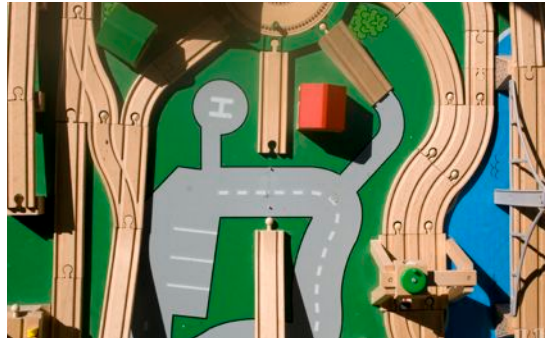


**Rethink  
Investment**



**Reward  
Efficiency**



**Harness  
Technology**



**Metropolitan Planning Council**

**2012 Plan for Prosperity**  
Innovative Solutions  
for the New Normal



Above: Emily Cikanek; front cover and section headings: woodleywonderworks (flickr)

Clean, abundant water is not just valuable for recreation, but critical to our economy and well-being. MPC is recommending state policy changes that will encourage sustainable and efficient management of our finite water resources (see page 3).

## Metropolitan Planning Council

Each year, the Metropolitan Planning Council (MPC) presents its 12-month agenda for developing, advocating and implementing policies that advance our mission:

Since 1934, the Metropolitan Planning Council (MPC) has been dedicated to shaping a more sustainable and prosperous greater Chicago region. As an independent, nonprofit, nonpartisan organization, MPC serves communities and residents by developing, promoting and implementing solutions for sound regional growth.

MPC builds consensus around its agenda by partnering with civic organizations, community groups, business leaders, and government agencies throughout the research, advocacy and implementation stages of policy development. For 78 years, this cooperative approach has proven fundamental to making lasting change in our region.

# Dear Partners:

Sometimes, things aren't what they seem. For decades, the United States enjoyed what appeared to be boundless economic expansion. Consumers spent and borrowed prolifically, and governments followed suit to serve growing populations. Thousands of new communities sprang up as the housing industry boomed. The credit market ballooned, and the Dow reached new heights.

Then came the crash of 2008.

Gone are the days of easy credit, seemingly inexhaustible resources, and dizzying growth. Many Americans today are unable to find jobs, some are without homes, and budgets are uncomfortably tight, both for families and governments. As we all struggle to do more with less, we are wise to confront two critically important questions: How did we get here? And what can we learn from past mistakes?



Having moved beyond the initial crisis mode, we can see the past more clearly. The "good old days" are illusory; rapid economic growth had masked deeper problems. Even absent tax increases, government revenues climbed fast in the late 1990s through early 2000s, thanks to a productive manufacturing sector, the technology boom, housing bubble, good times on Wall Street, and consumer spending. No matter that much of this "growth" rested on mounting debt and artificial value created by the stock market.

These trends fueled hastily and sometimes poorly planned community investments that yielded diminutive returns. During the "boom," we spent on the present and didn't take time to fully measure the impact of our decisions. Nor did we plan for the future, all but ignoring the long-term maintenance needs of what we were building, and predictable demographic shifts such as an aging population. Now, the future is here, and we are experiencing the pain of high foreclosure rates, crumbling infrastructure, and fiscal crises at all levels.

If this revelation is hard to swallow, the upside is that it is forcing policy makers to identify strategies to navigate the "new normal" – and, just as importantly, use criteria to measure our progress toward common goals: regaining America's competitive edge, securing good jobs, and shaping a new era of sustainable economic prosperity that supports cities' and regions' business plans.

On the following pages, the Metropolitan Planning Council proposes tangible ideas to bolster the economy, by rethinking how we invest in our communities, harnessing the power of technology to plan for our future, and rewarding the public and private sector for working together to more efficiently and effectively deploy resources. Some of these strategies were incubated in years past and are primed for action today; others are being tested in the living laboratory that is metropolitan Chicago. We welcome your feedback and invite you to partner with us on putting the ideas in our 2012 Plan for Prosperity to work.

Sincerely,

A handwritten signature in black ink that reads "MarySue Barrett".

MarySue Barrett  
President  
Metropolitan Planning Council

# Rethink Investment



Especially now – at a time when necessity and knowledge are fueling unprecedented innovation – businesses and communities that want to reinvest ought to be encouraged to re-imagine their growth strategies. Yet too often, government programs and regulations create unintended barriers to obviously good ideas, and the status quo seems like the easier route to take.

Despite formidable obstacles, pioneers are rethinking the way we invest – in people, communities and infrastructure – many right here in metropolitan Chicago. Neighborhood business owners are resurfacing their parking lots with permeable pavers and planting their rooftops to save water and money. Community planners are putting greater emphasis on vibrant public places where people want to gather. And, yes, government agencies are busting down their own walls and revamping outdated programs to be more effective and productive. MPC is supporting and learning from these trailblazers, and sharing their stories with the right decision makers to change policies and clear the path toward reinvestment.

## **MPC Recommends**

### **Strengthen neighborhoods by coordinating investments in housing, transportation and economic development.**

Since 1999, the Chicago Housing Authority (CHA) has invested heavily in reinventing public housing by building new mixed-income communities where dozens of CHA high rises once stood. For these communities to be successful, we cannot stop with new homes; we must make simultaneous improvements to connect residents to transportation, retail, jobs, green space, and recreation.

Through Reconnecting Neighborhoods, MPC is advancing its historic commitment to quality public housing, but evolving our approach to ensure coordinated housing, transportation and economic development investments add up to attractive, economically vibrant neighborhoods. In partnership with the Chicago Metropolitan Agency for Planning (CMAP) and City of Chicago, MPC will continue to support

planning for new retail in Bronzeville on Chicago's Near South Side. To help attract visitors, support local businesses, and connect residents to the rest of the city, MPC is working with stakeholders in Mid-South Side neighborhoods to improve streets, sidewalks, bike lanes, and transit, by advancing priorities identified in the Chicago South Lakefront Study. Also in the Mid-South, MPC will support the city and CMAP as they assist Woodlawn, Washington Park and Englewood in addressing significant population loss, disinvestment, and abandoned properties. Through the Green and Healthy Neighborhoods Initiative, the communities will create a plan to focus reinvestment in promising corridors near transit stops, while reimagining the area's many vacant parcels as redevelopment opportunities, including urban farms, markets, and community parks.

## MPC Recommends

### Provide incentives for sustainable water management.

To support healthy communities, maintain environmental integrity, and attract businesses, sustainable and efficient management of our finite water resources and infrastructure is a must. To that end, MPC recommends two Illinois state policy changes:

1. Communities across the region are employing proven strategies – wetlands restoration, permeable paving, full-cost pricing – to prevent flooding, contamination of local water ways, and expensive infrastructure maintenance and expansion projects. Historically, however, these “green” infrastructure projects have not fared well in the competitive allocation of State Revolving Loan Funds, through which the U.S. Environmental Protection Agency

(EPA) assists states and communities with water-related infrastructure. Loan selection criteria have favored expansion of “gray” infrastructure, for instance expanding a sewer line. MPC recommends revising criteria that guide the Illinois EPA’s State Revolving Loan Funds for drinking water and wastewater management to prioritize rehabilitation of existing infrastructure, green infrastructure, and full-cost pricing.

2. The current accounting system for Lake Michigan water includes a loophole that discourages proper maintenance – the older a community’s pipes, the greater loss allowable. MPC recommends eliminating this loophole to encourage and support communities conserving water through proper infrastructure maintenance.

## Coordinating public, private investments in stormwater management



Christina Noel

Zina Murray, founder of Logan Square Kitchen

Chicago’s Logan Square is an up-and-coming neighborhood, attracting new residents and businesses alike. With all this development comes strain on the area’s aging sewer system.

Zina Murray, founder of Logan Square Kitchen, has weathered sewer back-ups in the kitchen’s basement, and other businesses have experienced costly damage. The problems, said Murray, include deteriorating infrastructure, lack of coordination among city departments, and her neighbors’ water use. “People are too busy to think about how their behavior impacts others,” she said.

While confident his ward is one of the city’s greenest, Ald. Rey Colón (35th Ward) agrees “a lot of people are very conscious of how their water use affects others, and some people are not. They decide it’s an issue when they have flooding.”

Because Milwaukee Avenue is a hot spot for flooding, Ald. Colón and the City of Chicago already have invested in solutions along the corridor, including green alleys. In 2011, the alderman and MPC secured a \$200,000 Illinois Green Infrastructure Grant from the Illinois EPA to provide businesses and homeowners along a portion of Milwaukee with matching funds to install green roofs, lay permeable pavers, and undertake other stormwater improvements. MPC is helping lead this pilot project to demonstrate how clustering green infrastructure investments can make a measurable difference.



Ald. Rey Colón (35th Ward)

“Education is key,” said Murray. Ald. Colón would go one step further. “People who come into the area need to be good stewards of the environment, and it’s my job to create incentives so they want to do so,” he said.

## MPC Recommends

### Promote place-based investment to attract people to communities.

Chicago has experienced population loss of 200,000 people over the last decade, which detracts both from vitality and an adequate tax base. MPC is helping to stem this tide through Placemaking Chicago, which gives local residents, business owners, and planners new tools to create great public places in the city and suburbs.

Vibrant public places are critical to making Chicagoland a destination of choice. In 2010, the Knight Foundation issued the *Soul of the Community* report, which examined the key factors driving residents' attachment to their community. Knight found "social offerings" – places for people to socialize and a sense of people caring for each other within the community – outranked education, the economy and safety as



MPC is using Placemaking techniques in planning for the West Loop Transportation Center, including maximizing the potential of Chicago Union Station's Great Hall.

the strongest attracting factors. That's why MPC is working with professional and volunteer planners to employ Placemaking techniques in a variety of redeveloping areas, including the 47th Street retail corridor in Chicago's Bronzeville community; Milwaukee Avenue Green Development Corridor in Logan Square (see

page 3); planning for the West Loop Transportation Center and its surroundings; and the Chicago Transit Authority's analysis of the potential for Bus Rapid Transit along Western and Ashland avenues. MPC also is researching benefits of well-planned places, including their potential to spur economic activity.

## MPC Recommends

### Explore new revenue options to maintain and modernize transportation.

The cost of congestion is staggering: In Chicagoland alone we squander at least \$7.3 billion a year in time, fuel, and environmental damages, MPC research documents; and businesses forgo creating some 87,000 jobs annually due to labor and transportation costs. Yet state and federal resources are falling far short of what's needed to repair and expand our existing roads and railways. Revenues from the gas tax, which fund the nation's recently depleted Highway Trust Fund, will continue to decline as people choose fuel-efficient vehicles over gas guzzlers. What's more, Congress refuses to entertain an increase in the gas tax – stagnant at 18.4 cents/gallon since 1993 – and remains deadlocked on a new

federal transportation program.

To fight gridlock and keep our cities and regions competitive, the U.S. needs a new approach to transportation planning and investment, one that maximizes the use of existing infrastructure, evaluates and captures the value of new investments, and taps creative financing tools. MPC is partnering with Transportation for America, Brookings Institution, Bipartisan Policy Center, Chicago Metropolitan Agency for Planning, and transportation governance agencies to explore a number of potential new revenue tools: a national infrastructure bank, public-private partnerships, congestion pricing, sharing toll revenues for transit service,

lowering the overall state sales tax rate while expanding the state sales tax base to personal services, value capture mechanisms, and variably priced parking. (For more on MPC's transportation work, see page 6.)

#### Bleak fiscal outlook for transit

**\$24.6** billion needed

**\$8 billion** available

Shortfall:  
**\$16.6 billion**

Amount needed to maintain metropolitan Chicago's commuter rail network through 2019 vs. amount of revenue currently identified.

Source: Regional Transportation Authority *Capital Asset Condition Assessment*, Aug. 2010.



**“Deferring infrastructure needs is a recipe for disaster.”**

**Q&A**

**Mayor Larry Hartwig**

Village of Addison  
2010/2011 Executive Board Chair  
Metropolitan Mayors Caucus

**Why is maintaining and expanding infrastructure critical to our economy, both at the local and regional level?**

Infrastructure improvements generate a great deal of economic activity throughout the local and regional economy. They create jobs in engineering, the trades, and through the many suppliers of construction-related materials. These are good jobs with good wages, and provide a very positive residual impact to the economy. Our local businesses rely on a well-maintained network of infrastructure to operate in an efficient manner. Safe roads and reliable utilities are essential for our region to remain competitive. Deferring infrastructure needs is a recipe for disaster.

**In the face of federal and state funding cuts, how is your community keeping up with infrastructure maintenance needs and making new capital investments to meet growing demand?**

We are seeing the need to utilize local revenue to a greater extent, and we have chosen to use revenue sources such as the sales tax, which spread the cost of the improvement not only to local residents but to non-residents who shop in our community. We have financed building improvements and street resurfacing in this fashion. We have avoided sources such as the property tax, which target only local residents and businesses.

**What are some priority regional investments that can benefit from innovative financing?**

Regional priorities include capital investment in our mass transit system; investment in our aging water and sewer system; western access to O’Hare, including a public transit component; redevelopment of older industrial parks; investment in the freight railroad system through the CREATE program; and maintaining and improving our road system.

# Harness Technology



Trying economic times have fueled some of history's greatest inventions, from the Interstate Highway System to alternative energy sources. Conversely (and perhaps counter-intuitively), boom times often lead to unimaginative spending – whatever is quickest and cheapest.

The recession has taught us we cannot rubber stamp our way to a strong regional economy. We need hard data, critical thinking, and crisp evaluation. That's why MPC is partnering with local, state and federal governments to research and harness state-of-the-art technology that can address vexing metropolitan challenges such as traffic congestion and job growth toward a more economically resilient region.

## **MPC Recommends**

### **Employ intelligent transportation systems to fight gridlock.**

#### **Real-time savings**

A survey\* of northeastern Illinois residents shows people value their time enough to embrace congestion pricing on our roads.

# 85%

I will pay an extra toll if it assures me my travel time won't be slowed by traffic.

# 97%

I'll use a toll route if the tolls are reasonable and I save time.

\* Source: *The Road Less Traveled: Exploring Congestion Pricing in Chicago*, MPC, 2010

Efficient movement of goods and people throughout the region is essential to growing Chicagoland's economy. Yet, despite the billions of dollars that have been invested in our region's transportation assets, they are not performing to their full potential – an inescapable reality for travelers who experience the daily frustrations of unpredictable travel times, bus bunching, and traffic chokepoints.

At a time when funding for transportation investments is scarce, it is more important than ever that we make the most of our existing assets. MPC is working with the region's transportation providers to explore the potential for intelligent transportation systems to

squeeze more capacity from our roads, rails and sidewalks. Technological advancements including signal pre-emption for Bus Rapid Transit, pedestrian counting to determine how people naturally move through a corridor, and congestion pricing on I-90/Jane Addams Tollway can help Chicagoland fight gridlock when and where it's at its worst. At the same time, MPC is advocating to incorporate performance measures in regional, state and federal transportation decision-making processes, to ensure these innovations, as well as new targeted transportation investments, clear the way for smoother travel throughout the region.





Booth Hansen

A vision for gold-standard BRT on Western Avenue. The complete street includes dedicated bus lanes (yellow) and bike lines (green).

### MPC Recommends

## Connect Chicagoans to jobs, services and destinations along priority Bus Rapid Transit routes.



MPC's 10 recommended BRT routes complement and connect to the city's existing hub-and-spoke rail network.

Bus Rapid Transit (BRT) is a cost-effective way of using existing streets to provide commuters with a fast, affordable and green way to travel. Chicago Mayor Rahm Emanuel identified establishing a priority BRT route as one of his first-term priorities; the Chicago Transit Authority (CTA) and Chicago Dept. of Transportation (CDOT) are implementing variations of BRT on two bus routes, and studying the potential for full-scale, gold-standard BRT along the Western/Ashland corridor.

MPC's 2011 report *Bus Rapid Transit: Chicago's New Route to Opportunity*, envisioned a nearly 100-mile, 10-route BRT network in Chicago. Throughout 2012, MPC will work with the city, CTA, CDOT, Active Transportation Alliance, and local stakeholders to advance potential routes, particularly through community outreach along the Western/Ashland corridor. MPC's 2011 report was based on a groundbreaking methodology that prioritized routes that would be feasible to construct; improve the use of the entire public transit system; and help people access jobs, shops, schools, hospitals, and other services and destinations. As we help shape an on-the-ground BRT network in Chicago, MPC is simultaneously educating local and national policy makers about adapting this comprehensive, results-oriented selection process to their own transportation decision-making.

## A smarter store for the 21st century

Even centenarians can embrace technology. Take it from Deerfield, Ill.-based Walgreens, the nation's largest drugstore chain, founded in 1901. In 2011, the company revamped its format at 20 stores in metropolitan Chicago, to feature:

- A pharmacist's desk in front of the pharmacy counter to encourage consultation;
- Private or semi-private consultation rooms for services such as immunizations;
- On-site, convenient care clinics staffed by nurse practitioners for minor healthcare needs;
- More accessible shelving and checkout lines; and
- More fresh produce, particularly in food deserts.

The company also began offering new online services, including Web Pickup, which allows customers to shop online and pick up their orders in-store; and mobile applications for customers on the go. They're installing LED lighting, electric vehicle charging stations at 800 stores around the country, solar panels at 100 stores, and a geothermal heating and cooling unit at one store in Oak Park, all to reduce energy consumption.

What prompted these innovations? According to Michael Polzin, divisional vice president, Walgreens corporate communications, it was all about staying competitive while positioning Walgreens to serve 30 million more Americans expected to have insurance by 2014.



Expanded fresh food offerings are one of many ways Walgreens is revamping its stores.

"There aren't enough doctors to see that many additional people," said Polzin. "Pharmacists are the most accessible healthcare provider, yet for years they were relegated to behind the counter. By bringing the pharmacist out onto the sales floor, they become more of a healthcare coach who can help improve patients' healthcare outcomes and keep them out of the hospital."

Customer feedback through focus groups, interviews, and transactional data helped shape the new format and services. Staff flagged tasks that "prevented them from providing the level of customer service they want to provide," said Polzin.



Donovan Pepper (top) and Michael Polzin, Walgreens

Walgreens worked with the Illinois State Board of Pharmacy and General Assembly to reform several regulations that would have prevented these updates – a noteworthy lesson for all private or public sector innovators.

"If current laws or regulations prevent you from advancing something, don't let that be the end of it," said Donovan Pepper, senior manager of Walgreens state and local government relations; and member of MPC's Sensible Growth Committee.

"We need to work with regulators to ensure the rules are right for today's world – and if not, work together to update them."



**Q&A**

**John Tolva**

Chief Technology Officer, City of Chicago

**How is Chicago using technology to understand how people interact with the built environment, and shape it to serve those needs?**

The data we publish at [data.cityofchicago.org](http://data.cityofchicago.org) is a near real-time view of how the city is being used. Building permits, public space maps, pedestrian counts – most “vital signs” like these somehow relate to the built environment. The City of Chicago publishes this data openly both to stimulate use by the public (for example, in mobile application development) and as the foundation of analysis for modeling potential interventions and outcomes.

**Give an example of how the city has used data to improve the delivery of services.**

First, we make it public to keep residents more informed, and allow them to make better decisions about how they interact with the city. Chicagoans can view performance trends for individual city services at [cityofchicago.org/performance](http://cityofchicago.org/performance) to get a sense of average times to completion. They can also use applications developed by the community on top of this data, such as [wasmymcartowed.com](http://wasmymcartowed.com) and [sweeparound.us](http://sweeparound.us). Second, we use the data internally to populate a dashboard of city operations, allowing a single view of historical data and services scheduled for the future.

**Data and technology vs. anecdotal evidence and human experience: Which should take precedence in planning?**

Neither takes precedence. Data can't tell you how a place feels. Gut instinct rarely can synthesize all the different factors that determine a place's success or failure. Planning in the 21st century is the art – and science – of balancing aesthetic, street-level sensibility with data analytics and real-time feedback loops.

“Planning in the 21st century is ... balancing aesthetic, street-level sensibility with data analytics and real-time feedback loops.”

# Reward Efficiency



Across the region, communities and businesses are forging creative new partnerships, flipping the familiar script on scarcity and accomplishing more by aligning their goals and pooling resources.

MPC is working with leaders from all sectors – government, business, nonprofit, philanthropic, and media – to support these collaborations’ efficient and effective redevelopment strategies. As replicable ideas bubble up, MPC also is identifying incentives and rewards to encourage others to innovate. The more Chicagoland acts with shared purpose, the more the region will collectively benefit from new economic activity – something we can all agree deserves more effort.

## **MPC Recommends**

### **Provide incentives to communities and agencies collaborating to solve shared development challenges.**

Housing markets, transit networks, watersheds – none of these are bound by municipal borders, thus none can be addressed adequately by one community alone. By partnering, clusters of neighboring communities can tackle these challenges more effectively, multiply their local capacity, and get more bang for their collective buck – all welcome results at a time when municipalities are forced to squeeze every cent from their lean budgets. By having a single contact point, shared processes, and even common development guidelines across multiple towns, these communities also can create real bottom-line efficiencies for the private sector – including employers, developers and investors.

For the past two years, in partnership with the Metropolitan Mayors Caucus, Chicago Metropolitan Agency for Planning, and a range of other partners, MPC has been assisting four clusters of communities around the region to realize the benefits of collaboration around foreclosure prevention and response strategies, transit-oriented redevelopment, rental preservation, and planning for future housing needs through Homes for a Changing Region. What we have learned is, despite clear benefits, these multi-town partnerships are politically and technically difficult to sustain, in part because long-standing government protocols were designed to support individual communities rather than a multi-town collaboration. MPC is developing specific recommendations for regional, state and federal policy changes to remove barriers to these interjurisdictional strategies and reward them for taking a more efficient, effective approach to revitalizing our region.

On the water front, MPC is supporting the Northwest Water Planning Alliance, established in 2011 by five councils of government (including 80 communities and five counties), to coordinate planning, investment and conservation efforts to manage their shared water supply. MPC is serving as an advisory consul to the alliance as they develop strategies, such as interjurisdictional agreements on water conservation or stormwater management ordinances.

### **Working together works for housing**

# 62+

Homes rehabbed by the West and South Cook County Housing Collaboratives

# \$29.4 million

Competitive federal funding awarded to the West and South Cook Collaboratives to support sustainable development

# 3

Interjurisdictional collaborations that have been funded to hire housing coordinators to increase their capacity to address area housing needs.

## MPC Recommends

### Reward regional coordination through targeted investment in Northwest Indiana.

Northwest Indiana is a critical component of greater metropolitan Chicago, yet its urban core cities, including Gary, have weathered decades of disinvestment. In recent years, momentum has been building – across state lines – for coordinated reinvestment in these communities. Confidence has been boosted as well, thanks to enlightened local leadership and key investments made by the Northwest Indiana Regional Development Authority (RDA), a national model for regional economic revitalization. The RDA has directed funding to restore both natural and built assets, including Marquette Park, on the shores of Lake Michigan, and the Gary/Chicago International Airport. Meanwhile, the Northwestern Indiana Regional Planning Commission has adopted a forward-thinking,

complementary regional planning strategy through its 2040 plan, which prioritizes urban reinvestment.

Through the Gary and Region Investment Project, or GRIP, MPC is helping to attract national attention and resources to this underserved area. As foundations, policy makers, and federal agencies have learned about Northwest Indiana's progress and promise, they also see the potential for catalytic urban core projects identified by the RDA, in partnership with municipalities and local stakeholders. MPC recommends this focused revitalization strategy receive the ultimate vote of confidence: a new influx of public and private dollars, from both regional and national investors, to strengthen Northwest Indiana.

#### Northwest Indiana taking regional approach to urban revitalization



Mayor Karen Freeman-Wilson, City of Gary, Ind.

Gary, Ind.'s new Mayor Karen Freeman-Wilson wants the world to know her city is open – and ready – for business.

“We have a list of priorities, we understand our assets and the financial incentives available, and we are ready to embrace all partners – local, regional and national,

public and private – who see the same potential in Gary that we do,” said Freeman-Wilson.

Indeed, Gary's assets, shared by neighboring communities such as East Chicago, Hammond and Whiting, Ind., are enviable: miles of Lake Michigan shoreline; unparalleled transportation access to four major highways, six Class A railroad lines, and the Gary-Chicago International Airport; universities providing workforce training and research; and a strong global position as a vital part of the Chicago region. The Northwest Indiana Regional Development Authority (RDA), a national model for regional economic revitalization, has been laying groundwork for business attraction by making

focused investments – to the tune of \$511 million, mostly from outside the region – to clean up and provide greater access to the Lake Michigan shoreline, expand the runway at the Gary/Chicago International Airport, and improve the region's public transportation.

“We have investors calling us who have never done so before,” said Bill Hanna, executive director of the RDA, which also works with city leaders to attract local businesses to the region.

To get to the next level, Hanna said, top-level leaders in Northwest Indiana – from the C-suite to City Halls – must speak with an even stronger, unified voice to “communicate the value of our position at the gateway of Chicago.”

Freeman-Wilson, for one, is on board. “Historically, the RDA and other potential partners have not found the city prepared,” she said. “My message is that we are ready for partnership.”



Bill Hanna, Regional Development Authority executive director

## MPC Recommends

### Partner with employers to improve their bottom line, reduce costs for workers, and strengthen communities.

MPC's *Moving at the Speed of Congestion* study found traffic gridlock costs the Chicago region \$7.3 billion annually. For commuters, sitting in traffic diminishes productivity, increases stress levels, and lowers overall quality of life. For employers, congestion decreases employee satisfaction and retention, increases parking and healthcare costs, and causes costly delays.

Through a decade-long track record on Employer-Assisted Housing (EAH) and the new Commute Options pilot, MPC is delivering incentives and tools to employers and their employees to address this bottom-line business challenge. MPC's EAH initiative has engaged more than 70 Illinois employers in helping more than 3,800 employees afford the top two household expenses: housing and transportation. In recent years, MPC has been working with existing and new EAH employers to link their incentives to local and regional revitalization strategies. For instance, Otto Engineering in the City of Carpentersville, Ill., not only is helping the city acquire and rehab vacant and abandoned buildings, but

also is offering downpayment assistance to its own employees and, remarkably, to employees of other local companies to help them purchase these new homes.

In coordination with the Chicago Climate Action Plan and Civic Consulting Alliance, in 2011, MPC recruited nine employers to adopt EAH and other benefits, including pre-tax transit allowances and bike-to-work incentives, through the Commute Options pilot. MPC is working with these employers through 2012, to measure the value of these benefits to their employees, communities, and their own bottom lines.

As participating businesses grow to understand their self-interest in these issues, MPC harnesses their voices in support of local, state and national policy reforms. In 2012, these voices will be critical to advancing a new federal surface transportation investment package and complementary performance measures, as well as incentives for employers that help their employees with the related costs of housing and transportation.



Center for Neighborhood Technology

MPC's Employer-Assisted Housing initiative and Commute Options pilot are encouraging more Chicago-area workers to take transit and live closer to work.



MPC is working with seven housing authorities to help families move to quality rental housing near employment and good schools, such as Whistler Crossing in Riverdale, Ill.

### **MPC Recommends**

#### **Help families with Housing Choice Vouchers move closer to career and educational opportunities.**

In 2011, the Illinois Assisted Housing Action Research Project reported that among the 60,000 Illinois households using Housing Choice Vouchers (HCV) for rental assistance, most using vouchers to relocate are not “moving up” by living closer to quality schools, jobs and other opportunities. What’s more, a 2007 MPC study showed that seven Public Housing Authorities (PHAs) in the region spent a total of \$1 million in just one year on the paperwork side of helping people move between jurisdictions, but had little to show for it in terms of family and neighborhood outcomes.

MPC concluded these issues do not stop at municipal borders – or PHA boundaries – and are best tackled through coordinated regional planning and policy. Building off lessons learned through this study, a small pilot, and MPC’s successful Regional Housing Initiative – which provides oper-

ating subsidies to developers and owners of quality rental housing – in 2012, MPC will manage and measure a larger pilot with seven housing authorities (Chicago, Cook, Joliet, Lake, McHenry, Oak Park and Waukegan), Housing Choice Partners, the Preservation Compact, Chicago Metropolitan Agency for Planning, Metropolitan Mayors Caucus, and other civic partners. This three-year pilot, funded by the U.S. Dept. of Housing and Urban Development, will study the effects of mobility counseling on family outcomes, administrative and financial savings to housing authorities, and neighborhood benefits. The pilot has two primary goals: to help 325 families move to areas with better employment and educational opportunities, either by using Housing Choice Vouchers or selecting homes in designated mixed-income communities in metropolitan Chicago; and to reduce costs and administrative burdens on public housing authorities.

**Q&A****U.S. Sen. Mark Kirk**  
R-Illinois**What can the federal government do to remove barriers and reward communities working across municipal borders to invest strategically in shared economic revitalization plans?**

A regional approach to transportation and economic development initiatives is vitally important, particularly for the growing suburban population of Chicagoland. I have been an advocate for many collaborative projects in Illinois and, in particular, those seeking funding through the U.S. Dept. of Transportation's TIGER Grant Program. Additionally, it is my hope that a federally authorized infrastructure bank rewards projects that seek to address regional issues in partnership with state and private assistance.

**How can the federal government encourage more companies to invest in a stable workforce?**

One of the most effective tools to help employers reduce employee out-of-pocket costs and fight urban congestion is the mass transit tax benefit. In 2011, employers could offer employees the option of a pre-tax benefit each month up to \$230 to encourage the use of public transportation. Nationwide, more than 850,000 people used the benefit. Without action by Congress, this provision decreases to \$125 a month at the end of 2011. Congress should extend the benefit in a fiscally responsible manner to ensure transit benefit parity continues in 2012 and beyond.

**The Chicago region has the second largest transit system in the country, but it is facing a \$12 billion gap in infrastructure need. How can the Senate Banking Committee help?**

Federal transit assistance primarily is funded through gas tax revenues, which have not kept pace with the needs of our aging infrastructure. Instead of raising the gas tax, which is the most regressive on the working poor, I have introduced the Lincoln Legacy Infrastructure Development Act (S.1300) that encourages greater private participation in the finance and development of our transportation infrastructure. It is my hope that the Banking Committee approves bipartisan language creating a public-private partnership experimental program that helps reduce barriers to partnerships and private financing of public transportation projects.



**“It is my hope that a federally authorized infrastructure bank rewards projects that seek to address regional issues.”**



# Are you with us?

Confronted by the new economic reality, the question is not whether we are ready for change; with the (seemingly) good old days gone, change is a necessity. The question is whether we are ready to usher in a new era of economic prosperity by confronting this change with forward-thinking planning; creative, coordinated solutions forged by consensus; and criteria to measure return on investment.

MPC is ready, and we have laid out our ideas for a stronger economy on these pages. By rethinking how we invest in communities and our region, harnessing technology to strengthen our infrastructure, and rewarding efficiency to make better and more coordinated use of resources, we can strengthen metropolitan Chicago's economy and quality of life. Throughout 2012, we will work with partners from all sectors – business, government, community, nonprofit, and philanthropy – to shape, refine and advance these plans. We invite you to join us in shaping the new economy.



Mike Lavioie

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Since 1934, the Metropolitan Planning Council (MPC) has been dedicated to shaping a more sustainable and prosperous greater Chicago region. As an independent, nonprofit, nonpartisan organization, MPC serves communities and residents by developing, promoting and implementing solutions for sound regional growth.

The logo features a stylized orange arch above the text.

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