebuild a total of seven (7) rail stations to make them meet modern accessibility guidelines; replace the entire track bed and drainage system along the branch; and upgrade the traction power system to support the electrical needs of modern railcars to meet current and future ridership demands.

Phase 1 Work (\$268 million):

- **Track Work:** Between July-October 2023, more than 15,000 feet (or almost three miles) of track, track bed, and drainage systems were removed and rebuilt between the LaSalle and Illinois Medical District (IMD) stations.
- **Power Upgrades:** Work continues with the construction of a new substation over the right-of-way at Morgan Street, as well as other upgrades being made to power system components around the Racine station (e.g., switchgear, transformers, and rectifiers at the Hermitage Substation).
- **Station Accessibility:** Crews have torn down and are now rebuilding the Racine main stationhouse to make it fully accessible. The new stationhouse will be equipped with an elevator, a longer platform, and new stairs that will replace the ramp that once connected the platform to street level at Racine Avenue. Upon completion of this portion of work, crews will then close the Loomis Street auxiliary entrance for reconstruction.

CTA continues its efforts to secure additional funding needed for future phases of work to rebuild the entire Forest Park Branch. As funding becomes available, details regarding future phases of the FPBR will be announced.

STATION & FACILITIES CONSTRUCTION

CTA must often strike a delicate balance of finding ways to improve its existing infrastructure, while also making investments to expand and provide new transit connections.

Over the last 10 years, CTA has invested more than \$11.65 billion in major capital projects to help address some of the \$19 billion of state-of-good repair (SOGR) and other station and facility needs, including dozens of projects that have either been completed, underway, or recently announced.

CTA continues to work with elected officials to address the need for capital funding – particularly at the state level—to match the unprecedented infrastructure funding made available under the Biden administration to address both SOGR needs, as well as expansion of transit services to best serve all of Chicago.

In this section:

- Damen Green Line
- State/lake Loop Elevated
- 43rd Green Line
- Western Brown Line
- Cottage Grove Green Line
- Austin Green Line

- Non-Revenue Maintenance Vehicle Shop
- New Operations Control and Training Facility



Exterior view of the new Damen Green Line station located along the Lake Street branch.

New Damen Green Line Station*: CTA's newly opened Damen Green Line station is a major milestone in the city's efforts to create an equitable, sustainable, and resilient transportation network. The \$80 million project, funded by Tax Increment Financing (TIF), was a collaborative effort led by the Chicago Department of Transportation (CDOT), and in partnership with CTA and Chicago Housing Authority (CHA).

The sleek modern design of the station is the latest creation by Perkins & Will – a Chicago-based global architecture and design firm known for innovative transit station projects around the world — and incorporates a variety of features to enhance the user experience, including a transparent glass façade, a grand stairway and escalator, a glass bridge connecting the platforms, and a large mural by artist Folayemi “Fo” Wilson. Known as “Promise (for tomorrow from the past looking to the future),” the mural highlights the rich history of the Near West Side and depicts a scene on the prairie with images of young people from local photographic archives.

The Damen station will serve as a catalyst for future development in the community, while also providing access to the Kinzie Industrial Corridor, the United Center, Malcolm X College, and the surrounding residential area on the growing Near West Side. This includes the CHA's Westhaven Park IID, a \$50 million, equitable transit-oriented development (ETOD) project adding 96 mixed-income apartments in the community.

State/Lake Loop Elevated: In 2021, the Chicago Department of Transportation (CDOT) and CTA unveiled the preliminary design concepts for a completely rebuilt State/Lake Loop Elevated station – the latest marquee project among CTA's rail system modernization efforts. CDOT is leading the design and construction process.

The new State/Lake station will replace the more than 100-year-old existing structure with a modern, fully accessible rail facility with wider platforms and a host of customer amenities built to 21st century design standards. The design includes two elevators and two escalators for the elevated station, as well as two elevators for those transferring to the Red Line subway – making the station 100 percent accessible and marking a big step in CTA's All Stations Accessibility Plan, a blueprint to make all CTA train stations accessible.

The current State/Lake elevated station was originally built in 1895 and serves five of CTA's eight rail lines. In 2019, it was the second-busiest station on the Loop 'L', with more than 3.7 million annual entries. The \$180 million project is an investment that will further modernize the system providing a first class, fully accessible transit hub in the heart of the Loop.

Cottage Grove Green Line: This project will address several state-of-good repair needs and make other station improvements. The \$60 million in upgrades planned for this station complement the City of Chicago's ideas for redevelopment around the station at 63rd Street and Cottage Grove Avenue, which is part of ongoing redevelopment and renewal in the Woodlawn neighborhood. CTA started structure and track work in late 2023 and work continues throughout 2024 and 2025.

43rd Green Line: In the next few years, the 43rd Green Line station is expected to receive station improvements that will enhance the customer experience. The scope represents a mix of state-of-good repair upgrades, as well as other station enhancements, which will improve access, safety, and convenience, and help maintain CTA's infrastructure. Improvements to the station will better integrate with surrounding environments, including stair, platform, and canopy upgrades. To improve aesthetics, new lighting, new ceilings, painting, and the installation of artwork will all be part of the station finishes. The design phase is expected to be completed by the end of 2024, with construction starting in 2025.

Western Brown Line*: The CTA is performing a \$19 million rehabilitation of the Western Brown Line station and bus turnaround, which is in the heart of the Lincoln Square neighborhood. This project aims to enhance the customer experience, improve accessibility, and modernize the facility for the community with key improvements that include:

- **Accessibility:** New ADA doors will be added at the main entrance on Western Avenue providing easier access for all riders.
- **Infrastructure Improvements:** The track structure will be repainted to visually improve station appearance, while platform rehabilitation and roof replacement will enhance safety and durability.
- **Bus Boarding and Waiting Area Improvements:** A new bus boarding island and canopy structure will provide a more comfortable and sheltered waiting area for passengers.
- **Sidewalk and Lighting Upgrades:** Replaced sidewalks and upgraded lighting will improve pedestrian safety and accessibility.
- **Station Interior Renovations:** The station interior will receive a facelift with refinished floors and walls, and new accent lighting, elevator cabs, stair treads, and risers, as well as a new customer service kiosk.
- **Platform Improvements:** The concrete platform edge will be replaced, and repairs will be made to the existing platform, handrails, and canopy.

This station opened in the early 1900s, underwent a rebuild in the 1920s and received a major renovation in 1979-1981, to be made fully compliant with the Americans with Disabilities Act (ADA). Since this station was already fully accessible to those who use mobility devices, it was the only Brown Line station to receive modest upgrades and repairs under the Brown Line Capacity Expansion project (2004-2009). Current project work is anticipated to continue through late 2025.

Austin Green Line*: The CTA will soon begin a major renovation of the Austin Green Line station, including the addition of an elevator and other improvements to make the station fully accessible to those who use mobility devices as part of CTA's All Stations Accessibility Program.

The original street level station, opened in 1899, has not been upgraded since being rebuilt in 1962. The work at the Austin Green Line station will fully reconstruct the main stationhouse at 351 N. Austin Blvd., which upon completion will feature a new elevator and escalator that connects the station house to the platform above, in addition to a new ADA accessible ramp, new stairs, and a platform extension.



Interior view of the new 63rd Non-Revenue Rail Maintenance Vehicle Shop.

Non-Revenue Maintenance Vehicle Shop*: A new, 70,000 square-foot maintenance facility has been constructed at CTA's 63rd Lower Rail Yard. This state-of-the-art facility is designed to accommodate the maintenance of over 125 pieces of rail-mounted track maintenance and work equipment, and other non-revenue equipment, that are essential for the upkeep of the entire rail system. It also facilitates the relocation of non-revenue vehicles previously housed at the Skokie Heavy Maintenance Shop, to provide dedicated space and more efficiently store and repair parts associated with non-revenue vehicles.

Following a competitive procurement process, a design-build contract was awarded for the construction of this facility. The total project cost was \$65 million. The contractor committed to Disadvantaged Business Enterprise (DBE) goals of 30 percent for design and 27 percent for construction. Construction commenced in 2022 and was completed in the summer of 2024.



The 63rd Non-Revenue Maintenance Vehicle Shop is a new, state-of-the-art facility designed to accommodate the maintenance of over 125 pieces of power and way equipment and other rail-mounted non-revenue vehicles.

New Operations Control and Training Facility: Plans are underway for a new \$242 million project that will significantly modernize and improve the delivery and efficiency of CTA's day-to-day operations with the construction of a new Operations Control and Training facility.

The new facility, which will be in the West Garfield Park neighborhood, will be a state-of-the-art, 150,000-square-foot building. It will house the CTA's 24/7 control center, which oversees all bus, rail, and power operations, as well as over 250 employees. Additionally, the facility will serve as the primary training center for CTA's workforce of over 10,000 employees.

The current control center, located in the West Loop, is outdated and in need of significant repairs and upgrades. The new facility will provide ample space, modern technology, and dedicated areas for management of major planned and unplanned events.

CTA's Training & Workforce Development program will also benefit from the new facility, as current training locations are dispersed throughout the region and have limited space and outdated equipment. The new center will offer dedicated training areas, including a simulation lab for vehicle operator training.

The project is currently being designed. As with all other major CTA capital projects, the project will offer a variety of contract opportunities to disadvantaged business enterprises (DBEs) and small businesses.

EMPLOYEE ENGAGEMENT

In this section:

- Employee Engagement, Marketing, and Outreach
- CTA Fitness Centers
- CTA Transit Jamboree



Women from across the CTA gathered at the inaugural Women's Employee Resource Group event held in April as part of the agency's Women's History Month celebrations.

Employee Engagement, Marketing, and Outreach*: This year, CTA created the Employee Engagement, Marketing, and Outreach unit. It is a team within the Human Resources Department that is dedicated to engaging employees, strengthening CTA's culture of community, and building employee moral through a series of programs, events, and initiatives. Among these are themed-based employee appreciation events across the various work locations, organized participation in external events such as the many charitable walks and races in Chicago, employee perk programs, cultural celebrations, and employee resource groups, and more.



One of the new wellness fitness centers with a variety of workout equipment located at the CTA University facility where CTA provides training to new and existing employees.

CTA Fitness Centers: This summer CTA partnered with Cigna Healthcare to open two new wellness fitness centers as part of a pilot program to help CTA employees make progress in achieving their fitness goals. The fitness centers are located at the Chicago Avenue Garage and at CTA University, the facility where CTA provides training to new and existing employees -- another step the CTA is taking to make it more convenient for employees to engage in activities that are good for their health and wellness.

The wellness fitness centers will be open to CTA employees only. The spaces are equipped with a variety of workout equipment including a treadmill, an elliptical, a stationary bike, a TRX suspension trainer, and yoga mats. There is also a strength training system that includes medicine balls, resistance bands, exercise balls, and foam rollers.

Return of CTA's Transit Jamboree*: The annual Transit Jamboree returned to the CTA after being dormant during the pandemic. The Transit Jamboree is an event where CTA's finest employees from various departments -- including bus operators, rail operators, track and signal workers, customer service attendants and more -- compete to demonstrate and show off their skills in operations, maintenance, customer service, and other work-related scenarios.

The day-long jamboree was open to all CTA employees, as well as their families and friends who, in addition to cheering on the competitors, also enjoyed performances by the Jesse White Tumblers, kids' games, a classic car and motorcycle show, a showcase of historic trains and buses, and the HR Wellness Fair where employees could also get their flu shot before the peak of the flu season.

New to this year's Jamboree was the CTA's first Alumni Homecoming, which welcomed over 125 retirees back to the CTA family. Another new attraction was the Dunk Tank where volunteer employees were dunked in the water to raise funds for the Holiday Food Train. The event was a big hit, raising almost \$3,000.



As part of the bus obstacle course at the CTA Transit Jamboree, bus operators must attempt to back-up without striking too many tightly spaced traffic cones.

PUBLIC ART & ARCHITECTURE

Over the last decade, CTA's public art collection more than doubled to include nearly 90 permanent and 25 temporary works of art across all eight rail lines and multiple other CTA facilities.

This massive collection of public art largely features the talents of many local artists, many of whom are nationally and internationally acclaimed artists. CTA's public art collection represents a wide range of pieces encompassing traditional mediums of sculptures, mosaics, and art glass, to those that are interactive and immersive, such as a filmic display and a first of its kind DJ booth and more!

In this section:

- RPM New Station Artwork
- The Forum's Audio/Visual Installation
- 95th Red Line DJ Booth
- UIC-Halsted Blue Line Artwork

RPM New Station Artwork*: This spring plans for new artwork at the four new Red Line stations that are being fully reconstructed as a part of the historic Red and Purple Modernization (RPM) Phase One project were revealed. Featuring eye-catching, colorful designs that reflect the local neighborhoods around the stations, the unique works of art were created for the new Lawrence, Argyle, Berwyn, and Bryn Mawr stations by five award-winning artists hired by CTA following a competitive Request for Proposals (RFP) process. The artwork will be installed in the new station houses, which are expected to open in late 2025.

The Forum's Audio/Visual Installation: CTA partnered with the Chicago Department of Cultural Affairs and Special Events (DCASE), Urban Juncture Foundation (UJF), and the Chicago Film Archives (CFA) to host an audio/visual storytelling installation in June at The Forum in Bronzeville. The installation broadcasts the stories of Bronzeville's past, present and hopes for its future, and it is titled Train of Thoughts. Although it is housed at The Forum, it is best seen from the 43rd Green Line platform. This installation brings awareness to an ongoing endeavor to further revitalize Bronzeville. This is the second temporary art installation project launched along CTA's Green Line in partnership with the CFA. The other project is the *we love* filmic exhibit launched in 2023 at the Cicero Green Line station, which celebrates the everyday lives of Chicagoans over the last several decades.

95th Red Line DJ Booth: This summer, AESOP (An Extended Song of Our People), the public art project and DJ booth at the 95th Red Line, made a return to provide commuters with another season of lively music as they pass through the station. This year's programming schedule now includes three days of real-time programming with the addition of Wednesdays. Under a new two-year agreement with DJ Ayana Contreras, she returns as one of the performing DJs, as well as the creative program director. Two other guest DJs also perform there now, including Mr. Jaytoo and DJ Junius Paul.



CTA's newest public art piece, "Takeaway" is a tongue and cheek sculpture depicting the Greek god Hermes and is located on the pedway over the Eisenhower Expressway at the Peoria Street entrance of the UIC-Halsted Blue Line.

UIC-Halsted Blue Line Artwork: In July, through a partnership with University of Illinois Chicago (UIC) alumnus and world-renowned artist Tom Friedman, new artwork was installed outside the UIC-Halsted Blue Line station. The sculpture, known as *Takeaway*, depicts Hermes, the Messenger of Greek Mythology, in a running pose balancing a stack of restaurant carry-out boxes on his head — a nod to modern living. Fabricated in stainless steel and installed on a high pedestal, the new artwork will be seen not only by users of the UIC-Halsted station's Peoria Street entrance, but by others from a distance, including those in the nearby UIC campus, and drivers on the Eisenhower Expressway below.

MARKETING

Throughout 2024, CTA harnessed marketing to increase ridership and build brand advocates with compelling and effective messaging that highlights the benefits the CTA can bring to riders - such as affordability, environmental benefits, equitable mobility, and more. In 2025, CTA will build out its marketing activities with regular, early, and consistent messaging to drive riders to take more trips on CTA. Chicagoans determine their transportation option well in advance. CTA's goal is to have CTA top of mind when they're planning on traveling.

In this section:

- Ridership Campaigns
- Targeted Customer Outreach
- CTA Gifts
- Sponsorships
- New Resident Mailer
- Influencer Engagement

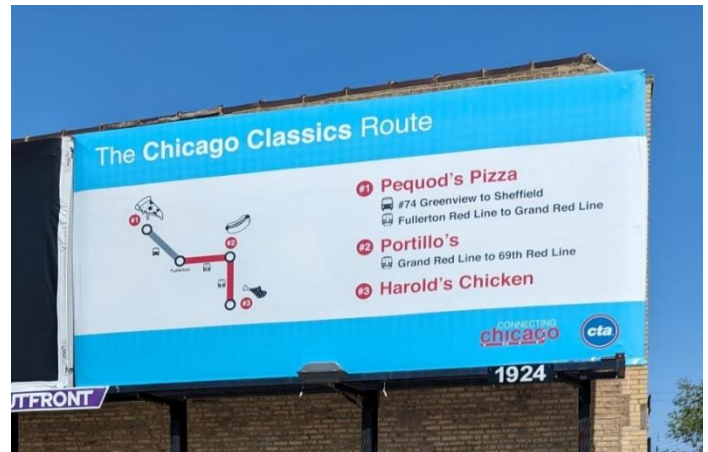


Image of a static billboard featuring one of the creatives from CTA's "Connecting Chicago" ridership campaign.

Ridership Campaign – Connecting Chicago*: Throughout 2024, CTA focused on reaching audiences beyond its properties. While it is a benefit to have a large selection of digital advertising screens and vehicle car cards to communicate key messages to riders, CTA recognized it needed to go beyond those mediums to reach all possible riders and encourage them to ride again or even for the first time.

Through a co-promotion arrangement with the City of Chicago, CTA was able to leverage their digital sign network and amplify the "Connecting Chicago" campaign. This campaign reminded people that the CTA gets you to pretty much anywhere they want to go in Chicagoland.

Using a series of customized "maps," CTA showcased the best routes for great food, great music, and great culture. This campaign also ran on CTA's own system of digital screens and vehicle car cards, a collection of physical billboards thanks to a partnership with OutFront media, and a series of animated ads that ran prior to YouTube videos that garnered more 100,000 impressions.

Ridership Campaign – Tap to Pay*: In the second half of 2024, CTA ran a second campaign reminding people that tap to pay is available on all CTA buses and rail stations, reducing riders' worries about not having a fare card or having to download an app. The campaign reminded viewers to just tap their smartphone, smart watch, or credit card and start riding. This campaign also ran on CTA's own system of digital screens and vehicle car cards, plus a collection of physical billboards thanks to a partnership with OutFront, as well as a series of animated ads that ran prior to YouTube videos that garnered more 100,000 impressions.

Targeted Customer Outreach – Email*: Additionally, CTA launched a set of targeted emails to Ventra users ahead of major events in Chicagoland. Emails were sent prior to the Sueños Music Festival, Pride Parade, Pitchfork Music Festival, Bud Billiken Parade, Crosstown Classic games, Taste of Chicago, and Riot Fest. Working with the event managers, CTA was able to obtain the zip code information for ticket sales and target the emails of Ventra users who tapped in those zip codes in the 30 days prior to the email being sent. These emails generated on average 100,000+ views and have led to some of the highest ridership days of the year.

Targeted Customer Outreach – Airports*: One of Chicago's best features is that you can get downtown from both major airports using the CTA. Leveraging ridership data, a series of dates were identified in which ridership at airports tended to spike, including St. Patrick's Day, Lollapalooza weekend, the Marathon weekend, and more. Using these insights, a series of paid social media ads were created that targeted people who were within a half-mile radius of both O'Hare and Midway

airports. As people look at their phones while their plane taxis to the gate or while they wait for their luggage to arrive, an ad appears in their feed reminding them that the most affordable way to get downtown is taking the CTA. These ads have generated over 1.1 million impressions.

CTA Gifts*: This year, numerous social posts were created and amplified that tapped into the love that many have for the CTA and promoted items available at CTAGifts.com. One such promotion showcased a new, miniature version of the rail station signs. The promotion of this sign was one of the most-viewed social media posts for the year and generated over \$22,000 in sales.

Sponsorships*: This year, the CTA partnered with two major local sports teams – the Chicago Fire and the Chicago White Sox. The sponsorship included in every “Know Before You Go” email to ticket holders, messaging encouraging them to take the CTA to the game. The sponsorship also included radio broadcast ads in Spanish and in-game messaging also reminding fans that it’s only \$5 to get to the game and back with CTA, and that tap to pay is available on all CTA trains and buses.

New Resident Mailer*: CTA recently brought back a direct mail campaign the agency had not used since 2019. Working with a mailing vendor, CTA was able to get the addresses for new Chicagoland residents who moved into the CTA service region from 30+ miles away. CTA created and sent them a postcard welcoming them to the city and encouraging them to take the CTA for as little as \$5 for their round trips. These postcards were sent to over 4,000 new residents.

Influencers*: For the first, CTA worked with three local social media influencers to amplify and encourage use of public transit. Chicago by Ren, Bored in Chicago, and Chicago Food Authority all posted unique videos showcasing how fun, safe, and reliable riding the CTA is. Each influencer integrated the CTA seamlessly into their day-to-day content, showcasing how getting to their favorites spots is easy and affordable thanks to the CTA. These videos earned over 400,000 views and brought awareness of the CTA to an audience that it normally does not have access to.

COMMUNITY ENGAGEMENT

Throughout the year, CTA deploys a variety of measures to help engage and connect with its riders more directly and personally to welcome them, assist them, or further encourage the use of public transit. Included on this page:

- Community Connection Bus
- Holiday Food Train and Holiday Fleet
- Sponsored Free Rides Events
- Pride Train
- Volunteer Information Specialists

Community Connection Bus: One of CTA’s most visible and popular outreach initiatives, the Community Connection Bus, is designed to connect with riders and members of the communities served by CTA, while also promoting the benefits of public transportation. From spring through fall, this specially designed bus travels the city – appearing at various music, sporting, cultural and neighborhood events – to serve as a brand ambassador for CTA by providing valuable information about CTA’s services, programs, and projects, as well as serving as a spot to cool off, avoid the rain, or charge your phone.

Through the Community Connection Bus, CTA was able to solicit feedback and strengthen community relationships with stakeholders, elected officials, and customers, while providing information about CTA bus and rail service, Ventra cards, and CTA career opportunities.

This year, CTA deployed the Community Connection Bus at some of the larger and more prominent events in Chicago, including Lollapalooza, Pitchfork Music Festival, Riot Fest, the Air & Water Show, and more.

CTA Holiday Fleet: The 2024 Holiday Fleet will again be sponsored by Allstate, covering minimal costs for decorating and operating the Holiday Bus and Train.

During the 2023 holiday season, the well-known and always popular and long-awaited Holiday Train traveled all eight rail lines between late November and late December, spreading holiday cheer to millions of riders as it does each year. The Holiday Bus traveled 16 routes throughout the city, also delighting riders young and old across various neighborhoods.



Riders gather and line up to meet Santa and hop aboard the inaugural run of the 2023 CTA Holiday Train.

The Holiday Train began over 30 years ago when CTA employees assigned to the O’Hare Branch Terminal on the Blue Line decorated an out of service train with a “Season’s Greetings from CTA” sign and then used it to deliver food baskets to local charities and organizations. They started this tradition after recognizing the need for food donations in their service area during the holiday season. At the time, employees generously donated their own money and time for the assembly of several dozen food baskets, which contained all the trimmings for a complete holiday meal.

Since the tradition began, more than 10,000 holiday meals have been provided to families thanks to the “CTA Holiday Food Train Program.” The program planted the seeds for what eventually became Chicago’s most unique holiday display – the CTA Holiday Train.

A flatcar was later added to the food train for Santa and his reindeer, along with more lights and an updated sign. Over the years, more decorations and lights were also added, and the “Food Train” quickly became known as the “Holiday Train” and was made part of scheduled service traveling along all rail lines.

Free Rides on First Day of School: The “First Day, Free Rides” sponsorship program offers all Chicago area students and an accompanying adult(s) a free ride on CTA buses and trains on the first day of the academic school year for Chicago Public Schools (CPS). This year, the free rides were once again sponsored by Butcher Boys Cooking Oils.

A back-to-school tradition since 2011, this program encourages students (grades K-12) from public and private schools to establish good habits by getting to school each day. In 2023, the program provided nearly 49,000 free rides to students and their parents or guardians. Since the program’s

debut 10 years ago, more than 1.3 million free rides have been provided for Chicago area students.

For the rest of the academic school year, students can take advantage of discounted fares of 75 cents on school days, between 5:30 a.m. and 8:30 p.m. Beyond school hours, elementary students, ages 7-11, are eligible for reduced fares of \$1.10 for a bus ride and \$1.25 for a train ride. Students who are age 12 and older will continue to pay the full fare of \$2.25 on buses and \$2.50 on trains. Children aged 6 and younger ride free with a fare-paying customer.

Sponsored Free Rides Events: CTA has provided sponsored rides on New Year's Eve and on some Bears game days at Soldier Field.

On New Year's Eve, the free rides are usually available on CTA trains and buses from 10:00 p.m. until 4:00 a.m. The Miller Lite Free Rides program encourages Chicago residents to ring in the New Year in a safe and responsible way while providing an affordable transit option. Miller Lite has sponsored the free rides on New Year's Eve since 2012.

Miller Lite also sponsored free rides for sports fans as they travel from Soldier Field after select Bears games. The free rides included the #128 Soldier Field Express and #146 Inner Lake Shore/Michigan Express bus routes and at the Roosevelt station on the Green, Orange, and Red lines. This has become an annual event, having occurred during the 2024, 2023 and 2022 NFL seasons.

Other free rides for sports fans have been sponsored by Miller Lite and MilkPEP after Cubs and White Sox games, and on the day of the 2023 Bank of America Chicago Marathon.



CTA's 2024 Pride Train featured a new wrap design from previous years, featuring arched ends.

Pride Train: In 2017, CTA became the first major U.S. transit agency to unveil a Pride Train. Today, CTA is happy to continue this tradition, unveiling its 2024 Pride Train in June, in observance of Pride Month. The 2024 Pride Train design celebrates the dynamism and continuing evolution of the LGBTQIA community in Chicago and nationwide, featuring a new design representing the "Philly Flag" and the Transgender Flag, as well as the traditional Pride Flag. Complementing this year's Pride Train, CTA also introduced a Pride Signature Ventra card, which is available for purchase. The Pride Ventra Card design draws inspiration from CTA's colorful rail lines converging in the Loop.

Volunteer Information Specialists*: This year, CTA had the opportunity to contribute to the success of the Democratic National Convention (DNC) in Chicago. CTA's long history of effectively supporting large events, from sports to concerts and major festivals, to the Pride Parade and Chicago Marathon among many others, now includes the 2024 DNC – thanks in large part to the hard work and dedication of front-line employees, as well as many other employees across multiple departments.



Hundreds of CTA employees volunteered their time to help welcome out of town visit

While CTA was primarily responsible for transporting DNC officials and other dignitaries to and from DNC events, CTA also helped to welcome the more than 50,000 out of town visitors to Chicago during the convention.

As part of this effort, a group of more than 200 CTA employees were assembled to serve as volunteer "Information Specialists." The volunteers were assigned to two-hour shifts and were dispatched to more than a dozen locations throughout downtown, in and around the DNC venues, as well as the airports on the weekend prior to the start of the convention. In these roles, the volunteers helped welcome visitors, provided instructions on using transit, helped answer questions, and directed them to various locations including the DNC bus shuttle service provided by CTA.

The CTA is undoubtedly proud to have been able to showcase its transit expertise and hospitality on the national stage.

(THIS PAGE INTENTIONALLY LEFT BLANK)



2019 – 2027 Operating Budget Schedule

FY25 BUDGET

OPERATING BUDGET SCHEDULE

(\$ in Thousands)

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual
<u>Operating Expenses</u>					
Labor	1,093,922	1,135,354	1,155,509	1,134,269	1,204,887
Material	67,652	74,800	90,499	105,052	114,673
Fuel	40,396	37,125	30,779	27,201	37,581
Power	31,560	24,656	25,105	18,323	27,298
Provision for Injuries and Damages	7,500	22,000	31,680	31,680	20,200
Purchase of Security Services	14,920	19,976	15,680	23,944	69,115
Other Expenses					
Pension Obligation Bonds (Net)	103,378	105,735	105,986	106,042	88,842
Contractual Services	88,399	94,100	97,212	109,531	117,463
Utilities, Non-Capital Grant, Travel, Leases, Other	21,410	19,403	25,448	18,083	23,278
Other Debt Service	46,250	4,677	7,318	7,424	7,369
Other Expenses Total	259,438	223,916	235,964	241,081	236,951
Total Operating Expenses	\$ 1,515,388	\$ 1,537,826	\$ 1,585,216	\$ 1,581,549	\$ 1,710,708
<u>System Generated Revenue</u>					
Fare and Passes	585,297	232,830	242,864	290,891	328,810
Reduced Fare Subsidy	14,606	14,829	14,606	14,606	15,227
Advertising, Charter & Concessions	38,987	20,898	26,687	33,387	29,285
Investment Income	3,822	1,221	261	3,690	9,214
Statutory Required Contributions	5,000	5,000	5,000	5,000	5,000
Other Revenue	49,464	39,286	40,239	28,168	24,530
System Generated Revenue	\$ 697,177	\$ 314,063	\$ 329,658	\$ 375,742	\$ 412,067
<u>Public Funding</u>					
Sales Tax I	388,860	336,135	437,632	476,787	498,149
Sales Tax II	56,959	61,352	86,901	73,098	75,357
PTF II	67,920	63,929	78,046	89,618	92,967
RETT	62,373	51,023	71,118	79,926	53,284
PTF II on RETT	15,029	12,600	17,198	18,301	14,302
Non-Statutory Funding - PTF I	220,950	208,361	252,325	288,691	300,927
Non-Statutory Funding - Sales Tax I	-	910	-	19,784	23,400
ICE*	6,132	5,624	7,175	7,668	-
Public Funding	\$ 818,224	\$ 739,933	\$ 950,395	\$ 1,053,872	\$ 1,058,386
Federal Relief Funds	-	\$ 483,829	\$ 305,163	\$ 151,936	\$ 240,254
Budget Balancing Actions**	-	-	-	-	-
Total Operating Revenue	\$ 1,515,400	\$ 1,537,826	\$ 1,585,216	\$ 1,581,549	\$ 1,710,708
<u>Short-term Borrowing Balance</u>					
Recovery Ratio***	57.11%	56.26%	47.10%	53.70%	47.72%
Required Recovery Ratio	54.75%	54.75%	54.75%	54.75%	42.00%

* As of 2023 ICE Funds will be distributed after exact amounts are known and grant agreements have been executed for approved capital projects. ICE Funds are included in the Capital Improvement Program (CIP)

**Budget Balancing Actions have not yet been determined

*** Recovery ratio is calculated by dividing System-Generated Revenue by Operating Expenses. The calculation includes (i) in-kind revenues and expenses for security provided by the City of Chicago, (ii) excludes security expenses, Pension Obligation Bond debt service, ICE grant and depreciation and (iii) includes a portion of senior free ride revenue and certain grant revenues. The recovery ratio calculation also includes Federal Relief Funds as well as Budget Balancing Actions.

Note: Totals may not add due to rounding.

FY25 BUDGET

OPERATING BUDGET SCHEDULE

(\$ in Thousands)	2024 Budget	2024 Forecast	2025 Proposed Budget	2026 Plan	2027 Plan
<u>Operating Expenses</u>					
Labor	1,359,830	1,305,947	1,448,229	1,506,158	1,566,405
Material	130,628	127,939	153,351	157,951	162,690
Fuel	49,074	44,979	48,476	47,312	47,381
Power	36,729	36,923	56,806	60,551	61,667
Provision for Injuries and Damages	19,850	19,850	22,262	23,152	24,079
Purchase of Security Services	65,150	86,897	88,473	91,127	93,861
Other Expenses					
Pension Obligation Bonds (Net)	97,491	89,851	86,947	87,575	87,575
Contractual Services	190,988	162,340	190,860	196,586	202,483
Utilities, Non-Capital Grant, Travel, Leases, Other	28,189	27,360	43,260	45,700	46,607
Other Debt Service	17,860	14,491	17,860	17,860	21,196
Other Expenses Total	334,528	294,042	338,926	347,720	357,861
Total Operating Expenses	\$ 1,995,789	\$ 1,916,577	\$ 2,156,522	\$ 2,233,972	\$ 2,313,943
<u>System Generated Revenue</u>					
Fare and Passes	345,117	351,513	369,089	376,471	380,236
Reduced Fare Subsidy	15,847	16,640	17,432	17,432	17,432
Advertising, Charter & Concessions	33,838	31,561	33,271	34,934	36,681
Investment Income	5,000	12,729	5,000	5,000	5,000
Statutory Required Contributions	5,000	5,000	5,000	5,000	5,000
Other Revenue	22,621	23,175	26,160	27,468	28,842
System Generated Revenue	\$ 427,423	\$ 440,618	\$ 455,952	\$ 466,305	\$ 473,190
<u>Public Funding</u>					
Sales Tax I	509,584	514,075	528,932	542,685	556,794
Sales Tax II	73,246	76,424	68,130	67,154	65,339
PTF II	93,506	95,422	97,693	101,302	104,133
RETT	72,455	55,811	57,485	66,108	76,024
PTF II on RETT	17,987	13,898	14,059	16,527	19,006
Non-Statutory Funding - PTF I	301,333	309,451	316,225	327,294	335,803
Non-Statutory Funding - Sales Tax I	27,739	27,739	39,351	41,336	41,311
ICE*	-	-	-	-	-
Public Funding	\$ 1,095,850	\$ 1,092,820	\$ 1,121,875	\$ 1,162,406	\$ 1,198,410
Federal Relief Funds	\$ 472,516	\$ 383,138	\$ 578,695	\$ 66,308	\$ -
Budget Balancing Actions**	-	-	-	\$ 538,952	\$ 642,343
Total Operating Revenue	\$ 1,995,789	\$ 1,916,577	\$ 2,156,522	\$ 2,233,972	\$ 2,313,943
<u>Short-term Borrowing</u>					
Balance					
Recovery Ratio***	52.50%	50.79%	55.57%	55.43%	55.57%
Required Recovery Ratio	42.00%	42.00%	42.00%	42.00%	42.00%

* As of 2023 ICE Funds will be distributed after exact amounts are known and grant agreements have been executed for approved capital projects. ICE Funds are included in the Capital Improvement Program (CIP)

**Budget Balancing Actions have not yet been determined

*** Recovery ratio is calculated by dividing System-Generated Revenue by Operating Expenses. The calculation includes (i) in-kind revenues and expenses for security provided by the City of Chicago, (ii) excludes security expenses, Pension Obligation Bond debt service, ICE grant and depreciation and (iii) includes a portion of senior free ride revenue and certain grant revenues. The recovery ratio calculation also includes Federal Relief Funds as well as Budget Balancing Actions.

. **Note:** Totals may not add due to rounding.

(THIS PAGE INTENTIONALLY LEFT BLANK)



2024-2027 Consolidated Financial Overview

The Consolidated Financial section provides a comprehensive financial overview of the 2024 operating budget forecast, 2025 proposed budget, and 2026-2027 Financial Plan.

In Thousands	2024 Forecast	Proposed 2025 Budget	2026 Plan	2027 Plan
System Generated Revenue	\$ 440,618	\$ 455,952	\$ 466,305	\$ 473,190
Public Funding	\$ 1,092,820	\$ 1,121,875	\$ 1,162,406	\$ 1,198,410
Total Operating Revenue	\$ 1,533,438	\$ 1,577,827	\$ 1,628,711	\$ 1,671,600
Total Operating Expenses	\$ 1,916,577	\$ 2,156,522	\$ 2,233,972	\$ 2,313,943
Federal Relief Funds	\$ 383,138	\$ 578,695	\$ 66,308	\$ -
Remaining Federal Relief Funds	\$ 645,003	\$ 66,307	\$ -	\$ -
Required Budget Balancing Actions	\$ -	\$ -	\$ 538,952	\$ 642,343

This section provides visibility and understanding of the year-to-year progression of the financials and supporting details for each of the major expense categories. This section is organized as follows:

1) Financial Overview

- 2024 Highlights
- 2024 Forecast
- 2025 Budget
- 2026-2027 Plan

2) 2025 Operating Budget

Consolidated Operating Expenses

- Labor Expenses
- Material Expenses
- Purchase of Security Services
- Fuel & Power Expenses
- Other Expenses

Consolidated Operating Revenues

- Farebox Revenue
- Ridership
- Non-Farebox Revenues
- Recovery Ratio
- Public Funding

2024 Highlights

During 2024 the CTA continued to reinvest and re-engineer itself as we move forward to the new face of public transit. The 2024 budget was developed to support increased service delivery, safety, workforce expansion, facility improvements and enhanced customer experience.

The safety and security of our passengers and employees remains a top priority. In 2024, the CTA increased spending for security services, which increased the number of CPD officers under the Voluntary Special Employment Program and provided increased private canine and unarmed security services of stations and facilities to supplement Chicago Police Department (CPD) Public Transportation Unit patrols of the CTA. Additionally, in August the CTA began a pilot program based on our extensive security camera network to automatically identify brandished firearms, further enhancing safety measures. These efforts reflect the CTA's commitment to providing a secure environment for all users of the transit system.

Technological advancements and upgrades to enhance customer experience was a crucial part of the 2024 initiatives. In April, CTA launched a new Chatbot feature, making it easier for customers to provide feedback and report issues in real-time. By July, the Chatbot has initiated over 8,000 customer conversations. The CTA also created the "Innovation Studio", a collaboration between CTA and private entities to

develop and implement cutting edge solutions for challenges facing the CTA.

Additionally, the CTA made many facilities improvements as part of our on-going commitment to enhance the customer experience. Under the "Refresh & Renew" initiative, the CTA is on track to complete \$6.5 million in repairs and maintenance on 29 rail stations and 14 bus turnarounds by the end of 2024. These upgrades aim to create a more comfortable and accessible environment for all riders, further reinforcing the CTA's dedication to quality service and user satisfaction.

During 2024, the CTA experienced multiple days of ridership reaching the million-ride mark, a major milestone for the system. Through August 2024, CTA ridership levels increased 12.6 percent compared to the same period in 2023. Increased ridership translates into increased farebox revenue, as reflected in 8.2 percent farebox revenue increase August YTD compared to August YTD 2023. No fare increases were implemented during the year.

Public Funding remains strong in 2024, due to the impact of inflation, the application of local sales tax rates to online sales and the legalization of cannabis in Illinois, both of which went into effect in 2021. Real Estate Transfer Tax revenues, however, are underperforming due to stresses on the real estate market as result of higher interest rates. Despite the restoration of the 5.0 percent cut to Public Transportation Funds (PTF), the State continues to impose the nearly 50.0 percent reduction to the Reduced Fare Reimbursement and the 1.5 percent surcharge to the Sales Tax revenues.

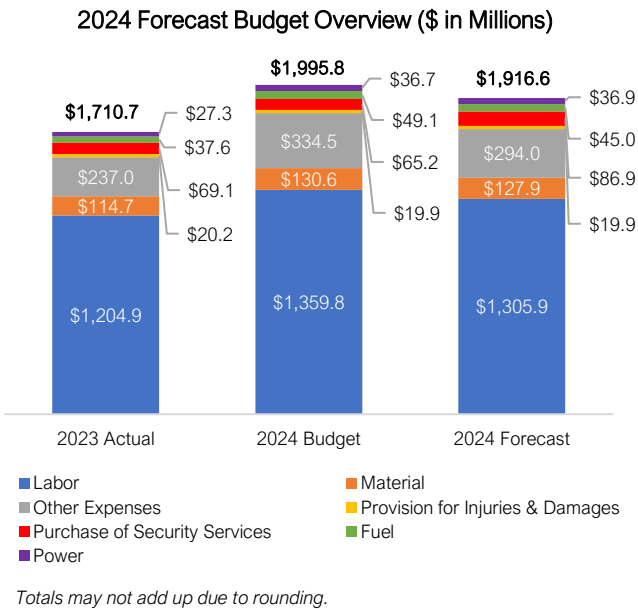
Beginning in 2020, the Federal government provided relief funding to individuals and businesses impacted by the COVID-19 pandemic. There were three emergency relief packages:

- Coronavirus Aid Relief and Economic Security (CARES) Act
- Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
- The American Rescue Plan (ARP) Act

The RTA region, encompassing Northwest Indiana, Southeast Wisconsin, as well as the CTA, Metra, and Pace, received approximately \$3.4 billion of Federal Relief Funds. CTA was allocated \$2,090.9 million in funds; \$817.5 million in (CARES) Act funds, \$361.3 million in (CRRSA) Act funds and \$912.1 million in (ARP) Act funds. In March 2022, the CTA was awarded an additional \$118.4 million in ARP discretionary funds for a total of \$2,209.3 million of federal relief funds. Through August 2024, the CTA has drawn \$1.4 billion or approximately 63.0 percent of its allocation. The remaining funds are expected to be exhausted in the first quarter of 2026. CTA is working with RTA, Metra, Pace, and other stakeholders as part of the strategic plan to identify potential funding solutions to close future budget gaps.

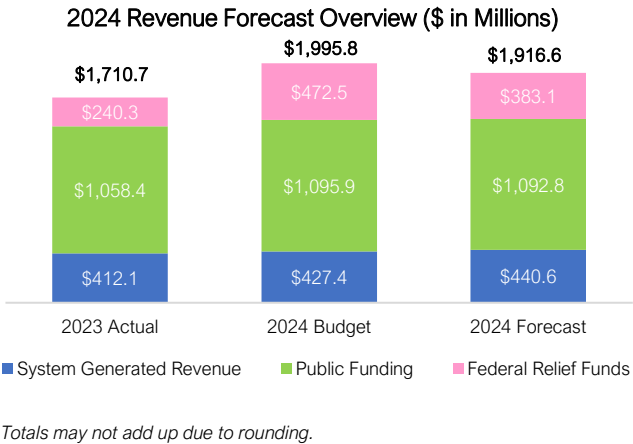
[INTENTIONALLY LEFT BLANK]

2024 Operating Budget Forecast



The 2024 Operating Expense forecast is \$1,916.6 million, which is \$79.2 million 4.0 percent lower than the budget and a \$205.9 million 12.0 percent increase over 2023 actuals.

The main drivers of favorable expense compared to budget are labor and contractual services, which were partially offset by increased security services spending. Lower labor expense accounts for 68 percent of the forecast favorability of \$79.2 million.



The 2024 Operating Revenue forecast excluding federal relief funds is \$1,533.4 million, favorable to the budget by \$10.2 million and an increase of \$63.0 million or 4.3 percent over 2023 actuals.

System-Generated Revenue accounts for 22.9 percent of Operating Revenue (excluding federal relief funds). The 2024 forecast for system-generated revenue is \$440.6 million, \$13.2 million or 3.1 percent higher than the budget and \$28.6 million or 6.9 percent higher than 2023 actuals. Fare and passes contribute 79.9 percent of system-generated revenue and are forecasted to be \$6.4 million higher than budget and \$22.7 million higher than 2023 actuals. The remaining 20.1 percent of system-generated revenue derives from non-farebox revenue, which is forecasted at \$89.1 million, an increase of \$6.8 million or 7.6 percent over budget and \$5.8 million higher than 2023 actuals.

The 2024 forecast for Public Funding is \$1,092.8 million, \$3.0 million (-0.3 percent) lower than the budget and \$34.4 million higher than 2023 actuals. Sales taxes are projected to be above the budgeted amount which are offset by Real Estate Transfer Tax revenues projected below 2024 budget due to fewer real estate transactions in 2024.

The 2024 forecasted budget deficit of \$383.1 million represents a significant improvement from the budget, which reflected \$472.5 million. Federal relief funds will be used to address this deficit. This represents a reduction of fund usage by 18.9 percent. The inclusion of federal relief funds brings the 2024 total operating revenue forecast to \$1,916.6 million.

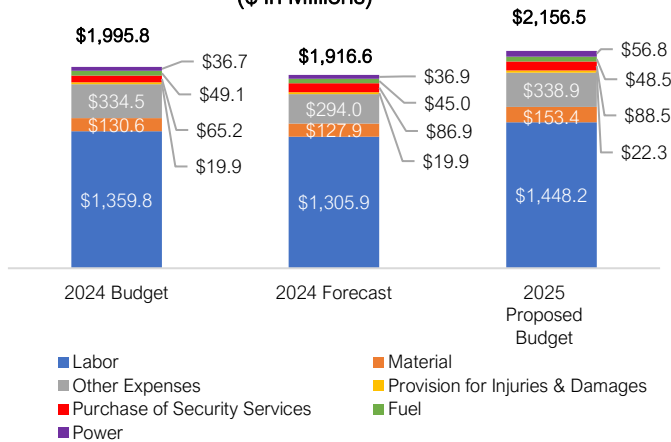
2025 Proposed Operating Budget

The 2025 proposed Operating Expense budget reflects the CTA's commitment to increased service levels and continued growth. There is an operating budget gap of \$578.7 million, which will be closed with remaining federal relief funds.

The 2025 budgeted operating expenses of \$2,156.5 million are \$160.7 million (8.1percent) higher than the 2024 budget and \$239.9 million higher than the 2024 forecast. The key drivers behind the increased expenses are labor, energy costs and security services costs. Contractual wage adjustments and investments in service drive the increase to labor expense. Material costs are higher due to less maintenance capitalization and the continuing impact of inflation. Security costs are expected to be slightly higher than 2024 forecast, as canine security services and other private security continues to supplement police services. Commodity expenses are increasing due in part to ComEd rate hikes that took in effect during 2024. While operating expenses are increasing, the CTA continues to implement cost containment measures to minimize the overall impact. Since 2015, over \$1 billion in cost savings and non-farebox revenue growth initiatives have been implemented, including the following:

- Labor: \$755 million in savings generated from eliminating and freezing positions, healthcare changes and increased co-payments and the structuring of ATU wage agreements. These savings were achieved without impacting service or safety sensitive positions.
- Fuel, Power, and Other Utilities: \$98 million savings from energy efficiency projects and rebates as well as by locking in fuel, power, and natural gas pricing at favorable times, also providing budget certainty.
- Capital investments: Over \$100 million in savings due to lower maintenance costs resulting from new vehicle purchases and overhauls on the bus and rail fleet.
- Non-farebox Revenue: \$70 million from increasing advertising, concession, parking, and ride-hailing fee revenue. The City eliminated the ride-hailing fee revenue in 2021.

[INTENTIONALLY LEFT BLANK]

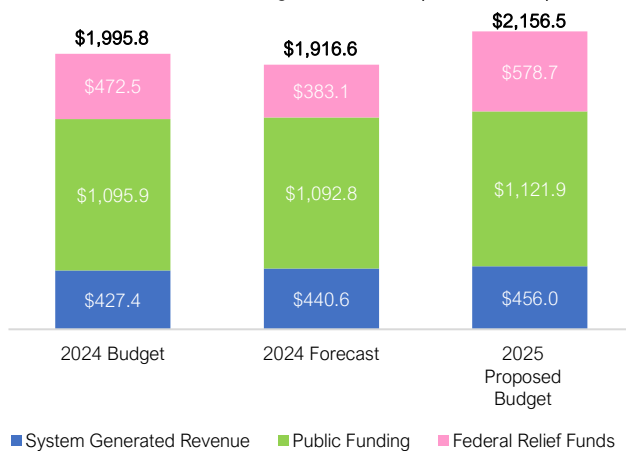
2025 Expense Budget Overview
(\$ in Millions)

Totals may not add up due to rounding.

The 2025 Operating Revenue budget excluding federal relief funds is \$1,577.8 million, \$54.6 million or 3.6 percent higher than the budget and \$44.3 million higher than the 2024 forecast. System-generated revenue is budgeted at \$456.0 million for 2025, \$28.5 million higher than 2024 budget and \$15.3 million higher than 2024 forecast. Farebox revenue budget of \$369.1 million is \$24.0 million or 6.9 percent higher than the 2024 budget and \$17.6 million, 5.0 percent higher than 2024 forecast. 2025 Public Funding is budgeted at \$1,121.9 million, an increase of \$26.0 million over budget and \$29.1 million over 2024 forecast.

Federal relief funds of \$578.7 million will be used to balance the budget.

2025 Revenue Budget Overview (\$ in Millions)

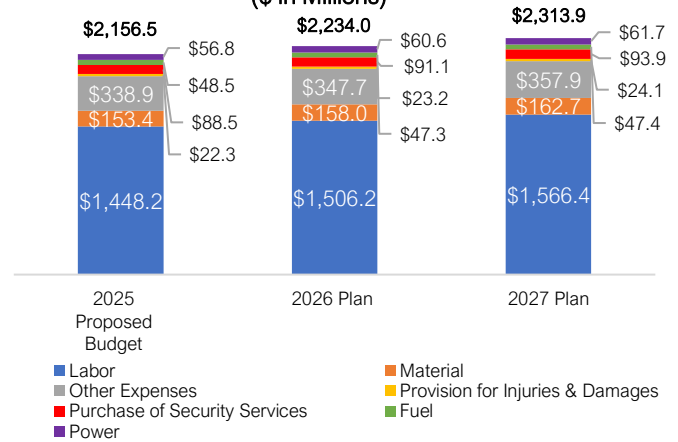


Totals may not add up due to rounding.

2026-2027 Financial Plan

The two-year financial plan lays the groundwork for the Authority to continue its long-term goal of providing affordable, reliable, equitable service by aligning our transit network with changing mobility patterns and ensuring the CTA is a first choice of travel for many riders in the region.

Operating expenses are estimated to be \$2,234.0 million in 2026 and \$2,314.0 million in 2027. Compared to the 2025 budget, operating expenses are expected to grow by \$77.4 million (3.6 percent) in 2026 and grow by \$157.4 million (7.3 percent) in 2027.

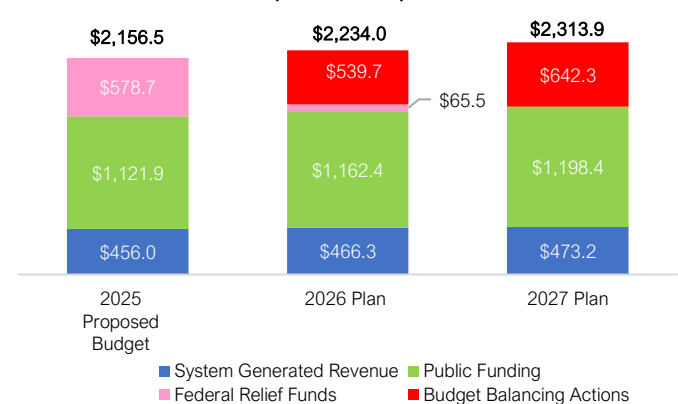
2026 - 2027 Expense Budget Overview
(\$ in Millions)

Totals may not add up due to rounding.

The two-year financial plan projects operating revenue, excluding federal relief funds and budget balancing actions, will grow from \$1,577.8 million in 2025 to \$1,628.7 million in 2026, and to \$1,671.6 million in 2027. The 2026 fare and passes revenue shows an increase of \$7.4 million 2.0 percent over the 2025 budget. In 2027, farebox revenue increases \$3.8 million over 2026 plan 1.0 percent increase. Ridership retention compared to 2019 levels are projected to be 81.0 percent and 82.0 percent in 2026 and 2027, respectively. The projection for farebox revenue is 64.3 percent and 65.0 percent for 2026 and 2027 compared to 2019. Both ridership and farebox revenue continue to show year over year gains.

Public funding is expected to increase by 3.6 percent in 2026 and 3.1 percent in 2027. The increases are driven primarily by higher projected sales tax receipts and increased RETT.

In 2026, the CTA will have a projected budget gap of \$605.3 million. It is estimated the Authority will have \$66.3 million remaining of Federal Relief funds, which applied to the budget gap will require additional budget balancing actions of \$538.9 million. In 2027, there will be no federal relief funds available, and the CTA will be solely reliant on other budget balancing actions to close a projected budget gap of \$642.3 million. In the absence of additional state funds, the CTA will need to identify additional revenue sources and/or expense reductions to close the remaining budget gaps in 2026-2027.

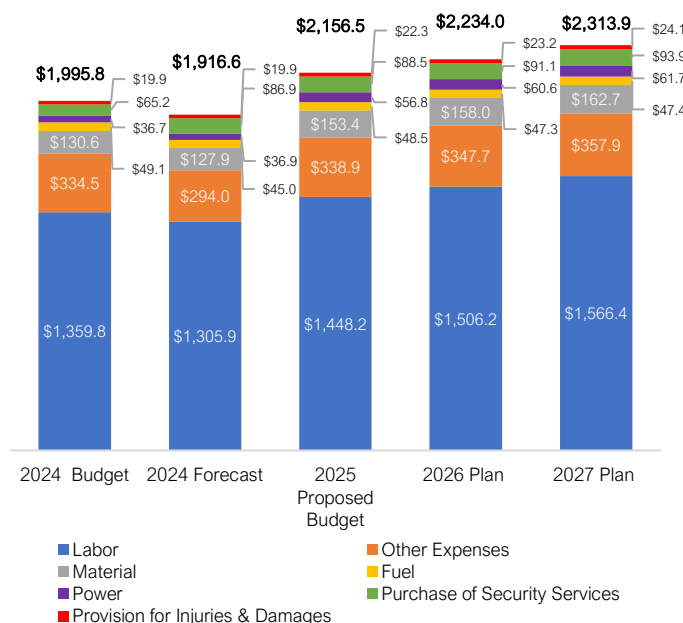
2026 - 2027 Revenue Budget Overview
(\$ in Millions)

Totals may not add up due to rounding.

FY2025 Operating Budget Consolidated Operating Expenses

This section discusses in detail each of the major expense categories for the 2024 Operating Budget and Forecast, 2025 Proposed Budget and 2026-2027 Financial Plan:

2024 - 2027 Expense Budget Overview
(\$ in Millions)



Totals may not add up due to rounding.

Labor

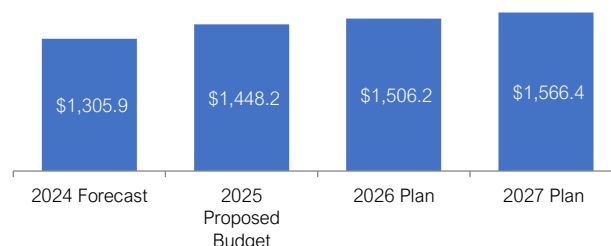
Labor represents approximately 67 percent of total operating expenses. The 2024 labor expense is forecasted to be \$1,305.9 million which is \$53.9 million, or 4.0 percent, lower than the budget of \$1,359.8 million. Lower labor expense is related to higher than anticipated vacant positions through 2024. Compared to 2023 actuals, labor is forecasted to increase \$101.1 million. The forecast accounts for a continued decline in the vacancy rate, which is supported by the monthly trend as the Authority continues to focus on recruitment and retention. Wage increases, driven by union contract negotiations, also contribute to the increase in labor from 2023 to 2024. CTA and the Amalgamated Transit Union Locals 241 and 308 agreed to a one-year contract for 2024 with one 4.0 percent wage increase effective July 1, 2024. There is no labor agreement yet beyond 2024.

The 2025 labor expense is budgeted to be approximately \$1,448.2 million, which is an \$88.4 million, or 6.5 percent, increase from the 2024 labor budget, and a \$142.3 million, or 10.9 percent, increase from the 2024 forecast. The proposed labor budget assumes increased service delivery as the CTA aims to provide more reliable service coverage to better meet riders' needs. Unscheduled service is also expected to increase as the number of special events across the city increase along with increased construction across the CTA system. Consistent with CTA's two-year plan initiated in 2024, the FY25 labor budget assumes less capitalization of labor expense associated with routine maintenance programs, adding approximately \$40.0 million in expense to the operating budget. Going forward, these capital funds will be re-purposed back to the Capital Improvement Plan (CIP) to support the Red Line Extension (RLE) and other defined capital project needs. The budget also includes

contractual wage increases and additional positions as detailed in the Budgeted Positions section below.

Labor expenses are projected to increase 4.0 percent in 2026 and 2027, to \$1,506.2 million and \$1,566.4 million, respectively.

Labor Expenses (\$ in Millions)

Budgeted Positions

	Budgeted Positions		
	2023	2024	2025
Non-STO*	4,994	5,154	5,259
Bus STO**	3,707	3,705	3,906
Rail STO**	1,728	1,729	1,746
Total*	10,429	10,588	10,911

*Total includes Capital-funded positions.

**Scheduled Transit Operations (STO) Full-Time Equivalents (FTE).

Over the last few years, CTA has steadily expanded its workforce to support the goal of improving the rider experience. By 2024 the number of FTE's has increased by approximately 9.0 percent over pre-pandemic levels. A notable result of an increased workforce, CTA bus operations achieved a service delivery rate of 98 percent and rail operations achieved a 96 percent scheduled service delivery rate in August 2024.

CTA's 2025 labor budget reflects an increase of approximately 105 non-scheduled transit operations positions, with 8 of these positions funded through capital projects, as follows:

- Construction Safety & Engineering Division – 6 new positions to provide safety oversight on CTA capital construction and adjacent construction project sites as well as right-of-way construction work activities.
- Rail Maintenance - 2 crafts resources required for the rail fleet overhaul program, 1 position for the Red Line Extension project, dedicated to planning and managing the administration, offset by 1 position reclassified from capital to operating funded.

The 97 positions funded by the operating budget are distributed as follows:

- Safety – 1 position (Construction Inspection & Investigation Safety Marshal) for the Construction Safety & Engineering Division.
- Equity & Engagement – 3 positions: 1 position added to support the RLE project's workforce plan. 1 position added to provide additional oversight of small business development and outreach. The third position will provide further support to CTA's legislative efforts.
- Operations – 21 positions:
 - Bus Maintenance added 10 positions - 3 Managers and 7 Coordinators to support CTA's continued focus on bus cleanliness. These positions will add more oversight to the Bus Servicers and Apprentices (part of the Second Chance program) who are responsible for servicing and cleaning the buses.

- Rail Operations added 2 positions to provide oversight and coordination on rail capital projects.
- Control Center added 9 Controller positions for enhanced bus service management via Disruption Management, a new software being rolled out in 2025. The tool can be used to manage service disruptions, including real-time service restoration, and for short- and long-term reroute updates to schedules among other service changes.
- Infrastructure – 5 positions: 1 Electrician to support maintenance of new substations built to add more power capacity to the rail system; 2 Signal Maintainers to support maintenance of new signal systems being built as part of other rail renewal projects; 1 Engineer for a variety of traction power projects; and 1 position to provide oversight of the maintenance construction program under facilities maintenance -- all intended to improve rail service and the customer experience.
- Planning & Innovation – 6 positions: 4 Bus Scheduler positions added due to the increased volume of schedule modifications associated with the expansion of the bus network, construction projects, and special events. 1 Transit Systems Architect to support development of the Automatic Vehicle Announcement System (AVAS) and support the implementation of a Disruption Management system to improve bus service management. 1 Strategic Planner position to support the development of the long-range system modernization, enhancement, and expansion projects, and the management of CTA's major capital project planning studies.
- Technology - 3 positions: 2 focused on cyber security, as we continue to prioritize security of information assets, and 1 focused on the expansion and upgrade of customer-facing digital signs.
- Finance - 1 position added to the Performance Management (PM) organization to provide data and reports on CTA metrics to improve internal decision making and maintain external reporting requirements.
- Law - 1 position for Torts and Subrogation & Criminal Enforcement.
- Communications – 1 position added to manage service-related customer communications.
- Administration 54 positions:
 - Human Resources - 6 positions: 1 for talent assessment supporting the hiring process, 1 for HR information systems, and 4 related to employee engagement and outreach, responsible for promoting employee culture, retention, internal communication strategies, and HR marketing initiatives that align with the organization's goals and values.
 - Training and Workforce Development - 46 positions: 27 Bus Instructors and 16 Rail Instructors to support increased hiring efforts of Operators and new trainings initiatives and requirements. 3 administrative positions to support expansion of the training department, new learning management system roll out, and the digitalization of records.
 - Purchasing & Supply Chain – 2 positions added to support the procurement process and provide more coverage to support increased workload due to the increase in construction projects.
- 1 position reclassified from capital to operating.

The 2025 labor budget reflects an increase of approximately 218 scheduled transit operations ("STO") positions to support the increase in budgeted service levels.

Pension Contributions

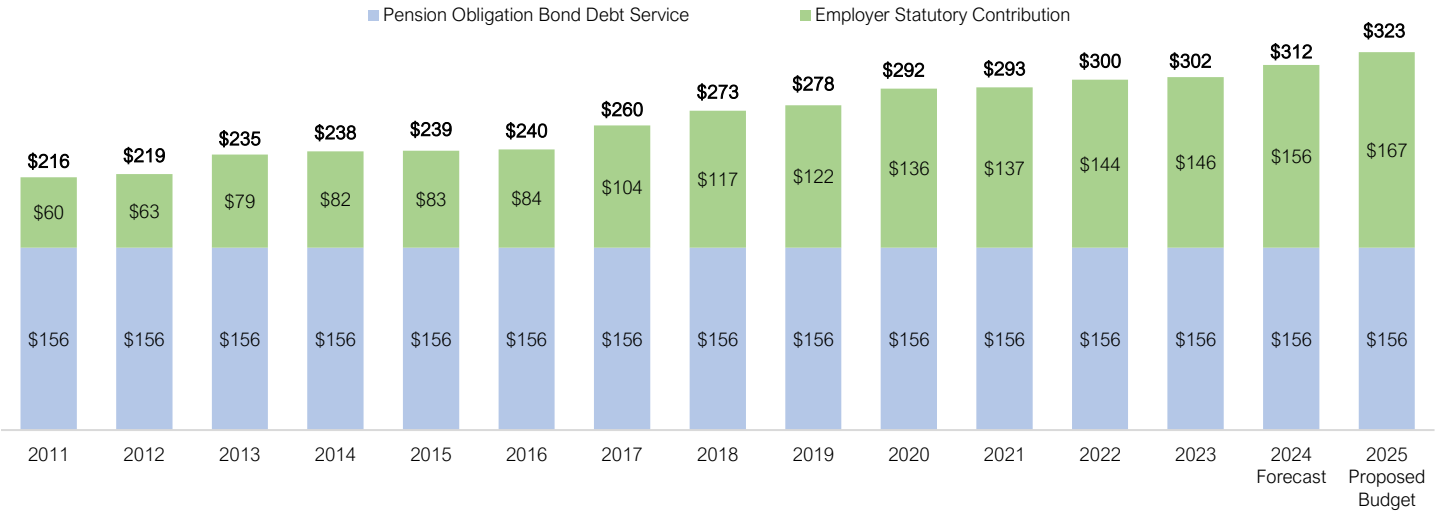
In 2008, the CTA became one of the first public entities in the State of Illinois to enact pension reform with the fund goal to meet at least 90 percent of its projected liabilities by 2059. The legislation has a three-part annual required contribution test. Each year, an actuary determines whether the CTA employer and employee contributions need to be increased due to several factors, including annual returns on investments and demographic data. The interim goal is to maintain a minimum 60 percent funding by 2039 and 90 percent funding by year end 2059. The final requirement ensures that if the plan falls below 60 percent, contribution rates are adjusted to attain this funding level within 10 years. Any deviation from funding based on the annual required contributions could result in a directive from the State of Illinois Auditor General to increase the CTA and employee contributions. If the fund does not meet its target rate of return of 8.25 percent annually, then contribution levels may be adjusted to meet the tests above.

The CTA's employer contributions are comprised of two separate payments. The CTA issued \$2 billion of pension obligation bonds (POBs) in conjunction with the pension reform and subsequently deposited the proceeds into the pension fund. The annual debt service payment for the POBs is approximately \$156 million. In addition to those contributions, the CTA makes annual contributions to comply with statutory requirements. The estimated amount is \$167 million in 2025, a 7.1 percent increase from the projected 2024 contribution. In 2025, both employee and CTA contribution percentages are projected to remain static, 13.795 percent for the employee contribution and 27.590 percent for the CTAs contribution. Including debt service on the Pension Obligation Bonds, nearly 20 percent of CTA's budget is allocated to provide for pension contributions.

The CTA's employer contributions to its pension plans have seen a corresponding increase due to recent pension reform legislation, which is supplemented by employee contributions deducted directly from paychecks. Contribution rates are influenced by investment performance and other variables. If the market underperforms, pension costs may rise in the future, necessitating the CTA to implement cost-saving measures or seek additional revenue to fulfill these obligations. This proactive approach aims to ensure the sustainability of the pension system while maintaining financial stability for the agency.

CTA Pension Contribution Rates (Per 2008 Legislation)		
Year	Employee	CTA
2007	3.000%	6.000%
2008-2009	6.000%	12.000%
2010-2011	8.350%	16.700%
2012	8.650%	17.300%
2013-2016	10.130%	20.260%
2017	11.960%	23.920%
2018-2019	12.010%	24.020%
2020-2023	13.324%	26.647%
2024-2025	13.795%	27.590%

CTA Total Employer Pension Fund Contributions (\$ in Millions)



Material

Material spending for 2024 is forecasted to be \$127.9 million, which is \$2.7 million, or 2.1 percent lower than the budget, and \$13.3 million over 2023 actuals.

For 2025, material expenses represent 7.1 percent of the budget, at \$153.4 million. This is \$22.7 million higher than the budget and \$25.4 million higher than the 2024 forecast. The increase in material budget is due to the reduction of maintenance capitalization and inflationary pressure.

Previously, CTA offset a portion of material expenses with capital funds, for materials utilized in maintenance activities that included a capital component. For 2025 and future years, these capital funds will be re-purposed back to the Capital Improvement Plan (CIP) to support the Red Line Extension (RLE) and other defined capital projects. This change increased material expense by approximately \$16.7million dollars for the 2025 budget.

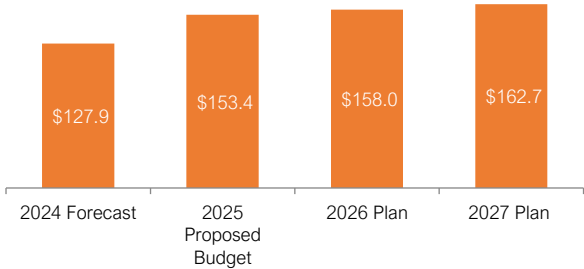
In addition, the 2025 budget also increased from inflationary impact on the cost of goods and parts needed to maintain the fleet and infrastructure, with no remaining warranties on a majority of the bus fleet, as well as the continuing expenses for personal protective equipment and cleaning supplies to maintain the safety of CTA employees and customers.

By the end of 2024 service delivery levels will be back to the 2019 pre-pandemic levels. In 2025, additional scheduled and unscheduled service hours will be added. The increase in service levels increases material costs as more buses and rail cars are called into service resulting in increased maintenance needs. The CTA will continue proactive maintenance of the bus and rail fleet, focusing on high-failure parts for railcars and major component systems related to buses, as well as infrastructure. This proactive approach aims to maintain and improve service to customers by replacing components that are leading causes of mechanical delays to CTA's bus and rail fleet.

The CTA received 400 additional new clean diesel buses during 2023 and 2024 and is expected to receive an additional 80 buses in 2025. These new warrantied vehicles allow the Authority to retire the oldest buses in the fleet and help to control material costs.

The financial plan projects material expenses to be \$158.0 million in 2026, and \$162.7 million in 2027, growing 3.0 percent annually. These figures reflect the expected increased costs to maintain CTA's bus and rail fleet and assumes lower inflation.

Material Expenses (\$ in Millions)



Fuel & Power

CTA is forecasted to spend \$45.0 million on diesel fuel for buses in 2024. This is up \$7.4 million, or 19.7 percent from 2023, when the annual spending on diesel fuel was \$37.6 million. The 2024 forecast is \$4.1 million, or 8.3 percent, below the budgeted expense of \$49.1 million. Fuel consumption for 2024 was budgeted at 16.5 million gallons, while the forecast is 15.4 million gallons, or 7 percent less than budgeted. This represents a consumption increase of 13.5 percent from 2023 (actual) to 2024 (forecast) as CTA has been able to steadily maintain over 95 percent of service delivered and ridership has continued to increase, leading to additional miles and increased passenger weight on buses, which results in greater fuel usage.

CTA is budgeting diesel fuel expenditures for the bus fleet to be \$48.5 million in 2025. This budget is \$0.6 million, or 1.2 percent lower than the 2024 budget of \$49.1 million, and \$3.5 million higher than the \$45.0 million 2024 forecast diesel spend. The 2025 budget assumes CTA will consume 16.5 million gallons of diesel fuel, which is essentially equal to the 2024 budget. In October 2021, CTA executed a new diesel supply contract, which covers a base term of three years of fuel supply – 2023 through 2025 – and includes two additional option years – 2026 and 2027. CTA continued its practice of fixed price purchasing for 2025, locking in 75 percent of expected consumption in advance, which allows CTA fuel expenses next year to reflect a slight decrease

compared to the 2024 budget despite volatility in diesel market pricing due to geopolitical factors, constrained supply, and high global demand. Combined with spot market pricing for the remaining 25 percent of expected consumption, CTA's 2025 budgeted unit price of diesel is \$2.94 per gallon versus the 2024 budgeted unit price of \$2.97 per gallon.

The Two-Year Financial Plan projects diesel fuel costs to be \$47.3 million in 2026 and \$47.4 million in 2027. This plan assumes the continuation of CTA's strategic fixed price purchasing policy and a flat projection for fuel consumption levels as ridership continues to increase while bus fleet efficiency improves with the replacement of CTA's oldest diesel buses and deployment of new electric buses. At the time of budgeting, CTA has locked in 55 percent of projected fuel consumption for 2026 and will continue to monitor the diesel market and purchase fixed-price fuel supply at favorable points in time in advance of delivery. This strategy provides budgeting certainty in addition to anticipated cost advantages.

The 2024 forecasted expenditure for CTA's traction (rail system) electric power is \$36.9 million. This is \$0.2 million, or 0.5 percent, higher than the budgeted expense for the year; and up \$9.6 million, or 35.3 percent, versus 2023 actual spending of \$27.3 million.

Higher Commonwealth Edison (ComEd) rider charges and higher ComEd Delivery Base Rates are the primary driver behind the cost increase. Most notable among the higher rider charges is the Carbon-Free Energy Resource Adjustment (CFRA), a rider established in the Illinois Climate and Equitable Jobs Act (CEJA). Fiscal year 2023 saw the CFRA average \$3.42/MWh. For fiscal year 2024 to-date, CFRA has averaged \$13.32/MWh. Regarding higher Delivery Base Rates, the Illinois Commerce Commission (ICC), the body tasked with regulating public utilities in Illinois, approved a portion of ComEd's rate increase request, leading to a roughly ~25percent increase in delivery rate costs in 2024.

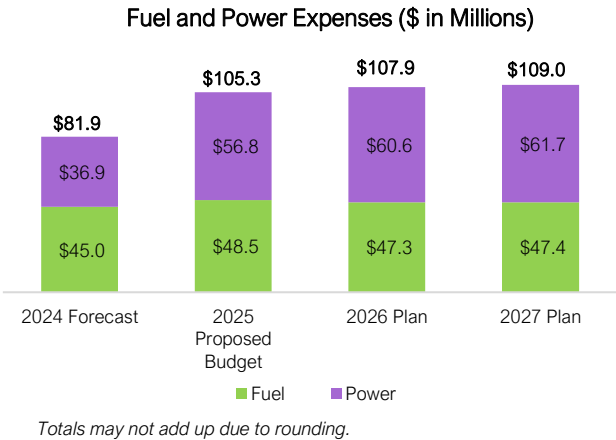
For 2025, CTA is budgeting \$56.8 million in expenses for traction (rail system) electric power. The 2025 budget is \$20.1 million, or 54.7 percent, higher than the 2024 budget of \$36.8 million, and \$19.9 million more than the 2024 forecast of \$36.9 million. The 2025 budget assumes CTA will consume 440 million kilowatt-hours of electricity, essentially the same as the 2024 budget. This is based on a weather scenario in line with the average from the last 10 years.

The large increase compared to the 2024 Budget and Forecast is driven primarily by 3 factors: First, the 2025 budget assumes a rider CFRA level of \$14.56/MWh, an 82percent increase from the 2024 budget level. Second, the 2025 budget assumes an additional increase to ComEd Base Rates of ~20percent, consistent with current filings with the ICC. Finally, the 2025 budget includes a ~\$20/MWh increase in CTA supply costs to account for significantly higher PJM capacity costs.

CTA had a flat, fixed rate on its electricity supply for 2020 through 2024, which helped provide budget certainty and insulate CTA from significant market volatility. Currently, CTA is conducting an RFP process to acquire power supply for 2025. As such, the 2025 budget forecast is based on an estimate of the supply charges provided by CTA's current electricity suppliers, with the final cost to be determined through the RFP process.

The proposed Two-Year Financial Plan projects CTA's traction power expenses to be \$60.6 million in 2026 and \$61.7 million in 2027. During this period, CTA projects consumption levels to be flat year-to-year. The increased traction power expense for these years reflects costs estimates under a new contract, which is anticipated to incorporate significantly higher pricing as seen in forward markets currently. ComEd rates are also expected to continue rising as charges for utility incentive programs – such as energy efficiency, renewable energy, and beneficial electrification – add to base costs for electricity distribution.

In mid-2021, CTA began running 10 prototypes of its latest model of rail cars, the 7000-Series, which feature regenerative braking (a feature also found on the 5000-series): the energy generated from trains braking feeds back into the third rail and is then consumed by other accelerating trains. This feature is estimated to lower electricity consumption by more than 10 percent system-wide, and its impact will increase as CTA continues to replace the oldest rail cars in the fleet. As of September 2024, there are 124 new 7000-series rail cars that have been accepted and are in use on the Blue Line.



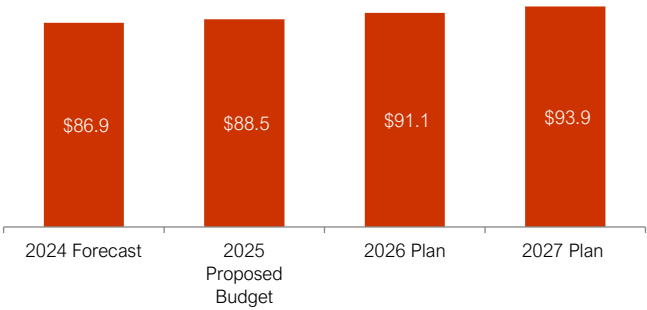
Purchase of Security Services

The budget for the purchase of security services consists of expenditures related to intergovernmental agreements (IGA) for additional officers from the Evanston, Oak Park, Forest Park, and Chicago police departments, as well as contracts for private security services. The Public Transportation Unit of the Chicago Police Department also provides services during its regular patrols at no expense to CTA.

Expenses for 2024 are forecasted to be \$86.9 million, which is 33.4 percent over budget, and 25.7 percent over 2023 actual expenses. The large increase over the 2023 actual expenses and the current budget is driven by the Agency's need to significantly expand the deployment of canines, unarmed and other security services throughout the CTA footprint to provide additional patrolling as part of prevention and response to criminal and public safety related activities. These deployments include CTA rail station coverage on a 24/7 coverage cycle, train riding missions for overnight hours, bus details, graffiti missions, and patrols of CTA facilities. These, in addition to the Chicago Police Department (CPD) officers patrolling the CTA system, have helped improve the safety and security of CTA users across the system.

For 2025, the CTA has budgeted security services at \$88.5 million, a \$23.3 million increase, or 35.8 percent, over the 2024 budget, and a \$1.6 million increase, or 1.8 percent, compared to the 2024 forecast. This budget aligns with anticipated expenses for 2024, reflecting the increased coverage and full implementation costs of contracted security services and intergovernmental agreements (IGAs) for the rail system and facilities, as well as expected wage increases. This investment underscores the CTA's commitment to enhancing safety and security for both passengers and employees. For the 2-Year Financial Plan, purchase of security services is projected to be \$91.1 million in 2026 and \$93.9 million in 2027. The annual growth rate is projected to be 3.0 percent for 2025 and 2026, due to annual contractual increases with private security firms.

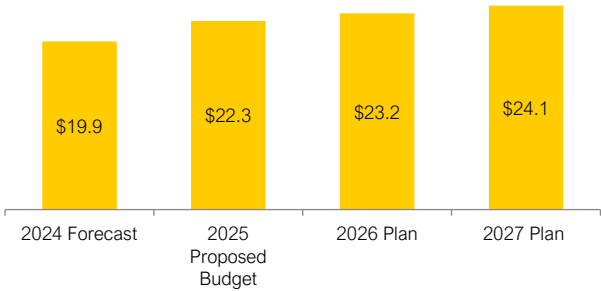
Security Services Expenses (\$ in Millions)



Provision for Injuries and Damages

This budget item represents expenses for claims and litigation for incidents that occur on CTA property and those incidents involving CTA vehicles. The budget is determined by the CTA's actuaries based on actual claims history and future projections. The 2024 forecast is \$19.9 million and expenses are projected to increase to \$22.3 million in 2025 based on the actuarial valuation. Expenses are projected to increase 4.0 percent in 2026 and 2026, respectively.

Provision for Injuries and Damages Expenses (\$ in Millions)



Other Expenses

The Other Expenses category includes expenses such as contractual services, utilities, legal fees, advertising, bank fees, consulting services, other miscellaneous expenses, debt service for TIFIA loans and outstanding pension obligation bonds. The interest expense on Pension Obligation Bonds (POB) in 2025 is \$ 86.9 million.

Other Expenses are forecasted to end 2024 at \$294.0 million, which is \$40.5 million, or 12.1 percent lower than budget. The lower forecasted expenditures are due to projected lower actual expense than budgeted, for contractual services, utilities, non-capital grant, travel, leases, and other general expenses categories. Compared to 2023, Other Expenses are forecasted \$57.1 million, or 24.1 percent higher than 2023 actual expense.

In 2025, Other Expenses are budgeted to be \$338.9 million, an increase of \$4.4 million, or 1.3 percent, compared to the 2024 budget. Utility expenses in the 2025 budget are \$6.7 million higher than 2024 budget driven by Non-Traction Power and Natural Gas expenses. Non-Traction Power usage projected to increase from 127,478 MWh in 2024 to 135,000 MWh in 2025, coupled with an approved Com Ed rate hike

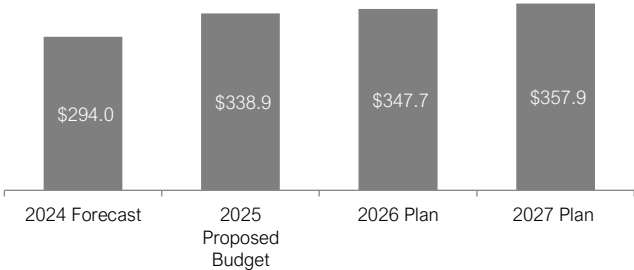
resulting in a 35.2 percent rate increase. Natural Gas rates increase by 9.6 percent in 2025 over 2024 rates.

Utility Unit Cost	2024 Forecast	Proposed 2025 Budget	2026 Plan	2027 Plan
Non-Traction Power MWh	\$105.71	\$142.94	\$152.65	\$156.62
Natural Gas Dth	\$7.16	\$7.85	\$9.14	\$9.10

Contractual services which are 56.3 percent of Other Expenses budget, decrease by \$0.1 million in 2025 compared to the 2024 forecast. In 2025, a significant portion of the Ventra 3.0 upgrade is being funded by capital funds effectively offsetting increased expense in other contractual services.

For the 2-Year Financial Plan, Other Expenses are projected to be \$347.7 million in 2026 and \$357.9 million in 2027.

Other Expenses (\$ in Millions)



[INTENTIONALLY LEFT BLANK]

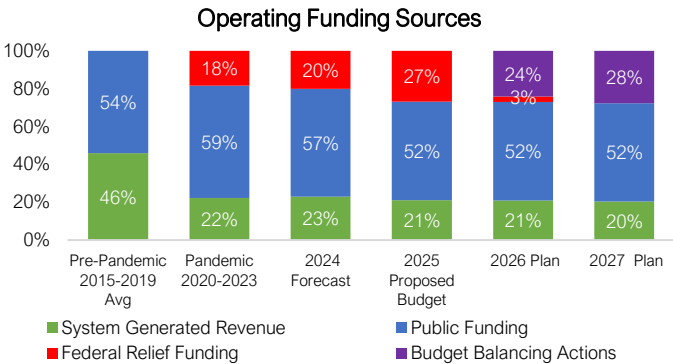
Operating Funding Summary

As it stands today funding for CTA operations is derived from three primary sources:

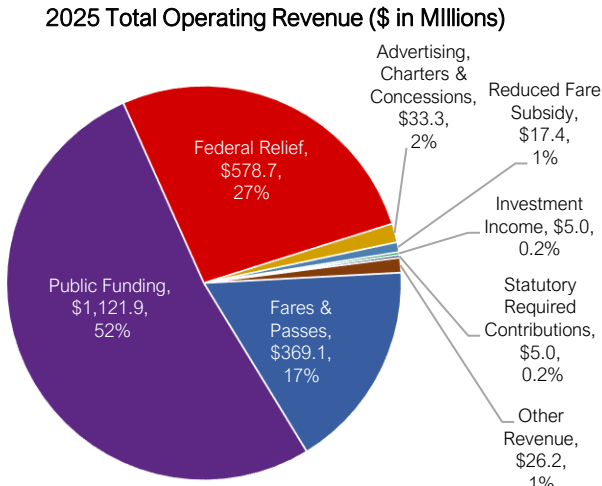
1. System-generated revenue from fares and other sources
2. Public funding: Provided through the Regional Transportation Authority (RTA) and
3. Federal relief funding: Received from the Federal Transit Administration (FTA).

For 2025, the total budgeted revenue is \$2,156.5 million, with system-generated revenue contributing \$456.0 million or 21.1 percent, public funding contributing 52.0 percent or \$1,121.9 million, and federal relief funding accounting for 26.9 percent or \$578.7 million.

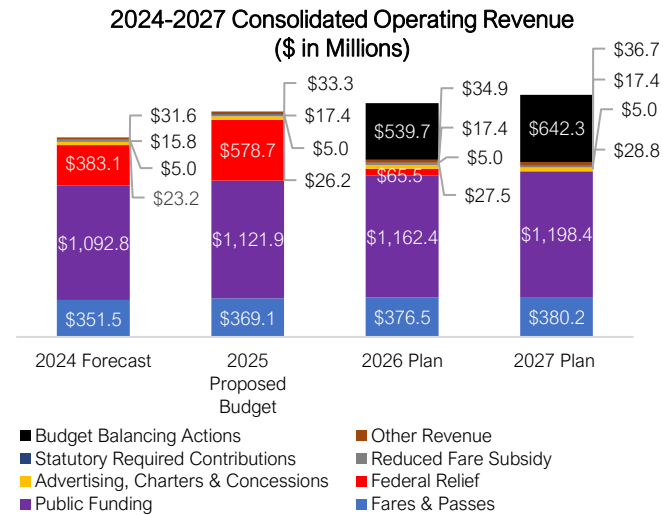
In the five years preceding the pandemic, system-generated revenue funded roughly 46 percent of operating revenue and public funding contributed the remaining 54 percent. During the pandemic, (2020-2023), system-generated contribution dropped to 22 percent, and continues in the 20-21percent range.



Public Funding dollars have increased significantly due to the application of the local sales tax rate to online sales, legalization of cannabis as well as inflation. In 2024 forecast, public funding is projected to increase by \$34.4 million over 2023 to \$1,092.8 million. The increase in public funding coupled with the increase in system-generated revenue, has reduced the reliance on federal relief funds, allowing CTA to utilize federal relief funds for the entirety of 2025 before they run out early in 2026. In 2024 and 2025 public funding continues to increase, 3.2 percent and 2.7 percent, respectively.



Consolidated Operating Revenues



Totals may not add up due to rounding.

System-Generated Revenue

System-Generated Revenue comes directly from the operations of the CTA. This revenue is collected from fare and pass sales, subsidies for free and reduced fare riders, advertising, investment income, statutory required contributions from local governments by provision of the RTA Act, and other revenues such as concessions and parking lot revenue. These diverse revenue streams play a critical role in funding the CTA's services and initiatives.

Fares and Passes

During the pandemic and recovery years the CTA revised its fare product offerings to make riding the CTA more convenient and affordable for all riders in the region. There are currently no plans to change the existing fare structure during the 2025 budget year. The various types of fares and pass offerings are detailed in the Fare Chart below.

	Pre-Pandemic Eff 1/7/18	Current Eff 2/20/23	Fare Change Description
CTA Regular Fare Tupe			
Full Bus Fare[1]	\$2.25	\$2.25	unchanged
Full Rail Fare[1]	\$2.50	\$2.50	unchanged
Full Fare Cash (Bus only; no transfers)	\$2.50	\$2.50	unchanged
PAYG [2]	\$2.50	\$2.25 bus/\$2.50 rail	unchanged
Transfer	\$0.25	\$0.00	removed transfer fee
Single Ride Ticket [3]	\$3.00	\$3.00	unchanged
CTA/Pace 1-Day/24-Hour Pass	\$10	\$5	50% price reduction
CTA/Pace 3-Day/72-Hour Pass	\$20	\$15	25% price reduction
CTA/Pace 7-Day [4]	\$28		Initially reduced to \$20 with a (\$5 premium for a CTA/Pace pass) in Nov 2021. Merged into Pace eligible pass in 2023 and is now replaced by CTA/Pace 7-day pass
CTA/Pace 7-Day Pass [5]	\$33	\$20	Became Pace eligible in 2/2023 eliminating \$5 premium. Net cost reduction of 40%.
CTA/Pace 30-Day Pass	\$105	\$75	29% cost reduction
Regional Connect Pass [6]	\$55	\$30	55% cost reduction
O'Hare Station Fare [7]	\$5.00	\$5.00	unchanged
Reduced Fare Types [8]			
Reduced Fare Bus	\$1.10	\$1.10	unchanged
Reduced Fare Rail	\$1.25	\$1.25	unchanged
Reduced Fare Cash (Bus Only; no transfers)	\$1.25	\$1.25	unchanged
Transfer	\$0.15	\$0.00	removed transfer fee
CTA/Pace 30-Day Reduced Pass	\$50	\$35	30% price reduction
O'Hare Station Fare	\$1.25	\$1.25	unchanged
Student Fare			
Bus & Rail Student Permit Fare	\$0.75	\$0.75	unchanged
Transfer	\$0.15	\$0.00	removed transfer fee
Student Fare Cash (Bus Only)	\$0.75	\$0.75	unchanged
#128 Soldier Field Express			
All Roundtrips	\$ 5.00	\$ 5.00	unchanged
	\$2.50 reduced fare	\$2.50 reduced fare	unchanged

Notes to the Fare Table:

[1] Fares paid with Ventra Transit Account Value

[2] PAYG - Pay as you go fare for bus and rail except at O'Hare Blue Line Station using personal bank card or phone.

[3] Single Ride Ticket fare includes transfer for bus and rail.

[4] CTA 7-Day pass was eventually eliminated and replaced with CTA/Pass 7-Day. Prior to elimination price dropped from \$28 to \$20

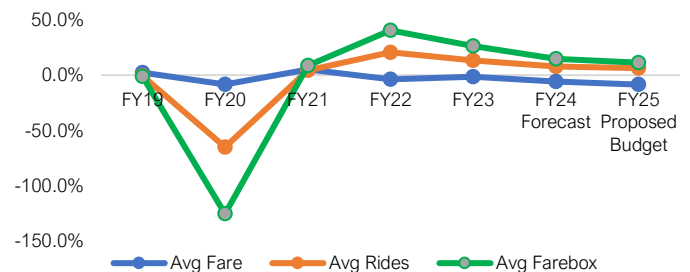
[5] Initially Included a \$5 premium to be Pace eligible current 7-Day pass is Pace eligible with no premium.

[6] Replaced the Metra Link Up pass effective July 1, 2022, which was priced at \$55.

[7] O'Hare Employees pay the regular rail base fare at O'Hare Blue Line Station

[8] CTA offers reduced fares via RTA Reduced Fare Permits to Seniors as required by 49 CFR Part 609 and free rides to eligible Seniors as required by 70 ILCS 3605/51(b). Similarly, CTA offers reduced fare to Persons with Disabilities as required by 49 CFR Part 609 and free rides to eligible Persons with Disabilities as required by 70 ILCS 3605/52. In addition, CTA also offers reduced fares to children aged 7-11.

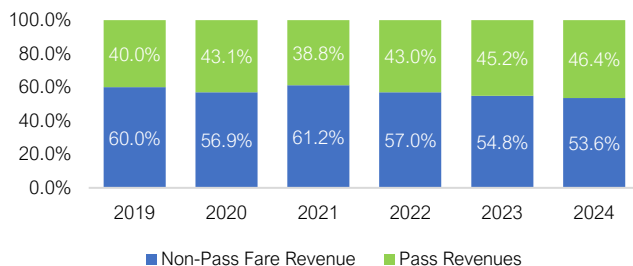
	FY19	FY20	FY21	FY22	FY23	FY24 Forecast	FY25 Proposed Budget
Avg Fare	2.2%	-8.3%	5.1%	-3.6%	-1.4%	-5.9%	-8.5%
Avg Rides	-2.8%	-56.6%	-0.8%	24.3%	14.6%	13.6%	14.7%
Avg Farebox	-0.6%	-60.2%	4.3%	19.8%	13.0%	6.9%	5.0%

YOY Average percent Change - Fare, Rides, Farebox

In 2024, CTA expanded its fare program to provide pre-loaded Ventra fare cards to victims and survivors of domestic violence and sexual assault. CTA will continue to work with our transit partners at Metra, Pace, and RTA on innovative fare solutions, including opportunities to further integrate fares and expand special fare programs, where possible.

Farebox revenue comprises the largest segment of system-generated revenue at 80.9 percent. The 2025 budget for farebox revenue is \$369.1 million, which is \$17.6 million higher than the 2024 forecast and \$24.0 million higher than 2024 budget. Increased ridership and the success of the reduced cost of pass products implemented in November 2021 and February 2023 are driving the positive impact on farebox revenue.

For the 2026 and 2027 plan years farebox revenue is expected to be \$376.5 million and \$380.2 million, respectively.

Percent Breakout Pass Fares vs Pay -As-You-Go Fares

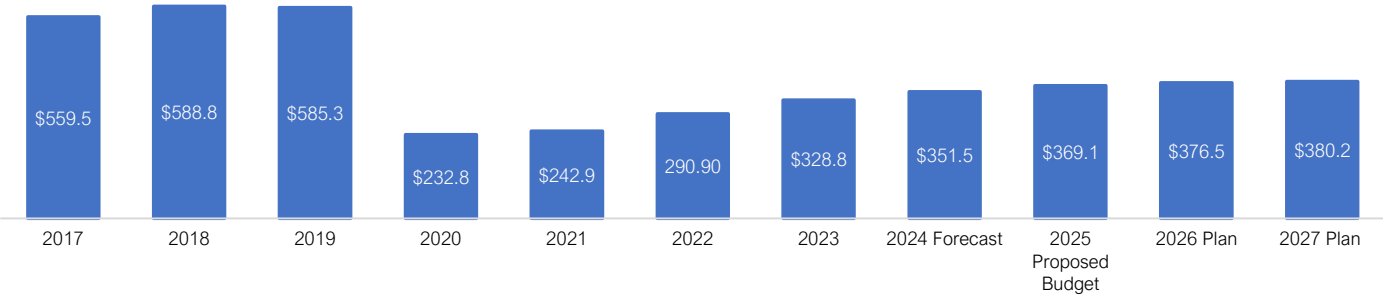
In 2019, pass revenue comprised 40 percent of total farebox revenue. Apart from 2021, the height of the pandemic, the ratio of pass revenue has continued to grow. The shift to passes from pay-as-you-go fares and a higher percentage of bus riders has resulted in a decline of the system wide average fare. CTA riders prefer passes to pay-as-you-go fares because they are more convenient and economical. The increase in ridership has compensated for the resulting decline in average fare, resulting in an overall increase in farebox revenue. In the 2025 budget, farebox retention rate compared to 2019 is 63 percent, while ridership retention rate is 80 percent compared to 2019.

Through August 2024, pass revenue is \$107.9 million or 46.4 percent of farebox revenue and \$7.5 million higher than budget. Pay-As-You Go (PAYG) fares are \$124.9 million or 53.6 percent of farebox revenue and \$4.3 million lower than budget. The average fare is \$1.14 which is \$0.06 lower than budget. The average fare is forecasted to be \$1.11. at the end of 2024. PAYG fares budgeted at \$193.1 million in 2025 and passes at \$176.0 million or 52.3 percent and 43.7 percent, respectively. The average fare for 2025 follows this trend and is budgeted at \$1.01, driven by continued increase in passes and bus ridership as a percentage of total system riders.

The pandemic had a major impact on mobility patterns and growth in ridership continues as local travel demand increases. This is especially clear when looking at travel for events. These patterns have led to significant growth in the usage of short-term pass products. Through August 2024, 1-day passes revenue has grown 50.9 percent, 7-day pass revenue 41.8 percent, and 3-day pass revenue 34.0 percent over the same period in 2023. The Regional Connect Pass has grown 42.2 percent since August 2023 an indication of the importance of the CTA's commitment to provide seamless travel in the region with our Metra and Pace partners. The 2025 budget reflects the continued growth in these short-term fare products.

[INTENTIONALLY LEFT BLANK]

Farebox Revenue Overview (\$ in Millions)



Ridership

Ridership has continued to rebound since the pandemic and is expected to reach 80 percent of 2019 levels in 2025. The CTA 2024 forecast projects system ridership of 317.1 million rides, an increase of 28.0 million rides over the 2024 budget.

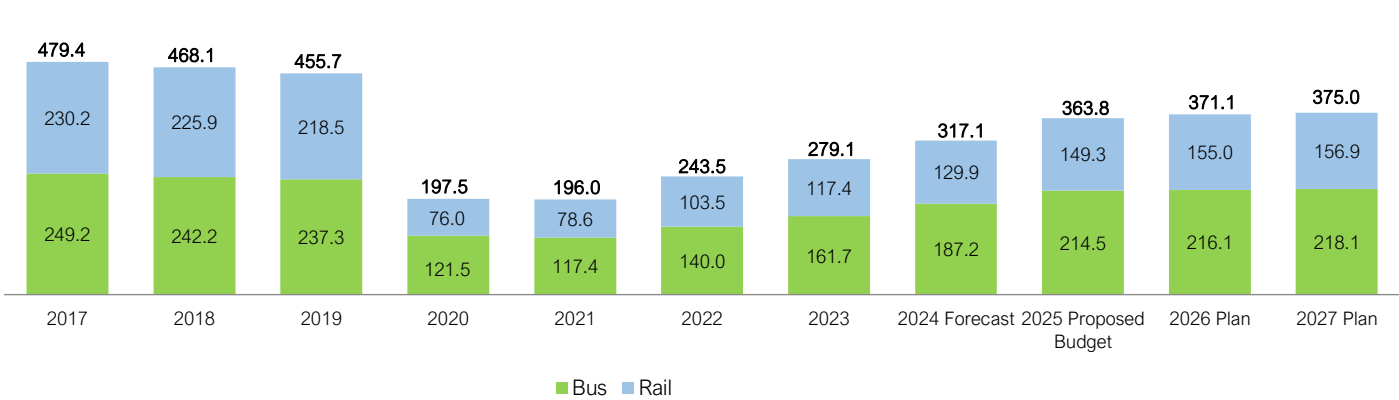
While ridership has continued to improve since the pandemic, there has been a definitive shift in the mobility patterns of CTA riders. While weekday ridership continues to be the majority of rides, weekend ridership percentage of total rides continues to increase. In 2019, weekday rides were 82.2 percent of total rides in 2024 that percentage is 79.1 percent. Saturday rides were 9.7percent in 2019 and currently account for 11.7 percent of total rides. Similarly, Sunday rides in 2019 were 8.1 percent of total rides and currently comprise 9.2 percent of total rides.

By the end of 2024 the CTA plans to achieve service at 2019 levels, reaffirming its commitment to meeting the needs of all riders. The 2025

budget includes 405,000 additional scheduled service hours with bus adding 375,000 hours and rail 30,000 annual hours. This expansion aims to address the evolving mobility patterns of riders, ensuring that the CTA continues to provide reliable and responsive transit options as the community's needs change.

In 2025 the CTA has budgeted 363.8 million rides consisting of bus rides of 214.5 million and rail rides of 149.3 million. This represents an increase of 46.7 million system rides, a 14.7 percent over 2024 forecast. Bus rides are increasing by 27.3 million rides or 14.6 percent and rail rides by 19.4 million or 15.0 percent in 2025. The 2026 Plan estimates, 371.1 million system rides, an increase of 7.3 million rides over 2025 budget and the 2027 Plan estimates 375.0 million rides a year over year increase of 4 million rides.

CTA Ridership (in Millions)



[INTENTIONALLY LEFT BLANK]

Non-Farebox Revenue

Reduced fare subsidy revenue (RFR) is the State of Illinois’ reimbursement of revenues foregone by the CTA, Metra and Pace for discounted and free fares given to seniors and people with disabilities participating in the State’s Circuit Breaker Program. This reduced fare subsidy only covers a portion of the nearly \$100 million in actual free and reduced rides provided by the CTA annually. Prior to 2015, the state funded the subsidy to the CTA at \$28 million. In 2024, the fare subsidy increased from \$14.6 million to \$15.8 million. The State of Illinois fiscal year 2025 budget increases the RFR subsidy by 10 percent from \$19.1 million to \$21.0 million. The CTA is estimated to receive \$16.6 million of RFR for 2024. The budgeted amount for 2025 has increased to \$17.4 million. The 2-Year Financial Plan assumes the subsidy will continue to be appropriated at the reduced level of \$17.4 million in 2026 and 2027.

Advertising, charters, and concessions revenues include advertisements on buses, trains and stations, income from concessions, and other non-farebox revenue. As ridership continues to rebound, advertising demand is projected to increase as well, and the CTA will work with its advertising partners to increase revenue through expanded digital advertising opportunities.

Advertising, charters, and concessions revenues for 2024 are forecasted to be \$31.6 million, which is \$2.3 million less than budget reflecting reduced advertising demand. The 2025 budget is \$33.3 million or \$1.7 million higher than the 2024 forecast. For the Two-Year Financial Plan, revenue from advertising, charters, and concessions is expected to grow to \$34.9 million in 2026 and \$36.7 million in 2027, an annual increase of \$1.7 million in each plan year.

Investment Income is revenue earned on cash balances held at financial institutions. Interest income for 2024 is forecasted to be \$12.7 million, which is \$7.7 million higher than 2024 budget and \$3.5 million higher than 2023 actuals due to higher market interest rates. In the face of recent Federal Reserve actions, investment income in 2025 is budgeted at \$5.0 million, which is flat to the 2024 budget. For the Two-Year Financial plan, investment income is estimated to remain at \$5.0 million.

The Federal Open Market Committee (FOMC) seeks to achieve maximum employment and to maintain inflation at the rate of 2.0 percent long term. In support of these goals, the Committee lowered the federal funds rate by .50 basis points in September 2024, lowering the target range for the federal funds rate to 4.75 to 5.00 percent and anticipates that there may be additional decreases in 2025.

Year	Investment Income (in millions)	Federal Funds Rate (at year end)
2020	\$1.22	0.1%
2021	\$0.26	0.1%
2022	\$3.69	4.4%
2023	\$9.21	5.6%
2024 Forecast	\$12.73	4.4%
2025 Proposed Budget	\$5.00	3.4%

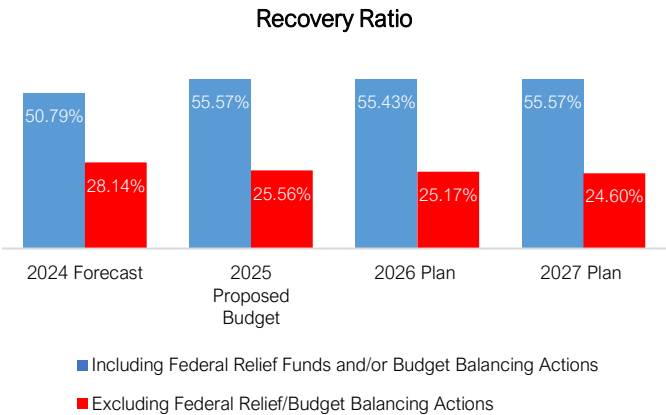
Statutory Required Contributions as required by the Regional Transportation Authority Act requires the City of Chicago to contribute \$3.0 million and Cook County to contribute \$2.0 million annually toward CTA operations. The level of statutory contributions is forecasted to remain unchanged for plan years 2026 and 2027.

Other Revenue includes non-capital grants, park and ride revenue, rental revenue, third-party contractor reimbursements, and filming fees, among other revenue sources.

For 2024, other revenue is forecasted to be \$23.2 million or \$0.6 million lower than the 2024 budget due to lower rental, and non-capital grant

revenue. For 2025, other revenue is budgeted at \$26.2 million, or \$3.0 million higher than 2024 forecast. Key drivers of the 2025 budget increase are non-capital grant revenue, scrap material sales, rentals and movie generated revenue. For the 2-Year Financial Plan, Other Revenue is expected to grow by \$1.3 million in 2026 to \$27.5 million and by \$1.4 million to \$28.8 million in 2027 due to efforts to increase non-farebox revenues. The plan projects increased miscellaneous revenues, slight growth in rental properties and park-and-ride revenues, fees from filming, non-capital grants from the federal government and other sources.

Recovery Ratio measures the percentage of expenses a Service Board must pay against the revenue it generates. System-generated revenues, Recovery Ratio operating expenses, and certain statutory exclusions are used in the calculation. The RTA Act requires the region to fund 50 percent of its expenses through revenues generated by the three Service Boards: CTA, Metra and Pace. Historically, the CTA’s required recovery ratio has been set at 54.75 percent. In 2022, the Illinois State Legislature granted a reduction in recovery ratio for 2021 through 2023 and further extended the waiver through 2025. RTA has set the required recovery ratio for the CTA at 42.0 percent through 2027. The recovery ratio is inclusive of federal relief funds and budget balancing actions.



[INTENTIONALLY LEFT BLANK]

Public Funding

The majority of the CTA's public funding for operating needs passes through the Regional Transportation Authority (RTA). The RTA Act, as passed in 1983 and amended in 2008, established a framework for distributing public funding to the Chicago Transit Authority (CTA) and other service boards. The funding mechanisms can be categorized as follows:

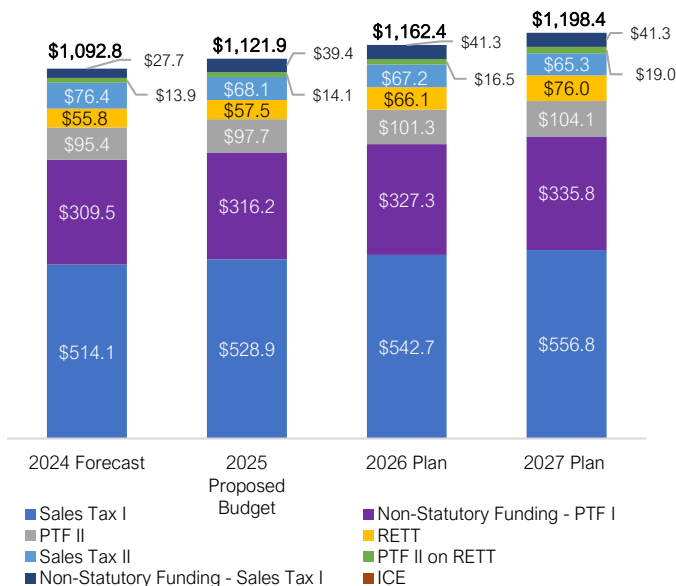
- **Formula Allocations:** A portion of the funds is allocated to the service boards based on a predetermined formula. This formula considers factors such as ridership, operating costs, and service levels, ensuring that funding aligns with the needs of each service board.
- **Discretionary Allocations:** Other funds are distributed at the RTA's discretion. Various factors can influence these allocations, including strategic priorities, specific projects, or unforeseen circumstances that may impact service boards.

Public funding has three sources authorized under state statutes: sales tax revenue, public transportation funds (PTF), and the real estate transfer tax (RETT). The Public Funding estimates are net of the 1.5 percent surcharge the State withholds on Sales Tax revenues. A diagram of public funding received by RTA and how it is allocated among the three Service Boards is included in this section.

For 2024, the RTA is forecasting public funding to be \$1,092.8 million, which is \$3.0 million lower than the 2024 budget and \$34.4 million higher than 2023 actuals, driven by higher-than-projected sales tax and PTF revenue and lower RETT revenue.

For 2025, public funding (excluding ICE funds) is projected by the RTA to be \$1,121.9 million which is \$26.0 million, or 2.4 percent higher than the 2024 budget. For the Two-Year Financial Plan, the RTA public funding marks for CTA are projected to increase by 3.6 percent in 2026 and 3.1 percent in 2027.

**2024-2027 Consolidated Public Funding
(\$ in Millions)**

Sales Tax Revenue per 1983 Formula

The RTA Sales Tax serves as the primary operating revenue source for the Regional Transportation Authority (RTA) and its three service boards: CTA, Metra, and Pace. Here's a breakdown of how this funding mechanism works:

Sales Tax Structure

- **Geographic Scope:** The tax is imposed across the six-county RTA region in northeastern Illinois.
- **Tax Amounts:**
 - City of Chicago and Cook County: A one percent sales tax on all sales. In Cook County, the sales tax is one percent on food and drugs and 0.75 percent on all other sales with the state providing a replacement amount equivalent to 0.25 percent of all other sales.
 - Collar Counties (DuPage, Kane, Lake, McHenry, Will): A 0.25 percent sales tax on sales.

Revenue Distribution

- **Retention and Distribution:**
 - The RTA retains 15 percent of the total sales tax revenue.
 - The remaining 85 percent is allocated to the service boards based on the Operating Funding Allocation Chart, which reflects operational needs and ridership metrics.

Overall, the RTA Sales Tax framework is crucial for ensuring reliable funding for public transit operations, helping to bridge the gap between fare income and operational expenses.

RTA Sales Tax Revenue

	Chicago	Suburban Cook	Collar Counties
CTA	100%	30%	0%
Metra	0%	55%	70%
Pace	0%	15%	30%
Total:	100%	100%	100%

Sales Tax I - FY25 Sales Tax Revenue (\$ in Thousands)

Sales Tax Revenue (in thousands)				
	Chicago	Suburban Cook County	Collar Counties	Total
CTA	\$364,104	\$164,828	\$-	\$528,932
Metra	\$-	\$302,185	\$123,621	\$425,805
Pace	\$-	\$82,414	\$52,980	\$135,394
RTA	\$64,254	\$96,958	\$31,165	\$192,376
Total:	\$428,358	\$646,384	\$207,766	\$1,282,508

Totals may not add up due to rounding.

Public Transportation Fund

As authorized by the RTA Act, the Illinois State Treasurer transfers from the State General Revenue Fund or Road Fund, as applicable, an amount equal to 25 percent of the RTA sales tax collections (or gasoline or parking taxes, if imposed by the RTA). The Treasurer transfers this amount to a special fund, the Public Transportation Fund (PTF), and then remits it to the RTA monthly. This fund is a continuing appropriation to the RTA.

The RTA Act provides supplemental state funding in the forms of additional state assistance and additional financial assistance (collectively, "State Assistance") to the RTA in connection with its issuance of Strategic Capital Improvement Program (SCIP) bonds. The funding equals debt service amounts paid to bondholders of the SCIP bonds issued by the RTA, plus any debt service savings from the issuance of refunding or advanced refunding SCIP bonds, less the amount of interest earned by the RTA on the proceeds of SCIP bonds. The RTA Act

limits the amount of State Assistance available to the RTA to the lesser of the debt service or \$55 million. Remittance requires an annual appropriation made by the State of Illinois.

2008 Legislation

The 2008 state funding package increased the regional sales tax rate and gave authority to the City of Chicago to increase the Real Estate Transfer Tax (RETT) to support the CTA. In addition, the legislation also included pension reforms that will increase the funded ratio of the CTA's pension to 90 percent by 2059.

Innovation, Coordination, and Enhancement (ICE) Program

The ICE program is an RTA-funded program established as part of the 2008 Mass Transit Reform Legislation. It provides operating and capital assistance to enhance the coordination and integration of public transportation and to develop and implement innovations to improve the quality and delivery of public transportation. Projects funded through this program advance the vision and goals of the RTA Act by providing reliable and convenient transit services and enhancing efficiencies through

effective management, innovation, and technology. Beginning with the 2023 budget year, ICE funding will be distributed after exact amounts are known and grant agreements have been executed for approved operating or capital projects. Therefore, 2023 and 2024 ICE amounts are zero and the estimated 2023 ICE amount is shown in 2025. ICE funds are included in the Capital Improvement Program (CIP).

Total Funding and Ridership

The CTA works closely with Metra and Pace, together serving nearly 350 million rides annually, and this ridership continues to increase. The CTA accounts for 84 percent of public transit service in the Chicago area and receives 46 percent of the total RTA funding. Based on 2024 approved budget, the average funding per trip for the CTA was \$3.79, while Metra received an estimated \$13.94, and Pace funded at \$14.58 per trip. The ridership to funding disparity presents a significant risk to the CTA's ability to maintain reliable service with essential schedules for our customers. RTA funding allocations and ridership are outlined in the chart below:

2025 Public Funding Allocation Charts (\$ in Thousands)

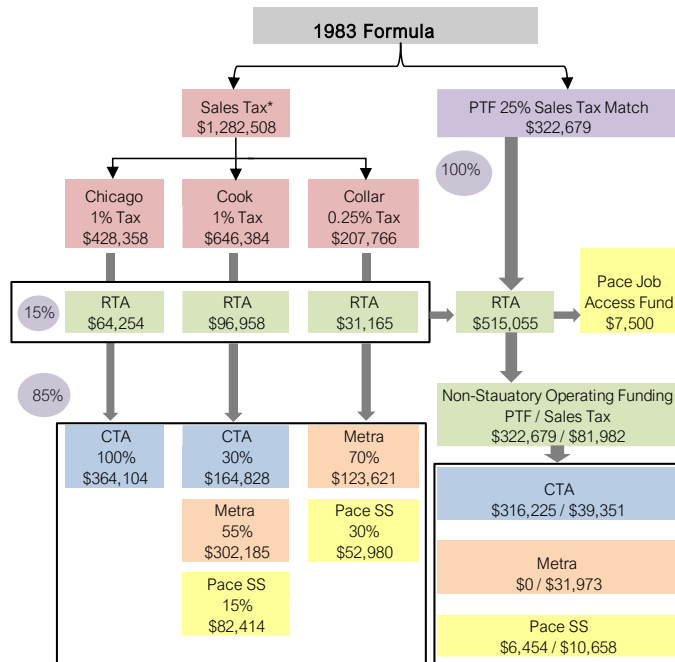
2025 Service Board Funding	RTA	CTA	Metra	Pace -SS	Pace - Paratransit	Total
Sales Tax I & PTF I	\$ 515,055	\$ 528,932	\$ 425,806	\$ 135,394	\$ -	\$ 1,605,187
Sales Tax II & PTF II		165,823	134,731	44,910	256,180	601,645
RTA Non-Statutory	(404,660)	355,576	31,973	17,111		0
Real Estate Transfer Tax (25% PTF)		14,059				14,059
RTA Suburban Community Mobility Funds				35,287		35,287
RTA South Suburban Job Access Fund	(7,500)			7,500		0
State Funding for ADA					10,020	10,020
RTA Agency Revenue	28,260					28,260
State Financial Assistance (ASA/AFA)	103,358					103,358
RTA Funds	\$ 234,512	\$ 1,064,390	\$ 592,509	\$ 240,202	\$ 266,200	\$ 2,397,814
Real Estate Transfer Tax (City of Chicago)		57,485				57,485
Total RTA Funds (excludes ICE Funds)	\$ 234,512	\$ 1,121,875	\$ 592,509	\$ 240,202	\$ 266,200	\$ 2,455,299
ICE Funding/State ADA funding*	17,643	7,967	6,473	2,158		34,241
2023 ICE Funds Distributed in 2025	(16,598)					(16,598)
State Reduced Fare Reimbursement**		17,432	1,931	1,606		20,969
Percentage of Total Public Funds	10%	46%	24%	10%	11%	100%
% of Region Ridership		84%	10%	5%	1%	100%
RTA Funding per Ride Based on 2024 Budget		\$3.79	\$13.94	\$14.58	\$56.18	\$6.85

*Beginning with the 2023 budget year, ICE funding to be distributed after actual amounts are known and grant agreements have been executed for approved operating or capital projects i.e., estimated 2025 Service Board ICE amounts to be distributed to the Service Boards in 2027

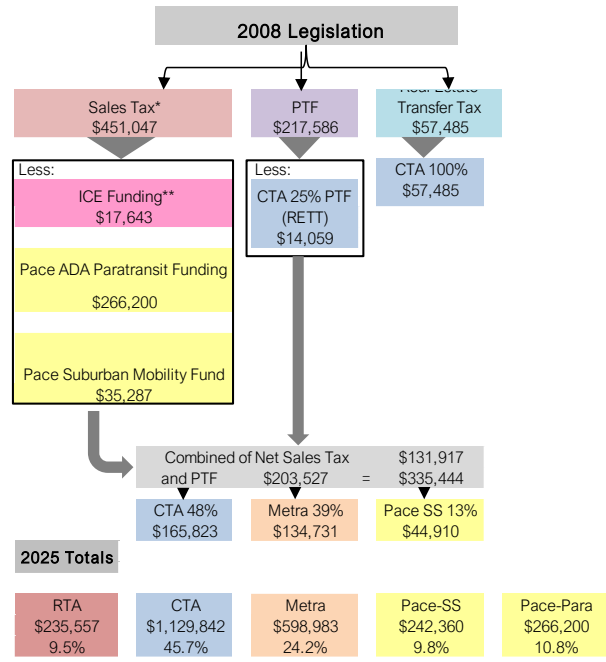
**State Reduced Fare Reimbursement is included in the table but is counted as system-generated revenue and excluded from public funding totals

Note:

- 1.Region Ridership percentage represents YTD August 2024 actual ridership; totals may not add up due to rounding.
- 2.Funding for RTA supports debt service and other expenses used by all agencies.



*Sales Tax totals represent net receipts after 1.5% state reductions. PTF is calculated on gross sales tax before the 1.5% state surcharge. Totals may not add up due to rounding. PSS = Pace Suburban Bus Service.



**Includes ICE Funding to be distributed to Service Boards in 2027. ICE funding for 2023 distributed to Service Boards in 2025 totaled \$16,598

Federal Assistance (Federal Transit Administration)

The CTA, Metra, Pace, and the RTA are the region's designated recipients of federal operating and capital financial assistance. While the FTA eliminated recurring operating assistance in 1998, emergency financial assistance was provided during the COVID-19 pandemic for eligible operating and capital expenses to prevent, prepare for, and respond to COVID-19, and allow agencies to maintain essential transit services. This assistance was provided through three separate pieces of legislation during 2020-2021:

1. On March 27, 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law, providing \$25 billion in assistance to public transit agencies across the country, of which the CTA was allocated \$817.5 million.
2. On December 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act was signed into law, providing \$14 billion in assistance to public transit agencies across the country, of which the CTA was allocated \$361.3 million.
3. On March 11, 2021, the American Rescue Plan (ARP) Act was signed into law, providing \$30.5 billion in assistance to public transit agencies across the country, of which the CTA was allocated \$912.1 million.

Additionally, on March 7, 2022, CTA was awarded \$118.4 million in ARP discretionary funding. The CTA was the only regional service board eligible to apply for these additional funds.

In total, the CTA has received \$2,230.9 million in federal relief funds, which are forecasted to be exhausted in early 2026.

Fund Balance - Unrestricted Net Position

The CTA is required under Section 4.01 of the RTA Act to submit for approval an annual budget to the RTA by November 15th of each year. The budget must balance regarding anticipated revenues from all sources, including operating subsidies, costs of providing services, and funding operating deficits. In addition to a structurally balanced budget, as part of the annual budget and as recommended by the Government Finance Officers Association (GFOA), unrestricted net position is reported in this book.

Unrestricted net position is reported in compliance with generally accepted accounting principles (GAAP) and represents the portion of net position that is neither restricted nor invested in capital assets net of related debt. The unrestricted net position represents the long-term accumulation of non-cash transactions that are excluded from the annual budget. These amounts include, but are not limited to, provision for injuries and damages more than (or under) budget, depreciation expense, pension expense beyond pension contributions, actuarial adjustments, interest expense, and capital contributions. The unrestricted net position is an accounting concept and is separate from annual budgeted revenues and expenses.

2021-2027 Fund Balance: Unrestricted Net Position (\$ in Thousands)

	Actual 2021	Actual 2022	Actual 2023	Forecast 2024	2025 Proposed Budget	2026 Plan	2027 Plan
Total Operating Expenses	\$ 1,585,216	\$ 1,581,550	\$ 1,710,707	\$1,916,577	\$2,156,522	\$2,233,972	\$ 2,313,943
Total System Generated Revenue	329,658	375,743	412,066	440,618	\$ 455,952	\$ 466,305	\$ 473,190
Funding Requirement	1,255,558	1,205,807	1,298,641	1,475,958	1,700,570	1,767,666	1,840,753
Public Funding *	950,394	1,053,872	1,058,386	\$ 1,092,820	1,121,875	1,162,406	1,198,410
FTA Operating Assistance	305,164	151,935	\$ 240,255	383,138	578,695	65,515	-
Budget Balancing Actions					-	539,745	642,343
Short-term Borrowing							
Net Funding Available (PBV)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fund balance - unrestricted net position:							
Beginning Balance	\$ (3,318,615)	\$ (3,278,682)	\$ (3,114,747)	\$ (3,149,683)	\$ (3,150,416)	\$ (3,151,269)	\$ (3,151,269)
Net operating results (PBV)	-	-		-	-	-	-
Less: other obligations**	40,813	164,926	(34,056)	-	-	-	-
Less: capital expended from net position (PBV)***	(880)	(991)	(880)	(733)	(852)		
Ending Balance	\$ (3,278,682)	\$ (3,114,747)	\$ (3,149,683)	\$ (3,150,416)	\$ (3,151,269)	\$ (3,151,269)	\$ (3,151,269)

*Public Funding 2021-2022 includes ICE Funding. For 2023 and beyond Ice Funds are excluded and captured as part of the Capital Improvement Plan (CIP)

**Implementation of GASB 68 resulted in \$1.2 billion reduction in unrestricted net position (FY2015)

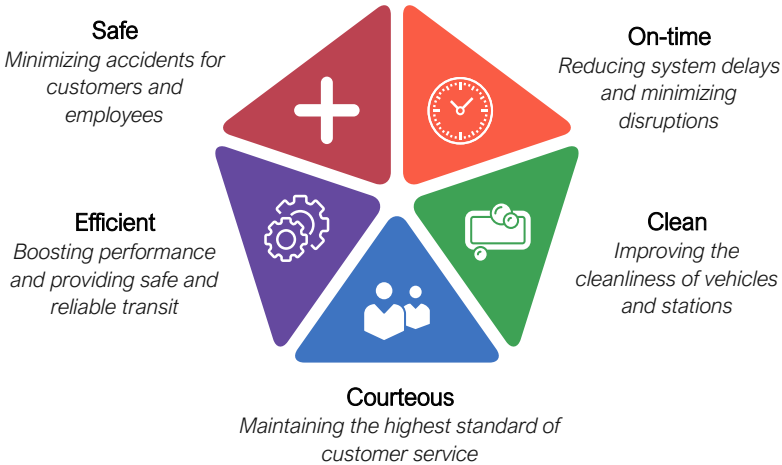
*** Includes expenditures from prior years' positive budget variance

[INTENTIONALLY LEFT BLANK]

Performance Management

Performance Management is the CTA's centralized reporting and performance tracking department. Performance Management automates processes to compile and connect data from disparate sources to analyze and visualize information for key internal audiences. These reports are then disseminated throughout the organization using data visualization and dashboarding tools. Processes are continually improving to increase system efficiency, enhance the customer experience, foster employee accountability, and inform the targeting of resources and public campaigns.

Performance Management creates outcome-oriented measures to monitor performance. Each department is responsible for focusing its resources on adhering to the following strategic goals: Safety, Customer Experience and Workforce Development. The figure to the right details the five criteria Performance Management uses to meet those goals:

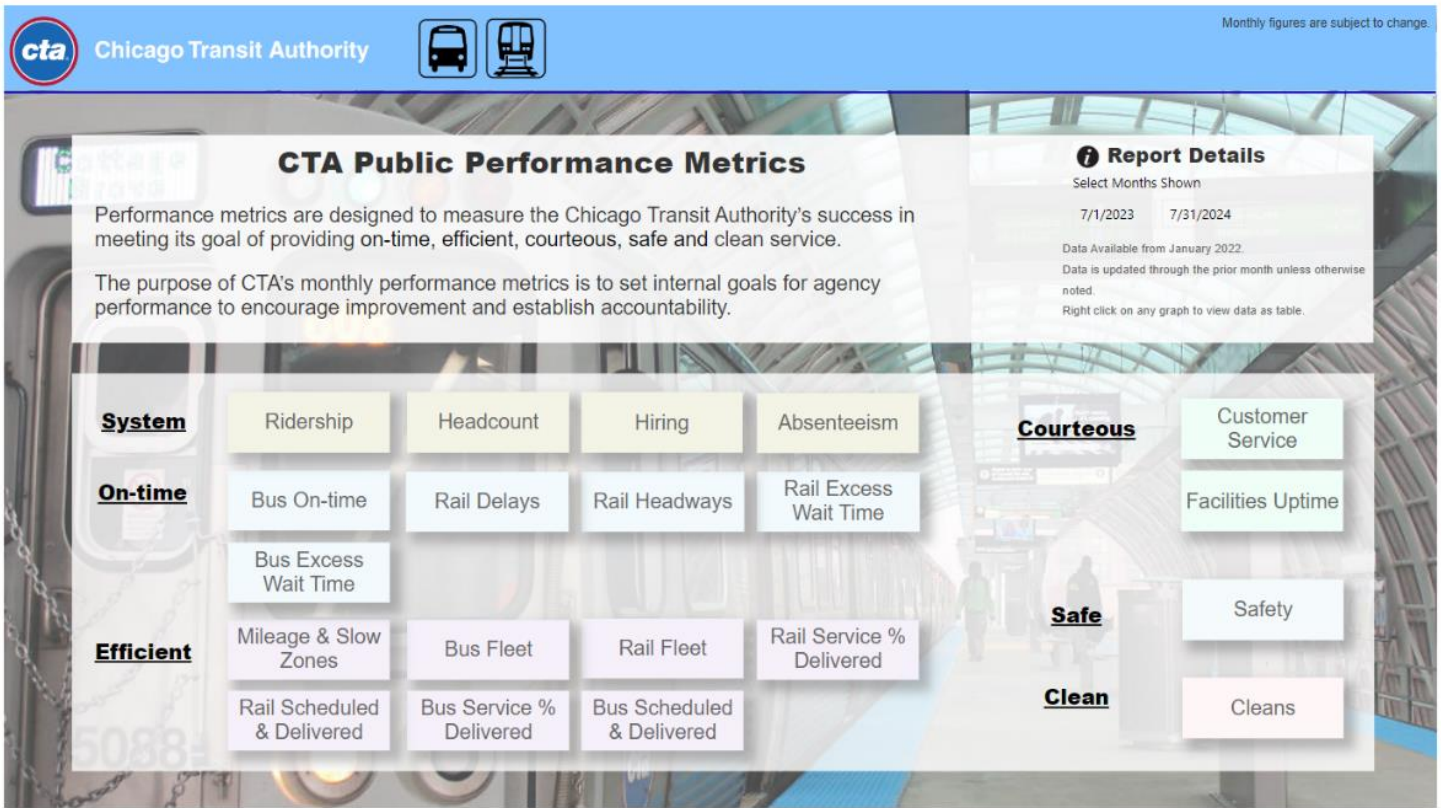


CTA Public Performance Metrics Dashboard

Performance Management continuously develops and monitors a range of metrics tailored to each department's needs to improve operations and efficiency. This information is provided to CTA department management through detailed daily reporting tools to assist in daily operations. Deeper analysis with departmental upper management provides insight into trends and facilitates data driven decision making.

Metrics are also made available monthly to the public through an interactive scorecard of performance measures, whose front page is shown in image below. A selection of key representative metrics for major operational departments is provided in this report.

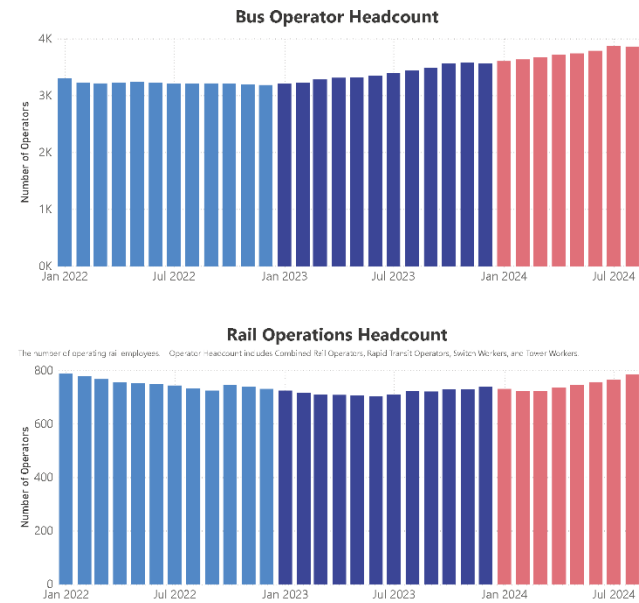
Additional information, including buttons for user selections of specific bus routes and rail lines, can be found on the performance dashboard at www.transitchicago.com/performance or via the QR code below.



Bus & Rail Operations

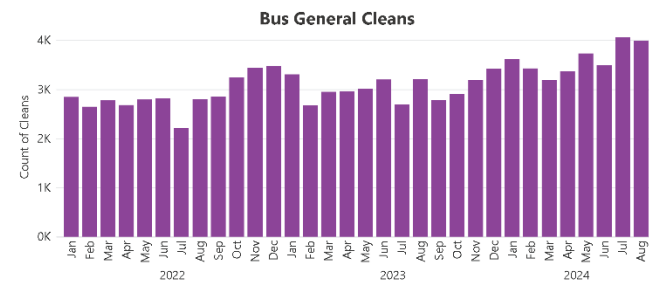
Operator Workforce and Hiring

In 2023, CTA set a record for total number of hires, exceeding 2,000 for the year. CTA is on track to hire over 2,000 employees in 2024 thanks to a variety of programs, including an enhanced online job applicant experience, as well as competitive benefits, and compensation. CTA also continues to sponsor Bus Operator applicants earning their CLP (Commercial Learner's Permit). Applicants can attend a two-week course City Colleges of Chicago free of charge, while the CTA covers the cost of tuition, books, training, and exam fees. Thanks to these initiatives and a committed workforce, CTA saw a fulltime equivalent Bus Operator headcount of 3,859 in August 2024, above the Pre-Pandemic headcount of 3,832. Rail Operator headcount has also increased in 2024, with 784 operating employees as of August.



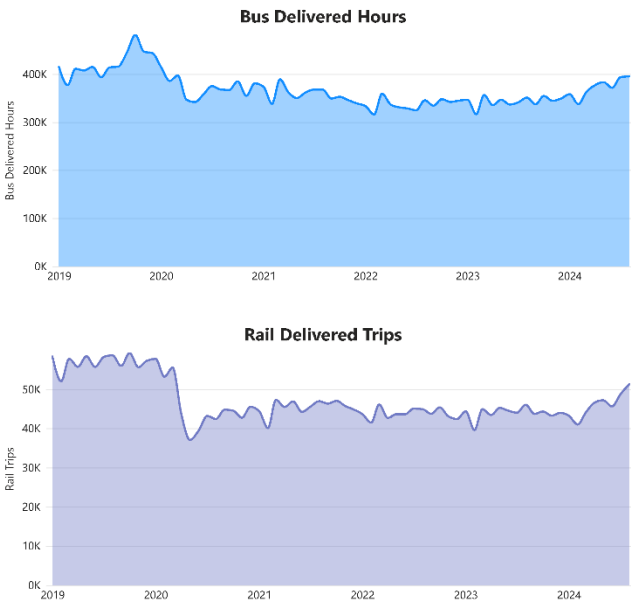
Bus General Cleans

The CTA remains acutely focused on keeping its trains, buses, and stations clean and sanitized. CTA vehicles and stations are cleaned multiple times a day with an emphasis on high-touch surfaces. The number of bus general cleans, which entails intensive cleanings of the interior surfaces from the top of windows to the floor, is shown below.



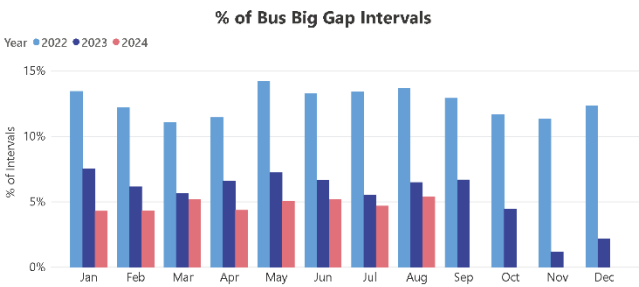
Delivered Service

Service reliability is measured with a variety of metrics, including service delivered. Bus Operations captures the number of hours of service provided, and Rail Operations captures the number of rail trips provided. This shows the effect of cancelled service on riders. Workforce unavailability is one of the main factors impacting bus and rail service delivery.



Big Gap Intervals

In addition to delivered service, Performance Management measures bus service reliability and frequency by measuring big gaps in service. A big gap is defined as a bus interval (time between two buses at a bus stop) that is double the scheduled interval and greater than 15 minutes.

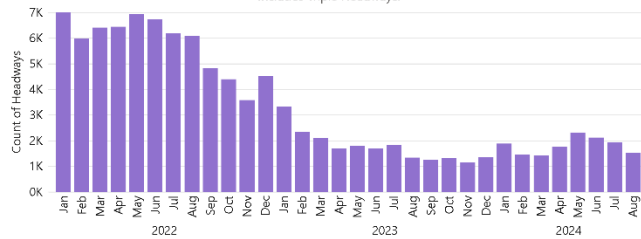


Rail Double Headways

Performance Management measures rail service reliability and frequency by measuring headways or time between each train. Double headways are the number of trains, counted at specific locations, where the headway (or interval between trains) is greater than or equal to twice the scheduled headway. For example, the train is scheduled every 5 minutes, but the next train arrives 10 minutes after the prior train.

Rail Double Headways

Includes Triple Headways.



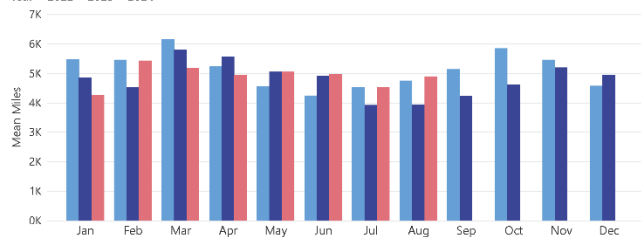
Bus Maintenance

Miles Between Bus Service Disruptions Due to Equipment

Bus Maintenance is responsible for maintaining the CTA bus fleet, including mechanical maintenance and regular cleaning of bus interiors and exteriors. Tracking the mean distance between equipment defects is an essential monitoring mechanism for bus maintenance performance, while cleaning performance is tracked for adherence to schedule and quality standards. A higher number is better for these metrics. Information by bus series can be found on the performance dashboard.

Miles Between Bus Service Disruptions Due to Equipment

A higher mean mileage reflects better performance.



Age of Bus Fleet

Vehicle age is critical in determining the resources needed to keep a vehicle in service. As the fleet ages, the number of defects rise, causing units to be held out of service. Quarter, Mid-, and 3/4 life overhauls are necessary to ensure the full useful life of a vehicle, but funding may impact the level of those overhauls.

Age of Bus Sub fleets by Series

Series	# of Buses	Age
1000 ('06)	968	17.0
4000* ('08)	208	15.5
4300* ('12)	100	11.5
7900 ('15)	843	5.2
600 ('20)	23	2.4

Series listed with first purchasing year in parentheses. Average ages in years through Aug 2024. 60' buses are denoted with an asterisk (*), all other Series are 40'. Series not in revenue service on a consistent basis are excluded.

Rail Maintenance

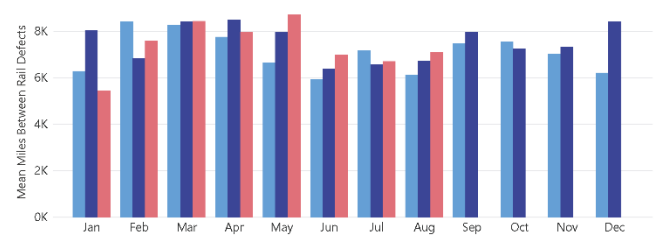
Mean Miles between Reported Rail Vehicle Defects

Rail Maintenance is responsible for the maintenance of the CTA rail fleet, including both mechanical maintenance and regular cleaning of rail interiors and exteriors. Tracking the mean distance between defects is an essential monitoring mechanism for rail maintenance

performance, while cleaning performance is tracked for adherence to schedule and quality standards. Additional details can be found on the performance dashboard.

Mean Miles between Reported Rail Vehicle Defects

A higher mean mileage reflects better performance.



Age of Rail Fleet

The age of a railcar is also a key factor in the number of resources needed to keep a vehicle in service. As the fleet ages, the number of defects rise, causing units to be held out of service. Quarter, Mid-, and 3/4 life overhauls are necessary to ensure the full useful life of a vehicle, but funding may impact the level of those overhauls.

Age of Rail Fleet by Series

Series	# of Cars	Age
2600 ('81)	469	39.9
3200 ('92)	257	31.4
5000 ('09)	714	10.9
7000 ('22)	124	1.0

Series listed with first purchasing year in parentheses. Average ages in years through Aug 2024.

Power & Way

Slow Zone Mileage

Power & Way Maintenance is responsible for inspecting and maintaining CTA's rail infrastructure, including track, structures, signal, and power systems. The percentage of the rail system under "slow zones" is a broad health metric that shows how much of the system is operating with performance restrictions to maintain safe and reliable operations.

Rail System Slow Zones

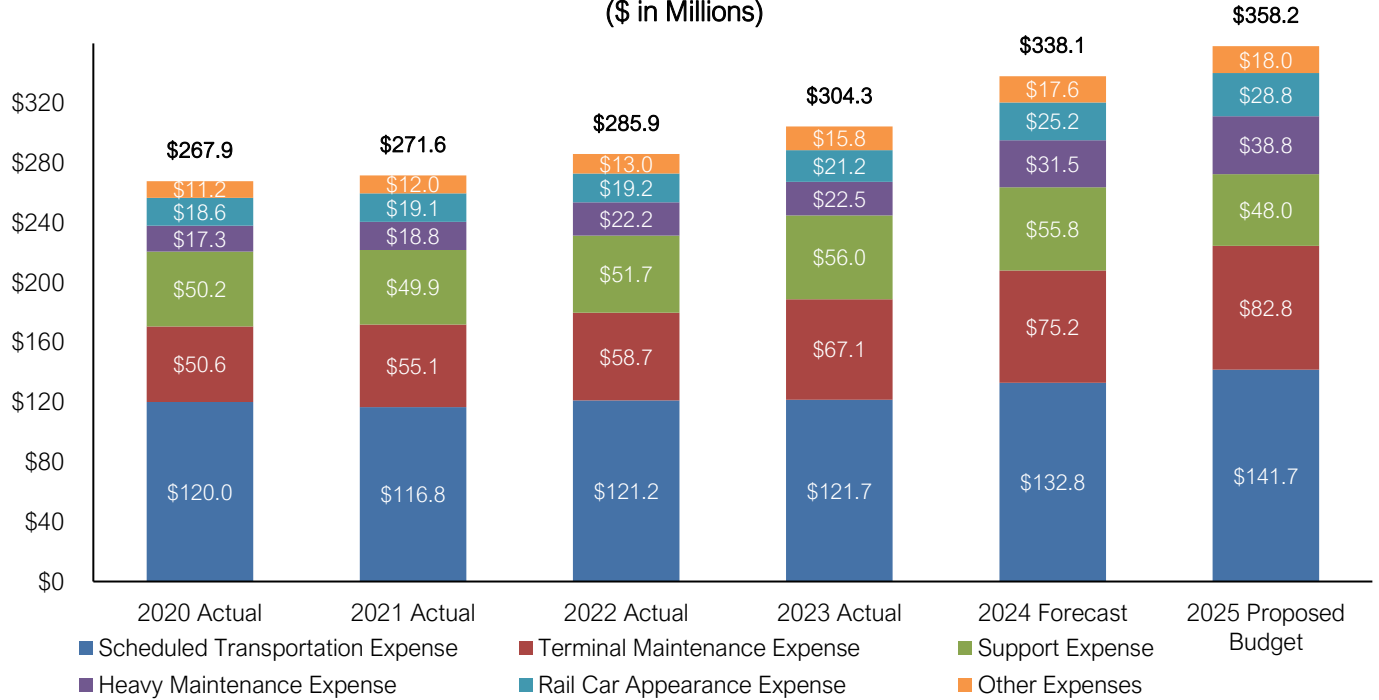
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	10.8%	11.8%	11.7%	12.1%	12.3%	12.1%	14.2%	13.0%	12.6%	12.9%	13.0%	13.1%
2020	13.1%	13.3%	12.9%	12.6%	12.8%	12.8%	11.7%	12.0%	12.4%	11.9%	11.9%	12.7%
2021	12.1%	11.9%	12.4%	13.0%	14.3%	14.8%	14.9%	15.5%	15.6%	15.8%	16.4%	16.4%
2022	15.6%	15.6%	15.6%	16.2%	16.3%	16.7%	15.8%	14.7%	16.0%	15.2%	16.8%	16.4%
2023	16.8%	16.1%	16.4%	16.9%	17.1%	17.4%	17.3%	16.8%	16.6%	17.1%	20.7%	20.5%
2024	20.8%	22.5%	23.4%	23.2%	22.8%	21.5%	21.6%	22.4%				

(THIS PAGE INTENTIONALLY LEFT BLANK)

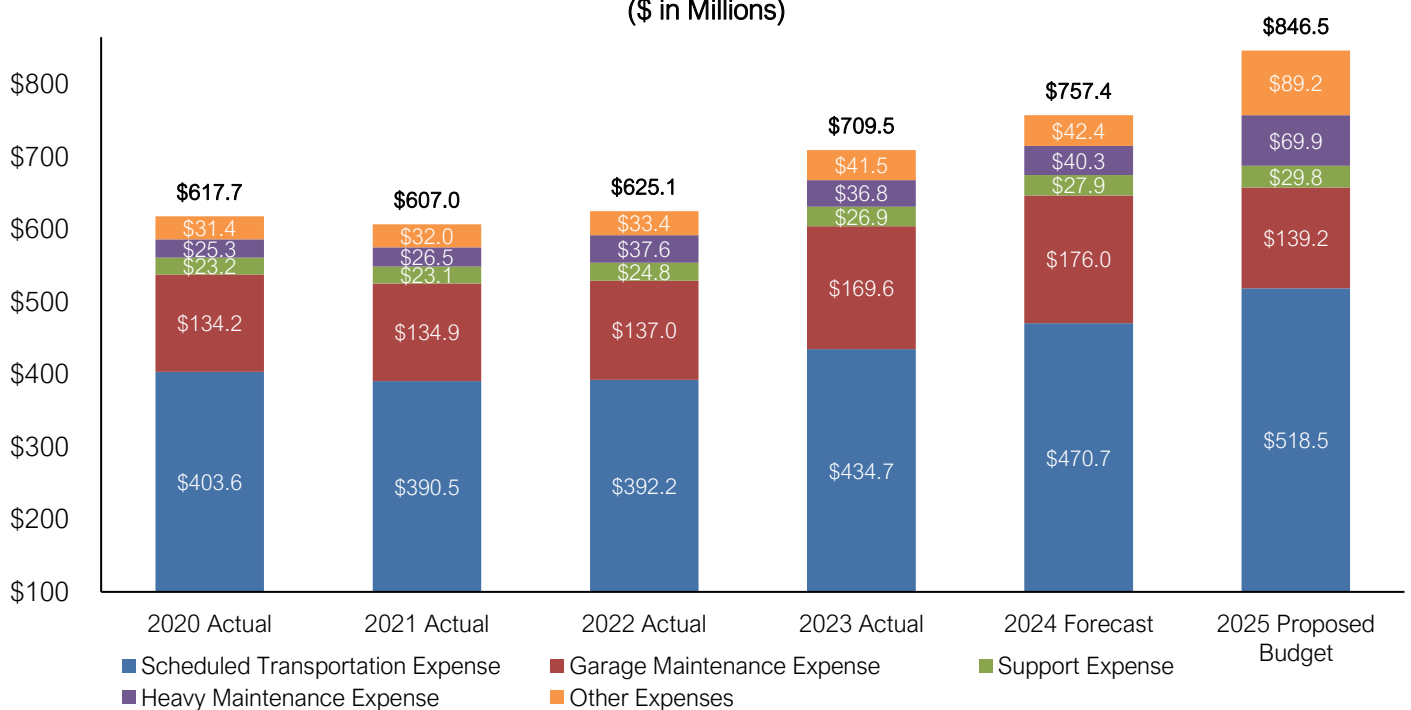


The following is a snapshot of key operating statistics for the following time periods: 2020 through 2023 actual, 2024 forecast, and 2025 proposed budget.

Total Operating Expenses - Rail
(\$ in Millions)

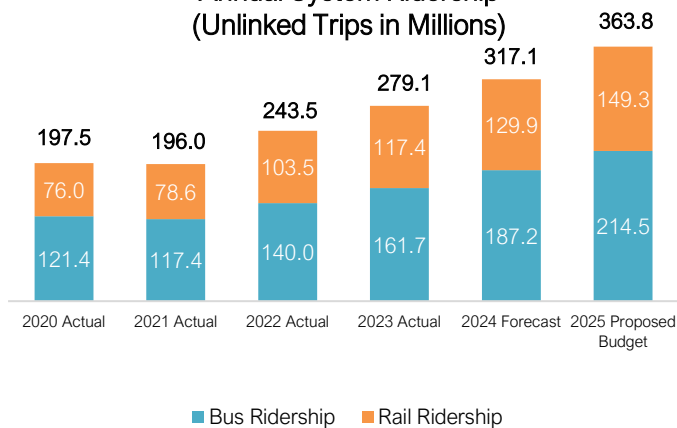


Total Operating Expenses - Bus
(\$ in Millions)

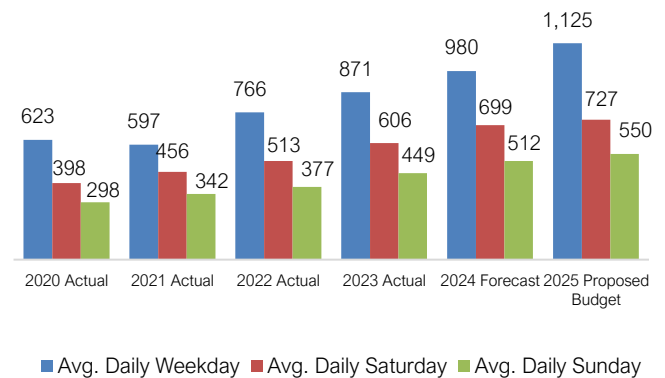


Metric	Mode	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Forecast	2025 Proposed Budget
Annual Revenue Miles	Bus	49,278,477	46,999,961	44,199,272	45,411,226	49,514,421	56,438,802
	Rail	69,510,641	72,369,642	66,984,263	62,562,093	67,291,980	72,614,706
Annual Revenue Hours	Bus	5,423,534	5,156,899	4,830,866	4,970,515	5,463,085	6,168,615
	Rail	3,855,798	4,032,851	3,742,178	3,658,027	3,954,502	4,267,229
Vehicles Operated in Maximum Service	Bus	1,555	1,509	1,274	1,307	1,568	1,600
	Rail	1,148	1,168	906	838	1,030	1,046
Average Age of Vehicles (Years)	Bus	11	12	12	12	11	12
	Rail	20	21	22	22	21	20

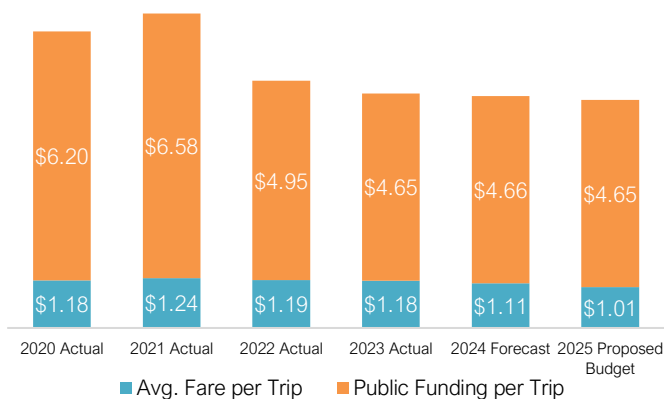
Annual System Ridership
(Unlinked Trips in Millions)



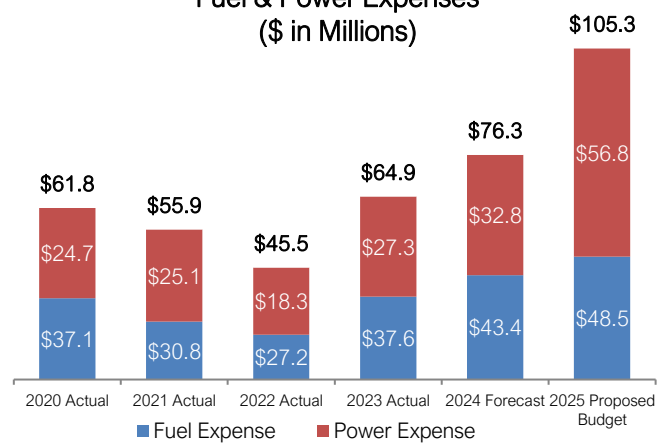
Average Daily Ridership
(Unlinked Trips in Thousands)



Average Fare & Public Funding Per Trip



Fuel & Power Expenses
(\$ in Millions)



2020-2022 Public Funding includes Federal Stimulus Funds.

Peer Comparison

To illustrate the CTA's performance related to its peers, the following analysis was completed using the most recent data from the National Transit Database (NTD) for fiscal year 2022. This data can be accessed through the [Federal Transit Administration \(dot.gov\)](https://www.federaltransitadministration.gov). In selecting comparable transit agencies, we considered factors such as the size of the urban area served, the service area's urban characteristics, and the transit system's overall size. The comparative analysis of agency performance that follows provides insights into the CTA's operational efficiency, ridership trends, and financial metrics compared to our peers.

The comparison group includes:

MBTA Massachusetts Bay Transportation Authority
NYCT New York City Transit

SEPTA Southeastern Pennsylvania Transportation Authority
WMATA Washington Metropolitan Area Transit Authority
MARTA Metropolitan Atlanta Rapid Transit Authority
LACMTA Los Angeles County Metropolitan Transportation Authority

Please note that there is a difference in reporting years that affect how much of the data is impacted by the COVID-19 pandemic:

The following agencies reported data for January 1, 2022 – December 31, 2022: CTA, NYCT.

The following agencies reported data for July 1, 2021 – June 30, 2022: LACMTA, MARTA, MBTA, SEPTA, WMATA.

Peer Agency Profiles

Agency	City	Service Population	Service Area (sq. mi)	Fleet Size (Operated)	Fleet Size (Available)
CTA	Chicago	3,208,000	310	2,180	3,361
MBTA	Boston	3,109,000	3,244	2,018	3,192
NYCT	New York	8,804,000	321	10,019	11,707
SEPTA	Philadelphia	3,475,000	844	1,962	2,827
WMATA	Washington D.C.	5,090,000	1,349	2,807	3,446
MARTA	Atlanta	2,129,000	949	812	1,019
LACMTA	Los Angeles	10,395,000	4,099	2,509	4,141

Peer Agency Fare Structure

CITY (Agency)	Bus Fare	Express Bus Fare	Rail Fare	30-Day/Monthly Pass Cost	Reduced Fare (Senior/Disabled)
CTA	\$2.25	---	\$2.50	\$75	\$1.10 - Bus \$1.25 - Rail
MARTA	\$2.50	---	\$2.50	\$95	\$1.00
NYCT	\$2.90	\$7.00	\$2.90	\$132	\$1.45
SEPTA	\$2.00	---	\$2.00	\$96	Senior: Free Disabled: \$1.00
MBTA	\$1.70	\$4.25 \$2.10 Senior/Disabled	\$2.40	\$90.00	\$0.85 – Bus \$1.10 – Rail
WMATA	\$2.25	\$4.80 Regular \$2.40 Senior/Disabled	\$2.25 - \$6.75 ¹	\$72.00- \$216.00	\$1.10 – Bus \$1.10-\$3.35 – Rail ¹
LACMTA	\$1.75	\$1.75 Regular \$0.75 Senior/Disabled	\$1.75	--- ²	\$0.75 Rush Hours; \$0.35 Non-Rush Hours

¹ The fares are zone based and depend on hours traveled. Full fares are paid during peak hours varying from \$2.25 to \$6.75 (weekday opening-9:00 a.m. and 3:00-7:00 p.m., based on the starting time of the trip).

² As of June 30, 2023, LACMTA has discontinued its 30-day pass and now offers 1-day and 7-day fare capping. Over four weeks, LACMTA riders will pay no more than \$72.

Comparative Characteristics by Mode*



Heavy Rail



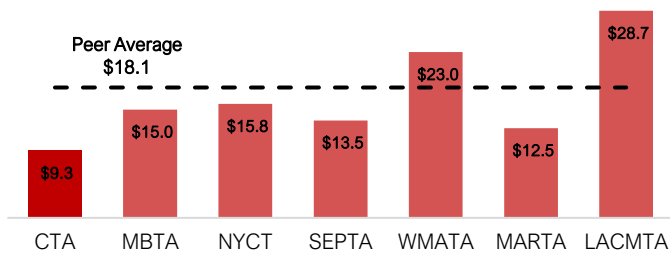
Urban Bus

Agency	Operating Expenses	Vehicle Revenue Miles	Unlinked Trips	Operating Expenses	Vehicle Revenue Miles	Unlinked Trips
CTA	\$623.6	67.0	103.5	\$774.7	44.2	140.0
MBTA	\$333.8	22.2	78.9	\$514.5	22.0	66.8
NYCT	\$5,349.8	338.2	1,788.4	\$2,897.0	82.6	458.6
SEPTA	\$212.2	15.7	52.5	\$692.2	39.2	91.2
WMATA	\$1,222.0	53.1	76.1	\$839.2	35.6	78.8
MARTA	\$223.4	17.9	26.1	\$246.0	23.9	24.7
LACMTA	\$175.3	6.1	25.1	\$1,092.8	57.2	183.5

*Numbers in millions unless otherwise noted

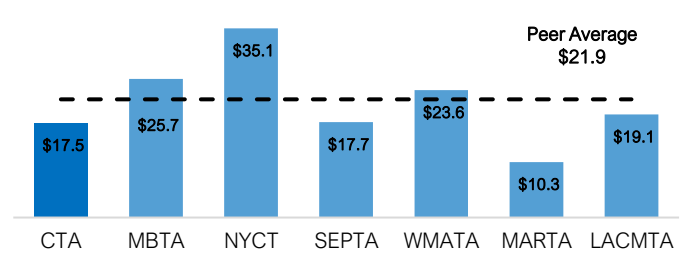
Heavy Rail

Operating Expense per Vehicle Revenue Mile

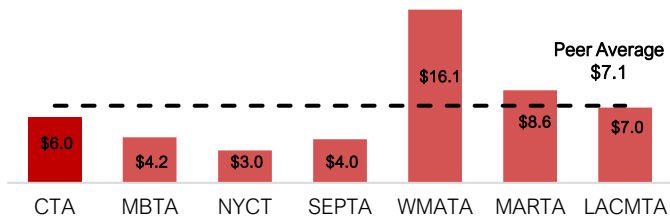


Urban Bus

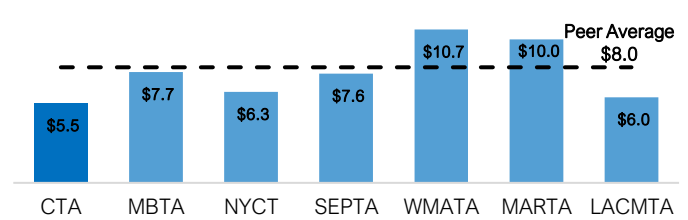
Operating Expense per Vehicle Revenue Mile



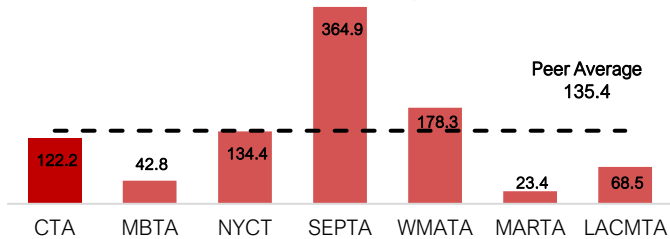
Operating Expense per Unlinked Trip



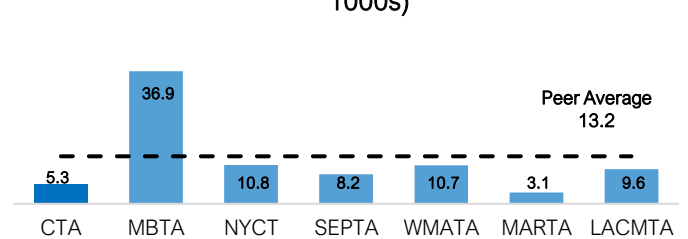
Operating Expense per Unlinked Trip



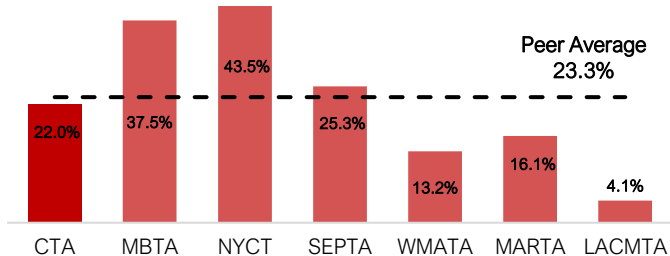
Miles Between Major Mechanical Failures (in 1000s)



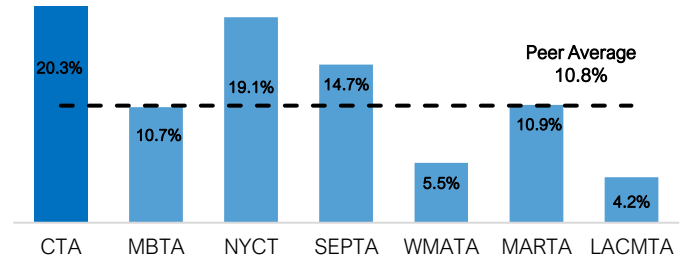
Miles Between Major Mechanical Failures (in 1000s)



Fare Recovery Ratio



Fare Recovery Ratio



Sustainability Initiatives

Sustainable Transportation and Climate Impact

Public transit is the web connecting critical social, economic, and environmental services for all individuals, businesses, and institutions in a sustainable community. CTA is proud to serve 35 municipalities in the Chicago region with public transit rail and bus services providing quality, affordable mobility with lower environmental impact than other modes of motorized transportation.

CTA's service enables area residents and visitors to access jobs, education, healthcare, airports, and other amenities throughout the region. CTA's railcars and buses are shared-use vehicles that reduce traffic congestion – largely from single occupancy vehicles – in addition to encouraging compact development, conserving energy, and improving air quality through decreased vehicle emissions. The region's population benefits by having alternatives to driving, experiencing reduced congestion, and more affordable, accessible, equitable, and active transportation options.

Public transit offers both direct and indirect environmental benefits. The direct benefit is reducing energy consumption by aggregating riders in a single, shared vehicle, rather than numerous personal vehicles. Less energy consumption – whether electricity, diesel, or gasoline – means less primary fuel is consumed and, therefore, less pollution is emitted to the air. This results in lower levels of pollutants affecting local air quality, including carbon monoxide, lead, ground-level ozone, particulate matter, nitrogen dioxide, and sulfur dioxide. Globally, conversion to shared vehicle transit use decreases carbon dioxide emissions, the greenhouse gas primarily responsible for climate change. Relative to the gasoline and diesel cars that they predominantly displace, CTA's railcars provide the added benefit of running on electricity. Electric powered trains and buses produce no emissions directly in Chicago's densely populated communities, and electric-powered engines are more pollution-efficient overall compared to internal combustion engines. The electrification of CTA's bus fleet is providing the same layered environmental benefits that electric rail already provides today.

The indirect environmental benefits of CTA's transit, such as alleviating traffic congestion and encouraging compact development, are critical for the Chicago region. By reducing the number of personal vehicles on the road, CTA services help minimize fuel consumption and emissions associated with idling and stop-and-go traffic. Transit-oriented development (TOD) is a powerful strategy that maximizes these benefits. By promoting residential and commercial projects near transit hubs, cities can create vibrant communities where people can live, work, and play without relying on cars. This not only supports a more sustainable lifestyle but also fosters economic growth by attracting businesses and enhancing local economies.

Denser development patterns contribute to more efficient land use, protecting green spaces from urban expansion. Overall, the CTA's focus on both direct and indirect environmental benefits plays a vital role in shaping a more sustainable and livable Chicago.

The CTA's commitment to integrating climate resilience into its planning and design processes is essential for the long-term sustainability of public transit in the Chicago region. By proactively considering extreme weather events—like polar vortexes, heat waves, and heavy rainstorms—during the planning stages, the CTA can enhance the durability and reliability of its infrastructure. Establishing robust design criteria and procurement specifications ensures that facilities and equipment can withstand climate-related challenges. For instance, the construction of barriers at subway entrances is a smart approach to mitigating stormwater damage,

while selecting heat-resistant cabling for the electrified third rail showcases the CTA's foresight in addressing temperature fluctuations. Additionally, integrating resilience into operational strategies, such as developing detours for flood-prone areas, reflects a comprehensive understanding of how climate impacts transit operations. This multi-faceted approach not only protects assets but also ensures that service remains reliable for riders, even in challenging conditions. Overall, the CTA's efforts in resilience planning are vital for maintaining a robust and sustainable transit system that can adapt to the evolving climate landscape.

Key Sustainable Initiatives

CTA is constantly working on projects and initiatives that aim to reduce its environmental impact as part of permanent effort to make the Agency more efficient.

By focusing on energy-efficient upgrades—like installing efficient lighting in garages, rail shops, stations, and subway tunnels—the CTA is taking significant steps to reduce electricity consumption and lower operational costs. Upgrading boiler systems and building controls not only minimizes natural gas use but also enhances the overall energy efficiency of maintenance facilities. The Refresh and Renew program, with its comprehensive approach to lighting upgrades throughout the entire system, demonstrates a strong commitment to modernizing infrastructure while prioritizing sustainability. These initiatives not only contribute to a reduced environmental impact but also improve the overall experience for riders by creating a brighter, more inviting transit environment. It's encouraging to see public transit agencies like the CTA leading the way in energy efficiency and sustainability!

Moreover, CTA's focus on recent years has been the modernization of its Bus and Rail fleet. This effort focuses primarily on replacing older buses and railcars with more efficient models, including the push to replace diesel buses with electric buses.

Clean Vehicles and Efficient Operations: Bus System

In 2022, CTA published "Charging Forward," a comprehensive plan that lays out a roadmap for the electrification of CTA's entire bus system by the year 2040, consistent with the goal established by the Chicago City Council. Analyses for Charging Forward estimate that full fleet electrification will reduce CO₂ and other greenhouse gas emissions from CTA buses by 73.0 percent, and total NOx emissions from buses by 98.0 percent. CO₂ and other greenhouse gas emissions contribute to global climate change, whereas NOx emissions affect local air quality. In addition to reducing emissions, electrifying CTA's bus system will provide access to electric vehicles for CTA customers who cannot afford to, or choose not to, own a personal automobile. It will also reduce CTA's expenditure on energy for the bus fleet due to the lower cost of electricity compared to diesel fuel. More broadly, it will establish CTA as a leader in transportation electrification, serving as an example to other transit agencies and heavy-duty fleet operators across Illinois and the country.

As detailed in Charging Forward, the scope of electrifying CTA's bus system reaches far beyond the replacement of diesel buses with electric buses. It also requires:

- modernizing and upgrading CTA's seven bus garages and its heavy maintenance facility for buses;
- increasing ComEd's electric service to the garages;
- installing charging infrastructure at the garages and likely at additional en-route charging locations;
- potentially constructing a new, all-electric bus garage;

- training bus operators, bus maintenance personnel, and electricians to operate and maintain the electric buses and charging equipment;
- modifying current bus operations and maintenance practices in the garages to accommodate the needs of electric buses; and
- securing funding sources to support all the transition steps described above.



A CTA electric bus charges using the high-powered, overhead charger at the Navy Pier bus-turnaround.

While electrifying a fleet of almost 1,900 buses is certainly a monumental undertaking, Charging Forward breaks down the transition period by year, setting forth potential timelines for electric bus purchases and for the sequence of garage upgrades and charger installations. Based on a detailed analysis of the Chicago Department of Public Health's Air Quality and Health Index, plus federal data on low-income and minority community locations, CTA's planned sequence of garage upgrades and electric bus route deployments prioritizes areas that experience a disproportionate share of the urban pollution burden. This equity-focused approach, combined with the practical consideration of current bus facility conditions, yields two CTA garages that will be first in the electrification sequence: Chicago Garage, located between the Austin and Humboldt Park neighborhoods on Chicago's West Side, and 103rd Street Garage, located near the Pullman neighborhood on Chicago's Far South Side.

In FY 2023, CTA was awarded FY23 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant funds for its 95th Street Terminal to build on CTA's efforts for electric bus charging. This project would fund the initial installation of six (6) chargers, electrical equipment upgrades and the first Chicago Department of Transportation (CDOT) Divvy electric bike share program location on the South Side. CTA requested \$25M and received the full award for this \$38M project.

Moreover, for 2026, CTA was awarded under the FY2022-2026 Congestion Mitigation and Air Quality (CMAQ) program, funding in the amount of \$44.3M for the purchase of up to 48 forty-foot, battery-powered, zero-emission, all-electric, fully accessible, public transit buses and up to 7 overhead chargers to power the electric buses. Also, under the FY2024-2028 CMAQ funding program, CTA received an additional \$68M for FY2027, for the CTA Electric Bus Program to purchase 40 forty-foot, battery-powered, zero-emission, all-electric, fully accessible, public transit buses and 5 chargers to power the electric buses.

Other significant funding awards have come from CMAQ Improvement Program, and the Illinois Environmental Protection Agency's (EPA) "Driving A Cleaner Illinois" Program.

The new electric buses feature an all-electric (zero emissions) drive system with en-route charging. The collaborative approach involving multiple departments—such as infrastructure, safety, engineering,

operations, training, and planning—demonstrates a comprehensive strategy for successful implementation. By coordinating efforts across these areas, the CTA can ensure that the new buses are integrated seamlessly into the existing transit system, maximizing their benefits while maintaining safety and operational efficiency. This is CTA's first venture into en-route electric buses charging (CTA had 2 plug-in electric buses). The electric bus program is currently testing the performance of these buses in CTA's rigorous metropolitan environment (Chicago Ave - Route 66, and 63rd St - Route 63). Six initial demo buses have been in revenue service since Q1 2021 and have accumulated more than 121,000 miles. Electric bus infrastructure is completed for the base order with chargers installed at Chicago & Austin, Chicago Garage, 74th Street Garage, and Navy Pier. An additional 17 buses, utilizing a newer body style, code-named "Heron," were delivered in Q2-Q4 2021 and have been tested in revenue service since Q1 2022. In June 2023, CTA exercised the option to procure the remaining 22 buses (with the newest model revision - Remington). Although the delivery of these buses was initially anticipated to start in Q4 2024, the final design of the option buses is still in the negotiation phase with Phoenix Motors after the acquisition of the transit side of the company from Proterra in Q1 2024.

As the electric bus fleet grows, CTA also remains focused on maintaining the current diesel fleet to be as fuel-efficient as possible. CTA is moving forward with the overhaul of the 100 articulated 60-foot buses - about one-third hybrid and two-thirds diesel, which began in Q2 2023 and will continue through 2024. As of Q3 of 2024, Bus Heavy Maintenance has completed work on about 69% of them. Also, except for the Community Bus, CTA completed the retirement of its oldest and least efficient diesel buses: the 6400-Series, model year 2000 Nova buses. Retirement of the 6400-Series and the next oldest buses - the 1000-Series, model year 2006 New Flyer buses - is enabled by CTA's purchase of new 7900-Series, model year 2022 Nova buses. Although these new Nova buses have diesel propulsion systems, they are more fuel efficient, lower emitting, and more reliable than the older buses that they are replacing.

CTA Bus Fuel Efficiency	
Year	Bus Miles Traveled per Gallon of Diesel Fuel
2019 Actual	3.38
2020 Actual	3.37
2021 Actual	3.48
2022 Actual	3.14
2023 Actual	3.00
2024 Forecast	3.29

CTA's main metric for bus energy efficiency, measured as miles traveled per gallon of diesel fuel (table above), shows an increase in efficiency forecasted for FY24 compared to FY23 (older, less efficient buses were also called up to run more in 2023 as special events - such as festivals and concerts - resumed). As CTA's performance and ridership has increased over the last 2 years, buses are transporting a heavier passenger load, which requires more fuel use. However, the addition of nearly 400 new clean diesel buses between 2023 and 2024 has helped with the rebound in efficiency despite the rise in traffic congestion and the impact of aging buses that remain in service.

In March 2023, the Illinois Commerce Commission (ICC) issued a Final Order approving ComEd's first Beneficial Electrification Plan. CTA had been an active participant in the deliberations around this Plan since the ICC first led a related workshop series starting in November 2021. The approved plan includes two key incentives for which CTA will be eligible once ComEd opens the programs: 1) a rebate of \$120,000 per electric bus toward bus purchases; and 2) a rebate of up to \$500,000 per bus

garage per year toward make-ready infrastructure for charging equipment. While the exact timeline for the programs launching is still to be determined, ComEd had indicated that it will likely be in 2024.

Clean Vehicles and Efficient Operations: Rail System

Spurred by the environmental benefits of electric mobility, manufacturers, engineers, policy makers, and investors throughout the global transportation industry are racing to develop electric versions of all types of vehicles. The Chicago region is fortunate to have had a sustainable, all-electric transportation system in place for over 75 years: CTA's rail system. The efficiency of CTA's rail system depends largely on the efficiency of its railcars. The upcoming replacement and overhaul of more than two-thirds of CTA's railcar fleet will help ensure that the rail system continues to provide an affordable, convenient, low-carbon mobility option for Chicago-area residents and visitors for decades more to come.

As discussed in other areas of this budget book, CTA is currently receiving new rail cars – the 7000-Series and has a base order of 400 railcars. As of September 2024, there are 124 cars that have been accepted and operating on the Blue Line. CTA expects to take delivery of up to 10-14 new railcars per month until the order is complete. The new 7000-Series railcars will replace a portion of the oldest and least efficient railcars currently operating in CTA's fleet.



A 7000-Series prototype train in passenger service on the Blue Line

CTA is also in the process of completing quarter-life overhauls of its second-newest model of railcars, the 5000-Series, which first entered service in 2011, with the majority these entering service from 2012 through 2015. As of Q3 2024, CTA has completed overhauling 486 of the 714 railcars in the 5000-Series. This process involves rebuilding and refurbishing major functional systems of the cars, including brakes, motors, suspension, propulsion system components, interior-seat inserts, and door system components. The overhauled cars operate more efficiently and reliably, and their refreshed interiors improve the customer experience.

Both the 5000-Series and 7000-Series railcars are equipped with AC (alternating current) propulsion systems, whereas CTA's older models of railcars have DC (direct current) propulsion systems. The newer cars' propulsion systems provide a smoother, quieter ride, and enable regenerative braking, where a train sends electricity back into the third rail as it brakes. The recaptured energy can then power other trains that are accelerating on the track at the same time; it can also provide power for other trains' heating and cooling systems. CTA's past testing and modeling studies indicate that railcars with regenerative braking reduce overall rail-system energy consumption by at least 10 percent. The new railcars have other energy-saving features such as LED lights and advanced controls for the air comfort systems. Once all the 7000-Series railcars in the current order are in service, over 70 percent of CTA's railcar fleet will have these energy-saving features.

Similarly to the miles-per-gallon metric for buses, the energy efficiency of trains is measured in rail miles traveled per megawatt-hour of electricity. The table below indicates that the efficiency of the fleet has been oscillating during the last few years. Trains ran more efficiently during the depths of the COVID-19 pandemic (2020 and 2021), likely due to the reduced passenger weight from lower ridership; then efficiency experienced a sharp decrease in 2022, which coincides with the return of riders; and since, despite the steady increased passenger weight in recent years, the efficiency has improved due to the scale-up of the 7000-Series fleet and overhauled 5000-Series railcars and we expect to yield continued energy efficiency gains in the near term. Other factors that impact efficiency are extreme weather, which requires additional power for heating/cooling, and aging of the railcar fleet, with cars running less efficiently as equipment components gain more years in use.

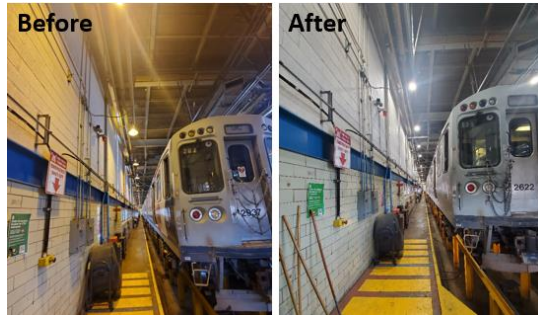
CTA Rail Energy Efficiency	
Year	Rail Miles Traveled per Megawatt-Hour of Electricity
2019 Actual	168
2020 Actual	170
2021 Actual	175
2022 Actual	163
2023 Actual	177
2024 Forecast	171

The efficiency of CTA's rail system also depends on the efficiency of the infrastructure that conveys power from the grid to the third rail: the power substations, rectifiers, switchgear, cables, and other electrical equipment. In the spring of 2022, CTA concluded a comprehensive study, scenario simulation, and assessment of the rail system's power infrastructure. The study initially covered the Blue Line, followed by an in-depth focus on the future Red Line Extension, and lastly expanded to examine all eight rail lines throughout the system. The Red Line Extension portion analyzed how CTA should optimally locate and size the new rail power substations to serve the new Red Line track from 95th Street south to 130th Street. The insights gained from the study are invaluable for guiding the CTA's planning and design for substation upgrades and enhancements. These investments ensure the continued resiliency of CTA's train service to local power outages, equipment issues, and other potential disruptions.

Energy Efficiency and Sustainability in Facilities

While CTA facilities use about one-third as much electricity as CTA's rail system, the environmental impact and expense of this energy use – plus the facilities' natural gas use – make CTA's buildings an important focus for energy efficiency measures. These measures can provide the additional benefits of creating safer, more comfortable, and more welcoming environments for CTA customers and employees alike.

Over the last few years, CTA has completed about 20 natural gas energy efficiency projects per year with technical assistance and financial incentives from Peoples Gas. In 2024 and 2025, CTA expects to complete about the same number of projects. These projects range from comprehensive building energy audits to boiler tune-ups, pipe insulation, and replacements of steam traps and valves throughout boiler systems. Projects have touched nearly every CTA bus garage plus CTA's West Shops and Beverly maintenance facilities. An analysis of the equipment upgrades by Peoples Gas estimates that these efficiency projects will save a minimum of 150,000 therms annually, yielding a projected cost reduction of more than \$100,000 for CTA each year.



High-efficiency light fixtures installed at the Des Plaines Rail Shop

CTA has also completed lighting upgrades at major maintenance facilities in past years: the 77th Street Bus Garage and the Des Plaines Rail Shop (at the Forest Park terminal of the Blue Line), and most recently the 63rd Lower Yard Warehouse. These projects combined are projected to reduce CTA's electricity costs by more than \$40,000 per year. The improved lighting makes work conditions brighter and safer for CTA bus and rail maintenance personnel.

In 2024, CTA Facilities Maintenance also began a facility-wide lighting retrofit project at the West Shops (North Complex). The project entailed replacing more than 500 high-bay light fixtures with high-efficiency LED fixtures. The new LEDs are anticipated to earn a rebate of over \$59,000 from ComEd and reduce CTA's electric bill for the facility by about \$38,000 per year. This project is expected to continue through Q1 2025.

Also, CTA is planning to perform an insulation upgrade for its North Park and West Shops facilities during Q4 2024 and continuing in 2025. This will result in less energy needed to keep internal temperatures from extreme fluctuation. Moreover, CTA is also planning to install automatic "speed doors" on its Chicago and 74th Street Garages. This will prevent the excessive loss of heat (and cooling) due the constant opening and closing of the garages.

In addition to receiving rebates on efficient light fixtures, CTA receives discounts on efficient lights purchased through ComEd's Instant Discount Program in partnership with CTA's lighting vendors. Many of these new lights have been installed through CTA's Refresh & Renew Program at rail stations; 29 stations are expected to be revitalized in 2024, and the same number expected in 2025, across all lines. Station lighting upgrades provide brighter, safer spaces for CTA customers, especially at night.



Lighting upgrade in the pedway at the Sox-35th Red Line Station

CTA is proud to have its Headquarters Office – 567 West Lake Street in Chicago – located in a building that is certified LEED Gold by the U.S. Green Building Council. The building's many sustainable features include a vegetated "green" roof; energy efficient lighting, heating, cooling, ventilation, and data storage systems; and motion-automated, low-flow water fixtures. The building participates in a Demand Response program

that calls on energy customers to lower their electricity use during times of critical stress or high demand on the power grid. In exchange for reducing electricity use when called upon, CTA receives annual payments based on its amount of energy reduction. The building also provides easy access to transit, with adjacent stops on CTA's Green and Pink Lines, multiple bus routes, and the Ogilvie Transportation Station for Metra's commuter rail lines. This accessibility enables more CTA employees to commute to work via a combination of transit, biking, and walking, rather than in personal cars.

Throughout the Headquarters Office, CTA employees utilize desk-side and break-room bins for recycling paper, plastic, and glass; building management also recycles corrugated cardboard from deliveries. Multi-function printer/copier/scanner devices on all floors default to double-sided printing, require a log-in to release queued print jobs, and enter "sleep" mode when not in use – all features that help conserve paper and energy. CTA is also committed to the recycling and reuse of resources at the bus garages. All retired bus chassis, frames, and metal parts get dismantled into scrap metal for recycling by a third-party vendor. All motor oil and coolants from bus maintenance work is picked up by CTA's vendors and processed for reuse. The bus wash systems in the garages – which look and function like giant, drive-through car washes – all capture the dirty, soapy water, and then filter it and clean it for reuse through the system.

Energy Management

A key component of CTA's energy cost management approach is the establishment of energy supply contracts through competitive bidding processes. While CTA relies on its utilities – ComEd, Peoples Gas, and Nicor Gas – for the delivery of electricity and natural gas, it purchases the actual energy commodities through separate contracts for traction (rail system) power, non-traction (facilities) power, and natural gas. CTA's diesel fuel vendor provides the fuel itself and provides the fuel delivery service through a subcontractor.

The new diesel contract, awarded in October 2021, enabled CTA to buy diesel fuel in advance for delivery during the current, 2025 and 2026. CTA also has the option to extend this contract through 2027. Through this contract, CTA makes periodic purchases at times when pricing is favorable. The ability to make purchases in advance helps protect CTA from volatile market swings and provides predictability for budgeting purposes.

CTA's current natural gas contract was awarded in May 2021 and locked in pricing on natural gas purchases starting May 2022. The CTA's strategic decision to secure a fixed-price natural gas contract allows us to minimize cost, especially given the recent volatility in energy prices. This natural gas contract is for three years followed by options to extend for two more years. The forecasted usage model helps manage costs effectively, and if usage varies by more than 10 percent, that overuse or underuse will be charged based on the current market price. Based on rising natural gas prices, the fixed price approach resulted in an estimated savings of nearly \$2 million annually compared to current market prices. This not only aids in financial management but also allows the CTA to allocate resources to other critical projects and initiatives. Overall, this contract exemplifies prudent fiscal management while supporting the CTA's broader sustainability goals.

In 2024 CTA issued a Request-for-Proposal (RFP) for new electricity supply contracts. At the time of publishing, CTA has yet to award the new contracts. CTA's current electricity supply contracts remain in place through the end of 2024.

In addition to managing energy costs through supply contracts, CTA takes a proactive approach to managing energy costs through strategic participation in energy policy and is constantly analyzing and seeking opportunities to minimize energy costs. CTA participated in discussion that ultimately resulted in the approval of the Illinois Commerce Commission's "Beneficial Electrification Plans," CTA is also participating in a separate ICC proceeding that began in January 2023 and combines ComEd's multi-year rate plan and grid plan. These plans can significantly influence electric utility costs across the CTA's rail system, facilities, and electric bus charging infrastructure. By staying involved in these discussions, the CTA can advocate for policies that align with its operational goals and sustainability initiatives. CTA is also collaborating with energy advisors like Ameresco to gain insights into potential impacts and quantify their significance. This analytical approach allows the CTA to make informed decisions that can optimize energy usage, reduce costs, and ultimately enhance the efficiency of its services. Overall, these efforts highlight the CTA's commitment to not only managing current energy expenditures but also positioning itself favorably for future developments in energy policy. The CTA's initiative to explore renewable energy generation projects considering Illinois' CEJA legislation and the federal Inflation Reduction Act is focused on enhancing sustainability. By partnering with JLL to procure a developer, the CTA can leverage funding incentives to implement projects like rooftop solar arrays, ground-mounted solar, geothermal heat pumps, and energy storage systems. These renewable energy solutions can significantly bolster the resilience of electric bus charging infrastructure at bus garages, ensuring that the CTA can reliably power its fleet while reducing reliance on traditional energy sources. This not only supports the CTA's sustainability goals but also contributes to long-term cost savings and energy independence.

By pursuing these innovative technologies, the CTA is positioning itself as a leader in renewable energy adoption within public transit, shifting towards a greener future while enhancing operational efficiency. It's an exciting development that aligns with broader efforts to promote clean energy and reduce environmental impact.

[INTENTIONALLY LEFT BLANK]

(THIS PAGE INTENTIONALLY LEFT BLANK)



Five-Year Capital Improvement Program

"During a brief interview with Block Club on Thursday, Johnson said he hopes the DNC will lead to more federal dollars to support the Chicago Transit Authority, build affordable housing and support neighborhood public schools."
Summary by Block Club Chicago, August 2024

The \$6.96 billion Five-Year Capital Improvement Program (CIP) is the CTA's plan to renew and expand its transit system while ensuring efficient use of capital resources. The plan promotes equity throughout CTA's transit systems and advances the public transit industry's important role in combatting climate change. This CIP will advance modernization and improvements systemwide, with an emphasis on customer experience and safety, equity, environmental sustainability, accessibility of rail stations, electrifying the bus system, deploying innovative technologies, advancing state of good repair (SOGR) initiatives for transit stations, and rolling stock, and system expansion projects. These efforts will allow the region's transit riders continued access to an affordable, world-class public transportation system, which is a critical link for increasing economic vitality throughout the city and region.

Funding for the \$6.96 billion Capital Improvement Program (CIP) is anticipated from a variety of federal, state, and local sources, including:

- A total of \$3.6 billion in federal formula and discretionary funds.
- Federal formula funds provided annually to the CTA are distributed to Urbanized Areas based on population and transit metrics; CTA's formula allocation totals \$2.25 billion.
- The CIP has the potential to secure up to \$1.3 billion in discretionary funds, with actual amounts determined by project applications and awards. CTA will seek project funding from various competitive grant programs, including FTA sources such as All Station Accessibility, Low or No Emission Vehicles, Bus, and Bus Facilities, and Capital Investment Grant New Start funds for the Red Line Extension. Additionally, the CTA will explore reallocating federal highway funds for transit-related improvements, leveraging the expanded eligibility under the Infrastructure Investment and Jobs Act (IIJA). These project awards are expected to provide significant financial contributions throughout the CIP's duration, enhancing the overall

transportation system.

- State of Illinois "Rebuild Illinois" program – funded by proceeds from transportation bond issuances and motor fuel tax receipts. CTA has secured its share of bond proceeds, and the Motor Fuel Tax Receipts (State PayGo) program will contribute an estimated \$161 million annually, totaling \$805.9 million over five years, dedicated to meeting capital maintenance, rehabilitation, and renewal needs.
- Local funding sources including approximately \$1.6 billion in CTA bond proceeds, \$42.3 million of RTA Innovation, Coordination, and Enhancement (ICE), and \$950 million of Transit Tax Increment Financing (TIF) district funds.

While COVID-19 pandemic caused a significant decrease in transit riders across the nation, CTA ridership continues to rebound as the local economy grows but remains substantially below pre-COVID-19 levels. As of July 2024, system ridership was approximately 67 percent of pre-COVID-19 levels. In May 2024, Chicago Transit Authority (CTA) achieved an important milestone by providing more than one million weekday rides on average for the month, marking the first time the agency reached this daily ridership level since the pandemic.

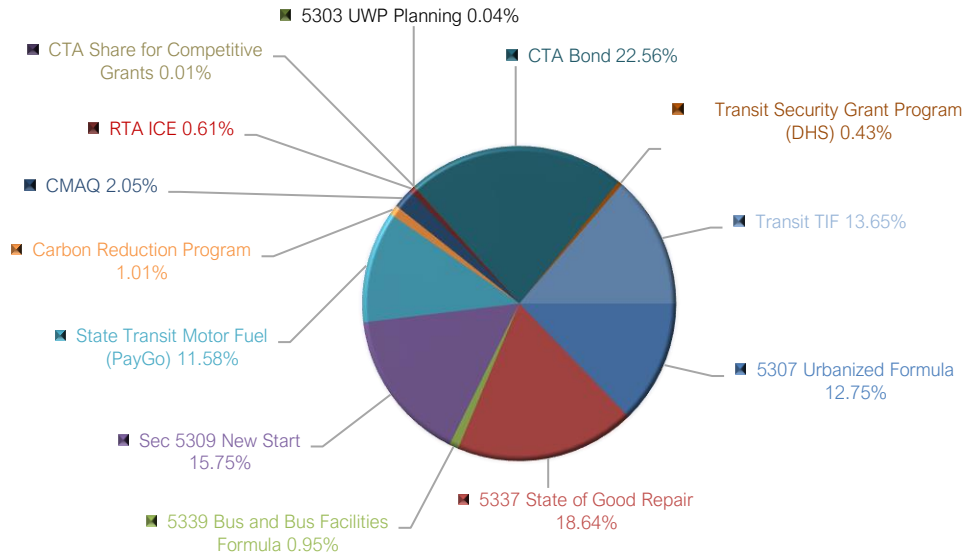
Considering decreased ridership and corresponding fare revenues, the investments detailed in this CIP are designed to mitigate rising operating costs. By focusing on efficiency and modernization, the CTA aims to maximize its limited operating and capital funds, allowing for continued improvements to the transit system.

All anticipated available funding sources supporting the \$6.956 billion FY2025-2029 CIP are detailed in the following charts.

CHICAGO TRANSIT AUTHORITY FY2025-2029 CIP Preliminary Marks						
(\$ in thousands)						
Sources of Funds	2025	2026	2027	2028	2029	TOTAL
5307 Urbanized Formula	\$ 173,276	\$ 175,008	\$ 177,800	\$ 179,578	\$ 181,373	\$ 887,035
5337 State of Good Repair	254,954	257,503	258,959	261,548	264,164	1,297,128
5339 Bus and Bus Facilities Formula	12,861	12,989	13,198	13,330	13,463	65,841
Subtotal FTA	\$ 441,090	\$ 445,501	\$ 449,956	\$ 454,456	\$ 459,000	\$ 2,250,004
Sec. 5309 Capital Investment Grant CIG*	350,000	350,000	132,000	132,000	132,000	1,096,000
CMAQ	-	74,255	68,108	-	-	142,363
Carbon Reduction Program	-	10,000	15,000	45,000	-	70,000
Sec. 5303 UWP Planning	500	500	500	500	500	2,500
Transit Security Grant Program (DHS)	6,000	6,000	6,000	6,000	6,000	30,000
Other Federal	\$ 356,500	\$ 440,755	\$ 221,608	\$ 183,500	\$ 138,500	\$ 1,340,863
AVAILABLE FEDERAL	\$ 797,590	\$ 886,256	\$ 671,564	\$ 637,956	\$ 597,500	\$ 3,590,867
State Transit Motor Fuel (PAYGO)	161,190	161,190	161,190	161,190	161,190	805,950
RTA ICE	7,967	8,222	8,469	8,689	8,915	42,262
Transit TIF	18,100	173,090	402,199	189,165	167,446	950,000
Subtotal Local	\$ 187,257	\$ 342,502	\$ 571,858	\$ 359,044	\$ 337,551	\$ 1,798,212
CTA Bond	216,899	-	450,000	600,000	303,089	1,569,988
Other Local	\$ 216,899	\$ -	\$ 450,000	\$ 600,000	\$ 303,089	\$ 1,569,988
Available STATE/LOCAL	404,156	342,502	1,021,858	959,044	640,639	3,368,200
New Funding Available	\$ 1,201,746	\$ 1,228,758	\$ 1,693,422	\$ 1,597,000	\$ 1,238,140	\$ 6,959,066
CTA Share for Competitive Grants	125	125	125	125	125	625
TOTAL Programmed Funds	\$ 1,201,871	\$ 1,228,883	\$ 1,693,547	\$ 1,597,125	\$ 1,238,265	\$ 6,959,691

* Prior funds of \$746M and outyear funds of \$131M completes CIG Award of \$1.973B for the RLE project

Total 5 Year CIP Budget \$6.9 Billion



Description of FY2025 - 2029 CIP Funding Marks (Sources)

	Entity	Apportionment	Period	Program/Grant	Description / Eligible Activities
FEDERAL	Infrastructure Investment and Jobs Act (IIJA)	URBANIZED AREA (UZA) FORMULA	FY2022 - 2026	5307 Urbanized Formula	Planning, engineering, design & evaluation of transit projects and other technical transportation-related studies; bus replacement, bus overhaul, bus rebuild, crime prevention/security equip. and construction of maintenance and passenger facilities; capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. All preventive maintenance and some ADA complementary paratransit service costs are considered capital costs.
				5337 State of Good Repair	Directed toward maintenance of a fixed guideway or a high intensity motorbus system to provide for a state of good repair, including projects to replace and rehabilitate rolling stock, track, equipment and structure, signal and communication, power generation, stations and terminals, security, and maintenance facilities.
				5339 Bus and Bus Facilities Formula	Replace, rehabilitate, and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.
		DISCRETIONARY		Major FTA Discretionary Programs	The federal transit five-year transportation program offers a number of new or larger discretionary funding opportunities for transit agencies that advance equitable public transportation. These funds will be offered each year through a competitive project application process. Project funding awards will be provided for corridor-based capital investments in existing or new fixed guideway systems, transitioning bus system to zero emission technologies, upgrading rail legacy systems, like CTA, for people with disabilities, modernization of facilities and vehicles, and workforce development. Each fiscal budget year CTA anticipates awards from a number of these program and will place in capital plan with notice of award. See Discretionary Grant Section for description of programs.
				CMAQ	See Discretionary Grant Section
				Carbon Reduction Program	See Discretionary Grant Section
				5303 UWP Planning	Develop transportation plans and programs, plan, design and evaluate a public transportation project, and conduct technical studies related to public transportation.
	Homeland Security Act		Transit Security Grant (DHS)	See Discretionary Grant Section	
LOCAL	CTA Board	N/A		CTA Bond	CTA's bond financing program enables CTA to advance key projects that have touched all elements of CTA system in the absence of a state program. CTA bond proceeds are used to leverage with FTA grant awards and financing for major projects such as the Red and Purple Modernization Phase One Project (RPM), the Red Line Extension, and the purchase of up to 846 new railcars. Invest in SOGR projects including the overhaul of up to approximately half of the existing rail fleet and over a quarter of the bus fleet. Program also provides for system modernization that includes rail track renewal targeting slow zones, traction power upgrades, lighting and station platform upgrades, and camera system modernization.
	Tax Incremental Financing (TIF)	Legislative Enactment with Working Agreements			The Illinois TIF Act (65 ILCS 5/Art. 11 Div. 74.4) as amended allows for the creation of a special transit TIF district for transit facility improvements. City of Chicago Council on December 14, 2022, designated a Transit TIF district to support the construction of the RLE Project. The CTA will partially fund the RLE Project with revenue generated from a Transit TIF as described in the Illinois TIF Act.

	RTA		RTA Funding Programs	<p>The Regional Transportation Authority (RTA) the financial planning oversight agency for Transit Agencies in the Chicago Region provides funds for two capital sources:</p> <p>1) RTA Innovation, Coordination, and Enhancement (ICE) program is funded from collected regional sales tax receipts. The program provides funding assistance to enhance the coordination and integration of public transportation and to develop and implement innovations to improve the quality and delivery of public transportation.</p> <p>2) RTA capital bonds are issued on behalf of the regional transit agencies for capital investments. Currently, no bonds are expected to be issued,</p>
STATE	ILLINOIS	2020 - 2025	"Rebuild Illinois" State Capital Transportation Program	<p>State legislation enacted in June 2019, program funds are generated from two sources: Multi-Modal Bonding Series that are backed by vehicle registration and title fees; and the 2019 increase in the State's Motor Fuel Tax (MFT) of \$0.19 per gallon. While the bonding series provide a one-time infusion of State funds over a six-year plan, the State MFT provides a transformative funding source to the CTA that is to be a permanent recurring source of funds to the CTA, Metra, and Pace. Funds are dedicated towards the investments in the State of Good Repair.</p>

Federal Funding

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA) into law. The IIJA provided \$108.2 billion for public transportation across the nation for FY2022 through FY2026 – the largest federal investment in public transportation in the nation's history. This is an approximately 75 percent increase in funding authorization for public transit when compared to previous federal transit program (FAST Act) levels. These historic increases in public transit investments include \$91.2 billion of guaranteed funding (i.e., contract authority and advance appropriations) and \$17.0 billion of General Fund authorizations for Capital Investment Grants (CIG) and other grants. Included in the new federal transit funding program are funds allocated to the Chicago Urbanized Area that CTA traditionally receives each year. CTA's allocation of these formula funds represents an approximately 37 percent increase over previous authorized levels.

In addition, the federal IIJA law provides for new and expanded discretionary programs available for eligible projects associated with low or no emissions vehicles, buses and bus facilities, accessibility of transit facilities, and other major capital investments. As of August 2024, CTA has been awarded over \$499.2 million in FTA Discretionary Grants and \$165.5 million FTA Major Capital Investment Grant funds have been advanced to complete funding for the Red Purple Modernization Phase One project. In addition, CMAP the Metropolitan Planning Organization for the Chicago region has provided notice to CTA of awards totaling \$311.0 million for projects that include the bus slow zone improvements, implementation of CTA electric bus program, and the Red Line Extension. These funds were made available as part of the IIJA federal transit authorization.

In 2024, the Federal Transit Administration (FTA) has indicated its intention to fund a significant Capital Investment Grant for the construction of the Red Line extension, which will extend south from 95th to approximately 130th Street. A Full Funding Grant Agreement is expected in the fourth quarter of 2024 and with agreement executed CTA awards will total \$1.973 billion over the duration of the project. The CTA has several grant applications pending and expects to receive significant funding from various transit discretionary programs over the next two years, which will allow the CTA to begin transitioning to an all-electric bus system, to make the next series of rail stations fully accessible, and to plan for funding to expand the Red Line going south from 95th to 130th Street.

The United States Department of Transportation (USDOT) is also providing new and increased levels of road highway funding for multimodal investments. Funds are awarded annually to State and Metropolitan Planning Organization (MPO) as block grants that promote flexibility in use by the region and are directed toward reducing transportation emissions, improving traffic congestion and air quality, addressing the climate crisis, and investing in historically disadvantaged communities. A determined share of program funds is traditionally

provided for regionally significant transit capital projects. CTA as a regional partner in MPO will seek an equitable share of these funds for CTA enhancements to the system and region. Project funding will be awarded on a project application basis.

The Regional Transportation Authority (RTA), as the financial planning organization for the Chicago Region, estimates the FY2025 federal formula program funds based on IIJA authorized funding levels. For years 2026 to 2029 Federal Formula funds are projected to increase by one percent annually for the region.

State Funding

In June 2019, Governor Pritzker signed a historic, bipartisan bill giving Illinois its first capital plan in nearly a decade – and the most robust in state history. The Rebuild Illinois capital plan will invest \$33.2 billion in transportation improvements across the state over six years.

The RTA receives funding from two revenue sources including:

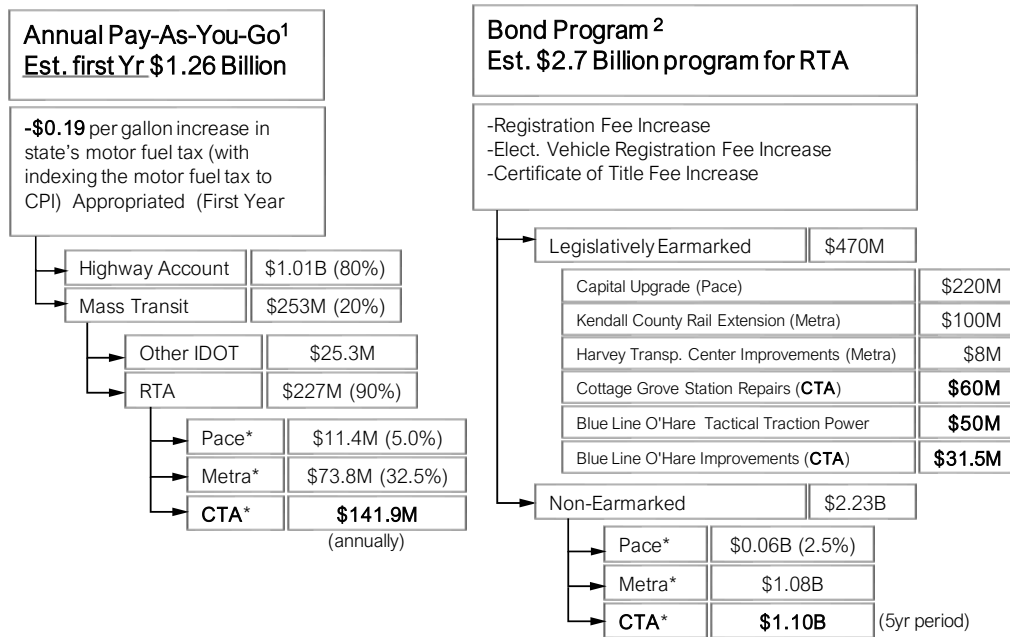
1. State bond proceeds funded by vehicle registration, title fees and sales tax on motor fuel. Through FY2021, CTA has been granted its entire share of proceeds from this bond program, and therefore no State Bond proceeds are funded in the current CTA five-year plan. The current transportation bond program is authorized through FY2024, with the next bond authorization due in FY2025. The new bond program will need to be enacted into law by the Illinois General Assembly.
2. State PayGo revenues, funded by a \$0.19 per gallon increase in the State's motor fuel tax (MFT), provide a recurring funding source to cover a portion of the region's ongoing SOGR needs. The 2024 funds allocation continues to be based on the original funded amounts. FY2025 PayGo funding increases by 13.6 percent from 2024 funding levels due to favorable gas tax receipts and adjustment made based on inflation rate indices. Annual funding levels for FY2026-2029 are equal to 2025; annual funding levels will be adjusted each year based on tax receipts and indices adjustment.

With the final grant award of Rebuild Illinois State Bond funds in FY2021, CTA has received its full share of proceeds totaling \$1.24 billion. These funds are invested in projects that have or will be started and completed over the next five years based on project need. Granted funds are invested in the renewal and/or overhaul of the CTA's revenue fleet, maintenance facilities, rail line and stations, and rail power substations.

Under the funding plan agreements established between the Service Boards and the Regional Transportation Authority (RTA), the CTA is set to receive \$161.1 million in PayGo proceeds annually through 2029.

PayGo will provide consistent funding allowing the CTA to further invest in the acquisition and rehabilitation of its capital assets (buses, railcars, track and structure, and facilities), as well as provide local funds to match FTA discretionary awards including major capital investment grant awards.

The following chart details the sources, recipients, and uses for the two state funding programs:



¹ Pay-As-You-Go amounts are based on a first year funding estimate and reflect annual recurring funding.

² State Bond program amounts are based on the entire amount to be issued and distributed over a six year period.

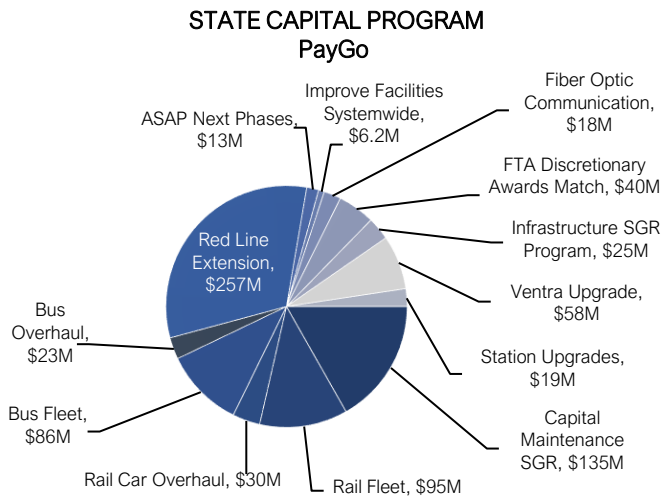
*Proposed State funding percentage splits negotiated between the RTA and Service Boards. Starting in 2025 percentage splits will be based on RTA Performance-Based Capital Allocation Structure. Annual amounts available for RTA to allocate to the region will be determined by tax receipts and inflation indices adjustments.

CTA plans to invest the annual allocation of State PayGo funds to meet rehabilitation and replacement needs for the revenue fleet, facilities, and infrastructure, and to support anticipated federal discretionary grants to secure the necessary local match for project awards. Investments will be directed toward assets that include, but are not limited to the following:

- Bus fleet to address buses due for retirement in the next five years. Funds current clean diesel bus order and CTA's next order to acquire electric buses.
- Bus overhaul to extend life for the 1000 Series buses that are to remain in fleet beyond 2024. Overhaul 450 7900-Series buses (approximately 25 percent of bus revenue fleet).
- Rail fleet to address new 7000-Series and next generation rail cars.
- Rail overhaul to extend life for the 2600/3200-Series railcars. Up to 650 cars to be overhauled to maintain service minimally for an additional five years.
- Infrastructure State of Good Repair Program to address special track replacement and realignment, embankment, and viaduct repairs on the North Mainline.
- Capital state of good repair maintenance program, which focuses on proactive maintenance to prevent and address major mechanical, electrical, and structural issues within the transit system. This program includes planned overhauls and rehabilitations of select assets, ensuring the reliability and efficiency of operations. Funding is allocated for essential areas such as the revenue fleet, tracks, structures, and power systems, helping to sustain the current state of transit operations and enhance overall service quality.
- The Red Line Extension project extends the south end of the line 5.6 miles and will include four new, fully accessible stations at 103rd Street, 111th Street, Michigan Avenue, and 130th Street. Provides for a share of funding necessary to advance from the engineering to construction phase of the project, scheduled to start in early 2025.
- All Stations Accessibility Program (ASAP) builds upon the current 14 funded stations since the plan implementation in July 2018. Unfunded stations next in line include Cicero and Austin - Blue and North Clybourn - Red. Funds are planned to support future discretionary applications and awards for stations.
- Ventra 3.0 Fare System Upgrade is a multi-faceted project that requires updating and completely overhauling every aspect of the CTA's fare system. The Ventra upgrade will move CTA, Pace and Metra onto modern, open architecture platform that harnesses technology enhancements and fare system advancements from the past ten years.
- The Fiber Optic Communication Network upgrades will provide a comprehensive overhaul of the CTA's rail stations' optical network. This initiative involves replacing outdated cables and modernizing the optical cable infrastructure, enhancing communication capabilities across the transit system.
- The Station Upgrades project includes the enhancement of the Rail Public Address Communication System, replacing the existing technology with a modern digital platform. This upgrade will improve the clarity and reliability of announcements, ensuring better communication for passengers.
- The Improve Facilities Systems initiative aims to repair or replace key structural elements at bus and rail facilities that have been identified as deficient through structural inspections. This proactive approach ensures the safety and reliability of transit infrastructure, addressing any critical issues to maintain operational integrity and enhance the overall user experience at stations.
- FTA Discretionary Awards Match provides local funding contribution to invest in projects that electrify the bus system, make stations accessible, and reconstruct and rehabilitate rail lines. Final annual

allocation will be determined by the actual discretionary project awards.

The following chart identifies the State funded projects and initiatives that are programmed in the FY2025-2029 Capital Plan.



RTA Performance Based Capital Programming – New Capital Allocation Structure

On July 15, 2021, RTA approved a new methodology to allocate capital funding. The new Performance-Based Capital Allocation structure was used beginning with the 2022 budget process to distribute 2025 and 2026 Federal Formula (5307/5340, 5337 and 5339 funds) and State PayGo capital funds to the Service Boards as part of the Five-Year Capital Program funding amounts. The Plan indicated that, starting in FY2026, funds may be withheld based on performance metrics outlined in the established guiding principles. If a Service Board does not meet the requirements, funds will be held in reserve for future distribution. RTA and the Service Boards have not yet developed the methodology to distribute such funds. At this time, no funds will be withheld by RTA and instead will be programmed by the Service Boards. The new capital allocation structure is intended to ensure that the RTA is systematically investing its capital funding consistently with the region's agreed upon principles, goals, and priorities. It expands on existing work to ensure that investment decisions are driven by data and need, while furthering the region's policy goals.

The new Capital Allocation Structure is guided by three principles:

1. **Addressing Capital Reinvestment Needs** of the region by allocating funds to the three Service Boards based on their respective proportions of the funds needed to bring all assets into a State of Good Repair (SOGR) in 20 years.

FY2025 and 2026 allocations are based on the 20-Year need to achieve SOGR as provided in RTA's 2016 Capital Asset Condition Assessment report, where Service Boards' portions of regional SOGR needs are 59.7 percent CTA, 32.8 percent Metra, and 7.5 percent Pace. In 2022, RTA updated the Revenue Vehicle and Equipment assets classes using data posted by the Service Boards to the National Transit Database (NTD) and combined it with remaining asset data. This update resulted in a revised regional 20-year SOGR needs allocation where CTA's share remained at 59.7 percent, while Metra's 33.2 percent and Pace's 7.1 percent shares have been revised accordingly. This allocation will be used for the FY2027 to 2029 program.

Half of the annual regional allocation of Federal Formula and State PayGo funds will be distributed based on the SOGR percentages, while the remaining half will be allocated based on Capital Expenditure Performance metrics as described below in item #2.

2. **Incentivizing Capital Expenditure Performance** by applying performance targets to capital program delivery. Metrics to be used to measure expenditure performance are Average Age of Funds and Percent of Available Funds Spent in the Current Year, each with its own target:
 - a. *Average Age of Funds* - this measure monitors aging of the entire grant portfolio to ensure that, on average, no funds are getting too old. With the intent of spending all funds within the five-year capital program, the target for this metric is an average age of 2.5 years or less.
 - b. *Percent of Available Funds Spent in Current Year* - this measure helps to ensure that expenditures are occurring each year commensurate with the capital program size. The target for this metric is for 20 percent or greater of funds to be spent in each year of the five-year capital program.

Both measures will be calculated based on the average of the three previous years, and the withholding of funds where targets are not achieved can be no more than 20 percent of the total allocation of Federal Formula and State PayGo each year.

3. **Advancing Policy Priorities** by ensuring that the entire regional five-year capital program advances regional goals, and that special emphasis is placed in areas of immediate importance to the agencies. Specifically, each Service Board is required to program 20 percent of annual allocated funds on projects that meet either the Core Requirement of Achieving Full Accessibility or Improving Equity.

Regional Transportation Authority Funding

The RTA's capacity to issue bonds for the Service Boards is restricted by statutory requirements on the amount of bonding capacity. Specifically, debt service on the bonds is limited to 40 percent of the average annual sales tax receipts (over the last two years). As bonding capacity is made available from the retirement of existing capital debt obligations, RTA's policy is to issue new long-term capital debt, of which the proceeds are meant to fund capital projects for each of the three Service Boards. Going forward in 2025, RTA will continue to decrease general debt obligations as long-term bonds continue to mature. RTA does not currently plan to issue any new bonds to provide funding for FY2025-2029 Capital Improvement Program. Traditionally, RTA Bond funds are allocated as follows: 50 percent will go to CTA, 45 percent to Metra, and five percent to Pace. Debt service for these bonds will be sourced from non-statutory Sales Tax I revenue.

RTA's Innovation, Coordination, and Enhancement (ICE) funding program has resumed after pause for two fiscal years. With the prior two years receipts on hand, RTA is now able to execute grants in a timely manner with final budgets for each funding year going forward.

The RTA ICE program was established as part of the 2008 Mass Transit Reform Legislation. The program provides funding assistance to enhance the coordination and integration of public transportation and to develop and implement innovations to improve the quality and delivery of public transportation. Projects funded through this program advance the vision and goals of the RTA by providing reliable and convenient transit services and enhancing efficiencies through effective management, innovation, and technology.

FY2025-2029 CTA CIP provides in total \$42.2 million of RTA ICE funds to invest in capital projects that include the following:

- Replace CTA Train Tracker Signage at rail stations.
- Upgrade technology enterprise application systems.
- Replacement/Overhaul Security Camera systems
- Electric Buses and Charging Systems

CTA Bonds

CTA Capital Bonds are financed with grant and sales tax receipts. Since FY04, over \$3.4 billion in bond proceeds have provided funding for critical capital projects systemwide. CTA's Bond Program is a direct result of a State of Good Repair (SOGR) backlog of over \$20 billion and the unpredictable nature of previous state funding. Planned FY2025 bond issuances include:

- \$16.9 million to advance key projects across the CTA system.
- \$200 million to advance the RLE project into Design Build phase.

CTA Bond of \$1.35 billion is planned for the RLE in FY2027-2029 to provide for local share of funds required to match the FTA 5309 Capital Investment Grant funds.

CTA's bond financing program continues to be an essential supplement to the federal, state, and local programs. Tax-exempt bond financing offers an efficient and cost-effective way to supplement federal funding and accelerate critical projects. By constructing projects on an expedited schedule, CTA can reduce costs, improve service, and promote system ridership.

Capital Program Development Process

The CTA maintains a rolling five-year Capital Improvement Program (CIP) that outlines its capital investment priorities based on expected funding availability. Revisions to the CIP are presented by the CTA's President and Chief Financial Officer to the Chicago Transit Board, incorporating insights from the CTA's decision support processes.

CIP development follows an annual update, review, and approval cycle in conjunction with the overall budget process. The typical timing of key steps in this process is summarized in the following table:

Apr-Jun	Solicitation of new projects – CTA Capital Finance requests project proposals and justification from all CTA business units
Jul	Evaluation of project proposals and senior management review (see "Capital Investment Decision Process" section below)
Aug	Development of draft, fiscally constrained, capital program and budget document based on senior management guidance and preliminary funding marks from RTA
Sep	Final CIP developed after RTA issues funding marks for five-year program
Oct	Proposed CTA Capital and Operating Budgets released for public comment
Nov	Public Hearing and Board Consideration/Approval of CTA Budget
Dec	RTA Board Consideration/Approval of Regional Budgets
Feb	RTA and CTA submit the approved capital programs to the Chicago Metropolitan Agency for Planning (CMAP) for incorporation into the Regional Transportation Plan.

In addition to this annual budget process, CTA's capital program is continuously managed via processes such as the following:

- Review progress, status, funding sufficiency, Disadvantaged Business Enterprise (DBE) participation, and other outstanding issues on active projects through monthly and/or quarterly meetings with departments.
- Present quarterly CIP updates to the Chicago Transit Board and RTA as necessary due to changes in project requirements or funding availability.
- Apply for, obtain, and monitor compliance with various capital grant funding sources.
- Ensure all reporting requirements for grant-funded capital projects are met.

Capital Projects Solicitation ("Call for Projects")

The CTA's Capital Finance department conducts an annual solicitation process to gather new and revised capital project proposals from various departments. This process utilizes a database and standardized forms to ensure consistent analysis and evaluation of funding requests. Capital requests are submitted using a standardized form that includes essential details such as asset category, location, estimated costs, and departmental sponsorship. Additionally, the form collects project objectives and justifications, supported by an evaluation rubric and a State of Good Repair questionnaire. This systematic approach enables effective prioritization and assessment of capital needs across the organization.

Category	Total Unfunded Needs (\$ in billions)
Buses	\$0.6
Comms/IT	\$0.9
Facilities	\$5.5
Infrastructure	\$10.3
Non-Revenue	\$0.1
Other	\$2.6
Railcars	\$3.7
Red-Purple Modernization	\$5.1
Stations	\$0.6
Total	\$29.5

The evaluation rubric reflects the factors identified in CTA's Transit Asset Management (TAM) Policy Statement by project requestors.

CTA's primary capital project evaluation factors are:

- Safety and Security
- Customer Service
- Accessibility
- Operations and Maintenance

Additional key considerations include:

- Equity
- Risk avoidance/mitigation
- Regulatory compliance
- Construction and Staging

For projects that involve replacing or renewing existing assets, the SOGR questionnaire is used to collect information on asset condition and whether the proposed project impacts accessibility or identifiable safety risks. The graphics shown on this page summarize all capital needs identified in the 2025-2029 project call.

System-wide identified capital investment needs total \$38.1 billion. Of those identified needs, \$8.6 billion are funded, while the remaining \$29.5 billion are unfunded. The largest category of investment needs is Rail Infrastructure renewal and modernization, with major needs also identified for revenue vehicles.

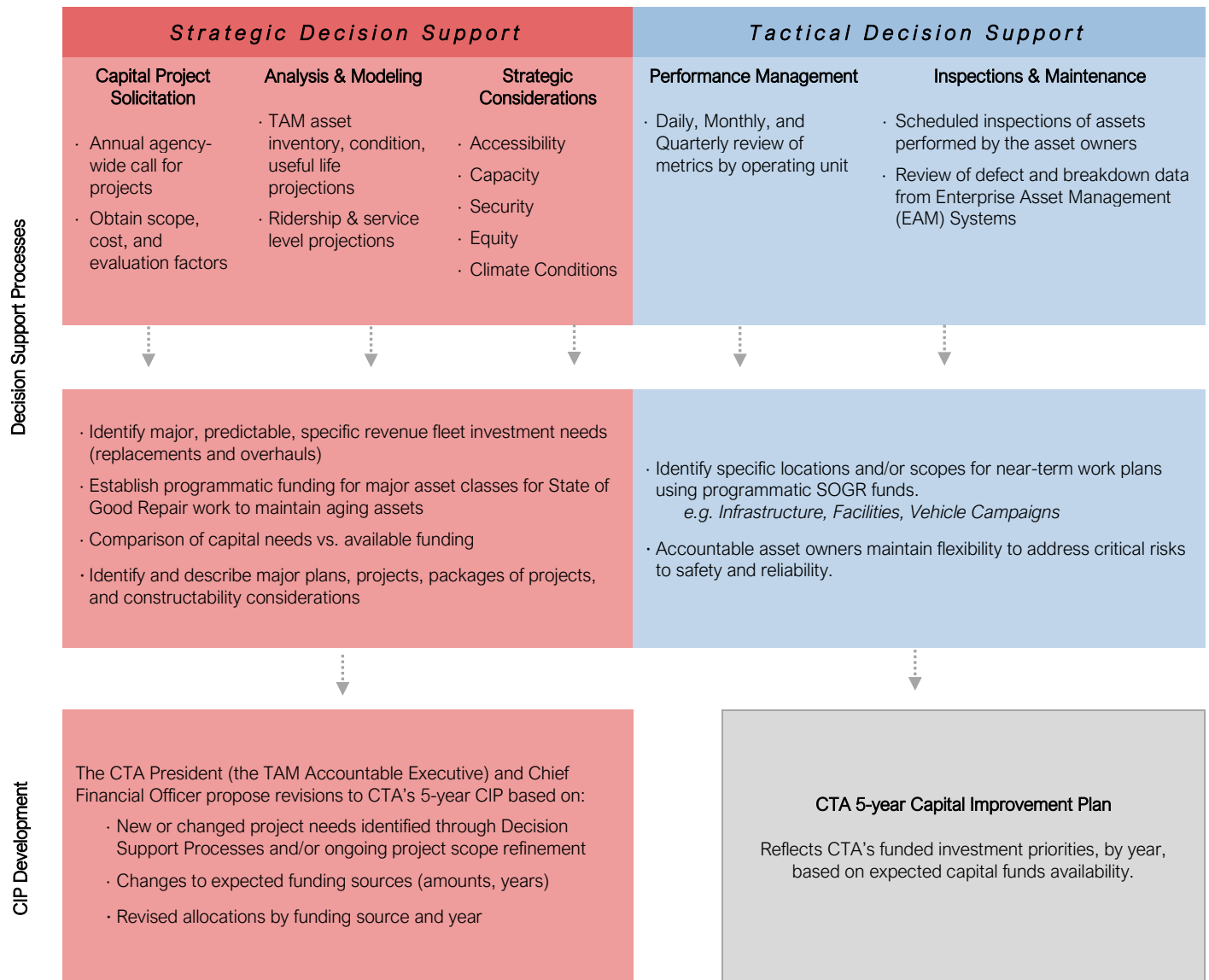
Capital Investment Decision Process

CTA's estimated baseline capital funding needed to maintain the condition of its existing asset base is roughly \$1 billion per year. In addition, CTA estimates a current backlog of over \$20 billion in overdue replacements. Historically, the amount of available capital funding has fallen short of the amount required to reduce or eliminate the backlog.

The current five-year transit funding programs are the State of Illinois "Rebuild Illinois" and the federal "Infrastructure Investment and Jobs Act" (IIJA). Starting in 2020 and 2022 with funding from the State and Federal programs CTA has been able to limit the backlog funding gap, and over the next couple of years CTA will have started and completed major projects that will have a significant impact on SOGR.

To continue this momentum, in 2025 and 2026 a new State and Federal five-year transit funding program will need to be authorized and enacted by legislative bodies to maintain funding for transit going forward without gaps.

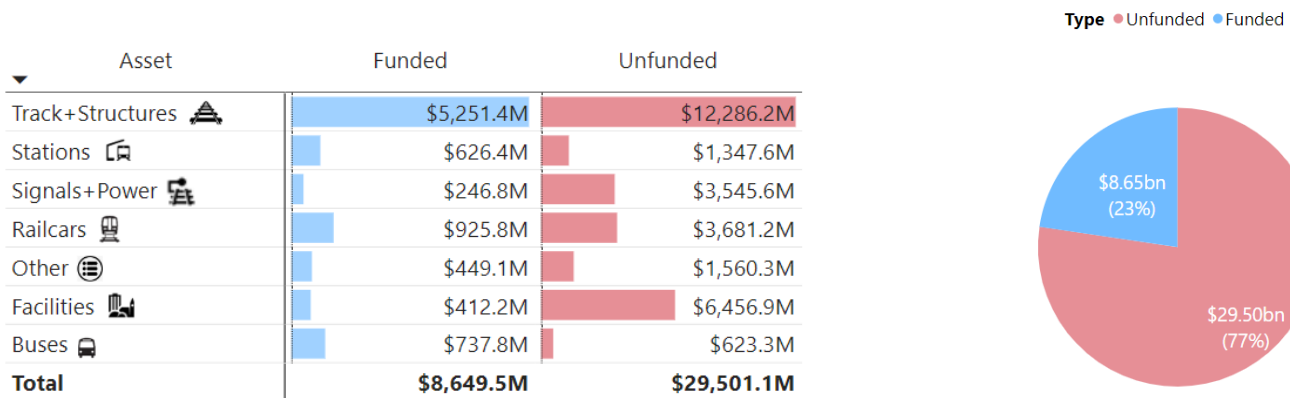
Capital investment decisions at the CTA necessitate careful trade-offs in allocating funding among various state of good repair needs and strategic goals. To facilitate this process, the CTA employs several tools and processes that provide key decision-makers with essential information to guide their investment choices.



Total Identified Needs by Project Type



Funded vs. Unfunded Needs by Asset Identified Needs



Please note that RPM Phase One investments are allocated to their respective asset types. Funded totals include prior year funds for projects in progress and proposed FY25-29 funds.

All Stations Accessibility Program (ASAP)

Currently, 104 of CTA's 146 stations (71.2 percent) are accessible. In August 2024, CTA open the new Damen Green Line Station for service. The Damen station has elevator access to both platforms that are wider for increase capacity and improve circulation. CDOT secured funding and managed the construction of the new station. Going forward, CTA has funding secured for 13 of the inaccessible stations on the system and CDOT has secured funding for State/Lake, for a total of 14 stations to be made accessible. Those stations are Austin-Green, Oak Park-Green, Ridgeland-Green, Montrose-Blue, California-Blue, Irving Park-Blue, Belmont-Blue, Racine-Blue, Pulaski-Blue, State/Lake (CDOT) – Loop, Berwyn-Red, Bryn Mawr-Red, Lawrence-Red, and Argyle-Red.

Once construction is complete, CTA will have 118 accessible stations out of a total of 146 stations (81 percent). Of these, six are in Construction (Berwyn-Red, Bryn Mawr-Red, Lawrence-Red, Argyle-Red, Racine-Blue, and Austin-Green); three are in design (Montrose-Blue, California-Blue and State/Lake-Loop); and five are in project planning, moving into design (Irving Park-Blue, Belmont-Blue, Pulaski-Blue, Oak Park-Green, and Ridgeland-Green).

Phase 1 (100 percent Funded):

- Blue Line: Montrose, California, Racine
- Green Line: Austin
- Loop: State/Lake
- Red Line: Argyle, Bryn Mawr, Berwyn, Lawrence

Phase 2 (45 percent Funded; Schedule Design and Future Construction):

- Blue Line: Pulaski, Irving Park, and Belmont
- Green Line: Oak Park & Ridgeland
- Plans for future Station(s) in the RPM Next Phases plan.

In addition to these stations, CTA has \$37 million in funding for elevator replacements and/or modernizations of existing elevators across the system. CTA is currently completing an inventory of these elevator conditions to be able to put construction packages together for these to be modernized or replaced.

Fleet Management Plans

CTA has developed FTA-compliant Bus and Rail Fleet Management Plans (FMPs) to guide major capital investments in the revenue vehicle fleet. The FMPs are essential to the capital programming process as they:

- Estimate the required fleet size over the next 10 years based on projected ridership, service levels, and maintenance programs.
- Identify the target timeline and sizes of major vehicle purchases and retirements, i.e., the optimal number of vehicles that should be purchased, retired, or overhauled each year over the next 10 years.
- Identify constraints or deficiencies in maintenance and operating facilities that may hinder future operations.

The current Bus Fleet Management Plan (covering the period 2019-2033) identifies the following purchases and maintenance activities necessary to maintain a fleet of approximately 1,800 buses in a state of good repair

with sufficient capacity to meet expected service levels:

- The purchase of up to 457 new 40' buses between 2023-2026 to replace 40' buses that have exceeded their 14-year useful life.
- The purchase of up to 140 new 60' buses between 2023-2026 to replace 60' buses that have exceeded their 14-year useful life.
- The purchase of up to 700 new buses between 2027-2033 to replace 40' buses that have exceeded their 14-year useful life.
- The purchase of up to 170 new 60' buses between 2027-2029 to replace 60' buses that have exceeded their 14-year useful life.
- Mid-life overhauls on up to 215 existing buses between 2023-2024 to ensure newer buses provide reliable service for their full-service life. (See note #1 below.)
- Life-extending overhauls on up to 608 buses between 2023-2024 to extend their service life by four years and space out fleet replacements. (See note #2 below.)
 - 1) The mid-life overhaul program as identified in the fleet management plan above calls for in 2023 and 2024 the ongoing overhaul of the 4300-Series buses and the start of work on the 7900-Series buses. The 4300-Series work continues into 2024 as planned, while the 7900-Series work is now scheduled to begin in 2025.
 - 2) The life extending overhaul for a select number of 1000-Series buses plan for 2024 is to be determined based on costs, market conditions, vendor availability, and CTA service needs. The work on these buses will begin in early 2025.

The current 2019-2033 Rail Fleet Management Plan identifies the following purchases and overhauls necessary to maintain a fleet in a state of good repair with sufficient capacity to meet expected service levels:

- The CTA plans to purchase up to 846 new railcars (the 7000-Series) between 2021 and 2029. This acquisition aims to replace aging railcars that have exceeded their expected useful life and expand the fleet by up to 230 railcars. This expansion is intended to accommodate anticipated ridership and service growth following the completion of the RPM Phase One project, the planned Red Line Extension, and future service increases across various rail lines. The procurement of additional railcars beyond the initial 400-car base order will depend on agreements for the production of option cars.
- Continue performing quarter-life overhauls on the 714 cars of the 5000-Series through 2026.
- A life extension overhaul for 100 cars of the 3200-Series is planned in 2026.

Strategic Initiatives

Capital investment is also informed by long-term strategic analyses and several strategic investment plans have been developed, including:

- The All-Stations Accessibility Program (ASAP), a roadmap to achieve 100 percent ADA accessibility across the rail system.
- System expansions and major improvements to rail and bus service, including the Red Line Extension project.
- Red Line Transit-Supportive Development Plan, the CTA, and the Chicago Department of Transportation (CDOT) have advanced a plan to be used as guide for future development in communities located near the Red Line Extension project station areas.
- Transition to an all-electric bus fleet by 2040, as described in CTA's Charging Forward report.

- Core Capacity Modernization studies to mitigate constraints on future ridership growth and identify projects/programs to address projected changes.
- The Better Street for Buses Plan, the Chicago Transit Authority (CTA) and the Chicago Department of Transportation (CDOT) have launched the City's first framework plan to improve street infrastructure for public bus service. The plan establishes a network of corridors to prioritize, and a toolbox of street treatments to consider as solutions. It lays the groundwork for improved bus services citywide through ongoing investments in street, signal, and sidewalk infrastructure—all designed to achieve faster and more reliable bus service, improved access to bus stops, and better bus stops.

Planning documents and/or information pertaining to these initiatives are available on the CTA and RTA websites.

Alignment with Regional Goals

CTA's capital program exists within a regional context. Major projects are also considered with respect to their alignment with the RTA's Regional Transit Strategic Plan, Transit is the Answer, and with CMAP's 30-year comprehensive regional plan, ON TO 2050.

The RTA Strategic Plan serves as a guide or benchmark for the region's Service Boards to plan the ten-year priority program of major projects, both funded and unfunded, and serves as a guide to projects to be considered for programming as new funding becomes available.

Regional coordination between intergovernmental agencies is key to timely and successful implementation and construction of most major capital construction projects. One example of this coordination, in 2024 CMAP, CTA, and IDOT have formed a partnership facilitated by CMAP the regional planning agency to develop project plans for the future reconstruction of the Interstate 290 highway and CTA Blue Line Corridor. The partnership will allow the project stakeholders to advance and accelerate the I-290/Blue Line Corridor Program by implementing a program framework that fosters interagency collaboration, leverages stakeholder expertise, and utilizes a Program Management Office to provide critical technical support for project sequencing, financing, coordination, and public engagement.

Funding Considerations and Fiscal Constraints

The magnitude of CTA's capital investment needs – well over \$20 billion over the next 10 years, as identified by the above decision support processes – far exceeds available funding. The actual funding available each year from each source is factored in project sequencing and incorporation into the final proposed five-year CIP. Different capital funding sources come with specific restrictions on their use, meaning that grant funds awarded for particular projects are often non-fungible. As a result, the final Capital Improvement Program (CIP) may occasionally prioritize and execute a lower-ranking project over a higher-ranking one, depending on the availability of funding. This flexibility allows the CTA to adapt to changing circumstances and ensure that critical improvements can still be made within the constraints of available resources.

Due to the need to ensure service operates safely and reliably in an inconsistent funding environment, CTA uses programmatic capital funding allocations in the CIP for the maintenance and renewal of certain asset classes. This approach helps to ensure that sufficient capital funding is available to address urgent targeted capital renewal needs as they arise.

Uses of Funds by Asset Category

Projects are funded under the six asset categories in CTA's proposed FY2025-2029 capital plan. Rail system projects receive a significantly

larger portion of the proposed capital program funding than bus projects, primarily due to the need to maintain an exclusive right-of-way for rail, while buses operate on streets maintained by other units of government.

The capital projects proposed for FY2025-2029 aim to address the CTA's most critical needs across the bus and rail system, customer facilities, and systemwide support. Major planned or ongoing projects during this period include:

- Red Line Extension: Extending the line from 95th to 130th Street.
- All Stations Accessibility Plan (ASAP): Design and construction for the next series of rail stations to enhance accessibility.
- Elevator and Escalator Replacements: Upgrading aged elevators and escalators throughout the system.
- North Main Line Renewal: Renewal of special track and structures along the North Main Line.
- Bus System Electrification: Engineering assessments and design plans for converting the bus system infrastructure to fully electric.
- Bus Facility Conversions: Initial construction efforts for converting bus facilities.
- Bus Turnaround Improvements: Construction and rehabilitation of select bus turnarounds.
- Rail Maintenance Upgrades: Necessary upgrades to rail maintenance facilities.
- New Vehicle Purchases: Acquisition of up to 846 new railcars and over 600 new buses, including additional electric buses.
- Fleet Overhauls: Overhauling approximately half of the existing rail fleet and over a quarter of the bus fleet.
- Replacement of Heavy-Duty Vehicles and Equipment: Replacing over-age heavy-duty vehicles and shop equipment used for transit operations support

[INTENTIONALLY LEFT BLANK]

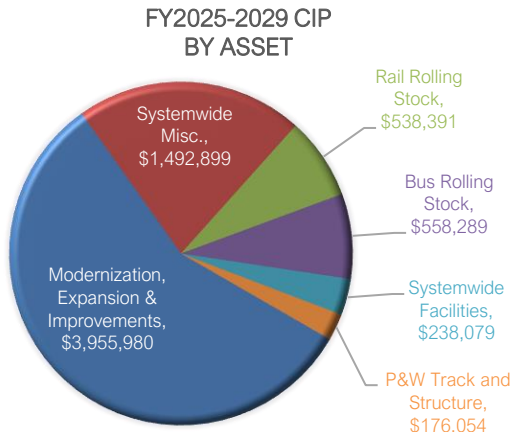
The following tables show the proposed FY2025-2029 Capital Improvement Program by category:

**FY25-29 CIP by Asset Category
(in thousands)**

	Title	2025	FY26-29	5Yr. Funding
Bus Projects	<u>Rolling Stock</u>			
	Bus Maintenance	\$12,374	\$49,495	\$61,869
	Perform Mid-Life Bus Overhaul	\$36,690	\$80,423	\$117,113
	Replace Buses	\$73,514	\$305,793	\$379,307
	Sub-Total	\$122,578	\$435,711	\$558,289
Rail Projects	<u>Modernization, Expansion & Improvements</u>			
	Red Line Extension	\$612,109	\$3,343,871	\$3,955,980
	Sub-Total	\$612,109	\$3,343,871	\$3,955,980
	<u>Power & Way Track and Structure</u>			
	Infrastructure Safety & Renewal Program	\$9,596	\$166,459	\$176,054
	Sub-Total	\$9,596	\$166,459	\$176,054
Systemwide Projects	<u>Rolling Stock</u>			
	Perform Rail Car Overhaul	\$30,241	\$158,503	\$188,744
	Purchase Rail Cars	\$53,053	\$296,593	\$349,646
	Sub-Total	\$83,295	\$455,096	\$538,391
Systemwide Projects	<u>Miscellaneous</u>			
	Bus Turnaround ADA & Site Improvements- Halsted and 79th Street	\$3,345	\$56,580	\$59,925
	Fiber Optics Communication/ Network Upgrades	\$5,000	\$14,929	\$19,929
	All Station Accessibility Program	\$20,960	\$99,159	\$120,119
	Information Technology	\$4,200	\$6,412	\$10,612
	Equipment and Non-Revenue Vehicles Replacement	\$61,601	\$5,761	\$67,362
	Bus Shelter Signs Upgrade	\$3,200	\$0	\$3,200
	Train Tracker Digital Signage Upgrade	\$7,967	\$7,033	\$15,000
	Rehabilitate Rail Stations	\$3,000	\$40,700	\$43,700
	Implement Security & Communication Projects	\$21,000	\$40,569	\$61,569
	Subway Life Safety	\$5,250	\$12,750	\$18,000
	Capital Improvement Program Management	\$9,437	\$77,970	\$87,407
	Bond Repayment, Interest Cost, & Finance Cost	\$212,134	\$773,943	\$986,076
	Sub-Total	\$357,094	\$1,135,805	\$1,492,899
	<u>Support Facilities & Equipment</u>			
	Improve Facilities - Systemwide	\$17,200	\$87,878	\$105,079
	Electric Bus Facilities Engineering/Construction	\$0	\$133,000	\$133,000
	Sub-Total	\$17,200	\$220,878	\$238,079
Capital Project Total		\$1,201,871	\$5,757,820	\$6,959,691
CTA Share for Competitive Grants		-\$125	-\$500	-\$625
Marks		\$1,201,746	\$5,757,320	\$6,959,066
Marks/Variance		0	0	0

Core Requirements for the Five-Year Capital Improvement Program (CIP)

The 2025-2029 CIP continues to prioritize projects that focus on improving safety, reliability accessibility, equity and meeting regulatory requirements. We have added a core requirement identifier to display the type of project the Agency is funding.



Core Requirements Type of Projects and their Implications for the Capital Program:

- **Maintain and improve safety and reliability.** This core requirement is focused on infrastructure improvements that improve the safety of passengers and staff, as well as security of the system. Investment in this category might include new and enhanced camera and communication systems, improved lighting at stations and facilities, or technologies for improved incident response. Ensuring that aging assets are maintained and replaced when needed to maintain the continuity of safe and reliable operations throughout the existing regional transit system is a crucial factor in regional and Service Board capital programming processes.
- **Achieve full accessibility.** The agencies have been working diligently to achieve full accessibility of the transit system to all riders, including those with physical disabilities. Investment in this category might include station and facility reconstructions to fully meet accessibility needs, replacement of aged elevators, new and upgraded signage and wayfinding systems, improvements for accessing bus stops and stations, or technology innovations to provide improved access to people with disabilities.
- **Improve equity.** These types of investments improve access to transit and the opportunities across the large and diverse RTA region. This might include providing improvements to serve residents of low income and disinvested neighborhoods with reconstructed facilities or enabling new services to increase access to employment opportunities.
- **Meet regulatory requirements.** Meeting regulatory requirements that make the northeastern Illinois transit system safer and more accessible is an ongoing programming need. Investment in this category might include new systems such as Train Control systems, new vehicle standards to meet crash or emission requirements, or technology to support security or reporting requirements.

Bus Rolling Stock Projects

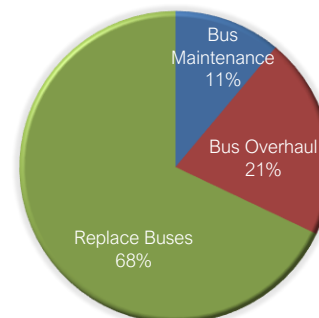
CTA has a large bus fleet consisting of over 1,800 buses, operating on 127 routes, and is committed to providing its customers with high quality service. The system's success depends in part on CTA's ability to renew, maintain, and operate its bus fleet in a state of good repair.

The Bus Overhaul program is intended to obtain the full useful life of buses by performing scheduled tasks that decrease equipment downtime and unscheduled maintenance, which occurs when buses fail in service, disrupting operations, inconveniencing customers, and increasing operating costs. Bus overhauls are necessary to maintain the fleet in a SOGR, reduce operating costs, and improve service.

The Bus Replacement program encompasses the engineering, purchasing, and inspection of fully accessible buses. Each bus procurement includes provisions for spare parts and post-delivery performance monitoring, along with technical support for resolving any issues that arise during the warranty period.

Funding for these projects will support an ongoing capital maintenance program designed to keep buses in service through regular inspection, detection, and prevention of potential failures. Routine overhauls and upgrades will help minimize increases in operating costs associated with older equipment, leading to more reliable service. Newer buses, with their lower operating costs, will enhance service reliability and reinforce the CTA's commitment to providing high-quality bus service for riders.

**FY2025-2029 ALLOCATION FOR BUS
ROLLING STOCK \$558M**



❖ Perform Bus Maintenance Activities - \$61.9M

Title: Perform Bus Maintenance Activities (P1)

Budget: \$61.9M

Core Requirement: Maintain and Improve Safety Reliability.

Description: CTA plans to correct critical defects and deficiencies on the bus fleet discovered during the inspection. The scheduled maintenance program consists of planned preventive maintenance work to maintain optimal bus performance. While major overhaul work is performed on a mid-life cycle basis, additional focused work is required at certain intervals over the life of the bus. Major systems that must be maintained on buses include engines, transmissions, and electrical systems, among others. Maintenance tasks are performed by the CTA's maintenance teams at bus garages, tailored to specific work specifications. Major systems that must be maintained on buses include, but are not limited to, engines, transmissions, and electrical systems. Work is performed by CTA's maintenance teams at bus garages dependent on work specification.

❖ **Perform Mid-Life Bus Overhaul - \$117.1M****Title:** Life Extending Bus Overhaul - 430 buses (1000-Series)**Budget:** \$18.3M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will provide for the Life-Extending Overhaul of a select number of the CTA 1000-Series buses. This will enable the buses to operate in service until 2028/2029. CTA is in the process of procuring up to 600 new buses to replace the remaining 1000-Series buses. By extending the life on these select buses, CTA will be able to level out the annual bus replacement need as it transitions to acquiring an all-electric bus fleet.**Title:** Mid-Life Bus Overhaul – 450 buses (7900-Series)**Budget:** \$98.8M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will support the mid-life overhaul of up to 450, 7900-Series Nova buses. 7900-Series Buses have been in service since 2014-2017.❖ **Replace Buses - \$379.3M****Title:** Purchase up to 208 Electric Buses (4000-Series) and Charging Equipment**Budget:** \$304.7M**Core Requirement:** Meet regulatory requirements.**Description:** Funding enables a new procurement of electric buses to replace 208 Articulated 4000-Series buses. CTA has operated two electric buses since 2014 and added twenty-three more buses to the fleet in 2022. CTA has exercised an order to procure an additional twenty-two electric buses that are anticipated to be entered into service in late 2025 and early 2026.**Title:** Replace Buses Options 500 of 1,030 -New Flyers**Budget:** \$74.5M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding provides for the procurement of up to 500 buses to replace the 1000-Series buses that have been in service since 2006-2007. The contract consists of a base order for 100 buses and an option(s) to acquire an additional 500 buses. The base order buses were delivered in 2022. The first 170 of the option buses were delivered in 2023, another 250 expected in 2024, and the remaining 80 buses in 2025.**Rail Modernization, Expansion & Improvements**

Rebuilding vital infrastructure for Chicago's present and future is one of CTA's top priorities. Investments on the Red Line Extension project, a major transformational project, – will continue in 2024. When completed, the project will provide faster service, modernized stations, and improved mobility and accessibility to customers in more communities.

❖ **Red Line Extension Project - \$3.96B****Title:** Red Line Extension**Budget:** \$3.96B**Core Requirement:** Improve Equity & Achieve Full Accessibility.**Description:** The FY2025-2029 CIP funds \$3.95 billion. The cost to design, construct, and finance project totals to \$5.75 billion. The proposed Red Line Extension (RLE) project will extend the Red Line from the existing terminal at 95th Street to 130th Street. The 5.6-mile extension will include four new, fully accessible stations at 103rd Street, 111th Street, Michigan Avenue, and 130th Street. Multimodal connections at each station will include bus, bike, pedestrian, and park & ride facilities. The project will also include a new railyard and shop near 120th Street.**RLE Benefits:**

- Reduces commute times within and south of the project area.
- Improves mobility and accessibility for transit-dependent residents.
- Improves rail transit service to this service area, allowing critical links between housing, jobs, services, and educational opportunities which will enhance neighborhood livability and vitality.
- Improves connections to other transit modes including regional commuter rail and suburban bus in the project area.
- Fosters economic development as new stations will serve as catalysts for neighborhood revitalization.
- Provides a modern rail car storage and shop facility to provide storage and maintenance for railcars.

Project Status

- RLE has made significant progress in the last several years and has successfully entered the Engineering phase of the federal New Starts funding program.
- The CTA issued a Request for Qualifications in 2022 to find contracting teams that had the experience and ability to build a large, complex rail project like the Red Line Extension. CTA subsequently qualified three contracting teams:
 - FH Paschen, Ragnar Benson, Milhouse and BOWA Joint Venture
 - Kiewit Infrastructure
 - Walsh VINCI Transit Community Partners
- The CTA invited the three qualified contracting teams to submit design-build proposals for the construction of the project through a Request for Proposals (RFP) process in 2023. Proposals from these contracting teams were evaluated based on various criteria, including experience, price, and additional factors. In August 2024, Walsh VINCI was selected as the design-build contractor for the project, marking a significant step forward in the extension's development.
- CTA has begun the property acquisition process and retained East Lake Management to manage all properties acquired for RLE. Demolition Design and Construction contracts have been established for property demolition efforts, emphasizing DBE participation. Demolition will begin in Q4 2024.
- The RLE Transit Supportive Development Plan (TSD) was completed and adopted by City of Chicago Plan Commission in May 2023. The TSD Plan is a proactive effort to create a guide for future development in the long-disinvested communities located near the RLE project area. The plan is the culmination of significant community engagement, agency coordination, and technical analysis.
- CTA expects major construction of this project to begin in late 2025. The project start date is dependent on securing full project funding.

[INTENTIONALLY LEFT BLANK]



Power & Way Projects, Track & Structure

CTA's Power and Way infrastructure consists of track, signal, electrical, communication and structure assets that are essential in the safe operation of the rail system.

FY2025-2029 ALLOCATION
P&W ELECTRICAL \$176M



❖ Infrastructure Safety & Renewal Program - \$176.0M

Title: Elevated Track and Structure Systemwide

Budget: \$47.9M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Project funds will be targeted to capital maintenance projects throughout CTA's right-of-way infrastructure. All work planned and performed will maintain the asset(s) in proper condition through its quarter-life cycle(s), while a more extensive rehabilitation is planned at the mid-life of the asset.

Title: Embankment and Viaduct Rehabilitation – Systemwide

Budget: \$46.7M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Project funds will be used to rehabilitate embankment and viaduct structures systemwide.

Title: North Mainline - Special Track and Geometry Improvements

Budget: \$49.4M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Project funds will provide for replacement of the ties, track planking, turnout plates, diamond plates, fasteners, and contact rail chairs in the special trackwork at Belden, Altgeld,

Oakdale, and Barry interlockings. The proposed modifications address the curves north and south of Fullerton Station, north of the Diversey Station, guarded curves over George Street, and curves south of the Belmont Station.

Title: North Mainline – Armitage Interlocking Special Track Improvements

Budget: \$31.9M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Project funds will provide for replacement of the special trackwork including ties, plates, fasteners, frogs, track planking, timber guard, and contact rail chairs in the diamond crossover track configuration. Associated signal and traction power work would also be performed as part of this project.

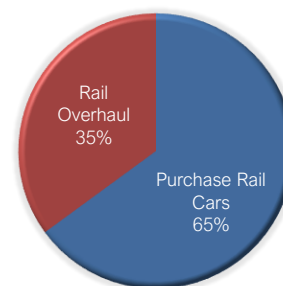
Rail Rolling Stock

CTA has a large fleet of over 1,400 rail cars operating on 224 miles of track serving 146 stations.

The Rail Overhaul Program is intended to correct critical defects and deficiencies discovered during inspection. Overhaul activities include major component rebuild and needed repairs to rail car bodies, providing improved reliability, comfort, and cost-effectiveness of transit service, making it more attractive and beneficial to customers. Scheduled maintenance activities and replacing rail cars at the appropriate time allows CTA to improve the quality and service reliability of rail cars while reducing maintenance costs. As more rail cars are cycled through the overhaul program, unscheduled maintenance will be significantly reduced.

CTA's Rail Car Purchase Program will provide for the engineering, design services and project management to purchase new rail cars. All procurements will include post-delivery monitoring of vehicle performance and technical support for problem resolution through the warranty period.

FY2025-2029 ALLOCATION FOR
RAIL ROLLING STOCK \$538M



❖ Perform Rail Car Overhaul - \$188.7M

Title: 5000-Series Qtr. Overhaul - 714 Cars

Budget: \$1.9M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Funding will facilitate the purchase and installation of components necessary for the overhaul of 714 of the 5000-Series rail cars. This work will include major rebuilds and repairs to the car structure, components, and interiors, designed to occur

approximately every six to seven years. The overhaul work is currently underway and is scheduled to continue through 2025 and into the first half of 2026, ensuring the reliability and safety of the rail fleet.

Title: Life Extending Overhaul 2600/3200-Series rail cars

Budget: \$119.1M

Core Requirement: Maintain and Improve Safety Reliability.

Description: This project will provide for the life extension overhaul for the 2600/3200-Series rail cars. This life extending overhaul is critical due to the slower than projected stream of 7000-Series rail cars.

Title: Replace Video System on the 3200 and 5000-Series rail cars

Budget: \$10.1M

Core Requirement: Maintain and Improve Safety Reliability.

Description: This project will replace the existing video system on the 5000-Series rail cars which is obsolete and no longer supported by the vendor. Replacement of video system is essential to CTA as safety and security of customers and employees is the top priority for the Agency.

Title: Propulsion Kits 2600 & 3200's Series Life extending Overhaul - Phase I

Budget: \$57.5M

Core Requirement: Maintain and Improve Safety Reliability.

Description: This project will replace the propulsion control system on all 3200-series rail cars and the option to replace the propulsion control system on another 200 of the 2600-series rail cars. The new propulsion control system with a solid-state technology will provide power to the rail cars in a more energy efficient and reliable way. This system will allow regeneration of power back to the third rail during braking, reducing overall energy usage.

❖ Purchase Rail Cars - \$349.6M

Title: Purchase Rail Cars - 7000' Up to 846 Rail Cars 7000-Series)

Budget: \$248.4 million

Core Requirement: Maintain and Improve Safety Reliability.

Description: CTA plans to acquire a total of 846 rail cars to replace aged cars, provide for future service increase, and for the expansion of service. The contract provides for a base order of 400 cars and Options of up to 446 additional cars. As of September 2024, the first 400 cars are currently in the production phase and Option cars with final contract agreement are expected to enter into production in 2027.

Title: Future Order – New 7400 Series Rail Cars

Budget: \$101.2M

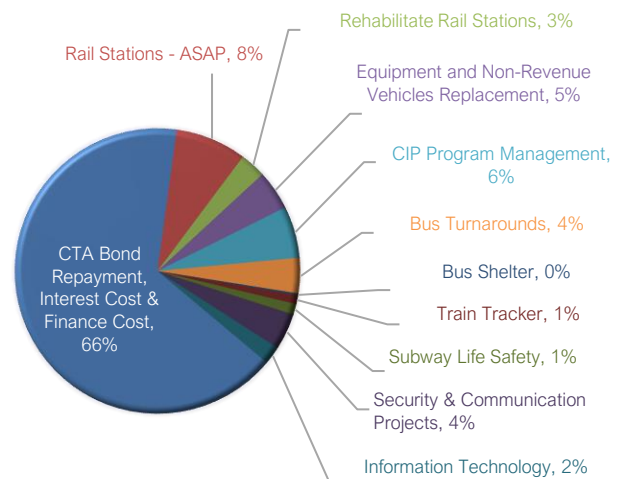
Core Requirement: Maintain and Improve Safety Reliability.

Description: Provides for initial cash needed for the future order of new rail cars Series-9000.

Systemwide Projects

Systemwide improvements such as Information Technology, Equipment and Non-Revenue Vehicles, Rehabilitate Rail Stations, Implement Security and Communication Projects, and enhancing customer amenities are vital projects for enhancing the Authority's System Infrastructure. Administration projects, such as CIP Management and Bond Repayment, are necessary to support CTA's Capital Improvement Program.

FY2025-2029 CIP ALLOCATION FOR
SYSTEMWIDE MISC.- \$1.4B



Miscellaneous

❖ Bus Turnaround ADA & Site Improvements -- \$59.9M

Title: Bus Turnaround ADA & Site Improvements- Halsted and 79th Street

Budget: \$7.9M

Core Requirement: Achieve full accessibility.

Description: This funding will provide for an ADA accessible bus turnaround. Work includes reconstruction of the concrete island platform with ADA ramps, guardrails, and required barriers; addition of an accessible sidewalk path to the island platform crosswalk; complete reconstruction of the bus turnaround and associated pavement, including new ADA curb ramps; new signage, LED lighting, cameras, passenger windbreaks, and landscaping; upgraded toilet facilities for accessibility with new utility connections; and addition of public art. Addition of push button for audio for next bus/train schedule, tactile path, tactile signage, heat lamps and LED lights.

Title: Bus Turnaround Improvements - Employee Restrooms

Budget: \$25.7M

Core Requirement: Achieve full accessibility.

Description: This funding will provide for permanent restroom facilities at bus turnarounds where they currently do not exist. Portable toilet services are provided at several locations throughout the system via third party lease agreements, but these portable toilets are inadequate in meeting the needs of CTA personnel.

Title: Bus Turnaround Improvements- Priority Locations

Budget: \$26.3 million

Core Requirement: Achieve full accessibility.

Description: This funding will provide for the reconstruction of bus turnarounds at existing terminals and construction of a new terminal at a new location.

❖ Fiber Optics Communication/Network Upgrade - \$19.9M

Title: Fiber Optics Communication/Network Upgrade

Budget: \$19.9M

Core Requirement: Maintain and Improve Safety Reliability.

Description: This funding will enhance the CTA's Operational Technology Network by upgrading its core infrastructure, firewall, and overall network capabilities. The investment will include the

addition of cybersecurity tools and services aimed at identifying, protecting, detecting, responding to, and recovering from cyber threats and vulnerabilities. This initiative will bring the CTA into compliance with industry best practices, modernizing IT and security systems while also improving the quality of data shared with Chicago's Office for Emergency Management and Communications. Ultimately, these upgrades will bolster the CTA's resilience against cyber threats and enhance overall operational efficiency.

❖ Information Technology - \$10.6M

Title: Upgrade Technology Systems:

Budget: \$6.4M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Funding will support the upcoming enterprise system upgrades, including the Transit Operating Planning System (TOPS), Material Management and Information System (MMIS), and Hastus applications.

- TOPS is utilized by Bus Operations, Rail Operations, Bus Maintenance, and Rail Maintenance for tasks such as employee scheduling, daily assignments, workforce management, and payroll preparation.
- MMIS manages repairs and parts issuance for the CTA Bus and Rail fleet.
- Hastus is a Planning/Scheduling software, which aids in planning, operations, customer information, and analysis.

These upgrades will enhance operational efficiency and improve the overall management of the transit system.

Title: Bus Router Replacements (MP070's)

Budget: \$4.2M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Funding will provide for necessary technological refresh of the bus routers and Intelligence Vehicle Network (IVN's) computer system on the buses to ensure the bus communications network and data management is optimized. CTA buses are currently equipped with these items that allow for the bus to communicate with control operations, and powers the related systems including Bus Tracker, Transit Signal Prioritization, video feeds, automatic bus announcements, vehicle location, and bus arrival sign updates. The upgrade/refresh would be applied to the entire fleet of buses.

❖ Equipment and Non-Revenue Vehicle Replacement - \$67.4M

Title: Equipment and Non-Revenue Vehicles Programs

Budget: \$2.8M

Core Requirement: Maintain and Improve Safety Reliability.

Description: CTA will invest funds annually to replace aged equipment and vehicles used by CTA maintenance groups that include Bus, Rail, Power & Way, and Facilities. Types of equipment to be replaced include the following: floor scrubbers and sweepers, vehicle washer parts, jack stands, electrical hoists, shop cranes, utility trucks, forklifts, and payloaders along with other equipment.

Title: Non-Revenue Utility Vehicle Replacement – Infrastructure

Budget: \$1.2M

Core Requirement: Maintain and Improve Safety Reliability.

Description: CTA will invest funds annually for a multi-year program to replace, renew, or lease vehicles assigned to the Utility Group with CTA Facility Maintenance. These vehicles are used to provide essential functions for maintaining safe and continuous operation of CTA rail and bus operations. These vehicles include trucks, vans, truck-mounted machinery, snowplows, mobile workspaces, and transport vehicles for other equipment, personnel, and supplies.

Title: Rail Borne Equipment

Budget: \$5.0M

Core Requirement: Maintain and Improve Safety Reliability.

Description: CTA will invest funds annually in a multi-year program to provide for the priority replacement of the Agency's rail borne equipment based on condition and age as reported in the CTA TAMP. Examples of equipment includes car movers, rail borne sewer vacuum, subway washer vehicle, rail profile grinder, rail cranes, two locomotive cranes (22 ton), two tie cranes w/ close clearance tie replacement head, sky trim tree trimmer, tie inserters, MKVI tamper and stabilizer.

Title: Ventra 3.0 Upgrade

Budget: \$58.3M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Funding will provide for the complete overhaul of the Open Standards Fare System (OSFS), called Ventra. This will be the first major overhaul of this complex technology tool in nearly 10 years. The current system is at end of life and requires significant management and maintenance to remain functioning. Due to the age of the current back-office and Ventra hardware, CTA is unable to launch more modern customer solutions or augment existing processes to improve reliability. The Ventra system was initially launched in 2013/2014 and since that time, fare collection technology has drastically improved, due in large part to the Ventra system. The Ventra upgrade or Ventra 3 project will move CTA, Pace and Metra onto a modern, open architecture platform that harnesses technology enhancements and fare system advancements from the past ten years.

❖ Bus Shelter Signs Upgrade - \$3.2M

Title: Bus Shelter Signs Upgrade

Budget: \$3.2M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Funding will provide for the replacement of up to 400 signs at Bus Shelters throughout the system.

❖ Train Tracker - \$15.0M

Title: Train Tracker

Budget: \$15.0M

Core Requirement: Meet regulatory requirements.

Description: Project will provide for the comprehensive overhaul of CTA's Train Tracker Signage at rail stations and integrate with the Authority's Public Address PA system, with disaster recovery/business continuity solutions, increased reliability, and compliance with ADA.

❖ Rehabilitate Rail Stations - \$43.7M

Title: Refresh and Renew Rail Stations

Budget: \$6.0M

Core Requirement: Maintain and Improve Safety Reliability.

Description: The Refreshed & Renewed Program is implemented to promote the continued safety, security and longevity of all CTA facilities including, not limited to: Rail Stations and Platforms, Bus Garages and Rail Shops across the system. Focusing on the Customer experience, both Internal and external, the program provides for improved overall lighting and wayfinding signage, newly painted & refreshed stations, safety, cleanliness, and appearance.

Title: Rail Stations – Station Modernization Systemwide

Budget: \$37.7M

Core Requirement: Maintain and Improve Safety Reliability.

Description: Funding will provide for targeted station improvement program that provides for the repair or replacement of the following:

signs, stairs, stainless steel handrails, stainless steel doors, flooring, ceiling, platform furniture refurbishment, LED lighting, tactile edge, wood platform, security fencing, and others. This work is beyond the Refresh and Renew program upgrades to stations.

❖ All Stations Accessibility Program - \$120.1M

In 2018, the CTA completed the All-Stations Accessibility Program (ASAP) Strategic Plan, committing to making the transit system fully accessible to people with disabilities. This initiative goes beyond federal requirements and involves retrofitting and rebuilding the remaining CTA stations that are not currently accessible or are in the process of becoming accessible. The project includes implementation and construction efforts aimed at ensuring vertical accessibility at these stations, enhancing inclusivity, and ensuring that all riders can navigate the system safely and comfortably.

Title: ASAP - Oak Park Ridgeland Construction - Lake Green Line

Budget: \$13.4M

Core Requirement: Achieve full accessibility.

Description: This funding will provide for a portion of the construction phase for the Oak Park and Ridgeland Green Line Station ASAP projects.

Title: ASAP - Next Phases

Budget: \$64.6M

Core Requirement: Achieve full accessibility.

Description: Project will provide for the next phases of the ASAP Program. Preliminary planned stations under next phases include Clybourn (Red), Cicero and Austin (Blue) and when/if discretionary funding becomes available would likely target additional stations on the blue line.

Title: ASAP – Elevator and Escalator Replacement

Budget: \$42.1M

Core Requirement: Achieve full accessibility.

Description: As part of the ASAP effort, the CTA developed the Elevator and Escalator Replacement Program to strategically maintain existing passenger elevators and escalators across the rail system as vertical accessibility is expanded via ASAP. This program will upgrade or replace aging elevators and escalators within the system. While the specific scope varies by location, the general scope of work includes demolition and/or removal of the existing equipment, modification of the existing structure, and fabrication and installation of the new escalator/elevator.

❖ Implement Security & Communication Projects - \$61.6M

Security and safety are paramount concern for the CTA organization. A professional security assessment of the CTA system identified priority investments in equipment and infrastructure to protect the public and the CTA employees as well as service continuity.

Title: Implement Security Projects (DIS)

Budget: \$30.0M

Core Requirement: Maintain and Improve Safety Reliability.

Description: This initiative will focus on identified priority investment in equipment and infrastructure to protect the public and the CTA employees as well as provide service continuity. Funds are intended for ongoing upgrades and the hardening of CTA's core security infrastructure networks.

Title: Public Address Communication Modernization & Upgrade

Budget: \$14.0M

Core Requirement: Meet Regulatory Requirements.

Description: The project will provide for the comprehensive overhaul of CTA's Public Address System to upgrade from antiquated and

obsolete technology to modern digital technology with disaster recovery/business continuity solutions, increased capacity, and compliance with NFPA 130.

Title: Rail Station Communications Infrastructure Modernization

Budget: \$10.0M

Core Requirement: Meet Regulatory Requirements.

Description: The project will provide for the comprehensive rehabilitation, overhaul, and expansion of communications infrastructure at all CTA rail stations to support new and modern technologies for customer facing as well as life safety functions.

Title: Security Camera Modernization and Upgrade

Budget: \$7.5M

Core Requirement: Maintain and Improve Safety Reliability.

Description: The project will provide for the comprehensive overhaul of CTA's CCTV Security Camera Video System to upgrade the Authority's camera and video management system and communications transport system from antiquated and obsolete technology to modern high-speed technology with disaster recovery/business continuity solutions, increased capacity, and inter-operability with City of Chicago OEMC.

❖ Subway Life Safety - \$18.0M

Title: Subway Life Safety

Budget: \$18.0M

Core Requirement: Maintain and Improve Safety Reliability

Description: This Program includes projects that improve safety across the CTA Right of Way (ROW), particularly in the subway systems and facilities to help meet life safety requirements per applicable codes. Life safety code standards encompass the construction, protection and occupancy features necessary to minimize danger from the effects of fire, including smoke, heat, and toxic gases created during a fire. This includes proper means of egress, lighting enhancements, subway ventilation and others.

- Ventilation improvements
- Vent shaft grate replacements
- Subway pumps and controls rehabilitation
- Subway emergency egress foot walks
- LED lighting improvements
- Emergency Light Feed (ELF) upgrades
- Subway sewer restoration

❖ Bond Repayment, Interest and Finance Costs-\$986.1M

Title: Bond Repayment, Interest and Finance Cost

Budget: \$986.1M

Core Requirement: Maintain and Improve Safety Reliability.

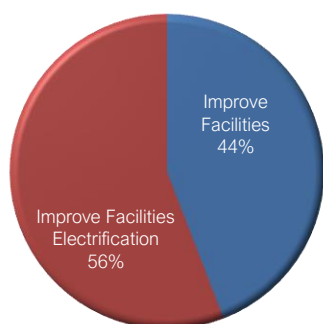
Description: This will fund debt service, bond issuance costs, and notes incurred by CTA when debt is used to finance capital activities, including:

- Payment of principal and interest costs associated with the Sales Tax bond series issued or refinanced in 2010, 2014, 2017, 2020, and 2022.
- Refinancing of Capital Grant bonds made in 2015, 2017, and 2021.
- Payment of principal and interest costs for two Short-Term Lines of Credit, which were used as interim financing for initiatives such as RPM and bus, rail, and facility maintenance projects.
- Payment of financing costs associated with planned Sale Tax Bond issuances for the construction of RLE project.

❖ **Capital Improvement Program Management - \$87.4M****Title:** Capital Improvement Program Support Service**Budget:** \$11.2M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding provides for Project Administration for the Federal Formula Granted capital projects. Funds are used to support a variety of tasks necessary to administer the project that include, but are not limited to, ensuring that quarterly and milestone progress reports are submitted on time, ensuring that sufficient funds are available for approved projects, reviewing and approving invoices for payment, submitting approved invoices for reimbursement, identifying and cataloging agency assets, preparing financial statements, and ensuring that approved projects meet expenditure goals established for the participation of DBEs.**Title:** Construction Program Management**Budget:** \$33.0M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Program Management (PM) provides ongoing support to CTA in the areas of, construction project oversight, construction-related planning, design, project scoping, estimating, project controls, closeout, and overall management of Infrastructure's Capital Construction Program.**Title:** Discretionary Match**Budget:** \$40.0M**Core Requirement:** Achieve full accessibility & Maintain and Improve Safety Reliability.**Description:** Funds provide local match contribution for federal competitive grants, some projects considered for funding include, but are not limited to: Bus Electrification, ASAP Program, and the new Procurement of 9000-Series Railcars.**Title:** Program Development - UWP**Budget:** \$3.1M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Provides for the development and administration of the FY2025-2029 CIP program of projects. CTA's program development and support staff develops and maintains the regional Transportation Improvement Plan (TIP) and the State Transportation Plan (STIP) as required under federal regulations.**Support Facilities & Equipment**

CTA has seven active bus garages, 10 rail terminals, 17 park & ride lots, 106 bus turnarounds, and other maintenance and support facilities critical in providing timely and efficient service to CTA's customers.

FY2025-2029 ALLOCATION
FOR SYSTEMWIDE FACILITIES
\$238M

❖ **Improve Facilities Systemwide - \$105.1M****Title:** Office Building Principal & Interest**Budget:** \$30.9M**Core Requirement:** Maintain and Improve Safety Reliability**Description:** Provides for capitalized lease payments for the CTA's central office administration building.**Title:** Maintenance Facilities Rehabilitation**Budget:** \$15.1M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will provide for preventive maintenance work at various CTA facilities systemwide. CTA facilities and applicable components receive preventive maintenance at regular intervals. This program would repair or replace key structural elements at station, bus and rail facilities that have been identified through structural inspections as being deficient.**Title:** Critical Needs**Budget:** \$10.0M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** The program would address the most immediate critical needs at CTA facilities systemwide to enable their safe and reliable operation.**Title:** Midway Shop - Wheel Truing Machine, Building Extension, and Access Track Configuration**Budget:** \$13.8M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** The project aims to enhance the efficiency of railcar maintenance at the Midway Rail Shop by addressing the limitations of the existing wheel truing machine, which cannot true all wheels on a railcar in a single operation. The scope of the project includes adding to the shop and constructing additional track to the north of the building. This expansion will allow for the truing of all wheels on a railcar pair simultaneously, streamlining the maintenance process and improving operational efficiency at the facility.**Title:** Railcar Maintenance Facility Improvements**Budget:** \$10.0M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will be targeted to rail facility maintenance projects at various CTA shops. Plan scope of work will include items such as rehabilitating rail car hoist equipment at Rosemont and Harlem maintenance shops. Planning and design for additional rail car body hoist at Rosemont, and the replacement of the wheel truing machine at the 54th Shop.**Title:** Roof Replacement - Phase 3 Substations**Budget:** \$4.9M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will be targeted to replace substation roofs that are worn, damaged, and beyond their life expectancies. Replacing roofs will provide safer environments for workers, protect existing facility structures and equipment from water damage, reduce the facility energy usage, and reduce roof repair and maintenance expenditures. Locations include Skokie, Douglas, Kolmar, Archer, Edmunds, Gage, Pershing, and Springfield substations.**Title:** Powerhouse Mechanical Upgrades**Budget:** \$939,000**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will be targeted to mechanical upgrades to support the existing four boiler systems which are approaching 70 years old. These improvements are needed to restore the numerous failures of the current antiquated system to remain operable under current normal conditions.

Title: Boiler Replacement (Rosemont)**Budget:** \$979,000**Core Requirement:** Maintain and Improve Safety Reliability.**Description** Funding will be targeted to boilers at Rosemont Rail Facility that are approximately 40 years old and are beyond their useful life. Replacing this equipment will lessen the maintenance of the systems as parts are becoming obsolete.**Title:** Building Envelope Repairs and MEP Upgrades Systemwide**Budget:** \$17.2M**Core Requirement:** Maintain and Improve Safety Reliability.**Description** Funding will be targeted to addressing a large backlog of building improvements needed to bring CTA's station, bus, and rail facilities into a state of good repair, including building envelope repairs and mechanical, electrical, and plumbing (MEP) upgrades.**Title:** Building Envelope Repairs Skokie Substation**Budget:** \$1.1M**Core Requirement:** Maintain and Improve Safety Reliability.**Description:** Funding will be targeted to addressing the building facade that is in a state of disrepair, causing water infiltration that will worsen over time and ultimately cause more significant damage, as well as worker safety issues. Specific building envelope repair needs include tuckpointing, sealant replacement, window and door replacement, and concrete repairs.❖ **Electric Bus Facilities - \$133.0M**

CTA has committed to a full electrification of the bus fleet by 2040, providing significant air quality improvements to the region and the immediate vicinity of the garage facilities. Implementing this program will require garages to be converted to allow for routing servicing / charging of the buses as well as new maintenance requirements. The work will generally involve significant electrical upgrades, installation of charger infrastructure, and general updates to the facility to support the conversion to an electric fleet.

Title: Bus Garage Electrification – 103rd Garage**Budget:** \$133.0M**Core Requirement:** Meet regulatory requirements.**Description:** Funding provides for the design and construction for the full electrification of the 103rd Street Bus Garage as part of the e-Bus implementation.**FY2025-2029 CIP Asset Category Comparison**

The largest share of investment is made for the Red Line Extension project that continues in the engineering phase. In August 2024 CTA awarded the Mainline Corridor Design Build contract for ROW, systems, Stations, Traction Power, Substations, and Parking Structures. A separate construction contract for the new rail yard and maintenance shop will be awarded in 2025. Construction of the extension is scheduled to start in late 2025.

The second largest share of investments is dedicated to the rail and bus fleets, which includes the purchase of next generation 7000-Series railcars, the remaining 300 buses of a 600-bus diesel bus order, the next electric bus procurement to replace 208 articulated buses, and ongoing and future fleet overhauls as funding permits.

Investment is made for the planning and initial construction necessary to upgrade operational support facilities including bus facilities to electrify the system, improvements to CTA's rail heavy maintenance facility to expand overhaul capacity, and the replacement of shop equipment and heavy-duty maintenance vehicles.

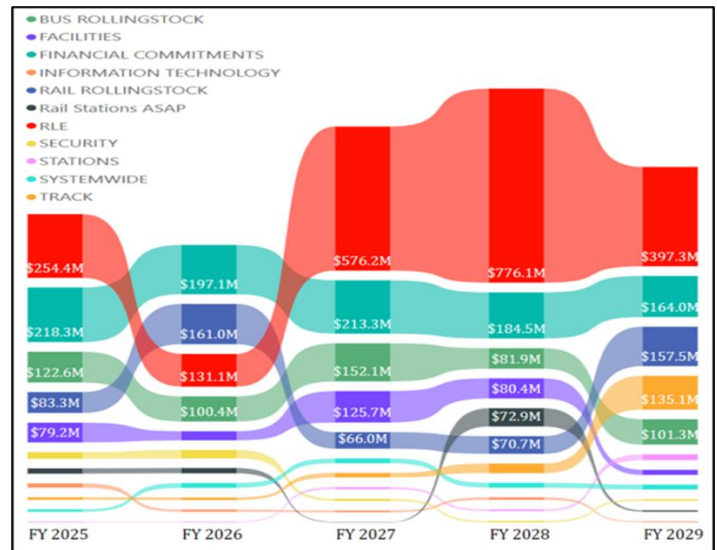
Significant investment is planned to make the next series of stations accessible on the Green, Blue, and Red Lines, to upgrade and modernize

employee facilities, to rehabilitate track right of way and structure on the Red North Main Line.

Other investments are made to secure the system including public address and electrical system upgrades at select rail stations. In addition, installation of surveillance systems to protect transit infrastructure includes new additional and replacement cameras throughout transit system.

The greater share of CTA's project investment in the five-year plan is oriented toward the rail system, indicative of the cost for CTA to maintain a dedicated right of way versus the public right of way, where bus service is located. While the rail system provides significant regional benefits and is less costly to operate daily when compared to bus operations, the rail system requires extensive capital expenditures to maintain operating standards. Over 80 percent of CTA's SOGR needs are associated with the rail system.

The following chart details the level of investments by project type and use over the timespan of the five-year CTA Capital Investment Plan.

**Competitive Grant Opportunities**

To maximize opportunities to bring assets into a state of good repair and meet strategic initiatives, CTA has submitted grant applications requesting funding from a variety of federal and state competitive grant programs and continues to pursue funding opportunities from the following programs:

- **Congestion Mitigation Air Quality (CMAQ) Grant Program** – This federal program, administered by the Chicago Metropolitan Agency for Planning (CMAQ), funds surface transportation improvements designed to improve air quality and mitigate congestion. The Carbon Reduction Program (CRP) is a new funding source created in FY2023. Similar in nature to the CMAQ program, CRP is focused on the reduction of Carbon Dioxide (CO2) emissions with project types identical to those eligible under CMAQ. All applications for CMAQ program funds will also be evaluated and considered for CRP.

CMAQ staff awarded FY2024-2028 CMAQ funding in the amount of \$100 million to support the construction of the Red Line Extension project. The proposed Red Line Extension (RLE) project would extend the Red Line from the existing terminal at 95th Street to 130th Street. The 5.6-mile extension would include four new, fully accessible stations at 103rd Street, 111th Street, Michigan Avenue

and 130th Street. Multimodal connections at each station would include bus, bike, pedestrian, and park & ride facilities. The RLE project would also include a new railyard and shop near 120th Street. RLE is a major component of CTA's Red Ahead program, a comprehensive initiative for maintaining, modernizing, and expanding Chicago's most traveled rail line. CTA also received an award of \$30 million in CMAQ funding for FY2026.

In addition, CMAP staff has awarded FY2024-2028 CMAQ funding in the amount of \$68 million for the purchase of up to 40 forty-foot, battery-powered, zero-emission, all-electric, fully accessible, public transit buses and up to five overhead chargers to power the electric buses in FY2027. CTA also received an award of \$44.2 million in CMAQ funding for FY2026.

- **Cook County's "Invest in Cook" Program** – "Invest in Cook" is Cook County's long range transportation planning and funding program. Invest in Cook allows local and regional governments to apply for assistance funding planning and feasibility studies, engineering design, and construction improvements that advance the priorities set forth in the long-range transportation plan.

In 2023, CTA applied for the following two projects: Laramie Avenue and 50th Avenue Railroad Crossings and Bus Priority Corridor Study. CTA was awarded \$575,000 in Invest in Cook funding, along with an IDOT grant, for the Bus Priority Corridor Study to advance planning for key bus corridors in the City of Chicago, which will identify concepts to dramatically improve bus service. The project will advance equity and mobility justice by enabling higher quality transit services to communities that have the greatest needs, mitigating congestion, improving air quality, and promoting economic development and access to opportunity.

The project will serve as another next step to implement the Better Streets for Buses Plan.

Unfortunately, the Laramie Avenue and 50th Avenue Railroad Crossings project wasn't awarded. However, the proposed project would have corrected major defects at both crossings, which have been identified by geometry testing and which have resulted in slow zones. CTA forces would have rebuilt the crossings, including the removal of existing asphalt, rail, ties, and ballast, grading the area for new track panels, installing the new tracking, dropping the new ballast, and tamping the new track. CTA will use existing material and service contracts for ballast, asphalt, rubber crossing pads, and track materials to complete this project. Future funding will be sought for this project.

- **Department of Homeland Security (DHS) Transit Security Grant Program (TSGP)** – Authorized by Congress in 2005, this program provides competitive funding to public transportation agencies to protect critical high-risk surface transportation and the traveling public from acts of terrorism and to increase the resilience of transit infrastructure. Eligibility is based on daily ridership of transit systems serving key high-threat urban areas. It has identified critical infrastructure assets that are vital to the functionality and continuity of major high-risk transit systems and whose incapacitation or destruction would have a debilitating effect on national security, public health, safety, or any combination thereof.

CTA has been awarded funding through TSGP since the program's inception and is currently implementing projects from Fiscal Years 2020, 2021, and 2023. These "legacy" projects relate to critical infrastructure security, cyber security and risk mitigation, rail station video monitoring, and collaboration with special teams of sworn CPD officers, including canine units. In FY2023, CTA was awarded \$13 million to protect the traveling public and critical transit infrastructure

from acts of terrorism. The Chicago Police Department (CPD) acts as the primary security provider for CTA within the City of Chicago. CTA and CPD have entered into separate intergovernmental agreements for each TSGP award to certify the TSGP relationship between the two agencies and define how funding will be used to meet CPD's investment costs, reporting requirements, and other aspects of implementation. In FY2023, CTA was awarded \$3.2 million for Cyber Security Network Hardening, \$1.8 million for Subway Underground Underwater Emergency Exit Intrusion Detection, \$3.9 million for Critical Power Substation Physical Security Hardening, \$3.3 million for Bus Yard Intrusion Detection Systems, and \$647,520 to support CPD's Transit Anti-Terrorism Surge Operations. CTA was recently awarded \$19.3 million in federal fiscal year 2024 funds through the TSGP program and is awaiting a detailed award breakdown by project. TSGP funds do not require local matching.

- **FTA Capital Investment Grant (Section 5309) New Starts Program** – New Starts is a project category under the FTA CIG Program. New Starts projects are substantial investments where the total New Starts funding sought equals or exceeds \$100 million. Eligible project categories include extensions to existing systems. In December 2020, FTA accepted CTA's request for the Red Line Extension project to enter the two-year Project Development (PD) Phase of the New Starts CIG Program. In August 2023, CTA received approval for entry into New Starts Engineering Phase and is targeting an FFGA in 2024, within this five-year CIP.

- **FTA Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program (formerly BUILD or TIGER)** – The RAISE Discretionary Grant program provides a unique opportunity for the USDOT to invest in road, rail, transit, and port projects that promise to achieve national objectives. CTA has received funding in the past and plans to seek funding in the future years.

In FY2023, CTA applied for a RAISE grant at 95th Street Terminal to build on CTA's efforts for electric bus charging. This project would fund the initial installation of six (6) chargers, electrical equipment upgrades and the first Chicago Department of Transportation (CDOT) Divvy electric bike share program location on the South Side. CTA requested \$25 million and received the full award for this \$38 million project.

- **Low or No Emission Vehicle and/or Buses and Bus Facilities Grant Programs** – The Federal Transit Administration (FTA) announced the opportunity to apply for approximately \$1.10 billion in competitive grants under the fiscal year FY2024 Low or No Emission Grant Program (Low-No Program) and approximately \$390 million in competitive grants under the FY2024 Grants for Buses and Bus Facilities Program (Buses and Bus Facilities Program). The purpose of the **Low-No Program** is to support the transition of the nation's transit fleet to the lowest polluting and most energy efficient transit vehicles. The Low-No Program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities. The purpose of the **Buses and Bus Facilities Competitive Program** is to assist in the financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing, or leasing buses or related equipment, and rehabilitating, purchasing, constructing, or leasing bus-related facilities.

In FY2024, CTA applied to FTA's Low or No Emission Vehicle Program and Buses and Bus Facilities grant program for \$254.9 million to begin improvements to CTA's South Shops Heavy

Maintenance facility located at 210 W. 79th Street, Chicago, Illinois 60620. CTA is committed to continuing to replace its older diesel buses, currently in service, with battery-powered, zero-emission, all-electric buses with overhead, fast-charging capabilities. CTA was not awarded this funding.

- **Illinois Department of Transportation (IDOT)/Statewide Planning and Research Funds (SPR)** – IDOT conducted a call for SPR funded projects. All proposed projects should be related to further studying or implementing a goal, strategy, or objective within the State's Long-Range Transportation Plan or one of the Department's modal plans. IDOT evaluated projects based on their ability to further study or implement the Long-Range Transportation Plan or one of the Department's modal plans.

In response to IDOT's call for projects, CTA applied for funding the 77th Street Garage/South Shops Master Plan Study. CTA applied for \$1.7 million to complete the Study. CTA received an award of \$100 million for the project.

CTA has an aggressive plan to convert its fleet of nearly 1,800 buses to be all-electric by 2040. This requires modernization of CTA's seven (7) bus garages, one (1) heavy maintenance shop, and on-route charging infrastructure at major bus terminals. Electrification of the fleet will promote significant health benefits throughout CTA's service area, encouraging the use of transit to reduce congestion.

- **IDOT released a Notice of Funding Opportunity under its "Transit Statewide/Non-Metropolitan Transportation Planning – Federal Sec 5305(e) Program** – Funds to pay for and oversee balanced and comprehensive planning, preliminary engineering, design, and evaluation studies of public and non-public transportation modes that are included in the metropolitan or statewide transportation planning process (49 USC 5305(e)). These studies shall help the successful applicant (Grantee) mitigate or resolve an intermodal transportation problem while also furthering one or more of the primary goals, listed as follows:
 1. Increase accessibility and mobility of people and freight.
 2. Enhance travel and tourism.
 3. Increase security for motorized and non-motorized users.
 4. Increase safety for motorized and non-motorized users.
 5. Support economic vitality.
 6. Enhance integration and connectivity across modes.
 7. Promote efficient system management and operation.
 8. Emphasize preservation of the existing transportation system.
 9. Improve resiliency and reliability of the transportation system and reduce or mitigate the stormwater impacts of surface transportation.
 10. Promote environmental protection, energy conservation, improved quality-of-life, and consistency between transportation improvements, land use, and economic development.

CTA submitted three applications:

- North Park and Forest Glen Garage Electric Bus Study, CTA applied for \$2.4 million to complete the Study. This plan will advance CTA's "Charging Forward" plan by initiating the evaluation and planning of electric bus implementation at CTA's outdoor North Park and Forest Glen bus garages.
- Bus Priority Corridor Study, CTA has been awarded \$737,000 to complete the Study in conjunction with the Invest in Cook grant award.

- O'Hare Transit Access Feasibility Study, CTA applied for \$600,000 to complete the O'Hare Transit Access Feasibility Study. The O'Hare Transit Access Feasibility Study will analyze evolving travel patterns at O'Hare to evaluate and develop one or more transit station concepts that would allow CTA to better serve airport employees, travelers, and other visitors in the future. This will support increasing transit as the mode of access for O'Hare and will complement the Chicago Department of Aviation's (CDA) "O'Hare 21" long-term vision for a modern airport that will be an efficient and accessible international gateway to the world.

- **All Stations Accessibility Grant Program (ASAP)** – On July 26, 2022, the 32nd anniversary of the Americans with Disabilities Act, FTA announced approximately \$343 million available for Fiscal Year 2022 grants for the All Stations Accessibility Program (ASAP). The Notice of Funding Opportunity (NOFO) will make it easier for people with disabilities to access the nation's oldest subway, commuter rail and light rail stations. This is a five-year grant program with a total program budget of \$1.75 billion.

The Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act, introduces the All-Stations Accessibility Program (ASAP), which provides federal competitive grants to help eligible entities finance capital projects aimed at upgrading the accessibility of legacy rail fixed guideway public transportation systems for individuals with disabilities. This initiative focuses on increasing the number of stations or facilities that meet or exceed the new construction standards outlined in Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.). The program aims to enhance access for all passengers, including those who use wheelchairs, thereby promoting inclusivity in public transportation.

The All-Stations Accessibility Program makes competitive funding available to assist in the financing of capital projects to repair, improve, modify, retrofit, or relocate infrastructure of stations or facilities for passenger use.

CTA was granted \$118 million in funding through the All-Stations Accessibility Program to complete the accessibility improvements on the Blue (O'Hare) Line Irving Park and Belmont Stations and the Blue (Forest Park) Line Pulaski Station. While each station has specific characteristics, all projects involve the installation of elevators with clearly defined accessible pathways to and from train platforms, bus stops, and other major modal transfer points. All features along the pathway, such as fare arrays, shelters, benches, and passenger information, will be redesigned to remove barriers and allow for universal accessibility. CTA applied for the FY2024 ASAP funding and was not awarded.

- **Surface Transportation Program (STP) Shared Grant Fund** – The shared fund, administered by CMAP, was established to support larger-scale regional projects that address regional performance measures and the goals of CMAP's ON TO 2050 plan. The programming authority distributed to the fund is derived from an identified portion of the region's annual allotment of STP funds. Project selection is a region-wide competitive process overseen by the STP Project Selection Committee.

In prior years, CTA received funding for Austin Green Line ASAP and a portion of Design for the Harlem Station Bus Bridge. CTA continues to move forward with construction funds for ASAP Austin. Additionally, CTA applied for the FY2023-2027 STP funds for CTA's Irving Park Station ASAP and Brown Line Western Station Improvements projects. The Irving Park ASAP project was denied; and the Western Brown Project funding was not able to be

programmed for FY2023 due to fiscal constraints. However, because CTA's project met all program eligibility requirements, it is eligible to be included in the contingency program at \$10 million.

Areas of Persistent Poverty Program (AoPP) – This program supports FTA's strategic goals and objectives through timely and efficient investment in public transportation. This program also supports the Biden-Harris Administration's agenda to mobilize American ingenuity by building modern infrastructure and an equitable, clean energy future. AoPP seeks to achieve this goal through supporting increased transit access for environmental justice (EJ) populations (see FTA Circular 4703.1), adoption of equity-focused policies, reducing greenhouse gas emissions, and addressing the effects of climate change.

On June 23, 2022, FTA announced approximately \$16.2 million in FY20 and FY21 funding to the AoPP for 40 projects in 32 states and two territories. CTA was awarded \$450,000 in FY21 AoPP grant funding for a Locally Led Engagement Strategy that will result in amplified local outreach and engagement throughout the Red Line Extension (RLE) project area. The project will allow CTA to focus engagement efforts on the Far South Side through regular communication with residents and other advocates to ensure that the project responds to and meets community needs.

In FY2023, CTA successfully applied for \$778,500 in AoPP funds for a conceptual plan to reopen the historic station at Englewood (Green) Line Racine. The plan will address modern accessibility standards to ensure that neighbors of all abilities can benefit from this key investment into neighborhood revitalization.

- **Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Program** – This US DOT loan program provides financing for eligible transportation projects with savings from TIFIA financing coming from two primary sources: (1) CTA draws TIFIA funds on an "as needed" basis rather than accruing interest on funds before they are used and (2) the interest rate on this borrowing is set at a rate lower than traditional financing. TIFIA financing is a highly recommended form of borrowing as it makes financing projects more affordable and maximizes borrowing capacity.

CTA has received TIFIA loans for three major capital projects. In 2014, CTA received its first TIFIA loan for \$79.2 million as part of an overall \$280 million funding package to renovate the Red Line's 95th Street Terminal. In 2015, CTA entered a second TIFIA loan for \$120 million to support the \$410.6 million Your New Blue Program. In 2016, CTA entered a third TIFIA loan for \$254.9 million in funding as part of the \$719.8 million project to purchase 400 new 7000-Series railcars.

In November 2022, CTA started the process with the USDOT Build America Bureau to seek a fourth TIFIA loan for \$304 million as part of the funding the Red and Purple Modernization Project. The amount has been reduced from \$622 million due to PayGo TIF funding already received.

- **Unified Work Program (UWP)** – In order to fulfill federal planning regulations, the UWP lists planning projects that CMAP and other regional agencies undertake each year to enhance transportation in northeastern Illinois. The UWP is designed to run in conjunction with the State of Illinois' fiscal year timeline of July 1 to June 30. The final UWP document includes the transportation planning activities to be carried out in the region, detailing each project's description, scope, costs, and source of funding.

CTA is receiving \$838,000 in FY2024 for Program Development to support regional objectives through strategic participation in the

region's transportation planning process including the development of the Regional Transportation Program (RTP) and the Transportation Improvement Program (TIP). It will facilitate CTA's coordinating its own capital projects with regional programs and plans. Development of CTA's five-year capital program includes projects located throughout CTA's service area. This project facilitates improved travel options, thereby providing congestion relief, throughout the city and region. Current and future CTA customers from all over the region will benefit from improved bus and rail service.

Additionally, CTA is earmarked to receive \$1 million in FY25 for Program Development for core activities. Through the UWP competitive program, CTA was awarded \$750,000 toward the agency's contribution for the I-290 Eisenhower Expressway/Blue Line Forest Park Branch Corridor Development Office (CDO). The CDO is a joint effort of CTA, IDOT, and CMAP to accelerate work to improve the current operation, ongoing maintenance, and long-term investment in multimodal transportation facilities along the corridor. \$250,000 is programmed for FY2025 and \$500,000 is programmed for FY2026.

- **RTA 5310 Program** – The Regional Transportation Authority's Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program is a federally funded program that aims to improve mobility for these individuals by removing barriers to transportation service and expanding transportation mobility options.

To make public transportation easier to navigate for people with disabilities, in 2018 CTA was awarded \$380,000 in RTA Section 5310 funds to develop a pilot program of tactile bus stop signage. The concept for this pilot was based on feedback CTA received from customers who are blind, low vision, and DeafBlind. CTA procured pilot tactile bus stop signs and installed them at over 2,100 bus stops on sixteen major bus routes.

In 2023, after public outreach regarding the pilot program received positive feedback, CTA applied for additional RTA Section 5310 funds to support systemwide expansion of the tactile signage program and was awarded \$1.3 million. This award will support procurement and installation of tactile signs at nearly 9,000 additional bus stops, which will provide tactile bus stop signs for every bus stop in the CTA system.

Although these tactile signs are not required by Americans with Disabilities Act, the installation of tactile signage at bus stops complements the CTA's All Station Accessibility Program and highlights the agency's commitment to accessibility through innovation to make taking public transit easier and more convenient for everyone.

RTA Access to Transit Program – The RTA Access to Transit program helps communities improve the infrastructure around their transit stations and stops, making connections for pedestrians, bicyclists, and transit riders safer, more accessible, and more attractive. Since 2012, Access to Transit has funded 46 projects around the Chicago region for more than \$25.5 million in total investment.

In 2024, CTA was awarded \$1 million in RTA's Access to Transit Program to support Phase II Engineering and Construction Services for CTA's 79th Street and Halsted Bus Turnaround facility.

This project will provide the engineering and construction services for the reconstruction of the 79th Street and Halsted Bus Turnaround, which is located on the South Side of Chicago in the Auburn

Gresham community. The current turnaround's boarding areas are not accessible for wheelchair users or other disabled passengers and the concrete pavement is broken, causing additional difficulties. The proposed efforts will include a new concrete boarding area with sufficient width and curb ramps for ADA boarding, improved pavement, walkways, and technology upgrades to enable real-time bus information for customers. Safety will be enhanced with cameras, public address speakers and a push-button to call CTA's Control Center for assistance. These improvements will help ensure that all customers are able to access bus service at this location.

- **Neighborhood Access and Equity Program (NAE, administered through "Reconnecting Communities")** – This program was created through the 2022 Inflation Reduction Act and seeks to promote neighborhood equity, safety, and affordable transportation access while mitigating negative environmental impacts. NAE funds are meant to assist economically disadvantaged communities, particularly those that have been harmed by past government policies such as red-lining and "urban renewal" in the 20th century. To improve equity, transit service, and the environment in the three Chicago communities of North Lawndale, West Garfield Park, and East Garfield Park, CTA was awarded \$111 million in NAE funds to replace track and drainage infrastructure along the Blue Line – Forest Park Branch between Kedzie Avenue and Pulaski Station. This project will tie into ASAP renovations at the Pulaski Station to improve transit access for residents of all abilities.
- FTA announced the opportunity to apply for \$600 million in FY2022 and 2023 Section 5337 State of Good Repair Program funds for competitively selected rail vehicle replacement projects. The Rail Program assists States and local governmental authorities in funding capital projects to replace rail rolling stock. The purpose of the Rail Program is to modernize America's transit system, focusing on maintaining a State of Good Repair for fixed-guideway rail transit. Eligible projects are the replacement of rail rolling stock. CTA was awarded \$200 million of the Rail Program funding to buy up to 300 new electric propulsion passenger railcars to replace older rail cars, operating since the 1980s. This project will improve CTA's state of good repair needs as the average age of its rail fleet is nearly 40 years old.
- **Strengthening Mobility and Revolutionizing Transportation (SMART)** Established through the 2021 Bipartisan Infrastructure Act, SMART grants are intended to support public sector demonstration projects using advanced community technologies to improve efficiency and safety. The program is structured to award planning and prototyping grants in FY2022 and FY2023, with construction and implementation grants to advance successfully planning and prototyping projects available in FY2024-2026.

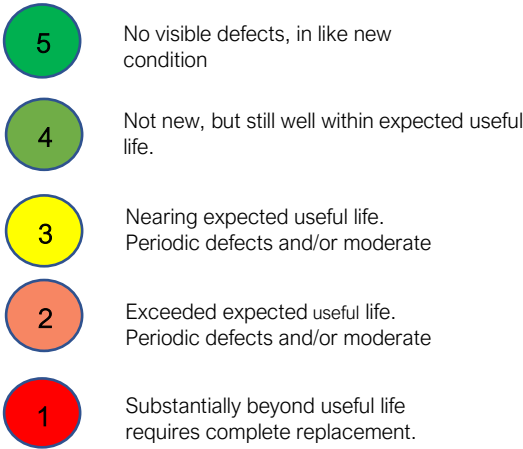
CTA won a SMART award for FY23 to support an innovation project, the Bus Queue Jump Pilot project. In collaboration with the Chicago Department of Transportation this \$1.5 million fully federally funded project intends to improve safety and speed for transit riders toward a goal of increasing ridership Reducing traffic congestion and improving fidelity to schedules through the Bus Queue Jump Pilot project will make transit more attractive, particularly for Chicagoans commuting to highly congested commercial areas. This 18-month long project will use the City's traffic cameras to detect CTA buses and provide them a "head-start" over other queued vehicles and therefore allow buses for smooth and safe merging into the regular travel lanes immediately beyond the signal.

During FY2025-2029, CTA will continue to aggressively pursue additional funding under these, and any new competitive grant programs.

Transit Asset Management Plan

Beginning with the Moving Ahead for Progress in the 21st Century ("MAP-21") transportation authorization bill passed in 2012, the FTA was directed to establish and implement a national Transit Asset Management (TAM) system. This entails developing objective standards for measuring asset conditions and requiring recipients to develop a Transit Asset Management Plan (TAMP).

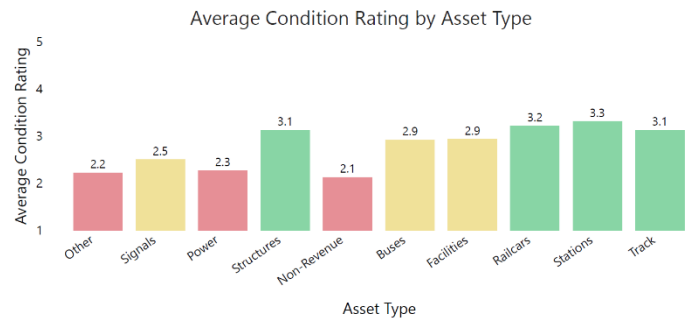
CTA established a TAMP program both in response to new TAM federal mandates and because of the need to manage system conditions and performance with constrained resources. The TAM program entails the adoption of an organizational policy for TAM and the development of a TAMP. The TAM program also improves the quality and availability of asset condition data and the impacts of deferred investment.



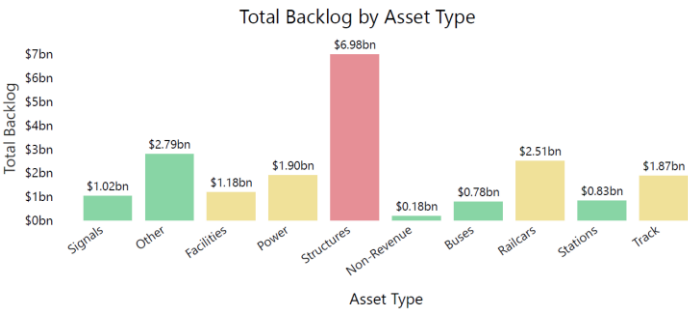
Assets are compared against a Useful Life Benchmark (ULB) for a given asset class, which reflects the expected useful lifespan of a new asset. Assets beyond their ULB are at greater risk of failing and causing service disruptions.

As part of the TAM Program, the TAM team tracks asset values and SOGR. Asset values change year after year as inventory is added/retired and as assets age closer to passing their useful life benchmark. An asset condition is evaluated on a 1-5 scoring scale noted in the second chart below. This scale aligns with FTA recommendations and facilitates comparisons across asset classes. An asset is in a state of good repair when the physical condition of that asset is at or above a rating of 2.5.

The state of assets can be demonstrated in two ways. One is condition rating by asset type, which provides a brief assessment of the overall condition of assets.



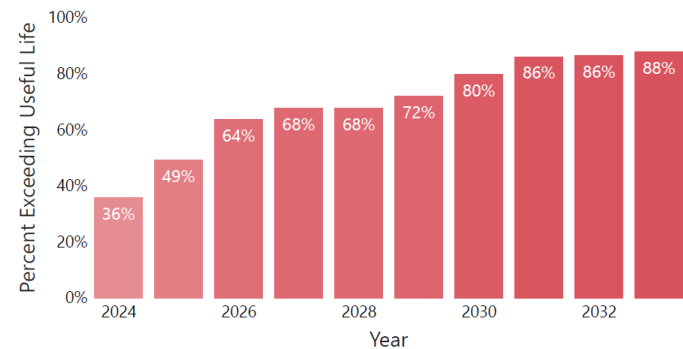
The second is tracking backlog by asset type, which helps identify overdue investments needed to keep asset classes in a State of Good Repair (SOGR) or from going beyond their Useful Life Benchmark (ULB). The overall average of CTA's asset base is in acceptable condition. However, there are major investments overdue in several key asset classes including Infrastructure, Vehicles, Stations, and Facilities as illustrated in the first chart below. In this figure, total backlog refers to the value of CTA's assets that need rehabilitation or replacement.



The following charts show how existing assets would age out and enter the backlog over the next 10 years if not renewed by capital investment.

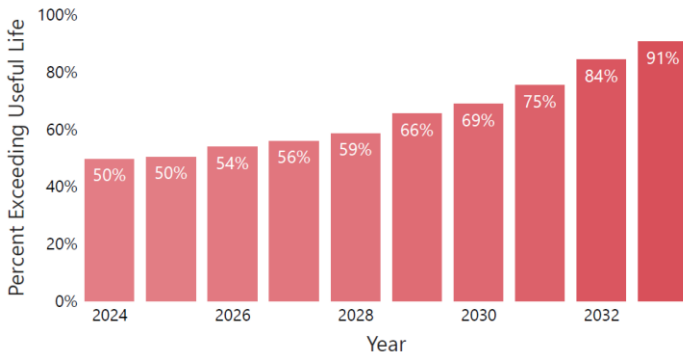
Buses

The useful life benchmark of a bus ranges from 12 to 18 years. Approximately 68 percent of CTA's bus fleet will be due for replacement within the timespan of the five-year capital plan.



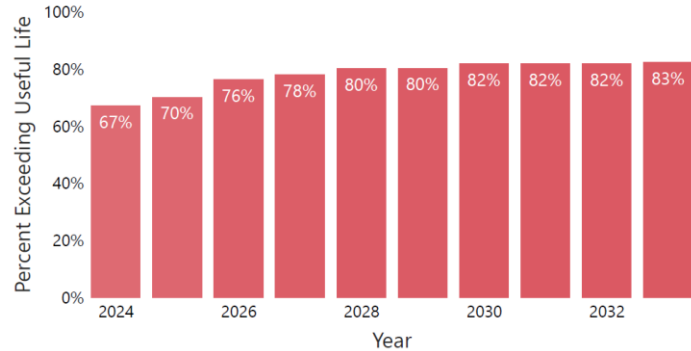
Signals

The number of Signal assets past their useful life is expected to steadily increase over the next 10 years from 50 percent to 91 percent.



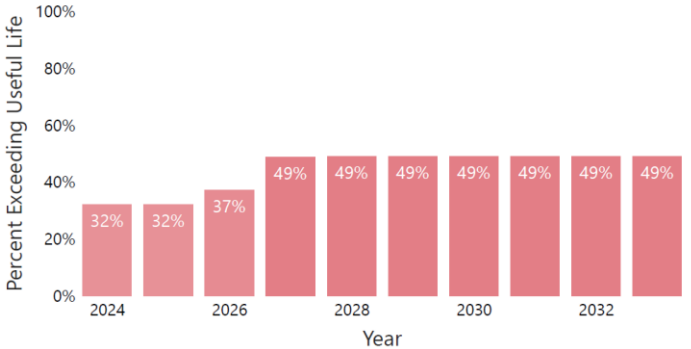
Power

Currently, 67 percent of CTA's power assets are past their useful life. In the next 10 years, this will increase to 83 percent of assets exceeding their useful life without capital replacement.



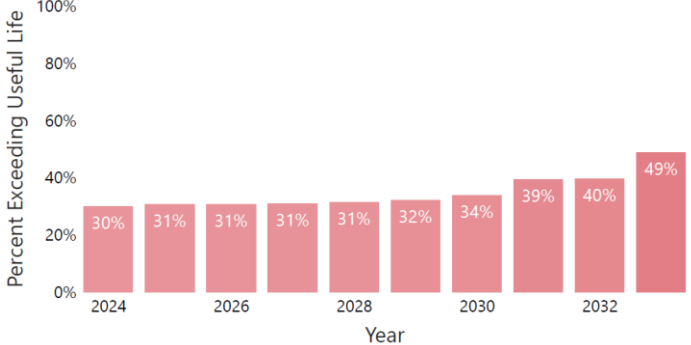
Railcars

The useful life benchmark of a railcar is 34 years. Over the next 10 years, an additional 17 percent of railcars are expected to age out. Unless replacement occurs, this would result in a total of 49 percent of CTA's railcar fleet exceeding its useful life.



Track

The number of systemwide track assets past their useful life is expected to increase by 19 percent within five years unless significant track renewals are undertaken.



(THIS PAGE INTENTIONALLY LEFT BLANK)



History of the CTA

Before mass transit, Chicago was a “walking city,” limited in size by an area its population could easily travel on foot or horseback. As the population of the settled area increased, the need for public transportation arose. These services were originally provided by private companies under public regulation.

The first public transportation vehicles in Chicago were horse-drawn carriages called omnibuses. The poor condition of the streets limited their utility, which led to the establishment of the first street railways in 1859, generally considered the earliest ancestor of today's transit system in Chicago.

The street railways were superior to the omnibuses in that their running on rails provided a smoother ride and made them less susceptible to street conditions. But horses were an expensive mode of power, and the street railway companies looked for more efficient ways to carry the growing number of commuters. Various power sources were tested, but after 1882 many higher-ridership horsecar lines were successfully converted to cable cars. After 1890, lines began to be converted to electric power; all trolleys in Chicago were electrically powered by 1906.



Increased traffic congestion, as well as rising population densities and demand for high-capacity transit, led to the construction of the city's first elevated railways. Chicago's first 'L' line, the Chicago and South Side Rapid Transit, opened on June 6, 1892. Two more companies whose lines served the West Side followed in 1893 and 1895; in 1897, the famous Loop elevated downtown was completed and acted as a common terminal for all the lines. By the turn of the century, an additional 'L' company serving the North Side opened. The first trains, powered by steam when they opened in 1892-93, were converted to electricity by 1898; all lines opened after 1895 were electric.



To attain greater efficiency and try to deal with lingering financial hardships, the 'L' and streetcar companies began to consolidate. In 1914, all streetcar companies began operating as a unified system known as the Chicago Surface Lines (CSL), despite remaining separate companies. At its peak, the Chicago Surface

Lines system operated on 1,100 miles of track and was the largest and most heavily used streetcar system in the world.

Control of the four rapid transit 'L' companies was vested in a trust in 1911, which centralized some functions but left the underlying companies intact. As part of the greater coordination, free transfers between the companies' trains were allowed for the first time in 1913; this also marked the start of through-routing trains between the North and South sides. In 1924, the companies



formally merged into the Chicago Rapid Transit Company (CRT).

Buses were first used in Chicago in 1917 by the Chicago Motor Bus Company; they became the Chicago Motor Coach Company (CMC) in 1922. The CMC's routes were limited to Chicago boulevards and parks, where streetcars were not allowed to operate. CSL began limited use of some motor buses in 1927 and trolley buses in 1930, primarily as extensions of the streetcar system into outlying areas. However, buses would play a limited role in mass transit in Chicago until after World War II.



Strained finances combined with the hardships of the Great Depression placed both the CRT and CSL in bankruptcy and receivership by the early 1930s. Development of Chicago's transit network continued, however, as federal Public Works Administration financing combined with transit-company funded city monies allowed construction of Chicago's first subway under State Street, opening in 1943. A second subway under Dearborn Street was started concurrently with the State Street Subway but mothballed during World War II; it was completed and opened in 1951.

Public ownership of Chicago's mass transit system began after the War, with the creation of the Chicago Transit Authority (CTA) by the Illinois legislature in 1945. CTA issued \$105 million in revenue bonds to purchase assets of the CRT and CSL, and began operating the 'L' train, streetcar, and limited bus service in and around Chicago on October 1, 1947. On October 1, 1952, CTA became the sole operator of Chicago transit when it purchased the Chicago Motor Coach system.



The CTA – empowered to control its own fare levels and service patterns and issue bonds but receiving no subsidies and lacking taxing authority – immediately set about to unify the desperate private transit networks and modernize the system. Lightly used services were discontinued or modified, and new equipment was purchased to retire aging vehicles, some almost 50 years old. The last streetcars were retired in 1958, replaced by buses. By 1960, the 'L' and surface systems had been thoroughly modernized.



New 'L' lines were built and others modernized, many in partnership with the city Department of Public Works – these included the Congress branch in the median of the newly-built Congress Superhighway, the nation's first rapid transit line in the median of an expressway (opened 1958), the Dan Ryan Line (opened 1969), and the Kennedy Extension (opened 1970). In 1964, The CTA obtained federal demonstration project funding to create the first "light rail" service, the Skokie Swift, utilizing five miles of the former North Shore Line interurban, which was abandoned the previous year.



By the early 1970s, the popularity of car travel and declining ridership levels threatened the financial stability of the local public transit providers, including the CTA. To address these issues, the Illinois General Assembly created the Regional Transportation Authority (RTA) as a fiscal and policy oversight agency committed to providing an efficient and effective public transportation system. Today, the RTA continues to provide financial oversight to the CTA, Metra and Pace. The RTA was also empowered to levy taxes, providing the first subsidies for local mass transit operating expenses.



CTA's mission of modernization and expansion continued, with extensions to O'Hare Airport and Midway Airport opening in 1984 and 1993, respectively; these allowed Chicago to become one of the few cities in the world that has rail service to two major airports.

By the 1980s, much of the CTA's physical infrastructure was aging, some almost a century old, and a renewed focus was placed on rehabilitation, renovation, and good

state of repair. This led to projects to replace or rebuild many bus garages and rail terminals, as well as major projects to renovate existing rail lines. These projects included the extensive rehabilitation or rebuilding of the Green Line in 1994-96, the Cermak branch (now part of the Pink Line) in 2001-05, the Dan Ryan branch of the Red Line in 2004-06 and 2013, and the Brown Line in 2004-2010.



Additional system improvement projects included Clark/Division station in 2012, new Washington/Wabash Loop Elevated station in 2017, Red Line South branch in 2013, the Illinois Medical District in 2018. CTA has launched several projects that when complete will help to keep Chicago moving.

In 2021 Chicago Transit Authority (CTA) announced that it is extending the Red Line from the existing terminal at 95th/Dan Ryan to 130th Street. The 5.6-mile extension will include four new fully accessible stations near 103rd Street, 111th Street, Michigan Avenue, and 130th Street. Construction is expected to



start in late 2025 and be completed by 2030. RLE is the largest project in CTA history and will provide faster connections from the Far South Side to the rest of the city while serving as an economic catalyst to one of the most disinvested parts of Chicago. Multimodal connections at each station will include bus, bike, pedestrian, and park & ride

facilities. RLE also includes a new railyard and maintenance shop near 120th Street that will contribute to improved reliability and consistent service across the entire Red Line, from Howard to the Far South Side



The RLE is a transit equity project that fulfills a commitment to the Far South Side by significantly improving transportation to this part of the city. This project is one part of the Red Ahead Program to extend and enhance the entire Red Line.

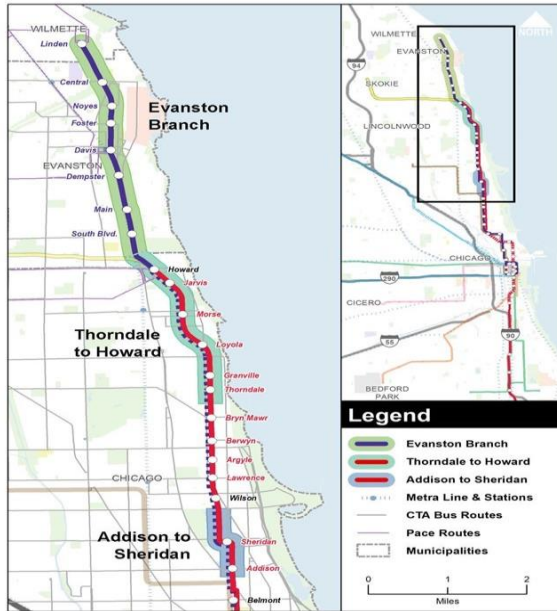
In October 2019, Chicago Transit Authority (CTA) and the city of Chicago officially began work on the largest reconstruction project in the agency's history, the Red and Purple Modernization (RPM) Project Phase One.

As CTA's largest transit investment, the Red and Purple Modernization (RPM) Phase One Project modernizes our public transportation system to strengthen communities, serve riders and stimulate inclusive economic growth. The new Red-Purple Bypass designed to unclog a 100-year-old junction where Red, Purple and Brown Line trains currently intersect. CTA says the bypass is a key piece of the RPM that will allow for train service to be increased over the next 60 to 80 years. All northbound CTA Brown Line trains must cross over four tracks used by Red and Purple line trains at the current flat rail intersection.



The new bypass completed in November 2021, allows Brown Line trains to operate along dedicated tracks above the Red and Purple line tracks. In addition to removing a bottleneck in the CTA's rail system, the bypass project allows up to eight additional Red Line trains per hour during rush periods and saves customers an estimated 500,000 travel hours annually.

The second main component of the RPM Phase One will see the complete rebuilding of the Lawrence, Argyle, Berwyn and Bryn Mawr stations and all the tracks and support structures for more than a mile adjacent to the stations. The modernization efforts include making the stations fully ADA accessible and will include additional amenities such as elevators, wider platforms and real-time information boards.



In 2022, Chicago Transit Authority announced plans to build a new Control and Training Center in West Garfield Park Planned for the northeast corner of W. Lake St and N. Pulaski Ave, located at 335 N. Pulaski Road in West Garfield Park. The new facility would measure 150,000 square feet and house the CTA's 24/7 Control Center, which oversees the operation of and communication with buses, trains and power on the rail system. The building will also serve as the CTA's main training center for a wide range of operating, maintenance and customer-facing personnel.



Rising three stories and 47 feet in height, the massive 150,000-square-foot center will also be home to the CTA's new training center. The structure itself will be split into three components; the new two-story training center spanning over 28,000 square feet, three-story office/training center spanning 52,000 square feet, and the central 63,400-square-foot high bay training structure.

The facility will have three separate parking lots; a small four-space lot by the entrance that leads to a 104-space visitor lot on the south end, and an 80-vehicle employee lot on the north side. In between the two will be a massive

paved pad to be used as a flexible outdoor training area, complemented by 18 employee bike parking spaces.



In August 2024, the new CTA Green Line Damen stop at 2001 W Lake Street in the Near West Side and Lake station officially opened. Opening just in time for the Democratic National Convention, the station fills a 1.5 mile long gap in the line near public housing and the United Center. The work also included a partial reconstruction of tracks leading up to the station itself. The opening marks the end of a 76-year period since the original Damen station was demolished.

CTA celebrated its 75th anniversary in 2022. CTA is woven firmly into the culture and life fabric of Chicago, touching communities across the entire city. Our 75th anniversary gave us the chance to not only look back at our proud history, but also to look ahead to the improvements and investments we've made to serve customers for another 75 years. Like transit agencies across the country, the CTA continues to address the still-emerging ridership demand and commuting patterns. The agency's No. 1 focus is on providing safe and reliable service; offering a clean, comfortable, and secure riding experience; and ensuring that transit remains the top transportation option for commuters and visitors.



The 2000s brought advances in technology that greatly enhanced CTA customers' experience and the efficiency of the transit system overall. In 2009 and 2011 respectively, CTA launched Bus Tracker and Train Tracker, allowing customers to access information online and via text messaging, and receive email notification of predicted arrival times and service alerts.



In 2014, CTA completed the transition to Ventra, a fare payment system built on open standards, enabling customers to pay using contactless bankcards and mobile phones. Ventra combines the convenience of a contactless card and an account-based system with the ability to have any type of fare value or pass – or both – on one card. In 2020, the Ventra card became available on iPhone


















and Apple Watch further expanding customer convenience and flexibility. 2021 saw Google Pay added to the platforms for the Ventra card pay option.











In December 2015, CTA completed the full installation of 4G communications equipment underground. The \$32.5 million 4G wireless design and installation was provided at no cost to CTA and its customers. The project was fully financed by the four major wireless providers—T-Mobile, AT&T, Verizon, and Sprint. The project, brokered by the Chicago Infrastructure Trust, was one of several efforts by the City and CTA President Carter to modernize the City's infrastructure and further improve Chicago's world-class transit system. The 4G service includes all 13 miles of the Blue Line subway and stations and all 9 miles of the Red Line subway and stations. In May of 2019 free-wi-fi service was became available in all downtown Red and Blue line subway stations.

In April 2024, the CTA launched its chatbot, "Chat with CTA", a new virtual automated service featured on transitchicago.com. The communication tool allows riders to report issues, provide feedback and receive answers in real-time. Chat with CTA was developed through a dynamic partnership with Google Public Sector.

[INTENTIONALLY LEFT BLANK]

Subsequent description of CTA departments.

	Bus Operations	Bus Operations provides efficient, courteous, professional, safe, and reliable bus transportation.
	Rail Operations	Rail Operations provides efficient, courteous, professional, safe, and reliable rail transportation.
	Bus Maintenance	Bus Maintenance is responsible for the maintenance of the bus fleet, including mechanical maintenance and regular cleaning.
	Rail Maintenance	Rail Maintenance is responsible for ensuring that CTA rapid transit cars are maintained in a safe, reliable, and aesthetic manner. This includes preventive maintenance, and regular cleaning of rail cars.
	Rail Station Management	Rail Station Management is responsible for the general cleaning of rail stations, terminals, and bus turnarounds including garbage and snow removal.
	Control Center Operations	Control Center Operations manages all movement and communication throughout the system. Controllers monitor bus and rail service, safety for buses, trains and transit stops and power distribution.
	Infrastructure	Infrastructure is composed of three departments. Power & Way Maintenance maintains rail infrastructure, including the track, structure, power, and signal systems. The Construction department ensures major capital construction projects related to our track, structure, power, signal, rail stations, and rail and bus maintenance facilities are delivered on time, on budget, and conform with all applicable standards, regulations and requirements. The Engineering department creates and maintains construction documents for our structure, track, traction power, signal, and station projects; identifies utilities for contractors at our locations; and answers design requests for information from CTA contractors.
	Security	Security is committed to fostering an agency-wide program that supports the security of customers, employees and CTA assets and complements the Authority's safety program.
	Safety	Safety is committed to developing and continuously improving processes that support a robust safety culture in achieving the highest level of safety performance for customers and employees.
	EEO	Equal Employment Opportunity ensures CTA uses certified DBE's and does not discriminate in procurement, employment, or contracting services.
	Training & Workforce Development	Training & Workforce Development is responsible for creating and delivering learning opportunities to develop the CTA's workforce.
	Human Resources	Human Resources strives to be the catalyst for optimizing people and organizational excellence. The department's responsibilities are divided between HR Services, HR Operations and HR Projects.
	Purchasing & Supply Chain	Purchasing processes over 1,000 contracts covering hundreds of millions of dollars annually ensuring the most responsible use of CTA funds. Supply Chain is responsible for efficiently stocking, managing, and distributing materials and supplies for the organization.
	Technology	Technology provides technology solutions and services to support the CTA and its riders.
	Performance Management	Performance Management is responsible for developing performance metrics and reporting on operational performance against those metrics to ensure CTA is constantly striving for improved efficiency and enhanced customer experience.
	Finance	Finance is responsible for a wide range of financial functions through its five primary business units: Budget & Capital Finance; Treasury; Finance/Comptroller; Business Development; Accounting Systems & Payroll Operations.
	General Counsel	General Counsel is responsible for a wide range of legal functions such as: Corporate Law and Litigation; Labor and Employment; Compliance, Policy and Appeals; and Torts, Subrogation and Workers Compensation.

	Scheduling & Service Planning	Planning is responsible for short and long range planning functions including: bus and rail service planning and scheduling; strategic planning and ADA compliance.
	Innovation	Office of Innovation provides policy, research, and project management resources for innovative technology implementations, pilots, or proof of concepts across the agency.
	Fare Systems	Fare Systems business unit oversees the CTA's Ventra fare system, fare system upgrades and fare system integration.
	Communications	Communications is responsible for communications and marketing that provide information to customers and has four units: Communications / Media Relations; Customer Information; Customer Service and Marketing.
	Internal Audit	Internal Audit provides independent evaluation and improvement of risk management, internal control and governance processes.
	Equity & Engagement	Equity and Engagement focuses on equity, inclusion, and engagement within CTA.
	Diversity Programs	Diversity Programs manages DBE/SBE Certification, Small Business Development & Outreach, Contract Compliance and Workforce Initiatives which create an environment of diversity, equity and inclusion for contractors and other stakeholders.
	Legislative Affairs & GCR	Legislative Affairs department develops and advocates for initiatives that promote the legislative needs of the CTA. The department is also a resource for CTA employees, community organizations, elected officials and other units of local government.
	Board of Directors	The Board of Directors is the governing arm of the CTA.
	President's Office	The President's Office oversee's the day-to-day operations of the CTA.
	Other Administrative	Non-departmental and other budgeted authority-wide expenses are included in this category.

FY25 Proposed Budget by Department
\$ in Thousands

	Department										Budgeted Positions					
	FY25	FY25	FY25	FY25	FY25	FY25	FY25	FY25	FY25	FY25	FY25	FY25				
	Labor	Material	Fuel - Revenue Equip	Power	Provision for Injuries & Damages	Purchase of Security Svcs	Other Expenses	Total Operating Expense	Non-STO*	STO**						
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget								
Department	\$	536,855	\$	669	\$	-	\$	-	\$	459	\$	537,983				
	Bus Operations	163,502		605	-	-	-	-		487		164,593				
	Bus Maintenance	154,306		70,400	46,476	-	-	-		2,907		274,088				
	Rail Maintenance	111,219		51,731	-	-	-	-		2,980		165,929				
	Rail Station Management	128,272		2,585	-	-	-	-		3,707		134,565				
	Control Center Operations	35,620		49	-	-	-	-		169		35,838				
	Infrastructure	167,491		20,022	-	56,306	-	-		57,772		301,591				
	Security	3,410		33	-	-	-	87,870		314		91,626				
	Safety	7,747		101	-	-	-	-		4,634		12,482				
	Equal Employment Opportunity	1,286		12	-	-	-	-		2,342		3,639				
	Training & Workforce Development	40,486		424	-	-	-	-		3,489		44,400				
	Human Resources	9,546		41	-	-	-	-		3,493		13,080				
	Purchasing & Supply Chain	23,822		254	-	-	-	-		3,990		28,065				
	Technology	15,651		862	-	-	-	-		64,180		80,694				
	Performance Management	2,722		-	-	-	-	-		1,152		3,874				
	Finance	11,637		42	-	-	-	603		10,223		22,505				
	General Counsel	18,831		73	-	-	-	-		4,941		23,846				
	Scheduling & Service Planning	5,662		1	-	-	-	-		229		5,892				
	Innovation	4,283		512	-	-	-	-		14,433		19,228				
	Fare Systems	7,073		3,028	-	-	-	-		46,945		57,045				
	Communications	6,255		204	-	-	-	-		2,495		8,955				
	Internal Audit	1,093		1	-	-	-	-		310		1,404				
	Equity & Engagement	211		3	-	-	-	-		86		299				
	Diversity Programs	2,532		11	-	-	-	-		1,271		3,814				
	Legislative Affairs & GCR	1,834		2	-	-	-	-		715		2,550				
	CTA Board	1,450		6	-	-	-	-		179		1,634				
	Office of the President	1,309		3	-	-	-	-		49		1,361				
ATA Total***	\$	1,448,229	\$	153,351	\$	48,476	\$	56,806	\$	22,262	\$	88,473	\$	338,926	\$	2,166,522

* Budgeted positions include Capital-funded positions.

** Scheduled Transit Operations (STO) Full-Time Equivalents (FTE).

*** CTA total includes the non-departmental budget.

(THIS PAGE INTENTIONALLY LEFT BLANK)



Debt Management Policy Guidelines

On October 14, 2004, the Chicago Transit Board approved an ordinance adopting Debt Management Policy Guidelines (the "Debt Policy"), which was amended on May 8, 2019. The Debt Policy serves as a management tool to ensure that the CTA utilizes debt most efficiently and provides for full and timely repayment of all borrowings. Additionally, the Debt Policy establishes a framework for achieving the lowest possible cost of capital while maintaining prudent risk levels and ensuring ongoing access to the capital markets. The Debt Policy applies to all short- and long-term bonds and notes, direct borrowing programs, and other long-term lease obligations. The Debt Policy does not cover commodity hedging, leverage leases, long-term operating leases, short-term leases, and equipment leases. The general debt issuance guidelines outlined in the Debt Policy are summarized below.

The Debt Policy

CTA favors a pay-as-you-go (PAYGO) funding approach for its capital projects. This means it typically seeks to use available cash to cover all or part of capital improvement expenses and other long-term financial needs before considering debt options. However, the CTA recognizes that factors such as the size, scope, and timing of projects, cash flow availability, and capital market conditions may require the use of debt. The Debt Policy allows for the issuance of either long-term or short-term debt, as determined by the financing purpose.

Short-Term Debt Obligations

Short-term debt may be used by the CTA as a cash management tool to provide interim financing or to bridge temporary cash flow deficits within a fiscal year. As of September 1, 2024, CTA had \$340.1 million of outstanding capital line of credit notes for capital projects. The notes will be repaid with long-term bonds, with reimbursement derived from federal formula funds or state PAYGO funds, depending on the project's funding source.

Long-Term Debt Obligations

The Debt Policy prohibits the use of long-term debt to fund operations. However, it allows long-term bonds to finance essential capital activities and specific management initiatives. The CTA may also use long-term lease obligations to finance or refinance capital equipment. Before entering into any lease financing, the Authority will consider three factors: i. the useful life of the financed assets, ii. the lease's terms and conditions, and iii. the budgetary limit, debt capacity, and tax implications.

Other Provisions

The CTA may secure credit enhancement through municipal bond insurance or a letter/line of credit for all or a portion of each bond issuance. The Debt Policy allows the Authority to issue debt on a taxable or tax-exempt basis. Additionally, it allows for variable-rate bonds to comprise up to 20 percent of outstanding long-term debt.

Debt Limitations

Achieving a balance between minimizing borrowing and maximizing financial flexibility is a key objective of the CTA debt program. The CTA is not subject to statutory debt limitations for capital investment.

Current Debt

CTA's current long-term debt obligations as of September 1, 2024 include sales and transfer tax receipts revenue bonds, sales tax receipts revenue bonds, capital grant receipts revenue bonds, building revenue bonds, and TIFIA loans as described below.

CTA Long-Term Debt Obligations*								
Credit	Series Name	Outstanding Principal as of 12/31/2024	Final Maturity	Security Pledge	Moody's Rating (Outlook)	S&P Rating (Outlook)	Fitch Rating (Outlook)	Kroll Rating (Outlook)
Sales Tax	Series 2008A and 2008B ("POBs")	\$1,489,050,000	2040	Sales Tax & Transfer Tax	A1 (stable)	AA (stable)	NR	AA (stable)
	Series 2010B	\$441,490,000	2040	Sales Tax	A1 (stable)	AA (stable)	NR	AA (stable)
	Series 2014	\$555,000,000	2049	Sales Tax	NR	AA (stable)	NR	AA (stable)
	Series 2017 (Second Lien)	\$296,220,000	2051	Second Lien Sales Tax	NR	A+ (stable)	NR	AA- (stable)
	Series 2020A (Second Lien)	\$367,895,000	2055	Second Lien Sales Tax	NR	A+ (stable)	NR	AA- (stable)
	Series 2020B	\$467,450,000	2040	Sales Tax	NR	AA (stable)	NR	AA (stable)
	Series 2022A (Second Lien)	\$350,000,000	2057	Second Lien Sales Tax	NR	A+ (stable)	NR	AA- (stable)
	Total Principal Outstanding	\$3,967,105,000						
GARVEEs	2017 5307	\$38,885,000	2026	FTA 5307 Grant Receipts	NR	A+ (stable)	BBB(stable)	NR
	2021 5307	\$74,970,000	2029	FTA 5307 Grant Receipts	NR	A+ (stable)	BBB(stable)	NR
	2015 5337	\$29,825,000	2026	FTA 5337 Grant Receipts	NR	A+ (stable)	BBB(stable)	NR
	2017 5337	\$21,800,000	2026	FTA 5337 Grant Receipts	NR	A+ (stable)	BBB(stable)	NR
	2021 5337	\$20,810,000	2028	FTA 5337 Grant Receipts	NR	A+ (stable)	BBB(stable)	NR
	Total Principal Outstanding	\$186,290,000						
Capital Leases	2006 PBC Bonds	\$44,390,000	2033	CTA Lease Payments	A2 (stable)	A+ (stable)	NR	NR
	Total Principal Outstanding	\$44,390,000						
TIFIA	95th Street Terminal (2014)	\$79,200,000	2050	CTA Farebox Revenue	NR	A+ (stable)	NR	NR
	Your New Blue (2015)	\$120,000,000	2052	CTA Farebox Revenue	NR	A+ (stable)	NR	AA- (stable)
	Railcars (2016)	\$254,930,402	2056	CTA Farebox Revenue	NR	A+ (stable)	NR	AA- (stable)
	Total TIFIA Loans	\$454,130,402						
	Total Principal Outstanding (all issues)	\$4,651,915,402						

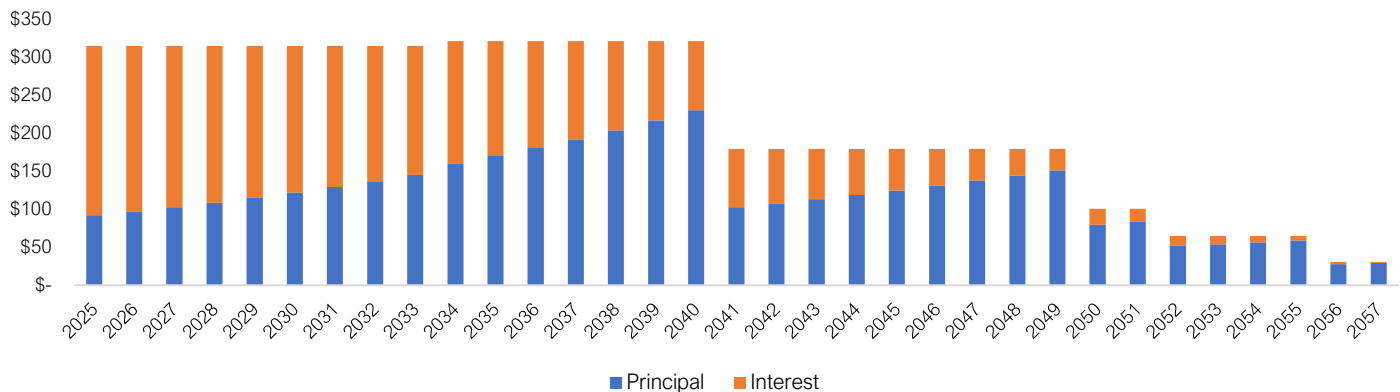
* Based on CTA debt portfolio as of 9/1/2024

Sales Tax Revenue Bonds

Sales Tax Revenue Bonds are long-term debt obligations secured by a portion of sales tax revenues. These receipts include all amounts received by the CTA from the RTA, which represents the CTA's share of (i) RTA Sales Taxes imposed through the Northeastern Illinois Transit Region, encompassing the Counties of Cook, DuPage, Kane, Lake, McHenry, and Will; (ii) Replacement Revenues paid to the RTA by the State; and (iii) Public Transportation Fund Revenues paid to or on behalf of the RTA by the State. The sales tax pledge for the 2010B, 2014, and 2020B Series is parity to the sales tax pledge for the 2008A&B Series. The sales tax pledge for the 2017, 2020A, and 2022A Series is

subordinate to the sales tax pledge for the 2008A&B, 2010B, 2014, and 2020B Series. The 2008A&B Sales Tax Bonds (POBs) are also secured by Transfer Tax Receipts, which are real estate transfer tax revenues remitted by the City directly to the CTA pursuant to the Intergovernmental Agreement. Transfer Tax Receipts do not secure the 2010B, 2014, 2017, 2020A, 2020B, or 2022A Series Bonds. Debt service for the Series 2010B, 2014, 2017, 2020A, 2020B and 2022A bonds is included in the 5-year Capital Improvement Program and is reimbursed with federal formula funds. Debt service for the Series 2008A&B bonds is accounted for in the operating budget.

Chicago Transit Authority
Sales Tax Receipts Revenue Bonds Debt Service
(\$ in Millions)



Sales and Transfer Tax Receipts Revenue Bonds, 2008A Series (Pension Funding) and 2008B Series (Retiree Health Care Funding)

On August 6, 2008, the CTA issued Sales and Transfer Tax Receipts Revenue Bonds in the amount of \$1.94 billion to fund the employee retirement plan and create a retiree health care trust. The bonds were sold in two tranches: a \$1.3 billion Series A to fund the employee retirement plan, and a \$640 million Series B to fund a permanent trust to cover other post-employment benefits for retiree health care. The bonds are secured primarily by a pledge of and lien on the Sales Tax Receipts Fund and the Transfer Tax Receipts Fund deposits. The bonds were issued pursuant to the pension and retiree health care reform requirements set forth in Public Acts 94-839 and 95-0708.

Public Act 94-839 required the CTA to make contributions to its retirement system in an amount which, together with the contributions of its participants, interest earned on investments, and other income, was sufficient to bring the total assets of the retirement system up to 90 percent of its total actuarial liabilities by the end of fiscal year 2059. Additionally, Public Act 94-839 required that the Retirement Plan's pension and retiree health care programs be separated into two distinct trusts by December 31, 2008.

Under amendments to the Pension Code adopted by the Illinois General Assembly in 2008, the funding of the Retirement Plan is also subject to the following requirements:

- For each year through 2039, the estimated "funded ratio" of the Retirement Plan, which is the actuarial value of assets divided by the actuarial accrued liability expressed as a percentage, must be at least 60 percent. If the funded ratio is projected to decline below 60 percent in any year before 2040, increased contributions will be required each year as a level percentage of payroll until 2040 to ensure the funded ratio remains above the 60 percent threshold.

- If the funded ratio declines below 60 percent at any point before 2040, increased contributions will be required each year as a level percentage of payroll during the years after the current year so that the funded ratio is projected to reach at least 60 percent no later than 10 years after the then current year.
- Beginning in 2040, the minimum annual contribution to the Retirement Plan must be sufficient to bring the funded ratio to 90 percent by the end of 2059.
- Beginning in 2060, the minimum contribution must be an amount necessary to maintain the funded ratio at 90 percent.
- Two-thirds of any increase in required contributions is to be paid by the Authority and one-third by participating employees.

Any deviation from the stated projections could result in a directive from the State of Illinois Auditor General to increase the CTA and employee contributions.

Public Act 95-708 authorized the CTA to issue \$1.9 billion in pension obligation bonds to fund the pension and retiree health care costs. This legislation stipulated that, once the bonds were issued and the funds were allocated, the CTA would have no future obligations for retiree healthcare expenses. In accordance with Public Act 95-708, all retiree healthcare benefits were to be paid from the newly established Retiree Health Care Trust no earlier than January 1, 2009 but no later than July 1, 2009.

The Series 2008A and 2008B Bonds are taxable bonds and bear interest ranging from 5.1 percent to 6.9 percent. Scheduled interest on the 2008A and 2008B Bonds was funded through June 1, 2009 and June 1, 2010, respectively, with bond proceeds and interest earnings thereon. Interest is payable semi-annually on June 1 and December 1, and the bonds mature serially on December 1, 2013 through December 1, 2040.

SCHEDULE I: \$1,936,855,000 Sales and Transfer Tax Receipts Revenue Bonds (Public Acts 94-839 and 95-0708) Series 2008A and 2008B Debt Service 2025-2040*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)
2025	53,845,000	102,729,560	156,574,560	1,435,205,000
2026	57,560,000	99,014,793	156,574,793	1,377,645,000
2027	61,530,000	95,043,729	156,573,729	1,316,115,000
2028	65,775,000	90,798,774	156,573,774	1,250,340,000
2029	70,310,000	86,260,957	156,570,957	1,180,030,000
2030	75,165,000	81,410,270	156,575,270	1,104,865,000
2031	80,350,000	76,224,636	156,574,636	1,024,515,000
2032	85,895,000	70,681,290	156,576,290	938,620,000
2033	91,820,000	64,755,394	156,575,394	846,800,000
2034	98,150,000	58,420,732	156,570,732	748,650,000
2035	104,925,000	51,649,364	156,574,364	643,725,000
2036	112,165,000	44,410,588	156,575,588	531,560,000
2037	119,905,000	36,672,324	156,577,324	411,655,000
2038	128,170,000	28,400,078	156,570,078	283,485,000
2039	137,015,000	19,557,630	156,572,630	146,470,000
2040	146,470,000	10,104,965	156,574,965	-
Total:	\$1,489,050,000	\$1,016,135,084	\$2,505,185,084	

* Based on CTA debt portfolio as of 9/1/2024

Sales Tax Receipts Revenue Bonds, Series 2010A and Taxable Series 2010B (Build America Bonds)

On April 6, 2010, the CTA issued Sales Tax Receipts Revenue Bond Series 2010A for \$44.6 million and Taxable Series 2010B (Build America Bonds) for \$505.4 million to fund or reimburse the Authority for prior expenditures of the "2010 Project," capitalize a portion of interest on the bonds, fund a portion of the consolidated debt service reserve fund on the bonds, and to pay costs of issuance on the bonds. The Series 2010B Bonds were designated as "Build America Bonds" under the provisions of the American Recovery and Reinvestment Act of 2009. The 2010 Project means, collectively, capital improvements to the transportation system and, specifically, the purchase of rail cars, rail car overhaul and rehabilitation, and the replacement and upgrade of rail track and structure.

The Series 2010A Bonds fully matured on December 1, 2019. The Taxable Series 2010B Bonds bear interest ranging from 5.07 percent to 6.20 percent with interest payable semi-annually on June 1 and December 1, commencing December 1, 2010. Further, CTA pays 35 percent of the Build America Bond interest directly from a federal subsidy CTA receives from the federal government; however, this subsidy is subject to a sequestration rate reduction of 5.7 percent for federal fiscal years 2021-2030. The Taxable Series 2010B Bonds mature annually each December 1, 2020 through December 1, 2040.

[INTENTIONALLY LEFT BLANK]

SCHEDULE II: \$505,355,000 Sales Tax Receipts Revenue Bonds Series 2010B Debt Service 2025-2040*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)
2025	14,930,000	27,372,380	42,302,380	426,560,000
2026	15,855,000	26,446,720	42,301,720	410,705,000
2027	16,835,000	25,463,710	42,298,710	393,870,000
2028	17,880,000	24,419,940	42,299,940	375,990,000
2029	18,985,000	23,311,380	42,296,380	357,005,000
2030	20,155,000	22,134,310	42,289,310	336,850,000
2031	21,400,000	20,884,700	42,284,700	315,450,000
2032	22,725,000	19,557,900	42,282,900	292,725,000
2033	24,135,000	18,148,950	42,283,950	268,590,000
2034	31,820,000	16,652,580	48,472,580	236,770,000
2035	33,785,000	14,679,740	48,464,740	202,985,000
2036	35,875,000	12,585,070	48,460,070	167,110,000
2037	38,090,000	10,360,820	48,450,820	129,020,000
2038	40,455,000	7,999,240	48,454,240	88,565,000
2039	42,955,000	5,491,030	48,446,030	45,610,000
2040	45,610,000	2,827,820	48,437,820	-
Total:	\$441,490,000	\$278,336,290	\$719,826,290	

* Based on CTA debt portfolio as of 9/1/2024

2014 Sales Tax Receipts Revenue Bonds

On July 10, 2014, CTA issued the Sales Tax Receipts Revenue Bonds, Series 2014, for \$555 million along with a premium of \$45.2 million. The bonds were issued to pay for the (i) purchase of rail cars to replace existing cars and (ii) financing of any other capital project designated by the CTA Board as part of the 2014 project. The Series 2014 bonds bear interest ranging from 5 percent to 5.25 percent. Scheduled interest on the Series 2014 Bonds was funded through June 1, 2016 with proceeds of the Series 2014 Bonds and interest thereon. Interest is payable semiannually on June 1 and December 1, and the bonds mature annually on December 1, 2041 through December 1, 2049.

SCHEDULE III: \$555,000,000 Sales Tax Receipts Revenue Bonds Series 2014 Debt Service 2025-2049*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	-	28,596,788	28,596,788	555,000,000
2026	-	28,596,788	28,596,788	555,000,000
2027	-	28,596,788	28,596,788	555,000,000
2028	-	28,596,788	28,596,788	555,000,000
2029	-	28,596,788	28,596,788	555,000,000
2030	-	28,596,788	28,596,788	555,000,000
2031	-	28,596,788	28,596,788	555,000,000
2032	-	28,596,788	28,596,788	555,000,000
2033	-	28,596,788	28,596,788	555,000,000
2034	-	28,596,788	28,596,788	555,000,000
2035	-	28,596,788	28,596,788	555,000,000
2036	-	28,596,788	28,596,788	555,000,000
2037	-	28,596,788	28,596,788	555,000,000
2038	-	28,596,788	28,596,788	555,000,000
2039	-	28,596,788	28,596,788	555,000,000
2040	-	28,596,788	28,596,788	555,000,000
2041	50,180,000	28,596,788	78,776,788	504,820,000
2042	52,690,000	26,087,788	78,777,788	452,130,000
2043	55,325,000	23,453,288	78,778,288	396,805,000
2044	58,090,000	20,687,038	78,777,038	338,715,000
2045	60,995,000	17,782,538	78,777,538	277,720,000
2046	64,195,000	14,580,300	78,775,300	213,525,000
2047	67,565,000	11,210,063	78,775,063	145,960,000
2048	71,115,000	7,662,900	78,777,900	74,845,000
2049	74,845,000	3,929,363	78,774,363	-
Total:	\$555,000,000	\$611,538,674	\$1,166,538,674	

* Based on CTA debt portfolio as of 9/1/2024

2017 Sales Tax Receipts Subordinate Revenue Bonds

On January 24, 2017, CTA issued the Second Lien Sales Tax Receipts Revenue Bonds, Series 2017 for \$296.2 million, along with a premium of \$18.1 million. The Series 2017 Bonds are subordinate to the Sales Tax Bonds Series 2008A&B, Series 2010B, Series 2014, and Series 2020B. The Series 2017 Bonds were issued to pay for projects included in the Capital Improvement Plan. The Series 2017 Bonds bear interest ranging from 4 percent to 5 percent. Scheduled interest on the Series 2017 Bonds was funded through December 1, 2018 with proceeds of the Series 2017 Bonds and interest thereon. Interest is payable semiannually on June 1 and December 1, and the bonds mature annually on December 1, 2041 through December 1, 2051.

SCHEDULE IV: \$296,220,000 Sales Tax Receipts Revenue Bonds Subordinate Series 2017 Debt Service 2025-2051*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	-	14,711,000	14,711,000	296,220,000
2026	-	14,711,000	14,711,000	296,220,000
2027	-	14,711,000	14,711,000	296,220,000
2028	-	14,711,000	14,711,000	296,220,000
2029	-	14,711,000	14,711,000	296,220,000
2030	-	14,711,000	14,711,000	296,220,000
2031	-	14,711,000	14,711,000	296,220,000
2032	-	14,711,000	14,711,000	296,220,000
2033	-	14,711,000	14,711,000	296,220,000
2034	-	14,711,000	14,711,000	296,220,000
2035	-	14,711,000	14,711,000	296,220,000
2036	-	14,711,000	14,711,000	296,220,000
2037	-	14,711,000	14,711,000	296,220,000
2038	-	14,711,000	14,711,000	296,220,000
2039	-	14,711,000	14,711,000	296,220,000
2040	-	14,711,000	14,711,000	296,220,000
2041	20,910,000	14,711,000	35,621,000	275,310,000
2042	21,945,000	13,680,600	35,625,600	253,365,000
2043	23,025,000	12,599,000	35,624,000	230,340,000
2044	24,160,000	11,464,050	35,624,050	206,180,000
2045	25,350,000	10,273,000	35,623,000	180,830,000
2046	26,600,000	9,023,150	35,623,150	154,230,000
2047	27,910,000	7,711,500	35,621,500	126,320,000
2048	29,310,000	6,316,000	35,626,000	97,010,000
2049	30,775,000	4,850,500	35,625,500	66,235,000
2050	32,310,000	3,311,750	35,621,750	33,925,000
2051	33,925,000	1,696,250	35,621,250	-
Total:	\$296,220,000	\$331,012,800	\$627,232,800	

* Based on CTA debt portfolio as of 9/1/2024

2020A Sales Tax Receipts Subordinate Revenue Bonds

On September 3, 2020, CTA issued the Second Lien Sales Tax Receipts Revenue Bonds, Series 2020A for \$367.9 million, along with a premium of \$43.6 million. The Series 2020A Bonds are subordinate to the Sales Tax Bonds Series 2008A&B, Series 2010B, Series 2014, and Series 2020B. The Series 2020A Bonds were issued to pay for projects included in the Capital Improvement Plan and repay a portion of CTA's Second Lien Sales Tax Receipts Capital Improvement Notes. The Series 2020A Bonds bear interest ranging from 4 percent to 5 percent. Scheduled interest on the Series 2020A Bonds was funded through September 1, 2023 with proceeds of the Series 2020A Bonds and interest thereon. Interest is payable semiannually on June 1 and December 1, and the bonds mature annually on December 1, 2041 through December 1, 2055.

SCHEDULE V: \$367,895,000 Sales Tax Receipts Revenue Bonds Subordinate Series 2020A Debt Service 2025-2055*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	-	16,278,850	16,278,850	367,895,000
2026	-	16,278,850	16,278,850	367,895,000
2027	-	16,278,850	16,278,850	367,895,000
2028	-	16,278,850	16,278,850	367,895,000
2029	-	16,278,850	16,278,850	367,895,000
2030	-	16,278,850	16,278,850	367,895,000
2031	-	16,278,850	16,278,850	367,895,000
2032	-	16,278,850	16,278,850	367,895,000
2033	-	16,278,850	16,278,850	367,895,000
2034	-	16,278,850	16,278,850	367,895,000
2035	-	16,278,850	16,278,850	367,895,000
2036	-	16,278,850	16,278,850	367,895,000
2037	-	16,278,850	16,278,850	367,895,000
2038	-	16,278,850	16,278,850	367,895,000
2039	-	16,278,850	16,278,850	367,895,000
2040	-	16,278,850	16,278,850	367,895,000
2041	17,590,000	16,278,850	33,868,850	350,305,000
2042	18,470,000	15,399,350	33,869,350	331,835,000
2043	19,395,000	14,475,850	33,870,850	312,440,000
2044	20,360,000	13,506,100	33,866,100	292,080,000
2045	21,380,000	12,488,100	33,868,100	270,700,000
2046	22,450,000	11,419,100	33,869,100	248,250,000
2047	23,345,000	10,521,100	33,866,100	224,905,000
2048	24,280,000	9,587,300	33,867,300	200,625,000
2049	25,250,000	8,616,100	33,866,100	175,375,000
2050	26,265,000	7,606,100	33,871,100	149,110,000
2051	27,315,000	6,555,500	33,870,500	121,795,000
2052	28,515,000	5,355,900	33,870,900	93,280,000
2053	29,765,000	4,102,950	33,867,950	63,515,000
2054	31,075,000	2,794,450	33,869,450	32,440,000
2055	32,440,000	1,427,600	33,867,600	-
Total:	\$367,895,000	\$400,595,950	\$768,490,950	

* Based on CTA debt portfolio as of 9/1/2024

2020B Sales Tax Receipts Revenue Refunding Bonds (Taxable)

On September 3, 2020, CTA issued the Sales Tax Receipts Revenue Refunding Bonds, Series 2020B (Taxable) for \$534 million.

SCHEDULE VI: \$534,005,000 Sales Tax Receipts Revenue Bonds Series 2020B Debt Service 2025-2040*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	23,060,000	15,968,336	39,028,336	444,390,000
2026	23,565,000	15,457,788	39,022,788	420,825,000
2027	24,160,000	14,873,140	39,033,140	396,665,000
2028	24,825,000	14,213,330	39,038,330	371,840,000
2029	25,560,000	13,480,496	39,040,496	346,280,000
2030	26,345,000	12,700,405	39,045,405	319,935,000
2031	27,175,000	11,883,183	39,058,183	292,760,000
2032	28,075,000	10,985,865	39,060,865	264,685,000
2033	29,030,000	10,030,753	39,060,753	235,655,000
2034	30,055,000	9,014,123	39,069,123	205,600,000
2035	31,130,000	7,946,569	39,076,569	174,470,000
2036	32,255,000	6,825,266	39,080,266	142,215,000
2037	33,525,000	5,563,451	39,088,451	108,690,000
2038	34,845,000	4,251,953	39,096,953	73,845,000
2039	36,210,000	2,888,816	39,098,816	37,635,000
2040	37,635,000	1,472,281	39,107,281	-
Total:	\$467,450,000	\$157,555,755	\$625,005,755	

* Based on CTA debt portfolio as of 9/1/2024

The Series 2020B Bonds were issued to refund outstanding Sales Tax Receipts Revenue Bonds Series 2011. The Series 2020B bonds bear interest ranging from 1.71 percent to 3.91 percent. Scheduled interest on the Series 2020B Bonds was funded through June 1, 2021 with proceeds of the Series 2020B Bonds and interest thereon. Interest is payable semiannually on June 1 and December 1, and the bonds mature annually on December 1, 2022 through December 1, 2040.

2022A Sales Tax Receipts Subordinate Revenue Bonds

On March 31, 2022, CTA issued the Second Lien Sales Tax Receipts Revenue Bonds, Series 2022A for \$350 million, along with a premium of \$37.9 million. The Series 2022A Bonds are subordinate to the Sales Tax Bonds Series 2008A&B, Series 2010B, Series 2014, and Series 2020B. The Series 2022A Bonds were issued to pay for projects included in the Capital Improvement Plan and repay a portion of CTA's Second Lien Sales Tax Receipts Capital Improvement Notes. The Series 2022A Bonds bear interest ranging from 4 percent to 5 percent. Scheduled interest on the Series 2022A Bonds was funded through December 1, 2024 with proceeds of the Series 2022A Bonds and interest thereon. Interest is payable semiannually on June 1 and December 1, and the bonds mature annually on December 1, 2041 through December 1, 2057.

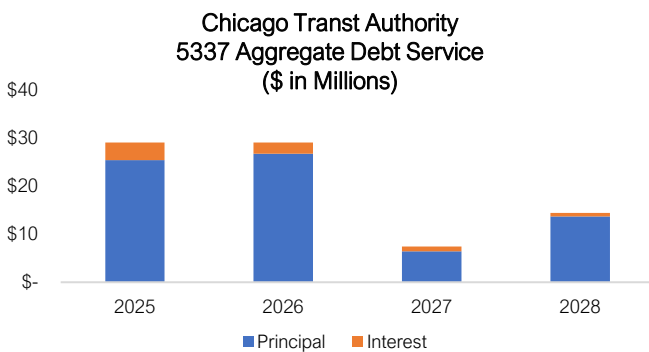
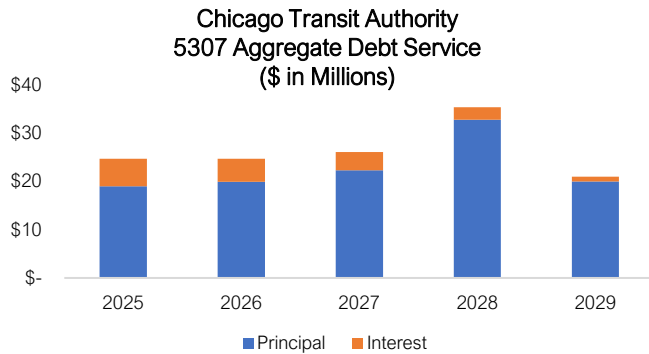
SCHEDULE VII: \$350,000,000 Sales Tax Receipts Revenue Bonds Subordinate Series 2022A Debt Service 2025-2057*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	-	16,923,100	16,923,100	350,000,000
2026	-	16,923,100	16,923,100	350,000,000
2027	-	16,923,100	16,923,100	350,000,000
2028	-	16,923,100	16,923,100	350,000,000
2029	-	16,923,100	16,923,100	350,000,000
2030	-	16,923,100	16,923,100	350,000,000
2031	-	16,923,100	16,923,100	350,000,000
2032	-	16,923,100	16,923,100	350,000,000
2033	-	16,923,100	16,923,100	350,000,000
2034	-	16,923,100	16,923,100	350,000,000
2035	-	16,923,100	16,923,100	350,000,000
2036	-	16,923,100	16,923,100	350,000,000
2037	-	16,923,100	16,923,100	350,000,000
2038	-	16,923,100	16,923,100	350,000,000
2039	-	16,923,100	16,923,100	350,000,000
2040	-	16,923,100	16,923,100	350,000,000
2041	13,790,000	16,923,100	30,713,100	336,210,000
2042	14,480,000	16,233,600	30,713,600	321,730,000
2043	15,205,000	15,509,600	30,714,600	306,525,000
2044	15,965,000	14,749,350	30,714,350	290,560,000
2045	16,760,000	13,951,100	30,711,100	273,800,000
2046	17,600,000	13,113,100	30,713,100	256,200,000
2047	18,480,000	12,233,100	30,713,100	237,720,000
2048	19,220,000	11,493,900	30,713,900	218,500,000
2049	19,990,000	10,725,100	30,715,100	198,510,000
2050	20,790,000	9,925,500	30,715,500	177,720,000
2051	21,825,000	8,886,000	30,711,000	155,895,000
2052	22,920,000	7,794,750	30,714,750	132,975,000
2053	24,065,000	6,648,750	30,713,750	108,910,000
2054	25,270,000	5,445,500	30,715,500	83,640,000
2055	26,530,000	4,182,000	30,712,000	57,110,000
2056	27,860,000	2,855,500	30,715,500	29,250,000
2057	29,250,000	1,462,500	30,712,500	-
Total:	\$350,000,000	\$442,902,050	\$792,902,050	

[INTENTIONALLY LEFT BLANK]

* Based on CTA debt portfolio as of 9/1/2024

Capital Grant Receipt Revenue Bonds – Section 5307 and Section 5337 (5309) Formula Funds

Capital Grant Revenue Bonds, also known as “GARVEEs” (Grant Anticipation Revenue Vehicles), are bonds secured by Federal Transit Administration formula funds. Section 5307 and Section 5309 funds secure each respective series of bonds. The passage of MAP-21 in 2012 replaced Section 5309 grants with Section 5337 grants. All debt service obligations are prefunded and paid by capital funds. The CTA's outstanding GARVEEs are detailed below.



Capital Grant Receipts Revenue Bonds, Refunding Series 2015 (5337)

On September 16, 2015, CTA issued the tax-exempt Capital Grant Receipts Revenue Bonds backed by the pledge of Federal Transit Administration Section 5307 Urbanized Area Formula Funds and Section 5337 State of Good Repair Formula Funds in the total amount of \$176.9 million along with a premium of \$21.6 million. The Series 2015 5307 Bonds fully matured on June 1, 2021. The Series 2015 5337 Bonds refunded the maturities dated June 1, 2024 through 2026 of the 5337 Series 2008A Bonds. The Series 2015 5337 Bonds bear interest of 5.0 percent. Interest is payable semiannually on June 1 and December 1, and the bonds mature serially from June 1, 2018 to June 1, 2026.

SCHEDULE VIII: \$45,650,000 Capital Grant Receipts Revenue Bonds Federal Transit Authority Section 5337 State of Good Repair Formula Funds Refunding Series 2015 Debt Service 2025-2026*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	14,550,000	1,491,250	16,041,250	15,275,000
2026	15,275,000	763,750	16,038,750	-
Total:	\$29,825,000	\$2,255,000	\$32,080,000	

* Based on CTA debt portfolio as of 9/1/2024

Capital Grant Receipts Revenue Bonds, Refunding Series 2017 (5307 and 5337)

On August 16, 2017, CTA issued tax-exempt Capital Grant Receipts Revenue Bonds backed by the pledge of Federal Transit Administration Section 5307 Urbanized Area Formula Funds and Section 5337 State of Good Repair Formula Funds in the total amount of \$225.8 million along with a premium of \$31.3 million. The bonds were issued to refund the Series 2008A 5307 Bonds maturing June 1, 2022 through 2026, the Series 2008 5337 Bonds maturing June 1, 2019 through 2026, and the Series 2008A 5337 Bonds maturing June 1, 2019 through 2023. The Series 2017 Bonds bear interest ranging from 2 percent to 5 percent. Interest is payable semiannually on June 1 and December 1, and the bonds mature serially from June 1, 2018 to June 1, 2026.

SCHEDULE IX: \$90,540,000 Capital Grant Receipts Revenue Bonds Federal Transit Authority Section 5307 Urbanized Area Formula Funds Refunding Series 2017 Debt Service 2025-2026*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	18,970,000	1,944,250	20,914,250	19,915,000
2026	19,915,000	995,750	20,910,750	-
Total:	\$38,885,000	\$2,940,000	\$41,825,000	

* Based on CTA debt portfolio as of 9/1/2024

SCHEDULE X: \$135,225,000 Capital Grant Receipts Revenue Bonds Federal Transit Authority Section 5337 State of Good Repair Formula Funds Refunding Series 2017 Debt Service 2025-2026*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	10,635,000	1,090,000	11,725,000	11,165,000
2026	11,165,000	558,250	11,723,250	-
Total:	\$21,800,000	\$1,648,250	\$23,448,250	

* Based on CTA debt portfolio as of 9/1/2024

Capital Grant Receipts Revenue Bonds, Refunding Series 2021 (5307 and 5337)

On June 10, 2021, CTA issued tax-exempt Capital Grant Receipts Revenue Bonds backed by the pledge of Federal Transit Administration Section 5307 Urbanized Area Formula Funds and Section 5337 State of Good Repair Formula Funds in the total amount of \$121 million along with a premium of \$27.8 million. The bonds were issued to refund the Series 2010 5307 Bonds maturing June 1, 2027 through 2028, the Series 2011 5307 Bonds maturing June 1, 2022 through 2029, and the Series 2010 5309 Bonds maturing June 1, 2027 through 2028. The Series 2021 Bonds bear interest at 5 percent. Interest is payable semiannually on June 1 and December 1, and the bonds mature serially from June 1, 2022 to June 1, 2029.

[INTENTIONALLY LEFT BLANK]

SCHEDULE XI: \$99,325,000 Capital Grant Receipts Revenue Bonds Federal Transit Authority Section 5307 Urbanized Area Formula Funds Refunding Series 2021 Debt Service 2025-2029*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	-	3,748,500	3,748,500	74,970,000
2026	-	3,748,500	3,748,500	74,970,000
2027	22,295,000	3,748,500	26,043,500	52,675,000
2028	32,700,000	2,633,750	35,333,750	19,975,000
2029	19,975,000	998,750	20,973,750	-
Total:	\$74,970,000	\$14,878,000	\$89,848,000	

* Based on CTA debt portfolio as of 9/1/2024

SCHEDULE XII: \$21,650,000 Capital Grant Receipts Revenue Bonds Federal Transit Authority Section 5337 State of Good Repair Formula Funds Refunding Series 2021 Debt Service 2025-2028*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31) *
2025	300,000	1,040,500	1,340,500	20,510,000
2026	315,000	1,025,500	1,340,500	20,195,000
2027	6,465,000	1,009,750	7,474,750	13,730,000
2028	13,730,000	686,500	14,416,500	-
Total:	\$20,810,000	\$3,762,250	\$24,572,250	

* Based on CTA debt portfolio as of 9/1/2024

TIFIA Loans

The federal government passed the Transportation Infrastructure Finance and Innovation Act (TIFIA) in 1998 to provide federal credit assistance to surface transportation public entities wishing to advance qualified, large-scale surface transportation projects that may face delays due to their size, complexity, or uncertainty of revenue timing.

TIFIA financing is a highly recommended form of government borrowing because it improves the affordability of the debt and maximizes borrowing capacity. TIFIA loans are provided through the United States Department of Transportation (U.S. DOT) and allow municipalities to secure a loan at interest rates equal to the federal government's rate, which has been 1.0-1.5 percent lower than traditional financing. Municipalities are also able to draw TIFIA funds on an "as needed" basis during a project, similar to a line of credit, further saving interest costs.

A TIFIA loan must not exceed one-third of the reasonably anticipated Eligible Project Total Costs, and the total federal funding for the project, inclusive of the TIFIA Loan and all federal direct or indirect grants, shall not exceed eighty percent (80 percent) of reasonably anticipated Eligible Project Costs. TIFIA loans can be secured by a variety of sources, depending on the transportation system. CTA currently has three TIFIA loans and is applying for a fourth. All current CTA TIFIA loans are secured by CTA Farebox Receipts.

TIFIA Loan 1 – 2014 95th Street Terminal Improvement Project

On April 24, 2014, CTA entered into a definitive loan agreement with U.S. DOT, acting by and through the Federal Highway Administration, under the TIFIA Loan Program. The principal amount of the TIFIA loan shall not exceed \$79.2 million or 33 percent of reasonably anticipated Eligible Project Costs for the 95th Street Terminal Improvement Project. As evidence of CTA's obligation to repay the TIFIA Loan, CTA issued to the lender a registered farebox receipts revenue bond for \$79.2 million dated April 24, 2014. The TIFIA loan matures annually beginning December 1, 2020 through December 1, 2050, bearing an interest rate of 3.5 percent. The TIFIA loan was fully drawn as of September 2018. The TIFIA loan is estimated to save the CTA approximately \$20 million compared to bond issuance.

SCHEDULE XIII: 79,200,000 TIFIA Loan 1 - 2014 95th Street Terminal Improvement Project*				
PAYMENT YEAR	PRINCIPAL PAYMENT**	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	1,843,791	2,666,046	4,509,837	74,328,940
2026	1,908,324	2,601,513	4,509,837	72,420,616
2027	1,975,115	2,534,722	4,509,837	70,445,501
2028	2,044,244	2,465,593	4,509,837	68,401,256
2029	2,115,793	2,394,044	4,509,837	66,285,464
2030	2,189,845	2,319,991	4,509,837	64,095,618
2031	2,266,490	2,243,347	4,509,837	61,829,128
2032	2,345,817	2,164,019	4,509,837	59,483,311
2033	2,427,921	2,081,916	4,509,837	57,055,390
2034	2,512,898	1,996,939	4,509,837	54,542,492
2035	2,600,849	1,908,987	4,509,837	51,941,643
2036	2,691,879	1,817,957	4,509,837	49,249,763
2037	2,786,095	1,723,742	4,509,837	46,463,668
2038	2,883,608	1,626,228	4,509,837	43,580,060
2039	2,984,535	1,525,302	4,509,837	40,595,525
2040	3,088,993	1,420,843	4,509,837	37,506,532
2041	3,197,108	1,312,729	4,509,837	34,309,424
2042	3,309,007	1,200,830	4,509,837	31,000,417
2043	3,424,822	1,085,015	4,509,837	27,575,595
2044	3,544,691	965,146	4,509,837	24,030,904
2045	3,668,755	841,082	4,509,837	20,362,149
2046	3,797,162	712,675	4,509,837	16,564,987
2047	3,930,062	579,775	4,509,837	12,634,925
2048	4,067,614	442,222	4,509,837	8,567,311
2049	4,209,981	299,856	4,509,837	4,357,330
2050	4,357,330	152,507	4,509,837	-
Total:	\$76,172,7301	\$41,083,024	\$117,255,754	

* Based on CTA debt portfolio as of 9/1/2024

** Includes original principal amount and payment of accrued interest

TIFIA Loan 2 – 2015 Your New Blue Improvement Project

On February 3, 2015, CTA entered into a definitive loan agreement with the U.S. DOT, acting by and through the Federal Highway Administration, under the TIFIA Loan Program. The principal amount of the Your New Blue TIFIA loan is an aggregate total not to exceed \$120 million in two tranches (Series 2015A-1 for \$42.6 million and Series 2015A-2 for \$77.4 million) or 33 percent of reasonably anticipated Eligible Project Costs for the Your New Blue Improvement Project. As evidence of CTA's obligation to repay the TIFIA loan, CTA issued to the lender two registered farebox receipts revenue bonds in the following amounts: Series 2015A-1 Bond for \$42.6 million, with a final maturity date of December 1, 2029 and bearing an interest rate of 2.02 percent, and Series 2015A-2 Bond for \$77.4 million, with a final maturity date of December 1, 2052 and bearing an interest rate of 2.31 percent. Once the funds are fully drawn, the final debt service schedule will be provided. For this project, TIFIA financing is estimated to save the CTA approximately \$50 million compared to bond issuance.

[INTENTIONALLY LEFT BLANK]

SCHEDULE XIV: 120,000,000 TIFIA Loan 2 - 2015 Your New Blue Improvement Project				
PAYMENT YEAR	PRINCIPAL PAYMENT**	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	6,908,481	2,513,729	9,422,210	106,426,221
2026	7,048,032	2,374,178	9,422,210	99,378,188
2027	7,190,403	2,231,808	9,422,210	92,187,786
2028	7,335,649	2,086,561	9,422,210	84,852,137
2029	7,483,829	1,938,381	9,422,210	77,368,308
2030	-	1,787,208	1,787,208	77,368,308
2031	-	1,787,208	1,787,208	77,368,308
2032	-	1,787,208	1,787,208	77,368,308
2033	-	1,787,208	1,787,208	77,368,308
2034	-	1,787,208	1,787,208	77,368,308
2035	-	1,787,208	1,787,208	77,368,308
2036	-	1,787,208	1,787,208	77,368,308
2037	-	1,787,208	1,787,208	77,368,308
2038	-	1,787,208	1,787,208	77,368,308
2039	-	1,787,208	1,787,208	77,368,308
2040	-	1,787,208	1,787,208	77,368,308
2041	5,668,703	1,787,208	7,455,910	71,699,606
2042	5,799,650	1,656,261	7,455,910	65,899,956
2043	5,933,621	1,522,289	7,455,910	59,966,335
2044	6,070,688	1,385,222	7,455,910	53,895,647
2045	6,210,921	1,244,989	7,455,910	47,684,726
2046	6,354,393	1,101,517	7,455,910	41,330,332
2047	6,501,180	954,731	7,455,910	34,829,153
2048	6,651,357	804,553	7,455,910	28,177,796
2049	6,805,003	650,907	7,455,910	21,372,792
2050	6,962,199	493,712	7,455,910	14,410,593
2051	7,123,026	332,885	7,455,910	7,287,568
2052	7,287,568	168,343	7,455,910	-
Total:	\$113,334,702	\$42,906,561	\$156,241,263	

* Based on CTA debt portfolio as of 9/1/2024

** Includes original principal amount and payment of accrued interest

TIFIA Loan 3 – 2016 Rail Cars

On March 30, 2016, CTA entered into a third definitive loan agreement with the U.S. DOT, acting by and through the Federal Highway Administration, under the TIFIA Loan Program to finance certain projects for CTA's Rail Car Purchase Program. The principal amount of the Rail Cars TIFIA loan is an aggregate total not to exceed \$254.9 million, in two tranches (Series 2016A-1 for \$147 million and Series 2016A-2 for \$107.9 million) or 33 percent of reasonably anticipated Eligible Project Costs for the new rail cars.

As evidence of CTA's obligation to repay the TIFIA loan, CTA issued to the lender two registered farebox receipts revenue bonds (Series 2016A-1 Bond for \$147 million with a final maturity date of December 1, 2049 and bearing an interest rate of 2.64 percent and Series 2016A-2 Bond for \$107.9 million with a final maturity date of December 1, 2056 and bearing an interest rate of 2.64 percent). Once the funds are drawn down for the project, the final debt service schedule will be provided. For this project, TIFIA financing is estimated to save the CTA approximately \$100 million compared to bond issuance.

SCHEDULE XV: \$254,930,402 TIFIA Loan 3 - 2016 CTA Rail Fleet Replacement Project*				
PAYMENT YEAR	PRINCIPAL PAYMENT**	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	-	3,927,647	3,927,647	275,146,072
2026	-	3,927,647	3,927,647	275,146,072
2027	-	7,263,856	7,263,856	275,146,072
2028	-	7,263,856	7,263,856	275,146,072
2029	-	7,263,856	7,263,856	275,146,072
2030	4,174,447	7,263,856	11,438,304	270,971,625
2031	4,554,723	7,153,651	11,708,373	266,416,903
2032	4,945,037	7,033,406	11,978,443	261,471,866
2033	5,345,656	6,902,857	12,248,513	256,126,210
2034	5,756,851	6,761,732	12,518,583	250,369,359
2035	6,448,971	6,609,751	13,058,723	243,920,387
2036	6,619,224	6,439,498	13,058,723	237,301,163
2037	10,609,887	6,264,751	16,874,637	226,691,276
2038	11,119,389	5,984,650	17,104,039	215,571,887
2039	11,642,343	5,691,098	17,333,441	203,929,544
2040	12,449,173	5,383,740	17,832,913	191,480,371
2041	13,007,233	5,055,082	18,062,314	178,473,139
2042	13,809,427	4,711,691	18,521,118	164,663,711
2043	14,173,996	4,347,122	18,521,118	150,489,716
2044	14,777,591	3,972,928	18,750,520	135,712,124
2045	15,167,720	3,582,800	18,750,520	120,544,405
2046	15,568,147	3,182,372	18,750,520	104,976,257
2047	16,208,548	2,771,373	18,979,922	88,767,709
2048	16,636,454	2,343,468	18,979,922	72,131,255
2049	17,075,656	1,904,265	18,979,922	55,055,598
2050	7,263,801	1,453,468	8,717,268	47,791,798
2051	7,455,565	1,261,703	8,717,268	40,336,233
2052	7,652,392	1,064,877	8,717,268	32,683,841
2053	7,854,415	862,853	8,717,268	24,829,426
2054	8,061,772	655,497	8,717,268	16,767,654
2055	8,274,602	442,666	8,717,268	8,493,052
2056	8,493,052	224,217	8,717,268	-
Total:	\$275,146,072	\$138,972,236	\$414,118,308	

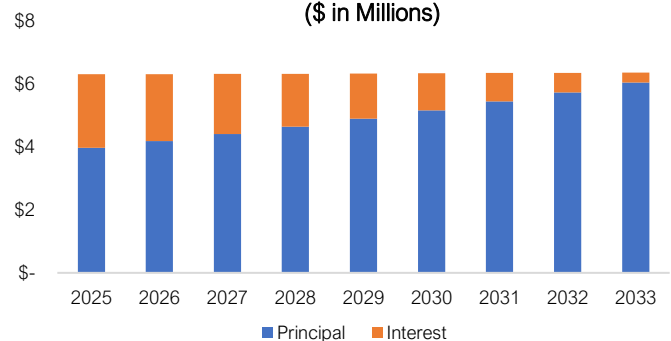
* Based on CTA debt portfolio as of 9/1/2024

** Includes original principal amount and payment of accrued interest

Lease Agreements

The CTA executed several economically advantageous lease agreements with third parties involving various assets of the CTA, including facilities, buses, and related parts and equipment. Under the lease financings, the CTA executed a long-term lease for applicable assets with trusts established by equity investors, which concurrently leased the respective assets back to CTA under sublease agreements. Each sublease contains a fixed date and a fixed price purchase option that allows the CTA, at its option, to purchase the assets back from the lessor.

Public Building Commission of Chicago Building Refunding Revenue Debt Service (\$ in Millions)



Public Building Commission Payable (2003/2006)

On October 26, 2006, the Public Building Commission of Chicago (PBC) issued \$91.34 million of Building Refunding Revenue Bonds for the benefit of the CTA to refund the outstanding amount from bonds originally issued in 2003. The proceeds of the bonds were used to advance the refund of the PBC Series 2003 Bonds. The original, executed financed purchase in connection with the Series 2003 Bonds was amended accordingly.

The proceeds from the 2003 Bonds issued by the Public Building Commission of Chicago (PBC) were used for several purposes, including the acquisition of a site and the construction of a 12-story office building to serve as the Chicago Transit Authority (CTA) headquarters.

Rent payments due to the PBC from the CTA under the financed purchase are general obligations of the CTA payable from any lawfully available funds. Upon satisfaction of all the obligations of the CTA under the lease and payment, or provision for payment, of the PBC Bonds in full, the PBC will transfer title of the financed purchased premises to the CTA.

The CTA is obligated to pay to the Trustee on behalf of the PBC on or before February 15 of each year in which the headquarters financed purchased is in effect, rent which equals the debt service on the PBC Bonds due through and including September 1 of that calendar year.

SCHEDULE XVI: \$91,340,000 Building Revenue Bonds Series 2006 Financed Payment Schedule 2025-2033 (Public Building Commission on behalf of Chicago Transit Authority)*				
PAYMENT YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL DEBT SERVICE	DEBT OUTSTANDING (as of 12/31)*
2025	3,960,000	2,226,525	6,186,525	40,430,000
2026	4,175,000	2,012,981	6,187,981	36,255,000
2027	4,400,000	1,787,888	6,187,888	31,855,000
2028	4,635,000	1,550,719	6,185,719	27,220,000
2029	4,890,000	1,300,688	6,190,688	22,330,000
2030	5,150,000	1,037,138	6,187,138	17,180,000
2031	5,430,000	759,413	6,189,413	11,750,000
2032	5,720,000	466,725	6,186,725	6,030,000
2033	6,030,000	158,288	6,188,288	-
Total:	\$44,390,000	\$11,300,365	\$55,690,365	

[INTENTIONALLY LEFT BLANK]

* Based on CTA debt portfolio as of 9/1/2024

(THIS PAGE INTENTIONALLY LEFT BLANK)



Economic Indicators

CTA's ridership and revenues are heavily influenced by overall local employment levels, economic spending, and relative transportation costs. The local labor market and commuting costs are influenced by national economic conditions with ridership and public funding trends providing additional context for the current economic conditions.

The U.S. economy continues a positive trend as it further distances itself from the pandemic's impacts. Consumer spending continues to increase, driven by strong demand despite higher prices, and while inflation remains higher than target, we've experienced notable decreases in our inflation rates, achieving new lows since February 2021. Public transportation remains an appealing option as rising costs make it a better economical choice for many. However, the growth in ridership is hindered by the continuation of remote and hybrid work arrangements, which reduces overall commuting volume. On the labor front, the market is showing signs of cooling, with new job creation declining and a slight increase in unemployment. Overall, while there are positive indicators, challenges in the labor market and changing commuting habits are key factors to watch in the upcoming year.

The Chicago metro area's economic growth lags both the national average and that of similar-sized cities. State and local budget pressures coupled with declines in population and downtown office vacancy rates contribute to this slower pace. Ongoing economic pressures makes public transportation a necessary option for a large portion of the population. Not only is public transit essential for those who cannot afford other modes of travel, large portions of the population cannot legally drive, including youth, elderly, those with disabilities, and others. Chicago's tourism and hospitality sector is strong, with an increasing number of visitors relying on public transportation, particularly evident in the rise in weekend CTA ridership. This boost in tourism not only supports the economy but also highlights the ongoing importance of accessible transit options in the city.

Employment Levels

The seasonally adjusted non-farm employment in the Chicago metropolitan area slightly increased to a monthly average of 4.8 million through August 2024. This represents an average monthly employment increase of 1.0 percent over 2023, compared to the National Employment YOY increase of 1.4 percent. Despite these slower gains, Chicago is on track to exceed its total employment levels from 2019 by the end of 2024.

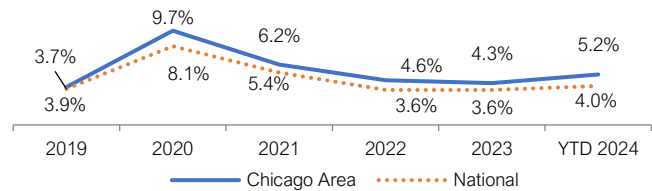
Average Monthly Non-Farm Employment 2019-2024 (seasonally adjusted in Thousands)						
	2019	2020	2021	2022	2023	2024
National	150,906	142,165	146,276	152,531	156,066	158,259
%Change	1.3%	-5.8%	2.9%	4.3%	2.3%	1.4%
Chicago Area	4,731	4,759	4,415	4,517	4,703	4,751
%Change	1.7%	0.6%	-7.2%	2.3%	4.1%	1.0%

Source: Bureau of Labor Statistics

Unemployment Rate

The Chicago metropolitan area seasonally adjusted unemployment rate averaged 5.2 percent through August 2024, an increase of .90 percentage points compared to 2023. The national average of .40 percent increased by 10 percentage points compared to 2023.

Chicago Area and National Unemployment Rate

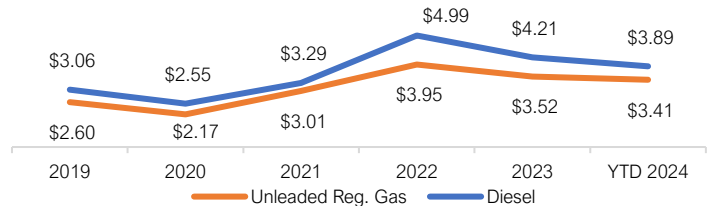


Source: Bureau of Labor Statistics

Fuel Prices

This price downturn and demand during the COVID pandemic led to reduced oil production and as the economy re-opened and demand renewed, prices began to increase with 2022 hitting record highs. In 2024, the average price of regular gasoline was \$3.41, and the average price of diesel fuel was \$3.89. This represents a slight decrease from 2023 prices. Supply constraints have been a significant driver of high fuel prices. OPEC nations' gradual reduction of oil production, along with disruptions caused by geopolitical tensions like the war in Ukraine, continue to tighten global supply. Domestic production challenges, such as extreme weather and regulatory changes, have further limited oil availability. Meanwhile, increased demand driven by economic recovery and rising travel has intensified the supply-demand issue.

Unleaded Regular Gasoline + Diesel Fuel
(Price per Gallon National Average)

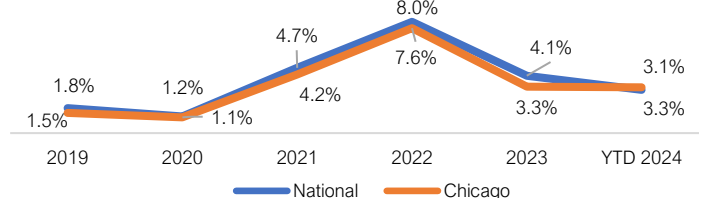


Source: US Energy Information Administration

Consumer Price Index (CPI)

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. An increase in the index means consumers pay more to buy the same goods and services. The increased fuel costs, post-pandemic wage increases, and other inflationary pressures continue to drive elevated CPI increases. Through August 2024, the national CPI is one percentage point lower than prior year, while the Chicago-area CPI remains the same as 2022. The CPI YOY continues to trend down from peak levels.

Consumer Price Index Change

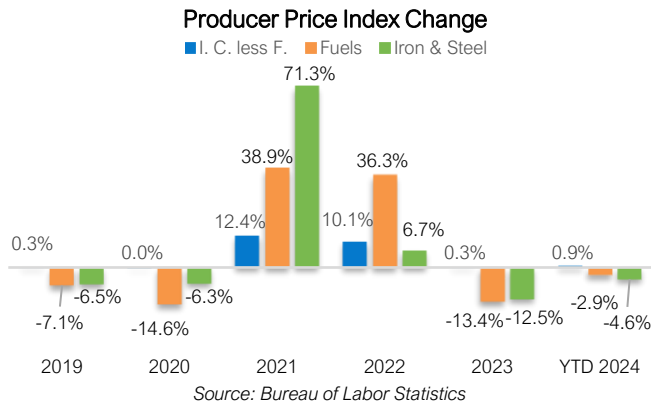


Source: Bureau of Labor Statistics

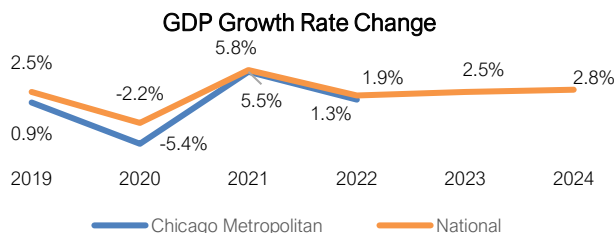
Producer Price Index (PPI)

The PPI measures average changes in prices received by domestic producers for their output. Three commodity categories are selected for trend illustration, and their respective 2023 to 2024 increase is noted:

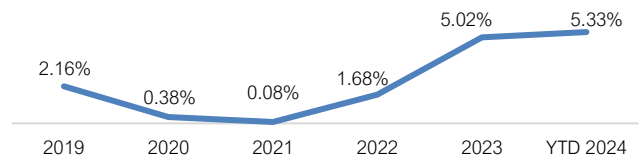
- Industrial commodities less fuel - Increased 1.0 percent.
- Fuel - Decreased 2.9 percent.
- Iron & steel – Decreased by 4.6 percent.

Gross Domestic Product (GDP)

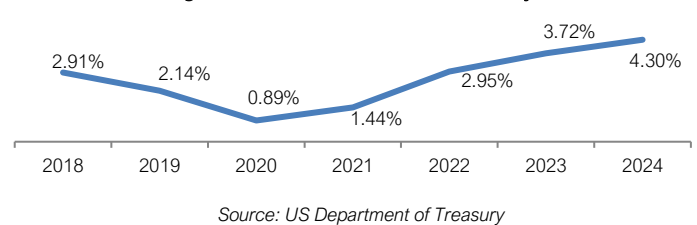
GDP measures the value of goods and services produced in an area each year. The National GDP grew each year since 2010, before contracting substantially in 2020 due to the pandemic. From 2019 to 2020, the Chicago Metropolitan Area GDP declined 5.4 percent, compared to a 2.2 percent decline nationally. In 2022, Chicago Metropolitan GDP grew 1.3 percent compared to 2021, while the national GDP saw a growth of 1.9 percent. In 2023 and YTD 2024, the national GDP has grown by more normalized levels, achieving 2.5 percent and 2.8 percent respectively. Chicago 2023/24 data is not yet available.

Federal Funds Rate (FFR)

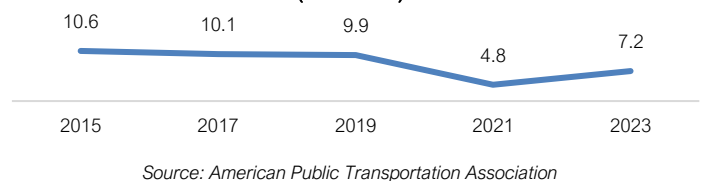
The FFR is the interest rate at which banks lend balances at the Federal Reserve to other depository institutions and the Federal Open Market Committee (FOMC) is tasked with setting a target for the FFR. From March 2020 through March 2022 the Fed funds rate remained relatively unchanged. As inflationary pressure began to increase, the FOMC raised the Fed funds rate aggressively to combat inflation. In 2022, the FOMC increased the rate seven times, and in 2023, they raised it four more times. The rate rose from 0.20 percent in March 2022 to a peak of 5.33 percent in August 2024. In September of 2024 the FOMC reduced the federal funds rate by .50 percentage points. The market anticipates future rate reductions in 2025.

Average Annual Federal Funds RateTen-Year U.S. Treasury Yield

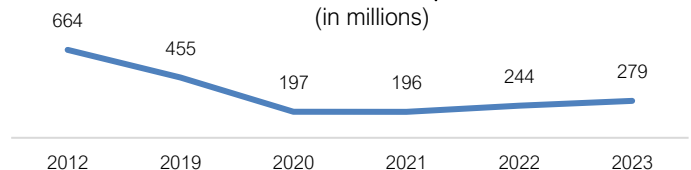
The Ten-Year Treasury note is the most frequently quoted security for analysis of the U.S. government. In 2020, the 10-year yield peaked in January at 1.76 percent. At the beginning of the COVID-19 induced economic recession, yields had fallen to 0.66 percent by April, and remained below 1.0 percent through 2020. The Ten-Year yield has gradually increased from 2021 through 2023, averaging 3.72 in 2023. As of August 2024, the yield rose to 4.30 percent.

Average Annual Ten-Year U.S. Treasury YieldHistorical Ridership

Nationally, transit ridership was gradually trending downward pre-pandemic. Lower gas prices and additional mobility competitors contributed to the decline. During the COVID-19 pandemic, ridership dropped dramatically, reaching a low of 4.8 billion rides in 2021. While ridership has continually increased since 2020, it remains well below pre-pandemic levels due to increased remote work and hybrid schedules.

**National Ridership
(in billions)**

Transit ridership in the Chicago region was trending upward in the early 2000's and peaked at 664 million trips in 2012. From 2012 through 2019, ridership decreased due to new mobility competitors, and demographic changes. During the COVID-19 pandemic ridership declined by roughly 60 percent of 2019 levels. Ridership continues to rebound but remains below pre-pandemic levels, due in part to increased remote work and hybrid schedules.

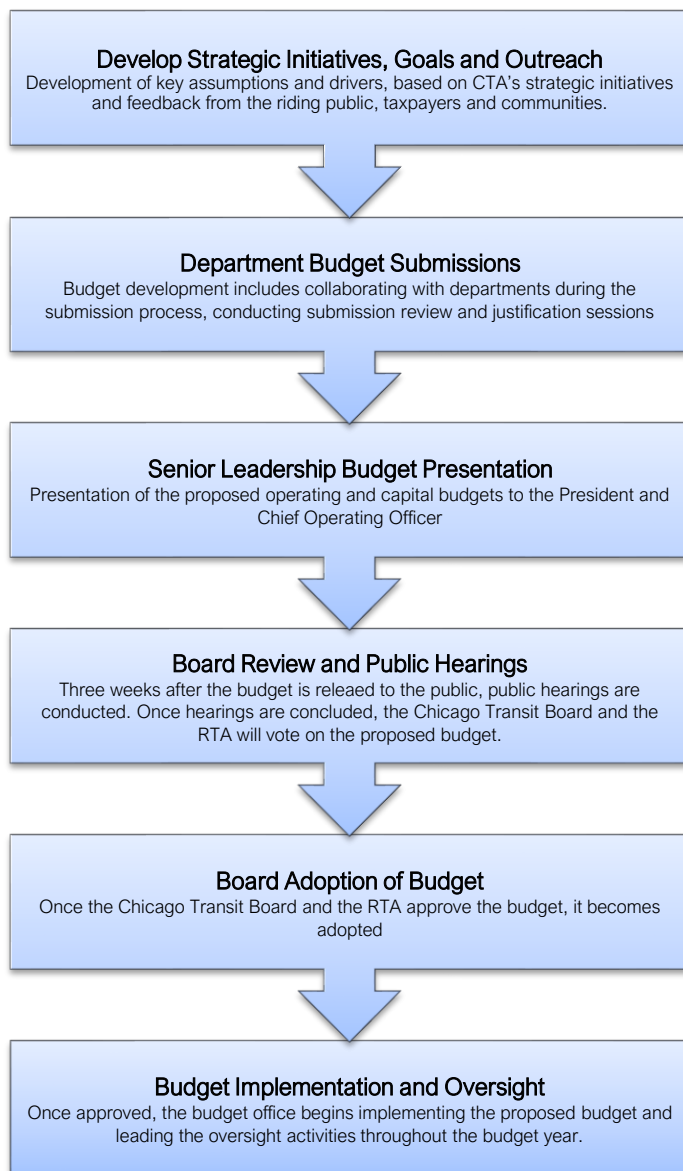
**CTA Ridership
(in millions)**

Annual Budget Process

The Regional Transportation Authority (RTA) Act requires the RTA Board to adopt an annual budget and two-year financial plan, a strategic plan, and a five-year capital program. The budgetary process contains three phases: budget development, budget adoption, and budget execution and administration.

Budget Development Process

The CTA's annual budget development process serves as the foundation for its financial planning and control. The Chief Financial Officer and staff prepare and submit the budget to the Board of Directors for consideration and approval. The annual budget includes both the operating and capital budgets. It is the responsibility of each department to adhere to approved spending levels and manage its operations efficiently and in alignment with CTA's goals and programs authorized by the Board. The budget development process is a collaborative effort and includes the following phases:



RTA Statutory Requirements for Budget Approval

The RTA Board adopts the proposed budget and plan upon the approval of 12 of the RTA's 16 directors. If the budget meets the RTA's criteria, which are identified in the RTA Act and outlined below, then the RTA is required to adopt the budget. If the RTA Board does not approve the budget, the RTA Board cannot release any funds for the periods covered by the budget and two-year financial plan, except the proceeds of sales taxes due by the statutory formula to the CTA, until the budget conforms to the criteria specified in the Act.

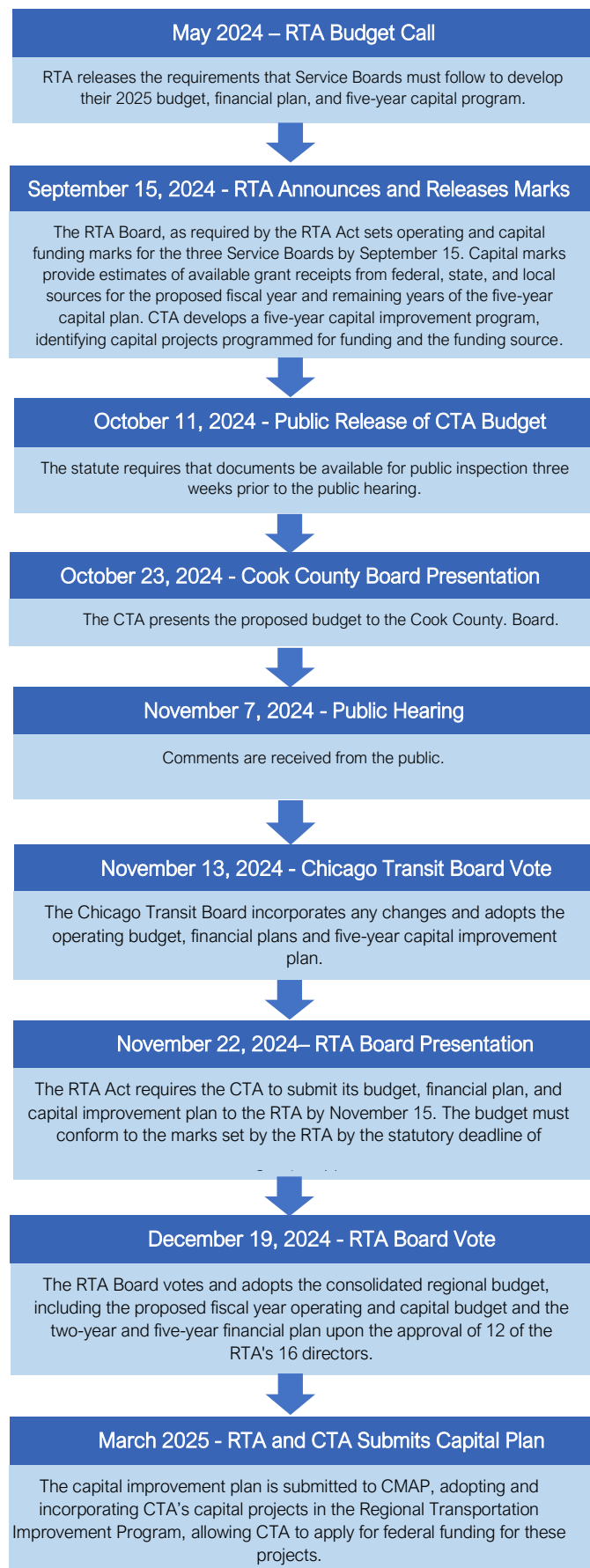
The RTA's criteria for budget and plan approval are:

1. **Balanced Budget:** The budget and plan show a balance between (A) anticipated revenues from all sources including operating subsidies and (B) the costs of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest of outstanding indebtedness.
2. **Cash Flow:** The budget and plan show cash balances, including the proceeds of any anticipated cash flow borrowing sufficient to pay with reasonable promptness all costs and expenses incurred.
3. **Recovery Ratio:** The budget and plan provide a level of fares or other system generated revenues against operating or administrative costs for the public transportation provided to meet or exceed the requirement.
4. **Assumptions:** The budget and plan are based upon and employ assumptions and projections, which are reasonable and prudent.
5. **Financial Practices:** The budget and plan have been prepared in accordance with sound financial practices as determined by the RTA Board.
6. **Other Requirements:** The budget and plan meet such other financial, budgetary, or fiscal requirements that the RTA Board may by rule or regulation establish.
7. **Strategic Plan:** The budget and plan are consistent with the goals and objectives adopted by the RTA Board in the Strategic Plan.
8. **Capital Budget:** The capital improvement plan submitted to the RTA outlines projects, including budgets, schedules, and funding sources and are eligible for Federal and RTA funding and meet all requirements.

Budget Execution and Administration

After the proposed budget and financial plan are adopted, the budget execution and administration phase begin. Detailed budgets of operating revenues and expenses calendarized for the 12 months of the budget year are forwarded to the RTA. The CTA's actual monthly financial performance is measured against the monthly budget and reported to the RTA Board. Detailed capital grant applications are prepared and submitted to funding agencies. Quarterly capital program progress reports, along with milestones, are provided to the RTA Board to monitor expenditures and obligations for capital program items. RTA meets with CTA quarterly to review the status of capital projects.

Budget Calendar

Amendment Process

As the CTA monitors actual performance, changes may be required to the budget. When the RTA amends a revenue estimate because of changes in economic conditions, governmental funding, a new program, or other reasons, the CTA has 30 days to revise its budget to reflect these changes. The RTA's Finance Committee must approve all amendments before they are recommended to the RTA Board for approval. The budget may also be amended based on the financial condition and operating results if the CTA is significantly out of compliance with its budget for a given quarter. The RTA Board, by a vote of 12 members, may require the CTA to submit a revised financial plan and budget, which show that the marks will be met in a period of less than four quarters. If the RTA Board determines that the revised budget is not in compliance with the marks, the RTA will not release discretionary funds. RTA discretionary funds include monies from the Public Transportation Fund (PTF), discretionary sales tax, and other state funding. If the Authority submits a revised financial plan and budget showing the marks will be met within a four-quarter period, then the RTA Board shall continue to release funds.

As capital projects proceed, changes may be required to project budgets. Capital funding marks may be revised based on actual federal or state appropriations actions. When revisions are necessary, the five-year capital program will be amended and submitted to the RTA for RTA Board action.

[INTENTIONALLY LEFT BLANK]

Accounting Systems, Financial Controls & Policy

The CTA was formed in 1945 pursuant to the Metropolitan Transportation Authority Act passed by the Illinois Legislature. The CTA was established as an independent governmental agency (an Illinois municipal corporation) "separate and apart from all other government agencies" to consolidate Chicago's public and private mass transit carriers. The City Council of the City of Chicago granted the CTA the exclusive right to own and operate a unified, local transportation system.

The Regional Transportation Authority Act provides for the funding of public transportation in the six-county region of Northeastern Illinois. The Act established a regional oversight board, the Regional Transportation Authority (RTA), and designated three Service Boards: the CTA, the Commuter Rail Board, and the Suburban Bus Board. The Act requires, among other things, that the RTA approve the annual budget of the CTA; that the CTA obtain agreement from local governmental units to provide an annual monetary contribution of at least \$5 million for public transportation; and that the CTA, collectively with the other Service Boards, finance at least 50 percent of operating costs, excluding depreciation and certain other items, from system-generated sources on a budgetary basis. In late 2021, the Illinois legislature granted temporary recovery ratio relief for fiscal year 2021, 2022, and 2023 due to the ongoing pandemic. Per Public Act 102-0678, the aggregate of all projected fare revenue from such fares and charges received in fiscal years 2021, 2022, and 2023 may be less than 50 percent of the aggregate costs of providing such public transportation in those fiscal years. On July 28, 2023 the Illinois legislature extended recovery ratio relief through 2025 per Public Act 103-0281.

Financial Reporting Entity

As defined by U.S. generally accepted accounting principles (GAAP), the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable.

Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.
- 2) Fiscal dependency on the primary government.

In conformance with Governmental Accounting Standards Board (GASB) standards, the CTA includes in its financial statements all funds over which the Chicago Transit Board exercises oversight responsibility. Oversight responsibility is defined to include the following considerations: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, and scope of an organization's public service and/or special financing relationships.

The CTA participates in the Employees' Retirement Plan, which is a single-employer, defined benefit plan covering substantially all full-time permanent union and nonunion employees. The Employees' Plan is governed by state statute (40 ILCS 5/22-101). The fund, established to administer the Employees' Retirement Plan, is not a fiduciary fund or component unit of the CTA. This fund is a legal entity separate and distinct from the CTA. This plan is administered by its own board of trustees comprised of five union representatives, five representatives appointed by the CTA, and a professional fiduciary appointed by the RTA. The CTA has no direct authority and assumes no fiduciary responsibility with regards to the Employees' Retirement Plan. Accordingly, the accounts of this fund are not included in the CTA's financial statements.

The Retiree Health Care Trust (RHCT) provides and administers health care benefits for CTA retirees and their dependents and survivors. The

RHCT is not a fiduciary fund or a component unit of the CTA. This trust is a legal entity separate and distinct from the CTA. This trust is administered by its own board of trustees comprised of three union representatives, three representatives appointed by the CTA, and a professional fiduciary appointed by the RTA. The CTA has no direct authority and assumes no fiduciary responsibility with regards to the RHCT. Accordingly, the accounts of this fund are not included in the CTA's financial statements.

Based upon the criteria set forth by the GASB, the CTA is not considered a component unit of the RTA because the CTA maintains separate management, exercises control over all operations, and is fiscally independent from the RTA. Because governing authority of the CTA is entrusted to the Chicago Transit Board, comprised of four members appointed by the Mayor of the City of Chicago and three members appointed by the Governor of the State of Illinois, the CTA is not financially accountable to the RTA and is not included as a component unit in the RTA's financial statements. As statutorily required, the CTA is combined in pro forma statements with the RTA.

Budget and Budgetary Basis of Accounting

The CTA is required under Section 4.01 of the RTA Act to submit for approval an annual budget to the RTA by November 15th of each year. The budget is prepared on a basis consistent with generally accepted accounting principles (GAAP), except for the exclusion of certain income and expenses, and consistent with the basis of accounting and required recovery ratio. The excluded income and expense amounts include the following:

- Provision for injuries and damage in excess of (or under) budget,
- Depreciation expense,
- Pension expense in excess of pension contributions,
- Actuarial adjustments,
- Revenue and expense from bond transactions,
- Revenue and expense from sale/ leaseback transactions, and
- Capital contributions.

The Act requires that expenditures for operations and maintenance more than budget cannot be made without the approval of the Chicago Transit Board. All annual appropriations lapse at fiscal year-end. Public funding assistance, administered by the RTA, provides public funding revenue for the budgets of the Service Boards. Favorable variances from budget remain as operating assistance to the CTA.

The RTA approves the proposed budget based on four criteria:

- The budget is in balance with regard to anticipated revenues from all sources, including operating subsidies, costs of providing services, and funding operating deficits.
- The budget provides sufficient cash balances to pay, with reasonable promptness, costs, and expenses when due.
- That the budget provides for the CTA to meet its required system-generated revenue recovery ratio; and
- That the budget is reasonable and prepared in accordance with sound financial practices and complies with such other RTA requirements as the RTA Board of Directors may establish.

The RTA monitors the CTA's performance against the budget on a quarterly basis. If, in the judgment of the RTA, this performance is not substantially in accordance with the CTA's budget for such period, the RTA shall so advise the CTA and the CTA must, within the period specified by the RTA, submit a revised budget to bring the CTA into compliance with the budgetary requirements listed above.

Financial Reporting

The CTA's financial statements are prepared in conformity with GAAP. GASB is the accepted standard-setting body for establishing governmental accounting and reporting principles. The CTA applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case the GASB prevails.

Basis of Presentation

The financial statements provide information about the CTA's business-type and fiduciary (Qualified Supplemental Retirement Plan) activities. Separate financial statements are presented for each category. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The financial statements for CTA's business-type activities are used to account for the operations of the CTA and are accounted for on a proprietary (enterprise) fund basis. This basis is used when operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing services to the general public be financed or recovered primarily through user charges such as fares.

Accordingly, the CTA maintains its records on the accrual basis of accounting. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized, and all assets and liabilities associated with the operation of the CTA are included in the balance sheet.

The financial statements for the fiduciary activities are used to account for the assets held by the CTA in trust for the payment of future retirement benefits under the Qualified Supplemental Retirement Plan. The assets of the Qualified Supplemental Retirement Plan cannot be used to support CTA operations.

Fiscal Year

The operating cycle of the CTA is based on the calendar year. Prior to 1995, the CTA operated on a 52-week fiscal year composed of four quarters of "four-week, four week, and five week" periods. Periodically, a 53-week fiscal year was required to keep the fiscal year aligned with the calendar.

Internal Controls

CTA management is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the CTA are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived, and that the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The CTA's internal accounting controls are reasonable under the existing budgetary constraints and adequately safeguard assets as well as provide reasonable assurance of proper recording of all financial transactions.

Each year, the CTA conducts internal and external audits to test the adequacy of its internal control system. Where weaknesses are identified, the CTA takes immediate action to correct such weaknesses to ensure a sound internal control system.

Single Audit

As a recipient of federal, state, and RTA financial assistance, the CTA is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is subject to periodic evaluation by management and the internal audit staff of the CTA, as well as external auditors.

As part of the CTA's single audit, tests are performed to determine the adequacy of the internal control system, including the portion related to federal financial assistance programs, as well as to determine that the CTA has complied with applicable laws and regulations.

Budgeting Controls

In addition, the CTA maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget appropriated by the Chicago Transit Board and approved by the RTA. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established for total operating expenses. The CTA also maintains a position control system, which requires that every job that is not part of scheduled transit operations be budgeted on an annual basis.

Financial Policy

Financial planning policies incorporate both short- and long-term strategies focused on the principles of a balanced budget. These policies ensure proper resource allocation and the continued financial viability of the organization. The CTA reviews the policies on an annual basis as part of the budget process to ensure continued relevance to the organization's goals and objectives.

A Balanced Budget

The budget reflects the short-term goals of the agency. Following development, adoption, and implementation of the annual budget, the CTA continually monitors actual monthly financial performance against the budget. Each month, the CTA performs a detailed analysis of each revenue and expense account to determine operating variances. This includes reviewing position headcount, analyzing labor, material and other expenses, examining revenue scenarios for potential shortfalls, applying seasonality spread in relation to business activities, and conducting continuous audits to ensure a balanced budget. Where potential year-end variances to budget are projected, the CTA uses various strategies to manage them. A monthly financial performance report is produced and submitted to the CTA and RTA boards for their review.

Each year the CTA is required to have a balanced budget as required by the RTA Act. As such, the CTA takes care in the development of its budget to ensure that assumptions and estimates used to develop the budget are reasonable. The CTA analyzes data from recent years and develops forecasts that are built on actual expense trends. The CTA also researches market trends and consultants' studies that could impact fuel and healthcare expenses. At the time the budget is presented, the total expenses match the total revenue, including system-generated and other revenues, as well as public funding.

Long-Range Planning

The CTA also develops a longer-range plan for the period beyond the current budget and two-year financial plan. This ten-year plan assesses the implications of current and proposed budgets, policy priorities, and financial assumptions. Additionally, external economic studies, demographics, and traffic patterns are used to estimate the future transit needs of the Chicago metropolitan area, and to establish the future system requirements of the CTA. Current infrastructure needs, as well as system growth needs, are developed, prioritized, and incorporated into the long-term plan.

Capital Investment Planning

The CTA continuously maintains an inventory and assessment of the condition of all major capital assets. A detailed five-year capital program prioritizes the short-term capital needs that are necessary to bring the system to a state of good repair, as well as to maximize customer benefits in the regional transit system. CTA is also developing a Transit Asset Management system to assist in prioritizing future capital projects. A 20-year capital program condition and assessment report provides a broader list of the CTA's capital investment needs.

Revenue Policies

The foremost sources of operating revenues for the CTA are bus and rail passenger fares, which are established by the CTA's Board. The CTA also recognizes as revenue the rental fees received from concessionaires, the fees collected from advertisements on CTA property, and other miscellaneous operating revenues. A clear understanding of CTA revenue sources is essential to maintaining a balanced budget and for providing quality service to customers.

Revenue Diversification

Organizational units are encouraged to submit revenue ideas for consideration. The CTA has embarked upon numerous alternative revenue enhancements, such as vending machines and ATMs on the system, wireless communications in the subway tunnels, digital communications, and parking under the elevated rights-of-way. The CTA continues to find ways to enhance system advertising, charters, and concession revenues, as well as revenue from investments.

Use of One-Time Revenues

Extraordinary revenues from the sale of surplus assets provide one-time benefits to the CTA. These additional revenues are used to fund non-recurring expense items.

Expenditure Policies

CTA expenditures include the costs of operating the mass transit system, administrative expenses, and depreciation on capital assets. Prudent expenditure planning, monitoring, and accountability are key elements of fiscal stability.

[INTENTIONALLY LEFT BLANK]

Debt Capacity, Issuance, and Management

These policies serve as a management tool to ensure that the CTA:

- May utilize leverage as part of its overall funding strategy to speed up investment in the system;
- Utilizes debt in the most efficient and effective manner to fund operating and capital improvement programs; and
- Makes full and timely repayment of all borrowings.

Moreover, the policy provides broad guidelines to ensure that the agency achieves the lowest possible cost of capital within prudent risk parameters, secures ongoing access to the capital markets, and authorizes the appropriate amount, type, and debt structure for various financing situations.

Expenditure Accountability

Each month, the CTA compares its operating and capital performance to budget. Any deviations from budget are reviewed and corrective measures are implemented by the appropriate organizational units. Each unit is responsible for maintaining budget compliance. Actual capital expenditures are also reviewed monthly and adjustments to capital projects spending are made accordingly.

(THIS PAGE INTENTIONALLY LEFT BLANK)



Acronyms

AA	Alternatives Analysis	FY	Fiscal Year
ADA	Americans with Disabilities Act	GAAP	Generally Accepted Accounting Principles
AoPP	Areas of Persistent Poverty Program	GARVEE	Grant Anticipation Revenue Vehicles
APB	Accounting Principles Board	GASB	Governmental Accounting Standards Board
APTA	American Public Transportation Association	GDP	Gross Domestic Product
ARP	American Rescue Plan Act	GFOA	Government Finance Officers Association
ASAP	All Stations Accessibility Plan	GIS	Geographic Information System
ATCMTD	Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) Initiative	GTT	City of Chicago Ground Transportation Tax
AVAS	Automated Voice Annunciation System	HTF	Highway Trust Funds
BAB	Build America Bonds	ICC	Illinois Commerce Commission
BRT	Bus Rapid Transit	ICE	Innovation, Coordination, and Enhancement Fund
BUILD	Better Utilizing Investments to Leverage Development	IDOT	Illinois Department of Transportation
CAC	Capital Advisory Committee	IJA	Infrastructure Investment and Jobs Act
CFRA	Carbon-Free Energy Resource Adjustment	IGA	Intergovernmental Agreement
CARES	Coronavirus Aid Relief and Economic Security Act	IRA	Inflation Reduction Act
CBO	Congressional Budget Office	IT	Information Technology
CDOT	Chicago Department of Transportation	JARC	Job Access and Reverse Commute Program
CEJA	Climate and Equitable Jobs Act	LACMTA	Los Angeles County Metropolitan Transportation Authority
CIG	Capital Investment Grant	LPA	Locally Preferred Alternative
CIP	Capital Improvement Program	MAP-21	Moving Ahead for Progress in the 21st Century
CMAQ	Chicago Metropolitan Agency for Planning	MBTA	Massachusetts Bay Transportation Authority
CMAQ	Congestion Mitigation and Air Quality Improvement Program	MFT	Motor Fuel Tax
COP	Certificate of Participation	MPO	Metropolitan Planning Organization
CPD	Chicago Police Department	NEPA	National Environmental Policy Act
CPI	Consumer Price Index	NOFO	Notice of Funding Opportunity
CRRSA	Coronavirus Response and Relief Supplemental Appropriations	NPS	Net Promoter Score
CSL	Chicago Surface Lines	NTD	National Transit Database
CTA	Chicago Transit Authority	NYCT	New York City Transit
DBE	Disadvantaged Business Enterprise	PayGo	Pay-As-You-Go funding from State Motor Fuel Tax receipts
DEI	Diversity, Equity, and Inclusion	PBC	Public Building Commission of Chicago
DHS	Department of Homeland Security	PBV	Positive Budget Variance
EIA	Energy Information Administration	PD	Project Development
EIS	Environmental Impact Statement	PE	Preliminary Engineering
EPA	Environmental Protection Agency	PMP	Project Master Plans
ETOD	Equitable Transit-Oriented Development Plan	POB	Pension Obligation Bond
FASB	Financial Accounting Standards Board	PPI	Producer Price Index
FAST	Fixing America's Surface Transportation Act	PTF	Public Transportation Fund
FEJA	Future Energy Jobs Act	RAISE	Rebuilding American Infrastructure with Sustainability and Equity Grant Program (formerly BUILD or TIGER)
FFGA	Full Funding Grant Agreement	RDP	Regional Day Pass
FFR	Federal Funds Rate	RETT	Real Estate Transfer Tax
FFY	Federal Fiscal Year	RFQ	Request for Qualifications
FHWA	Federal Highway Administration	RHCT	Retiree Health Care Trust
FOMC	Federal Open Market Committee	RLE	Red Line Extension
FTA	Federal Transit Administration	ROD	Record of Decision
		ROW	Right of Way

RPM	Red and Purple Modernization Project	TIFIA	Transportation Infrastructure Finance and Innovation Act
RTA	Regional Transportation Authority	TIGGER	Transit Investments for Greenhouse Gas & Energy Reduction
SCADA	Supervisory Control and Data Acquisition	TIP	Transportation Improvement Program
SCIP	Strategic Capital Improvement Program	TOD	Transit-Oriented Development
SEPTA	Southeastern Pennsylvania Transportation Authority	TSD	Transit Supportive Development Plan
SFY	State Fiscal Year	TSGP	Transit Security Grant Program
SMS	Safety Management System	TSP	Traffic Signal Prioritization
SOGR	State of Good Repair	ULB	Useful Life Benchmark
SPR	Statewide Planning & Research	UPRR	Union Pacific Railroad
STIP	State Transportation Improvement Program	UPS	Uninterrupted Power Supply
STO	Scheduled Transit Operations	USDOT	United States Department of Transportation
STP	Surface Transportation Program	UWP	Unified Work Program
SWAP	Sheriff's Work Alternative Program	UZA	Urbanized Area
TAM	Transit Asset Management	VSEP	Voluntary Special Employment Program
TAMP	Transit Asset Management Plan	WMATA	Washington Metropolitan Area Transit Authority
TCP	Transit Capital Partners	YNB	Your New Blue
TIF	Tax Increment Financing		

Glossary

2008 Legislation – The amendments to the RTA Act in 2008 included the following policies affecting the CTA budget: 1) Increased the RTA sales tax to 1.25 percent in Cook County and 0.75 percent in the collar counties; 2) Prescribed a new distribution of revenues for the incremental sales tax increase and Public Transportation Fund match; 3) Established an Innovation, Coordination, and Enhancement (ICE) Fund, an ADA Paratransit Fund, and a Suburban Community Mobility Fund; and 4) The chair of the CTA no longer was on the RTA Board.

Accessible – A site, building, facility, or portion thereof that complies with defined standards and that can be approached, entered, and used by persons with disabilities.

Accounting Principles Board (APB) – It was created by the AICPA in 1959 and issued pronouncements on accounting principles until 1973, when it was replaced by the Financial Accounting Standards Board (FASB).

Accrual Basis – A method of accounting in which revenues are reported in the fiscal period when they are earned, regardless of when they are received, and expenses are deducted in the fiscal period they are incurred, whether they are paid or not.

Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) Initiative – Program will leverage existing transportation and transit infrastructure, making modifications to communication and software systems to provide priority to transit buses at traffic signals along three pilot corridors in Chicago.

All Stations Accessibility Plan (ASAP) – A comprehensive plan for making the remaining 42 stations fully accessible, along with repairs and upgrades to existing 160 station elevators in the next 20 years.

Alternatives Analysis (AA) Study – This study is the first step of the FTA's process to qualify for New Starts funding and is designed to examine all the potential transit options available and to determine a locally preferred alternative.

American Rescue Plan Act (ARP) – The third major federal economic stimulus bill passed in March 2021 to speed up the recovery of the economic and health effects of the COVID-19 pandemic in the United States.

Americans with Disabilities Act (ADA) – Federal law that prohibits discrimination against people with disabilities in several areas, including deployment, transportation, public accommodations, communications, and access to state and local government programs and services.

Americans with Disabilities Act (ADA) Paratransit Fund – A fund created by the 2008 Legislation to fund regional paratransit services provided by Pace.

American Public Transportation Association (APTA) – A nonprofit international association that representing all modes of public transportation, including bus, paratransit, light rail, commuter rail, subways, waterborne services, and intercity and high-speed passenger rail.

Areas of Persistent Poverty Program (AoPP) – Supports FTA's strategic goals and objectives through the timely and efficient investment in public transportation.

Articulated Bus – A flexible high-capacity passenger bus.

Automated Voice Annunciation System (AVAS) – An on-board announcement system that coordinates with both global positioning (satellite-based) and logical positioning (distance-based) systems to determine the location of a bus and make the appropriate next-stop announcement.

Better Utilizing Investments to Leverage Development (BUILD) – A federal discretionary grant program dedicated to funding critical freight and passenger projects that have a significant local or regional impact.

Big Gap – When the time in between buses is more than double the scheduled interval and creates a gap of more than 15 minutes.

Bond – A type of loan issued that provides a fixed rate of return over a set period.

Build America Bonds (BAB) – Taxable municipal bonds that featured federal tax credits or subsidies for bondholders or state and local government bond issuers. The Build America Bonds program expired in 2010.

Bureau of Labor Statistics (BLS) – A federal agency responsible for measuring labor market activity, working conditions, and price changes in the economy.

Capital Advisory Committee (CAC) – Comprised of members from local universities as well as leaders from the business community whose purpose is to solicit expert advice from external professionals in carrying out the CTA's capital process, including the selection of projects for funding and advising the CTA in closing the funding gap.

Capital Budget – A plan of action for a specified period for purchases of assets using capital grants or bonds.

Capital Expense – Expense associated with buying, maintaining, or improving its fixed assets, such as buildings, vehicles, equipment, or land.

Capital Investment Grant – Funds received from grantor funding agencies used to finance construction, renovation, and major repairs or the purchase of machinery, equipment, buildings, or land.

Capital Improvement Program (CIP) – A short-range plan, usually four to ten years, which identifies capital projects and equipment purchases, provides a planning schedule, and identifies options for financing the plan.

Carbon-Free Energy Resource Adjustment (CFRA) – A line item on ComEd customer bills that reflects the cost of carbon-free energy sources, such as solar and wind power.

Certificate of Participation (COP) – Type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues and are secured by lease revenues.

Chicago Department of Transportation (CDOT) – Responsible for public way infrastructure, including planning, design, construction, maintenance, and management within the City of Chicago.

Chicago Metropolitan Agency for Planning (CMAP) – The Chicago region's comprehensive planning organization responsible for long-range planning to help the seven counties and 284 communities of northeastern Illinois implement strategies that address transportation, housing, economic development, open space, the environment, and other quality-of-life issues.

Climate and Equitable Jobs Act (CEJA) – Comprehensive State of Illinois energy legislation that expands renewable development, provides funding for electric vehicles and charging stations, creates clean energy workforce training programs, provides support for communities experiencing a plant closure, and much more.

Collar Counties – The five Illinois counties that surround Cook County: Will, Kane, DuPage, Lake, and McHenry counties.

Congestion Mitigation & Air Quality Improvement Program (CMAQ) – A federally funded program of surface transportation improvements designed to improve air quality and mitigate congestion.

Congressional Budget Office – A federal agency within the legislative branch of the United States government that provides budget and economic information to Congress.

Consolidated Appropriations Act – A federal spending bill passed in 2020 that combines stimulus relief for the COVID-19 pandemic and annual appropriation spending for the 2021 federal fiscal year.

Consumer Price Index (CPI) – A measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

Coronavirus Aid Relief and Economic Security Act (CARES Act) – A federal economic stimulus bill passed in March 2020 in response to the economic fallout of the COVID-19 pandemic in the United States.

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) – Provided \$10 billion in supplemental Childcare and Development Fund (CCDF) funding to prevent, prepare for, and respond to coronavirus. The Act required all states, territories, and tribes to submit a report describing how funds appropriated in CRRSA will be spent.

Corridor – A defined study area considered for significant transportation projects such as highway improvements, bus transitways, rail lines, or bikeways (e.g., Dan Ryan corridor, Western Avenue corridor).

CTA Board Member Terms of Office – Board member terms are in seven-year increments. Board members may be appointed to terms already in progress; in which case they may serve until the end of that term.

Department of Homeland Security (DHS) – Federal agency responsible for anti-terrorism, border security, immigration and customs, cyber security, and disaster prevention and management.

Depreciation – An accounting term that recognizes the loss in value of a tangible fixed asset over time attributable to deterioration, obsolescence, and impending retirement.

Disadvantaged Business Enterprise (DBE) – The DBE program is intended to ensure nondiscrimination in the award and administration of contracts.

Discretionary Funds – Funds include Public Transportation Funds and a portion of the RTA Sales Tax allocated by the RTA to Service Boards.

Energy Information Administration (EIA) – Federal agency that collects, analyzes, and disseminates independent and impartial energy information to promote sound policymaking, efficient markets, and public understanding of energy and its interaction with the economy and the environment.

Environmental Impact Statement (EIS) – A document prepared to describe the effects for proposed activities on the environment. "Environment," in this case, is defined as the natural and physical environment and the relationship of people with that environment.

Environmental Protection Agency (EPA) – A federal agency created for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by Congress.

Fare – The amount charged to passengers for bus and rail services.

Farebox – Equipment used for the collection of bus fares.

Farecard – Electronic fare media used for payment of fares.

Federal Fiscal Year (FFY) – The accounting period for the federal government beginning on October 1 and ending September 30.

Federal Funds Rate – Target interest rate set by the Federal Open Markets Committee (FOMC) at which commercial banks borrow and lend their excess reserves to each other overnight.

Federal Highway Administration (FHWA) – A federal agency provides stewardship over the construction, maintenance and preservation of the Nation's highways, bridges and tunnels, while also conducting research and providing technical assistance to state and local agencies to improve safety, mobility, and to encourage innovation.

Federal Transit Administration (FTA) – An agency within the U.S. Department of Transportation that provides financial and technical assistance to local public transit systems.

Federal Insurance Contributions Act (FICA) – Social Security payroll taxes are collected under the authority of FICA.

Financial Accounting Standards Board (FASB) – Establishes and improves standards of financial accounting and reporting for the guidance and education of the public, including issuers, auditors, and users of financial information.

Financial Plan – In addition to an annual budget, the Regional Transportation Authority Act requires that all service boards to prepare a financial plan encompassing the two years after the budget year.

Fiscal Year (FY) – A 12-month period used for calculating annual financial reports. The CTA's fiscal year runs concurrent to the calendar year.

Fixing America's Surface Transportation (FAST) Act – Federal legislation passed in 2015 that authorizes \$305 billion over fiscal years 2016-2020 for highway, vehicle safety, public transportation, motor carrier safety, hazardous materials safety, rail, and research, technology, and statistics programs.

Full Funding Grant Agreement (FFGA) – Grant agreements authorized under federal transit law that establish the terms and conditions for federal financial participation in a New Starts project.

Fund Balance (See Unrestricted Net Assets)

Funding (Budget) Marks – The Regional Transportation Authority Act, as amended in 1983, calls for the RTA to advise each of its Service Boards by September 15th of the public funding to be available for the following year, as well as the required recovery ratio.

Future Energy Jobs Act (FEJA) – An Illinois law expanding energy efficiency programs, provides job training in renewable energy, and increases investment in solar and wind power in Illinois.

Generally Accepted Accounting Principles (GAAP) – Standard framework of guidelines for financial accounting, mainly used in the United States.

Geographic Information System (GIS) – A computer system that analyzes and displays geographically referenced information. It uses data that is attached to a unique location.

Governmental Accounting Standards Board (GASB) – The GASB establishes and improves standards of state and local governmental accounting and financial reporting.

Government Finance Office Association (GFOA) – Organization that enhances and promotes the professional management of governments for the public benefit by identifying and developing financial policies and best practices, and promoting their use through education, training, facilitation of member networking, and leadership.

Grant Anticipation Revenue Vehicles (GARVEE) – A debt instrument issued when funds are anticipated from future federal reimbursement of debt service and related financing cost under Section 122 of Title 23, United States Code.

Ground Transportation Tax (GTT) – The City of Chicago Ground Transportation Tax applies to businesses that provide ground transportation vehicles for hire in Chicago to passengers to partially fund CTA capital improvements.

Headway – The time span between when one service vehicle (bus or rail) leaves a stop/station and when the following vehicle arrives at the same stop/station on specified routes. Also called service frequency.

Heavy Rail – Heavy rail is characterized by high-speed passenger rail cars and trains operating on fixed rails in separate rights-of-way from which all other vehicular and foot traffic is excluded.

Hedge – A type of investment activity used to reduce the risk of adverse price movement. Normally, a hedge consists of taking an offsetting position in a related security to minimize unwanted risks associated with price fluctuation.

Illinois Jobs Now Program – A \$31 billion capital improvement program created in 2009 designed to improve bridges and roads, transportation networks, schools, and communities.

Illinois' Low-Income Circuit Breaker Program – The official name of the Program is the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, governed by the Illinois Department on Aging, helps offset the cost of property taxes and other costs by providing low-income, senior, or disabled residents with yearly grants.

Infrastructure – Assets that make up CTA's transportation system, including maintenance facilities, rail track, signals, stations, elevated structures, and power substations.

Infrastructure Investment and Jobs Act (IIJA) – Historic investment that will modernize our roads, bridges, transit, rail, ports, airports, broadband, and drinking water and wastewater infrastructure. This legislation does not raise taxes on everyday Americans, and it will create good-paying union jobs.

Innovation, Coordination and Enhancement Fund (ICE) – A fund established by the 2008 amendments to the RTA Act for operating or capital grants or loans to Service Boards, transportation agencies, or units of local government that advance the goals and objectives identified by the RTA's Strategic Plan. Unless an emergency is determined by the RTA Board that requires some or all amounts of the Fund, it can only be used to enhance the coordination and integration of public transportation and develop and implement innovations to improve the quality and delivery of public transportation.

Intergovernmental Agreement – An agreement between two or more governments to work together on a shared issue.

Interval – The time between when one service vehicle (bus or train) leaves a stop/station to the time when the following vehicle leaves the same stop/station.

Job Access and Reverse Commute Program (JARC) – A FTA program to address transportation challenges faced by welfare recipients and low-income persons seeking to obtain and maintain employment, which often is located in a less accessible area and/or requires late at night or weekend schedules when conventional transit services are not sufficiently provided.

Job Order Contracting (JOC) – A collaborative construction project delivery method that enables organizations to get numerous, commonly encountered construction projects done quickly and easily through multi-year contracts.

Locally Preferred Alternative (LPA) – The final selected scope and design for a major corridor investment. Alternatives analysis is considered complete when a locally preferred alternative is selected by local and regional decision makers and adopted by the MPO into the financially constrained, long-range metropolitan transportation plan.

Major Rail Delay – An instance where a train experiences a delay to service of ten minutes or more.

Mean Miles Between Defects – The average mileage a train accrues before experiencing a defect.

Metra – Commuter Rail division of the RTA responsible for the day-to-day operation of the region's commuter rail service (except for services provided by the CTA). Metra was created in 1983 by an amendment to the RTA Act.

Metro Planning Organization – The policy board of an organization created and designated to carry out the metropolitan transportation planning process. MPOs are required to represent localities in all urbanized areas (UZAs) with populations over 50,000, as determined by the U.S. Census.

Motor Fuel Tax – A Fee charged by government on the sale of fuel, which is used to fund transportation infrastructure like roads, bridges, and highways.

Moving Ahead for Progress in the 21st Century (MAP-21) – A funding and authorization bill enacted in 2012 to govern United States federal surface transportation spending.

National Environmental Policy Act (NEPA) – A United States environmental law that promotes the enhancement of the environment and established the President's Council on Environmental Quality.

National Transit Database (NTD) – The FTA's primary national database for transit statistics.

Net Promoter Score (NPS) – Customer loyalty score that will allow CTA to track its performance and understand impacts of new investments.

New Starts – FTA discretionary program that is the federal government's primary financial resource for supporting locally planned, implemented, and operated transit "guideway" capital investments.

Non-Operating Funds – Capital grant monies to fund expenses.

Non-Revenue Vehicle – Vehicles that do not carry fare-paying passengers and are used to support transit operations.

Operating Budget – Annual revenues and expenses forecast to maintain operations.

Operating Expenses – Costs such as labor, material, fuel, power, security, and professional services associated with the day-to-day operations of service delivery.

Operating Revenues – Revenues generated from user fees (in the form of farebox revenues) or other activities directly related to operations, such as advertising, concessions, parking, investment income, etc.

Pace – The Suburban Bus Division of the RTA, created in 1983, responsible for suburban bus service and all paratransit service.

Paratransit Service – Demand-response service utilizing wheelchair-accessible vans and small buses to provide pre-arranged trips to and from specific locations within the service area to certified participants.

Passenger Miles – The sum of the distances traveled by passengers.

Pay As You Go (PayGo) – Funding allocated to CTA from State of Illinois Motor Fuel Tax receipts. PayGo funding provides a recurring funding stream intended to address the backlog of deferred capital needs and fund capital maintenance projects.

Pension Obligation Bonds (POB) – Debt instruments issued to fund all or a portion of the Unfunded Actuarially Accrued Liabilities (UAAL) for pension and/or Other Post-Employment Benefits (OPEB).

Positive Budget Variance (PBV) – The amount by which a service board comes in favorable to available funding from the RTA in a given budget year. RTA policy allows the service boards to retain these funds in an

unrestricted fund balance for capital projects or one-time operating expenses.

Power Washing – Facilities – The deep cleaning of a station or facility using pressure washing equipment.

Preliminary Engineering (PE) – Analysis and design work to produce construction plans, specifications and cost estimates that brings plans to 30 percent complete.

Preventive Maintenance – The maintenance of equipment and facilities to ensure satisfactory operating condition through systematic inspection, detection, and correction of incipient failures either before they occur or before they develop into major defects.

Proprietary Fund – One of three broad classifications of funds used by state and local governments that include enterprise funds and internal service funds. Enterprise funds are used for services provided to the public on a user charge basis.

Public Building Commission (PBC) – City of Chicago organization that provides professional management of the city's public construction projects.

Public Funding – Funding received from the RTA or other government agencies.

Public Transportation Funds (PTF) – As authorized by the RTA Act, the Illinois State Treasurer transfers from the State General Revenue Fund an amount equal to 25 percent of RTA sales tax collections to a special fund, called the Public Transportation Fund (PTF), and then remits it to the RTA monthly. All funds deposited are allocated to the RTA to be used at its discretion for the benefit of the Service Boards.

Real Estate Transfer Tax (RETT) – A source of public funding for the CTA collected by the City of Chicago. The 2008 legislation authorized a \$1.50 per \$500 increase in RETT, and the CTA receives 100% of the RETT increase.

Real Time Bus Management (RTBM) – The RTBM system polls the IVN on each bus every thirty seconds for location updates. The buses also send up events when new operators logon, start a new trip, or pass a time point.

Record of Decision (ROD) – A document prepared at the conclusion of the Environmental Impact Statement (EIA) process, as required by the National Environmental Policy Act (NEPA). The ROD document is prepared after the final EIS and identifies the FTA's environmental decision as the preferred approach out of all alternatives considered.

Recovery Ratio – Measures the percentage of expenses that a Service Board must pay against revenues that it generates. The RTA Act mandates that the RTA region must attain an annual recovery ratio of at least 50 percent.

Reduced Fare – Discounted fare for children ages 7 through 11, grade school and high school students (with CTA ID), seniors 65 and older (with RTA ID), and riders with disabilities (with RTA ID) except paratransit riders.

Reduced Fare Reimbursement – Reimbursement of revenue lost by the Service Boards due to providing reduced fares to students, elderly and the disabled. The CTA recovers a portion of the cost of trips with both the fare revenue and operating subsidies. The reimbursements are made from the State of Illinois to cover a portion of the difference between the standard and reduced fare. Reimbursement amounts are allocated to the Service Boards based on reduced fare passenger trips taken during the year.

Regional Day Pass (RDP) – A cost-effective and convenient way for unlimited travel across all three systems during the day.

Regional Transportation Authority (RTA) – The financial oversight and regional planning body for the three public transit operators in northeastern Illinois: the CTA, Metra commuter rail, and Pace suburban bus.

Regional Transportation Authority Act (RTA Act) – An Act that regulates which public funds may be expended and authorizes the state to provide financial assistance to units of local government for distribution to providers of public transportation, including the CTA. It authorizes the distribution of sales tax revenue collected by the City of Chicago and collar counties, Public Transportation Funds, State Assistance, and other funding streams for the CTA and outlines criteria that must meet for budget approval.

Request For Qualifications – A document that asks potential suppliers or vendors to detail their background and experience providing a specific good or service.

Retiree Health Care Trust (RHCT) – Provides and administers health care benefits for CTA retirees and their dependents and survivors. The trust is a legal entity separate and distinct from the CTA.

Revenue Bond – A municipal bond supported by the revenue from a specific project, Revenue bonds that finance income-producing projects are thus secured by a specified revenue source.

Revenue Equipment – Vehicles that carry fare-paying passengers and equipment used for the collection of fares.

Ride-hailing Fee – A \$0.15 per-ride fee starting in 2018 with a \$0.05 increase starting in 2019 on ride-hailing services such as Uber and Lyft to be collected by the City of Chicago as part of the Ground Transportation Tax (GTT) to fund CTA improvements.

Right-of-Way (ROW) – A strip of land that is granted, through an easement or other mechanism, for transportation purposes, such as for a trail, driveway, rail line, or highway reserved for the purposes of creation, maintenance, or expansion of services within the right-of-way.

Rolling Stock – Public transit vehicles, including rail cars and buses.

RTA Sales Tax – The primary source of operating revenue for the RTA, the CTA, Metra, and Pace. The RTA retains 15 percent of the original one percent RTA sales tax authorized in 1983. Of that which remains, the CTA receives 100 percent of the taxes collected in the City of Chicago and 30 percent of those taxes collected in suburban Cook County. Of the funding available from the 0.25 percent sales tax and PTF authorized by the 2008 legislation, the CTA receives 48 percent of the remaining balance after allocations are made to fund various programs.

Run – A rail/bus operator's assigned work on a given day.

Safety Management System (SMS) – A comprehensive, collaborative approach that brings management and labor together to build on the transit industry's existing safety foundation to control risk better, detect and correct safety problems earlier, share and analyze safety data more effectively, and measure safety performance more carefully.

Scheduled Transit Operations (STO) – Classification includes bus operators, motormen, and conductors.

Service Boards – CTA, Metra commuter rail, and Pace suburban bus system, as referred to by the Regional Transportation Authority Act.

Sheriff's Work Alternative Program (SWAP) – A program where persons convicted of Driving Under the Influence and other low-level offenses are required to provide community services for municipalities throughout Cook County.

Slow Zone – Sections of track where trains must reduce speed to safely operate rail service.

State Assistance – The supplemental funding provided by the RTA Act in the form of additional state and financial assistance to the RTA in connection with its issuance of Strategic Capital Improvement Program (SCIP) bonds. It equals the debt service amounts paid to the bondholders of the SCI bonds plus any debt service savings from the issuance of refunding or advanced refunding SCIP bonds, less the amount of interest earned on the bonds' proceeds.

State Fiscal Year (SFY) – The State of Illinois' Fiscal year begins July 1 and ends June 30.

Statewide Planning & Research Funds (SPR) – An Illinois Department of Transportation competitive grant program funding projects related to studying or implementing a goal, strategy, or objective within the State's Long-Range Transportation Plan or modal plans.

Suburban Community Mobility Fund – Outlined by the RTA Act, grants and appropriations from the state, which the RTA distributes to the Suburban Bus Board for operating transit services, other than traditional fixed-route services, that enhance suburban mobility, including, but not limited to, demand-responsive transit services, ride sharing, van pooling, service coordination, centralized dispatching and call taking, reverse commuting, service restructuring, and bus rapid transit.

Supervisory Control and Data Acquisition (SCADA) – A control system that collects and operational data and is used to control and manage rail service.

Surface Transportation Program (STP) Shared Grant Fund – Established to support larger-scale regional projects that address regional performance measures and the goals of CMAP's ON TO 2050 plan.

System-Generated Revenue – Revenue generated by the CTA, including fare revenue, advertising, investment income, income from local governments by provision of the Regional Transportation Authority Act, and subsidies for reduced fare riders per 1989 legislation.

Tax Increment Financing (TIF) – TIF is a special funding tool used by the City of Chicago to promote public and private investment across the city.

Transit Asset Management Plan (TAMP) – Asset condition is evaluated on a 1-5 scoring scale. The scale aligns with FTA recommendations and facilities comparisons across asset classes. An asset is in a state of good repair when the physical condition of that asset is at or above a rating of 2.5.

Transit Asset Management System (TAM) – A system for procuring, operating, inspecting, maintaining, rehabilitating, and replacing assets for managing risks, and costs over their life cycles to provide safe, cost-effective, and reliable transportation. TAM uses asset condition to guide how to manage assets and prioritize funding to improve or maintain a state of good repair.

Transit-Oriented Development (TOD) – A type of economic development which includes a mixture of housing, office, retail, and/or other amenities integrated into a walkable neighborhood and located within a half-mile of public transportation.

Transit Supportive Development Plan – Incorporates the concept of balanced development and gradual growth, reflecting community feedback, while still supporting the many amenities and opportunities that can come from focusing development efforts around transit.

Transit Security Grant Program (TSGP) – Administrated by FEMA to support transit infrastructure security activities.

Transportation Infrastructure Finance and Innovation Act (TIFIA) – Federal program provides credit assistance for qualified projects of regional and national significance. Many large-scale surface transportation projects - highway, transit, railroad, intermodal freight, and port access - are eligible for assistance. Eligible applicants include state and local governments, transit agencies, railroad companies, special authorities, special districts, and private entities. The TIFIA credit program is designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital.

Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) – The TIGGER Program has been continued in FY2011 through the Department of Defense and Full-Year Continuing Appropriations Act 2011 (Pub. L. 112-10). \$49.9 million was appropriated for grants to public transit agencies for capital investments that will reduce the energy consumption or greenhouse gas emissions of their public transportation systems.

Transportation Improvement Plan (TIP) – A six-year financial program that describes the schedule for obligating federal funds to state and local projects. The TIP contains funding information for all modes of transportation, including highways and high-occupancy vehicles, as well as transit capital and operating costs.

Top Operator Rate – The top hourly rate paid to CTA bus and rail operators, based on employee seniority within the job, as specified by the union contract.

Traffic Signal Prioritization (TSP) – Operational strategy where communication between a transit bus and a traffic signal alters the timing of the traffic signal to give priority to the transit vehicle.

Useful Life Benchmark (ULB) – The measure agencies use to track the performance of revenue vehicles (rolling stock) and service vehicles (equipment) to set their performance measure targets. Assets beyond their ULB are at greater risk of failing and causing unplanned service disruptions.

Unified Work Program (UWP) – The Unified Work Program lists the planning projects the Chicago Area Transportation Study and other agencies undertake each year to enhance transportation in northeastern Illinois and to fulfill federal planning regulations.

Unlinked Passenger Trip – An unlinked passenger trip is a single boarding of any transit vehicle, even if the boarding is part of the same trip. Thus, unlinked passenger trips for any transit system are the number of passengers boarding public transportation vehicles.

Unrestricted Net Assets – The portion of net assets that is neither restricted nor invested in capital assets net of related debt. These funds are considered by CTA to represent the available fund balance.

Vehicle Revenue Hours – Hours that vehicles travel while in revenue service and include recovery time but exclude travel to and from storage facilities.

Vehicle Revenue Miles – Mile's vehicles travel while in revenue service. Vehicle revenue miles exclude travel to and from storage facilities.

Ventra – Payment system for CTA, Metra and Pace that allows customers to pay for train and bus rides with the same methods used for everyday purchases and allows them to manage their accounts online and choose from several different contactless payment methods.

(THIS PAGE INTENTIONALLY LEFT BLANK)





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Chicago Transit Authority
Illinois**

For the Fiscal Year Beginning

January 01, 2024

Christopher P. Morrell

Executive Director



Chicago Transit Authority

transitchicago.com

1-888-YOUR-CTA