Communities for 2040:

Priority Development Areas in Northeastern Illinois

Funded by the Chicago Community Trust and the Field Foundation of Illinois

April 18, 2013

CNT

Center for Neighborhood Technology

- Non-profit applied research “think and do tank” based in Chicago
- Develop and implement strategies that benefit the environment and the economy
- Bridge information gaps
- Areas: Energy efficiency, transportation efficiency, green infrastructure

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Today's Goal

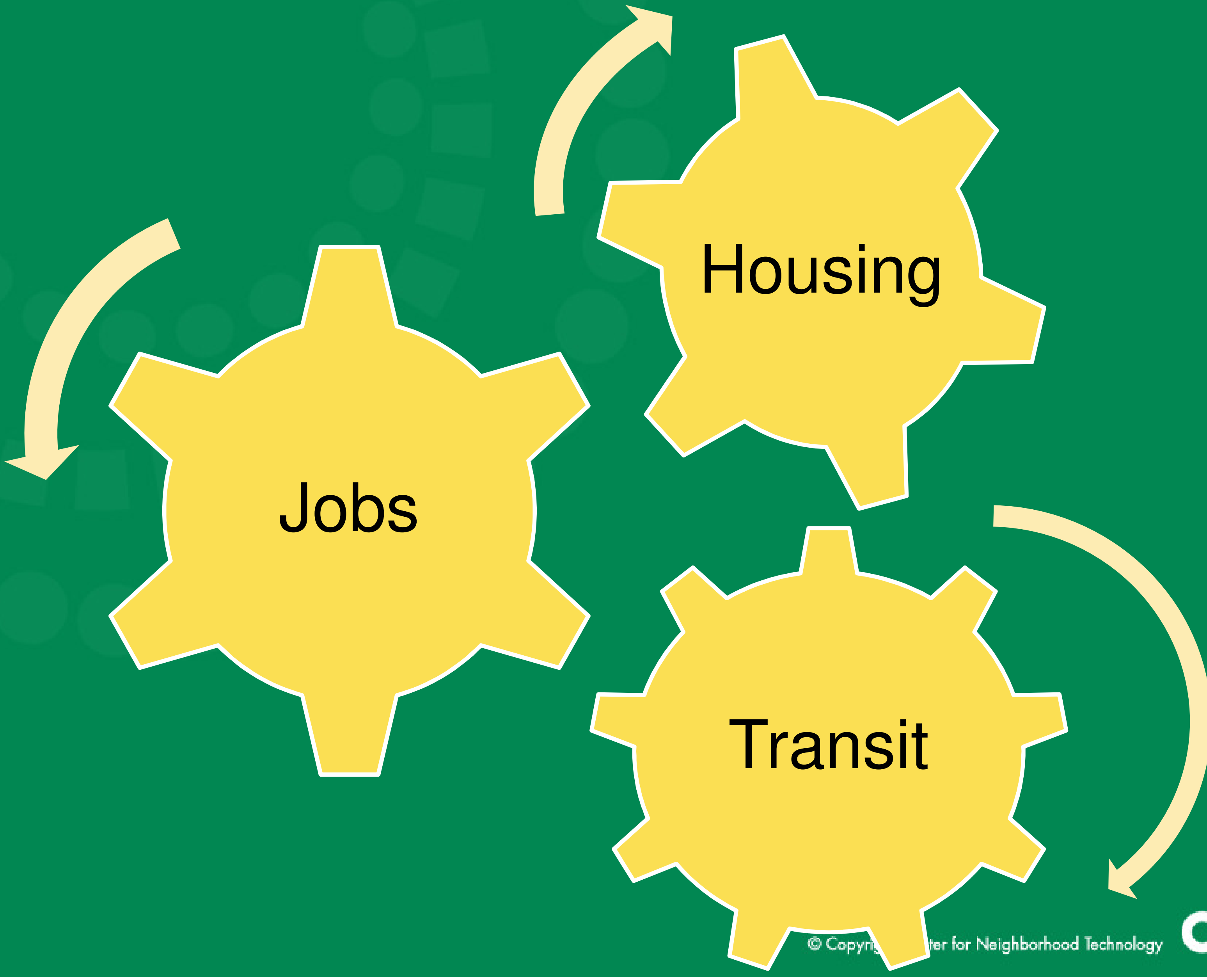
- Introduce concept of Priority Development Areas (PDAs)

- High level conversation about:
  - **Why** CNT calls for them
  - **What** has been tried elsewhere
  - **How** it can be adapted here
  - **Who** plays a role in the process

- Get your feedback

Why create PDAs?

Building a Sustainable Economy



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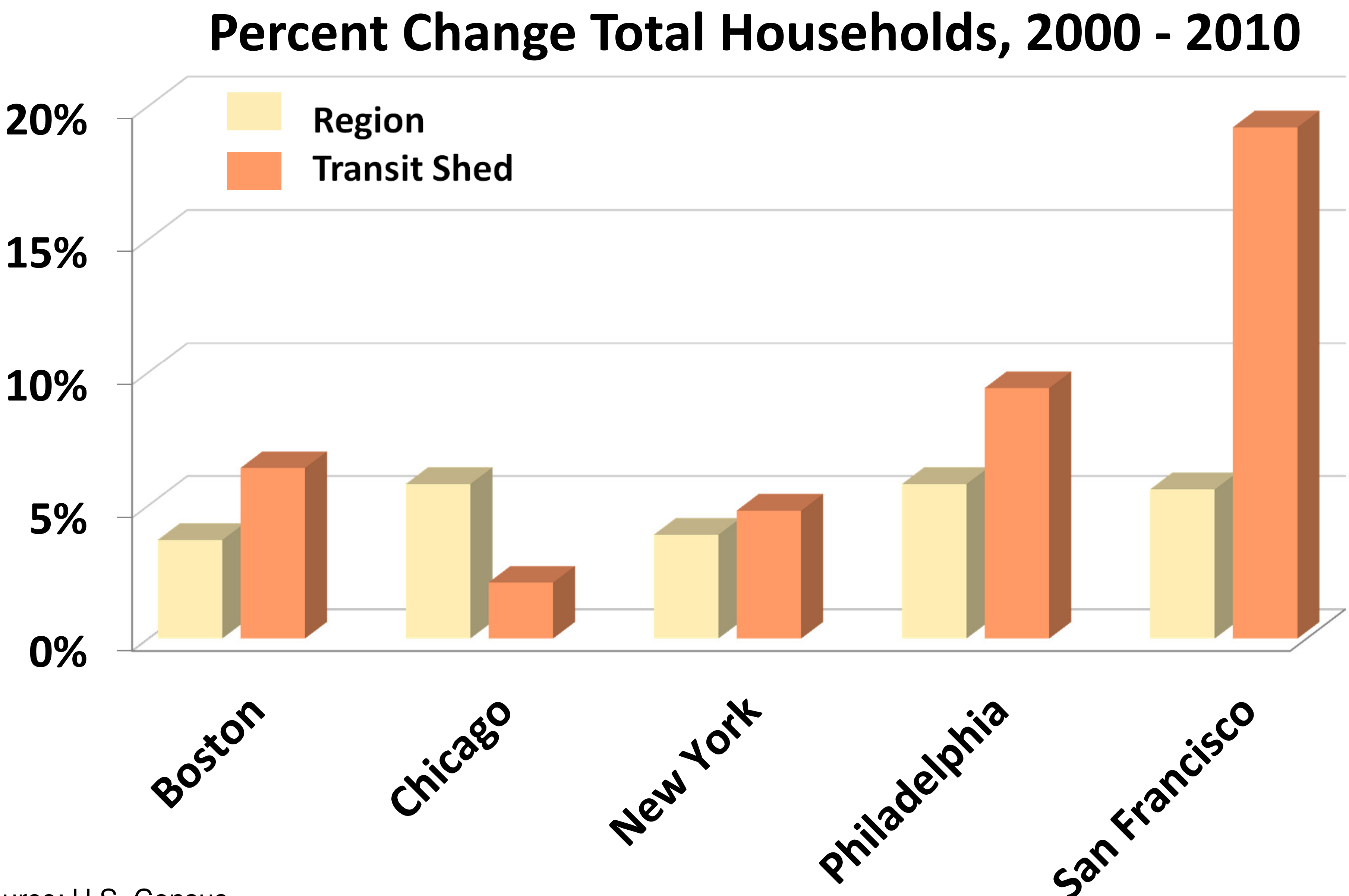
Chicago Underperforming in TOD



Source: U.S. Census

TOD Developers Bypassing Chicago:

Did not rank in top 20 for multifamily in ULI/PWC 2012 Report

EXHIBIT 3-1

Investment Prospects for Commercial/Multifamily Properties by Market

generally good | fair | generally poor

1	Washington, D.C.	6.93
2	Austin	6.92
3	San Francisco	6.92
4	New York City	6.85
5	Boston	6.60
6	Seattle	6.60
7	San Jose	6.58
8	Houston	6.46
9	Los Angeles	6.30
10	San Diego	6.17
11	Denver	6.16
12	Dallas/Fort Worth	6.10
13	Northern New Jersey	6.10
14	Orange County, CA	6.01
15	Raleigh/Durham	5.96
16	San Antonio	5.83
17	Miami	5.81
18	Portland, OR	5.81
19	Westchester, NY/Fairfield, CT	5.74
20	Charlotte	5.58
21	Chicago	5.57
22	Honolulu/Hawaii	5.47
23	Phoenix	5.45
24	Philadelphia	5.44
25	Baltimore	5.44
26	Minneapolis/St. Paul	5.38
27	Nashville	5.32
28	Inland Empire, CA	5.30
29	Orlando	5.19
30	Salt Lake City	5.17
31	Pittsburgh	5.16
32	Virginia Beach/Norfolk	4.93
33	Tampa/St. Petersburg	4.79
34	Indianapolis	4.76
35	Kansas City	4.73
36	Atlanta	4.65
37	Oklahoma City	4.61
38	New Orleans	4.54
39	St. Louis	4.48
40	Jacksonville	4.48
41	Albuquerque	4.43
42	Milwaukee	4.33
43	Memphis	4.22
44	Tucson	4.21
45	Providence	4.20
46	Sacramento	4.20
47	Columbus	4.03
48	Cincinnati	3.97
49	Las Vegas	3.91
50	Cleveland	3.48
51	Detroit	2.88

Source: *Emerging Trends in Real Estate 2012* survey.

EXHIBIT 3-2

Development Prospects for Commercial/Multifamily Properties by Market

generally good | fair | generally poor

1	Washington, D.C.	6.41
2	New York City	6.16
3	San Francisco	6.16
4	Austin	6.04
5	San Jose	5.86
6	Houston	5.81
7	Seattle	5.81
8	Boston	5.68
9	Dallas/Fort Worth	5.42
10	Los Angeles	5.27
11	Denver	5.23
12	Westchester, NY/Fairfield, CT	5.19
13	San Diego	5.18
14	San Antonio	5.09
15	Raleigh/Durham	5.07
16	Northern New Jersey	5.01
17	Orange County, CA	4.92
18	Nashville	4.91
19	Portland, OR	4.87
20	Salt Lake City	4.71
21	Charlotte	4.66
22	Baltimore	4.54
23	Minneapolis/St. Paul	4.54
24	Honolulu/Hawaii	4.39
25	Chicago	4.31
26	Miami	4.22
27	Inland Empire, CA	4.22
28	Philadelphia	4.21
29	Pittsburgh	4.15
30	Orlando	4.08
31	Virginia Beach/Norfolk	4.04
32	Oklahoma City	3.92
33	Indianapolis	3.91
34	Albuquerque	3.90
35	Tampa/St. Petersburg	3.86
36	Kansas City	3.80
37	New Orleans	3.65
38	Milwaukee	3.62
39	Memphis	3.58
40	Providence	3.49
41	Jacksonville	3.48
42	Tucson	3.40
43	Phoenix	3.39
44	St. Louis	3.31
45	Atlanta	3.30
46	Columbus	3.26
47	Cincinnati	3.20
48	Sacramento	3.08
49	Cleveland	2.77
50	Las Vegas	2.48
51	Detroit	2.26

Source: *Emerging Trends in Real Estate 2012* survey.

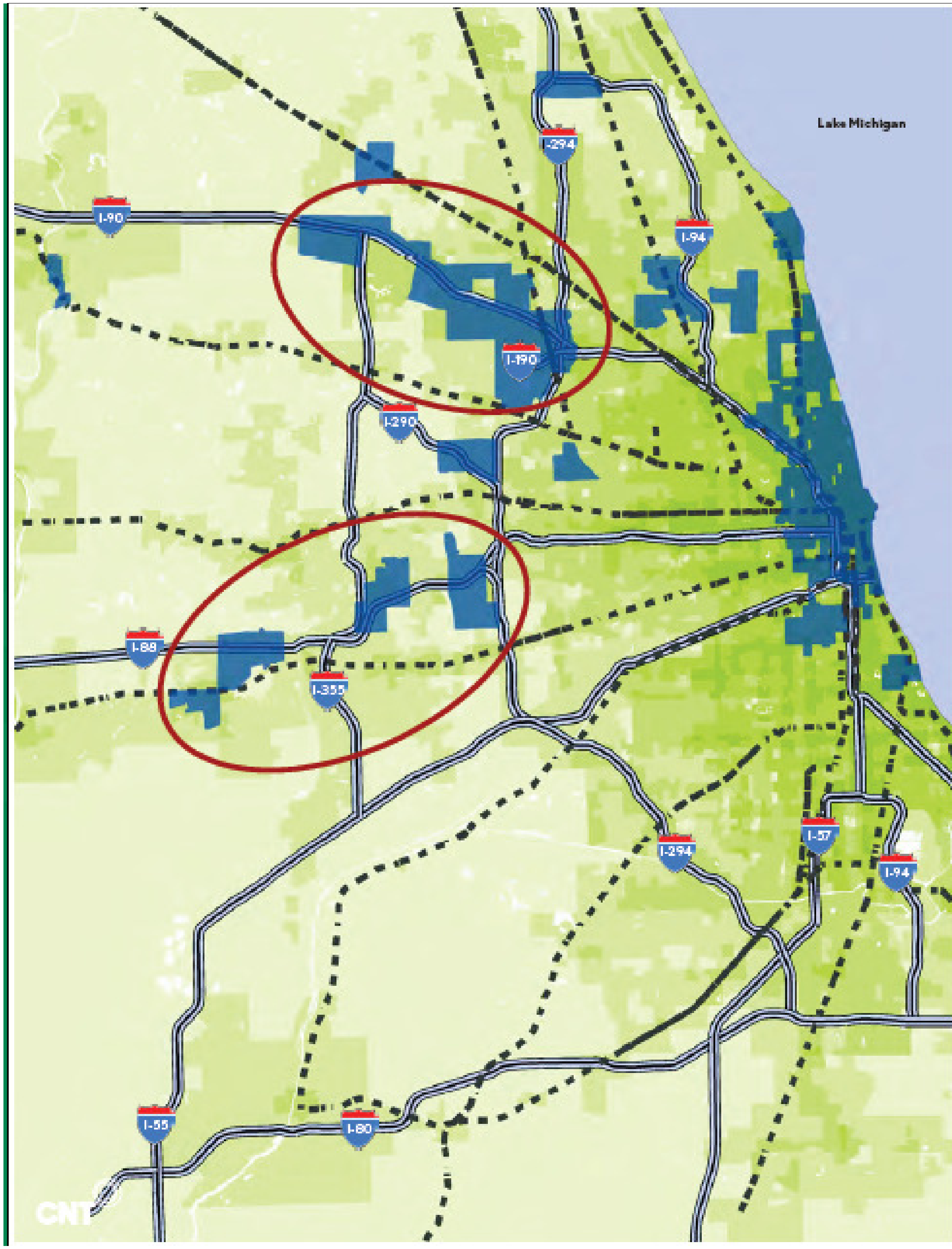
EXHIBIT 3-3

For-Sale Homebuilding Prospects

generally good | fair | generally poor

1	Washington, D.C.	5.99
2	Austin	5.76
3	New York City	5.51
4	San Francisco	5.40
5	Houston	5.31
6	San Jose	5.27
7	Seattle	5.21
8	Dallas/Fort Worth	5.19
9	San Antonio	5.14
10	Boston	5.05
11	Westchester, NY/Fairfield, CT	4.91
12	Northern New Jersey	4.68
13	San Diego	4.64
14	Orange County, CA	4.58
15	Raleigh/Durham	4.54
16	Denver	4.51
17	Los Angeles	4.50
18	Portland, OR	4.41
19	Salt Lake City	4.37
20	Nashville	4.29
21	Honolulu/Hawaii	4.29
22	Baltimore	3.99
23	Philadelphia	3.96
24	Charlotte	3.92
25	Orlando	3.87
26	Minneapolis/St. Paul	3.87
27	Oklahoma City	3.86
28	Chicago	3.75
29	Miami	3.75
30	Pittsburgh	3.72
31	Virginia Beach/Norfolk	3.61
32	Indianapolis	3.53
33	Kansas City	3.49
34	Providence	3.37
35	Milwaukee	3.35
36	Inland Empire, CA	3.35
37	Jacksonville	3.34
38	Memphis	3.32
39	St. Louis	3.27
40	Tampa/St. Petersburg	3.26
41	Albuquerque	3.24
42	Tucson	3.19
43	New Orleans	3.17
44	Phoenix	3.03
45	Cincinnati	3.00
46	Columbus	2.94
47	Atlanta	2.93
48	Sacramento	2.69
49	Cleveland	2.46
50	Las Vegas	2.37
51	Detroit	2.02

Source: *Emerging Trends in Real Estate 2012* survey.



Jobs Far from Those Who Need Them

4 of top 5 job centers have limited service:

- **O'Hare/NW Suburbs**
- **Oak Brook**
- **Lombard**
- **Naperville**

272,000 workers to support transit

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CMAP sets a new path…

- ***GO TO 2040*** chapter: "Achieve Greater Livability through Land Use and Housing"
- Local Technical Assistance (LTA) program
- Place-based implementation the next step

What has been tried?

PDAs in the Bay Area

- Communities apply if plans meet density or transit criteria
- 70% of STP in urban counties
- Investments made by Congestion Management Authorities

PDA Outcomes

- Over 100 applicants met criteria: 60% of jurisdictions with 90% of regional population
  - Investing in *planned PDAs* overcame sense of “winners” and “losers”, although not universally
- Downturn makes tracking outcomes a challenge
- Regional message just as important
- Success led to additional elements
  - $325M for One Bay Area Grant
  - $50M for Transit-Oriented Affordable Housing fund

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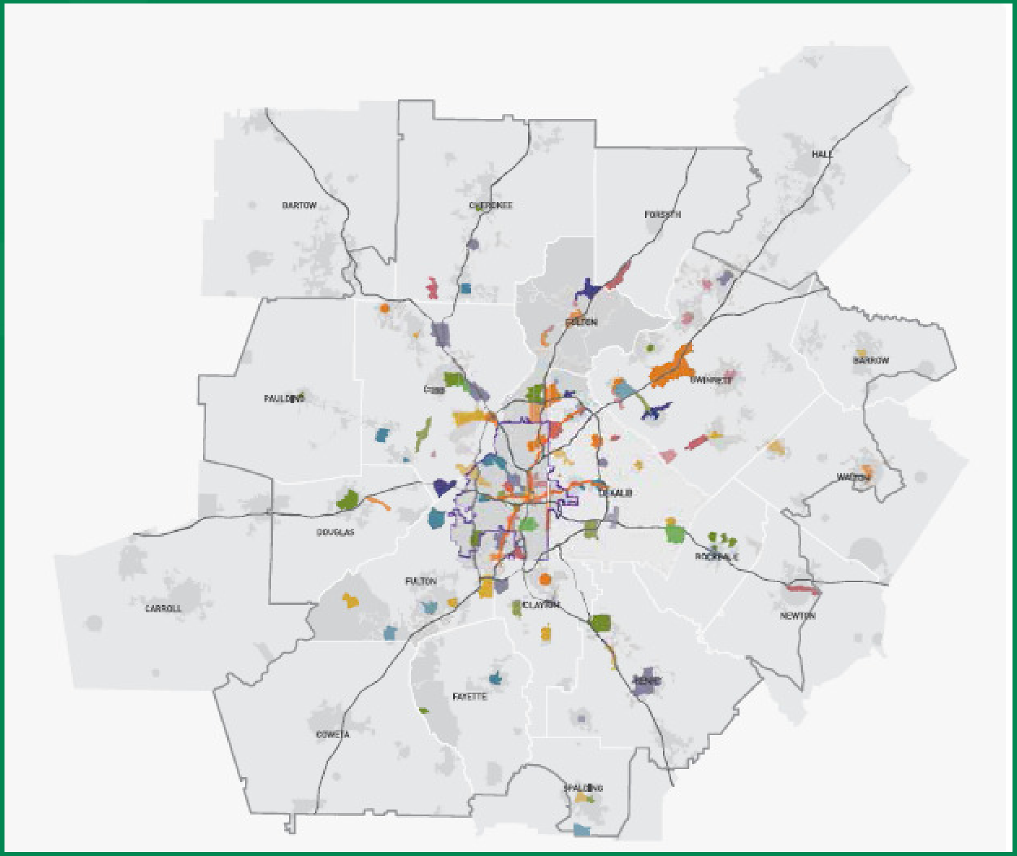
LCI in Atlanta

- ARC uses STP to fund:
  - "Turnkey" subarea plans
  - Transportation improvements
- Planning determines eligibility
- 3 categories identified, later expanded to 10

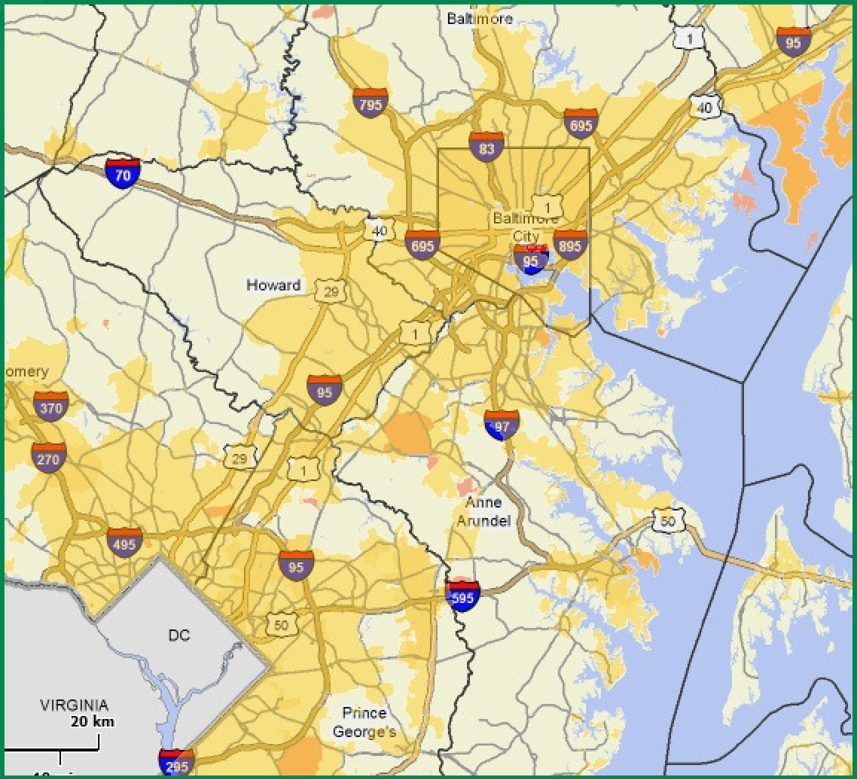


LCI Outcomes

- Captured 20% of all development, 2000-2010:
  - 84,863 residential units
  - 21.5M ft^2 retail
  - 45.8M ft^2 office
- VMT reduction in 9 of 10 areas studied
- Outreach and quick investments key to buy in
- "Couldn't end it if we wanted to"

PFAs in Maryland

- 1997 Maryland Smart Growth Act created them immediately
- PFAs can be added if they meet criteria for
  - density
  - water and sewer
  - comprehensive plan
- 5 state agencies participating



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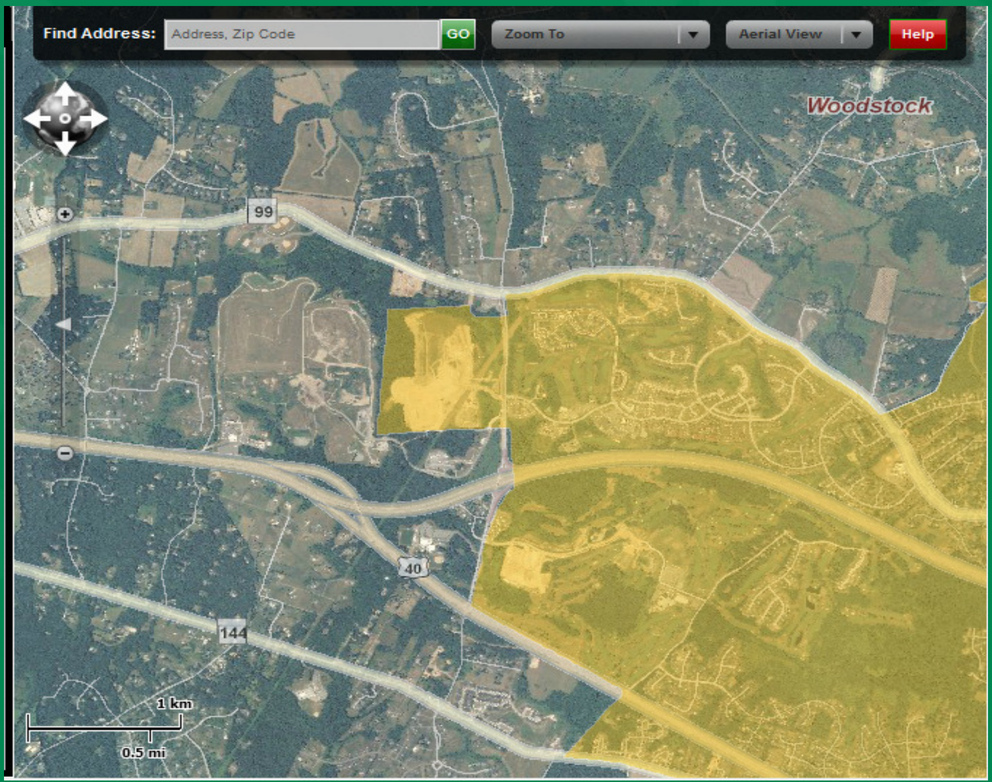
PFA Outcomes



- Interagency commitments to PFAs
- All stick, no carrot
  - "Top down" approach didn't encourage alignment
  - Few incentives for developers
- PFAs too large to move the needle

How would it work here?

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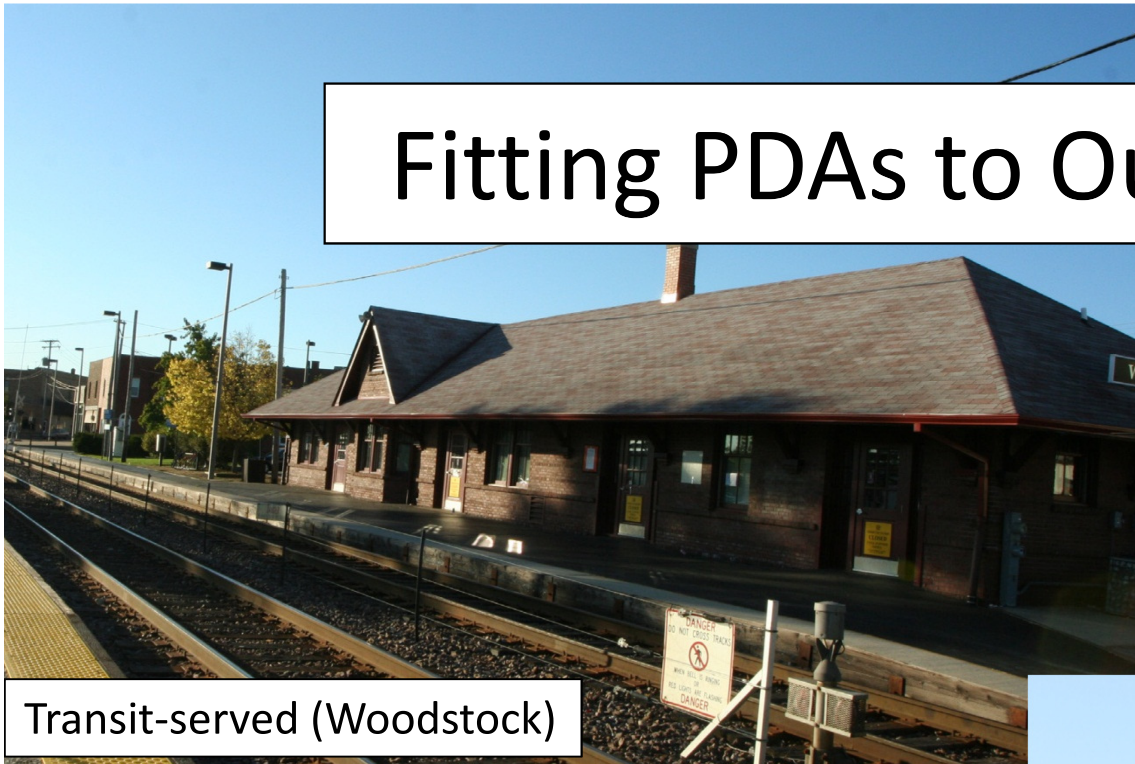
Fitting PDAs to Our Region



Transit-served (Woodstock)

Freight-served (Cicero)

Job Density (Schaumburg)

Household density (Uptown)

Defining Our PDAs

GOAL: Hone in on hubs, respect differences from city to suburb

- **Transit:** Frequency of service
- **People:** Households per Acre
- **Jobs:** Jobs per Acre

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Voluntary and Aspirational

"Plan sustainably, and we'll help build it"

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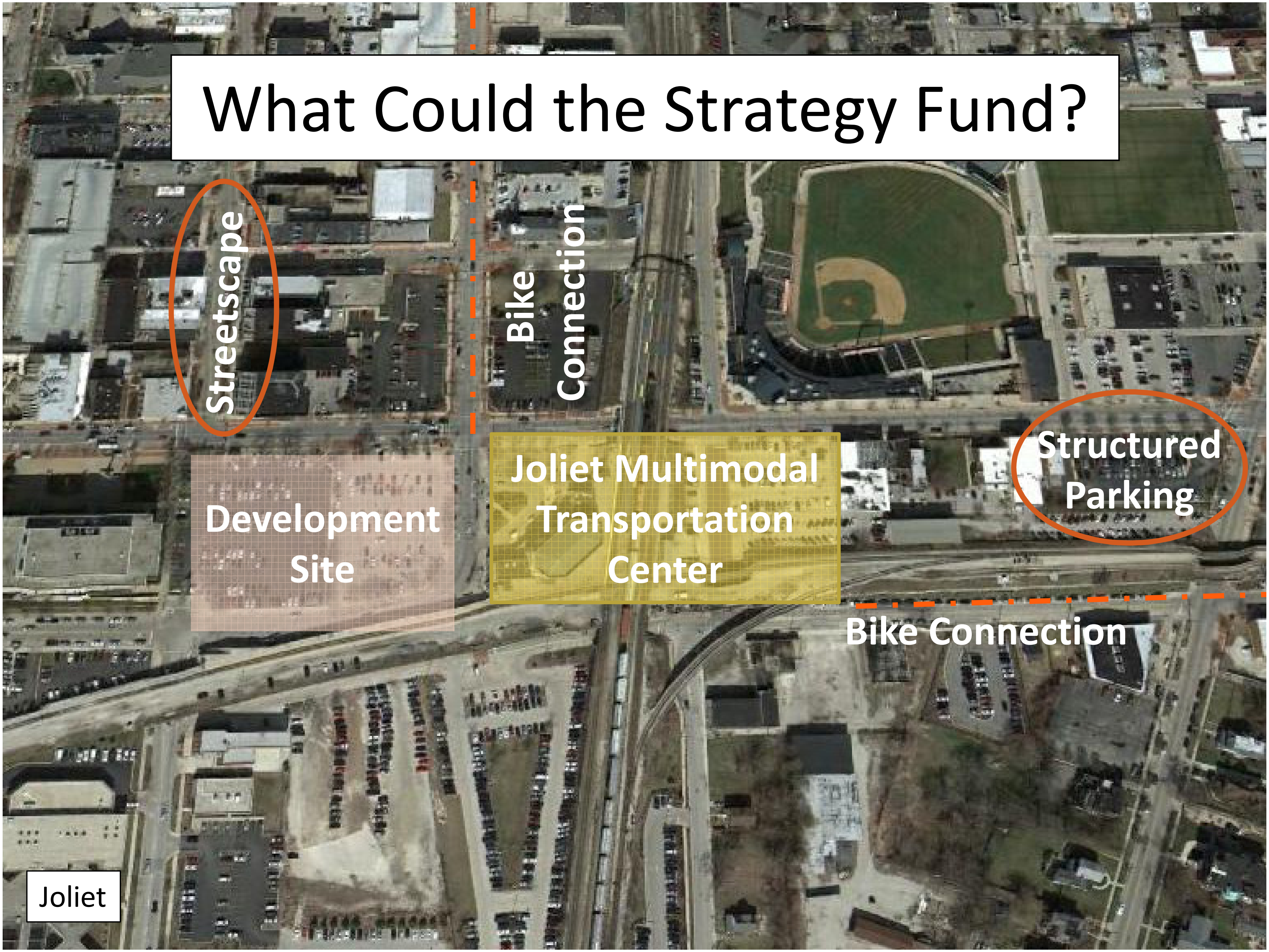
What Could the Strategy Fund?



Programs To Consider

Transportation

- STP
- CMAQ
- Transportation Alternatives

Land Use and Housing

- LIHTC
- Energy Efficiency Tax Credits
- Employer-Assisted Housing

Economic Development

- CDBG
- TIF/SSA
- DCEO grants
- Workforce grants
- Brownfields programs

Who plays a role?

Regional Collaboration Is Needed

	State	Regional	Local
Transportation	IDOT	RTA CMAP	Counties COGs City of Chicago
Housing	IHDA	CMAP	Counties Municipalities City of Chicago
Economic Development	DCEO	Investors	Counties Municipalities City of Chicago

Our Process to Make It Happen

Build Stakeholder Support

Meet with existing working groups and implementing agencies

Convene Leadership Group

Set guidelines and generate commitments

CMAP Policymaking

Present to Working Committees

Request CMAP investigate & adopt policy

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Questions and Comments?

What do you think of the strategy?

What land use programs to consider?

Should additional stakeholders be engaged?

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