

**Southwestern Illinois Multi-Modal Forum
May, 11, 2010, Closing Remarks
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As you know, we began this morning by hearing from Warren Ribley, Director of the Illinois Department of Commerce and Economic Opportunity.

Director Ribley discussed the State's strategic priorities which includes job training and workforce development. He identified several areas of focus including advanced manufacturing, transportation logistics, Future Gen. and infrastructure development.

Director Ribley spoke of Illinois as the 6th largest exporting State comprising of 8% of our annual gross domestic product. Part of the success of Illinois' export capabilities is due to 1,000 miles of navigable waterways in the State – handling 110-million tons of commodities shipped annually.

Director Ribley also spoke about the potential for additional intermodal development throughout the State. Key to all of this growth was two main themes:

1. Infrastructure Development
2. Central Location

We're fortunate to be located where we are in the center of the country; and as the Governor and Mr. Ribley stated, we hope to be known as THE "Inland Port".

From an infrastructure standpoint, the capital plan will help construct the infrastructure necessary to move us forward. Finally, Mr. Ribley closed by talking about the importance of Regionalism and how we must work together to get things done.

We then heard from Mr. Joe Clary, who spoke about the Chicago Region Environmental and Transportation Efficiency Program (or CREATE).

Mr. Clary discussed the primary goal of CREATE is to leverage private funding and public-agency support to gain significant public funding. CREATE is a collection of construction projects and other improvements to rail property totaling - \$2.6 billion, which would be used for:

- 25 Rail to Road Separations
- 6 Rail to Rail Separations

CREATE is composed of the Class 1 Railroads serving Chicago, including Short lines and Amtrak, as well as, the City of Chicago, U.S. DOT, and the State of Illinois. A main driver of the CREATE Project is that it takes just as long to get rail traffic from one side of Chicago to the other as it does to get traffic from Los Angeles to Chicago.

The success of CREATE in raising a ½ billion dollars or more in funding has been through an emphasis on:

1. Public agencies
2. Public benefit
3. Focus on contribution from private beneficiaries
4. Use of effective terms such as CREATE, Partners, and Partnerships

The bottom line is that it is a major \$2.6 billion infrastructure investment that began with just an idea.

Mike Kearney, Manager of the Economic Development for Ameren then discussed the results of their Competitive Marketing Analysis for the St. Louis Area.

Mr. Kearney began by explaining the study as answering several questions: 1) What is it that bonds us as region and brings us together? 2) What are the key location factors that drive site-selection decisions?

Some of the results of the study include:

- We have higher than average wholesale trade
- We are geographically positioned (central location) with an 8-hour drive time to 78-million people
- We have excellent transportation infrastructure with low congestion
- We are ranked 10th nationally for originating shipments
- And ranked 12th nationally for received shipments

Mr. Kearney stated that whether we believe it or not, we are a distribution hub.

He finished by saying that this summer they would be working harder to avoid duplication and bring the assets of the region forward.

Patrick McKeehan, Executive Director of Leadership Council Southwestern Illinois then detailed Southwestern Illinois' Vision 2020 Initiative.

Mr. McKeehan stated that the purpose of Vision 2020 was to build an Economic Development Agenda for our region. He stated that for too long we have allowed others to define who we are.

Clusters that have been looked at as part of the Vision 2020 Initiative include:

- Heavy and light manufacturing
- Energy production/alternative energies – where Mr. McKeehan listed about 10 major energy projects in Southwestern Illinois that are under construction or in operation.
- Allied Healthcare and value-added agriculture
- Transportation – Mr. McKeehan discussed the attributes of the four R's – River, Rail, Road & Runways. The major infrastructure investments and how we can better support them, the workforce requirements associated with it, and how transportation is a catalyst for other industry clusters.

He then talked about the next steps to include network building, workforce development, and regional marketing and branding.

So, at the conclusion of 4 multi-modal transportation workshops, what have we learned?

First of all, the input from the attendees has been tremendous. Everyone who has responded has been supportive of the process and has offered ideas for future programs; or more importantly, for ways to make the St. Louis Region stronger from a freight transportation perspective.

In one form or another, Madison and St. Clair Counties have been promoting freight transportation for 25 years or more. It has been only within the last 5 to 10 years, though, that the true value of freight transportation has become known through jobs, investment, and economic development. These multi-modal forums have allowed us to take a step back to look at transportation from a regional perspective and have helped us to forge new approaches toward age-old issues, in a collaborative manner.

We have learned that: a) freight transportation makes sense for our counties and is part of our region's overall goal; b) our transportation assets are numerous and our opportunities to capitalize on those assets are limitless; c) we are strategically positioned in the center of the country to take advantage of all four modes of transportation.

Also, we learned that the Federal Government understands the importance of this region's freight system through its ever-growing investment at Scott Air Force Base and that attracting new freight to our region begins with increasing awareness with our region's current businesses.

This multi-modal series began about a year and a half ago with the idea that we would hold four workshops to educate the attendees and ourselves and perhaps gain some business in the process. Today marks the conclusion of the 4th workshop.

So where do we go from here? Is this the end or just the beginning? What is the road ahead and how do we move the region forward?

A core group of individuals has been formed to focus on the primary freight issues and to determine and identify what is holding back the region from a freight-transportation perspective and what we can do about it. The Southwestern Illinois Transportation Enhancement Group (or SITE-for short) will be looking at everything from funding and marketing, to building business and utilizing our workforce to capitalize on freight.

Among other things, the group intends to meet with locally-based businesses to help them understand the value of buying local or using the local assets to keep their freight costs to a minimum. Other specific tasks include a focus on attracting international business through trade missions and use of the State trade offices overseas. A trade show highlighting all modes of transportation in Illinois has been discussed to further raise awareness of our assets.

Finally, without acting together as a true region, we cannot hope to succeed. Our infrastructure plays a vital role in how others view us and how we view ourselves. It took years to get our two states to come to an agreement on a new bridge that will greatly enhance our region, and construction is just now starting. We cannot afford the same timeline on projects that will help us attract freight and jobs in the future.

When you look at the most successful metropolitan areas, they are located in one state. The Bi-State nature of our region creates challenges and unfortunately, for the last 25 to 30 years, we have viewed it that way: as a challenge. It is now time to look at it as an opportunity. An opportunity to gain broad support for projects that will enhance the region.

In closing, these 4 multi-modal forums have been informative and educational. Now is the time to roll up our sleeves and get down to work! We'll be back in touch in the fall to discuss our progress and to share more specifics with you.

Thank you again to our presenters and thank you for your participation today!