

Welcome to the Innovation and Integration Summit

Gerald Bennett, CMAP Board Chairman

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Introduction

It is wonderful to see you all this morning at the **Innovation and Integration Summit**. I hope you'll agree we have an exciting program. Registered attendees come from the financial sector and other businesses, from local government, non-profit organizations, and foundations. Today's audience includes municipal planners, bankers, developers, elected officials, and many more.

We are especially happy to have as our keynote speaker Michael H. Moskow, President of the Federal Reserve Bank of Chicago. The summit features other excellent national and local speakers presenting examples of integrated economic development, housing, and transportation planning.

Today's event is part of the Chicago Metropolitan Agency for Planning's vision of creating a regional framework for collaboration. CMAP wants to that build on the prior work of our many partners and build bridges across topics that have often been addressed separately, but seldom as a whole.

I am privileged to serve as chairman of the CMAP Board, which was formed recently through a regional consensus to approach planning comprehensively and collaboratively. The new agency and its partners are removing barriers to cooperation across geographical boundaries, and across subject areas like land use, transportation, natural resources, housing, and economic development.

Residents and leaders across metropolitan Chicago are expressing increased awareness that the most urgent challenges facing us are highly interconnected.

By understanding how these issues -- and our communities' futures -- are inter-related, CMAP wants to change the way planning is conducted in northeastern Illinois.

As a region, we must address the challenges together, in both senses of the word.

- “Together” because the communities of northeastern Illinois need to collaborate as never before.
- And “together” because these issues can’t be addressed in isolation from one another. We need to approach challenges comprehensively, as a whole, if true progress is ever going to be made.

CMAP Overview

As an agency, CMAP does not exist to dictate solutions. Instead, we build consensus among stakeholders, using that collaborative process to first identify priorities and then promote strategies for action.

- The CMAP Board includes 15 members who are selected by mayors of Chicago, suburban Cook, and the collar counties. We call that “5, 5, and 5” to denote a careful balance of local and regional concerns.
- Most of our board members have held elected office – including 9 current or former mayors. Everyone on CMAP’s board understands the extent to which local decisions affect the region at large.

Many local officials and independent organizations had been calling for greater regional cooperation, but what was missing is a single, comprehensive planning agency with a mandate for change in land use, transportation, environment, economic development, housing, and human services.

- In the form of CMAP, that agency now exists. Today’s summit is intended to begin a meaningful dialogue on the inter-connectedness of jobs, housing, transportation, and the economy.
- CMAP’s executive director, Randy Blankenhorn, is fond of saying:
 - Good planning without implementation is better than no planning at all — but not much.

- The metropolitan region has traditionally suffered from a disconnect between high-minded plans and what actually happens on the ground with decisions regarding land use and transportation.

Put another way, as a region we can't know where we're going unless we first know just where we stand. Randy's talk this morning will be a short overview of CMAP's new "Regional Snapshot" document, with data and analysis summarizing where the region stands in a number of critical areas.

- CMAP wants to inject pragmatism and cold, hard facts into any discussion of regional priorities. That's important, to ensure that planning is relevant at the local and regional levels.
- As an agency, we want to help ensure that decisions about transportation, other infrastructure, and regionally significant land developments reflect the broadest possible priorities across northeastern Illinois.

Jobs

Several times today, I predict, you will hear reference to the forecast that northeastern Illinois will add 2 million residents and 1.2 million more jobs by 2030. But what types of jobs will those be? And where will those people live? It's a safe assumption that, on a personal level, most people want a high-paying job that lets them work relatively near to where they live.

And as a regional goal, that also makes a good starting point. It's good for metropolitan Chicago when people can spend less time and money commuting to and from work. It minimizes the strain on our transportation system's capacity – both for roads and rail. It reduces strain on the environment. And it reduces stress on people themselves, who get to spend more time doing what they like, and less time doing what most of us strongly dislike: Being stuck in traffic.

The region needs a good balance of jobs and housing. Northeastern Illinois has rebounded nicely from several decades of declining manufacturing jobs. Recent data show that the region is coming out of this

restructuring period with new strengths. That includes modern, agile manufacturers and the upper end of the service sector — especially business services and other high-paying occupations.

To build long-term competitiveness, the region needs upward income mobility that accompanies the advancement of workers as they gain experience in low-wage sectors.

Housing

With regard to housing, many individuals in the region commute long distances to their jobs because they cannot afford to live near where they work. In 1970, only 13 percent of the region's residents lived and worked in different counties. By 2000, this had increased to more than 25 percent, for a total of over 1 million inter-county commuters.

The availability and cost of housing are also significant factors. New data from the U.S. Census Bureau confirm that housing costs continue to increase as a percentage of income for most residents of the metropolitan Chicago region. Renters in the region spend a higher percentage of their income on housing than homeowners do, but the rate for homeowners is increasing faster than it is for renters.

To minimize long commutes, affordable housing options need to be available near jobs, and economic development needs to occur in areas where potential workers already live. Many communities with high job growth have relatively little low- and moderate-income housing; other communities with enough housing attract few new jobs.

Long commutes by car add to roadway congestion, personal fatigue, and travel expenses. Using public transportation is often difficult because it requires too many connections. Indeed, in some areas public transportation is unavailable and not likely to develop because the population density is too low to support the cost of providing bus or rail service.

Transportation

Regarding transportation, I want to call your attention to an issue that CMAP is putting its full weight behind. That is the need for a new capital program in the State of Illinois. The continued economic success of the Chicago region depends on our ability to maintain and expand the region's road, transit, and freight rail systems. We must also commit funding to build and maintain water-treatment facilities, schools, open space, and other necessary infrastructure. Without these new investments, we risk losing our competitive advantage.

Regarding a proposed capital program, CMAP has five recommendations.

Number 1: Make it Significant

The unmet needs for capital are substantial, and the opportunity to pass a capital bill is limited. Therefore, we should ensure that the program is large enough to meet forecasted needs. A limited program that meets very few of our capital needs will be detrimental to our state's long-term future.

Number 2: Make it Comprehensive

Surface transportation in metropolitan Chicago is made up of complex, interrelated systems. These include our transit system, which is an essential component of the overall network. It includes the freight rail system, which is essential to maintaining the region's position as the freight capital of North America. And it includes maintenance and expansion of the road network. No part of the network can be neglected without affecting the whole.

Other non-transportation infrastructure should not be ignored. Improvements to our water and sewer systems, school buildings, recreational facilities, and open spaces are a basic ingredient to our competitive position. Ignoring these valuable assets would negatively impact our region's economic prosperity and the quality of life.

Number 3: Make the Project Selection Process Transparent and Results-Driven

Capital projects must be selected based on regionally approved evaluation criteria that produce agreed-upon results. We can no longer afford to select projects that do not meet the region's basic

needs to improve our transportation and other infrastructure systems in ways that strengthen our communities.

Number 4: Support it With New Revenue

The capital program should have an identifiable source of revenue to be used as a pay-as-you-go funding source as well as to pay off bonds. Increasing the State's debt burden by enacting a program without a revenue source is not a sustainable method of supporting our basic infrastructure.

Number 5: Set Funds Aside for Planning

Capital expenditures for transportation must be done through careful planning so that we can determine the most cost-effective investments. The public deserves to know that their dollars are being spent wisely, effectively and according to a well-thought out plan.

Illinois should adopt a funding approach to planning that is structured like the federal system of setting aside funding out of new capital revenues for metropolitan planning across the state.

Based on those five principles, CMAP supports such a new capital program for infrastructure investments for the State of Illinois and the Chicago region. The current legislative session is our best chance to succeed. We ask the Governor and the General Assembly to act quickly on a new capital program for the State.

And we ask everyone here today to help make that case. Tell your colleagues, your neighbors, the news media, and – most of all – your elected leaders locally and in Springfield.

Conclusion

It's easy to see how the issues of jobs, housing, and transportation are deeply connected. That can be a daunting proposition, because the complexity of making positive changes might seem overwhelming. But on a positive note, when we make progress in one area, it has ripple effects that benefit the other areas, too. And each of the Big Three issues we're discussing today has significant impact on the economy, which will unify today's entire program.

Northeastern Illinois enjoys the status of a global center for commerce, natural resources, recreation, and many quality-of-life factors. I believe this summit will be an important step toward preserving that livability and prosperity of our region's communities.

On behalf of our summit partners, I hope you enjoy today's opportunity for dialogue about how we can all plan more effectively . . . *together*. There's that word again.

So let me introduce our opening speaker, Shelley Poticha (PO-**TEE**-SHA), President and CEO of Reconnecting America. Her talk is titled "Metro Chicago's Real Estate Report Card."