



Opportunity Knocks

Metropolitan Planning Council
2008 Policy Agenda

Each year, MPC presents its policy agenda for legislative and administrative action, our 12-month roadmap for developing, advocating for, and implementing policies that advance our mission.

For years, MPC has eschewed a “think tank” method of developing policies in isolation. MPC embraces an inclusive process, built on a foundation of consensus-building, by partnering with civic organizations, community groups, business leaders, and government agencies during all three stages of policy development – research, advocacy and implementation. This cooperative approach has proven fundamental to making change in metropolitan Chicago.

In that spirit, we offer MPC’s policy priorities for 2008.

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Dear Reader,

It's an election year, a cyclical phase that policy advocates

approach with a mixture of resignation and relief. During campaign season, hope that major legislation will advance tends to be low, giving advocates a moment to catch our collective breath and prepare for "after Election Day," when the real work can begin.

But 2008 isn't a typical election year. And, at the Metropolitan Planning Council, we know an opportunity when we see one.

This so-called "building year" is unique and dynamic. Concerns central to everyday life – the downturn in the housing market; weakened national economy; urgent need to conserve energy; and growing awareness that national security depends not just on airport regulations, but also on well-maintained roads and bridges, and well-connected communities – have reached a tipping point.

Logic and urgency demand we not wait until after Election Day to promote specific solutions. The national climate is calling for change. Record numbers of voters are turning out in metropolitan regions like Chicago, demanding fresh ideas at all levels of government. Partnerships between developers and environmentalists, CEOs and church leaders, national organizations and metropolitan policy groups are creating the perfect storm.



MPC, with its reputation as a convener of individuals and ideas, is building on existing valued partnerships and strengthening alliances with national organizations such as The Brookings Institution, National Housing Conference, and Smart Growth America to ensure metropolitan Chicago is not left behind.

MPC has a long history of tackling the right issues at the right time – which means 2008 will be a busy year for us. On the following pages, you'll find our priorities for policy solutions that will improve opportunity for everyone in metropolitan Chicago. We hope you'll see some of your concerns addressed in this document, and that you'll join us in the coming year as we make change happen.

Sincerely,

A handwritten signature in cursive script that reads "MarySue Barrett".

MarySue Barrett
President
Metropolitan Planning Council

Opportunity Knocks

MPC has a 74-year history of taking on the right issues at the right time.

Right time

During an election year in which record numbers of U.S. citizens are going to the polls and voting for change, critical local, state and national decisions about our well-being need to be made. MPC believes the time is now – not after the elections – to shape those decisions.

Like most U.S. metropolitan areas, the Chicago region is grappling with a slow housing market, high rates of foreclosures, unprecedented and uncoordinated land consumption, and crushing traffic gridlock. These challenges can and should be met by adjusting outdated and broken policies, and MPC's 2008 Policy Agenda details proposals for doing just that.

Near-term opportunities present clear pathways for change. Chicago is competing with a handful of global cities to host the 2016 Olympics, a chance for regional decision-makers to rally around a shared vision for future investments. Concurrently, the Chicago Metropolitan Agency for Planning is leading a visioning process to create a 2040 growth plan for metropolitan Chicago; state leaders are debating a new state capital plan that will, in part, fund key regional investments; and federal legislators are laying the groundwork for the next transportation package. Will they be business-as-usual plans? Or, will this region lead the surge toward a game plan for growth that makes us more equitable, more competitive, and more sustainable?

Appropriately, all of this is happening on the eve of the 2009 Centennial of Daniel Burnham's Plan for Chicago. The stars are aligning for decisions to be made that address current threats and bring new opportunities to Chicago-area residents, businesses and communities.

Right issues

Key issues – national security, immigration, economic recession, climate change – have come to the fore during this election season. Chicago is an ideal laboratory for testing solutions to national problems, and MPC is well suited to administer these trials.

For instance, as climate change demands energy conservation, metropolitan regions are embracing diverse transportation systems that provide residents with options beyond the car, including walking, biking or riding mass transit. The Chicago region has an opportunity to make the nation's second-largest public transit system a model for other cities. Likewise, in the wake of Hurricane Katrina and the Minnesota bridge collapse, "security" means more than taking one's shoes off at the airport; it means redoubling investments that provide all residents with access to safe, affordable modes of transportation for their daily commutes and in case of disaster.

Metropolitan Chicago's dubious distinction as the region with the highest foreclosure rate in the nation points to the need for systemic changes to improve the availability of and financing for homes affordable to the middle class. MPC's work with regional employers to provide housing solutions for local workers has caught the attention of Boston, Wisconsin, Sacramento, and even communities along Mississippi's Gulf Coast.



Right partnerships

The MPC 2008 Policy Agenda comes from the broad-based experience of a thoughtful, skilled staff that understands the benefits of collaboration. Our track record of partnering with public, private and government agencies is essential, not only to developing strategies responsive to local needs, but also to creating policies that can survive the political process.

Through the Community Building Initiative, MPC helps communities across metropolitan Chicago address development challenges. In addition to providing much-needed planning assistance, the Community Building Initiative yields qualitative research that, coupled with data, informs MPC's policy development. From St. Charles to the Calumet River, Rolling Meadows to Lake Forest, and Riverdale to Northlake, we continue to pilot innovations at the local level, while surfacing best practices to share with the broader region.

MPC also partners with agencies and coalitions to advocate for federal policies that benefit northeastern Illinois. In 2008, MPC became a regional partner in The Brookings Institution's "Blueprint for American Prosperity" initiative, which is helping redefine the federal government's role in supporting metropolitan regions. MPC also has worked with

Homes for Working Families to create a guidebook illustrating the range of ways U.S. employers are investing in housing solutions for their workers; and with the National Housing Conference to build nationwide support for federal policies that will better connect affordable homes to good jobs and transportation options.

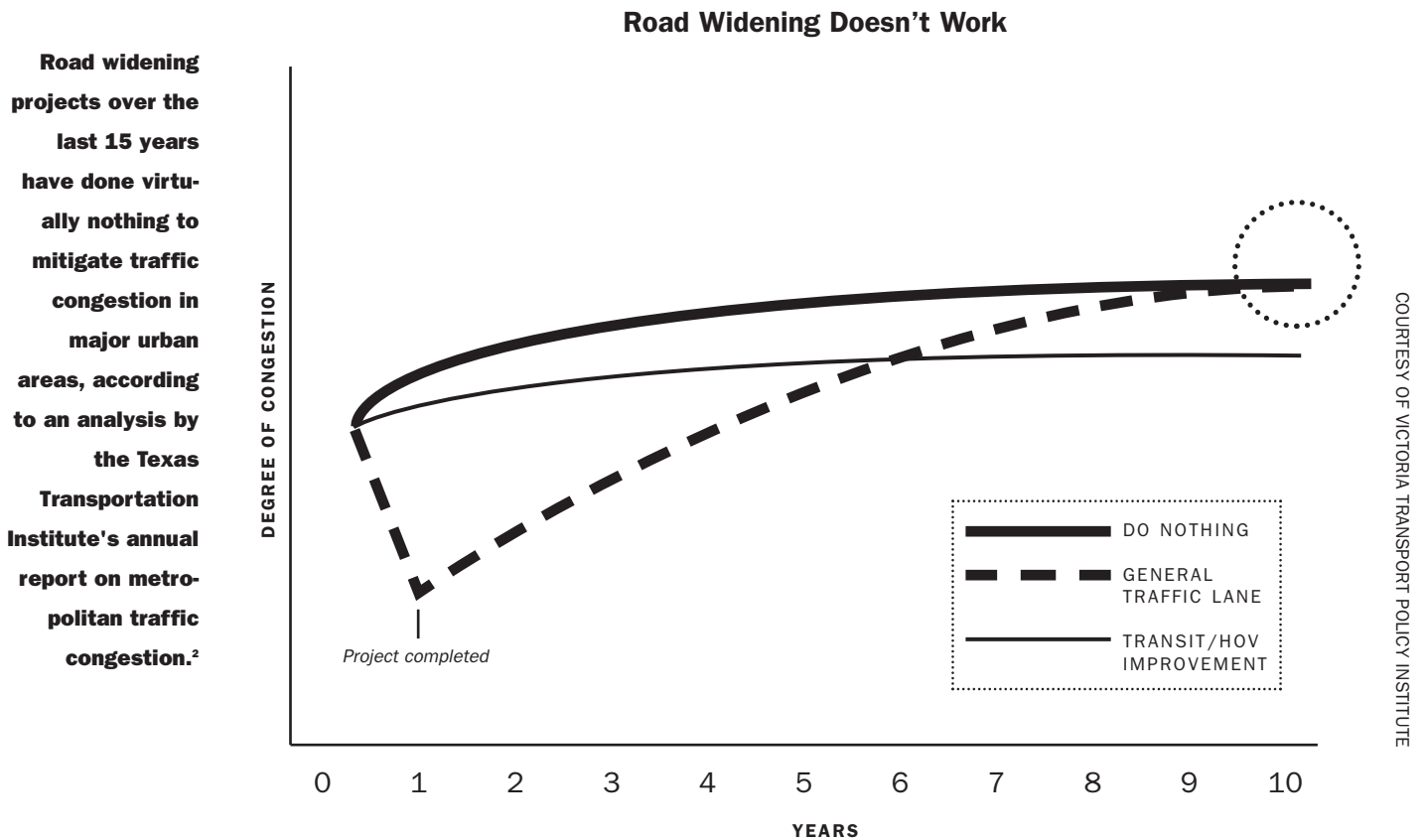
In addition, MPC builds on expertise from local, national and even international partners whose work represents the current best thinking on growth and development policies and practices. At quarterly roundtables and forums, we invite experts to relate their experiences to Chicago decision-makers and stakeholders. With support from international rail car manufacturer Bombardier, MPC will host a series of idea exchanges in 2008 in cities such as Chicago, London, New York, and San Francisco, to bring to light innovations in transportation planning and financing, including congestion pricing and public-private financing. Through education and idea sharing, MPC is strengthening sensible development policies across the region, and the world.

2008 Policy Agenda

Every year, U.S. regions spend billions of dollars on transportation-related improvements, investments that can have a profound effect on where people choose to live and work. Easy access draws people to a place, which is a good thing, because regions must grow to prosper.

Yet multiple studies have shown that simply building more roads does not increase access in the long run. In fact, within 10 years of building a new road, gridlock rebounds to pre-road levels, and a region is no better off than when it began.¹

For northeastern Illinois to break out of this vicious cycle of “gridlock-investment-gridlock,” MPC advocates for a number of policy changes that would improve upon Illinois’ current approach to selecting and financing transportation investments.



Pick the right investments ... for the right reasons

Dozens of projects are on the region's wish list, but which deserve the first cut at limited state and federal dollars? As the Chicago Metropolitan Agency for Planning develops its 2040 Regional Framework Plan (to be completed by 2010), and as the federal government once again contemplates funding for surface transportation projects nationwide, the time is right to re-examine how transportation investments are selected in Illinois and nationwide. In a time of heightened public concern about corruption, more sunshine is definitely needed. MPC strongly advocates for developing an objective system for selecting regionally significant transportation investments. Last year, the Capital Investment Accountability Act (HB 801) championed an approach that would prioritize transportation investments based on criteria linked to regional outcomes. HB 801 would require the Ill. Dept. of Transportation to develop these criteria in conjunction with Illinois' metropolitan planning organizations, which control the regional disbursement of federal transportation dollars. Examples of common sense criteria include selecting transportation investments that increase accessibility, decrease per-capita congestion, and improve the environment.

What's more, capital isn't just for transportation projects; there is a great need for and equal benefit to be gained from using state resources to develop affordable housing across the region. The state continues to make strides on its comprehensive housing

The *Transportation for Tomorrow Report*, mandated by the 2005 federal surface transportation bill, was released in January 2008 by the National Surface Transportation Policy & Revenue Study Commission. The groundbreaking report, which has already received hearings in Congress, calls for:

- 1.** Increasing transportation funding – from the \$90 billion currently spent annually at the state and federal level to \$225 billion – to improve aging bridges, roads, transit systems, and rail infrastructure.
- 2.** Reducing more than 100 federal programs to 10, including congestion reduction and energy savings programs.
- 3.** Instituting performance and accountability standards that require economic justification for projects.
- 4.** Increasing funding for transit, passenger rail, and freight projects.
- 5.** Hiking gas taxes – up to 40 cents over five years at the federal level.
- 6.** Expanding authorization for congestion pricing and public-private partnerships.
- 7.** Establishing an independent national commission to recommend appropriate programs and funding levels to Congress.

These are bold recommendations, many of which are consistent with MPC's priorities.

1 "Traffic impact of highway capacity reductions." Institute of Transportation Engineers. ITE Journal, July 1998. http://findarticles.com/p/articles/mi_qa3734/is_199807/ai_n8799483

2 "Why Are the Roads So Congested? A Companion Analysis of the Texas Transportation Institute's Data on Metropolitan Congestion." Surface Transportation Policy Partnership. 16 Nov. 1998. <http://www.transact.org/report.asp?id=63>

plan, but the downturn in the housing market has further increased the number of Illinois families needing assistance. It is essential the state continues to preserve the integrity of its Housing Trust Fund, and not divert any of those precious resources to non-housing activity. New revenue sources for housing solutions, such as the housing portion of the capital fund, also should be prioritized in 2008. While MPC and partners continue to support and leverage both local and private sector investment through local trust funds, employer-assisted housing, and other efforts, state leadership is critical.

New Metra, Pace and CTA Projects

Authorized in the six-year SAFETEA-LU federal surface transportation legislation

Total cost of 10 projects: \$7.971 billion

Total amount of federal money devoted to new transit projects nationwide in SAFETEA-LU: \$6.6 billion over six years

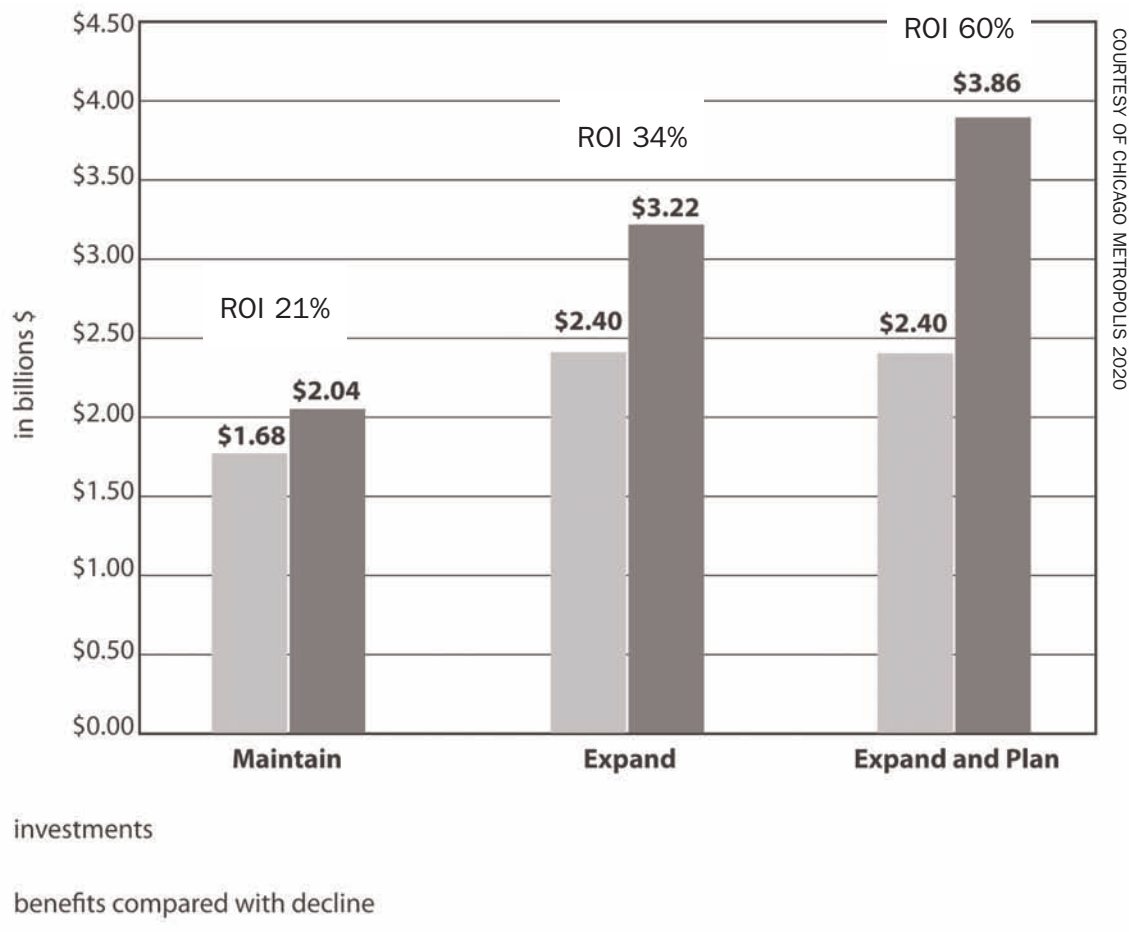
Project	Total Cost (in millions)	Project Status
Pace • Cermak Road Bus Rapid Transit	39	Concept Development
Pace • Golf Road Bus Rapid Transit	39	Concept Development
Chicago • CTA Red Line Extension	833	Formal Alternatives Analysis underway
Chicago • CTA Yellow Line Extension (Dempster to Old Orchard)	283	Formal Alternatives Analysis underway
Chicago • CTA Orange Line Extension (Midway Airport to Ford City)	301	Formal Alternatives Analysis underway
Chicago • CTA Ogden Avenue Corridor CTA	2,735	Formal Alternatives Analysis underway
Chicago • Transit Hub (Circle Line & Ogden-Streetcar) *		Formal Alternatives Analysis underway
Metra • STAR Line Inter-Suburban Commuter Rail	1,981	Formal Alternatives Analysis underway
Metra • Union Pacific West Line Core Capacity Upgrades	596	Formal Alternatives Analysis underway
Metra • Union Pacific Northwest Line Core Capacity Upgrades	223	Formal Alternatives Analysis underway
Metra • SouthEast Service Line Commuter Rail	941	Formal Alternatives Analysis underway

* The CTA Circle Line and Ogden-Streetcar proposals have some overlapping route structures, so the projects have one combined total funding amount.

Fund transit to keep the region moving

Public transportation has proven to be the most efficient means of moving the greatest number of people in cities, and the environmental and economic benefits of a fully operational transit network are good for the entire region. In Chicagoland, the Regional Transportation Authority (RTA) identified that the regional transit network directly and indirectly provides at least \$12 billion in economic benefits to the region and 120,000 jobs. State legislators recently voted to increase operating funding for Metra, Pace and Chicago Transit Authority (CTA). The next logical step is to identify a capital funding source to maintain and expand the system. RTA estimates a bare minimum of \$7 billion is needed simply for maintenance. MPC will advocate simultaneously for an improved process for selecting transit investments – as the chart (opposite) shows, there isn't nearly enough money to fund all 10 transit projects – and push for increased funding to maintain and expand regional transit.

The More We Invest in Transit, the More the Region Benefits



Make the most of existing transit assets

Retail and residential development near transit – also known as transit-oriented development – is good for property values, residents and developers. Some of the value created by transit can and should be funneled back into maintaining and expanding the system. MPC is working with CTA to develop a model in which CTA partners in station-area developments and shares some of profits.

Well-planned development near transit has many benefits.



Benefits of Transit-Oriented Development

INCREASES PROPERTY VALUES:⁵

In San Francisco, residential values are 10 percent higher around BART Stations than in other locations in the city.

SAVES PEOPLE TIME, ENERGY:⁶

A two-adult household that lives within 3/4 miles of public transportation saves an average \$6,251 every year, compared to an equivalent household with two cars and no access to public transportation service.

Transit riders use about 1/10 of the energy per passenger-mile as people riding in an automobile.

SUPPORTS LOCAL BUSINESSES:⁷

Nationwide, local businesses gain \$30 million for each \$10 million invested in public transportation.

Explore new approaches to financing

Given the scarcity of funds available to make even the most essential transportation investments, MPC advocates for the thoughtful use of Public Private Partnerships to supplement traditional transportation funding sources. The results of groundbreaking transactions in this region have been well documented. But these transactions have so far been limited to the leasing of existing assets, such as the Chicago Skyway, Grant Park parking garages, and potentially Midway Airport. Amazingly, it remains illegal for Illinois to engage in an agreement with a private party to fund a new road, train line, or bridge.

Public-Private Partnerships would provide an alternative approach to financing much needed transportation improvements, but they are not a panacea. Their application is limited to projects capable of attracting private investment, such as the Elgin-O'Hare Bypass, which currently tops many leaders' lists of priority projects.

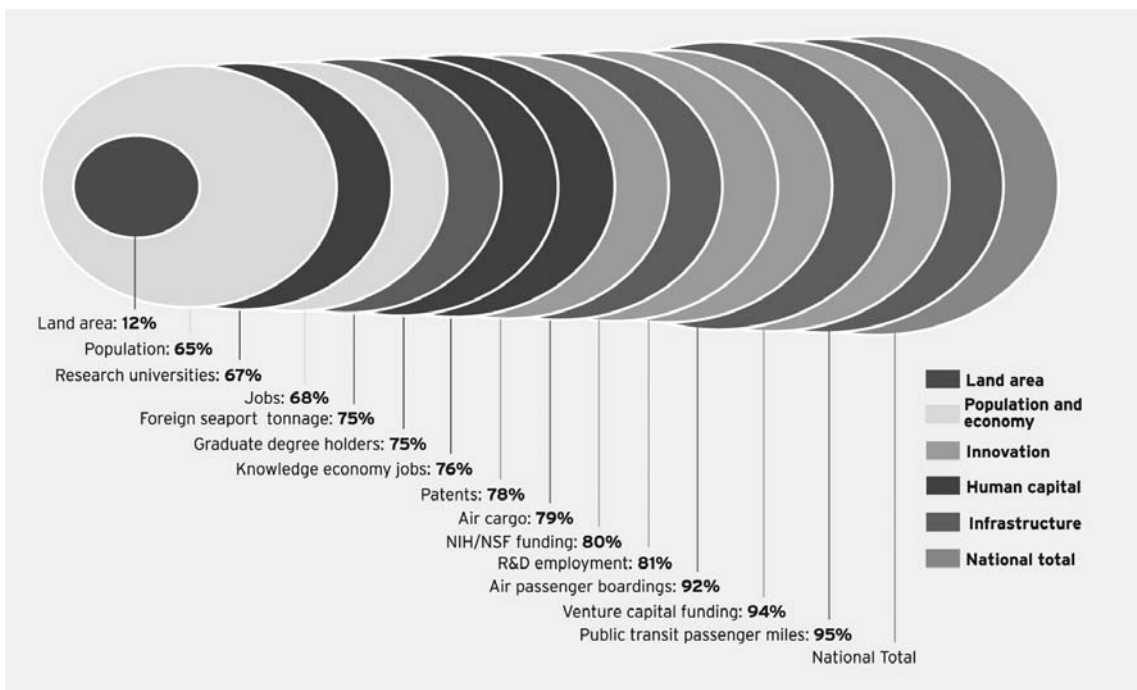
Improve connections between Chicago and other Midwestern cities

The health of the U.S. economy depends on strong metropolitan regions; improving connections between these regions is vital. MPC will advocate for state and federal capital funding for Illinois passenger rail – underutilized in the Midwest – which is a safe, convenient and efficient mode of city-to-city transportation; and could connect job centers, tourist attractions, and smaller municipalities all the way from Chicago to St. Louis, Mo. A 2006 increase in Amtrak service was met with rave reviews from all corners of Illinois, but more money must be allocated to expand Amtrak to other population centers in the state, and rail bottlenecks must be alleviated as part of the CREATE rail modernization program to improve on-time reliability for both Amtrak and Metra.

Major Metros Aggregate Fundamental Drivers of Prosperity, and Generate 75 percent of U.S. GDP

Percentage of national activity in 100 largest metro areas, various indicators, 2005

COURTESY OF THE BROOKINGS INSTITUTION



Collectively, the top 100 metros take up only 12 percent of the land mass in the United States, but account for an astounding 65 percent of our population, 68 percent of our jobs, and 75 percent of the U.S. GDP.

5 SOURCE: David Taylor, presentation at Within Our Reach: Your World in Half a Mile, January 10, 2008. Available at: www.metroplanning.org

6 SOURCE: Linda Bailey (2007), *Public Transportation and Petroleum Savings in the U.S.: Reducing Dependence on Oil*, ICF International for the American Public Transportation Association (www.apta.com); www.apta.com/research/info/online/documents/apta_public_transportation_fuel_savings_final_010807.pdf.

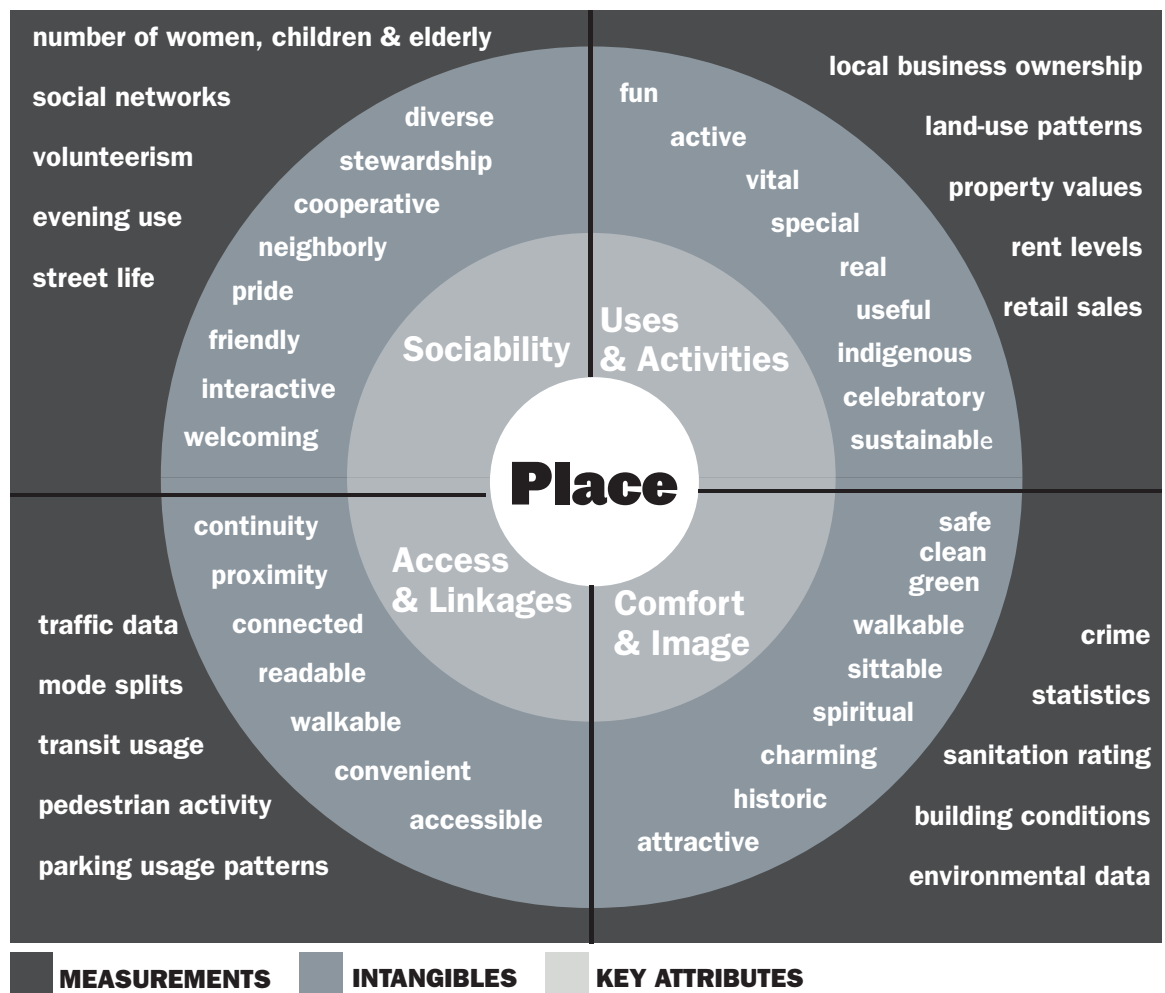
7 Virginia Miller, a spokeswoman for the American Public Transportation Association. SOURCE: Gunderson, Kristin, "On Track to Success: Transit-Oriented Development Attracts Real Estate Investors, Along with Retail Tenants and Customers." Article in *Journal of Property Management*, July-August 2007. Available at: www.entrepreneur.com/tradejournals/article/166995609.html

Train local development decision-makers to create “great places”

Multiple studies have documented that an intangible “sense of place” is as important to a region’s success as jobs, housing and infrastructure.⁸ Helping to develop this sense of place is a challenging exercise that requires expert advice from an unlikely source: average people. The New York based Project for Public Spaces (PPS) has honed “placemaking” to an art, and will work with MPC in 2008 to explore how Chicago can improve its already strong identity by teaching more local leaders what it takes to make great places.

Making Great Places

Project for Public Spaces uses this diagram to illustrate the ingredients needed for great places.



COURTESY OF PROJECT FOR PUBLIC SPACES

Create national incentives for employers investing in workforce housing

Moderate-income workers across the nation and in metropolitan Chicago are struggling to find homes near work they can afford. The consequences are costly, not only for employees and their families, but also for employers dealing with workforce turnover and everyone grappling with increased traffic gridlock. The Housing America's Workforce Act addresses the nationwide workforce housing shortage by providing economic incentives to employers investing in housing solutions through employer-assisted housing (EAH). Many have recognized this bill, like the EAH model in Illinois that inspired it, has great potential to reframe the national housing debate. This bill is MPC's top federal housing priority for 2008.

Advocate for state leadership for planning

Currently, planning for housing, transportation and community development efforts are spread across multiple state departments, with little coordination between them. MPC strongly advocates for building state leadership for planning, a critical first step to ensuring Illinois' agencies are working together toward a shared vision for growth and protection of natural resources. That leadership could take several forms: from a state planning agency charged with overseeing the land-use functions of state departments, to the appointment of a deputy governor with powers similar to a sub-cabinet of member of agency directors (see next page, for other states' models.) State planning leadership is a high-yield opportunity to facilitate communication across multiple state agencies on issues that affect our residents' quality of life: easy access to transportation and good schools, housing choice, clean water and air, quality jobs, and beautiful communities. It would create greater efficiencies in state government through improved agency coordination and smarter capital spending — and prevent costly duplication of efforts.

Support municipal planning efforts with state grants

Municipalities are struggling to fund their own comprehensive community development plans. Some towns and cities are able to hire the necessary staff or consultants to lead a public process and develop a shared vision for growth. Many – often those most in need, such as communities struggling with disinvestment or those in the path of fast-paced regional growth – are not. MPC encourages the state to help put all communities on the path to prosperity by offering modest state planning grants called for in the Local Planning Technical Assistance Act passed in 2002. A modest diversion of the existing hotel operator's tax – which is levied to encourage economic development – would be an ideal source for such planning grants.

8 Leadbeater, Charles. "Remixing Cities: Strategy 2.0" CEOs for Cities. Chicago, 2007.

States with Planning Leadership and/or Funding

Maryland

One of the first states to have a dedicated planning function through a state-level agency, the Maryland Dept. of Planning manages special offices such as a state clearinghouse for intergovernmental assistance, an office for local planning assistance, and the Office of Smart Growth, which encompasses programs targeting brownfields, priority funding areas, and rural legacy, among others.

PLANNING DEPARTMENT
www.mdp.state.md.us

Massachusetts

With programming established and led by Gov. Deval Patrick's office, the state endorses planning and zoning measures that are consistent with guidelines in the Sustainable Development Principles through renewed support for the Commonwealth Capital Policy Program, which encourages municipalities to cooperate regionally to make local sensible growth improvements through a scoring system.

SUSTAINABLE DEVELOPMENT PRINCIPLES
www.mass.gov/Agov3/docs/smart_growth/patrick-principles.pdf

Minnesota

Planning assistance is available from both the Sustainable Communities Program in the state's Pollution Control Agency – merged with its Office of Environmental Assistance in 2005 – and the governor-appointed Metropolitan Council, which provides financial and technical assistance on land and resource management under its 2030 Regional Development Framework growth plan.

SUSTAINABLE PROGRAMMING IN POLLUTION CONTROL
www.pca.state.mn.us/sustainability/index.html
METROPOLITAN COUNCIL
www.metrocouncil.org/about/index.htm

Washington

Growth Management Services (GMS) – a division of the Dept. of Community, Trade, and Economic Development that provides assistance and guidance for local governments to achieve coordinated and sustainable development practices, including comprehensive planning – was established by the Growth Management Act of 1990.

GMS PROGRAMMING
www.cted.wa.gov/portal/alias__CTED/lang__en/tabID__375/DesktopDefault.aspx

Wisconsin

Established by the state's 1999-2001 biennial budget, the Comprehensive Planning Law (also referred to as the Smart Growth Law) helped set up a comprehensive planning division and land information program – which publish guidebooks, administer grant programs, and provide community technical assistance – in the Intergovernmental Relations Division of the state's Dept. of Administration.

COMPREHENSIVE PLANNING
www.doa.state.wi.us/section.asp?linkid=128&locid=9
LAND USE PROGRAM
www.doa.state.wi.us/section.asp?linkid=133&locid=9



Establish a statewide framework for regional water supply planning

A 2005 gubernatorial executive order established two regional water supply planning groups in Illinois and called for the creation of a statewide framework for regional water supply planning. Nearly three years later, no such plan exists, and the regional planning groups have yet to determine either the best course of action or how they will interact with each other and the state. MPC and Openlands, in conjunction with Southern Illinois University, will release a white paper in May 2008 recommending an approach for a statewide framework for regional water supply planning. MPC and Openlands favor a statewide plan with increased data gathering and water quality/quantity monitoring; clearly delineated responsibilities at the state, regional, and local levels; policies to reduce water demand and waste; and increased recognition that water quality and water supply are incontrovertibly linked. As the state's population grows and spreads, and as industry and agriculture return to prominence throughout the state, it is critical to plan for sustainable water use now, rather than after a crisis strikes.

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Founded in 1934, the Metropolitan Planning Council (MPC) is a nonprofit, nonpartisan group of business and civic leaders committed to serving the public interest through development, promotion and implementation of sound planning and development policies, so all residents have access to opportunity and a good quality of life – the building blocks of a globally competitive greater Chicago region.