Advancing Livability Principles
Federal Investment Reform Lessons from the Chicagoland Experience
In less than a year since the 2008 election, the Obama administration has shown receptivity to reforming the way the federal government invests in states, regions and communities. The administration, as well as several supportive members of Congress, has demonstrated a fundamental understanding of the need for innovation and the value of learning from local policymakers about their efforts to overcome and implement entrenched, and often outdated, federal programs and policies. One result of this shift in thinking was the creation of six Livability Principles to guide future federal investment.

The newly created (and first ever) White House Office of Urban Affairs, is working to coordinate federal investment around these principles through initiatives such as the cooperative Partnership for Sustainable Communities of the U.S. Depts. of Housing and Urban Development (HUD) and Transportation (USDOT) and Environmental Protection Agency (USEPA). This paper provides recommendations for those six principles to affect policy reform. In addition, we propose a seventh Livability Principle — conserve natural resources — that also should guide federal investment. HUD, USDOT and USEPA should protect air, water, open space, and other natural resources by investing in existing communities, green infrastructure, conservation and efficiency strategies.

Responding to this shift in thinking, in 2009, the Metropolitan Planning Council (MPC) teamed up with the Center for Neighborhood Technology (CNT), Chicago Metropolitan Agency for Planning (CMAP), and Regional Transportation Authority (RTA) to launch a Federal Investment Reform initiative. This joint effort will provide the federal government with reform solutions based on our decades of experience working to improve the social equity, environmental sustainability, and economic competitiveness of the Chicago region. *Advancing Livability Principles: Federal Investment Reform Lessons from the Chicagoland Experience* is the first joint product of that initiative.

This paper outlines MPC, CNT, CMAP and RTA’s collective ideas on integrating the Livability Principles with the framework of MPC’s summer 2009 white paper, *Goal-Driven, Right-Sized and Coordinated: Federal Investment Reform for the 21st Century*, and showcases our regional successes as a model for nationwide implementation. Originally inspired by the work of national groups such as the Brookings Institution and Smart Growth America, this paper advocates for an overhaul of public spending policies to be guided by the principles of economic viability, social equity and environmental sustainability, prioritized against criteria and reflective of community goals identified through comprehensive local and regional plans.
With the Obama administration opening the door to a renaissance in federal community investment, MPC, CNT, CMAP and RTA have developed specific recommendations that seek to inform and reform federal investment strategies. The partners have gathered examples of activities currently underway in local communities to illustrate the kind of innovation and ingenuity that should be represented in a new federal investment framework — one guided by investment principles that are goal-driven, right-sized and coordinated. Such reform would break down silos, foster interjurisdictional collaboration, and target measurable priorities. This reform also would reward innovative communities, rather than mandate action through outdated standards, definitions and procedures. The examples presented in this paper are not exhaustive — they are intended to show the potential scope, breadth and depth of the Livability Principles’ applicability. There are many more like-minded reforms that could be made to existing or future federal programs. MPC, CNT, CMAP and RTA will continue to provide ideas, working together to show the nation that the Chicago region is ready, willing and prepared to be a laboratory for a new way of federal investment.

In September 2009, the White House conducted a livability tour featuring three U.S. Cabinet secretaries — Shaun Donovan, HUD; Lisa Jackson, USEPA; and Ray LaHood, USDOT — and Adolfo Carrion, director of the White House Office of Urban Affairs. Their first stop was MPC’s Annual Luncheon, on Sept. 17, attended by nearly 1,100 Chicago-area corporate, civic, government and community leaders. According to President Barack Obama, the tour was “part of a national conversation to lift up best practices from around the country, to look at innovations for the metropolitan areas of tomorrow.” (Due to a late-breaking call to testify on Capitol Hill, Shelley Poticha, director of HUD’s new Office of Sustainable Housing and Communities, represented Secy. Donovan at the MPC event.)

The officials chose MPC’s luncheon because the Chicago region has “taken a comprehensive approach to improve access to affordable housing, provide more and less-costly transportation options, and protect the local environment for residents.” Because of Chicagoland’s success in developing, promoting and implementing sound regional growth strategies, they asked for ideas on how to implement sustainable community development nationwide. MPC presented the officials with a preview copy of this paper.

During the luncheon, the federal officials praised the region for its past and current efforts on community development and comprehensive regional coordination, and spoke about the agencies’ Sustainable Communities Partnership and other ways the Obama administration is supporting innovative and sustainable community development.
Advancing the Livability Principles
The Chicagoland Experience

For 75 years, the Metropolitan Planning Council (MPC) and its many partners have worked tirelessly to improve the economic competitiveness, social equity, and environmental integrity of the Chicago region. We could not be more excited or supportive of the federal government’s new Livability Principles, promised interagency coordination to pursue them, and refocused efforts on both regional and place-based investment. The Chicago region presents an excellent, and eager, laboratory for experimentation with this approach.

MPC’s objectives, then and now, are entirely consistent with the Livability Principles. We have provided leadership on notable successes — among them the creation of the Chicago Metropolitan Agency for Planning (CMAP) and Regional Transportation Authority (RTA), creation of the Northeastern Illinois Regional Water Supply Planning Group, reimagining of Chicago’s public housing into mixed-income communities, and the rise of Employer-Assisted Housing (EAH) as a national model for harnessing private sector investment for the public good. Nonprofit groups like MPC, the Center for Neighborhood Technology (CNT), Metropolitan Mayors Caucus (MMC), Chicago Metropolis 2020, and Openlands continue to coordinate with the public and private sector to improve the Chicago region’s livability.

However, there is much work to be done. Our roadways are clogged — congestion costs our region $7.3 billion a year — while our transit networks deteriorate. The average household in the Chicago region spends 48 percent of its income on combined housing and transportation costs. Water supplies are under pressure from population growth and inefficient use, with demand outpacing population growth. These obstacles to livable, communities, unfortunately, often stem from outdated federal investment patterns.

A June 2009 MPC white paper, Goal-Driven, Right-Sized and Coordinated: Federal Investment Reform for the 21st Century, outlined the principles of a new federal investment partnership with regions to allow a more efficient allocation of public resources, and a greater, more sustainable return. It echoes commitments candidate Barack Obama made to the U.S. Conference of Mayors in June 2008 and President Obama reiterated at a White House convening in July 2009.
MPC, its many multi-state Chicago region partners, and the new administration are working hard to create more economically competitive, socially equitable, and environmentally sound metropolitan regions, recognizing that they drive the national economy — according to the Brookings Institution, the nation’s 100 largest metropolitan regions contain 65 percent of its population and 68 percent of its jobs. This work will require future public investment to be guided by the following principles:

**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 priorities.

**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.

**Coordinated:** Instead of coordinating investment in housing, transportation, environmental protection, workforce, and economic development, these programs are divided, leading to spatial mismatches, conflicting goals, and waste. Complex, multi-issue problems require integrated solutions.

MPC’s framework for federal investment reform is completely consistent with the Livability Principles that guide the Sustainable Communities Partnership of HUD, USDOT and USEPA, and President Obama’s charge to the new White House Office of Urban Affairs. The Livability Principles — e.g., provide more transportation choices, support existing communities, etc. — now need to

Many of the ideas that we’re talking about on a national level were tested here, have been pushed here in the city of Chicago.

— ADOLFO CARRION
be translated into quantifiable goals to guide program and project funding. Long-term planning for growth and development should guide investment toward those goals, match solutions with the scale of the problem, and connect issue ‘silos’ to leverage funding and eliminate conflicting or discombobulated spending.

The Chicago region, fortunately, has the means to be a pilot for this new investment paradigm. CMAP and its regional planning process — GO TO 2040 — are a powerful manifestation of the nationwide movement to empower the metropolitan regions that drive the U.S. economy. By applying state-of-the-art analytic, modeling, and mapping tools, CMAP is uniquely positioned to predict and measure the success of investments by demonstrating how barriers to collaboration at all levels of government can be surmounted to achieve outcomes that serve communities, regions, and the nation alike. CMAP is already tracking such indicators as greenhouse gas emissions, per capita water consumption, and job accessibility. These real, quantifiable measures will track the Chicago region’s pursuit of the Livability Principles and, if supported through implementation tools, guide wise investment in the most transparent and accountable way possible.

Of course, the best-laid plans can lead to waste without a system in place implementation at the local level. This is, after all, where most of the decision-making authority exists for coordinated investment in transportation, housing and the environment. HUD, USDOT and USEPA coordination should spur similar alignment by corresponding state agencies, which should in turn prioritize the implementation of regional plans when determining allocation of state resources. The federal government should reward states that endorse the Livability Principles, adopt coordinated criteria to prioritize policy and programs to pursue them. Likewise, states should reward local units of government that implement elements of established regional plans. In Chicago’s case, CMAP’s GO TO 2040 plan should guide investment and development, whether it be federal, state, local, private, or philanthropic capital.

Most importantly, the Livability Principles should be the norm of federal investment, not the exception. For example, a new initiative to fund green infrastructure for stormwater management will be minimally effective if the balance of transportation and environmental dollars continue to fund development that flies in the face of goal-oriented investment. President Obama has announced plans for a thorough review of federal policies and their unintended impacts on regional and place-based investment, which is a sign that comprehensive reform is on the way. The Chicago region applauds this initiative, and is eager to be a leader.

To do so, MPC, CMAP, CNT, and RTA offer lessons we have learned over many decades of working to improve the livability of the Chicago region. We offer the case studies and policy recommendations that follow to complement current federal initiatives and highlight opportunities for reform of maximum and comprehensive impact.
Case Studies and Policy Lessons

The six Livability Principles hold immense potential for reform of federal policy on regional and community development. Experience tells us federal investments can achieve maximum benefits when strong regional and local leaders pursue common goals. The Chicago region is focused on the future, but also mindful of history.

For years, the tenets of each Livability Principle have been part of our mission and our work. While we have achieved some notable successes, they have often been in spite of federal policies. Our experiences, lessons from them, and specific recommendations for policy reform at HUD, USDOT and USEPA are detailed in the case studies below. Special attention is given to the considerable opportunities for reform that loom in the months ahead, including the Surface Transportation Authorization Act, Water Quality Investment Act, and Section 8 Voucher Reform Act.

The Livability Principles should be the rule of federal investment, not the exception. The federal government should reward states that adopt the Livability Principles, and restructure policy and programs to pursue them. Likewise, states should reward local units of government that implement elements of established regional plans.

In addition, we propose a seventh Livability Principle — Conserve natural resources — that should guide federal investment going forward. HUD, USDOT and USEPA should protect air, water, open space, and other natural resources by investing in existing communities, green infrastructure, conservation, and efficiency strategies. While protection of natural resources is implicit in the existing Livability Principles, we believe strongly that it merits explicit, equal standing with the other priorities.
Livability Principle 1

Provide more transportation choices.

Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our nation’s dependence on foreign oil, improve air quality, reduce greenhouse gas emissions, and promote public health.

True transportation choice is a question of accessibility. Do available transportation modes and networks enable a diverse group of users, from commuters to freight interests, to reach their destination, in a timely and cost-efficient manner? Too often, the answer is ‘no’. Highways and roads will always have a significant place in our national transportation portfolio, but the ability of those networks to move optimal numbers of vehicles is directly related to the range of available alternatives. The Chicago region has a better and more multimodal transportation network than other areas of the country, and yet it is still burdened by insufficient alternatives to driving. A 2008 MPC study showed that traffic congestion in the Chicago region costs approximately $7.3 billion a year in lost time, wasted fuel, and environmental damage.

There is much to learn about reforming transportation investment from Illinois’ experience. Current state law does not require transportation capital spending to be based on goals, performance measures, or an objective method of ranking projects according to merit. Too often, transportation dollars are allocated in arbitrary ways with little opportunity for public scrutiny.

Illinois House Bill 4590, the Transportation Investment Accountability Act, which failed to pass in early 2009, would have established a process for setting statewide transportation goals, ensuring a measurable evaluation process to rank all transportation projects regardless of mode, and coordinating with regional plans and local needs. Several statewide and regional organizations endorsed HB4590, which also had support in both chambers, by legislators who sought to evaluate transportation priorities and reap maximum benefits from transportation investment.

HUD, USDOT and USEPA have stated support for coordination of housing, transportation and environmental planning — a principle component of Illinois’ HB4590. The federal government should require states to establish criteria for evaluating transportation projects, but allow those criteria to be developed locally. By setting benchmarks that address and coordinate housing, transportation, economic, and environmental goals, states would not only be contributing to the federal agenda, but have a clearer
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We just came from the Garfield neighborhood, where we saw a program that incorporates the opportunity for people to come and look for a job, be trained for a job, have a daycare center next to the el, next to a bus stop. That is the livable communities vision ... and it's those kinds of opportunities don't exist all over America.

- RAY LAHOOD, SECRETARY, U.S. DEPT. OF TRANSPORTATION

picture of the investments they are making with their limited transportation dollars.

The bulk of federal spending throughout the U.S. has historically prioritized auto-oriented projects, but goal-oriented investment does not preselect transportation modes. Public transportation, in particular, furthers America’s national goals, including spurring economic activity, enhancing competitiveness in the global marketplace, reducing dependence on oil, decreasing climate-changing greenhouse gases, and providing critical responses in emergencies. On an individual level, public transportation saves money, reduces the carbon footprint of households, and provides people with choices, freedom and opportunities. Public transportation also maximizes previous investment in highways and roads by allowing individuals to make rational choices about their preferred mode of travel.

However, despite the best efforts of agencies such as RTA and CMAP and advocates such as MPC and CNT, overall federal investment in public transportation, freight rail and waterways, and bike/pedestrian opportunities has too frequently paled in comparison to highway projects. The role and purpose of a national transportation program should be based on the federal government’s contribution to meeting these stated national goals. In order to truly pursue national transportation goals, the Obama administration should support passage of the Transportation Objectives Act of 2009, which would establish national transportation objectives and performance targets, such as improving economic competitiveness, connectivity, safety, energy efficiency, and environmental protection, as well as encouraging transit-oriented (mixed-income and mixed-use) development communities.

The federal government should provide sufficient revenues to support the capital infrastructure needs of the nation’s public transportation systems. Public transportation is funded from the Mass Transit Account (MTA), a small subset of the Highway Trust Fund. Existing MTA revenues are inadequate to meet existing commitments and required investment levels. A recent Congressional Budget Office report on MTA revenues projected the account will have a negative cash balance by the end of FY 2011, absent federal intervention. Chronic underinvestment in the country’s public transportation infrastructure has put the nation at a competitive disadvantage in the global economy. Without a significant increase of federal investment, the condition of our nation’s public transportation infrastructure will only continue to decline.

Limited federal, state, and local revenues make maintenance, modernization and leveraging of existing investments all the more important. The fixed guideway modernization ("Rail Mod") program provides capital assistance for updating existing fixed guideway mass transit systems. The primary recipients of Rail Mod funds include some of the largest and oldest transit systems in the country such as Chicago, Boston, New York, New Jersey, San Francisco, Philadelphia, and Washington, D.C. These systems collectively carry more than 80 percent of the nation’s rail passengers. After years of deferred maintenance, these systems need significant investment to bring them to a state of good repair. However, the percentage of Rail Mod funding dedicated to the largest transit systems has declined over the years. A recent Federal Transit Administration (FTA) report indicated the United States must invest far more in simply maintaining its existing transit infrastructure than it does currently, or suffer the consequences of rotting tracks, outdated vehicles, and aging stations. FTA's recommendations included implementing a national state of good repair investment fund for the oldest rail systems, which would require an additional $50 billion over the next few authorization periods just to bring the study participant systems to a state of good repair, and an additional $5.9 billion each year to maintain the systems in such a state.

To reverse this trend, additional revenue sources will be required. One option would be to allocate revenue from future cap-and-trade climate change programs to clean and efficient public transportation improvements. Surface transportation is a major contributor to the emission of greenhouse gases (GHG) that impact the nation’s ability to achieve climate change reduction targets. Congress is currently debating legislation that seeks to reduce GHG emissions through the of a cap-and-
Public transportation is a proven method to reduce emissions more passengers per vehicle. An increase in transit service may lead to an increase in transit CO2 emissions, but an overall reduction in transportation emissions. As ridership increases, mass transit systems should receive a percentage of the revenues from the cap-and-trade system. Failure to include such measures will create greater GHG reduction burdens on other sectors of the economy.

The federal government also has an opportunity to reform paratransit funding. The Americans with Disabilities Act of 1990 (ADA) requires public entities operate non-commuter fixed route transportation services also to provide complementary paratransit service for individuals unable to use the fixed route system. Paratransit provides essential mobility to the most vulnerable members of our society, enables independent living, and builds community.

Unfortunately, the costs of operating ADA paratransit have risen rapidly, placing a significant burden on transit service budgets. However, there has been no specific direct federal support for this unfunded mandate. Because many paratransit trips are for health-related reasons (e.g., dialysis treatment), and because paratransit is a vital service for population with special needs, paratransit service and funding should not be viewed as only a transit policy issue.

There should be cooperation and coordination among the various federal agencies that fund or set policy for transportation, health care, and human services programs to ensure the mobility needs of the disabled community are met in a seamless and efficient manner. There are myriad other transportation programs for disabled or other vulnerable populations that could be improved if there was better coordination among the various programs and agencies. A functioning paratransit network is essential to a community that is livable for all of its residents. USDOT should improve coordination with other federal and state agencies so that paratransit needs are funded appropriately, and in the larger context of health care delivery and human services programs.

In sum, the Chicago region is poised to take advantage of new opportunities to accelerate the development of important, goal-oriented transportation enhancements, but needs federal support to do so. USDOT can help with important funding, and by reforming its own programs to reflect the realities regions face and reinforcing sound planning principles.

The vision that we’re talking about comes from his [President Obama’s] experience of living in Chicago, using mass transit, living in neighborhoods that provide people with opportunities to be close to transportation, and not to have to get into automobile every time you want to go somewhere and be stuck in traffic for an hour.

– Ray LaHood
Goal-oriented investment in expanding housing choice should not presuppose that such an objective requires construction of new housing. There are many ways to expand housing choice, and while new construction is certainly one method, it is not necessarily the most cost-effective. The Chicago region, between MPC’s work on Employer-Assisted Housing (EAH) and Housing Choice Vouchers (HCVs), and CNT’s work on the Housing + Transportation Affordability Index (H+T) and Location Efficient Mortgages (LEM), has a wealth of experience in expanding choice through means other than new construction. As HUD and the federal government weigh future investment in equitable, affordable housing, MPC and its partners encourage a comprehensive review of goal-oriented solutions.

In 2000, MPC launched its first EAH program with a suburban employer and local nonprofit counseling agency, as a pilot effort to leverage greater private sector investment and leadership around affordable, workforce housing in the region’s high job growth areas.

Recognizing the bottom-line benefits of promoting workforce stability, more than 70 employers are now engaged and have assisted more than 1,800 employees to buy homes. The State of Illinois provides both tax credits and matching funds to encourage these public-private partnerships.

Despite Illinois’ successful use of EAH to expand housing choice and leverage private sector investment, no comparable federal program exists. The Obama administration should embrace EAH as a national tool for sustainable growth. The creation of a federal EAH tax credit was proposed in the 2007 Housing America’s Workforce Act, as was waiving the taxability of EAH support received by the employee, but neither came to fruition. HUD, USDOT and USEPA should create incentives in HOME, CDBG, and other existing programs to support EAH and leverage private sector investment toward key development and redevelopment goals. An immediate opportunity would be a line item within the Sustainable Communities Initiative and/or Transformation Initiatives to launch a national EAH pilot in 10 or more states.

Low-income workers throughout the nation struggle to find quality affordable homes close to secure, decent-paying jobs. While EAH has proved to be an effective tool for individuals opting into homeownership and those using rent subsidies, the ability to move closer to a good job has historically been challenged by HUD policies that limit the ability of Public Housing Authorities (PHAs) to work beyond their own jurisdictions, collaborate regionally, or ensure that government support goes with residents as they seek better employment opportunities.

In the Chicago region’s 14 PHAs to advance the housing component of comprehensive plans, as well as address the mismatch between people’s earnings and local housing costs.
HCVs are designed to be portable, allowing households to move to areas near good jobs, transit and schools. Such “mobility moves” to opportunity areas are allowable within one PHA jurisdiction and across borders, but are often complicated by outdated and cumbersome policies.

HCVs pay the difference between 30 percent of an eligible household’s income and the local Fair Market Rent, helping low-income workers trying to afford homes near employment centers. Unfortunately, there are rarely affordable homes in these areas, and there are many policy barriers preventing communities and PHAs from working together to meet affordable housing needs in rich job markets. There are no federal incentives to encourage necessary collaboration between PHAs and policymakers, or even among PHAs within the same region, to utilize HCVs to encourage residents to locate near available jobs and convenient transit. As a result, PHA coordination is the exception, rather than the rule.

Providing local leadership to address these obstacles, MPC and several PHAs in the Chicago region have worked with the state and HUD to launch two regional pilot programs to promote the regional collaboration necessary to help HCV families find affordable housing in quality neighborhoods.

One pilot, the Regional Housing Initiative (RHI), is new supply-side tool to increase housing options in opportunity areas that are affordable to people on the HCV waiting list. It has forged needed alliances between local mayors and created financial incentives for private developers. Funded by a simple conversion of tenant-based HCVs to project-based funding, RHI provides operating subsidies to developers and owners of quality rental housing, and is advancing local efforts to integrate housing, employment and transportation investments. To date, participating PHAs have awarded more than 200 RHI vouchers to 15 viable developments, for a total of 707 new homes, largely in mixed-income communities.

The other initiative is the Portability Pilot. It has tackled issues related to the transferability of tenant-based vouchers for households interested in moving from one PHA jurisdiction to another to access better jobs, transit and schools. Research showed local PHAs spend more than $1 million annually helping households move between each other’s jurisdictions, a frustrating and costly process with limited success. For the pilot, a third-party, mission-based housing and mobility counselor administered moves with better outcomes and 26 percent lower costs. This success compels a renewed look at a more regional approach to mobility run by a third-party vendor.

HCV funding is still allocated with little regard for how well it enables low-income workers to move to job-rich communities. HUD and state housing agencies must encourage PHAs to work with local policymakers to erase jurisdictional lines. The success of

What the President has done is charged us to coordinate the work of the agencies to encourage regional planning and examine how we can begin to shape the programs and the policies and, of course, influence the upcoming budgets to allow for smart planning to drive federal investment.

– Adolfo Carrion

Employer-Assisted Housing success in Illinois since 2000

- 3,300+ employees benefitted from housing counseling and education
- 1,800+ employees utilized down payment assistance
- $4.8 million employer dollars invested

Assuming that a national EAH benefit would have had comparable results to Illinois’ experience

- 77,830+ employees benefitted from housing counseling and education
- 42,452+ employees utilized down payment assistance
- $113,207,547 employer dollars invested

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programs such as MPC’s Portability Pilot can breakdown these boundaries and help housing clients at a lower cost.

Furthermore, performance criteria and incentives will ensure HCVs are used to advance measurable priorities — such as reducing household transportation costs — as effectively as possible. The Section 8 Voucher Reform Act offers an opportunity to reform the federal housing voucher program for the first time in 10 years, including permitting interjurisdictional solutions. HUD should encourage PHAs to coordinate regionally to address jobs-housing mismatches and redevelopment goals by prioritizing the use of HCVs to respond to job and population growth and the location of transit and jobs. Additionally, HUD should reward HCV use that is integrated with transportation and other objectives, not assess fees or other financial disincentives.

One tool for ensuring EAH, HCVs, and other federal tools to promote equitable, affordable housing is the Housing + Transportation Affordability Index (H+T) developed by CNT. The H+T Index should be used throughout HUD and USDOT programs to ensure investments are truly goal-oriented and coordinated, reduce household costs, and expand choice for working families.

For many years, it has been assumed that housing costs less than 30 percent of household income are affordable. That line of thinking, however, gives an incomplete account of how much housing actually costs. CNT has found that a combined H+T cost of 45 percent of household income is a reasonable target for affordability. After housing, transportation is the largest expense for most American households, but transportation cost varies dramatically with the location of a home.

Take, as an example, two homes in the Chicago metropolitan area, both occupied by average working families making between $20,000 and $50,000 a year. One home is in a sprawled, outer ring suburb, that is heavily dependent on automobiles for transportation, the other is in a high density, mixed use, transit rich neighborhood on Chicago’s North Side. The Chicago neighborhood falls nicely into the affordability range with 29 percent for housing and 14 percent for transportation. The suburban home also costs 29 percent, but its transportation costs are 22 percent, for a combined 51 percent, pushing the home out of affordable reach.

The H+T Index reveals true costs, and is being used by CMAP as indicator of regional equity and sustainability in the GO TO 2040 process. The average median income (AMI) in Chicagoland is $51,680. Based solely on housing cost, the region contains about 1.75 million homes in affordable block groups. Based on H+T costs, however, the number of homes drops to 1.2 million. The situation is even bleaker for low-income households within Chicago city limits. Based only on housing cost, there are about 350,000 homes in affordable block groups for people with an income level of 80 percent of the Chicago AMI ($30,900). When measured in H+T costs, there are fewer than 50,000 homes in block groups where low-income people can afford to live.

The federal government should adopt the H+T 45 percent benchmark as a standard measure of affordability. HUD and USDOT can use H+T data as a means of screening and selecting
potential projects. Using H+T data, the federal government also can create federal incentives tied to funding and planning transportation, housing, and other infrastructure projects that expand housing choice and reduce household costs. EAH and HCV programs should be explicitly linked to H+T data, with additional incentives for programs that enable working families to live in high density, mixed use, transportation rich communities.

Location efficiency is essential to housing choice and affordability. Residents of location-efficient neighborhoods have less need to drive than people living in more inefficient locations, so they save money on transportation costs. The Location Efficient Mortgage® (LEM) recognizes the savings available to people who live in location efficient communities. LEM lenders count this available savings as additional income for people buying homes in location efficient communities. Therefore, people who might not otherwise qualify for a mortgage can become homeowners with a LEM, and qualified homebuyers can secure larger mortgages than would otherwise be available to them. A similar concept is an Energy Efficient Mortgage (EEM), which would provide incentives for home buyers and sellers to improve the energy performance of new or existing homes.

Location efficiency and energy efficiency are two sides of the same coin. Location efficiency boosts support for neighborhood consumer services, cultural amenities, and public transit ridership. It also reduces energy consumption and improves air quality. Without location efficiency, energy efficiency creates a “driving to green buildings” challenge. A solution is to treat LEMs and EEMs the same way, making sure they receive parity when buyers are using federally defined financial services incentives, and that they become universally available features of any federally approved automated underwriting systems. To bolster this, HUD, USDOT, and USEPA should prioritize the use of LEMs and EEMs to insulate consumers from the fluctuating increasing costs of energy and transportation, thereby sheltering them from the risks of delinquency, default and foreclosure.

We will be looking at how we can incorporate these ideas of measuring both housing and transportation costs for individuals to try and find ways that we can ensure that people from all walks of life can benefit from this idea of livable communities.

... The Housing + Transportation Index is a great example.

— SHELLEY POTICHA
Enhance economic competitiveness.

Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services, and other basic needs by workers, as well as expanded business access to markets.

Sustainable economic development means matching the right business, site, transportation assets, workforce, and market. It is matter of coordinated, goal-oriented investment. MPC, CNT, the Chicago Jobs Council, and others have observed that federal investment in regional and local economic development is often disjointed, not leveraging previous investment or responding to needs on the ground.

An immediate opportunity to reverse this trend is through USEPA’s considerable investment in brownfields remediation, which has effectively reclaimed sites across the country. Once rehabilitated, these sites offer opportunities for economic and housing development with ready access to existing infrastructure and labor markets. In contrast to undeveloped greenfield sites at the periphery of metropolitan areas, many brownfields exist in established communities and are already connected to transportation, water, and other public infrastructure.

The goals of investment in brownfields are partially environmental, but also economic. Remediated sites are intended to spur redevelopment. However, just as not all brownfields sites suffer the same environmental conditions, nor do they offer the same redevelopment potential. While USEPA encourages communities to identify potential borrowers for revolving loan funds, it does not require an economic development assessment when selecting brownfields sites. Considerable federal, state and local funding has been invested in remediating brownfields that continue to sit empty and idle.

Experience has shown that brownfield remediation is more effective when explicitly connected to an economic development strategy. CNT’s “Smart Growth in Older Communities” project identifies opportunities for transit and cargo-oriented development (TOD/COD) of underutilized sites in older suburbs. Many, though not all, of these require brownfields remediation. The COD approach identifies market potential first; brownfields are then selected for remediation based on where they fit into larger economic strategies. During 2005, CNT carried out a planning process in Blue Island, a southern suburb of Chicago, in partnership with the city government and a steering committee of community Leaders. The results included an economic development plan for Blue Island that describes the challenges and opportunities for TOD/COD, and lays out a roadmap of the steps required to achieve the desired development over a ten-year period, including brownfield remediation strategies.

The Blue Island area is now home to the “Blue Island Northeast COD,” an 87-acre industrial park that allows industrial businesses to relocate from the town center, opening up space for TOD in the town center. The city secured USEPA funding for brownfield assessment, put out an RFQ to select a master developer, and is now completing an agreement with the selected developer for a $42 million investment to build approximately 1.3 million square feet of plant space for industrial and value-added logistics uses, creating approximately 400
With support from CNT, CMAP, the Delta Institute, and MPC, the South Suburban Mayors and Managers Association (SSMMA) is now expanding the TOD/COD initiative to encompass SSMMA’s 42-community membership area. To advance this program USEPA has provided a $1 million grant for the brownfield evaluation of COD and key TOD sites, and the RTA and Cook County have provided more than $150,000 in grants to establish TOD corridor plans for the south suburbs. This evolving south suburban model is demonstrating how individual communities, as well as interconnected portions of a metropolitan area and state can advance sustainable development with goal-oriented public sector support.

Selection of brownfield remediation sites should balance environmental and economic interests, and require a companion economic development plan. Optimally, funding should advance economically viable brownfield remediation in TOD/COD sites where location efficiency and market demand will leverage environmental clean-up benefits. Environmental assessment should be paired with preliminary market assessment and evaluation of location efficiency to ensure public investment spurs redevelopment as effectively as possible. Moreover, Blue Island’s experience with TOD and COD is telling – brownfields are not just large industrial sites at the periphery of communities. Shuttered gas stations, dry cleaners, lumber yards, and other economic activities can create “downtown” opportunities for brownfields remediation. With inter-community cooperation, brownfields remediation can stimulate redevelopment and lead to sustainable TOD and more livable communities.
Support existing communities.

Target federal funding toward existing communities — through strategies like transit-oriented, mixed-use development, and land recycling — to increase community revitalization and the efficiency of public works investments, and safeguard rural landscapes.

Perhaps more than any of the other Livability Principles, MPC and its many partners have focused their work on supporting existing communities, despite the challenges in doing so. Supporting existing communities is more than concentrated investment in established urban and suburban communities; it also requires layering of federal investment to ensure housing, transportation and environmental interests build off of each other.

The Reconnecting Neighborhoods project, described below, is a case study of unfortunate necessity. Had federal investment been coordinated and consistent at the outset, the infusion of HUD funds could have been matched by USDOT transit dollars, USEPA funding for stormwater management and energy efficiency, and other federal programs for recreational and economic development.

In the late 1990s, the federal government attempted to salvage public housing by pumping millions of needed dollars into the Chicago Housing Authority’s (CHA) Plan for Transformation and other similar redevelopment efforts across the nation. The initial purpose of the Plan was to create new mixed-income communities to rescue nearly 25,000 public housing families from deteriorated, unsafe high-rises. This infusion of funds from HUD was necessary to build the new physical structure of public housing, but did not fund the interconnected needs of a truly successful community, particularly access to retail, jobs, open space, and public transportation.

Relatively few resources outside of HUD were allocated to necessary environmental, infrastructure, or transportation improvements. In Chicago, many local, state, foundation, and private partnerships have been formed to supplement federal dollars for community invest-

There is a common understanding that by making this agenda a common one, one that does break down silos, we have to set ourselves to the hard work of trying to incentivize good things ... not tell people exactly what to do.

— LISA JACKSON
ments, including establishing new charter schools and parks. CHA invested millions of its own capital funds in environmental remediation because USEPA resources were not aligned with the complex development schedule and phasing. Integrating transportation around the sites also has been an uphill battle, largely because the federal resources that support housing and transportation historically have been so uncoordinated. Reconnecting Neighborhoods is a collaborative effort between the City of Chicago, RTA, MPC, and the consulting firm HNTB, which has recommended specific investments to increase transit access, allow for multiple modes of transit, and improve the retail environment around three Plan for Transformation mixed-income communities. This type of post-development coordination, goal-setting, and investment should not have been necessary, but was made so by the disjointedness of past federal funding policies.

Reconnecting Neighborhoods is working to ensure residents of new mixed-income developments, particularly those with low and moderate incomes, have access to greater retail and job opportunities, as well as safe, low cost, and reliable public transportation alternatives to driving.

New retail options, train stations to serve the growing neighborhoods, a streetcar line, and better pedestrian and bicycle amenities are just some of the recommendations resulting from the two-year Reconnecting Neighborhoods study. The project was guided by an Intergovernmental Advisory Committee comprised of local and state officials in the fields of planning, transportation infrastructure, public-private finance, economic development, and affordable and public housing, as well as elected officials, developers, and private sector and community stakeholders. Reconnecting Neighborhoods is a concerted effort to identify and integrate housing development with other community interests, and to leverage multiple issue-specific funding opportunities. Yet, without these same connections occurring at the federal level, through program coordination and funding incentives, the recommendations have stalled.

To ensure federal investments have the intended effect of providing quality public housing in thriving, economically strong, mixed-income communities all federal agencies that impact community development should align their resources to maximize the return on their investments and promote healthy and sustainable communities. A new, goal-driven framework for federal investment would minimize the need for projects such as Reconnecting Neighborhoods to rectify the problem of “siloed” issue-specific funding.

We will use our funds to support the good work of communities partnerships like the kind you already have here, both at the regional level and even extending from the city to the suburbs. The South Suburbs coalition is a model.

– Shelley Poticha
Livability Principle 5

Coordinate and leverage federal policies and investment.

Align federal policies and funding to remove barriers to collaboration, leverage funding, and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.

Regional planning such as CMAP's GO TO 2040 effort is the key to coordinating and leveraging federal and state investment. With GO TO 2040, metropolitan Chicago is, for the first time, integrating the region's approach to land use, transportation, housing, water supply, natural resources, and other quality-of-life factors. CMAP, MPC and their many partners believe that aligning federal, state, and local investments with a truly comprehensive plan is fundamental to achieving sustainability and economic prosperity for our region. Coordinated investment across municipal borders would create right-sized, scale-appropriate solutions, and is equally imperative to realizing the maximum potential benefit of federal, state and local investments. The Chicago region's experience with the Neighborhood Stabilization Program (NSP1, and then a second round, NSP2) is a telling example of both the promise that coordination and leveraging hold, and the extant barriers to doing so.

The current housing crisis has been marked by unprecedented rates of foreclosures across the United States. Few communities have escaped unscathed. In November 2008, the federal government responded by creating NSP, which provides funding to address the problem of foreclosed, abandoned, vacant, and blighted properties. While foreclosures occur within defined municipal borders, their impacts on housing and labor markets do not. The initial round of federal NSP funding offered no explicit incentive for interjurisdictional cooperation to address shared foreclosure issues. Nonetheless, one cluster of communities in southern Cook County, voluntarily opted to do just that.

Since late 2008, MPC, CMAP, and the Metropolitan Mayors Caucus have worked with the South Suburban Mayors and Managers Association (SSMMA) to formalize a subregional, interjurisdictional response and joint applications for NSP and other resources. The amount of NSP1 funding available to southern Cook County pales in comparison to the scope of the problem; making a significant impact hinges on cross-border, goal-driven use of NSP funding. Within the South Suburban NSP1 partnership, criteria targeted limited resources to neighborhoods close to transit and areas with existing economic development activity, to improve access to opportunity for residents and leverage the impact of initial investments. The municipal collaboration creates economies of scale through bulk acquisition of foreclosed properties and provides a centralized contact point for

We’ve charged the federal agencies with that full comprehensive review of place-based policy and how it impacts the creation of community. – ADOLFO CARRION
developers, federal and state governments, and employers interested in local housing options for their employees. Collaboration also reduces needless replication of municipal staff and outside consultants. This approach has captured the attention of everyone from local bloggers and traditional media to the Brookings Institution to HUD Secy. Donovan himself – and is the centerpiece in an even broader, groundbreaking coordination effort.

SSMMA and its partners are building off of the initial NSP1 coordination to simultaneously advance several priorities – housing stability, job creation, energy efficiency, freight mobility, brownfield remediation, renewable energy development, and stormwater management – by concentrating the impact of federal, state, local, private, and foundation investments in proximity of existing and potential transit lines. This strategy has the potential to transform a 44-municipality area with roughly 700,000 residents, and create a model for sustainable redevelopment of America’s inner suburbs.

SSMMA is coordinating several existing efforts within its jurisdiction – including the implementation of TOD and COD; the multi-jurisdictional NSP1 application; collaborative applications around brownfield remediation, energy efficiency (such as the Energy Efficiency and Conservation Block Grant), industrial retention, retooling for alternative energy generation, and production of the next generation of energy-efficient equipment; and job training – to maximize the impact of each individual federal program, systemically connect area residents to the south suburbs’ burgeoning green economy and leveraging a greater total outcome.

While this strategy has evolved on its own, without explicit federal or state incentives to support it, it is wholly in line with the Livability Principles and new federal priorities for improved coordination of disparate policies and programs, and cooperation across jurisdictions.

NSP2, in contrast, did offer explicit incentives to coordinate and leverage federal policies and investment, and CMAP and its partners responded. CMAP submitted a $78 million grant application to HUD for NSP2 as part of a regional consortium of local governments. Members of the Chicago Metropolitan Neighborhood Stabilization Program 2 Consortium (CMNSPC) include the municipalities of Aurora, Berwyn, Cicero, Elgin, and Joliet; Cook, DuPage, Kendall, Lake, and Will counties; and the Illinois Housing Development Authority.

The NSP2 application is a groundbreaking initiative that exemplifies how the integration of sound transportation and land-use planning can be central to a new federal housing program. In partnership with local jurisdictions, CMAP will develop strategies that cross political boundaries to connect affordable housing to transit and employment opportunities, which is a key goal of the HUD, USDOT, and USEPA interagency agreement.

This interjurisdictional approach to NSP2 provides the opportunity to strategically stabilize and reconnect neighborhoods. At the same time, this regional strategy allows the CMNSPC to create efficiencies and build economies of scale when implementing the program. Together, consortium members will be in a stronger position to leverage additional resources and meet the overall NSP2 objective of stabilizing neighborhoods that have been severely impacted by foreclosures. A regional strategy also provides a platform to share information, exchange best practices, leverage additional assistance and partnerships, and maximize impact.

Federal policy reform should compel state policy reform, and over time, the HUD, USDOT, and USEPA Livability Principles should become the model for goal-driven investment criteria adopted by states and regions. Both SSMMA’s NSP1 and CMAP’s NSP2 initiatives fulfill the goals of the Livability Principles, even though reforms geared toward coordinating and leveraging federal investment had not occurred when NSP1 was created. Pursuit of the Livability Principles should be rewarded, whether it be by states, regions, or local units of government working independently or interjurisdictionally. States that base investment on regional, goal-driven plans should be prioritized for federal funding, and states should in turn reward regions and communities that do likewise.

“Advancing Livability Principles: Federal Investment Reform Lessons from the Chicagoland Experience” – Adolfo Carrion
Livability Principle 6

Value communities and neighborhoods.

Enhance the unique characteristics of all communities by investing in healthy, safe, and walkable neighborhoods — rural, urban, or suburban.

Cities, towns and neighborhoods are defined by their public spaces. The ground-floor experience of sidewalks, markets, plazas, parks, and gardens attract residents and tourists and generate local economic, social, cultural, and leisure activities.

Essential to the creation and maintenance of public places are the residents who use these spaces. In recognition of the innate knowledge residents have, MPC partnered with the New York-based Project for Public Spaces (PPS) on the Placemaking Chicago project. Its goal is to help Chicagoans recognize the region’s amazing assets; inspire action to preserve, improve, and create new public spaces; and enrich quality of life in the metropolitan region.

Placemaking Chicago brings together community groups, civic leaders, and individuals interested in making positive change to their neighborhoods. In 2008, MPC and PPS published the handbook, A Guide to Neighborhood Placemaking in Chicago, and held two community-based planning workshops. MPC launched its first technical assistance effort in Chicago’s Wicker Park community in January 2009. The project focused on the “Polish Triangle,” a desolate island of open space at the intersection of Division Street, Ashland Avenue, and Milwaukee Avenue, that had long been a point of public interest and discussions regarding its development into a more attractive, usable space for the community. MPC successfully engaged more than 700 residents in the Placemaking process through an online survey, two-day Open House, and subsequent meetings with a steering committee to discuss specific recommendations for activities on and enhancements to the site.

As a result, the Polish Triangle hosted a rest station during the city’s Bike to Work Week, and additional activities are planned for the fall of 2009. A steering committee of MPC staff, neighborhood residents, and government agencies is currently trying to implement some of the specific physical recommendations for the site, including increasing its safety and cleanliness with sidewalk bump-outs, benches and amenities, and rehabbing the CTA station located beneath the site.

Improvements like those suggested at the Polish Triangle, which require money to be spent on pedestrian and bike-oriented activities, often struggle for the support of limited transportation or community development funding. USDOT, through the Transportation Enhancements Program and TEA-21’s “transit enhancements” provisions, can fund projects consistent with the tenets of Placemaking. Additionally, the Hazard Elimination Program designates 10 percent of a state’s Surface Transportation Program funds for safety improvements that also can be consistent. While these USDOT funds are a good start, more is needed.

Beyond transportation concerns, true Placemaking typically involves a combination of housing, environmental, recreational, and economic development strategies. HUD, USDOT, and USEPA should develop policies that respond to “place,” and ensure that programming and investment is flexible enough to be compatible with community-driven goals. Pedestrian, bike and transit-friendly plans must be integrated into all phases of transportation planning, and, in turn, intersect better with the other elements of sustainable, livable communities.

[THERE IS] A COMMON UNDERSTANDING THAT THIS ISN’T JUST GREAT RHETORIC; THIS IS A NECESSARY NEXT STEP IF WE’RE GOING TO HAVE SUCCESS. – Lisa Jackson
Advancing Livability Principles: Federal Investment Reform Lessons from the Chicagoland Experience

Proposed Livability Principle

Conserve natural resources.

Protect air, water, open space, and other natural resources by investing in existing communities, demand management, conservation, and efficiency strategies. MPC and its partners feel strongly that HUD, USDOT, and USEPA’s current list of Livability Principles should be expanded to include the conservation of natural resources.

In the Chicago region, water supply issues are an increasing concern. While the region as a whole does not suffer from water scarcity, waste and inefficiency issues could challenge sustainable resource management if not resolved. Groundwater sources in the suburban periphery of the region are being depleted rapidly, while inefficient use and aging infrastructure plagues Illinois’ Lake Michigan diversion. The region faces the paramount question of whether the Lake Michigan diversion is sufficient to accommodate future population growth and move communities off of dwindling groundwater supplies. Population growth and climate change put more stress on our water supplies every day, making coordinated planning imperative if we hope to sustain economnic growth, ecological integrity, and quality of life. Northeastern Illinois alone is expected to add 3 million people over the next 40 years. Similar population growth is projected statewide.

Planning for and management of water supplies must recognize the natural flow of water defies political boundaries. Rivers run across borders, subsurface aquifers lay below multiple communities, and rain falls where it will. Conserving water and protecting watersheds requires tools and incentives for regional planning and interjurisdictional coordination. It also requires tools and incentives for state governments to encourage local implementation of regional plan objectives. The federal government currently invests approximately $6 billion a year in the water infrastructure of our nation’s cities and towns, largely for the purpose of meeting Clean Water Act regulations and treating wastewater. Water conservation, demand management, efficiency upgrades, and green infrastructure are not currently addressed by federal priorities. Such projects struggle to be competitive in the current allocation processes for federal funding. Additionally, the systems that treat drinking water and wastewater are typically built and managed by individual municipalities. As a result, federal and state funds go to municipalities without any incentive for cooperation. However, because water supplies from aquifers and rivers cross municipal borders, protecting them inherently requires interjurisdictional planning and funding with the built-in flexibility to respond to problems at the most efficient scale possible.

MPC and its partners feel strongly that HUD, USDOT, and USEPA’s current list of Livability Principles should be expanded to include the conservation of natural resources. Goal-driven investment in natural resource should encourage efficiency of use, demand management, scale-appropriate solutions to share resources, and investment in existing communities to slow the pace of greenfield development. Regional planning and interjurisdictional solutions are as imperative here as they are to the other Livability Principles. Data-rich and stakeholder-driven resource management plans should inform investment decisions, and this planning should be encouraged through federal spending such as USEPA’s Clean Water and Drinking Water State Revolving Loan Funds.
In 2006, the State of Illinois initiated two pilot regional studies of water-supply issues, in hopes of avoiding serious shortages that could arise, in part, because of development patterns and the lack of conservation measures. The Ill. Dept. of Natural Resources (IDNR) commissioned CMAP to facilitate the process for an 11-county planning area of northeastern Illinois. With representation from stakeholder groups that include local government, agriculture, business, advocacy, and development, CMAP’s Regional Water Supply Planning Group (RWSPG) is charged with making recommendations on water resource policies and plans. CMAP and the RWSPG have endorsed a set of water-conservation measures, developed water-demand forecasts for the Illinois State Water Survey (ISWS), and are now finalizing a plan that will be implemented as part of the GO TO 2040 comprehensive plan. The ISWS also will match water-demand forecasts with data on water supply to develop water-availability scenarios projected to the year 2050.

One conclusion of the studies is that land use and water use are intertwined. First, more compact development patterns tend to require less water use per person. Second, infill and redevelopment opportunities in the region are concentrated within areas served by Lake Michigan, where more water is available than in groundwater-dependent areas. The comprehensive outlook of the water supply studies indicates that actions to support focused development — like transportation improvements, zoning changes, urban design enhancements, etc. — would improve the long-term availability of water in the region.

Unfortunately, the current structure of USEPA’s loan funds does little to support the work of CMAP and the RWSPG, encourage local water conservation efforts, or focus development in existing communities. As the loan funds exclusively prioritize water quality issues, measures oriented toward supply conservation — e.g., plumbing retrofits, stormwater and grey water reuse, rate structure shifts — are typically non-competitive for funding. Furthermore, drinking water and sewer expansion for greenfield development may meet the letter of the Clean Water Act, but it subsidizes development inconsistent with the Livability Principles. Moreover, a community seeking to implement a conservation strategy included in the regional plan would not receive any benefit for doing so. USEPA should work with its state-level agencies to reform the water loan funds to reward local consistency with regional plans, and ensure federal investment is flexible enough to address integrated water resource management issues of quality and supply.
Advancing the Livability Principles

Formulating a Partnership Agreement

For regional planning and community-level implementation to be aligned effectively, federal agencies such as HUD, USDOT, and USEPA can play a pivotal role by helping to build local capacity to implement effective plans. To a great extent, with GO TO 2040, the Chicago region has already “done the planning.” Now, our region and its communities need help—in the form of federal investments in tools and resources to implement these plans.

MPC, CMAP, CNT, and RTA encourage HUD, USDOT, and USEPA to conduct a thorough review of existing programs to gauge whether or not they efficiently and effectively support the Livability Principles through goal-oriented, rightsized and coordinated investment. In some cases they have, but in many they historically have not. Several reform opportunities exist in the coming months:

The Energy Efficiency and Conservation Block Grant (EECBG) of the U.S. Dept. of Energy (DOE), which encourages interjurisdictional planning activities and coordinating energy-related policies. If made permanent, the EECBG could fund mass transit, TOD, stormwater management, weatherization, “green” business development, workforce training, and the development of alternative fuel vehicles, all of which mesh well with EECBG priorities and the Livability Principles.

The Water Quality Investment Act, which reauthorizes the Clean Water and Drinking Water State Revolving Loan Funds, could encourage investment in conservation, efficiency, and “green” infrastructure in addition to water quality concerns. Local consistency with regional water resource management plans should also be prioritized.

A National Infrastructure Bank could help finance investments of both regional and national significance, and make performance measures a factor in project selection.

The Surface Transportation Authorization Act. This multi-year investment package presents the opportunity to insert broader environmental and live-near-work goals, and spark recovery of metropolitan areas through smarter transportation investments.

The Water System Adaptation Partnership Act could authorize USEPA to match grants to drinking water and wastewater utilities that undertake projects to adapt to the impacts of climate change, including “green” infrastructure projects, conservation, and efficiency measures.

The American Clean Energy and Security Act of 2009, or Waxman-Markey climate change bill, which is intended to create millions of clean energy jobs, reduce energy consumption across sectors, and combat global warming pollution. Revenue could be used for transit expansion, measures to reduce strain on public water infrastructure, or other investments consistent with the Livability Principles.

The Section 8 Voucher Reform Act (SEVRA), which would reform the housing voucher program for the first time in 10 years, including permitting interjurisdictional solutions.

The Livable Communities Act of 2009, which would create a competitive, comprehensive regional planning grant program to provide funding to communities to do regional housing and transportation planning. Funding for planning would be supported with funding for implementation. This bill, in addition to the Sustainable Communities Initiative and Transformation Initiative line items in the proposed 2010 HUD budget, could provide the game-changing resources regions and communities need. Their passage is essential.

Reform through legislative means is a goal, but not the only one. HUD, USDOT, and USEPA can allocate agency dollars toward shared priorities. One concept worth exploring in the short-term is the establishment of a Livability Leveraging Fund. HUD, USDOT, and USEPA would pool money to create this resource to match/leverage municipal use of other federal, state, local, private or philanthropic funds, for investments consistent with the Livability Principles. Entities such as CMAP would apply to manage such a regional fund to spur implementation of coordinated plans. A community would apply for federal Livability Leveraging Funds if the proposal is consistent with the Livability Principles, CMAP and other sources would identify matching funds. Thus, HUD, USDOT, and USEPA investment would effectively mobilize other funding toward the Livability Principles.
Federal investments can achieve maximum benefits when strong regional and local leaders pursue common goals. Increasingly, federal objectives are in sync with the aims of organizations like MPC, CMAP, CNT, RTA and their many partners. We stand ready to assist HUD, USDOT, USEPA, and other federal players, and we urge their leadership to join us in addressing major cross-cutting challenges faced by the multi-state Chicago region and other metropolitan areas. GO TO 2040 and other similar regional planning efforts across the country should serve as blueprints for the types of investments necessary to support and enhance livable communities. Eventually, the federal government should disburse more dollars to states in a competitive way, rewarding states that invest according to regional plans, thereby encouraging municipalities to do so as well. Ultimately, measurable progress toward Livability Principles should determine allocations.

While taking a long-term, strategic view, MPC and its partners are making a real difference today in the lives of our region’s residents. In many cases, those efforts are significantly enhanced and, in other cases, fundamentally enabled by support from HUD, USDOT and USEPA, and other federal agencies. While obstacles remain, we are confident that through dialogue, cooperation and innovation, we can overcome them together and pursue the Livability Principles through goal-oriented, right-sized and coordinated investment.
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