# Inclusive Growth in ON TO 2050

November 2016



### **Planning Process**

#### **CMAP** comprehensive plan development timeline 2 0 1 5 2 0 1 6 2 0 1 7 2 0 1 8 SPRING SUMMER FALL WINTER SPRING SUMMER FALL WINTER SPRING SUMMER FALL WINTER SPRING SUMMER FALL Analyze potential policies and strategies **Evaluate existing conditions Develop regional socioeconomic forecast** Assess future scenarios Create financial plan Prioritize capital projects Identify **Evaluate** Select Plan Draft plan adoption INTENSIVE PUBLIC **PLAN RELEASED** ONGOING ENGAGEMENT <---**EVENT ENGAGEMENT** FOR PUBLIC COMMENT Source: Chicago Metropolitan Agency for Planning.



### **Purpose of a Strategy Paper**

 Develop agency direction on new topics or explore refinements to existing GO TO 2040 recommendations

 Outline a policy direction for each topic area and define further research needs



### **Inclusive Growth project timeline**

- Phase 1: Developing a vision
- Phase 2: Understanding the geography
- Phase 3: Building a framework



#### **Economic benefits of inclusion**

#### Lessons learned

- 1. Greater inclusion is linked to greater growth
- 2. Greater inclusion is linked to longer growth
- 3. Greater inclusion benefits the whole region



### **Improving Inclusion**

#### Lessons learned

- 1. Pursue a cross-cutting approach
- 2. Move beyond framing as a social good
- 3. Create a clear list of indicators to aid with implementation



## **Geography of Exclusion**

- Goal: Understand where excluded communities are in the region for CMAP to use in analysis of inequalities and other agency work.
- Major question: how to define excluded areas?
- Populations included:
  - Low-income
  - Minority
  - Limited-English speaking
- Geography: census tract



### Requirements of MPOs

- MPOs must identify "environmental justice" (EJ)
  communities to include in analysis of plans, projects, and
  policies
  - Include low-income and minority populations
  - Federal government does not define methodology for identifying EJ communities
- MPOs do not have to solely include low-income and minority populations in their analysis



## Why is this important?

More than just a requirement: Identifying excluded communities is critical for understanding inequality in the region and ensuring better investment and policy making that can reduce concentrations of poverty and race.

First analytical step to creating strategies that create a more inclusive region that promotes sustained economic growth



## **Creating scenarios**

 Three scenarios with different thresholds for low-income, minority, and limited-English speaking

Census tract must have concentration of:

- 1) Low-income AND minority **OR**
- 2) Low-income AND limited-English speaking



### **Measuring poverty**

The **threshold** for poverty and **methodology** for defining poverty account for the majority of variance between scenarios

Poverty measure	Considerations		
Federal Poverty Level (FPL)	Doesn't account for higher cost of living in the Chicago region		
Percentage above the FPL	Adjusts for higher cost of living in the region. Many federal programs use 185% above the FPL in metro areas.		
Percentage below the area median income (AMI)	Is more regionally specific to the cost of living in the region, HUD section 8 income limit is 50% below AMI		

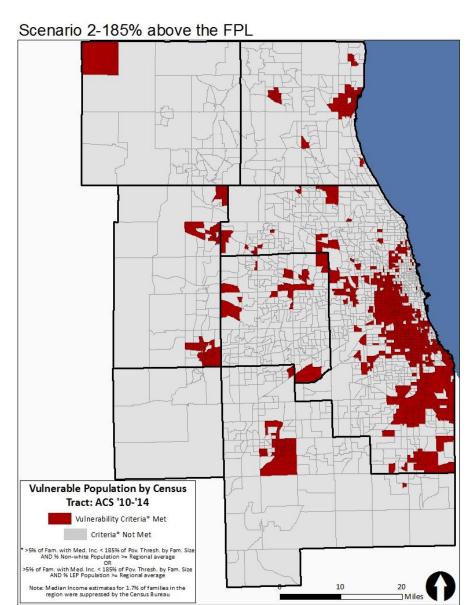


### **Scenario Matrix**

Scenario	Minority threshold	LEP threshold	Low-income threshold	Concentration of Poverty
185% above the FPL	Regional average: 47.5%	Regional average: 12.1%	185% above FPL, adjusted for family size	Tract has at least 5% of families in poverty



### **Excluded Communities Map**





#### **Inclusive Growth Vision**

An inclusive Chicago region provides meaningful economic opportunities for all residents, regardless of race, ethnicity, national origin, ability, or income, in order to foster sustained economic growth.



### **Principles for Inclusive Growth**

- Principles serve as a structure to build groups of strategies around different sectors.
- Implementing strategies across all five categories can help advance inclusive growth in the region.



### **Principle: Actions are coordinated**

 In an inclusive region, individuals and organizations across the public, private, and nonprofit sectors coordinate their investments and policies.



# Principle: Existing opportunities are attainable

 In an inclusive region, investments and policies promote participation in existing economic opportunities, particularly for previously excluded people.



# Principle: New opportunities are created

 In an inclusive region, investments and policies create new opportunities, especially in excluded communities, in order to minimize economic disparities across the region.



# Principle: Economic opportunities are meaningful

 In an inclusive region, meaningful opportunities provide all residents avenues for economic advancement.



# Principle: Decision-making is accessible

 In an inclusive region, residents of excluded communities have the opportunity and ability to participate in investment and policy decisions.



### **Draft Governance Strategies**

#### Set a Common Agenda

- The diverse actors and activities needed to promote inclusion should be coordinated
- CMAP should convene a committee of regional stakeholders working to promote inclusion

### Create a Shared Measurement System

- Clear indicators are needed to measure progress towards building a more inclusive region
- CMAP should leverage its experience publishing data to help deliver this dashboard



### **Draft Governance Strategies Contd.**

#### Designate Focus Areas

- Actions and investments to promote inclusion are stronger when focused on specific geographic areas.
- CMAP should work with regional stakeholders to designate focus areas, using CMAP's excluded communities map as a starting point
- Support local coordination of inclusionary activities
  - Localities need support to understand the benefits of inclusion and direct their policies to that aim
  - CMAP should continue to support local governments in the region through the LTA Program



### **Draft Transportation Strategies**

- Provide high quality transportation options.
  - Excluded communities should have high-quality transit options that connect to middle and high-wage jobs.
  - Data analysis: CMAP should identify areas with a high level of opportunity and consider how agency investments can better connect excluded communities to these opportunities.
  - Programming: CMAP should add an additional metric in the scoring matrix of federal funding sources that rates investments based on their anticipated benefit on excluded communities.



# **Draft Transportation Strategies, Contd.**

- Evaluate transportation maintenance projects for impacts.
  - CMAP should consider ways to evaluate EJ impacts of major transportation maintenance projects.
- Environmental Justice considerations in freight planning.
  - CMAP should evaluate how freight impacts EJ communities and outline ways to mitigate negative externalities.
- Expand TIF for Transit
  - CMAP should investigate ways to leverage high value areas to promote investment in excluded communities.



### **Draft Land Use & Housing Strategies**

- Promote compact development
  - CMAP should continue to encourage municipalities to support compact, transit-supportive land use and allow for affordable housing in areas near transit.
- Pursue a regional Assessment of Fair Housing
  - CMAP should explore possibilities to convene regional entities that have responsibilities under AFFH to produce a regional AFFH.
- Strengthen RHI
  - Funding: RHI collaborators should explore a sustainable funding source.
  - Counseling: The RHI should explore funding sources for providing regional mobility counseling programs.



### **Draft Land Use & Housing Strategies**

- Leverage Cook County Land Bank
  - CMAP can assist land banks in identifying problematic properties and prioritizing within that set to support land bank activities.
- Expand Cook County's tiered compliance model
  - CMAP can provide a regional model to expand this program to the suburban counties and research additional guidance
- Reinvest in disinvested areas
  - CMAP should assist partners in identifying areas with high vacancy.
- Promote an equitable tax structure



# Draft Individual and Community Capacity Strategies

- Focus workforce training to provide access to meaningful job opportunities.
  - CMAP should focusing analysis on clusters that provide avenues for economic advancement and how prosperity is shared in the region
- Pursue a regional approach to economic advancement
  - Greater coordination across the region to enhance regional economic clusters



# Draft Individual and Community Capacity Strategies

- Economic development should focus on industries that offer pathways for upward mobility
  - CMAP should continue to analyze middle and high-wage industry clusters and work with partners to create a coordinated plan to invest and retain those clusters and jobs.
- Fostering entrepreneurship
  - CMAP and partners can look at barriers to entrepreneurship and potentially identify areas that are ripe for entrepreneurship.



### **Next steps**

- Refine draft strategy paper
- Develop indicators and metrics



### **Questions?**

Jacki Murdock (312) 386-8665 jmurdock@cmap.illinois.gov

