



CITY OF WASHINGTON, ILLINOIS

Finance and Personnel Committee Agenda Communication

Meeting Date: August 15, 2022

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Agenda Item: ITEP Project Application Consideration

Explanation: IDOT recently opened its call for projects for the Illinois Transportation Enhancement Program (ITEP). Applications must be submitted to IDOT by September 30. The City was most recently awarded ITEP funds in 2018 to complete Phase I Engineering to complete streetscape improvements on the Square. This program has also assisted with the engineering and construction of three rec trail projects.

As is the case with prior cycles, ITEP provides funding on an 80/20 basis for eligible projects including recreation trails and streetscape enhancements. The City applied for the completion of all engineering and construction for the Square project in 2017 but was only awarded the PE I portion of the project when the grants were announced in 2018. The PE I project has been nearly complete for awhile; the City's consulting engineer (Hutchison Engineering) finished the bulk of the work necessary to submit a Project Development Report to IDOT. Staff and Hutchison Engineering are still awaiting comments from IDOT on the Intersection Design Study. Having PE I complete helps in the application scoring.

This cycle has slightly more funds allocated (\$125 million) compared to 2020 (\$105.6 million). However, the majority of this—\$100 million—is set aside for trails projects, though there is some leeway for streetscape projects to be considered in the “pedestrian/bicycle facilities” category, which would increase its funding chance. Applicants can apply for a maximum of \$3 million per project in ITEP funds. As in 2020, this year's program sets aside 25% of the funds for high-need communities; applicants that qualify as such will either have a local match of 0-10% instead of the customary 20%. An announcement of awards is anticipated in the spring of 2023.

Fiscal Impact: The FY 22-23 budget includes \$75,000 for the completion of PE II as part of the TIF 2 Fund that can be used to meet a 20% local match requirement, though construction funds are no longer budgeted. The remaining project (engineering and construction) carries a revised current estimated price tag of \$3.123 million, which would require a local share of about \$625,000. An application was made in January for DCEO's Rebuild Downtowns and Main Streets program for financial assistance for engineering and construction for a portion of this project on the north and northwest sides of the Square. An award announcement has not been made as of now. Should a phased application be of interest, the revised current estimated cost for that portion of the project is about \$981,000, which would necessitate a local match of about \$197,000. With ITEP awards expected in the spring of 2023, any expenditure of funds would almost certainly not begin until FY 23-24.

Action Requested: Staff seeks feedback on the possible submittal of an ITEP application. Consideration of an application for part or all of the engineering and subsequent construction for a Square streetscape project is likely the one that has the best chance of being awarded with no obvious rec trail projects at this time. A resolution would need to be approved by the Council prior to application submittal to signify the City's local cost share.