

# Agenda Item No. 7.0

233 South Wacker Drive Suite 800 Chicago, Illinois 60606

312 454 0400 www.cmap.illinois.gov

# **MEMORANDUM**

**To:** Regional Coordinating Committee

From: CMAP Staff

Date: October 5, 2011

**Re:** DRAFT Framework for CMAP's 2012 Legislative Agenda

In response to the rapidly and constantly evolving nature of the state's legislative process, staff has developed a DRAFT framework document of legislative principles. Based on **GO TO 2040**, this document outlines the 12 high priority recommendations found in the plan and presents legislative principles closely aligned to the plan's **Implementation Action Areas**. The document is being developed to guide staff and to inform our partners, the governor, legislators, state agency directors and staffs about CMAP's positions regarding legislative initiatives being discussed or introduced in the Illinois General Assembly in the upcoming year.

We are seeking committee input as to the overall direction of the following. Please direct any comments to Ylda Capriccioso at <u>ycapriccioso@cmap.illinois.gov</u> or 312.386.8670.

**ACTION REQUESTED:** Discussion

###

# A Framework for CMAP's 2012 Legislative Agenda 97<sup>th</sup> Illinois General Assembly (2012 – Second Year)

The State of Illinois is key to the success of GO TO 2040 implementation. The state allocates nearly \$50 billion per year across various program areas and plays a significant role in operating and maintaining the transportation system, promoting economic development, and maintaining and preserving our natural resources. GO TO 2040 includes a number of key implementation actions targeted to the Illinois General Assembly and Governor's office for legislative action.

# **State Legislative Principles**

Using GO TO 2040 as a guide, CMAP has developed a set of *Legislative Principles* to guide staff, partners, and legislators about CMAP's position regarding legislative initiatives being discussed or introduced in Springfield over the upcoming year. The first section of the document discusses the importance of metropolitan regions and a comprehensive, coordinated approach to planning and implementation. The remaining sections focus on GO TO 2040 recommendations and lay out guiding principles that will help direct CMAP support or opposition to more specific pieces of legislation.

#### COMPREHENSIVE REGIONAL PLANNING

In this day and age, many public policy issues transcend local jurisdictions or can be too large an undertaking for any one unit of government. Issues such as economic development, transportation, wastewater management, water supply and improving the quality of life in our region are examples of challenges that require regional cooperation. Regional planning helps coordinate efforts and resources within a metropolitan area, providing state and federal governments with a source for a unified vision. As the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will, the Chicago Metropolitan Agency for Planning (CMAP) is mandated by state statute to develop and guide the implementation of the region's first comprehensive regional plan, GO TO 2040. The plan is intended to build on the region's assets, identify shortcomings, and recommend actions that will help sustain the region's economic vitality and global competiveness.

In 2007, the Comprehensive Regional Planning Fund (CRPF) was created by Public Act 95-0677 with a \$5 million annual appropriation from the General Revenue Fund for comprehensive planning across metropolitan areas in Illinois. This fund was intended as a stable and dedicated funding source for effective comprehensive planning statewide. Of that \$5 million, \$3.5 million was dedicated to CMAP. A portion of the \$3.5 million served as the state match for federal transportation funding, leveraging over \$11 million annual in federal transportation planning funds. The remaining funds provided support to CMAP's statutorily required non-transportation activities which include planning and technical assistance to municipalities on issues such as housing, community development, management of natural resources, water resources, and data acquisition and analysis. Since 2009 the transfer from the CRPF to CMAP was suspended. Between FY 2009 and 2012, IDOT has provided CMAP with a grant using the Road Funds. Last year, the budget implementation bill (SB 335) that passed included language that dissolved the Comprehensive Regional Planning Fund (CRPF), making CMAP reliant solely on an annual Road Fund grant from IDOT. This issue needs to be addressed to ensure that CMAP has a stable, dedicated funding source to effectively implement GO TO 2040.

The following are among the examples of CMAP leadership that no other agency is suited to provide:

- Complete implementation of GO TO 2040, the region's first comprehensive plan, which was adopted in late 2010 to guide development and investment for northeastern Illinois.
- Implementation of Water 2050, a Regional Water Supply Plan for an 11-county region that faces potential shortages without aggressive steps to conserve water by managing demand.
- MetroPulse (www.metropulsechicago.org), a new web resource that provides extensive data to facilitate decision making and to measure the progress of implementing GO TO 2040.
- Provide technical assistance to our local communities to address local issues at the intersection
  of transportation, land use, and housing, including the natural economic growth, and
  community development.

#### ACHIEVE GREATER LIVABILITY THROUGH LAND USE AND HOUSING

Our state has an important role to play in helping communities strive toward the principles of livability—healthy, safe, walkable communities which offer transportation choices for access to schools, jobs, services, and basic needs. More coordinated investment among transportation, environmental, and housing expenditures can go a long way toward ameliorating some of the unintended consequences that can sometimes occur when policy areas are evaluated separately. For example, transportation funds can be programmed with land use and environmental considerations in mind. As the federal government has increased its support for livable communities through programs like the Sustainable Communities Initiative (which funds CMAP's Local Technical Assistance Program), the state can also play a vital role by aligning investment choices in this manner. For example, funding programs from IDOT, DCEO, and IHDA can be coordinated and streamlined to create plans or ordinance updates that are consistent with GO TO 2040. These agencies can also prioritize funding to communities engaging in intergovernmental planning. Funding incentives from the state to encourage local governments to plan collaboratively for the future will help move northeastern Illinois toward the goal of greater livability.

# Legislative Principles:

- CMAP will support legislative initiatives that align funding across various state agencies for planning, ordinance updates, and capital investments that align with GO TO 2040's livability principles.
- CMAP supports legislative initiatives that promote reinvestment in existing communities and align with the livability principles of GO TO 2040. Specifically, CMAP supports initiatives and programs that are competitive, offered on a statewide or regional basis, and that are based on comprehensive evaluation criteria considering the interconnected focus areas of transportation, housing, the environment, and economic development.

# MANAGE AND CONSERVE WATER & ENERGY RESOURCES

The conservation of water and energy is a top priority for GO TO 2040. In the next 30 years, these resources will likely become more constrained affecting business, government and residents. By taking a proactive approach to resource conservation, the region and state can protect environmental priorities and sustainably allow economic development to continue while per capital energy and water use taper off.

Energy priorities in GO TO 2040 are focused on meeting needs through demand reduction and for our region to determine a path to increase the use of renewable energy options. For example, retrofit programs provide assistance to property owners to install energy conservation measures in existing buildings. This is a crucial part of achieving conservation goals. The State should support local and regional efforts to implement retrofit programs. The state must pursue more innovative financing mechanisms for retrofits local funds, private lenders, grants, and property assessed clean energy (PACE). Another energy conservation goal is to work toward increasing the use of renewable energy options. This process involves careful consideration of improvements to the transmission and distribution of energy, increased access to a trained workforce, and the use of new technologies to allow consumers to see energy usage minute-by-minute. Some of these improvements are referred to as a "smart grid" technology. State policies should incorporate energy renewables and new technologies to reduce energy consumption.

Even though our region is blessed with an abundance of freshwater resources, these resources are not limitless and we must take direct action to preserve and protect water quantity and quality. GO TO 2040 states that integration of land use and resource conservation planning can play a central role in achieving better water conservation. The State can take several actions including encouraging Lake Michigan Service Region permittees develop conservation plans and annual water audit reports in cooperation with CMAP; support local utilities that use conservation-oriented rate structures to incentivize more efficient water use and fund conservation programs; and modify rules and regulations that encourage water reuse strategies. Many watersheds in northeastern Illinois still lack watershed plans. These plans, if based in a multi-objective approach, can help to identify solutions to flooding and storm water, water resources, water quality or loss of habitat issues. The State should continue to fund watershed planning that incorporates multi-objective planning.

Finally, securing adequate funding to natural resource agencies is critical to implementation of GO TO 2040 resource conservation recommendations. Identifying new revenues is needed, but the General Assembly should be directing natural resource agencies to identify opportunities to coordinate programs and funding sources. A coordinated effort will promote efficiency, interagency data sharing and cooperation.

# Legislative Principles:

- CMAP will support energy conservation initiatives that meet our energy needs through demand reduction that promote and finance of local retrofit programs, incorporate renewable energy options, and use new technologies.
- CMAP will support water management initiatives that support increased commitment to
  conservation in the Lake Michigan Service Region, encourage the use of retrofit programs,
  modify rules to promote water reuse techniques, and promote integrated water and land use
  planning through multi-objective planning.

#### EXPAND AND IMPROVE PARKS AND OPEN SPACE

The state operates and maintains large quantities of open space throughout northeastern Illinois and also provides funding through various grant programs to county forest preserves and local governments for acquiring and managing parks and open lands. Despite very difficult fiscal conditions, the state still has an important role to play in conserving natural areas and promoting access to parks. In fact, the possibility of protecting additional open space is a rare upside in the recession, as lower land values

make open space preservation a bargain relative to what agencies paid earlier in the decade. Parks and open space are not a luxury. Less than half the residents of the CMAP region have access to adequate park and recreation areas near their homes, even though numerous studies have shown that such areas have a beneficial effect on both physical and mental health. The fact that Open Space Land Acquisition and Development funds were included in this year's budget is a positive sign, but the state continues to need reliable, dedicated funding for open space acquisition and to use any dedicated fund only for its intended, programmatic purpose. Here again there are opportunities to coordinate investments, such as with funding that could be used to protect groundwater by protecting land, or by prioritizing land conservation that is adjacent to other open spaces to form a network, or by targeting funds to implement trails and greenways, as called for in the Northeastern Illinois Regional Greenways and Trails Plan adopted in 2009.

# Legislative Principles:

- CMAP will support legislative initiatives that coordinate open space investment to create a connected green infrastructure network and prioritize preservation of the most important natural areas.
- CMAP will support legislative initiatives that increase funding to achieve the level of park provision and land conservation, that invest in the establishment of new parks in developed areas, and policies that provide green connections through greenway trails.

#### PROMOTE SUSTAINABLE LOCAL FOODS

There is growing concern about the environmental impacts, safety, and quality of our food. Also gaining widespread attention are the disparities of access to fresh, nutritious, and affordable foods and the health implications of "food deserts" (areas without nearby retail outlets that have fresh, nutritious, and affordable food). How residents and institutions in our region get their food may seem like an issue best left up to individual lifestyle choices and private business decisions. However, food systems are already highly influenced by public policies related to land use, transportation, and many other issues addressed in the GO TO 2040 plan. In turn, food directly influences the economy, environment, public health, equity, and overall quality of life.

GO TO 2040 recommends strengthening the sustainability of the region's local food system by: Facilitating sustainable local food production and processing in our region by supporting urban agriculture and farmland protection and helping to develop a market for local foods, and increasing the profitability of all kinds of agricultural enterprises. Increasing access to safe, fresh, nutritious, and affordable foods, especially for those residents in food deserts, and linking anti-hunger programs to local food production. Raising awareness by providing data, research, training, and information for public officials, planners and residents, and increasing data and research efforts to understand and support investments in sustainable local food.

Legislative Principle: CMAP supports legislative initiatives applied statewide or regionally that facilitate sustainable local food production, increase access to safe fresh and affordable and healthy foods, and that improve data, research, training, and information sharing.

DRAFT—October 2011 4

#### IMPROVE EDUCATION AND WORKFORCE DEVELOPMENT

Researchers, business leaders, and elected officials agree that the quality of our workforce is one of the most important factors — if not the most important — in strengthening the region's economy. Not just in the region but across the U.S., student achievement has been declining compared to other industrialized nations. In order to reverse this trend and grow a high quality workforce, we need to strengthen and expand strategies that link employers, educators, and other workforce development entities. Additionally, we need more complete data-systems that measure outcomes so we can identify successful strategies and improve decision-making. The state has played an important role in investing in programs that foster coordination between diverse stakeholders, and in developing more comprehensive data-systems. But more must be done to strengthen the connections between employers, educational institutions, and training providers and to monitor the impact of programs so effective investments and strategies are prioritized. The state should invest in and expand workforce intermediaries, bridge programs, and other efforts that align education and training with business's needs and help workers transition into employment. Allowing Workforce Investment Boards to exercise greater flexibility in how Workforce Investment Act funds are used would allow for local needs to be better met. It is also critical that state-led efforts to build a P-20 longitudinal data system and other data-systems that measure outcomes result in accessible data and information that help inform policy and decision making.

# *Legislative Principles:*

- CMAP will support legislative initiatives that align workforce development, education, and economic development, initiatives to measure outcomes, and efforts that improve data-driven decision making.
- CMAP will support legislative initiatives that allow for more flexible funding at the local level in order to expand proven strategies and respond to local business needs.

#### SUPPORT ECONOMIC INNOVATION

The regional economy can gain substantial benefits from innovation through the creation of high-paying jobs, specifically knowledge and high tech jobs. Data indicates that the region is underperforming across a variety of innovation measures, and that the region is falling behind compared to other U.S. metropolitan areas. It will require serious action to increase economic innovation to keep the metropolitan Chicago region thriving and globally competitive. Innovation is generated largely by the private sector, but the public sector has an important role to help spur innovation by supporting ideas, institutions, and relationships. The recently created Illinois Innovation Council is a step in the right direction and can help the state evaluate the success of state incentives and programs focused on fostering innovation, and to use better data and metrics to drive investments. The state should evaluate programs, such as the Innovation Challenge Matching Grant, and target funding to the programs that have the greatest impact. The state should strengthen its focus on industry clusters and work with industry coalitions to secure and leverage public and private funding that will nurture our region's clusters. In addition to improving data and funding, state regulatory reform must accompany investment particularly in areas of rapidly changing technology and changes in federal regulation. This requires the state to work with business community and nonprofits to identify regulatory barriers to innovation.

Legislative Principle: CMAP will support legislative initiatives that expand successful programs, improve data-driven decision making, and target investments towards industry clusters. CMAP will also support

DRAFT—October 2011 5

legislative initiatives that reform and modernize unnecessary ordinances and policies that act as barriers to innovation.

#### IMPROVE ACCESS TO INFORMATION

Residents are served best when government information is freely accessible to all. When public bodies have access to complete, accurate, and timely information, leaders can make decisions that are better for our communities and region. Every government action or decision should be based on high-quality information so all costs, benefits, and alternatives can be considered. Local governments have good reason to increase the availability of their data, despite legitimate concerns about cost, staff capacity, liability, privacy and security. The inefficiency of seeking hard-to-reach data far outweighs the expense of providing data effectively. CMAP's technical assistance is already helping governments and other organizations across the seven counties openly share their data with each other and with the public.

Legislative Principle: CMAP will support legislation that helps local governments post data online, facilitates opportunities to form partnerships around data-sharing pilot projects with other interested regional partners, and helps implement best practices and technological improvements that facilitate open exchange of data.

#### PURSUE COORDINATED INVESTMENTS

One community, or even a single level of government, cannot solve our most pressing problems alone. The State of Illinois is a large and diverse, but our communities are interdependent and State and local leaders will have to work across geographic borders to create sustainable prosperity. Metropolitan regions drive the U.S. economy, yet state governments make most of the decisions about investing federal dollars. The state too often spreads those resources around too thinly, which undermines the ability of our region to implement plans no matter how well-conceived. To harness the economic power of regions like ours, the state should return and invest more resources in metropolitan areas and give them more authority to decide how to use those funds. Such a regional approach could focus state investments to maximize their economic impact. There are many State policy areas that have long existed in separate "silos." The State must identify ways to dismantle barriers between state agencies to help ensure they respond to the needs of communities rather than react. In particular, agencies should work together to streamline grant requirements and to align their goals, performance criteria, and funding. By making collaboration across state programs routine, agencies can help regions to more effectively implement comprehensive solutions to their problems.

Legislative Principle: CMAP will support legislative initiatives take a regional approach, foster interjurisdictional collaboration, intra-agency investments to increase efficiencies and remove duplication where appropriate.

# INVEST STRATEGICALLY IN TRANSPORTATION

GO TO 2040 emphasizes efficient and fair decision making concerning transportation expenditures and also an increase in transportation funding, relying on several new or expanded sources. The future

persperity of Illinois depends on strategic transportation investments, and this requirement is especially pertinent in tough economic times. However, our current investment practice is often predicated on arbitrary formulas, such as the state's "55-45 split", rather than economic or performance-based criteria. While just one corner of the state in geographic terms, northeastern Illinois generates over 70 percent of the gross state product, suggesting that a dollar of transportation investment in the region provides a higher return than a dollar invested elsewhere in the state. Illinois, unlike many other states, lacks a transparent, performance-driven approach to programming these transportation dollars after they are apportioned to the various districts. GO TO 2040 emphasizes that the state and other transportation implementers prioritize efforts to maintain and modernize existing assets before expanding the system, and that investments of all types take a multimodal approach, with consideration for all users. Additionally, the State's larger capital funding process is inconsistent, consisting of a major supplementary funding package about once a decade. Dependable, predictable funding is crucial for complex, long-term transportation projects.

In addition to emphasizing strategic transportation investments, *GO TO 2040* recommends increasing transportation funding through several new or expanded sources. Current transportation revenues are insufficient to maintain and modernize the regional transportation system, or strategically expand the system as recommended in GO TO 2040. The generation of new revenues must be done through efficient, sustainable user fees, which should better reflect the actual costs of maintaining and operating the system. Additionally, user fees should reflect broader social costs of transportation, such as the costs of traffic congestion.

# Legislative Principles:

- CMAP will support legislative initiatives that establish more robust statewide measures for allocating road funds and state construction account revenues to IDOT Districts, establish a transparent and accountable process within IDOT to grant regions more decision-making authority and flexibility in funding regional priorities.
- CMAP will support legislative initiatives that increase and index the existing motor fuel tax to support the repair and modernization of the transportation system. Additionally, CMAP will support legislation to permit and encourage innovative transportation finance measures that reflect the marginal costs of using the system. Policies such as congestion pricing support more efficient management of existing transportation assets, and encourage travelers to make judicious use of our scarce transportation resources.
- CMAP will support efforts to include state capital program funding as part of the annual budgetary process, rather than in the form of infrequent state capital program packages. Again, project selection should be based upon performance criteria.

# INCREASE COMMITMENT TO PUBLIC TRANSIT

Public transportation helps reduce congestion, improves air quality, and provides transportation alternatives for those who can't or choose not to drive. The mobility enabled by transit helps our economy grow and improve our quality of life—two goals that will become increasingly important as our region welcomes an additional 2.8 million residents over the next 30 years. After decades of underinvestment, our transit system requires substantial funds to return to a good state of repair.

Additionally, many parts of the region lack access to transit altogether, and we should take a limited and conservative approach to expanding service to these areas. Part of this approach may include lowercost, more flexible forms of public transportation, such as bus rapid transit. Additionally, we should encourage the state to support transit-oriented development through its transportation, housing, and economic development investments. To pay for the maintenance and expansion of the public transportation system, our transit agencies need to address the cost of their services, which have been rising rapidly. At the same time, the region needs to secure new sources of revenue to support transit. More specifically, our region should dedicate a portion of the proposed gas tax increase to transit, as well as some portion of future congestion pricing revenues. We should also pursue other innovative forms of finance, which may include greater participation by the private sector, pursuing federal loan and credit enhancement opportunities, and value capture strategies.

Legislative Principle: CMAP will support legislative initiatives that provide more resources for the maintenance and modernization of our transit system, that encourage innovative transit finance, and that provide for reasonable expansion of the transit system as described in GO TO 2040.

#### CREATE A MORE EFFICIENT FREIGHT NETWORK

By any measure, our region is the nation's hub of rail and truck freight. While the freight industry creates jobs and boosts our economy, the movement of goods by truck and train can also increase congestion and contribute to air pollution. The region must balance this inherent tension so freight traffic can serve as an engine of economic prosperity with minimal impact on local communities. To do so, our region needs to fully fund and complete the CREATE plan; improve the truck system through an update of truck routes and restrictions in the near term, and the construction of dedicated truckways in the long term; and advocate for a national freight policy. To support these efforts, the region should establish a Regional Freight Authority to coordinate policies, make strategic capital investments, address community concerns, and speak with one voice to state and federal governments on issues of policy. Freight is truly a regional issue, and any new Freight Authority must have an area of responsibility to match: trucks and rail affect multiple communities, freight infrastructure crosses municipal and county borders, and workers throughout the metropolitan area are employed in the goods movement industry. Additionally, CMAP will continue to monitor ongoing policy efforts in regional goods movement, including two new state laws that require (1) municipalities to update their truck routes and (2) IDOT to develop a state freight plan.

Legislative Principle: CMAP will support legislative initiatives that fund CREATE, explore the creation of truckways and their funding through congestion pricing, and establish a Regional Freight Authority.

# REFORM STATE TAX POLICY

To create livable communities and keep our region economically competitive, state and local tax systems should encourage effective land use, generate good jobs, and foster sustainable economic activity. GO TO 2040 recommended that the CMAP Board establish a Task Force to advise the CMAP Board on state and local tax policy reforms that would advance GO TO 2040's goal for sustained regional economic competitiveness through creating more livable communities, improving the region's economic climate, enhancing the region's transportation system, and making governance in the region more efficient. The Task Force was charged with evaluating state and local fiscal policy issues through the lens of the regional economy and the connections between tax policies and development decisions with a

focus on improving the efficiency, equity, and transparency of the tax system. The Task Force exists to advise the CMAP Board and has no statutory or independent authority.

Legislative Principle: CMAP supports legislative initiatives that align with the CMAP Board's state and local tax policy recommendations, as made through the Regional Tax Policy Task Force.