

## Implementing ARRA

Design Snapshot

# Chicago's Southern Suburbs Focus on ARRA: Coordinating Inter-Suburban Recovery

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To leverage limited ARRA resources, Chicago's [Metropolitan Planning Council](#) is working with local leaders and key partners to build on efforts already underway to promote inter-jurisdictional cooperation in the city's south suburbs around the first round of the [Neighborhood Stabilization Program](#) (NSP1). By layering new stimulus dollars for energy efficiency, workforce development, transit improvements and neighborhood stabilization into the same focused areas for investment identified by the south suburbs' joint NSP1 application, these partners intend to enhance the benefits generated by any single program.

ARRA Initiatives Across Chicago's Southern Suburbs	
<b>Purpose:</b>	Link and align stimulus funding streams across hard-hit jurisdictions to maximize recovery impact
<b>Lead entity:</b>	Nonprofit business and civic group
<b>Partners:</b>	Local governments, sustainable growth advocates, metro mayors caucus, regional transportation agency, nonprofit technical assistance providers, real estate developers, and law firm
<b>ARRA focus:</b>	Neighborhood Stabilization Program 2, State Energy Program, Weatherization Assistance Program
<b>Scale:</b>	A suburban area of roughly 40 towns
<b>Strategies:</b>	Reflects a long-term regional vision; adopts multi-jurisdictional and multi-sectoral approaches; embraces integrated solutions; employs information management, data, and benchmarking
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The Metropolitan Planning Council (MPC) and key partners, the [Metropolitan Mayors Caucus \(MMC\)](#) and the [South Suburban Mayors and Managers Association \(SSMMA\)](#), support inter-jurisdictional cooperation over competition in generating effective ARRA implementation and have brought together a group of south Cook County suburbs to advance joint recovery initiatives. Many of these southern Chicago suburbs have been hit hard by the recession, particularly by foreclosures. As MPC notes, while the Chicago metro area as a whole in 2008 suffered 25.4 foreclosure filings per 1,000 mortgageable properties, the rate was 80 percent higher for just the south suburbs at 45.8 filings per 1,000 properties.

With an average population of 19,000 residents, few of Chicago's south suburbs would be well positioned to compete for, or effectively invest, state and federal dollars on their own. Combined, however, they represent over 300,000 people and a significant base of strong assets—transportation linkages, a ready

workforce, and innovative leaders—that make them ripe for redevelopment. For that reason, MPC, MMC, and SSMMA crafted a strategic approach to the NSP1 funding opportunity made available in 2008 that focuses on helping 17 towns in southern Cook County form the South Suburban Housing Collaborative to tackle neighborhood stabilization issues across this area.

The 17 towns of the collaborative have already submitted a strong joint application for state NSP1 dollars and plans to do the same at the county-level NSP1 competition as well. With philanthropic support, the collaborative recently hired a Director of Housing Initiatives to align the different policies and resources of participating towns; contracted with one lead nonprofit developer to oversee property acquisition, construction, disposition, and other related activities; and engaged pro bono services from one major law firm to produce the needed intergovernmental agreements and zoning overlay districts to formally align inter-jurisdictional efforts to make it easier for private sector developers to work across borders. Chances are the collaborative will be in a good position to receive added funding for its neighborhood stabilization plans through the second round of NSP—NSP2—available for competition through ARRA via the ambitious regional plan being put together by the [Chicago Metropolitan Agency for Planning](#) for the broader Chicago metro geography.

MPC and its partners are drawing on the neighborhood stabilization strategy already in place for the south suburbs to join up other ARRA funding possibilities for this area in energy efficiency and workforce development. The NSP1 plans for the south suburbs focus on areas that are near transit and rail lines, along the existing Calumet River economic development corridor, and/or included in successful redevelopment or reinvestment that has already been set in motion. To leverage possible NSP1 projects in these areas, project partners intend to target many additional investments in energy, water, and economic development to 42 transit station zones, spanning approximately 40 towns. In this way, they aim to put new ARRA funds to use in innovative ways, while also drawing on existing state and county resources available for such work as weatherization, energy assessments, and brownfields remediation.

For starters, to advance green rehabilitation of the area's housing stock, project partners plan to work with the Illinois State Energy Program and the Illinois Housing Weatherization Assistance Program (IHWAP)—both of which received a new infusion of funds through ARRA—to support new construction and retrofitting of NSP homes. As NSP is required by law to serve low-to-moderate income households, this use should meet IHWAP's income guidelines. MPC, SSMMA, and the [Center for Neighborhood Technology \(CNT\)](#) are also exploring the possibility of using the relatively flexible funding through ARRA's [Energy Efficiency and Conservation Block Grants \(EECBG\)](#) to address longer term redevelopment needs by, for example, creating a pooled fund of EECBG awards and allocations to subsidize future developer costs or using the program's 20 percent planning set-aside to produce a new mixed-used, mixed-density zoning overlay for the targeted transit station areas. Additionally, EECBGs could be used to create a weatherization program to complement existing sources, with a targeted focus on properties within transit zones.

The planned investments for the south suburbs—both through stimulus funds and other resources—align with the region's prevailing transit-oriented development (TOD) goals. Not only do they advance the state's broader "live near work" and housing preservation priorities, they also support existing regional and subregional plans. For example, the south suburbs' NSP strategy includes 200 parcels that may be along a proposed new commuter rail line and are likely prime candidates for TOD, pending a study to be completed by SSMMA and the [Regional Transportation Authority](#). That study, which will include TOD and stormwater management guidelines, is informed by a CNT TOD analysis that used market and connectivity assessments to determine a TOD typology that should streamline future development.

Measuring the impact of new development and redevelopment is a key element to all the plans for the south suburbs. MPC identified measurable goals for the area such as increased pedestrian activity, retail business, and transit ridership, as well as decreased water and electricity use, and will work with CNT to track progress on these indicators.

By tying potential ARRA resources into existing planning efforts for the south suburbs, the project partners' framework promotes neat, effective, and efficient program and policy coordination without a separate, parallel stimulus process.

### **The Implementing ARRA Series**

America's current economic crisis is not only a national crisis. It is also a metropolitan crisis. Therefore, it is critical to monitor the progress of creative metropolitan leaders who are leveraging the myriad resources provided by the \$787 billion American Recovery and Reinvestment Act of 2009 (ARRA). To that end, the Metropolitan Policy Program's Implementing ARRA Series is tracking the implementation work of metropolitan leaders, assessing their progress and struggles, and extracting from the innovators' experiences ideas for short- and long-term federal policy reforms. Ultimately it is hoped the series will serve as a resource for best-practice exchange among regions and a source of ideas for designing the next generation of metro-friendly federal policies.

#### **For More Information**

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