



We get there together

RED AND PURPLE MODERNIZATION (RPM) PHASE ONE
ECONOMIC IMPACT REPORT 2024

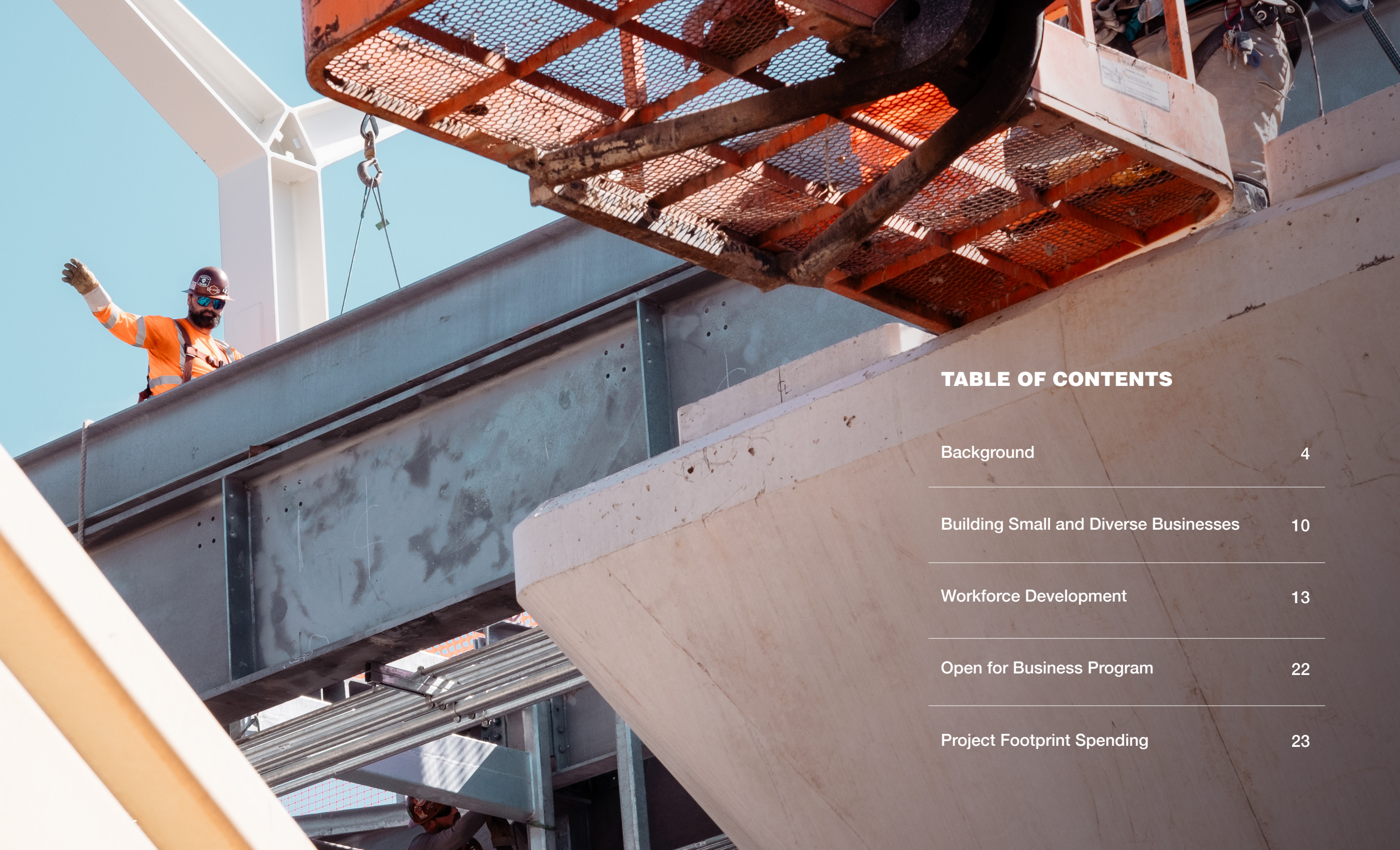


TABLE OF CONTENTS

Background	4
Building Small and Diverse Businesses	10
Workforce Development	13
Open for Business Program	22
Project Footprint Spending	23



BACKGROUND

The Red and Purple Modernization (RPM) Phase One Project (2019-2025) goes beyond modernizing Chicago’s public transportation to strengthen communities, serve riders and stimulate economic growth.

The project integrates the rebuilding of a 100-year-old structure with programs that engender equitable economic and social mobility by ensuring that the project’s contractors and workforce are as diverse as CTA’s customers and the City of Chicago.



CTA has made a commitment to leverage the RPM Phase One Project to invest in all of Chicago's communities to enhance the lives of Chicagoans beyond transportation.

We get there together.



CTA AND THE RPM CORRIDOR

- The RPM corridor is a 9.6-mile stretch that needs to be rebuilt in multiple phases to replace the 100-year-old structures and increase capacity to add service.
- CTA's Red Line is the busiest rail line, running 24/7, and provided nearly 40 million rides in 2024, while serving some of the most densely populated neighborhoods in the U.S.



RPM PHASE ONE PROJECT COMPONENTS

- Lawrence to Bryn Mawr Modernization (LBMM): Reconstruction of the Lawrence, Argyle, Berwyn and Bryn Mawr Red Line stations into larger, 100-percent accessible stations; and replacement of track structure totaling six track miles (ongoing).
- Red-Purple Bypass (RPB): New Red-Purple Bypass construction (completed in 2021) and the reconstruction of Red and Purple Line track structure between Belmont and Newport/Cornelia (ongoing).
- Corridor Signal Improvements (CSI): Installation of a new signal system on 23 track miles between Howard and Belmont that, similar to roadway traffic signals, will improve train flow and service reliability (ongoing).



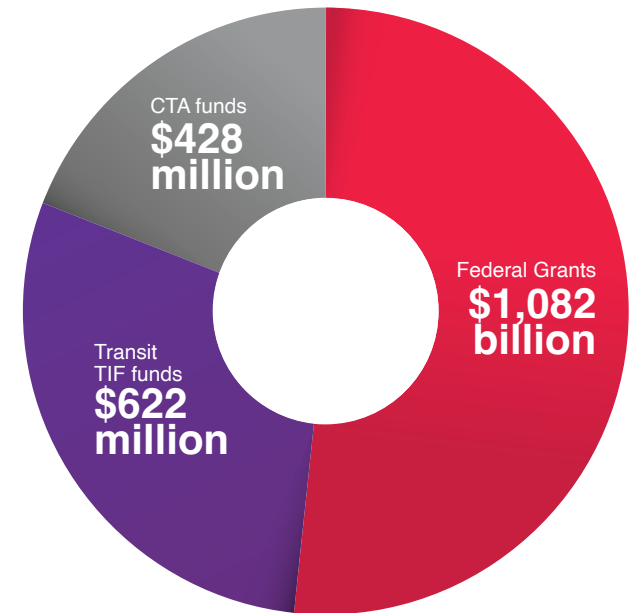
TRANSIT CUSTOMER BENEFITS

- Increased service capacity
- More reliable and comfortable service
- New, modern CTA stations that are fully ADA accessible



RPM PHASE ONE FUNDING

The \$2.1 billion RPM Phase One Project is the second-largest capital investment project underway in CTA history, with funding coming from a variety of sources, including \$428 million from the CTA supported with federal sources including \$957 million Core Capacity funding and a \$125 million Congestion Mitigation and Air Quality Improvement (CMAQ) grant.



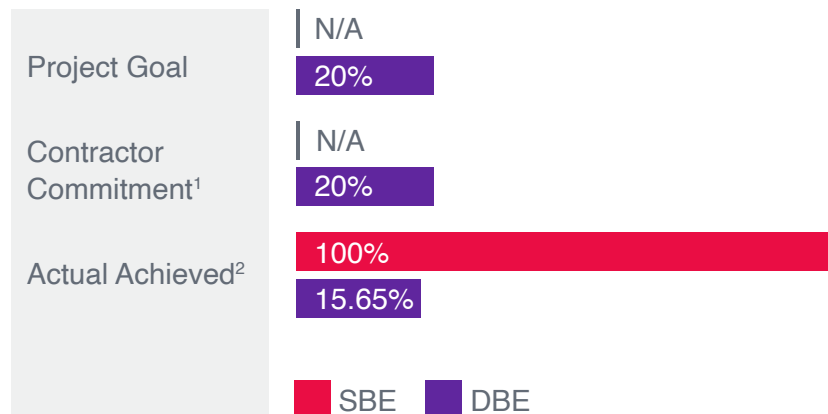
BUILDING SMALL AND DIVERSE BUSINESSES

In an effort for RPM to serve as a catalyst for equitable economic and social mobility, CTA created goals to ensure the RPM Phase One contractors and workforce are as diverse as CTA's customers and the City of Chicago. Managing these efforts is CTA Diversity Programs, a dedicated team that develops programs and works with various organizations to provide opportunities to small and diverse businesses, as well as diverse Chicagoans.

The CTA Diversity Programs team worked with RPM contractor Walsh-Fluor Design-Build Team, to develop Small Business Enterprise (SBE) and Disadvantaged Business Enterprise (DBE) goals specifically for contractors working on RPM Phase One.



GOALS VS. COMMITMENTS VS. ACTUALS ACHIEVED



As of December 31, 2024, 55 SBE and DBE contracts have been awarded, totaling more than \$1.4 billion. In 2024, 1 DBE was awarded a contract, totaling \$3 million.

SBE & DBE CONTRACTS

Contract Category	2024 Contracts	2024 Contracts amount	Total Contracts	Total Contracts Amount
SBE	0	N/A	12	\$5.6M
DBE	1	\$3M	43	\$1.4B
TOTAL	1	\$3M	55	\$1.41B

¹ Commitment is defined as the contractor's contractual obligation

² Reflects the total DBE dollars through December 31, 2024.



BUILDING SMALL BUSINESSES PROGRAM

In 2019, CTA piloted its Building Small Businesses (BSB) Program through the RPM Phase One Project, aiming to help small businesses develop their capacity to bid on large projects. The program was designed to help DBEs secure loans for working capital, equipment and other cash-flow needs through events and one-on-one sessions. The program was a success, and in 2023, it became a fully developed CTA program. Since the pilot program's launch, the BSB program has assisted more than 300 small businesses with technical and funding assistance, including helping 38 firms in securing \$18.4 million in capital funding.

CHRISTINA CLAUSEN

Clausen Construction, Inc.

Christina Clausen, president and CEO of Clausen Construction Inc., has built a successful business through determination, expertise and a commitment to excellence. After the 2008 mortgage crisis disrupted her career in finance, she transitioned to the construction trades, inspired by growing up around skilled workers. Following an ironworker apprenticeship and extensive hands-on experience, she founded Clausen Construction, which has become a trusted contributor to major infrastructure projects.

Clausen Construction played a significant role in the RPM Phase One Project, focusing on rebar concrete reinforcement to form the foundational structures of the new rail infrastructure. The project provided year-round employment for her team, enabled the company to expand its capabilities and strengthened its reputation for quality and reliability.

The project's Disadvantaged Business Enterprise (DBE) workforce initiative, which promotes diversity and inclusion in the trades, was instrumental in Clausen Construction's growth as a woman-owned business in a traditionally male-dominated industry. Partnering with Walsh-Fluor on the project further positioned the company as a vital contributor to transformative infrastructure initiatives.

By the end of 2024, Clausen's leadership had propelled her company to new heights, highlighting the essential role of businesses owned by women in shaping the construction industry. Her success underscores the value of investing in diverse, local businesses and exemplifies the power of perseverance and vision in overcoming challenges.

“My experience on CTA RPM has been amazing...It has been a great experience so far. The professionalism's been amazing; everybody's been amazing, and it's an exciting project to be part of.”

– Christina Clausen, Clausen Construction, Inc.



WORKFORCE DEVELOPMENT

With a mission to build a workforce pipeline that connects people who face barriers to training and employment, CTA set robust workforce goals for RPM Phase One to ensure that the benefits of this project are felt throughout the City of Chicago. Over the project's five-year life cycle, RPM Phase One is expected to produce **2.1 million construction labor hours** among its workforce, providing jobs to Chicagoans across Chicago.

To identify, train, recruit and retain diverse workforce candidates for RPM Phase One, the CTA Diversity Programs team partnered with two workforce assistance agencies – **HIRE360** and the **Chicago-Cook Workforce Partnership**. **HIRE360** is an innovative cross-industry partnership between labor unions, apprentice schools and hiring companies to provide sustainable careers through programs and financial support. Representatives from the Chicago Federation of Labor, Building and Construction Council and local Association of Contractors all work in partnership with HIRE360 to provide wrap-around services to all candidates seeking a career in the construction agency.



The **Chicago-Cook Workforce Partnership** operates the public workforce system in Chicago and suburban Cook County. The Partnership works directly with the regional American Job Centers and other delegate agencies closely involved with uplifting impoverished communities to provide career services to individuals that have historically been underrepresented in the trades. Together, CTA, HIRE360 and the Chicago-Cook Workforce Partnership work to eliminate barriers to employment for potential candidates.

In conjunction, the following workforce goals ensure candidates from diverse socioeconomic backgrounds and economically disadvantaged individuals have access to construction trades opportunities related to RPM Phase One. The goals also allow for and encourage existing workers in the trades to advance and grow within their career fields.

WORKFORCE INNOVATION & OPPORTUNITY ACT (WIOA) GOAL

This goal targets hiring dislocated and economically disadvantaged workers as defined under the Federal Act.

LABOR-APPRENTICE GOAL

This goal targets hiring apprentices from union's signatory to CTA's Project Labor Agreement. These apprenticeship programs afford new generations of trade workers the opportunity to receive on-the-job training and education relevant to their field while also earning a living wage.



ECONOMICALLY DISADVANTAGED AREA (EDA) GOAL

This goal targets hiring individuals that reside in ZIP codes with a median household income of \$40K or less.

Construction for RPM Phase One began in late 2019 and has produced almost 2.3 million labor hours through December 31, 2024, with over 661 thousand labor hours in 2024. Additionally, since the project began, more than \$136 million in wages have been paid to more than 3,200 workers, with over \$41 million in wages paid in 2024 to over 1,000 workers.

The following is a summary of RPM Phase One's workforce goals and attainment from 2024.

Note: one candidate may meet multiple workforce goals for RPM, therefore, CTA measures goal attainment in labor hours.



RPM WORKFORCE GOALS³ (2019-2025)

	WIOA	APPRENTICES	EDA
Candidate Percentage	10%	15%	35%
Projected Labor Hours	210,000	315,000	735,000

WORKFORCE GOAL ATTAINMENT⁴

Workforce Category	2024				TOTAL ⁵			
	Candidates Percentage	Labor Hours Worked	Hours Percentage	Wages Earned	Candidates Percentage	Labor Hours Worked	Hours Percentage	Wages Earned
WIOA	5.85%	66,137	10.00%	\$3.8M	4.21%	253,397	11.08%	\$13.8M
APPRENTICES	16.67%	91,286	13.80%	\$4.0M	13.28%	288,345	12.61%	\$12.5M
EDA	24.40%	218,291	32.99%	\$12.9M	24.23%	723,849	31.65%	\$41.2M

³ These goals are specific to Design Build

⁴ The labor hours and wages represented contain data from Design Build contracts and contracts without workforce goals on them

⁵ Totals are reflective of totals through December 31, 2024



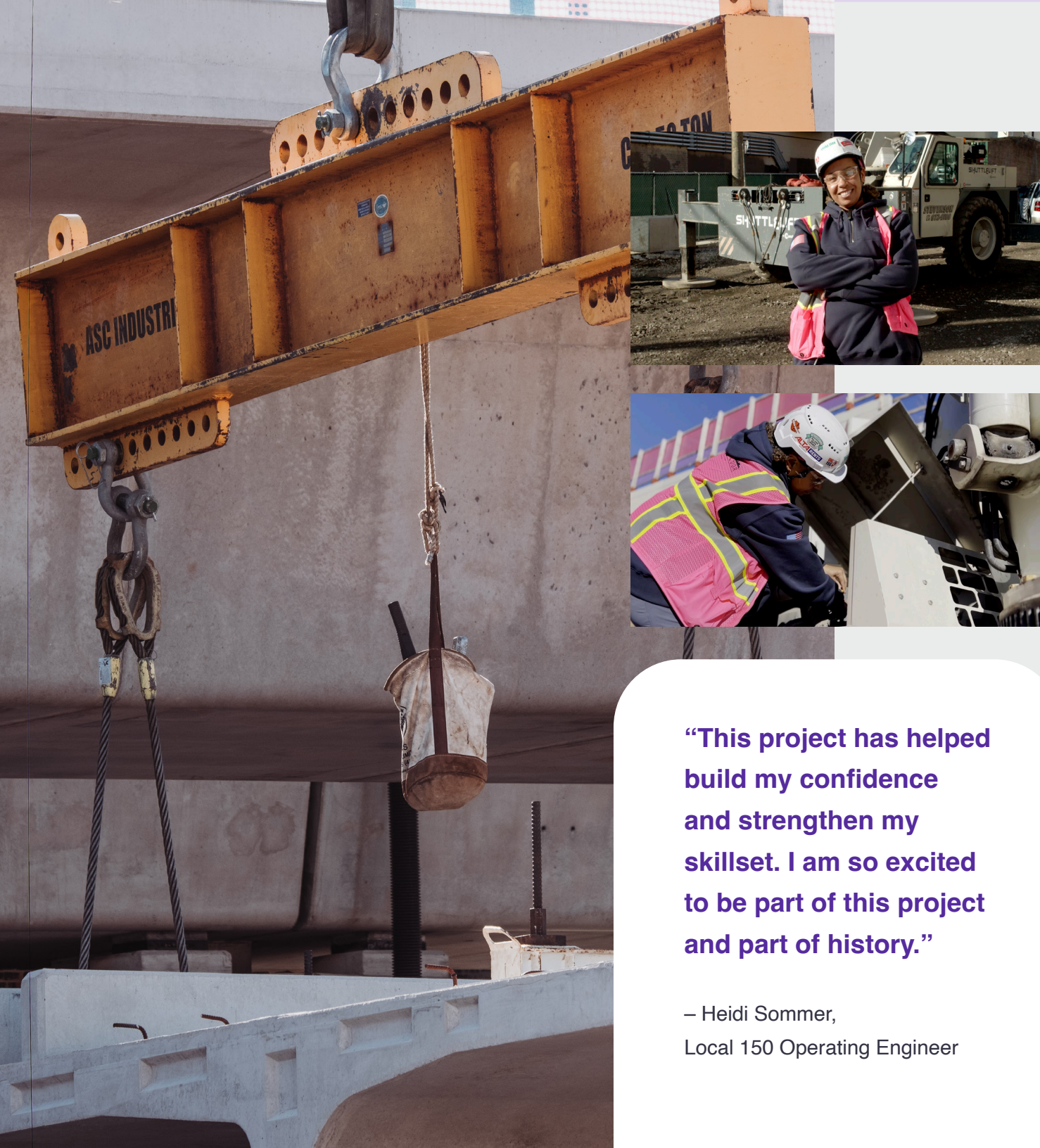
WALSH-FLUOR WORKFORCE HIRING GOALS

Workforce	Hiring Goal	Actual Achieved ⁶ in 2024	Total ⁷ Actual Achieved
Minority	19.6%	59.96%	52.44%
Female	6.9%	7.4%	7.2%

WALSH-FLUOR WORKFORCE TOTALS

Workforce	Hours Worked in 2024	Total Hours Worked	Wages Paid in 2024	Total Wages Paid
Minority	396,691.60	1,199,252.24	\$23.9M	\$75.3M
Female	49,259.60	163,784.60	\$2.8M	\$8.5M

⁶ Actual Achieved is based off hours worked by each group
⁷ Reflects totals through December 31, 2024



HEIDI SOMMER

Local 150 Operating Engineer, Walsh-Fluor

In 2001, Heidi Sommer made the move from Milwaukee to Chicago and began her journey in the construction industry at just 18 years old. Over the next two decades, she honed her skills, working with cranes, forklifts and bobcats. For 23 years, she worked as an oiler, assisting crane operators, but always dreamed of becoming a full-time operator herself. It wasn't until she joined Walsh-Fluor in 2021 that she had the opportunity to turn her dream into reality.

Heidi now works as an operator, breaking down and building forms essential to construction projects. She is passionate about her work and excited to be part of an incredible team. Her experience on the RPM Project has allowed her to gain invaluable skills, especially operating cranes in public spaces with pedestrians and vehicle traffic, something she hadn't encountered on more enclosed worksites before.

Heidi's dedication and hard work paid off when she earned her crane certification, something she trained for over three years to achieve. The RPM Phase One Project has not only strengthened her technical skills but also allowed her to save money toward her future goal: purchasing land and a home outside of the city.

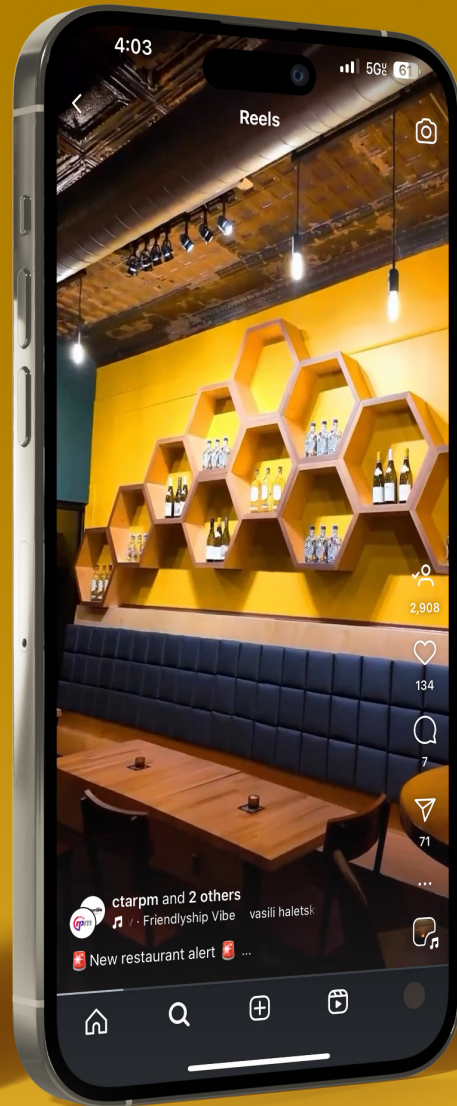
“This project has helped build my confidence and strengthen my skillset. I am so excited to be part of this project and part of history.”

– Heidi Sommer,
Local 150 Operating Engineer



CTA ELEVATING FUTURES SCHOLARSHIP FUND

The CTA Elevating Futures Scholarship is an innovative partnership developed by the CTA, Walsh-Fluor and Chicago Scholars to provide a path for economically disadvantaged Chicago students to pursue STEM (science, technology, engineering and math) careers in engineering and construction-related fields. The scholarship program has awarded more than \$225,000 to 10 students who are pursuing degrees in the engineering and construction fields. The scholarship offers each student \$5,500 per year for four years, mentoring support and career guidance, as well as internship opportunities to work on the historic RPM Phase One Project.



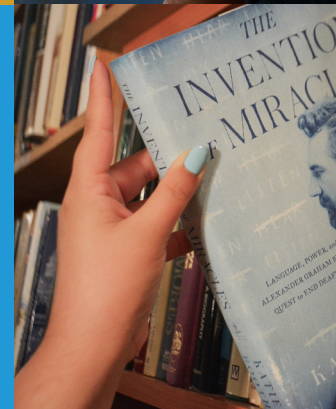
OPEN FOR BUSINESS PROGRAM

While the RPM Phase One Project will significantly benefit the local economy, CTA recognizes that the long-term construction impacts pose challenges to the small businesses within the project footprint. In an effort to minimize disruptions and negative impacts on these businesses, CTA developed, launched and maintains the Open for Business Program. The completely free program aims to support businesses impacted by RPM Phase One by deploying marketing campaigns with the goal to drive foot and digital traffic to the participating businesses.

From its launch in October 2020 through the end of 2024, the program garnered 214 active participants⁸. In 2024, the program received 14 new participant applications.

Additionally, the program featured 150 businesses in various marketing efforts, including summer and winter campaigns, and provided 10 free photo shoots to qualifying businesses.

⁸ Total active participants represents the number of businesses and organizations that qualified for and were accepted into the program.



Business Category	Active Participants ⁹
Shop	64
Eat	107
Play	36
Explore	15
Local Service	63

PROJECT FOOTPRINT FOR SPENDING

In addition to supporting businesses through the Open for Business Program, CTA, Walsh-Fluor and the additional organizations working on the RPM Phase One Project have been supporting businesses by patronizing businesses in the project footprint and encouraging staff to frequent these businesses when an opportunity arises including lunch breaks or company-wide events and celebrations.

In 2024, Walsh-Fluor spent more than \$XX million locally on office and storage leases, parking, local restaurants and other expenditures.

Note: Some Open for Business participants fall under more than one business category

⁹ Total active participants as of December 31, 2023





TRANSITCHICAGO.COM/RPM



FOLLOW US: @CTARPM