Suburban housing collaboratives: a case for interjurisdictional collaboration
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Suburban housing collaboratives: a case for interjurisdictional collaboration

by Susan Longworth

Background

More than 280 municipalities surround the city of Chicago, with more than 120 in Cook County alone. The metropolitan region's seven counties also include 123 townships, 307 school districts, 136 fire districts, 173 park districts, and 108 library districts. In recent years, some suburban communities have recorded foreclosure rates exceeding those of the most distressed inner city neighborhoods. In other towns, home values have fallen to 1990s levels. In still others, less than 10 percent of the local workforce can afford to live near where they work. Layered over all of these conditions are pared down municipal budgets that limit the capacity of communities to provide basic services, let alone address and maintain vacant properties resulting from the foreclosure crisis. In short, community leaders, elected officials, developers, policymakers, and advocates face the challenges of balancing community priorities with sharply reduced municipal budgets. They also seek additional, outside resources to address the impacts of an unprecedented foreclosure crisis and recession. Some municipal leaders have joined forces to explore one possible solution to address housing issues. Interjurisdictional collaboration (IJC) is not a new concept, but it takes many forms and may have the potential to be adapted and replicated in other communities across the region.
Interjurisdictional collaboration glossary

Interjurisdictional collaboration (IJC): A strategy to leverage external resources, align internal strategies to collectively address common issues and goals that cross municipal boundaries, and capture resulting efficiencies. (Source: Metropolitan Planning Council)

Land bank: A public authority created to acquire, hold, manage, and develop tax-foreclosed property, as well as other vacant and abandoned properties. (Source: HUD)

Employer-assisted housing (EAH): A generic term describing any number of ways that employers invest in housing solutions for local workers. Employer contributions can range from supporting homebuyer education and providing down-payment assistance to donating land for development or supporting political leadership around new workforce housing policy and development. (Source: Metropolitan Planning Council)

Intergovernmental agreement (IGA): Any agreement that involves or is made between two or more governments to cooperate in some specific way. Most IGAs are made to upgrade services, consolidate resources, and save money through economies of scale. (Source: www.ehow.com)

Community land trust: A nonprofit, community-based organization that develops or other assets at permanently affordable levels for long-term community benefit. (Source: National Community Land Trust Network)

This article explores four examples of IJC from the Chicago metropolitan area. All four have been supported – to varying degrees – by the Metropolitan Mayors Caucus (MMC), Chicago Metropolitan Agency for Planning (CMAP), and Metropolitan Planning Council (MPC), as well as multiple sources of public and private investment. These examples involve suburban communities and demonstrate the changing ways that metropolitan suburbs address housing issues. The intended audience includes municipal leaders, state and federal policymakers, property developers, financial institutions, business leaders, community development practitioners, public policy analysts, and anyone interested in the more efficient and effective use of municipal resources to address housing issues facing contiguous groups of municipalities.

This article details the ability of IJC to address conditions stemming from both the current housing crisis and a historical “jobs-housing” mismatch (i.e., a shortage of housing affordable to workers close to jobs). However, municipal cooperation is a long-standing practice of which there are many examples. Successful examples of IJC balance greater efficiencies and impact with the need to maintain local autonomy and control.

Much urban planning literature explores the relative merits of maintaining local autonomy and self-determination versus the efficiencies achieved through regional consolidation, including the more regionalized allocation of resources. However, proponents of IJC do not see “localism” and “regionalism” as mutually exclusive. Rather, they recognize that in contemporary metropolitan areas, the economically, socially, and ecologically relevant local area is often the region. (Brieffaut, Richard 2000) Supporters of “localism” may argue for autonomy and self-determination above all, while “regionalists” argue that excessive local control diffuses scarce resources and services, leading to unsustainable communities, and that political fragmentation of metropolitan areas makes it difficult to foster sustainable, efficient community and economic development. Supporters of IJC would argue there is room in the middle to accommodate both perspectives. And, as a result, IJC has emerged as an alternate strategy for more efficient use of municipal capacity and resources to address conditions affecting multiple, contiguous towns, while preserving local autonomy.

What is interjurisdictional collaboration?

For the purposes of this article, Interjurisdictional Collaboration is defined as a "strategy to leverage external resources, align internal strategies to collectively address common issues and goals that cross municipal boundaries, and capture resulting efficiencies." IJC does not entail or portend any change to current municipal governance structures, but rather that participating governments change how they relate to one another. People choose places to live based on personal preferences. The examples of IJC presented here illustrate that communities may share borders, but might have little else in common. Thus, a key tenet of IJC is to ensure representation of views across contiguous communities that seek to address common problems, or that share common objectives and are united by shared interests. Also inherent to the examples of IJC is they each return measurable efficiencies or tangible resources to the individual communities as a result of collaboration.

A common application of "regionalism" is the sharing of services, such as emergency response teams or waste management services among a few communities. That is not the purpose of IJC or the subject of this article. Further, the examples of collaboration in this article are each suburban. Although each of the examples either borders or is close to the city of Chicago and all fall within its metropolitan statistical area, the focus
is on how these municipalities interact with each other.

In each of the examples, we also explore the roles of the regional planning agencies that have extensive histories of guiding the development of the Chicago region.

**Interjurisdictional collaboration in metropolitan Chicago**

Our four Chicago area examples of IJC address improved access to and preservation of affordable housing options, as well as the current housing crisis. The communities and models profiled are situated to the north, northwest, west, and south of the city of Chicago. The collaboratives vary in size from five communities to 19. One has existed informally for over a decade; one has grown out of a large, economic development collaborative; one was just getting started as the foreclosure crisis hit; and one emerged with the foreclosure crisis as community needs rapidly outpaced the capacity to address them.

Within the four collaboratives, the participating communities are not homogeneous in any way. They are racially and ethnically diverse, and economically range from extreme affluence to low income. While one community may wrestle with how to provide upscale housing for downsizing seniors, another may lack the funds to board up abandoned properties. Two collaboratives include communities that share a border with the city; two are more removed. For the most part, the collaboratives fall within Cook County, although, two cross into neighboring Lake County and one into Will County.

The smallest city across the four collaboratives has a population of less than 2,000, the largest more than 70,000. The majority have populations under 20,000. Many have lost residents over the past decade and are confronting issues of increasing racial diversity. Few have the capacity to retain the staff and garner the resources necessary to confront present challenges. Together, these communities share expertise, access funding, capture opportunities, and implement programs that may change how communities interact with their neighbors to achieve important, shared housing goals.

IJC is not a simple undertaking. The profiled collaboratives have confronted longstanding issues, including racial and socioeconomic tensions. A significant amount of groundwork needs to be laid before IJC can gain real momentum, which includes cultivating leadership, building trust around common goals, and identifying mutually agreeable strategies. Progress is often slow and is sometimes measured in small steps rather than ribbon cutting ceremonies, and as roles and actors change, some battles must be fought multiple times. But a key motivator of IJC is that it provides the opportunity to pool and focus resources where they are most needed and can have the greatest impact, even if this means that some participating communities receive no direct investment.

Current economic conditions have transformed cross-border collaboration from an interesting exercise in efficiency to a virtual necessity. Reduced local, state, and federal resources have stretched municipal budgets to the limit. For this reason and more, the IJC concept has also received attention and encouragement from the federal level. The U.S. Dept. of Housing and Urban Development (HUD) Sustainable Communities Grant Program, which embraces the IJC tenets of cooperative problem solving, was launched by the newly created Office of Sustainable Housing and Communities "to stimulate more integrated and sophisticated regional planning to guide state, metropolitan, and local investments in land use, transportation, and housing, as well as to challenge localities to undertake zoning and land-use reforms."

(Alexander, Lisa T. 2011)

**The beginnings: the Metropolitan Mayors Caucus**

According to local housing experts, the roots of IJC in the Chicago area precede the foreclosure crisis. Discussions of affordable housing once conjured up images of decaying, urban housing projects. The dialogue began with the 1999 Regional Rental Market Analysis (RRMA), managed by MPC, that documented a long-held belief: market forces of supply and demand were not producing the expected (or desired) result with respect to development of housing affordable to local workforces. The suburban housing market was not accommodating the job and population growth of the 1990s. Home ownership was largely out of reach for the new workforce, and rental housing close to major employment centers was not plentiful or affordable. Long commutes from affordable communities to those with job centers were resulting in fatigue, traffic congestion, and employee dissatisfaction and turnover – a huge cost for employers.

While these trends were detrimental to businesses and to the quality of life for the region’s residents, addressing the shortage was a challenge due to the Chicago region’s municipal

[Continued on page 7]
Collaboration in the north suburbs

The suburbs of Highland Park, Lake Forest, Deerfield, and Northbrook form a loose semi-circle around the community of Highwood, the smallest, least affluent, and most racially diverse of the five, which has a population of just over 5,300. To the north, Highwood is bordered by Lake Forest, one of the wealthiest communities in the nation, with median household income close to $150,000 – more than twice the Illinois state median. To the south is Highland Park, another lake shore suburb where median household income greatly exceeds the state median, and median home value is close to $600,000. To the west and southwest of Highwood are Deerfield and Northbrook; both have median household income over $100,000 and educational attainment levels exceeding state and national averages.

In 2006, a threat to one of the only affordable rental properties serving the area’s local workforce catalyzed the first set of meetings about interjurisdictional housing collaboration. Led by former Highland Park Mayor Michael Belsky, whose community had an established track record promoting affordable housing, the five communities discussed the potential loss of Highwood’s 250+ unit North Shore Estates, located across from the former Fort Sheridan on the shores of Lake Michigan. The conversion of North Shore Estates to market-rate condominiums would represent a significant loss of already scarce local, affordable rental housing. Over 45 percent of renting residents across the five towns pay more than 30 percent of their gross monthly income in rent, indicating a shortage of housing affordable to the area’s workforce (2005-2009 American Community Survey).

In 2007, to better understand the impact of a shortage of housing affordable to area workers, MPC analyzed collective housing supply and demand in the five towns: close to 60,000 local workers earned less than $50,000 per year, and fewer than 5,000 residences were affordable to that income level. The mayors of these five suburbs, having already lost Uline (a manufacturer of shipping materials) and other employers to Wisconsin, recognized the need to promote a housing stock affordable to local employees as a means to retain businesses. Highland Park already had a number of unique housing programs and developments, and Lake Forest was in the process of expanding its own program base. Between these two municipalities with strong community development staffs sits Highwood, which struggles to maintain a village administrator.

Area mayors recognized the value of employer engagement and were receptive to a new partnership to help retain major employers. In 2007, just prior to the foreclosure crisis, Charter One Bank, in partnership with the mayors of the five communities and the MPC, launched the Workforce Housing Initiative to provide local employers with a “menu of options” of market-based solutions to help employees afford existing homes and/or create new homes affordable to working families. These options ranged from down-payment assistance and home ownership counseling assistance to land donations. Across the metropolitan area, more than 70 employers are providing housing assistance to their employees, and have helped close to 3,000 employees become home owners over the last 10 years. Furthermore, some of the North Shore’s leading employers, including Walgreen’s, Abbott Labs, Lake Forest College, and others have stepped up to support needed development and housing policy change.

In spite of their collective affluence, these north suburban communities have not been immune to the recession and resulting stresses on businesses and residents. According to Midwest Real Estate Data LLC, between May 2010 and May 2011, 25 percent of all home sales in the northern suburbs were “distressed” – meaning either a foreclosure or short sale.

MPC and MMC sponsored several meetings with the communities to consider how to create an inventory of affordable housing through employer engagement and by creating a sustainable community land trust that could potentially extend across the five suburbs. The Highland Park Illinois Community Land Trust (HPICLT) was recognized as an appealing model, so participating towns and employers applauded the decision of that HPICLT Board to “go regional” as the new Community Partners for Affordable Housing (CPAH). Today, in addition to ongoing land trust activities in Highland Park, Lake Forest recently approved two scattered site affordable homes. While implementation is still evolving, each of the communities recognizes, as communities nationwide are learning, that they have neither the capacity nor the resources to address affordable housing needs at the necessary scale on their own. CPAH serves a 20-mile radius from Highland Park, and advises the communities as they consider their affordable housing options.

However, the prospects of funding these types of initiatives in today’s environment underscore current resource shortages. Recent applications for funding have not been successful, as these suburbs must compete with less affluent communities. However, even unsuccessful attempts to secure funding have advanced planning activities, as well as the sharing of best practices.
**Collaborative Demographics Profile**

<table>
<thead>
<tr>
<th>North</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td># of Municipalities</td>
<td>5</td>
</tr>
<tr>
<td>Total Population</td>
<td>105,933</td>
</tr>
<tr>
<td>Median Household Income</td>
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<tr>
<td># Home Rule Communities</td>
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<tr>
<td># Non-Home Rule Communities</td>
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</tr>
<tr>
<td>% Vacant Housing Units</td>
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</tr>
<tr>
<td>% Owner-Occupied Housing Units</td>
<td>94.5%</td>
</tr>
<tr>
<td>% Ownership Housing Unaffordable*</td>
<td>33.1%</td>
</tr>
<tr>
<td>% Rental Housing Unaffordable**</td>
<td>46.3%</td>
</tr>
</tbody>
</table>

* unaffordable defined as monthly owner costs greater than 30% of household income
** unaffordable defined as gross rent greater than 30% of household income

**Source:** Metropolitan Planning Council.
<table>
<thead>
<tr>
<th>Collaborative Facts</th>
<th>North</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catalytic Reason for IJC</td>
<td>Engage employers in the need for workforce housing</td>
</tr>
<tr>
<td>Year Structure Formalized</td>
<td>The collaborative activities in the north suburbs have not been formalized. The communities engage periodically to address workforce housing issues</td>
</tr>
<tr>
<td>What is Structure?</td>
<td>While there is no formal structure, a local non-profit, Community Partners in Affordable Housing (CPAH) advises the communities, as requested</td>
</tr>
<tr>
<td>What is Staffing?</td>
<td>CPAH lends the expertise and donates the time of its staff, as needed</td>
</tr>
<tr>
<td>Dollars Leveraged</td>
<td>To date, the north suburbs have not collectively secured any funding</td>
</tr>
<tr>
<td>Activities/Work in Progress</td>
<td>Hosted joint employer outreach events on ways to support workforce housing</td>
</tr>
<tr>
<td></td>
<td>Highland Park Illinois Community Land Trust expanded to serve the sub-region in 2010 and now operates as CPAH</td>
</tr>
<tr>
<td></td>
<td>CPAH is conducting projects in multiple towns</td>
</tr>
</tbody>
</table>

**Source:** Metropolitan Planning Council.
fragmentation, a lack of coherent state policy on affordable housing, and furthermore, “community resistance to apartments was consistently mentioned as the primary barrier” to providing rental housing. (For Rent: Housing Options in the Chicago Region 1999)

The RRMA mobilized the MMC’s housing leadership to establish a common set of housing goals and consensus around the related community benefits. Today the Caucus has a full-time housing director, in addition to its executive director, and represents over 270 area mayors, providing a forum for discussion, cooperation, consensus, and change around issues affecting the entire region. The Caucus’s Housing Endorsement Criteria and subsequent Housing Action Agenda?, first approved in 2002 and subsequently updated and re-approved in 2011, together created a common platform from which to promote the right balance of housing options affordable to local workers and a range of other households, including seniors and young singles. The Housing Endorsement Criteria are principles guiding the type of housing communities that should work to develop and preserve. Specifically, the endorsement criteria encourage activities to promote economic development and workforce housing stating: “Housing, when appropriately located, encourages the expansion of existing businesses and the establishment of new businesses and industries within the region. The mismatch between where the jobs are and where workers can afford to live has significant costs. Increasingly, employers recognize that local housing for all levels of their workforce promotes stability and productivity for the workers, as well as the individual company.”

The Housing Action Agenda outlines “proactive steps toward the full range of quality housing options for the diversity of households that call this region home.” The mayors understood that a solid housing agenda also needed the support of area employers focused on a competitive workforce, which meant providing viable “live near work” housing options. According to MPC, which has worked with companies to develop EAH programs, it is a “generic term to describe any number of ways employers are investing in homes for the local workforce. By helping employees buy or rent homes close to work or transit, employers help reduce the long commutes that contribute not only to time away from family, traffic congestion, and air pollution, but also to employee stress and fatigue.” Beyond EAH, The Mayors Caucus and partners like CMAP and MPC developed publications and tools, such as Housing 1-2-3 and the Homes for a Changing Region Initiative, to help communities fulfill the objectives of the Action Agenda.

In the early 2000s, after helping a number of towns implement some of the Caucus’s new strategies, it became clear that working town-by-town would not create the efficiencies needed to address the live-near-work challenges on a meaningful scale. While successes emerged, experience showed that each was so complex that measurable, region-wide progress could not be a realistic result of towns working independently. Notably, even the employer engagement in these efforts further motivated a collaborative approach, since employers reach across municipal boundaries for employees and customers.

In 2007, Charter One Bank launched its Workforce Housing Initiative in the north and northwest suburbs, which expressly encouraged communities to work across political borders in the same way businesses do. With this initiative, suburban leadership had the impetus and support to collectively move EAH forward with an interjurisdictional and cooperative framework.

Regional Home Ownership Preservation Initiative

RHOPI is a collaboration of organizations working to address the Chicago region’s foreclosure crisis through coordinated regional responses. Engaging public, private, and nonprofit actors, fostering collaboration, and building capacity and support across the region, RHOPi was formally launched in 2008 to address the crisis, its fallout, and resource gaps for owners, renters, and communities.

Rapidly deployed federal foreclosure prevention programs could not address the causes of default; unemployment and rapidly falling home prices were difficult issues facing borrowers and lenders alike. With the rising number of vacant properties putting a strain on municipal resources, the desirability and safety of neighborhoods was threatened. Meanwhile, municipal governments were under pressure to put properties back to productive use, and renters in foreclosed buildings faced uncertainty and deteriorating living conditions. A more coordinated regional response was needed. The result was a collaboration of individuals at more than 70 organizations in the Chicago MSA reaching “on-the-ground solutions and cross-sector and inter-jurisdictional coordination.” (RHOPI Charter, www.regionalhopi.org)

Aside from the initial sponsoring organizations, the Chicago Fed, The Chicago Community Trust, and Neighborhood Housing Services of Chicago (NHS), lead RHOPI partners are Housing Action Illinois, the Woodstock Institute, Chicago Metropolitan Agency for Planning, Metropolis Strategies, Metropolitan Mayors’ Caucus, and Metropolitan Planning Council. RHOPI is an outgrowth of the Home Ownership Preservation Initiative (HOPI), launched by NHS in partnership with the City of Chicago and the Chicago Fed in 2003. HOPI became a national model for localized foreclosure intervention and abatement efforts. HOPI partners include many of the nation’s largest lenders and servicers.

[Continued on page 11]
The Northwest Suburban Housing Collaborative (NWSHC) comprises five suburbs – Palatine, Buffalo Grove, Arlington Heights, Rolling Meadows, and Mount Prospect – located in northwest Cook and southern Lake counties. Popular suburbs known for good schools, demand for housing drove up prices during the housing boom, which put most homes out of reach for many of the people who worked in these communities. However, median home values peaked in mid-2006, and have since declined by over 60 percent, according to the Zillow Home Value Index (www.Zillow.com).

According to 2010 Census data, population across the five communities has been relatively flat with a cumulative decrease of less than 1 percent since 2000. Palatine is the only town to experience population growth in this period. These historically White suburbs are also seeing more diversity, with increases in Asian and Hispanic populations. The combination of decreasing populations – further reducing community resources – and increasing diversity can cause communities to pull apart, rather than come together.

Nonetheless, these five communities share borders, and despite demographic shifts remain relatively homogeneous. To prospective residents, in fact, the communities may appear similar. Further blurring the boundaries are the many children who cross municipal borders each day to go to schools in neighboring communities.

The five collaborative suburbs also shared a “spatial mismatch,” meaning that affordable homes are situated far from employment centers, leading to long commutes, traffic congestion, increased carbon emissions, worker fatigue, and stress. In 2007, data revealed that just 7 percent of the local housing stock was affordable to workers earning less than $25,000 – about 36 percent of the workforce in the five-town footprint. Rental housing does not provide any relief. American Community Survey (ACS) data showed that in 2009, over 40 percent of renters in these communities paid more than 30 percent of their net monthly incomes toward rent, indicating a large portion of residents shouldering a disproportionate rent burden.

A lack of affordable housing close to jobs has an impact on worker performance and retention, increasing costs to local businesses and affecting their bottom line. To address this disconnect between where people live and where they work, the area’s municipal leaders engaged with local employers, through the Charter One Workforce Housing Initiative, to implement EAH, including down-payment assistance and home ownership counseling.

In 2007, according to projections calculated by Fraccone Calthorpe Associates for Chicago Metropolis 2020 and the MMC, the towns would need an additional 3,500 rentals and 7,900 for-sale homes affordable to local households earning less than $75,000 by 2030. The NWSHC knew it was facing a huge challenge, even as the foreclosure crisis began to unfold across the region.

More recently, the collaborative suburbs have seen increases in condominium foreclosures, putting further pressure on the availability of rental and affordable for-sale housing. Recent data from the Woodstock Institute show Northwest Cook County experiencing a 24.5 percent increase in foreclosure filings between 2009 and 2010. However, condominium foreclosures in Northwest Cook increased by 32.3 percent over this period, and foreclosures on condominiums made up 42.5 percent of total 2010 foreclosure activity in the area.

Woodstock Institute data further reported that Northwest Cook County, between 2009 and 2010, saw the largest percentage increase – 66.1 percent – in foreclosure auctions (the point at which the foreclosure process is complete and the home owner is typically evicted) of any suburban region, compared to a 19.9 percent increase for the city of Chicago.

Most of these properties revert to lender-ownership, become real estate owned (REO), and are likely vacant. (Chicago City and Regional Foreclosure Activity 2010)

Foreclosure increases and resulting vacant properties “impact the local property market. Their value is affected by that. You see crime being a factor, and there’s neighborhood stability. With families leaving, a sense of community is being affected,” said Woodstock Institute former senior vice president Geoff Smith, as quoted in the March 29, 2011, issue of TribLocal Palatine, speaking about the increase in condominium foreclosures in Palatine. Foreclosures in Palatine increased by almost 45 percent between 2009 and 2010, almost 70 percent of them condominiums.
### Collaborative Demographics Profile

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td># of Municipalities</td>
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</tr>
<tr>
<td>Total Population</td>
<td>263,420</td>
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<tr>
<td>Median Household Income</td>
<td>$74,185</td>
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<tr>
<td># Home Rule Communities</td>
<td>5</td>
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<tr>
<td># Non-Home Rule Communities</td>
<td>0</td>
</tr>
<tr>
<td>% Vacant Housing Units</td>
<td>5.7%</td>
</tr>
<tr>
<td>% Owner-Occupied Housing Units</td>
<td>75.3%</td>
</tr>
<tr>
<td>% Ownership Housing Unaffordable*</td>
<td>34.6%</td>
</tr>
<tr>
<td>% Rental Housing Unaffordable**</td>
<td>42.9%</td>
</tr>
</tbody>
</table>

*unaffordable defined as monthly owner costs greater than 30% of household income

**unaffordable defined as gross rent greater than 30% of household income

**Source:** Metropolitan Planning Council.

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### Interjurisdictional Collaboration Areas (Sept 2011): Northwest

![Map Image](image-url)

**Legend**

- Metra Rail
- Metra Stations
- Expressways

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![Street Scene Image](image-url)
Northwest Housing Collaborative

With foreclosures continuing to rise and showing no signs of abating; recent grants and other support were timely, providing the resources to implement sound planning. A November 2010 forum, convened by MPC, MMC, the Preservation Compact, and other regional partners, gathered municipal leaders and more than 30 multi-family property owners and managers representing more than 4,000 apartments and condominiums, to accelerate planning for a rental preservation strategy. Following several planning meetings in 2010, the NWSHC developed an aggressive and multi-faceted work plan for 2011. The primary focus of the work plan was the hiring of a housing coordinator to focus and galvanize the work of the collaborative, which continues to meet regularly. In May 2011, the NWSHC received a grant from The Chicago Community Trust to fund the position.

The Trust grant gave the collaborative “credibility” in the words of a local leader. The members know each other well and the mayors interact frequently around a variety of issues, but a grant motivated them to formalize the relationships through an intergovernmental agreement (IGA). The collaborative’s main priority will be to address the increase in multifamily foreclosures that are destabilizing entire developments and communities. Tantamount to that priority is the preservation of the existing affordable rental housing stock, by targeting key properties, and continuing to serve as a resource and advocate for improved tax policy to the Cook County assessor. EAH activities are ongoing as pressures continue on businesses to contain costs and on workers to find stable jobs. Three-to-five-year goals center on strategies to improve options for quality housing affordable to the local workforce near jobs and/or transit via a sustained, self-supporting interjurisdictional entity that balances the combined priorities of rental preservation, EAH, and foreclosure mitigation.

To further support its cross-border work, in March 2011, the NWSHC received a technical assistance award through CMAP’s Local Technical Assistance (LTA) Program to conduct a housing supply and demand analysis that will drive the collaborative’s planning and priority setting into the future. This plan will reflect shared values, agreed upon strategies for implementation, and will serve as the necessary road map for the collaborative moving forward. With both staff and planning support in place, the collaborative is poised to ensure a balance of housing options is available for all residents.

<table>
<thead>
<tr>
<th>Collaborative Facts</th>
<th>northwest</th>
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</thead>
<tbody>
<tr>
<td>Catalytic Reason for IJC</td>
<td>Engage employers in the need for workforce housing; condo foreclosures; multi-family rental preservation</td>
</tr>
<tr>
<td>Year Structure Formalized</td>
<td>2011</td>
</tr>
<tr>
<td>What is Structure?</td>
<td>Intergovernmental Agreement</td>
</tr>
<tr>
<td>What is Staffing?</td>
<td>Individual acting as Housing Coordinator</td>
</tr>
<tr>
<td>Dollars Leveraged</td>
<td>$40,000</td>
</tr>
<tr>
<td>Activities/Work in Progress</td>
<td>Hosted joint employer outreach events on ways to support workforce housing</td>
</tr>
<tr>
<td></td>
<td>Held a resource forum for owners and managers of multifamily rental housing</td>
</tr>
<tr>
<td></td>
<td>Conducting Homes for a Changing Region housing supply and demand analysis through technical assistance from CMAP</td>
</tr>
</tbody>
</table>

Source: Metropolitan Planning Council.
With the beginning of the foreclosure crisis the following year, experience with IJC proved to be quite valuable, as cooperation across communities and jurisdictions emerged as perhaps the only strategy with any potential to address a large volume of mortgage defaults and property abandonments. With a shift in urgency came a shift in emphasis, in the Chicagoland area, moving from a focus on EAH to one of foreclosure prevention and mitigation.

IJC in action: the response of the Regional Home Ownership Preservation Initiative

For decades, various policy and market realities have led to concentrations of foreclosures in disinvested and economically frail communities. Former Chicago Mayor Richard M. Daley recognized very early the urgent need to address the high foreclosure rates in city neighborhoods. The mayor called upon Neighborhood Housing Services of Chicago (NHS) and other well-established housing organizations to develop a plan of action. In response to Mayor Daley’s request, in 2003, NHS coalesced many of the services it provides to lower-income communities – affordable, sustainable mortgages, counseling, emergency loans, and foreclosure intervention services – under a single umbrella initiative: the Home Ownership Preservation Initiative (HOPI). However, a number of suburban communities, particularly the near south and near west suburbs, also had high foreclosure rates but not the budgets to initiate foreclosure mitigation efforts. By the summer of 2007, it was clear the result of years of irresponsible mortgage lending was going to be very serious, and the Chicago region was going to experience a severe housing crisis. Indeed, the Chicago metropolitan area followed the national foreclosure trend, with an approximately 100 percent increase in foreclosure starts from 2006 to 2008 in the city and across the six-county region.

In 2007, the HOPI initiative was expanded, through a partnership with the Federal Reserve Bank of Chicago, The Chicago Community Trust, and NHS to form a regional version of HOPI, which is commonly referred to as RHOPI. This metro-wide effort convened more than 100 experts and practitioners, and focused on developing coordinated priorities and action plans around home buyer and home owner counseling and legal aid; refinancing and financial products; and foreclosed vacant properties. A separate group of experts developed a research agenda. RHOPI started as an initiative to learn more about facts, trends, and responses to the region’s foreclosure crisis, coordinate actions, and establish priorities. It developed into an unprecedented partnership of governmental, nonprofit, and private sector organizations. Ultimately, the RHOPI process brought people and organizations together and broke down silos among sectors and jurisdictions. The flexible network RHOPI created also served as a platform to leverage the federal programs activated by the American Recovery and Reinvestment Act (ARRA), and develop immediate solutions to some of the most pressing problems that the foreclosure crisis brought to the region. (Requejo, Roberto 2009)

RHOPI embraced cross-border and interagency collaboration as a strategy. Geographic areas with concentrated foreclosures overlapped municipal boundaries, and even towns with relatively few foreclosures were affected by the distress of their neighbors. Unfortunately, the towns hardest hit by foreclosures often had the fewest resources to address them.

Building on the RHOPI platform and working through its network, Neighborhood Stabilization Program (NSP) funding created an innovative opportunity for IJC to address Chicagoland’s growing housing crisis, particularly in Cook County’s south and west suburbs. Given the overwhelming number of foreclosures in these communities, a collaborative model was the most effective vehicle through which to access, manage, and deploy NSP dollars and resources. In the south, communities were able to build on the existing collaborative structure of the South Suburban Mayors and Managers Association (SSMMA) to integrate a discussion on mitigating the effects of the foreclosure crisis into ongoing economic development discussions, namely linking the problems of the foreclosure crisis to the solutions of transit-oriented development. With 21 communities signing on to a joint NSP application to Cook County, the Chicago Southland Housing and Community Development Collaborative secured almost $9 million in NSP funding. Ultimately, the county directed resources to just 11 individual communities.

In the west, NSP provided the catalyst to create the West Cook County Housing Collaborative (WCCHC), consisting of five communities extending west from Chicago’s border along the I-290 corridor. Once again, while all the member communities signed onto an application, the WCCHC elected to focus the resources in Maywood and Bellwood. (Another collaborative member, Berwyn, 

“By making collaboration across federal and state programs routine, agencies can help regions to more effectively implement comprehensive solutions to their problems.”

– GO TO 2040

[Continued on page 15]
West Cook County Housing Collaborative

The West Cook County Housing Collaborative (WCCHC) consists of the suburbs of Oak Park, Forest Park, Maywood, Bellwood, and Berwyn extending west from the city, along the I-290 Eisenhower Expressway. Oak Park is perhaps most widely recognized of the five suburbs. One-time home of architect Frank Lloyd Wright, tree-lined streets shade stately homes on large lots and excellent schools draw in residents. Oak Park has the highest median household income of the five WCCHC communities. Not surprisingly, it also has the highest median home value, topping $380,000 (ACS). Oak Park is also ethnically diverse, while its collaborative partners are predominantly minority; historically Black but increasingly Hispanic. For example, Bellwood and Maywood are each more than 70 percent Black, with unemployment rates exceeding state and national averages, and each losing as much 7 percent of their population since 2000.

Forest Park lies in-between Oak Park and Maywood. While median household income is not as high as in Oak Park, Forest Park does not show the same signs of economic distress as its neighbors to the west and southwest. It has been more successful at retaining residents, losing only about 3.5 percent of its population since 2000. Community members are well educated – with attainment levels exceeding state and national averages – and the community remains relatively affordable, with the lowest rental burden of any member of the collaborative. Berwyn has historically been a predominantly White community. In recent years, however, the community has become increasingly – and is now majority – Hispanic. Berwyn has also struggled with population loss and higher than average poverty rates. It had 2.5 times the number of foreclosures of Oak Park, even though similar in population size.

This diverse group of communities came together in 2009 to form the WCCHC to address the common and growing issue of both multi- and single-family foreclosures. Between 2009 and 2010, foreclosure filings in West Suburban Cook County increased by 13.5 percent, with 40.3 new filings per 1,000 mortgageable properties, compared to 35.1 for the Chicago region. (Chicago City and Regional Foreclosure Activity 2010) In light of this deteriorating situation, and as a result of RHOPi, MMC and MPC, with other partners, helped WCCHC develop a coordinated strategy to tackle the foreclosure crisis and promote affordable and mixed-income housing creation and preservation.

In May of 2009, WCCHC received funding from The Chicago Community Trust to hire a housing coordinator to provide dedicated capacity on housing and community development issues. This role is being filled by IFF, a nonprofit lender and real estate consultant, which can leverage its organizational expertise in research, policy, planning, and finance, as well as play the role of developer. WCCHC is the only collaborative in the region to have an organization as its coordinator. Funding has permitted the communities to formalize their relationships, conduct structured meetings, and serve to mitigate some of the staffing constraints of working across communities that have varying levels of capacity and resources. WCCHC members renew an intergovernmental agreement (IGA) each year to signal their commitment to the work of the collaborative, including the common goals of sharing knowledge, and, to some extent, resources, in support of housing issues that directly impact their communities.

In 2009, the WCCHC received $3,067,089 in NSP dollars from Cook County, working with IFF as the developer, to acquire and rehabilitate foreclosed single-family homes and multi-family properties near large employers and transportation options. Approximately 90 percent of the funding was provided for rental rehabilitation, with the balance for single-family rehab. The West Collaborative has acquired a 26-unit, multi-family rental property in Maywood, and the remaining funds are being used for three single-family homes in Bellwood.

At the Maywood Apartments property development, where rehab is underway, the selection and management of the project management team is overseen by IFF. The development is expected to create 120 construction positions, as well as a full-time permanent position. After completion, the units will be leased as affordable rental units, with half of the units affordable to households at or below 50 percent of area median income ($37,700 for a family of four). “This development is the first among our plans to create quality, affordable housing near public transportation and other existing community assets in West Cook County,” said Michelle Hoereth, director of housing at IFF. The Bellwood properties are nearing completion and two buyers for the rehabbed homes have already been identified.

Highlighting some of the nuances of UC, the city of Berwyn, with some of the highest foreclosure rates in the region, received its own NSP allocation of approximately $4 million from the State of Illinois program. Berwyn has used the funds to acquire 27 homes. As they are rehabbed and sold, the town will recycle the funds to ensure revitalization efforts continue. While Berwyn remains an active participant in the WCCHC, the flow of NSP funding from HUD to both Cook County and the state resulted in Berwyn’s funds being allocated to the individual municipality.

The WCCHC has also focused on promoting EAH, including hosting a joint luncheon in 2010 for mayors from the member towns, as well as interested employers. The group is now working on several opportunities with individual municipalities and employers. In the spring of 2011, the Community Bank of Oak Park River Forest became the first west suburban employer to offer EAH to its employees. The bank is offering up to $5,000 in assistance to two employees a year, with plans to refer additional employees to pre-purchase counseling and education services.
To guide and manage these concurrent activities, as well as coordinate applications for funding, WCCHC has formalized a work plan, which will help to focus efforts on affordable housing opportunities around the transit centers, possibly even creating a transit oriented development fund.

WCCHC benefits from strong municipal leadership supported by a coordinating structure that lends a formality to collaborative discussions. An elected official from each community participates in the steering committee, and a staff person from each community sits on the working group. The latter meets at least monthly; the former meets at least quarterly and is the official voting body for WCCHC activities. The WCCHC operates under the Public Meetings Act. Participants clearly understand areas of mutual self interest, which include preserving a diverse housing stock and leveraging shared transportation assets.

WCCHC received a technical assistance award through CMAP’s Local Technical Assistance Program to conduct the Homes for a Changing Region housing supply and demand analysis. The result will be the development of individual housing policy plans for each of the five municipalities, as well as a sub-regional policy plan. These plans will aim to create a balanced mix of housing types across the communities in order to serve the needs of current and future residents and workers. The collaborative is also making an effort to align its programs and policies to promote efficient redevelopment activity. This important activity will lay the groundwork for an eventual shift from reacting to a foreclosure crisis that has devastated communities to implementing the benefits of collective planning to benefit the region.

**Collaborative Demographics Profile**

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<td># Non-Home Rule Communities</td>
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<td>% Owner-Occupied Housing Units</td>
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<tr>
<td>% Rental Housing Unaffordable**</td>
<td>48.9%</td>
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*unaffordable defined as monthly owner costs greater than 30% of household income

**unaffordable defined as gross rent greater than 30% of household income

**Source:** Metropolitan Planning Council.

**Collaborative Facts**

<table>
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<tr>
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<tr>
<td>Year Structure Formalized</td>
<td>2009</td>
</tr>
<tr>
<td>What is Structure?</td>
<td>Intergovernmental agreement</td>
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<td>What is Staffing?</td>
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<td>Dollars Leveraged</td>
<td>Over $7 million</td>
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<tr>
<td>Activities/Work in Progress</td>
<td>Hosted joint employer outreach event on ways to support workforce housing Held a resource forum for owners and managers of multifamily rental housing Rehabbing over 55 foreclosed or vacant single family homes and multifamily units Conducting Homes for a Changing Region housing supply and demand analysis and developing a joint transit-oriented development plan through technical assistance from CMAP</td>
</tr>
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</table>

**Source:** Metropolitan Planning Council.
applied for and received its own allocation from the state.) In both cases, while tangible outcomes, such as units put back into service, are limited to the confines of those specific communities, the entire collaborative benefits from the resulting stability.

Roles of regional planning agencies

As much as IJC is motivated by individual communities responding to localized challenges, the role of regional planning organizations has been vital to the success of the Chicago region’s examples. These entities have provided a framework for discussions, as well as supportive resources relating to convening, funding, and expertise. In his 2000 book *American Metropolitics: The New Suburban Reality*, Myron Orfield states, “Effective regional land-use reform hinges on three elements: coordinated infrastructure planning, a regional housing plan, and regional review and coordination of local planning.” (Orfield, Myron 2002) Chicago’s regional planning and policy organizations, including CMAP, MPC, and the MMC have effectively carried out this task.

A decade ago, the MMC, as convener of the region’s municipal mayors, sanctioned the Housing Endorsement Criteria and Housing Action Agenda. Armed with these documents and related tools for implementation, the region’s mayors could move ahead with a common and agreed-upon understanding of goals and objectives. The MMC has continued to play this role, and served to represent the collective voice of the mayors at the state and national levels. It is joined in these efforts, and works closely with, the independent and nonprofit MPC, which serves as a connector between regional needs, challenges, and solutions, and among individuals and organizations to guide the growth of the Chicago metropolitan region. Within IJC, MPC lends its technical expertise to the individual collaboratives to advise in the planning and execution of their initiatives, encompassing housing, transportation, and economic development. MPC has staff dedicated not only to the execution of IJC initiatives, but also to elevating the visibility of the concept among local, state, and national policymakers.

CMAP is the official regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. CMAP recently released GO TO 2040, metropolitan Chicago’s first comprehensive regional plan in more than 100 years. To address anticipated population growth of more than 2 million new residents, GO TO 2040 establishes coordinated strategies that help the region’s 284 communities address transportation, housing, economic development, open space, environmental, and other quality-of-life issues. This overarching vision provides an important guiding reference point for the region’s individual communities. GO TO 2040 also prioritizes collaborative activities as a strategy to improve government efficiency. Recognizing that moving to collaboration must be motivated by individual communities at their own pace, GO TO 2040 targets its recommendations to state and federal funding sources: “By making collaboration across federal and state programs routine, agencies can help regions to more effectively implement comprehensive solutions to their problems.”

Together these three entities, in concert with many others, have supported local collaborative activity, lending expertise in planning, advocacy, fundraising, organizing, reporting, monitoring, and more. Above all, their role has been most frequently cited as one of leadership.

Origins of IJC: pros and cons

Examples of IJC date back decades. In today’s budget constrained environment, one might expect that ideas to foster the efficient use of municipal resources would meet little resistance. However, today, as in the past, cross-border collaboration is met with varying levels of enthusiasm – as misconceptions about resource sharing, loss of identity, and dilution of power are difficult to reconcile. Proponents stress today’s complex issues do not respect municipal boundaries, and smaller municipalities are often challenged to provide key public services due to inefficient cost structures. Detractors tend to push back when the discussions of collaboration and service sharing evolve into discussions of centralization and consolidation. Nevertheless, there exists a history of leaving local structures and powers in place, while encouraging actions around regional standards and plans, particularly when dealing with issues of economic development and affordable housing. (Briffault, Richard 2000)

Degrees of municipal collaboration can be mapped along a continuum of interactions. At the “most elemental” and informal, communities may participate in networks; moving from there to cooperation through to coordination and collaboration. It follows that the final stop on this continuum is consolidation. “Each category differs in level of complexity (information sharing vs. complicated joint problem solving); in intensity of linkages (based on common goals, decision rules, shared tasks, and resource commitments); and in the formality of agreements reached (informal vs. formal structures, policies, and procedures).” (Ciglar, Beverly A. 1992) While most of the early reviews of community collaborations focused on small, rural communities, the application to suburban, metro communities is appropriate given the degree of fragmentation, size of the communities, and their respective resource constraints and motivations.

A handful of common circumstances or events have been demonstrated to move communities toward collaboration. These include:

- A crisis/disaster (economic or natural)
- A political constituency of cooperation
- Supportive capacity building or incentives provided by external sources
Early and continued support by elected officials
Visible advantages of cooperation for participating governments
Existence of a “policy entrepreneur” who can see beyond existing structures
Early focus on visible, effective strategies
An emphasis on collaborative skills-building

It is not necessary for a collaborative to have all of these elements, but as the examples show, possessing multiple characteristics creates a common catalyst for the success of collaborative efforts. (Ciglar, Beverly A. 1992)

Certainly, the Chicago area collaboratives fulfill many of these pre-conditions, and practitioners acknowledge the importance of external support, both in terms of capacity building as well as dollars; the need for consistent municipal leadership and buy-in, in addition to being able to provide visible examples of success – families in homes, for example. However, municipal leaders acknowledge the importance of clearly articulating the “mutual self-interest” of the participating communities, while allowing for the independence of each.

Nevertheless, local practitioners agree the Chicago-area collaboratives have not quite reached the mid-point on the continuum, when the collaboratives shift from reacting to crises and initiate pro-active planning around transit-oriented development, for example, to position the region for long-term stability.

Two West Coast examples of IJC served as early inspiration to Chicago-area planners and municipal leaders. The first is “A Regional Coalition for Housing” (www.ARCHhousing.org), a partnership between the county and the cities of East King County in Washington State, who have joined together to preserve and increase the supply of housing for low- and moderate-income households in the region. ARCH assists the 16 member governments in developing housing policies, strategies, programs, and development regulations, coordinates the cities’ financial support to groups creating affordable housing for low- and moderate-income households, and assists people looking for affordable rental and ownership housing.

ARCH was created in 1992, through an interlocal agreement of several suburban governments in Eastside King County. ARCH’s member governments have supported a wide range of housing created and operated by local organizations and private developers that serve individuals, families, seniors, the homeless, and persons with special needs.

Similar to the Chicago examples, ARCH was conceived from a study undertaken in the early 1990s by the Citizens Affordable Housing Task Force in Bellevue, Washington. The study confirmed:

- A growing need for affordable housing
- Multiple gaps in the current delivery system
- The critical nature of local government support in increasing the affordable housing supply
- Increased local government support complements the efforts of private sector housing developer
- Local governments that work together can be more effective

Since 1993, the ARCH Housing Trust Fund has funded over 1,800 units of East King County housing for families, seniors, and persons with special needs. Between 1993 and 2002, ARCH member jurisdictions committed $20+ million to this fund, including Community Development Block Grant (CDBG) and general funds. This amount also includes over $2 million in contributions of land, fee-waivers, and other in-kind donations. (A Regional Coalition for Housing 2011)

ARCH demonstrates that various levels of government can play catalytic, as well as sustaining roles in IJC, depending on local characteristics. However, ARCH differs from the Chicago-area examples in the degree of engagement and leadership provided by the county.

Predating the ARCH example is an early collaborative model in California’s Silicon Valley. Driven and initially funded by private sector interests, it was originally conceived in 1977, by Hewlett-Packard’s David Packard as the Silicon Valley Manufacturing Group. The Silicon Valley Leadership Group (SVLG) exists today to involve principal officers and senior managers of member companies in a cooperative effort with local, regional, state, and federal government officials to address major public policy issues affecting the economic health and quality of life in Silicon Valley.

The vision of SVLG (www.SVLG.org) is to ensure the economic health and a high quality of life in Silicon Valley by advocating for adequate affordable housing, comprehensive regional transportation, reliable energy, a quality K-12 and higher education system and prepared workforce, a sustainable environment, and business and tax policies.

According to the organization’s website, “David Packard founded the group on the premise that local employers should be actively involved in working with government to find innovative solutions to issues like transportation, housing, permit streamlining, education, and the environment.”

As of 2011, SVLG’s membership included more than 340 of Silicon Valley’s most respected employers. The members provide nearly one of every three private sector jobs in Silicon Valley.

SVLG is a multi-issue organization; housing/land use is but one of 10 issues to which members devote their attention. The Housing and Land Use Committee aims to preserve and increase the quality of life and economic vibrancy of Silicon Valley by increasing opportunities for workers and residents.

[Continued on page 20]
Chicago Southland Housing and Community Development Collaborative

The 19 communities in the Chicago Southland Housing and Community Development Collaborative (CHS-CDC) stretch from the Illinois/Indiana border on the east, past I-57 on the west. At one time, the communities thrived on nearby industry, providing jobs and opportunity. The area’s proximity to rail, shipping, and interstate expressways represents an important asset, although most manufacturing jobs have left and efforts to reinvigorate the jobs market through business attraction have been challenged by the current economy.

The origins of IJC in Chicago’s southern suburbs are not found in housing, but rather in economic development, specifically jobs and transportation. The region’s history as a leader in intermodal transportation is a coveted asset it uses to attract new, perhaps greener, industrial businesses. The region is collectively referred to as the Chicago Southland, and the SSMMMA is a council of government (i.e., intergovernmental agency) that provides technical assistance and joint services to 42 municipalities representing a population over 650,000 in Cook and Will counties. Its sister organization, the Chicago Southland Economic Development Corporation (CSED), was created in 1978, to identify, organize, and mobilize public and private resources to create and expand businesses, thereby providing economic growth, sustainable jobs, and development in the Southland. Overcoming the challenges of coordinating the interests of more than three dozen communities, SSMMMA and CSED have driven economic development, business retention, and job creation for more than four decades. Although not the original intent, they also created an organization through which to meet the foreclosure crisis head-on.

While some southern suburbs had struggled with foreclosures for years, the area as a whole was disproportionately hard hit by the foreclosure crisis, with subprime foreclosure rates exceeding 15 percent. (Newberger, Robin 2010) Overall, properties with foreclosure filings increased by almost 20 percent from 2009 to 2010. With 51 foreclosure filings per 1,000 mortgageable properties, the Southland has the most in the Chicago metropolitan area, exceeding rates seen in the city of Chicago itself. (Chicago City and Regional Foreclosure Activity 2010) Property values have dissolved – with home values in affluent Olympia Fields falling to their lowest levels in 15 years and homes in the community of Phoenix losing more than a third of their value in the past year, alone. (Zillow Home Value Index 2011) Municipal resources have been exhausted and entire communities are destabilized by vacant properties. However, the Southland communities were able to leverage their years of collaborative experience, combined with the support of the organizations participating in RHOP, to quickly respond to the growing crisis.

Twenty-one communities collectively submitted an NSP 1 application, resulting in almost $9 million in funding from Cook County, and overcoming structural barriers that would have forced similarly challenged communities to compete with one another for resources.
The collaborative’s numerous achievements, in addition to the NSP award, include:

- On October 20, 2010, SSMMA learned its proposal to accelerate its interjurisdictional transit-oriented development goals (and related cargo-oriented development goals) was awarded nearly $2.4 million through the HUD Sustainable Communities Grant Program.
- The Southern Collaborative is also a recipient of technical assistance offered by CMAP through its Local Technical Assistance Program, which is funded through a Sustainable Communities Regional Planning Grant from HUD. The initial project undertaken by the collaborative is to create a housing investment prioritization tool, which will help the collaborative and its members to prioritize sites when federal funding opportunities become available. Other projects related to Transit Oriented Development (TOD) are expected to occur in future years of the program.

“The fragmentation of municipal government in many metropolitan suburbs presents a major impediment to advancing housing recovery, neighborhood preservation, and economic growth. I applaud those leaders in the south suburbs of Chicago who have piloted new ways of doing business, working across borders and along rail and job corridors, to promote employment and housing stability.”

- Bruce Katz, vice president and founding director of the Metropolitan Policy Program, Brookings Institution.
Collaborative Demographics Profile

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Source: Metropolitan Planning Council.
to secure affordable homes, proximate to their work.

Specifically, the Housing and Land Use Committee seeks to:

- Increase supply; encourage the construction of compact rental and for-sale developments in appropriate locations near transit, jobs, and services that also protect open space and prime agricultural land and maximize public infrastructure investments
- Increase home ownership: expand the ability of Silicon Valley employees to purchase affordable homes near work
- Adequate funding: advocate for an appropriately scaled and stable funding stream for housing at the local, state, and federal levels

Developers and municipal leaders alike cite the benefit of “vertical integration” stemming from the collaborative structures. Many of the issues effectively tackled through IJC are too big for towns with limited capacity to address and too small to be handled at the regional level.

Metropolitan Policy Program, Brookings Institution.

Learning from the past: opportunities and challenges

The benefits and early experience of IJC can be summarized as follows:

“By working together, (municipalities) can pool resources, prioritize investments for maximum benefit, achieve economies of scale, and create a ‘one-stop shop’ for developers, employers, and lenders. The collaborative’s groundbreaking approach has earned the support of a wide range of nonprofit organizations, foundations, and companies across the region, as well as such national thought leaders as The Brookings Institution. It also has been heralded by the Obama administration as and facilitates knowledge sharing. Few of the towns described in the collaborative profiles possess the resources to hire and retain their own housing or community development staff in the best of times, let alone enough staff that can meet the challenges faced by residents when municipal revenues are at record lows. IJC mitigates resource shortages by placing collective assets of combined communities in places where the need is greatest.

At the same time, and because problems do not respect jurisdictional boundaries, solutions don’t either. This reality has resulted in a fundamental shift from individual community stabilization as an end point, to sub-regional stabilization as the ultimate goal. Accepting and acknowledging this shift in the definition of success has been facilitated by the groundbreaking work of regional planning organizations, including the MPC, MMC, and CMAP through documents such as the GO TO 2040 regional plan, which prioritizes the goals of IJC.

Developers and municipal leaders alike cite the benefit of “vertical integration” stemming from the collaborative structures. Many of the issues effectively tackled through IJC are too big for towns with limited capacity to address and too small to be handled at the regional level. IJC provides the ideal vehicle through which to implement the goals of GO TO 2040, for example, when the task might overwhelm an individual municipality.

As demonstrated through each of the examples, collaborative participants are able to access and leverage funding that would otherwise have been elusive were they operating on their own. “Maybe we could have written the grant, but we never would have been able to manage it," said one local planner. Whether it’s federal resources, such as NSP dollars, or resources available closer to home from local foundations, funders and administrators are looking at collaboration and cooperation as effective ways to deploy limited dollars. Nevertheless, while participating communities acknowledge that members

- Eliminate or reduce barriers and increase incentives to facilitate the above goals (Silicon Valley Leadership Group 2011)

The IJC’s active in the Chicago area share these goals demonstrating that a collaborative strategy can be replicable, evolutionary, and enduring. “The fragmentation of municipal government in many metropolitan suburbs presents a major impediment to advancing housing recovery, neighborhood preservation, and economic growth. I applaud those leaders in the south suburbs of Chicago who have piloted new ways of doing business, working across borders and along rail and job corridors, to promote employment and housing stability.” – Bruce Katz, vice president and founding director of the

a model for sustainable redevelopment in America’s inner suburbs.” (Grimshaw Bolton, Kim 2009)

However, achieving true collaboration poses many challenges. As discussed earlier, a “push” toward collaboration across municipalities is more difficult and much less likely to work than a “pull” that derives from potential mutual benefits and needs beyond the capacities of individual towns.

With many short-term (stemming from the foreclosure crisis) and long-term (housing and job location mismatch) demands and limited resources, it has been difficult, at best, for individual towns to affect housing and planning change on any measurable scale.

Proponents say IJC brings economies of scale to municipal management, leverages human capital,
of a collaborative will benefit even if they don’t get direct dollars, access to funding is still a motivator for formalizing collaborations, and ensuring that “everyone gets something” remains an indicator of success.

As collaboratives secure the resources to affect meaningful change, interest in joining them increases. This is a double-edged sword and no guidance exists regarding the optimal size for municipal collaborations. Local collaborative leaders suggest starting small, with limited, focused goals. However, individual collaboratives retain control over their structure, methods of communication, levels of formality, and eventual direction. Ultimately, the individual collaboratives will have to determine when they have reached a point where efforts to capture efficiencies evolve into new structures that are themselves inefficient. At the same time, that size and growth must be managed in order to be effective, the collaboratives and their participants must be transparent. This too is approached with different tools: one collaborative is operating under the Public Meetings Act, and another is developing a criteria-based tool to facilitate objective decision making.

While this article is written to tell the story of the communities and show their perspectives, the benefits of IJC are evident to all who interact with them. For example, the South Collaborative consists of 19 distinct communities. With such a complex structure, a collaborative can provide developers, banks, and funders – each with their own limited resources – with a single point of contact, reducing their exposure to the politics and “individuality” of the disparate communities.

While it offers many compelling benefits, IJC is complex and time-consuming. Cross-border collaboration is politically and bureaucratically counterintuitive; few programs provide any incentive to collaborate, and voters and elected officials are often disinclined to embrace the “sharing” of resources with neighboring townships. However, recent signals from Washington indicate that while action is urgent, innovation is expected and rewarded. MPC’s document, Goal Driven, Right Sized and Coordinated: Federal Investment Reform for the 21st Century, points to the new Office of Urban Affairs, created to coordinate federal investment, such as the Sustainable Communities Initiative of the U.S. departments of Housing and Urban Development (HUD), Transportation (DOT), as well as the Environmental Protection Agency (EPA). The 2010 HUD budget also set aside 1 percent of the entire budget for “transformation initiatives.” More recently, this initiative has been formalized with the creation of the Transformation Initiatives Fund to continue the practice of supporting particularly innovative efforts. MPC’s paper also lauds the “Bush-era Workforce Innovation in Regional Economic Development Initiative, which continues to enable flexible, goal driven, cooperative, regional workforce solutions.”

Nonetheless, aligning intent with implementation remains a work in progress, according to practitioners.

The execution of funding agreements in support of collaborative activities has proven challenging. According to one collaborative participant, “funders don’t understand why anyone would accept” the inequitable distribution of resources that is understood by IJC participants. While the collaboratives may have executed IGAs and resolutions, none is their own legal entity with 501(c)(3) status. Most collaborative leaders feel that it is premature to incur the effort and cost of establishing a separate organization when the collaboratives are new, and perhaps even still in “proof of concept.” As a result, understanding the “entity” created by IJC remains confusing to funders, even when they may encourage the activity. More frequently, however, existing public sector programs make a collaborative application difficult or are not designed to accommodate a collaborative response.

Just as the issues that bring collaboratives together are complex, so is their management. There is no “one-size-fits-all” when it comes to managing an IJC, except to say that each collaborative must define its own. The examples in this article illustrate different approaches – from hiring a single coordinator, to contracting with an established housing organization, to delegating it to an existing organization already working within the collaborating communities. The final decision rests with the communities involved, and is determined by their unique histories, relationships, and characteristics.

In addition to leadership and management, each group will have to determine its own approach to decision making and conflict resolution. The collaboratives surrounding Chicago are at various stages of formalizing their relationships, but ultimately agreements are in writing and agreed to by all parties. This formalization is most frequently driven by the award of funding and, in the words of one coordinator, “structure fosters engagement, commitment, and accountability.”

Most collaboratives, but not all, are single issue focused and start small, enabling young collaboratives to better manage their activities for maximum impact. However, some experts argue that small collaboratives exacerbate the human and financial resource constraints that motivated the collaboration in the first place. While others argue that a “too large” collaboration may be compromised by personal agendas and that arriving at a single point of mutual self-interest is too challenging. (Borich, Timothy O., Huntington, Stuart and Fessler, Susan 1992)

As demonstrated by the South Suburban collaborative, sometimes conditions do not allow for starting small. With so many communities engaged in the proposal for NSP 1 funding, community leaders knew that limiting participation to a smaller group was not possible, given the magnitude of the problem. The focus then and now remains on identifying and implementing strategies to mitigate the impact of the foreclosure crisis and advance housing efforts within a regional plan for economic development.
Participation in interjurisdictional efforts cannot be mandated; it is by definition self-motivated and voluntary.

Individual municipalities be accountable to their peers. For some, this is a welcome opportunity to share the burden of reporting and learn from the experiences of others. For others, this is a level of disclosure that may border on intrusive.

Finally, in the world of IJC, even defining success can be a challenge. Not all communities engaged in a collaborative effort are going to benefit equally when dollars go into some communities and not others. Thus, what may be a “success” for the collaborative, may be perceived as a “loss” for individual communities, even if the collective region benefits. The successes of IJC can be challenging to convey to constituents who see redevelopment in neighboring communities. With IJC success can be defined both in terms of process and in terms of outcomes. Some of the collaboratives described in this article long enough to show successes of current IJC efforts.” In a world where attention spans are measured in electoral terms, funding priorities are ever-shifting, and given the enormity of the tasks confronting today’s communities, the window seems small, indeed.

And yet, with clearly articulated and measured benefits, including economic efficiencies arising from economies of size; gaining access to more resources; capturing the spillovers from collective actions; and synergies, the justification for IJC seems clear. However, the questions that emerged following a 1992 conference on multi-community collaboration as a rural revitalization strategy remain relevant in today’s metropolitan context:

1. How can higher levels of government – regional, state, and federal policymakers – best encourage
Notes

1 The region consists of seven counties: Cook, DuPage, Kendall, Lake, McHenry, and Will. We use the term "collar counties" to refer to the five counties surrounding Cook County, and the term "suburban Cook" to refer to all municipalities and unincorporated areas in Cook County, excluding the city of Chicago.


3 King County is located on Puget Sound in Washington State, and covering 2,134 square miles, with more than 1.9 million people.

4 The complete version of GO TO 2040 can be found at http://www.cmap.illinois.gov/2040/main. A shorter version, as well as updates and related resources, is also available on the same link.

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Biography

Susan Longworth joined the Federal Reserve Bank of Chicago in 2011 as a business economist in the Community Development and Policy Studies Division. Ms. Longworth has over 20 years of community development experience, with a special emphasis on CDFIs and community banks. She holds an undergraduate degree in English from the University of Michigan, a master’s in public service management from DePaul University, and an international MBA from the University of Chicago.

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