

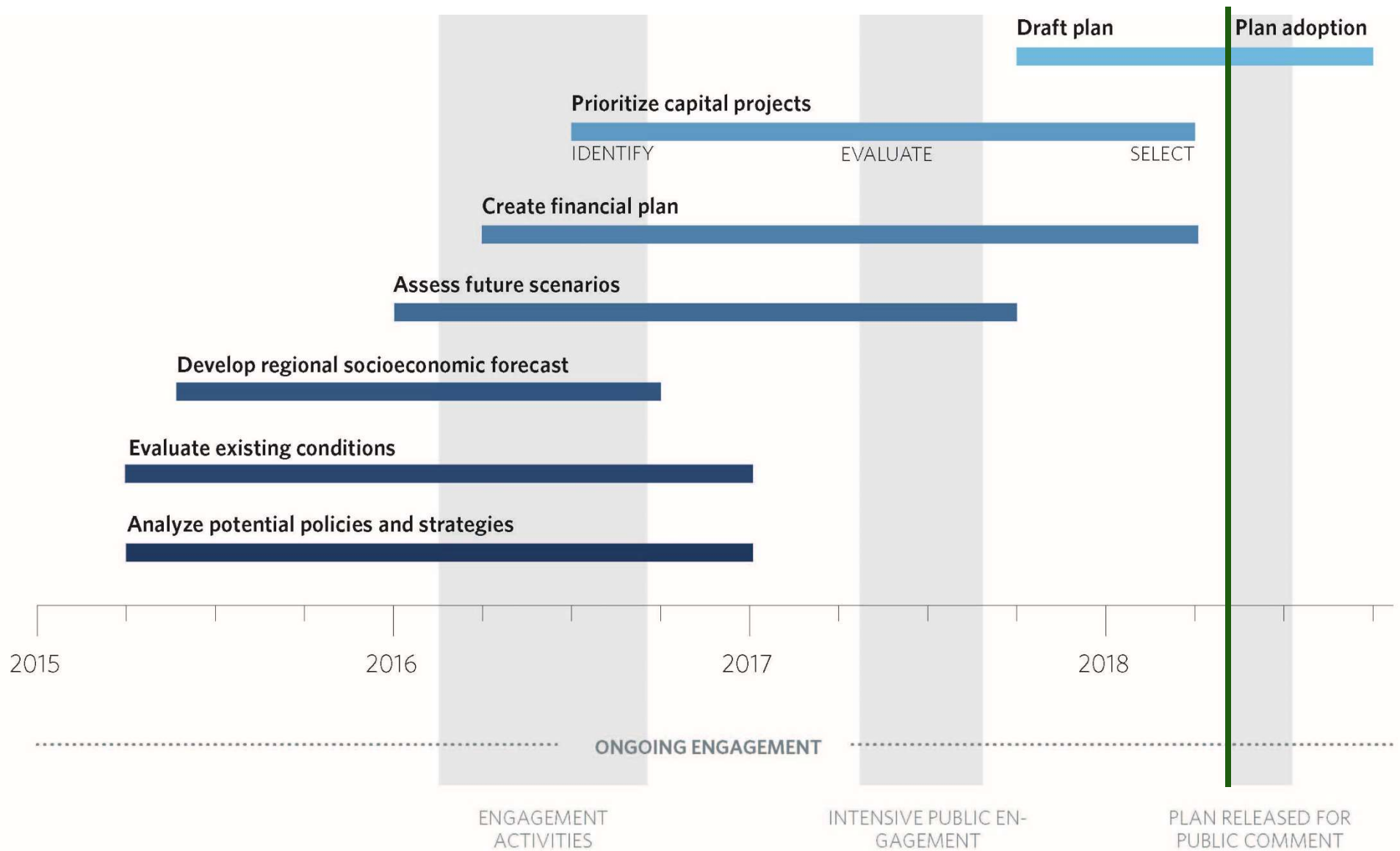
ON TO 2050

Draft ON TO 2050 Recommendations

Inclusive Growth Focus

June 5, 2018

Plan Development



Engagement process to date

- **Throughout:** CMAP Committees, project Resource Groups, interviews, and informational meetings
- **Fall 2015 to Summer 2016:** Stakeholder and general public priorities
- **Summer 2017: Alternative Futures and Municipal Engagement**
- **February-April:** Distribute **draft plan sections** to committee members and interested stakeholders
- **June 15th-August 14th:** Public comment and engagement
- **August-September:** Revise draft per comment
- **October 10th:** the Board and MPO **approve ON TO 2050**

CONDUCTED BY THE UNIVERSITY OF CALIFORNIA, SAN DIEGO CENTER FOR REGIONAL DEVELOPMENT

Municipal Capacity

CMAP | Metropolitan Planning Council

CONDUCTED BY THE UNIVERSITY OF CALIFORNIA, SAN DIEGO CENTER FOR REGIONAL DEVELOPMENT

Highway Operations

CMAP

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Tax Policies and Land Use Trends

CMAP

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Transportation System Funding Concepts

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Inclusive Growth

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Stormwater and Flooding

CMAP

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Expanding Housing Choice

CMAP

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Reinvestment and Infill

CMAP

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The Freight System

Leading the way

CMAP

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Infill and TOD

Exploring regional development

CMAP

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Travel Trends

Understanding how our region moves

CMAP

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Lands in Transition

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Demographic Shifts

Planning for a diverse region

CMAP

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Transportation Technology

CMAP

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Climate Resilience

CMAP

Plan format: On the web

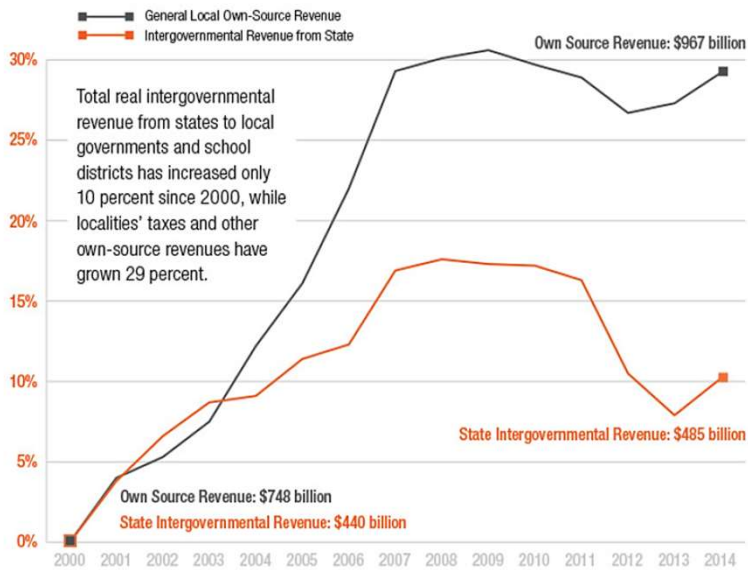
- Reflects the way people obtain information today
- Non-linear format (with repetition)
- Paper copies and a PDF will be available

ON TO 2050

Inclusive Growth and ON TO 2050

The plan must address a range of complex issues and major shifts – many with an equity dimension

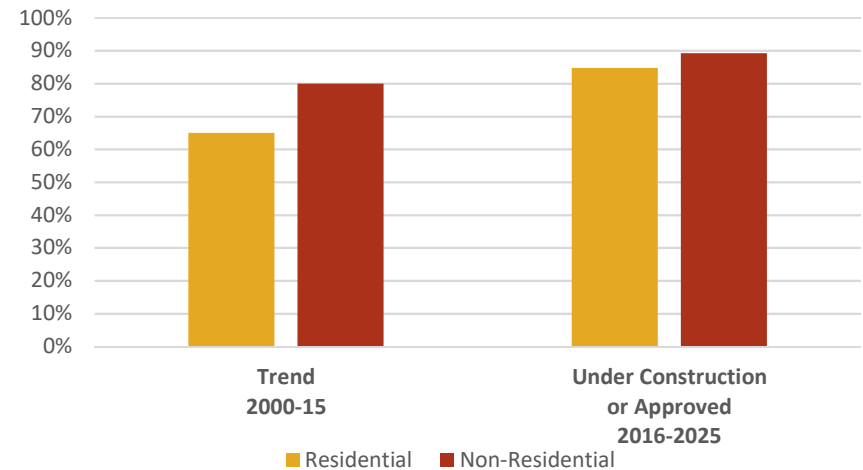
HOW LOCALITIES' REVENUES HAVE CHANGED SINCE 2000



Total real intergovernmental revenue from states to local governments and school districts has increased only 10 percent since 2000, while localities' taxes and other own-source revenues have grown 29 percent.

NOTE: Amounts adjusted for inflation

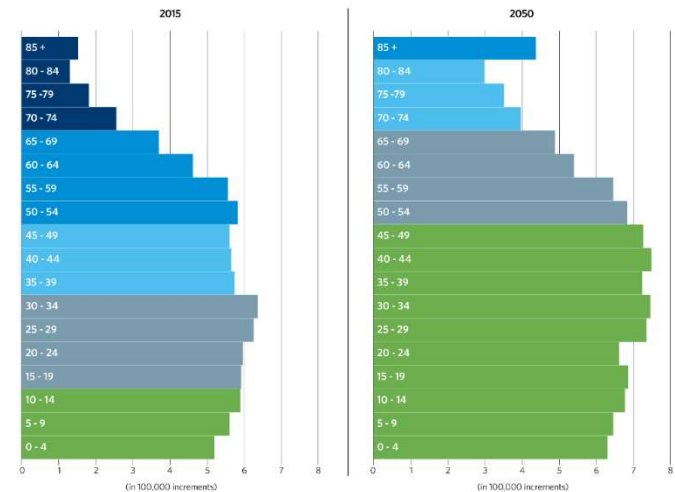
Proportion of development occurring within highly and partially infill supportive areas



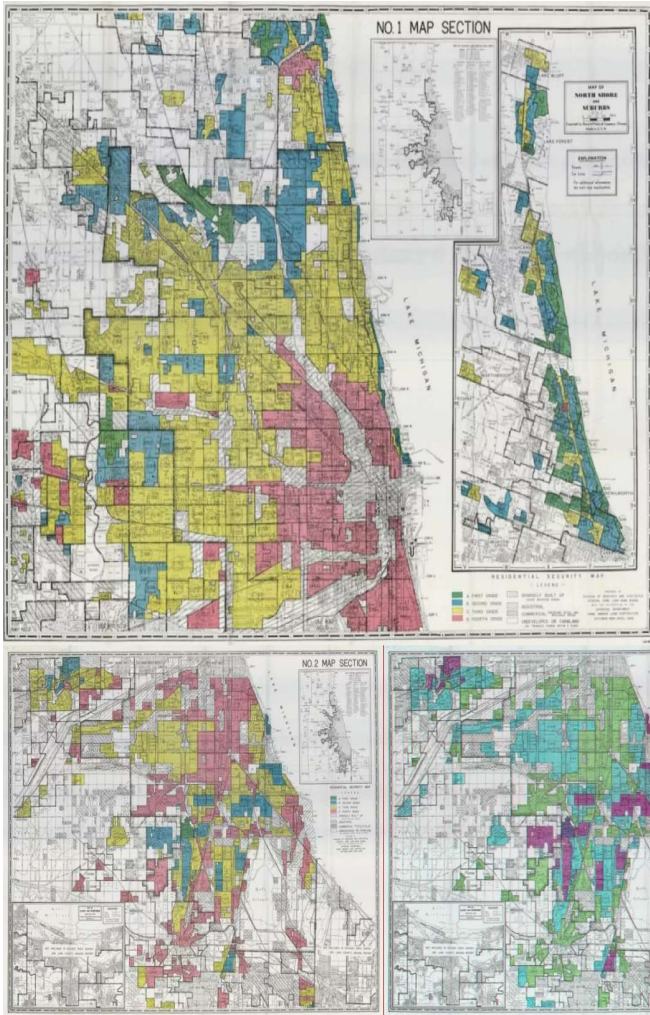
Population change by age group and generation, 2015 estimate and 2050 forecast

- Silents/ Traditionals (1931-45)
- Baby Boomers (1946-65)
- Gen X (1966-80)
- Millennials (1981-2000)
- Gen Z and later (2001+)

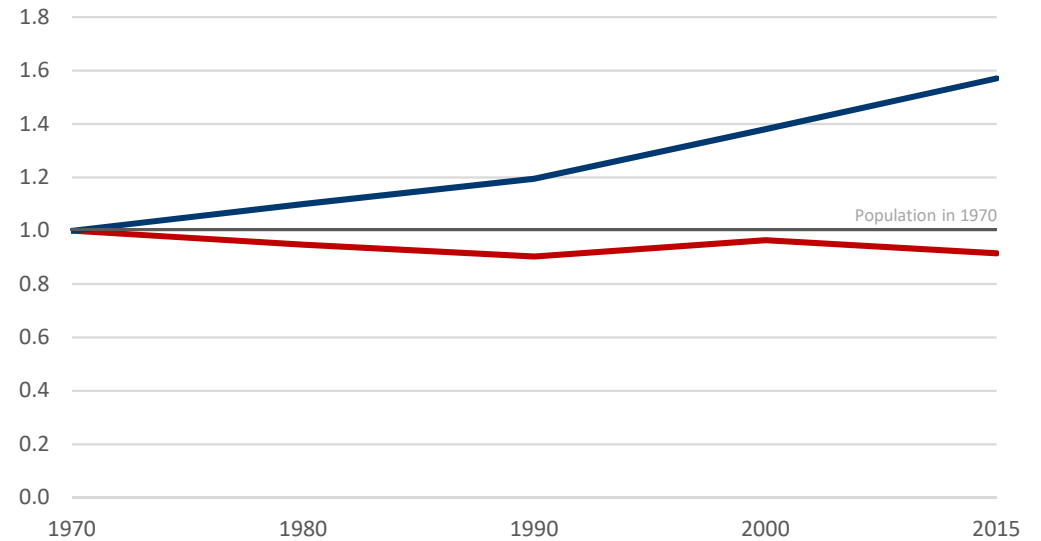
Note: CMAP may provide minor updates and adjustments to the forecast prior to ON TO 2050 approval.
Source: Chicago Metropolitan Agency for Planning draft ON TO 2050 socioeconomic forecasts.



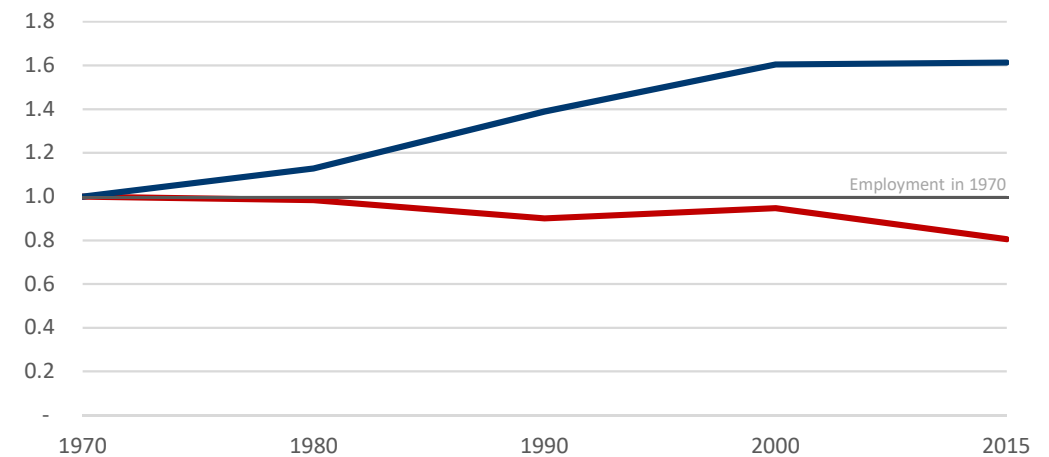
The plan recognizes the racial determinants of the region's inequity today



Population Indexed to 1970



Employment Indexed to 1970



— Economically Disconnected and Disinvested Areas

— Rest of Region

Organizations, Cities, Regions, and Countries Across the Globe are Pursuing Inclusive Growth Frameworks and Strategies



COMMITTING TO INCLUSIVE GROWTH
Lessons for metro areas from the Inclusive Economic Development Lab

September 2017
RYAN DONAHUE, BRAD McDEARMAN, AND RACHEL BARKER
Metropolitan Policy Program

Inequality, Inclusive Growth, and Fiscal Policy in Asia

Edited by Donghyun Park, Sang-Hyop Lee, and Minsoo Lee

Routledge-GRIPS Development Forum Studies

GROUP OF TWENTY

FOSTERING INCLUSIVE GROWTH

G-20 Leaders' Summit, July 7-8, 2017
Hamburg, Germany

Prepared by Staff of the
INTERNATIONAL MONETARY FUND

centreforcities

Funding and financing inclusive growth in cities

Naomi Clayton, Simon Jeffrey & Anthony Breach
December 2017

OECD ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Policy Brief

MAY 2018

Opportunities for all: OECD Framework for Policy Action on Inclusive Growth

INCLUSIVE GROWTH INITIATIVE POLICY BRIEF

- Globalisation and digitalisation present opportunities as well as challenges for people, firms and public institutions.
- Inequality has widened in some countries, which has opportunities.
- The OECD Framework for Policy Action on Inclusive Growth provides a framework for policy action to support people and companies, and to improve the distribution of opportunities and outcomes in order to boost inclusive growth.
- The Framework encompasses training for people and firms, supporting innovation and research, and creating more inclusive markets, which will contribute to achieving long and meaningful growth outcomes. The brief will address relevant issues to policymakers, but will also provide guidance for more sustainable growth, in line with the OECD's Productivity Programme theme.
- Governments can do more to improve choice and opportunities to help those who struggle for people, starting businesses, start property and a sustainable planet.

What's the issue?

The global economy is being transformed by the pace of digitalisation, with growth rates comparable to the post-war period but with more income inequality. In the UK, the average household income in the top 10% of households is 10 times that of the bottom 10%.

These inequalities can be reduced by investing in skills, innovation and digital infrastructure, and by addressing the needs of people, firms and public institutions. The OECD Framework for Policy Action on Inclusive Growth provides a framework for policy action to support people and companies, and to improve the distribution of opportunities and outcomes in order to boost inclusive growth.

www.oecd.org/inequality/

A country that works for everyone? Only with inclusive growth

Without inclusive growth the country will become more divided outside the EU than it ever was within it, argues Stephanie Flanders.

Inclusive Growth Commission

Making our Economy Work for Everyone

Inclusive Growth Commission: Making our economy work for everyone

The final report of the RSA Inclusive Growth Commission.

Inclusive Growth

Putting Principles Into Practice

Inclusive Growth: Putting principles into practice

How do we make inclusive growth a reality? Our 'Putting principles into practice' guide explores the ways in which numerous places are starting to find ways to spread prosperity more widely.

Opportunity & Inclusive Growth Institute

FEDERAL RESERVE BANK of MINNEAPOLIS

INCLUSIVE GROWTH FOR SHARED PROSPERITY

#inclusivegrowth

WORLD BANK GROUP

Ministry of Strategy and Finance
REPUBLIC OF KOREA

THE WEST MIDLANDS ECONOMY: WHY WE NEED A STRATEGY FOR INCLUSIVE GROWTH

SATURDAY 10 MARCH 1.30 – 4.30PM
UNITE OFFICES, 6 HENEAGE ST W, BIRMINGHAM B7 4AZ

The West Midlands economy reproduces deep inequalities of wealth and poverty, coupled with gender and ethnicity. But these issues of inequality are absent from or marginal to the policy documents of the West Midlands Combined Authority. What the WMCA needs, working with local Councils, is a progressive economic strategy of Inclusive Growth to tackle inequality for the many not the few.

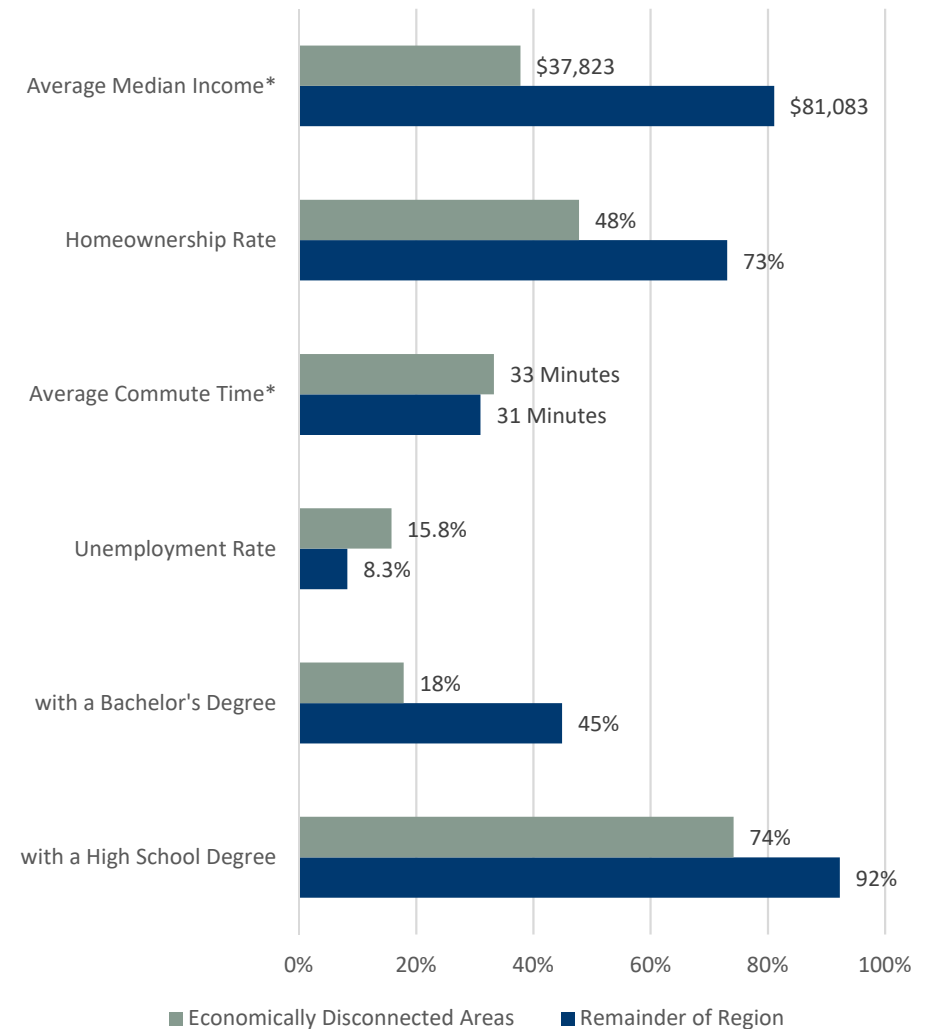
Cities

INCLUSIVE GROWTH IN CITIES: CHALLENGES & OPPORTUNITIES

Key findings from inclusive growth strategy development ES2

- Economic mobility is limited in regions with high degrees of inequality.
- Racial and economic integration can promote regional growth.
- Economic growth is also necessary to create opportunities for broader economic participation.

Outcomes for economically disconnected areas and the remainder of the CMAP region, 2010-14



Slide 10

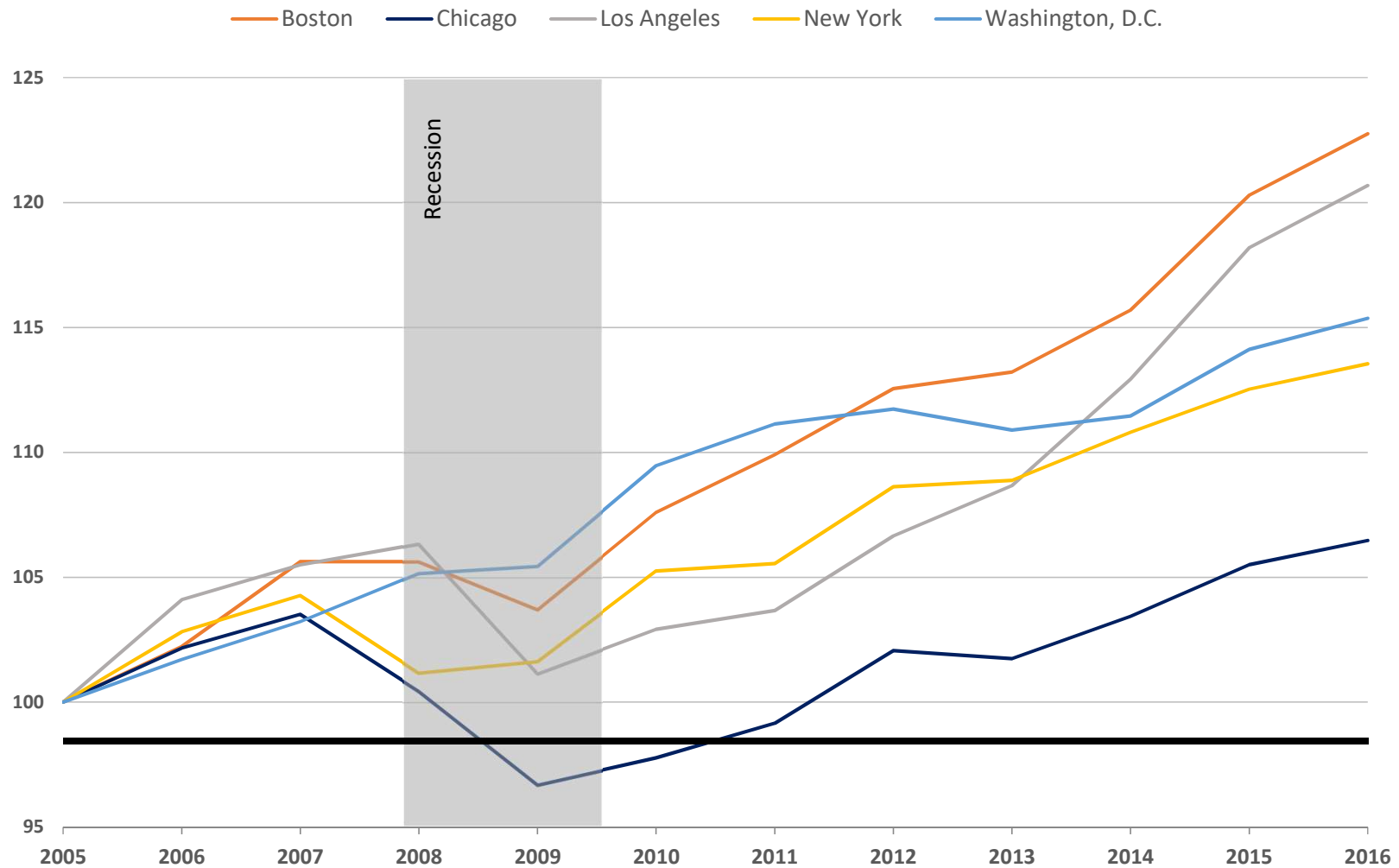
ES2

I summarized the research here - I do not think that they need a detailed refresh. But, just in case, the backup slides from older presentations are at the end.

Elizabeth Schuh, 5/31/2018

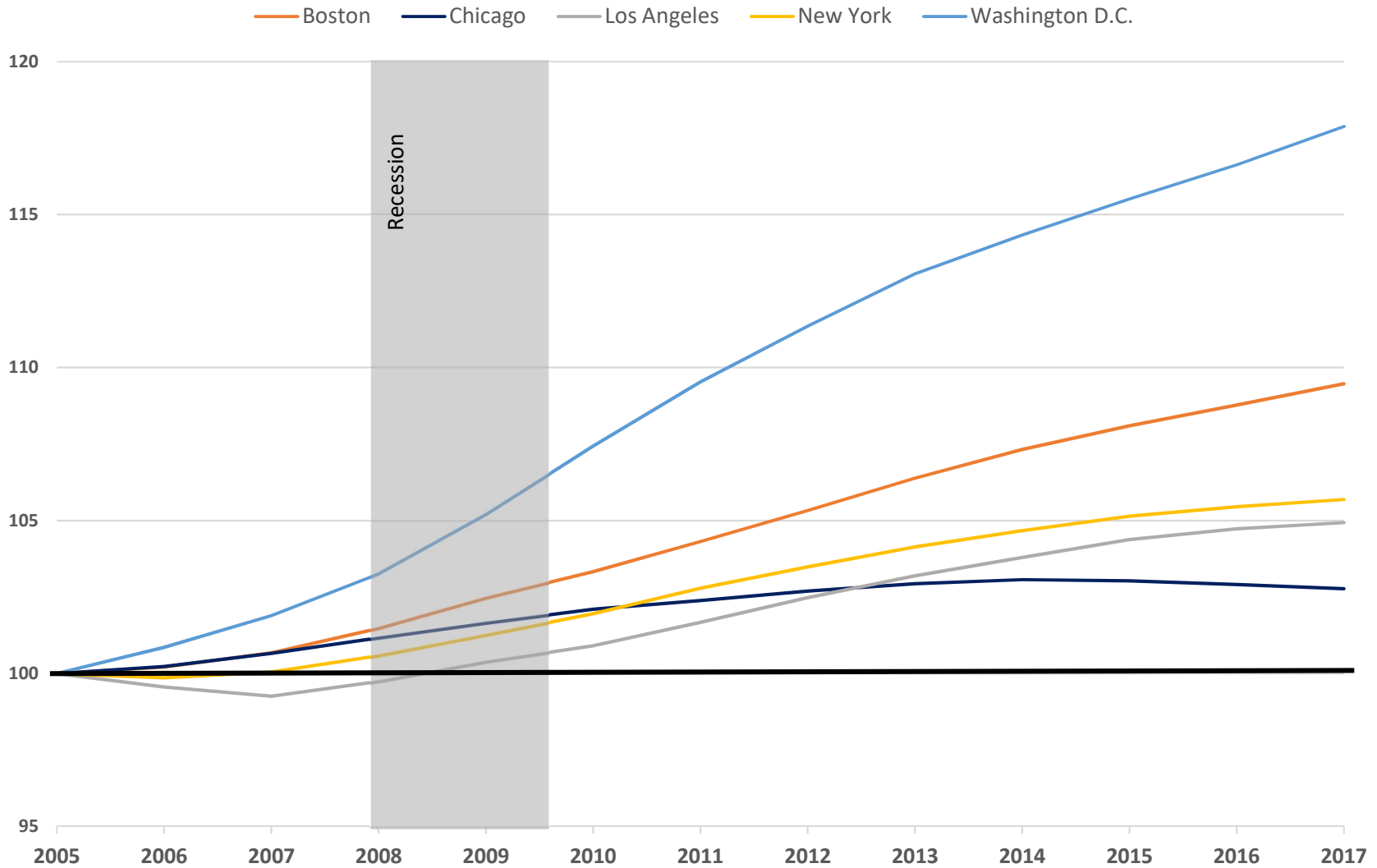
The region is falling behind its peers economically...

Cumulative real gross regional product growth in select metropolitan statistical areas, 2005-16



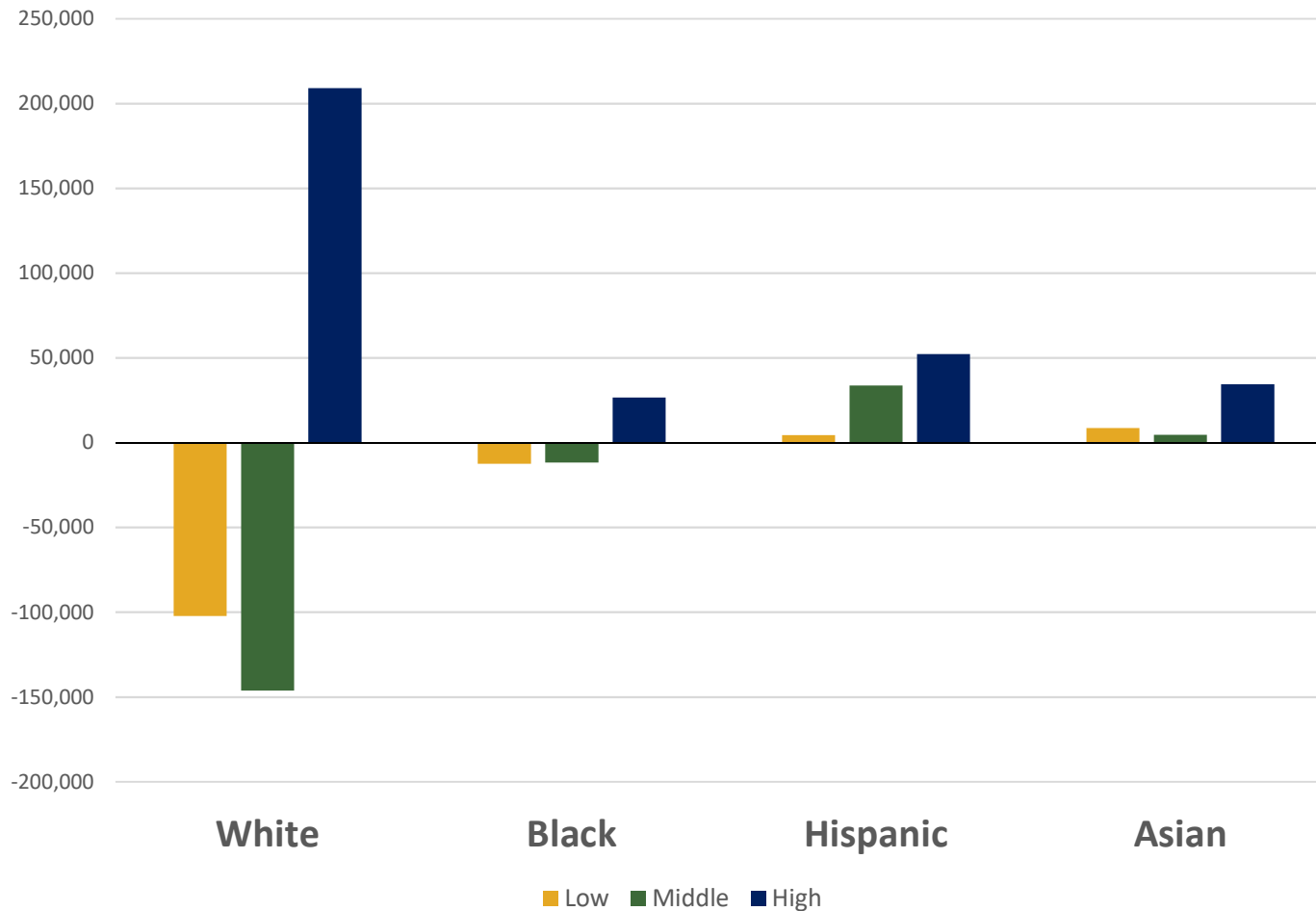
...and our population isn't growing

Cumulative population change in select metropolitan statistical areas, 2005-17



... and low and moderate income households are leaving

Estimated change in households by income level and race and ethnicity, Chicago Metropolitan Statistical Area, 2005-15



Source: CMAP analysis of American Community Survey data.

Note: Low income is less than 60 percent of area median income, moderate income is 60-140 percent of area median income, and high income is more than 140 percent of area median income.

... and the region has distinct racial and economic inequities

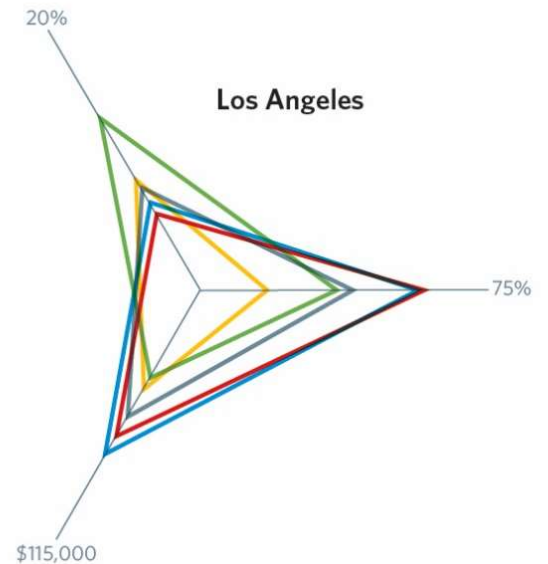
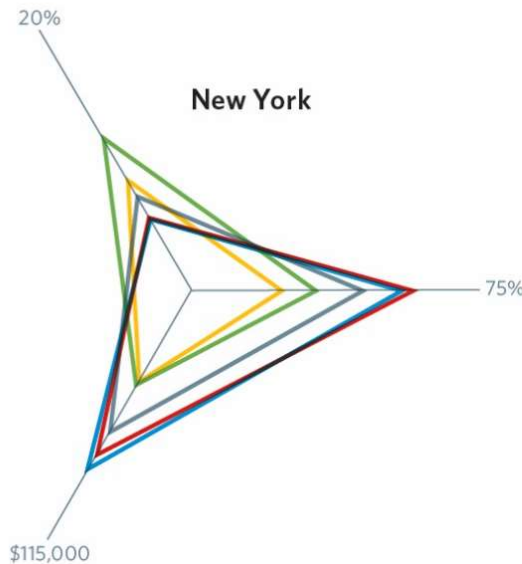
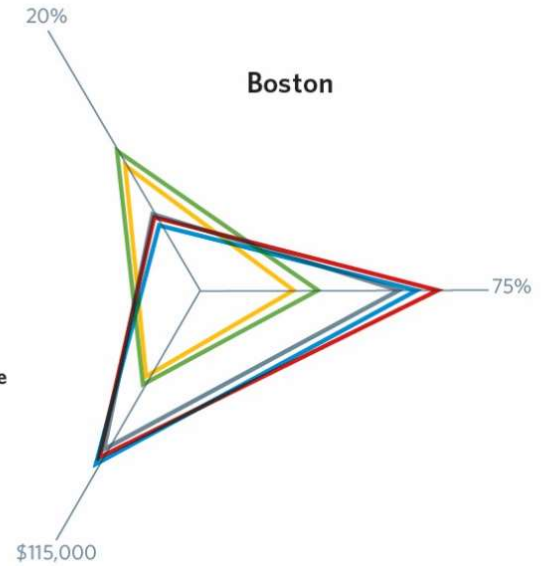
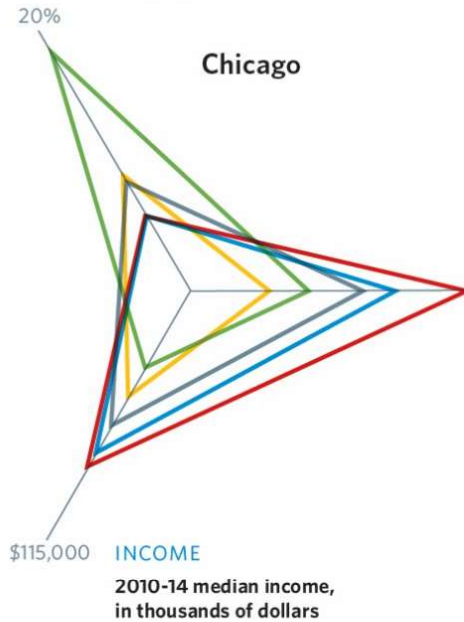
Disparate outcomes by race/ethnicity in select metropolitan statistical areas, 2010-14

- Black
- Hispanic
- White
- Asian
- Regional average

Note: Unemployment is for population age 16 and above. The Bureau of Labor Statistics provides regional unemployment rates used in other CMAP products. Census unemployment is behind current rates, but is the most appropriate source to analyze unemployment by race.

Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey Data 2010-2014; Note: 2014 inflation adjusted dollars; median incomes rounded to the nearest thousand.

UNEMPLOYMENT 2010-14 unemployment rate



Considerations for ON TO 2050 development

- The region is facing decreasing resources, stagnant population and a slowing economy
 - ▶ *The plan must lay out a strategy for renewed prosperity*
- The region has systemic inequity
 - ▶ *The plan must make the case for equity's role in regional strength*
 - ▶ *Partnerships will be key to address all issue areas*
- Research shows that improving equity improves economic success
 - ▶ *The plan will highlight inclusive growth as a core strategy for economic prosperity and as imperative for quality of life*

In ON TO 2050:

Regional prosperity requires inclusive growth

The region cannot succeed if residents and communities are left behind by economic opportunity

The draft plan proposes many strategies to promote equity

Residents

Shorter commutes, job training, affordable housing, access to lending, public health initiatives, active engagement in economically disconnected areas, investing in jobs with upward economic mobility

Places

Infrastructure investment, development incentives, planning assistance, resources for entrepreneurs, economic development skills, improved tax policy

Communities

Capacity building, technical assistance, infrastructure investment and assistance, layered partner programs and funding, new training and resources, shared services, improved tax policy

Region: priority across CMAP and partner efforts

ON TO 2050

The Principles

Inclusive Growth

Long-term regional economic prosperity requires increased economic opportunity and improved quality of life for all residents.

Resilience

A strong region requires communities, infrastructure, and systems that can thrive in the face of uncertain future economic, fiscal, and environmental shifts.

Prioritized Investment

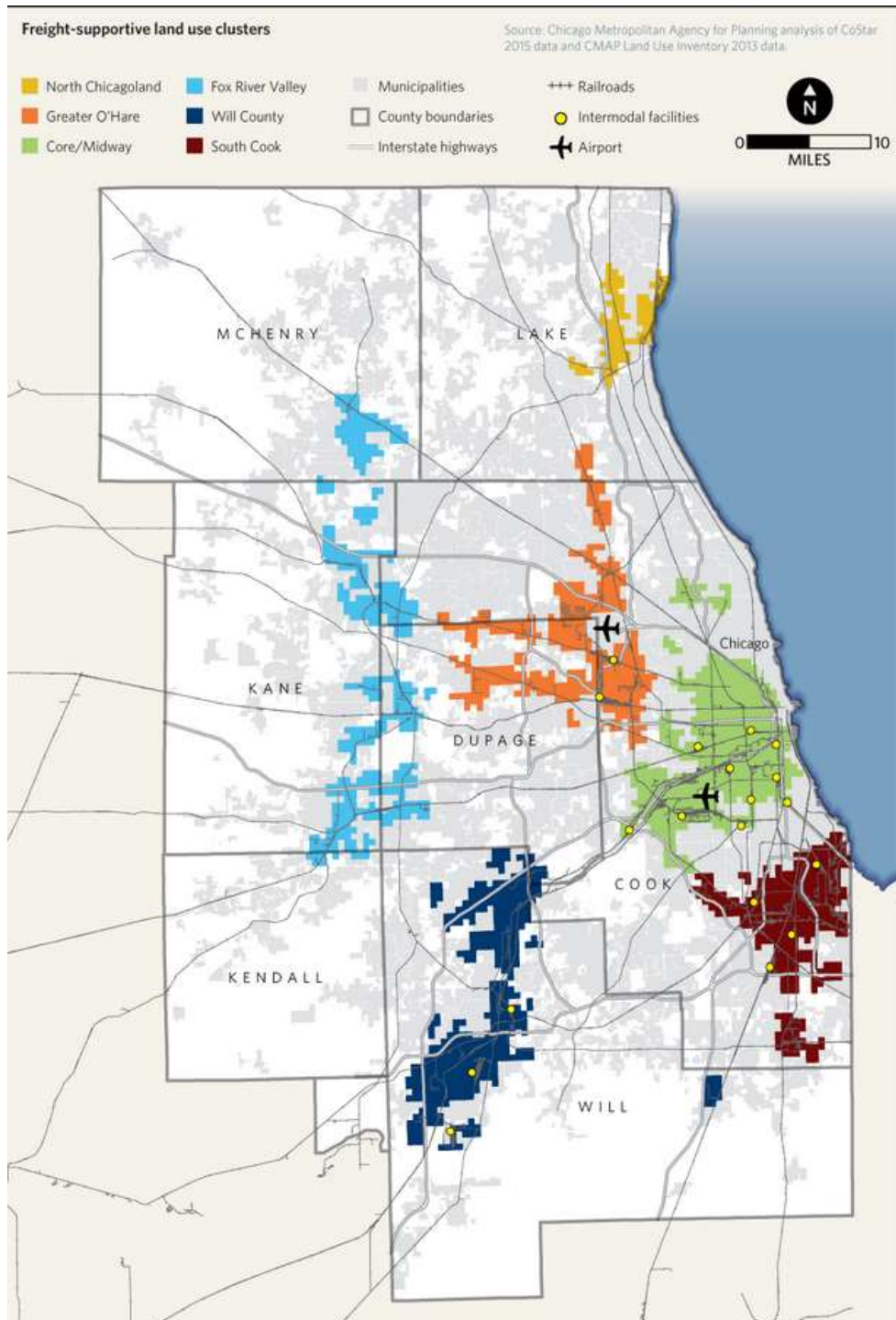
Achieving regional goals in an era of limited resources requires coordination across multiple sectors to prioritize investments for infrastructure, land use, and the economy.

Five Chapters

- Community
- Governance
- Prosperity
- Environment
- Mobility

ON TO 2050

Community



Planning for the interaction of transportation and land use remains critical

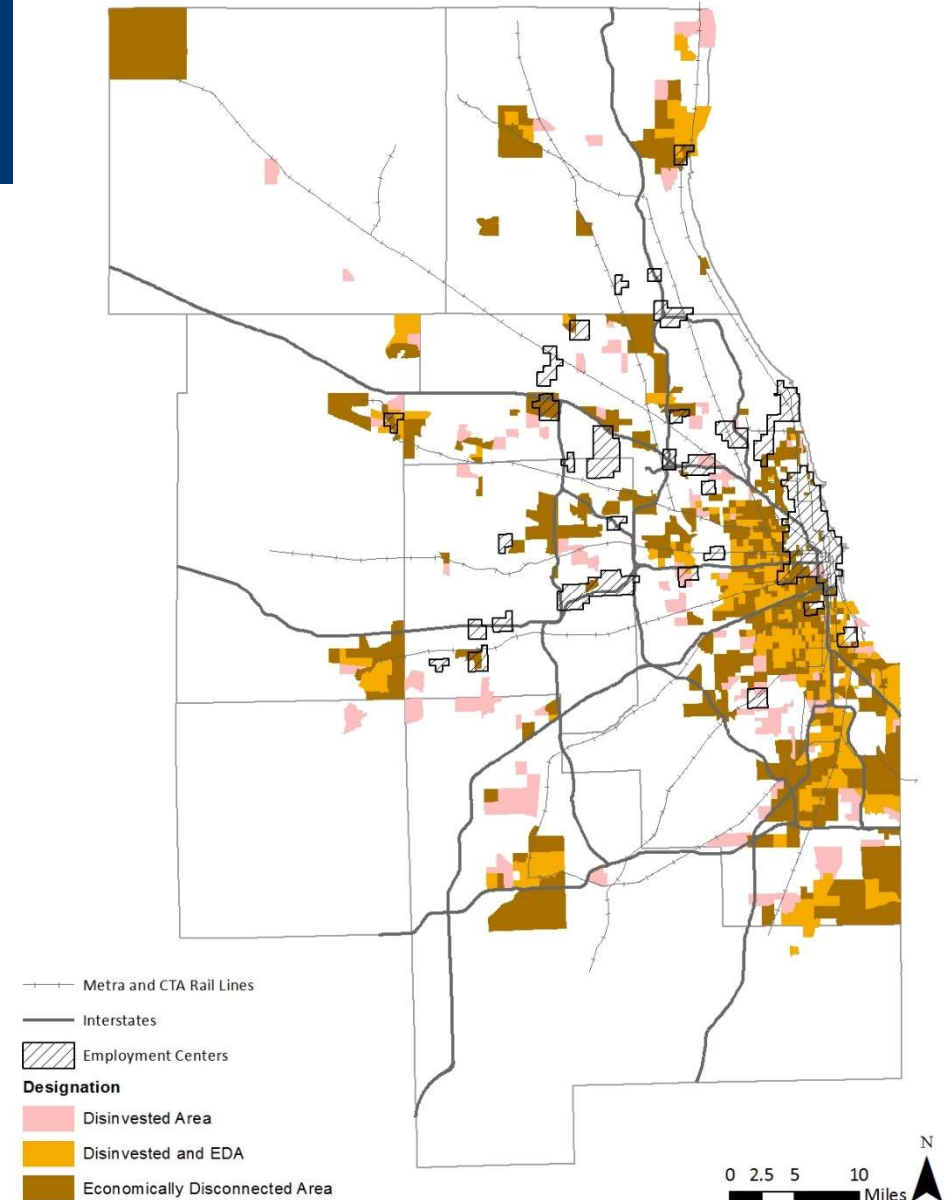
Goals and recommendations

- **Strategic and sustainable development**
 - Target infill, infrastructure, and natural area investments
 - Invest in disinvested areas
- **Reinvestment for vibrant communities**
 - Support development of compact, walkable communities
 - Match regional and local housing supply with the types that residents want
 - Improve natural resources through the redevelopment process
- **Development that supports local and regional economic strength**
 - Develop tax policies that strengthen communities and the region
 - Incorporate market and fiscal feasibility into planning and development processes

Target infill, infrastructure, and natural area investments

- Create a program to focus resources in Targeted Reinvestment Areas
- Plan for future development when approving near-term infrastructure and development proposals
- Plan for the protection of agricultural and natural lands
- Evaluate future infrastructure costs when considering development expansion

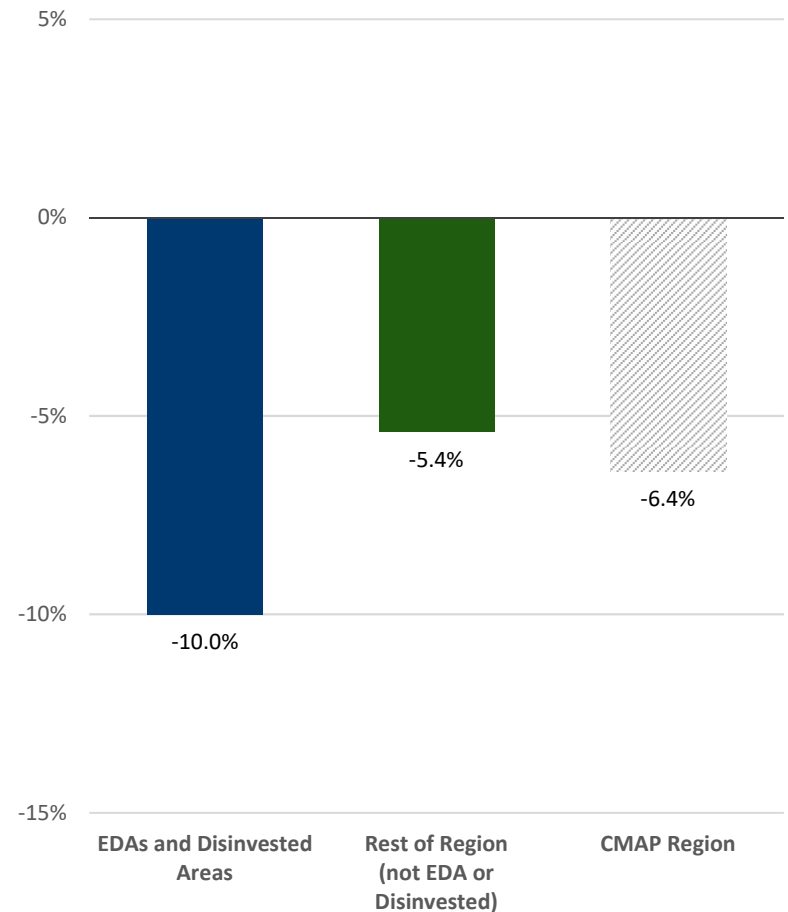
Employment Centers and Economically Disconnected and Disinvested Areas



Invest in disinvested areas

- Identify new solutions and target existing resources in disinvested areas
- Target assistance in rapidly changing areas to preserve affordability, quality of life, and community character
- Build local capacity to compete for infrastructure investments
- Build municipal, non-profit, and private sector capacity

Percentage change in non-residential market value, 2010-2015



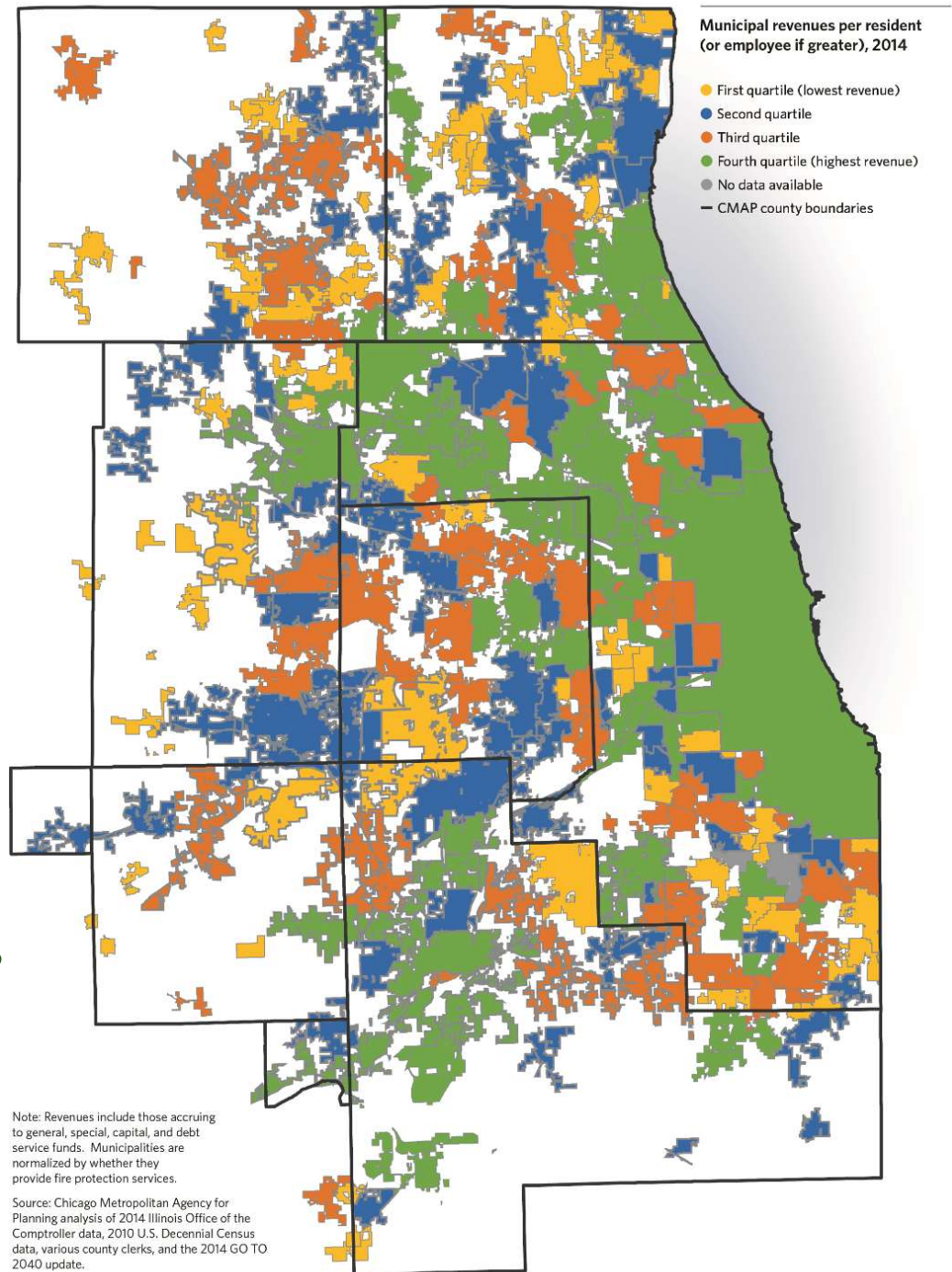
Source: Chicago Metropolitan Agency for Planning analysis of county assessor property value data, 2010 and 15

ON TO 2050

Governance

Constrained revenues
require increased
collaboration, efficiency,
capacity building, and
performance based
investment

*Inclusive growth and
equitable investment are
even more critical in this
environment*



Goals and Recommendations

- Collaboration at all levels of government
 - Use collaborative leadership to address regional challenges
 - Encourage partnerships and consolidation
 - Coordinate infrastructure operations and maintenance
- Greater capacity to achieve local and regional goals
 - Develop tax policies that strengthen communities and the region
 - Build local government capacity
- Data driven and transparent investment decisions
 - Base investment decisions on data and performance
 - Improve access to public information through technology and transparency

Use collaborative leadership to address regional challenges

- Collaborate for inclusive growth
- Take a leadership role in implementing federal and state investments
- Support development of an entity with the mandate and resources to implement a regional economic growth strategy
- Secure funding to pursue all ON TO 2050 goals

Build local government capacity

- Build on successes of the Local Technical Assistance (LTA) program
- Build municipal, non-profit, and private sector capacity
- Provide professional development opportunities that increase the capacity of staff and officials
 - ➔ *CMAP is focusing its efforts under these initiatives on lower capacity communities*

ON TO 2050

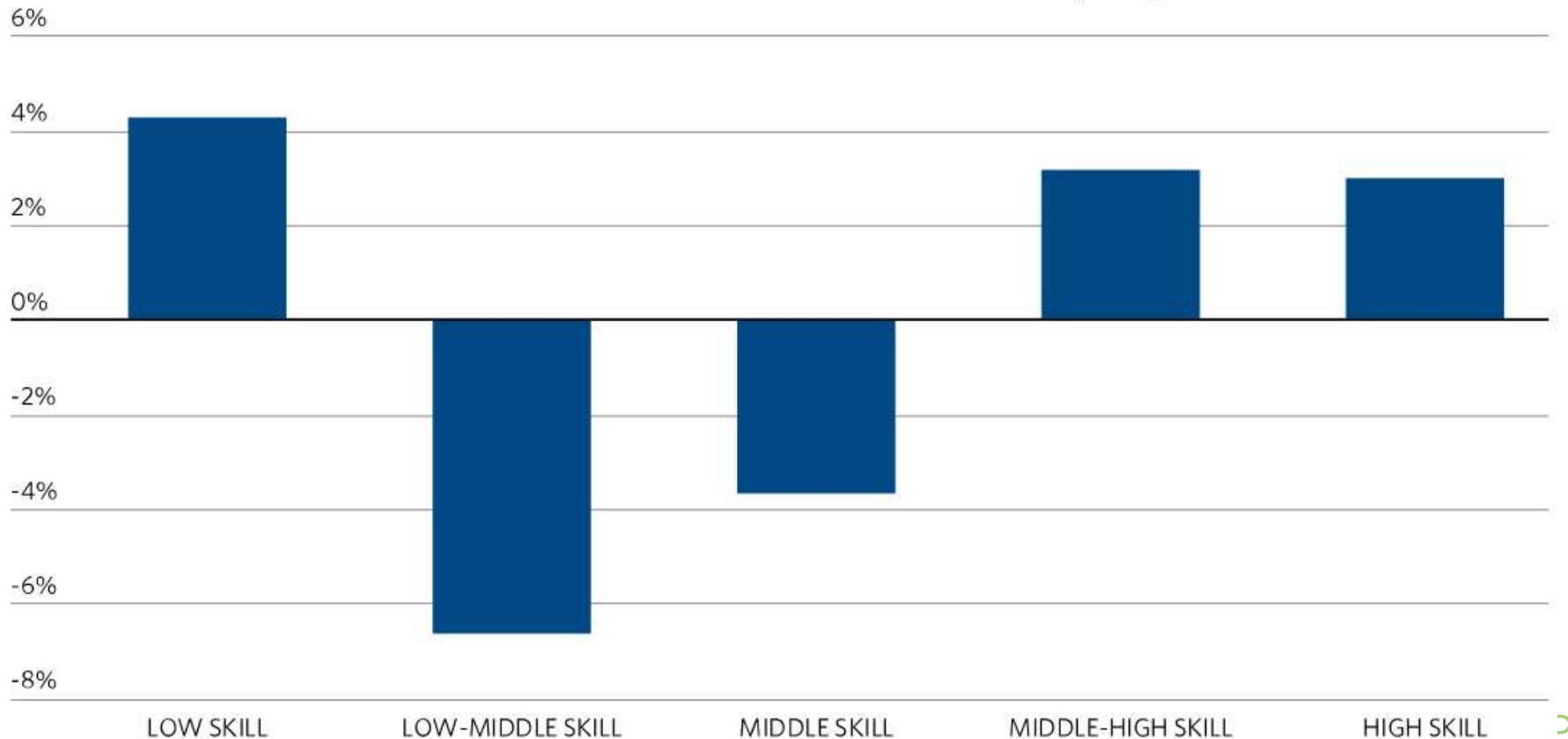
Prosperity

The region's economy is changing

Change in share of employment in the Chicago region, 1980-2016, by occupational skill level

Note: The geography for the Chicago region differs from traditional U.S. Census Bureau definitions and changes slightly over time. See About the Data section for more information. Median occupational wage in 1980 is used as a proxy for skill.

Source: Chicago Metropolitan Agency for Planning analysis of Integrated Public Use Microdata Series, 1980-2000 Decennial Census and 2010-16 American Community Survey data.



Goals and recommendations

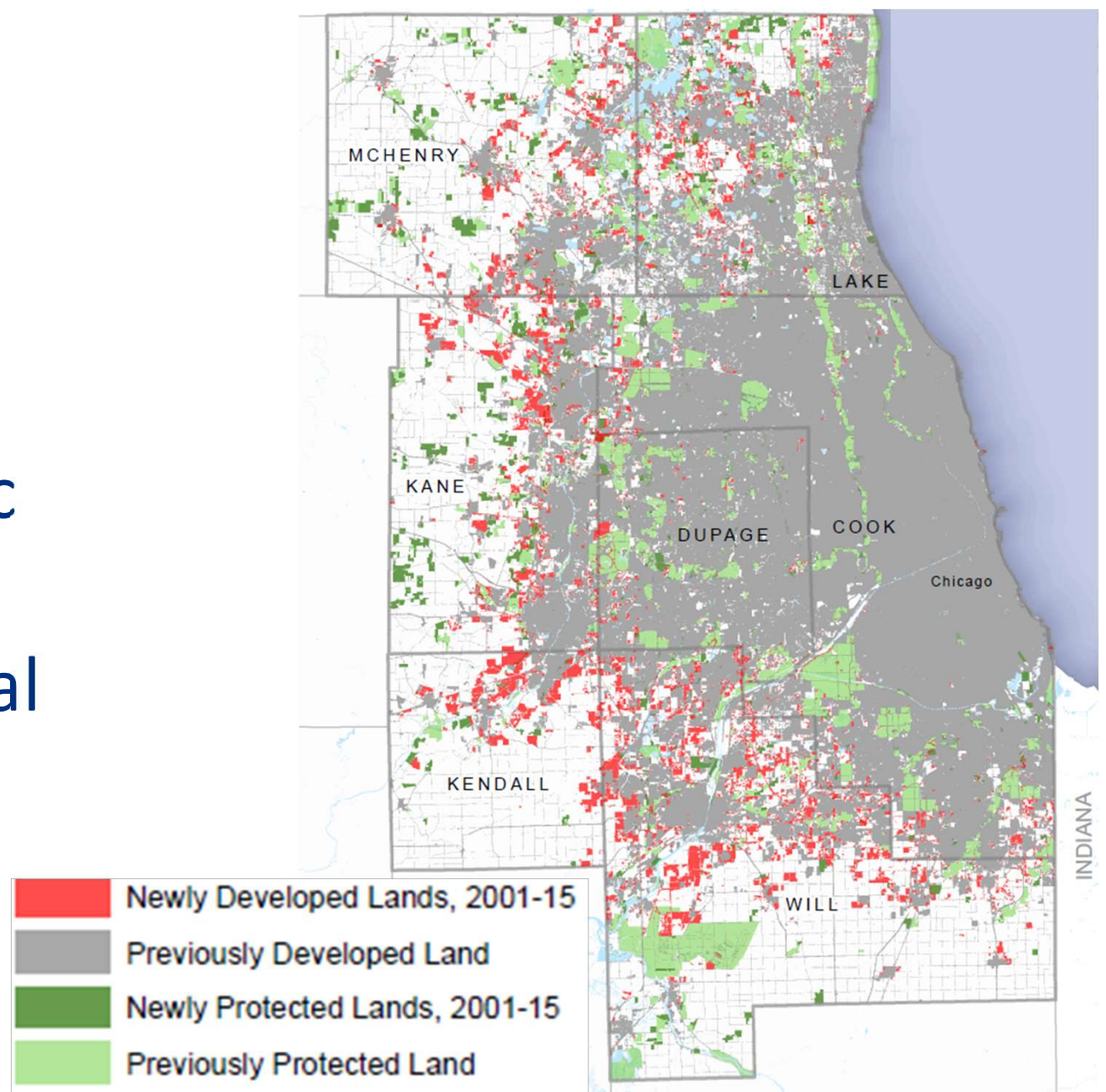
- **Robust economic growth that reduces inequality**
 - Pursue regional economic development
 - Support the region's traded clusters
 - Prioritize pathways for upward economic mobility
 - Enhance economic innovation

- **Responsive, strategic workforce and economic development**
 - Conduct regional planning for human capital
 - Align local economic development planning with regional goals
 - Reform incentives for economic development
 - Expand data-driven approaches in the workforce and education systems

ON TO 2050

Environment

Pairing
preservation
with strategic
growth will
remain critical



Goals and recommendations

- A region prepared for climate change
 - Plan for climate resilience
 - Intensify climate mitigation efforts
- Integrated approach to water resources
 - Protect and enhance the integrity of aquatic systems
 - Reduce flooding risk to protect people and assets
 - Coordinate and conserve shared water supply resources
- Development practices that protect natural resources
 - Improve natural resources through the redevelopment process
 - Integrate land preservation into strategic growth efforts

Equity is embedded in the Environment chapter

- A region prepared for climate change
 - Reduce climate vulnerability and engage vulnerable residents in planning for resilience
- Integrated approach to water resources
 - Address higher risk of flooding, higher water rates, and poor water infrastructure in low income and minority areas
- Development practices that protect natural resources
 - Promote access to parks and natural areas by vulnerable populations
 - Address brownfields and environmental justice issues in EDAs and Disinvested areas

ON TO 2050

Mobility

Goals and recommendations

- A modern, multimodal system that adapts to changing travel demand
 - Harness technology to improve travel and anticipate future impacts
 - Make transit more competitive
 - Retain the region's status as North America's freight hub
- A system that works better for everyone
 - Leverage the transportation network to promote inclusive growth
 - Improve travel safety
 - Improve resilience of the transportation network to weather events and climate change
- Making transformative investments
 - Fully fund the region's transportation system
 - Enhance the region's approach to transportation programming
 - Build regionally significant projects

Enhance the region's approach to transportation programming

- Continue to implement performance-based programming regionwide
 - ➔ *CMAP is incorporating Inclusive Growth into its CMAQ, TAP, and STP criteria*
 - ➔ *CMAP wants to develop a pipeline of projects from EDAs, disinvested areas, and low capacity communities*
- Expand asset management practices to the entire transportation system

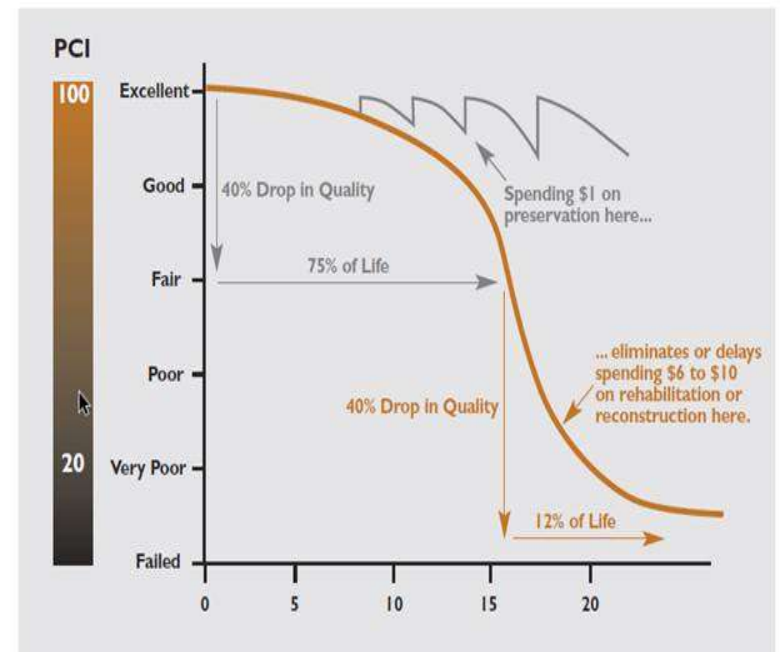


FIGURE 2 Pavement option curve (example). (PCI = Pavement Condition Index.)

Leverage the transportation network to promote inclusive growth

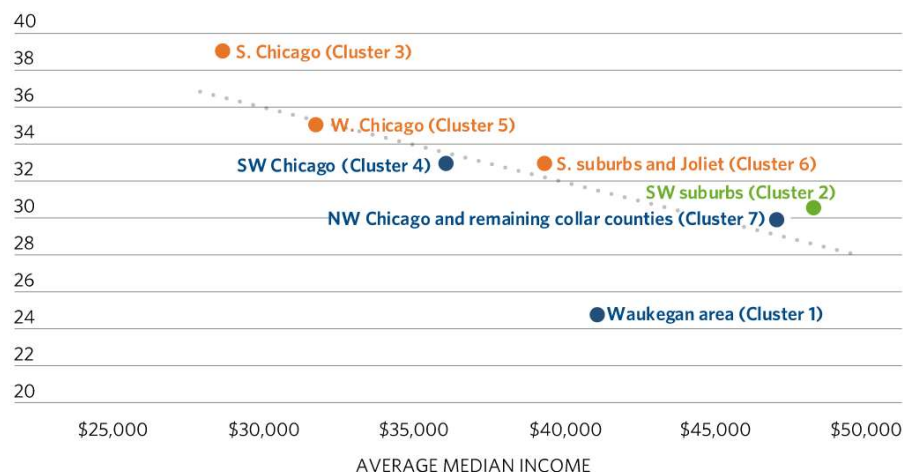
- Improve commute options between disinvested areas and employment, education and training, and services
- Improve access to public rights of way for pedestrians, cyclists, and people with disabilities
- Increase authentic, responsive engagement of underrepresented communities in planning and development
- Build capacity for disinvested areas to develop, fund, and maintain transportation infrastructure

Average one-way commute time, in minutes, and average median income in Economically Disconnected Area clusters

- Majority White
- Majority Black
- Majority Hispanic

Note: Average commute time is weighted by number of workers and average median income is weighted by population.

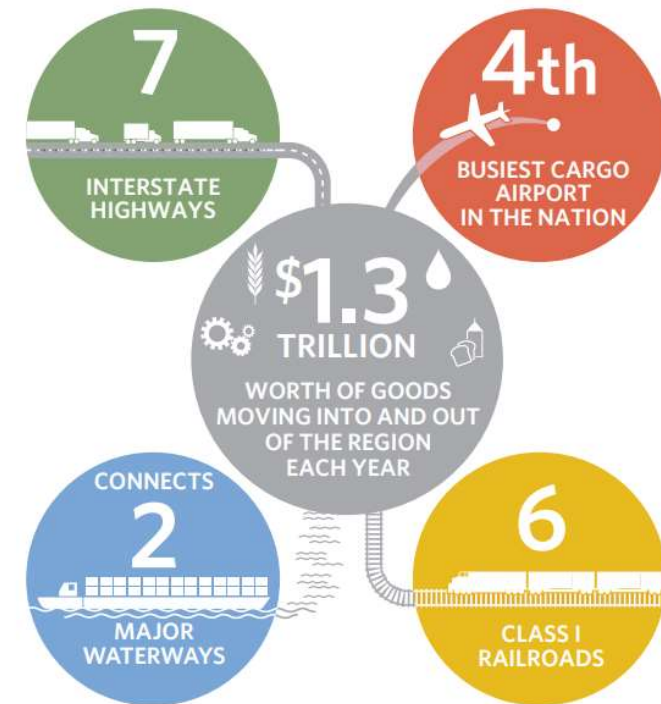
Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey data, 5-year estimates, 2010-14.



Retain the region's status as North America's freight hub

- Invest strategically in the freight network
- Develop a unified regional approach for freight transportation issues
- Focus on improving local and regional truck travel
- Mitigate the negative impacts of freight activity on adjacent areas, particularly EDAs
- Assess the local and regional impacts of proposed major freight facilities

Figure 1. Metropolitan Chicago freight assets



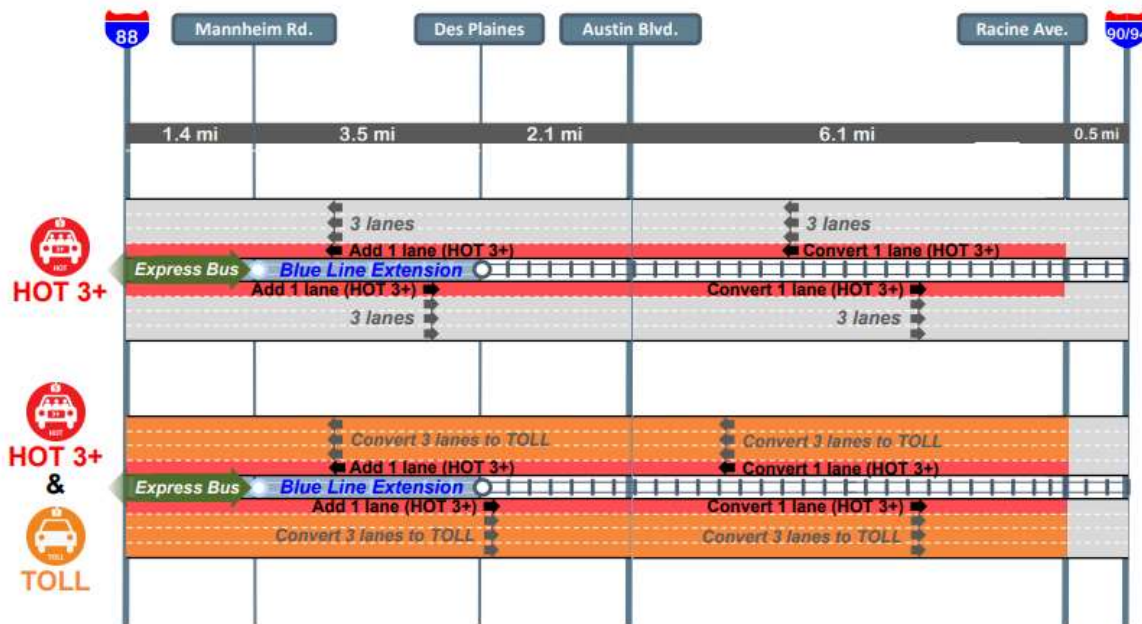
Note: Total freight value includes all modes designated by the Freight Analysis Framework.

Source: Chicago Metropolitan Agency for Planning analysis of Federal Aviation Administration, Freight Analysis Framework data, 2012.

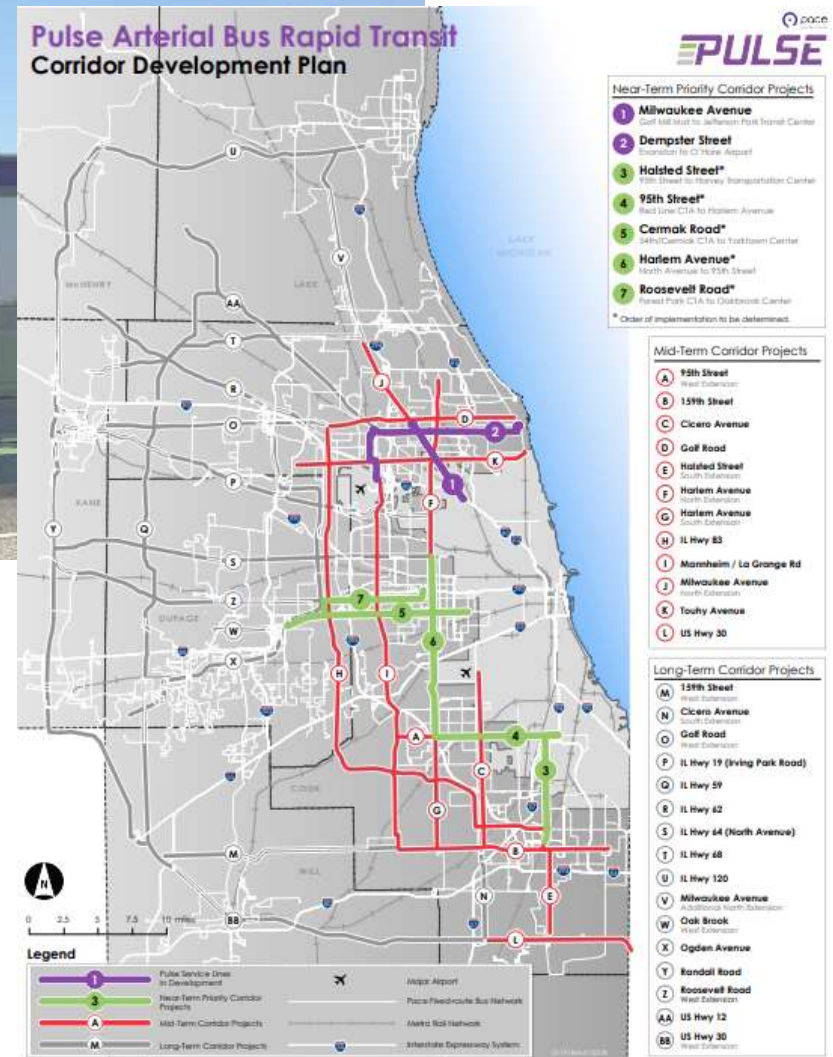
Build regionally significant projects

- Reinvest in the existing system
 - Rebuild deteriorating parts of the expressway and transit system
 - Relieve capacity bottlenecks
- Improve travel for economically disconnected areas
- Meet other planning priorities

Example: I-290 Eisenhower Reconstruction and Managed Lanes



Example: Pace Pulse (near-term routes)



Comparison to GO TO 2040

- New criteria evaluated access to “good” jobs by residents of economically disconnected areas
- Less spending on expansions or extensions
- 60% transit, 40% roadway (by cost), same as GO TO 2040
- Tri-County Access (IL 53/120 extension) and Illiana Expressway are not constrained in draft ON TO 2050

Next steps

- **Today – June 6th:** Review and finalize
- **June 15th – August 14th:** Release the plan for public comment
- **June-August:** Discuss implementation with CMAP Committees
- **August-October:** Revise and finalize plan
- **October 10, 2018:** Plan launch

ON TO 2050

Questions?