

The Metropolitan Planning Council (MPC) shapes policies and supports direct investments in an economically competitive, socially equitable, and environmentally sustainable Chicagoland region. Implementing this vision requires public investment and development policies spanning multiple agencies and sources that are based on the following proven principles.

## Public Investment Principles

During a time of historic economic change, the strength of the Chicagoland region—and every region across the nation—depends on smart federal, state and regional investment strategies. As more and more communities need resources to transform outdated infrastructure, deal with the foreclosure crisis, retrain workers, and respond to climate change, it's actually harmful to dole out funding based on disjointed and politically derived formulas. Our public resources need to be directed where they will have the greatest benefit and most significant return, as well as reward innovation and collaboration.

MPC and its partners have outlined three principles that should guide public investment, prioritized against criteria and reflective of community goals identified through comprehensive local and regional plans. These principles guide MPC's Federal Investment Reform initiative, and are the hallmark of our policy, advocacy, and on-the-ground work:

**1 Goal-driven:** Investment should be based on desired policy outcomes, not specific means or pet projects. The best investment—be it roadway or railway, water treatment plant or wetland—should be determined and funded according to the project's quantifiable benefits when compared to other spending proposals.

**2 Right-sized:** Solutions should be planned and implemented at the scale of the problem. Traditionally, most federal money has gone to states and then individual municipalities, creating costly local competition for resources that does not reflect the interjurisdictional and regional nature of our most pressing policy and development issues. Federal investment should spur shared solutions to shared problems, with the flexibility to scale investment up or down as necessary.

**3 Coordinated:** We should be coordinating investment in housing, transportation, environmental protection, workforce, and economic development; instead, these programs often are divided, leading to spatial mismatches, conflicting goals, and enormous waste. Complex, multi-issue problems require integrated solutions.

### Advancing Livability Principles

To halt the tendency to push federal funds through issue-specific streams, MPC's federal investment reform framework reinforces the Obama administration's Livability Principles. MPC is working to apply the Livability Principles to on-the-ground activity and state and federal policies.

MPC's goals are to:

1. Provide more transportation choices.
2. Promote equitable, affordable housing.
3. Enhance economic competitiveness.
4. Support existing communities.
5. Coordinate and leverage federal policies and investment.
6. Value communities and neighborhoods.
7. Conserve natural resources.

# Smart Strategies

MPC leverages community-level projects to create momentum for public policy that will allow similar innovations in more communities. The following case studies illustrate the need and potential for reform. Each could be replicated nationwide.

## Reconnecting Neighborhoods

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Reconnecting Neighborhoods supports residents in and around three Plan for Transformation mixed-income communities by identifying coordinated transportation, infrastructure, and retail investment opportunities. This unprecedented process was designed to leverage the million-dollar effort to redevelop public housing in Chicago, which neglected the needs of a truly successful neighborhood—access to retail, jobs, and transit.

Reconnecting Neighborhoods was sponsored by the Regional Transportation Authority and City of Chicago. It led to community-specific recommendations to support three interconnected goals: affordable housing, equitable transportation options, and greenhouse gas reduction. The City of Chicago Plan Commission adopted the plan in 2009. MPC facilitated the community engagement process and is now partnering with community, private, and public sector leaders to some of the recommendations.

The Reconnecting Neighborhoods plan (see [metroplanning.org](http://metroplanning.org)) recommends goal-oriented, coordinated investments ranging from new train stations and street cars, to bike lanes and improved sidewalks and crosswalks—all of which support the community's goals to connect these once isolated neighborhoods to the economic and social fabric of the city.

## South Suburban Interjurisdictional Collaborations

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Interjurisdictional collaboration is a tangible demonstration of the benefits of **coordinated** public investments. It is a powerful, **right-sized** way to promote efficiency and capacity among suburban leaders, create predictability and simplicity for private sector investors and developers, and advance policy and development goals.

MPC is working in four sub-regional clusters that comprise a total of 44 communities. The South Suburban Housing Collaborative is the largest, with 28 towns. To leverage limited federal

American Recovery and Reinvestment Act resources, MPC partnered with the Metropolitan Mayors Caucus and South Suburban Mayors and Managers Association on the first round of the Neighborhood Stabilization Program, to submit a **coordinated** regional application. By layering new stimulus dollars for energy efficiency, workforce development, transit improvements, and neighborhood stabilization into the same focused areas for investment, these partners will multiply the benefits generated by any single program.

The South Suburban Housing Collaborative's comprehensive redevelopment plan would create or preserve some 474 energy-efficient homes along the Calumet River and existing and proposed south suburban transit lines; and demolish and/or land bank an additional 200 parcels for future development. It initially received \$9 million in funding to support these projects in 11 communities, and is working to leverage additional funding from local, state and federal sources.

## Shaping the future of Gary and Northwest Indiana

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What happens to Gary holds the key to the future of Northwest Indiana; the economic health of Northwest Indiana is critically important to the greater Chicago metropolitan area, and the larger "Midwestern hub" to the Great Lakes. Strategic investments and strong partnerships will maximize Gary's competitive assets—Chicago International Airport, access to Lake Michigan, and key rail corridors. MPC and *The Times of Northwest Indiana* are collaborating to identify catalytic investments and accelerate the redevelopment of Northwest Indiana. The recommendations and results of this multi-year project will have national significance.

MPC and *The Times* will evaluate the economic, housing, recreational, and transportation development potential identified in various past plans to determine which hold the most promise for job growth, quality of life, revenue generation, and other community and regional benefits. We will then assist with removing the barriers to redevelopment and facilitating productive partnerships to move priorities forward.

To be successful, Northwest Indiana needs **goal-oriented, right-sized, and coordinated** investment strategy. Overlapping transportation investments in high speed rail, freight

and air, environmental remediation on the lakefront, and an overhaul of housing through the use of NSP funds simultaneously can achieve a cleaner environment, renew the housing stock, and generate new jobs. The MPC/Times partnership will work with regional stakeholders and local communities to refocus financial resources, partnerships and incentives. This way, limited resources are used to leverage each other and make vital connections between housing, economic development, transportation, environmental, and recreational uses.

## Bus Rapid Transit

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MPC is working with the Chicago Transit Authority (CTA) and the Chicago Dept. of Transportation (CDOT) on a study to analyze and evaluate the benefits of bus rapid transit (BRT) to corridors throughout Chicago.

BRT is a high-quality, high-capacity transit service that travels on exclusive lanes along designated routes, has pre-paid boarding at stations, and includes signal prioritization technology onboard. Tested around the world, BRT has been shown to reduce travel time while increasing the level of service over traditional buses. BRT systems are cheaper to implement and easier to operate than heavy rail.

In response to the federal government's call to consider the six livability principles—which embody MPC's **goal-oriented**, **right-sized** and **coordinated** criteria—when planning transportation projects, the study will evaluate corridors on their ability to provide transportation choices, reduce our dependency on cars, and connect housing and job centers. To do this, the analysis in the BRT study includes criteria such as the Center for Neighborhood Technology's Housing and Transportation affordability index, population/employment density, and transit connectivity. In addition, the study is also considering traditional metrics such as travel time and ridership.

The Federal Transit Administration (FTA) recently announced a shift in policy that considers these broader livability principles rather than a cost-effectiveness rating when evaluating whether or not to fund transit proposals. Projects that can show benefits that reduce our impact on the environment, provide greater options for people with limited choices, and demonstrate coordination with other departments would be more competitive with federal incentives. MPC's work on the BRT study will position Chicago to put its best foot forward with applying for these programs.

## Employer-Assisted Housing

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MPC's versatile Employer-Assisted Housing (EAH) initiative pairs employers and local nonprofit counseling agencies to help workers buy or rent housing they can afford closer to work. EAH programs are **goal-oriented**, promote location efficiency, reduce traffic gridlock and provide an attractive return on investment.

In some areas, the demand for affordable housing is greater than the supply. Other communities need economic development and quality housing to attract homeowners. The future economic health of the region and our local communities

is dependent on maintaining a stable and competitive workforce. This requires a diverse range of housing options located near jobs and transportation. In all types of communities—city, suburban and rural—EAH has proven to be an effective tool.

Since 2000, more than 2,200 employees in the Chicago region have purchased homes with financial help from their employers. The state's tax credit and matching funds have contributed \$2.3 million, and leveraged \$8 million in down payment assistance from employers. This amounts to \$400 million in home sales.

As EAH helps employers discover the advantage of having their workers living in quality, stable homes near jobs and transportation, it also creates new advocates for livable communities. These engaged employers help promote the needed **coordinated**—cross-agency and cross-jurisdictional—partnerships that are both efficient and effective. This strong private-sector leadership also has led to a number of housing policy successes from approval of new state legislation and resources to effective targeting of Neighborhood Stabilization Program dollars.

## Regional Voucher Coordination

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There are thousands of Illinois residents on rental assistance waiting lists. Unfortunately, their options for quality housing near jobs and transit is extremely limited.

Numerous barriers—ranging from community perception to federal regulations—interfere with public housing authorities' (PHAs) ability to work with local communities to meet demand. The U.S. Dept. of Housing and Urban Development (HUD) currently provides rental assistance to more than 4.6 million households through 13 different programs, each with its own rules and administrative oversight. To remedy this, HUD recently introduced the Preservation, Enhancement and Transformation

Rental Assistance Act of 2010 (PETRA), which would authorize \$350 million in Fiscal Year 2011 to encourage regional coordination, increase access to opportunity, and begin "transforming properties" with rental assistance.

Because of local efforts as MPC's Regional Housing Initiative and Portability Pilot, Chicagoland partners—PHAs and civic organizations—are strategically positioned to both inform and benefit from the implementation of PETRA.

For nearly 10 years, MPC has been convening housing authorities, facilitating their partnership, and leveraging other stakeholder support. As a result, there is a solid track record of coordinating to

increase quality housing options—near jobs, transit, schools, and amenities—available to households eligible for HUD rental assistance programs. Already, this regional coordination has helped families find housing in desirable locations at less administrative expense to PHAs than traditional programs. It also has supported 15 viable housing developments, creating more than 700 new homes, largely in mixed-income communities.

In 2010, seven regional PHAs are working with MPC to maximize new federal leadership on these issues, by scaling up lessons learned from past pilots and leveraging new resources to advance **right-sized**, **goal-oriented** and **coordinated** housing plans.