

The Tri-State Tollway (I-294)/I-57 Interchange Project IRWA's 2014 Project of the Year



AN INTERCHANGE IS BORN

BY BARBARA BILLITZER

It takes a motivated team of highly skilled professionals to plan, design and build Phase One of a \$719 million interchange project on an accelerated schedule and still come in under budget. The Illinois Tollway is fortunate to have such a team.

This is a story about two interstate highways in Illinois, both more than 50 years old and both built for a specific purpose. When the Tri-State Tollway Interstate 294 (I-294) opened in 1958, it served as a bypass around the city of Chicago. Now considered one of the most heavily traveled highways in the country, it was constructed years

before the growth and maturation of the suburbs that now run alongside its path. With gaps between the exit ramps and connectors that never materialized, the south suburban communities were at a disadvantage when it came to economic development.

To accommodate traffic from Missouri to Illinois, Interstate 57 (I-57) was built in the 1960s and served as a shortcut for commuters travelling between Chicago and Southern cities such as Memphis and New Orleans. At 358 miles, it is the longest interstate highway in Illinois. And while it crossed I-294 at the south side of the

Chicago metro area, there was no interchange connecting the two.

That will all change with the opening of the Tri-State Tollway (I-294)/I-57 Interchange Project this year. A joint effort between the Illinois Tollway and the Illinois Department of Transportation (IDOT), the interchange will finally connect the two interstate highways. And the benefits are significant. In addition to bringing access and mobility to an economically distressed area, it is expected to save drivers 25 travel hours per year. And with more than 76,000 vehicles using it daily, this totals about \$4 million annual savings in fuel costs.



The first phase is scheduled to be open in October 2014, delivering 75 percent of the project's benefits to the traveling public.

An Expanding Scope of Work

When the original \$1 million budget for land acquisition was approved by an Illinois Tollway Board of Directors resolution in 2011, only 7 percent of the parcels had been identified. By February 2012, 30 percent of the parcels had been identified, and the budget was increased to \$14.3 million. As the design phase progressed, more parcels were needed, bringing the total to 320 acquisitions. By April 2013, the requested budget rose to \$17.8 million for all land acquisition needs.

While IDOT handled 68 acquisitions, the Tollway was tasked with acquiring 252 parcels, which involved an unprecedented number of relocations in the agency's history. Those relocations involved 20 single-family structures with 16 owner-occupant families and 14 tenant families, resulting in 30 relocations. It also included four multi-unit structures with 25 relocations, four commercial structures with 11 business relocations, as well as six billboard relocations and three garage relocations. In addition to the residential and commercial property surrounding the interchange, a nature preserve would also be impacted and require relocation.

The Tollway worked diligently to inform property owners and relocate families in an efficient and effective manner in compliance with federal and state laws. Joanne Fehn, the Tollway's Land Acquisition Manager, led the acquisition team. With a reputation for tackling challenges head on, Joanne had her work cut out for her. "The typical land acquisition takes a minimum of 18 months and is performed in phases," explained Joanne. "However, as this was one of the first *Move Illinois* projects, the construction timeline was tight, and the team worked very hard to compress the acquisitions into a 10-month average schedule. We knew we could meet the schedule, but only by working collaboratively to identify creative solutions."

The Tollway has the authority to acquire real estate for construction or expansion, but this was a distressed area that posed some unique challenges. The area impacted by the interchange was considered economically depressed, with primarily low-to-moderate-income populations. Some of the communities had experienced high unemployment and poverty rates, and it was estimated that 30 percent of the residents were living below the poverty level. For those who were property owners, the 2007-2008 financial crisis and its impact on the housing market had led to a complete loss of their property's equity.

Committing the Resources

Faced with the challenges of increased traffic and lengthy commute times, it was clear that the Illinois Tollway could not simply build its way out of congestion. A strategic decision was made to expand and improve the tollway system instead of supporting other roadway options.

While the interchange project was initiated in the early 1990s, it stalled for years due to federal requirements, funding and environmental concerns. However, in August 2011, the Illinois Tollway Board of Directors approved a 15-year, \$12 billion capital program called *Move Illinois: The Illinois Tollway Driving the Future*. As part of the program, funds became available for a new interchange to connect I-294 to I-57.

The Tollway's *Move Illinois* Program is the largest capital program in the agency's history and the largest of any toll road agency in the nation. As of September, more than \$2.5 billion in construction and engineering contracts had been approved by the Tollway Board. In addition, the Tollway has committed additional investments that will keep the existing tollway system in a state of good repair for years to come.



To create jobs and drive the state's economy forward, Illinois Governor Pat Quinn spearheaded the Illinois Jobs Now! capital construction program, which includes over \$31 billion in construction for roads, public transit and schools. Tollway Executive Director Kristi Lafleur (right) attends the Governor's announcement.

Fair and Equitable Support for Residents

To ensure that the acquisition process was fair, equitable and supportive for impacted residents and businesses, the team followed regulations established by the Illinois Toll Highway Act, the Department of Transportation, the Federal Highway Administration, and the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.

As the Tollway's only Acquisition and Relocation Agent, Theresa Campbell had her fair share of hurdles to overcome. During the negotiations phase and process, she was especially challenged by the negative equity issue that came with upside-down mortgages which made it difficult for displacees to obtain home loans.

"Trust is everything when it comes to relocating anyone successfully, no matter how big or small the relocation is," Theresa noted. "I needed to build relationships, and this required listening to the displacees' concerns and misconceptions and then tackling them one at a time. Many of the owners had run into credit problems due

to the structure of their old loans. While some attempted the federal government loan modification program, many were told to stop making mortgage payments so they could qualify for a remodification at a lower interest rate. Unfortunately, that caused major problems with their credit and made it almost impossible to secure new loans."

Given the economic conditions, the Tollway felt compelled to actively seek out alternate solutions such as seller financing vehicles. Additionally, the agency partnered with the Illinois Housing Development Authority and the Department of Commerce and Economic Opportunity (DCEO) to help the impacted relocatees. To resolve the property owners' loss of home equity, upon recommendation of staff, the Tollway's Board of Directors approved a negative equity policy that addressed the depressed real estate market and mortgage crisis. The policy enabled the Tollway to satisfy encumbrances and liens (excluding state and federal liens) if a property owner owed more than the appraised value of their home.

For many owner-occupied relocatees, the Replacement Housing Payment (RHP) was their only source for a down payment. But

the housing market crisis affected the RHP amount, and many relocatees still lacked sufficient funds to secure replacement property. So the Tollway offered additional down payment assistance benefits to owner-occupied relocatees. For those residential owner-occupants who could no longer qualify for commercial financing, the Tollway sought out seller-financing and/or lease purchase options. The program was very effective in allowing residents to secure replacement housing.

Teaming up with Agencies

As the Tollway's Deputy Chief of Engineering for Planning, Rocco Zucchero has been immersed in this project since the 1990s. From environmental planning and permitting to securing the necessary right of way, Rocco identified potential project partners early on and forged intergovernmental agreements that ultimately facilitated the project's execution.

"Land acquisition is a very personal issue and we wanted to ensure the greatest level of appreciation and empathy for those impacted. The interchange wasn't just a construction project—there were families and communities to consider," Rocco said. "The project required understanding and balancing of agency, community, resident and elected officials' needs and expectations. So we developed agreements with multiple agencies and several of the neighboring communities."

To keep the local communities and motorists informed about the project's progress and impacts, an extensive outreach program was launched. A coordinated effort was targeted to homeowners, businesses, local officials, elected officials and the media. From the beginning, the primary goal was to inform and educate the public and build project support. The project team began meeting with the local communities and officials prior to the start of construction in March 2012 and hosted regular meetings in the area throughout the project's lifecycle. Letters were sent to homeowners to inform them of nearby construction efforts or if land acquisition was required.



For more than 50 years, the I-294 and I-57 crossed in the south side of the Chicago metro area, but never connected.

When demolition or construction was scheduled, letters were hand-delivered to area residents. Individual meetings were also held with the families that were being relocated, and town hall meetings were scheduled every three months for interested residents, businesses and community leaders. In many cases, meetings with property owners were also conducted. In an attempt to keep all the key stakeholders updated on the project status, newsletters were published throughout the year. And quarterly briefings were held with elected officials, as well as meetings with local organizations as requested.

To enable the business relocatees to stay in Illinois and reestablish in their chosen community, the Tollway and DCEO provided programs through their partnership. Four programs were made available to assist in the relocation process, including Advantage Illinois, a small business lending program; capital line items or bondable expenses; energy and recycling lending; and Community Development Block Grant programs.

Wetlands Preservation

Among the parcels impacted by the interchange project were the Dixie Creek and I-57 drainage ditches. Located within the Upper Illinois River Basin, both were considered low-quality, channelized drainage ditches that provided minimal habitat for wildlife and functioned primarily to transport stormwater.

The Tollway and IDOT remained committed to best practices in building green, while also improving the nearby wetlands and waterways. This included minimizing the environmental impact of construction by reducing, recycling and reusing materials, as well as adopting mitigation and landscaping projects. To obtain regulatory permits for the interchange construction, the Tollway worked with the U.S. Army Corps of Engineers, Illinois Environmental Protection Agency, the Illinois Department of Natural Resources and the Office of Water Resources.

As part of the project, the Tollway will fund the wetland enhancement and restoration



The Tollway's Deputy Chief of Engineering for Planning, Rocco Zuccherro (right) led many of the community outreach efforts with residents and businesses in the areas impacted by the project.

activities to be conducted near the project area, preserving approximately 43 acres in the Indian Boundary Prairies Preserve owned and managed by the Nature Conservancy and Northeastern Illinois University. This wetland mitigation project will enhance habitats for rare plant and insect species and aid in restoring the native plants and prairies that once thrived there.

The Value of Partnerships

An important goal of the project was to facilitate economic development in Illinois and encourage diversity in its workforce. The Tollway actively worked to increase and diversify the number of contract opportunities. This was done by raising awareness among local businesses and providing technical assistance to smaller businesses seeking new opportunities. More than 100 firms, including contractors, subcontractors, consultants and sub-consultants were hired to work on various phases of the project.

More than \$112 million in construction and engineering contracts were awarded through September, with 22 percent going to disadvantaged business enterprises. The Tollway estimates as many as 135 workers have been employed on the job site each day and Phase One of the project will create or sustain an estimated 3,300 total jobs.

According to Rocco, the team assembled their lessons learned and created a strategy that continues to evolve and serve as a

guide for continual improvement. "One of the primary lessons is to identify partners early on and plan to be flexible," Rocco said. "Partnering with other agencies with specialty areas of expertise that go beyond the traditional roadway profile led to opportunities for affected families, providing both financial support and credit counseling for residents. The unique partnership we forged with the Nature Conservancy and Northeastern Illinois University will go a long way in restoring, enhancing and preserving the wetlands."

As with any large-scale project, the valuable lessons learned are being implemented across other Illinois Tollway corridors and projects, and are being shared with consultants, local communities and stakeholders affected by similar projects. They are also being shared with other roadway agencies so they too, can learn from the experiences of the Illinois Tollway and overcome similar right of way challenges.

"The key was soliciting feedback from affected parties – residents, communities, elected officials, resource agencies, executive staff members and various project staff members – which allowed development of solutions with greatest level of support and chance of success. Teamwork and hard work made this project a success. Everyone came to the table with suggestions and solutions – not just problems – and people were flexible and willing to be innovative with practices and policies," said Rocco.

From the Illinois Tollway, from left, Kristi Lafleur, Theresa Campbell, Kerry O'Brien, Brian Bottomley, Rocco Zucchero, Joanne Fehn and Paul Kovacs.
Photo by Harvey Tillis.

Maintaining a Competitive Advantage

The Illinois Tollway's system of roadways is the heart of a larger transportation network that connects roadways, rail, ports and airports. Together they make up one of the most dynamic transportation networks in the nation. Northern Illinois is home to one of the largest inland ports in the world and more than 270 million tons of freight are carried on the Illinois Tollway annually. With truck traffic projected to increase by more than 70 percent over the next 30 years, improving the overall ability to move freight through and within Illinois will help the state keep its competitive advantage in the global economy.

According to Chief Engineer Paul Kovacs, "The Illinois Tollway has delivered several large roadway and bridge improvements over the past 10 years, but none that have equaled the level of property acquisitions that included relocations as required by the I-294/I-57 Interchange. This interchange project is extremely important to the Illinois Tollway, as it is in only year three of a 15-year, \$12 billion capital improvement program that requires a very sustained and high level of effort to deliver."



Construction workers join Illinois Governor Pat Quinn in celebrating a major milestone for the Tri-State Tollway (I-294)/I-57 Interchange Project.



Building a 21st century system of roadways will ensure that the region retains the competitive advantage it has over other major cities in the United States and around the world. Taking advantage of existing and new infrastructure — like roads, transit, utilities and fiber — will help create and enhance an interconnected, globally-competitive economy.

Balancing the Competing Agendas

In 2014, the Illinois Tollway invested \$1.4 billion in transportation improvements – at the time, the largest one-year infrastructure investment in the agency's history. This investment will reduce congestion and improve the quality of life for people throughout the region, while supporting local businesses. This is part of the state's agenda to create jobs and build an infrastructure that will drive the state's economy forward. To make this project possible, the Tollway adopted new programs, strategies and partnerships to assist the property owners.

Kristi Lafleur, the Tollway's Executive Director, takes great pride in knowing that the team made every effort to find innovative solutions that would help minimize the burden to the residents

and businesses impacted by the project. "My role is to balance the sometimes competing agendas of delivering projects on time and within budget with the need to ensure that we are mindful of the needs and concerns of the communities we serve. Collectively, we hope this project serves as a model for building new transportation infrastructure in cooperation with residents, businesses, and our local, state and federal agencies," Kristi said.

The agency's plan was designed to ensure a positive outcome for the property owner, easement holder and the agency. The Tollway's land acquisition unit was able to deliver all the parcels required on time and within budget. Implementing new programs and partnerships, the Tollway worked with state legislators to draft new legislation that allows the Illinois Tollway to pay the highest payment available under the governing law or regulation to ensure suitable relocation housing to all affected relocatees. The new law was signed by Illinois Governor Pat Quinn in July 2014 and will be applied to all Illinois Tollway projects moving forward.

The Illinois Tollway has raised the bar for interstate right of way projects with its completion of the Tri-State Tollway (I-294)/I-57 Interchange Project. Despite some unique challenges, the project team went above and beyond to achieve success by creating innovative programs and implementing creative solutions. 🌟