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**Federal Departments, Region V, Priorities and Grant
Opportunities**

FIRST SPEAKER: This panel was so successful last year that it was natural to invite the Federal Government Region V Administrative back to share insights into their Department priorities, new funding opportunities, and discuss the benefits we can reap by working together. Our host today, the Community Affairs Managing Director at the Federal Reserve Bank of Chicago and the Project Manager for the Chicago Feds' Industrial Cities' Initiative, Jerry Boyle, has a keen understanding of the economic, demographic, and social trends shaping industrial cities in the Midwest.

To discuss Federal Departments, Region V Priorities and Grant Opportunities, please welcome Mr. Jeremiah Boyle.

JEREMIAH BOYLE: Well, good afternoon everybody and thank you very much for sticking with us and congratulations on the stamina that you demonstrate here.

As Dave pointed out, we did a very similar panel to

this last year and it's probably, especially given the theme of this year's conference, that we're looking over the horizon that it's especially compelling that about four years ago, Jeannette had actually assembled this group of agencies in anticipation of the alliance coming together and leadership forming to begin to address these issues across these various jurisdictional boundaries.

And Jeannette and the other regional agency heads were rightfully thinking about, are we prepared for being able to respond to the requests that no doubt will be coming from an emerging regional collaborative. So, I certainly congratulate Jeannette on having put that group together. The group has done quite a bit of work over the last four years, some of which we will hear about on this panel.

Unfortunately, we're fortunate to have Cathy from the Department of Transportation with us to start. We're going to need to allow her to depart early because she needs to catch a train. How appropriate. We'll start with the Department of Transportation and the Labor Department because so much of what we've heard already today had to do with those two agencies. But then we'll get into some of the other partnerships that have been formed here in this 21-county region to address some of the challenges that were raised.

So, Cathy can we start with you about what sorts of things the Department of Transportation is doing for this region and what you think is coming over the horizon?

CATHERINE BATEY: The horizon, that's a good question. Thank you and good afternoon and get to see some people that are sticking with us here. I'm new to the panel. This is the first year, so I learned a lot listening to the other ones. And, from the Federal Highway perspective, I'm going to talk -- but I know I'm the Division Administrator from the State of Illinois. I wanted to just kind of lay out some of the programs and opportunities that we have going on today.

A lot of you are pretty much familiar I guess with a lot of the other funding programs we have from the Federal Highway perspective. And, of course, this is applicable to all the states. One of the -- from the Fast Act, as you know, which was passed last year, the Fast Money Program is probably one of the biggest and newest of anything that we have that's going on. There was a release for fiscal year 2017 for applications. We have applications from 2016 that were recently announced.

The Fast Act authorized \$4.5 billion for five years, including 850 million in fiscal year 2017 that is to be awarded by the Secretary of Transportation. So, the notice

of proposed rulemaking and the notice of notification was announced, and the deadline for those applications are December 15th of this year. So, you can actually go to FastLane@dot.gov. You can find anything that you need on - - if you're looking to put an application for that or you know someone that is.

So, we're going to begin the process earlier this year than last obviously because we've got a little bit more time. We have a lot of the DOTs, NPOs, locals; I mean you name it, a lot of private entities create the railroads, freight. We had applications from ports applied last year.

And, of course, there's only so many -- you get so many different applications. So much, way, way, much more than the amount of money that you have funds for. So, the suspicion is, of course, that if an applicant applied last year, then they will reapply that same project, basically for this year. So, you kind of have a pretty good idea. The evaluation criteria and everything will be the same as it was from last year.

So, the Department is more committed to also providing technical assistance for those. We can't give too much help of telling you how to deal with the scope and that type of thing, but we can also help. So, again, there's Webinars and there are things that are available for those

particular monies.

The other program that came out of the Fast Act that was new was the National Highway Freight Program. And that's actually a program that goes -- the amount of money is obligated or allocated to each state's program. And it's basically still highway focused, no more than 10 percent of that program can be going -- can go to rail, ports; that type of thing. But, still it's an opening really of the door to multi-modal, more mode projects. So, that one -- one of the big things on the national freight, Illinois gets about \$40 to \$43 million a year. So, it's not huge. Each state, Wisconsin and Indiana would get probably a little bit less because, as I said, Illinois is the sixth largest program in the country.

So, that's a really good project or program that's new that it does incorporate some freight programs and other modes. Those are ones that would have to go through the state DOT for selection and then have to be in the local plans and projects to move forward.

The other two funding things that we talked about since I was here today, I heard a lot about the Create Program from a lot of the other - the civil engineers from Illinois, Indiana and the different -- and that is a tremendous program. Before I got here, it started and I've

been here in Illinois for three years, but that program is so unique, it exemplifies really the success of those collaborating efforts from the railroads, NPOs, the City, the Federal Highway, the Federal Railroad; I mean all these agencies, public and private, that have gotten together and developed a designed environmental, they've gone through all the program and processes of the development of those projects; 70 projects all total. And I won't go through a whole a lot of that but just say that I'm just looking at some of the things from the report, the real benefits from that in the railway benefits from that particular program are tremendous. For rail you have economic growth. You have fewer delays, cost savings.

I can see it quite frankly already just coming on Amtrak, coming up from Springfield. The railway benefits, a lot of at-grade crossings have been eliminated. So, you have 25 grade crossings that been eliminated. The sustainability; you have decreased fuel consumption and emissions from an air quality perspective. And then you have reduced congestion, because you're going to have fewer trucks. So, again that program needs a lot more money. They apply for FastLane grants just like others from fortunately Illinois. I think Wisconsin got one last year. That's, again, that's FastLane. It's new, but again there

are more projects than there is money. So, hopefully, looking again at the crystal ball, we'll see some -- hopefully some funding, bipartisan, we know that we need some additional funding. The gas tax has not been raised since 1993.

I just want to mention of that Create Program, of those 70 projects, the 30-year benefit to that is over \$31 billion. I mean it's a tremendous amount of money. And of those, there's seven passenger rail projects, 25 of the grade crossing projects that I mentioned, the separations which will help both road and rail, 35 freight and rail projects just themselves, and then three other also working with Metra, the passenger rail.

So, I think those are tremendous opportunities, and again, I didn't want to mention all of the different types because I feel like most of you here probably know a lot of the funding categories. But those are some of the new ones under the FastLane that you should pay attention to.

MR. BOYLE: Thank you. Christine, a lot of the conversation that we've had today, and certainly the panel preceding this, was about workforce development. And I know that there has been a lot of changes recently in how funding has been coming for workforce development and encouraging more of the apprenticeships and more

cooperation and that kind of thing. So, if you could take the next turn to sort of apply that to sort of what you've heard and what's been happening here in the region and, again, if you have a sense of what's coming over the horizon, if you could share that as well.

CHRISTINE QUINN: I believe that would take a lot more money. So, yes, the Workforce Innovation and Opportunity Act, of course, has been in play now for two years. So, the Workforce Innovation and Opportunity Act has been in place now for two years. It's been implemented this past year and really, it is premised on partnerships. It talks about everything within the legislation and then our regulations talk about how we need to work together collaborating to deal to look at what we're all doing, so that we can complement each other versus trying to duplicate things that are going on.

In my discussions with your group in the past and really looking at what we've been doing, you're far ahead of the expectation that we have for regional planning and looking at regions.

One of the key pieces is how we plan. And it's not just state and local plans anymore, it's also regional plans. It is how we look together and say, okay, how are going to look at workforce development and who is playing

in this field? Every single person up here, we are touching some way in partnerships. We just started a new partnership with transportation. We've been working with the STAT program through agriculture.

EPA, we worked with Strong Cities Group, HUD; a lot of things going on as well as EDA. It's just everything that's going on is how we complement each other. And our legislature now really emphasizes that, not only at the federal level, but now in our state and local areas as well. And so our emphasis when we're talking about different programs, apprenticeships and how that actually works together, our project with transportation is really going to be focusing on apprenticeships.

We were looking at career pathways -- somebody mentioned that earlier in a question -- it's how we work with our education institutions, not only K-12 and adult education in our community colleges and our universities and how we all play in that same field. You can't have a conversation about economic development without understanding jobs and what kind of training and things are put in place. Really our emphasis is on how we do that together and not separately, and making sure that we're moving forward and in partnership.

The grants that we have been putting out,

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actually for the last few years, really emphasize looking at working together. So, you'll get extra points if you're actually collaborating with others. And there has been a lot of applications that come in, especially from these areas. And I have 10 states, but in our areas and within our states and in our local areas trying to come together and collaborate and do consortiums when they're applying for those grants.

Because we know that everybody is trying to do the same things. They're trying to look at apprenticeships and career pathways and regional planning and how that all looks. And so we really want to help to make that come together, and so we're really emphasizing that.

Just today, the announcement was made on the PROMISE Grants that have been out there. And I believe Wisconsin, Illinois and Indiana all got the grant this year. So, that's more for me to say, how does this play into the bigger picture? How does that become a part of that? I looked up -- we have quite a large portfolio of discretionary grants that have gone out. These are those grants that aren't formula funded to the states that go down into the local areas.

And within this region alone, the region that you all encompass, there is over \$48 million in discretionary

grants out there, and a large portion of that is still out there. And so how are you tapping into that? How are you looking at how you or your entity or your group is playing into some of those grants because there are resources out there and it should be done together. And so that's something that we've been looking at and trying to bring to the partnerships if they haven't met at the table together is how we do that.

So I think, you know, just sort of leave it broad. We're really emphasizing the partnerships, the regional aspect and how we do those things together. And definitely when it comes to the federal partners, we have worked much, much closer in the past couple of years.

MR. BOYLE: Thank you. Colleen, let's go to you next. And I know when we've talked, for some of the people in this audience it might be a bit of a surprise that the USDA is a federal partner in this multi-state area. And so, if you could sort of introduce for the folks who might not be aware of that, what your role is and some of the partnerships you have had with folks in some of the more urban areas as well.

COLLEEN CALLAHAN: Thank you, Jerry. Thank you for this invitation and for the opportunity. And I want to also include Mary Warren, who is here today, and also Molly

Hanlon with USDA Rural Development. They've heard me say oftentimes when we speak at meetings that I'm with the federal government and I'm here to help. And at almost every meeting, people laugh. And so you are the outlier here. Maybe you're just being too polite, I'm not sure.

In any case, whichever agency we're representing, that really is the case. It is, as Abraham Lincoln said, "A legitimate object of government is to do for a community of people what they need to have done, but cannot do so well in their separate and individual capacities." My interpretation of that is that government doesn't come in and tell and do and say and show; but rather, who knows better what a region needs than the people who live and work. And we're certainly seeing that evidenced here today by this conversation.

So, once you've utilized all of your resources, once you've researched all of those resources, and you're still short in funding to make that possibility possible, maybe there's a place for the federal government to be a part, to be a partner. And when we collaborate, we can be very helpful and make an impact.

But that doesn't address where USDA Rural Development may come in. And so I was able to put together some slides, and that's not one of them. So, we'll see if that will be

helpful for you to know that at Rural Development, with the 17 agencies at USDA, this is our mission, to help rural communities. But within this area, there are many rural communities. This is not only urban. And one of the speakers earlier today said, and I wrote it down, "Agriculture sometimes is looked at as being over there." Well, agriculture is everywhere. Agriculture is foundational.

So, when this administration at USDA identified four pillars: production agriculture and conservation, as well as local and regional foods and the bio-economy. That bio-economy has its roots literally and figuratively in agriculture. The bio-economy is taking a product and adding value to it and turning it into something. So whether it's the Navy that's now using the bio-fuels, that started as an agriculturally based product.

So do, too, one of the examples that I want to give with the nearby Rural Development guaranteed loan at Fair Oaks Farm in Fair Oaks, Indiana.

But before I get to that, when we look at the kind of impact we've had in Illinois alone, our loan and grant portfolio is \$4.9 billion. USDA Rural Development nationally has a portfolio of \$215 billion. That's larger than the World Bank at about \$152 billion. So, we have the

capacity to have a great deal of impact throughout a region. When we look at the region, there are rural areas that are involved in this Chicagoland area.

I'm not going to read these slides. You're certainly very capable of doing that and certainly putting the numbers together. But when we look at some of the opportunities that we have at USDA Rural Development in housing, as well as community facilities, and certainly in water, in waste water as well, that has been one of the core conversations here today. And to know that those water lines that were put in, in the 1930s, with cast iron are now Swiss cheese underground; we just don't see it. But when we lose the pressure because of those rusting pipes, it means that we put our communities and we put our residents and we put our businesses at risk.

So one of the programs that we have is to be able to help with those multi-million dollar projects to put in new water lines and to put in new water towers so that that business can be guaranteed that that community can put out a fire because there is sufficient water pressure.

So when we work together, it's not just program. We work with EPA. We work across lines with infrastructure as well to make sure we bring progress no matter where that area might be.

When we talk about the Chicagoland area, one of the areas that we've been able to be very impactful in with a great deal of opportunity is the local and regional foods. That genie is not going back in the bottle.

You may be familiar with a moniker of know your farmer, know your food. We didn't talk about that prior to 2009. Now, we expect when we go into a restaurant in this Chicagoland area, and it doesn't matter if it's in Illinois or Indiana or Wisconsin, we expect to see something that says where that food came from. We want to know who that farmer is. We want to have a relationship with that food. That builds the economy. USDA Rural Development nationwide since 2009 has invested \$1 billion in local and regional foods. There are now 160,000 producers who are contributing to that local food supply chain. And it's estimated that by 2019, this will be a \$20 billion part of the economy.

USDA Rural Development has been able to support that, certainly in Illinois. We've been able to support Whiskey Acres, which is in DeKalb County where they're taking their corn and they're making their own branded whisky.

When we talk about orchards, when we talk about dairies that are now processing their milk on their farms because they've been able to use a value-added producer

grant and now deliver directly to the girl and the goat here in Chicago with their products, certainly their milk. It is pasteurized because that's a requirement, but it's not homogenized, and that means that the cream rises to the top, the old fashioned way, which is in demand today.

When we talk about some of those opportunities, those are examples of what we've been able to do that have helped bring positive change to this Chicagoland area.

The example that I wanted to talk about in Indiana is a business and industry guaranteed loan, which is part of our business program area. In Fair Oaks, Indiana, it's a \$5.5 million guarantee and they're converting their semi-trucks from diesel to compressed natural gas, and they're hauling milk to their processors in Kentucky and in Tennessee. And Fair Oaks makes that natural gas from the animal waste from all of those dairy cows that they have on that farm and some of you have probably visited there. It's really part of the agri-tourism that has come into the Chicagoland area.

They clean and compress that. They add it at a natural gas transmission line that runs through their property. I'm looking at my notes here because this is an Indiana project, it's not an Illinois one, and I had to check with my colleague Phil Lehmkuhler in Indiana to make

sure that I had the details correct.

To know that once it is online because they do have that line running through their property, and once it's there, they can take it off anywhere on that transmission system. And Fair Oaks has a fueling station, not only on site, at their facility, but another in Sellersburg, Indiana which is near Louisville. And so by providing their own fuel from the waste of those dairy cattle, they've eliminated the purchase of 2.5 million gallons of diesel fuel every year. That's a big contribution to the bio-economy that is agriculturally based and was supported by USDA Rural Development with a guaranteed loan.

So, when we talk about agriculture being out there, agriculture is everywhere, it's foundational. And at USDA Rural Development, along with our colleagues here, we're all at the federal government and we're here to help, and we are doing so.

MR. BOYLE: Thank you, Colleen. Jim, could you give us a little of the same for the EPA?

MR. VANDERKLOOT: All right, I've distributed a sheet which describes a range of EPA grants that are available. I should say that Bob Kaplan, our acting Regional Administrator, sends his regrets. He was drawn on another issue. I'm Jim Vanderkloot, I'm Land Revitalization

Coordinator. I've just finished a two-year assignment to work on Strong Cities, Strong Communities in Gary, Indiana.

The grants that are currently available are Great Lakes Restoration Initiative. There's up to \$26 million of funding available. It's been used for a range of purposes, including green infrastructure, invasive species, agriculture run-off, new trade reduction, et cetera.

There are also EJ, Environmental Justice small grants available of up to \$30,000. There were two awarded within the footprint of the Alliance last year; one to Ground Works Milwaukee and one to Center for Neighborhood Technology. These are both green infrastructure in neighborhoods related grants.

Also within the footprint, we've got several initiatives that have been going on to try to combine a range of resources together. One is called Making a Visible Difference in Communities, which is about combining all of the various EPA program together. Chicago is one of the cities which is the focus of this. And Chicago recently was awarded a \$400,000 Brownfield Grant covering Pilsen and Little Village. This builds on some previous work in Superfund Site reuse. It was a 22-acre former solar-tech site. It is now the La Villita Park and this was in a neighborhood in which there was a lack of open

space and so the cleanup then was combined with work by the City of Chicago.

There's also a recent agreement with BNSF Railroad regarding some land in Pilsen, which is going to become part of Asayo, which will be a linear park of four miles, which will connect Pilsen and Little Village; similar in concept to the 404 without being elevated up in the air.

I also want to talk about sharing of knowledge throughout the region. Again, having been working Gary; Gary is brimming with good ideas, and we were able to also share ideas from within the footprint of this Alliance in Gary and in particular Milwaukee. I'm raising this because this is an example of US EPA dollars being used as seed money in a way that brings in lots of other resources. And in Milwaukee, they're really the masters of this very impressive work.

Some agencies have much larger pots of money than US EPA, but in some cases, the funding that we bring in is very flexible. In the case of Milwaukee, they first approached us 15 years ago looking for money to do planning in the Menomonee Valley, and they had some very forward thinking ideas. We were able at the time able to link them with the Sustainable Development Challenge Grant, which paid for the initial planning. At the same time, they

applied for funding to do an area wide Brownfield assessment, which studied the ground water in the entire valley.

These two initial studies really gave them a leg up on the rest of their project. They took these initial plans and they applied for much, much larger pots of money. And having those initial drawings really is critical. They utilized federal and state transportation dollars for roads and bridges. As we know, transportation investments are key in Brownfield redevelopment projects because they affect the land value in a very significant way so that the access to the valley and beautification along the way was addressed.

They used funding from the National Endowment for the Arts to fund a design competition in Menomonee Valley for a green industrial park, which has subsequently been built. Foundations in private sectors stepped to fund implementation. The result is over \$1.2 billion investment during this time period.

I'm raising this example particularly in regard to recommendations of OECD because the innovation, the businesses that were attracted to the green industrial park are very heavily green businesses, and you heard a presentation earlier about the water technology focus.

This is very well thought through economic development strategy. We should focus on the strengths of Milwaukee. And these are all built off of good ideas that are local and are helped along by federal grants, and our EPA grants are part of that. And so then I'm going to leave it right there. Thank you.

MR. BOYLE: Thank you Jim. Jim Cunningham, who is sitting in for Antonio Riley, if you could do the same with HUD, please.

JIM CUNNINGHAM: Absolutely. Good afternoon and thank you for having me. Antonio, our Regional Administrator sends his regrets as well. He's traveling off to Pittsburgh to participate in one of our Place-Based Initiatives called the Prosperity Play Book which deals with our twin cities. So, our secretary, Julian Castro, often talks of HUD as the department of opportunity, and I kind of want to talk about that. I'm not going to talk about all of grant programs because most of them are pretty strict funding streams that go to state and local governments, local housing authorities. We have financing programs.

But what I think is important is how we engage our communities and how we use those to think regionally and often globally. So, he calls us the Department of

Opportunity, and what does that mean? Well, HUD, with our initiatives, we kind of have this principle that we can't plan -- as Colleen said, we need to listen to local governments so we have to plan with communities, not for them. We are not the experts. We have the programs, we have the tools to help you get where you need to be. But we need to be in partnership with you.

The other thing that we've found is that there's this symbiotic relationship between the inner cities, counties, metropolitan areas and, in this case, even the super-regional economy. So, what does HUD do to help expand these regional opportunities? I want to talk about them.

First, I want to give a little bit of context and it's what we've talked about are Place-Based Initiatives, not only within HUD, but within the federal government. We've talked about some of them and the partnerships that go there. This region, the Midwest region that we cover, has six states. We have six of the ten most segregated cities and metropolitan areas in the country. This includes Detroit, Cleveland, St. Louis, East St. Louis, Cincinnati, Chicago and Milwaukee. And, in fact, the Milwaukee-Waukesha area has been the most racially and economically segregated community surpassing Chicago.

So, place does matter, and the thing that I think is

important to that is that the City of Milwaukee can't solve that problem, the City of Chicago can't solve that problem because we live in regional housing markets. We live in regional economic markets, and all of that interplays. So, you can't plan in a vacuum.

The other thing that I think is important is that where a family lives matters. There's been groundbreaking research that many of you probably heard by Raj Shetty out of Harvard that shows that children under the age of 13 who move out of extreme poverty into a stronger community went on to earn 31 percent more in lifetime earnings than their children who remained. So, we know unfortunately today still, the zip code where a kid grows up can determine their outcome. And that's unfortunate.

So, what are we doing at HUD to try to overcome these things? First of all, we realize, like I said, that there is a symbiotic relationship between the cities, counties and metropolitan areas. So, in 2010 we came out with Regional Planning Grants. And we offered, and Chicago was a recipient of those Regional Planning Grants to think beyond just our entitlement communities that we do where we get CDBG, HOME and all those, so we started with that.

The other thing that I want to talk about is that we, over the course of the summer, actually last month our

secretary was in Quito, Ecuador to do Habitat 3, it's a UN program to talk about the urban agenda. Well, we held a convening here in Chicago back in April. We were the first one to do that. But we focused on four areas. One is investing in people and communities for upper mobility, securing housing options for all, responding to shots and building resilience in the role of big data and shaping great regional policy.

The one thing that I found fascinating from that outcome was that regardless of how we had convening throughout the region and came and talked about their programs. The one thing is that in order to affect that one person in that one neighborhood, you couldn't just think about that neighborhood, right? You needed to think about the city, the neighborhood where they live. You needed to think about the city that they lived in and also, the regional and often, the super-regional.

So, we even came out of that at Habitat. And that was the message that Secretary Castro took to Quito, Ecuador. So, I want to talk about four things that we do. I've talked about this Place-Based Initiative, and I think there's four things that I want to convey to you today on what HUD, and our federal partners -- and believe me, we don't do it alone, we do it along with our federal

partners, our state and local partners, the private sector and non-profit sector. It's everyone pulling together to get these things done.

Four examples I want to give you today. One, Mr. Vanderkloot already alluded to and that's our Strong Cities, Strong Communities Initiative where we worked very strongly with Place. Our new Affirmatively Furthering -- it's not really new -- it's our Affirmatively Furthering Fair Housing Rule, just housing in general as a marketplace. I talked about how it's not just, you know, housing markets are regional; and a response to crisis and how regionalism has affected those and just real quick in SC-2, Gary, Indiana where Jim has worked, we worked; there was a transit issue, right? They wanted to eliminate a train stop and we worked collectively with the EPA, with the city, with the Regional Planning Commission and ended up with a positive community solution. HUD provided some technical assistance to implement that plan, but what it's going to do in the end, it's going to reduce the commute time from Gary to Chicago by 30 to 40 minutes, I believe. And so, a) that's a regional win for everyone because it affects the economy, the ability to get workers, or transportation or people here quicker is good, but it's also positive for the City of Gary because it's going to be

a transit-oriented development around the train site that was not eliminated, it was actually bolstered and improved.

So, that was the work that we did in a federal partnership. It was done locally in a Place-Based Initiative, but had a global impact.

I want to talk a little bit -- I mentioned before that we live in six of the ten most racially segregated communities are here in Region 5, which is not something that I'm very proud of. But, HUD's new Affirmatively Furthering Fair Housing Rule talks about having communities do smart planning about their housing, access to transportation, access to education, access to jobs. And people can go it alone, but what we are trying to do is to promote regional partnerships. So, throughout the State of Illinois, even though it's not this region, we've already had two communities, the quad cities and down in Champaign because they are due in 2017 to say yeah, we want to collaborate together. And we are having these same conversations here because first of all, every community that does what we call a fair housing assessment has to do so regionally. I mentioned the 2010 Regional Planning Grants that we did. They were required to do one. So, Chicago already has done this assessment.

We think it's just smart planning to figure out how

you can do two things, two sides of a coin on fair housing. One is how do you create access to opportunity? And, also invest in communities that need that investment. And that's what we're asking communities to do and do it in a smart way with data driven analysis and that's basically what that rule says. But, we're also saying, don't just do it within your own jurisdiction, we want you to partner so that if you're an urban county, for example Cook in Chicago should probably partner together because what happens in Cook affects what happens in Chicago, what happens in Lake County affects what happens here.

The third is just our housing. And I think real quick and Tony has probably talked about this before this, but it's a Regional Housing Initiative and what the Regional Housing Initiative is, is a way to implement kind of the thing I talked about under AFFH and that is a partnership of the fourteen housing authorities in this metropolitan area; all but two I think are now involved in this partnership, but what it's done is taken the, I would say the giant engine of this Chicago Housing Authority and allowed its voucher pool to be spread throughout the region to provide access to what we call Project Based Vouchers in opportunity areas.

So, the housing authorities that are outside the City

of Chicago, they have a very limited voucher pool, whereas the City of Chicago has a very large voucher pool. So, they've contributed proportionally a portion of housing choice vouchers to this pool collaborated and when they do low income housing tax credit developments in opportunity areas, they pool this and put them so that we can develop housing in opportunity areas as well as what we call redeveloping areas. So, we're not only investing in areas outside the City, but also areas within Cook County and City that are redeveloping, having access to the things that we've talked about; access to jobs, access to transportation and good education. So, this is a collaboration among housing authorities, and the Regional Planning Community that said, hey, we're going to get together and solve this to have positive outcomes for everyone. So, that's another example.

The last one, I just want to talk about we've been working, many of you may have heard of our work in East Chicago where public housing was built on a Superfund Site. We've been working, and the Superfund Site, but the outcome out of that was we are, the City and the Housing Authority decided that the best thing to do is relocate 300 families in six months, right?

So, obviously, Chicago has a limited housing market,

but when we started tackling this, we said, we're going to need the help of everyone. So, we had the State of Indiana Housing Finance Agency, the Chicago Housing Authority, Cook County Housing Authority, the housing authorities in Northwest Indiana all came together and said, we are going to help and we will put -- make a priority for these folks. So, we are working together to help house these families on a regional basis because again, housing markets are regional. They don't end at the borders of East Chicago. They don't end at the borders of Cook County or the State of Illinois.

The other thing on that is that we've also worked with the utility companies to ease the process since this is no fault of these families that they have to move, that we're making it easier to transfer utilities, make it easy, you know, if they have negative marks, we find ways and programs to help them do that. So, we've worked with utility companies throughout the State of Illinois and the State of Indiana to say that. So, my bottom line is that we all cooperate, we all work together. We are better when we cooperate and we can get more done and we do it with our partners up here and we do it with our partners in the field. So, we are here to -- if there's any other questions, we'd be glad to answer them. Thank you very

much.

MR. BOYLE: Thank you Jim. Jeanette, it's been a long and interesting journey, has it not?

JEANETTE TAMAYO: It has been a wonderful, long, and interesting journey. I'm thinking I'm the last speaker. It's towards the end of the day. So, what can I tell you about the Economic Development Administration?

First and foremost, we have the best mission in the federal government. Our mission is to lead the national federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. And that's absolutely critical because from our formation over 50 years ago, we have focused on regions, innovation and collaboration.

We offer a number of grant programs. Visit us on www.eda.gov and you will learn that we now have a rolling application deadline because our goal is to work with communities by meeting them where they're at. When you need a business response and a business solution, it doesn't fit on specific timeline dictated by the federal government; it's on a timeline that's dictated by your communities' needs. And you know better than anybody else what your challenges are, what your opportunities are, and

so often what we hear back is that for our communities finding the funding, the partners and leveraging that pathway toward success is the most difficult challenge.

To that end, we have recently launched a new initiative, our Economic Development Integration Initiative. And we are taking the resources of 80 economic development programs from across all of these federal agencies and helping communities identify where their project might best fit when the fit is not necessarily with the EDA or when it needs to partner with the EDA.

Very often when we're looking at a community, we have to look at housing, we're looking at community development and economic development. And while from a funding perspective, we're looking at the individual program, a community is looking at what an individual and a family needs in order to be successful and how they can go across all of these federal programs in order to achieve those objectives.

So, our goal is to have you meet with our staff, receive technical assistance, identify what your specific challenge is, and then work with us so we can help direct you to the right place.

I'd like to highlight just a couple of projects that we have been working on. We have been developing a number

of economic development tools.

U.S. Cluster Mapping Initiative in conjunction with Harvard Business School. Would you like to know what clusters exist in your community? Which ones are emerging? What the community next door looks like? This is a tool that can be accessed by anyone, but lets you assess where you fit in comparison to your neighbors.

Our regional acceleration network looks at venture development organizations, where they're located and what the best practices area. If you'd like to calculate the triple bottom line, measure the social, environmental and economic impacts of developmental decisions, there's a tool to help you with that.

Would you like to look at the innovation index? Is your community ready for innovation? While we might all speak about being ready for innovation, we know that for innovation, there is the soft culture element as well as the hard assets that are necessary. Do you have that in place, and where do you fit within that? Where are you on human capital, economic dynamics, productivity and employment, and general well-being? We have a tool that helps you look through that.

Four years ago when we started this avert journey, OECD had released the first Tri-State Territorial Review in

the United States looking at this Tri-State region and really presented a challenge to the community. It asked the community to look beyond its borders, statewide borders, county borders, and city borders, and identify ways to collaborate together. We had to sit back and identify what value can we as a federal agency and as part of the federal family bring to the community?

And that led to discussions to initiate the Tri-State Federal Partnership. Twelve federal agencies agreed to identify a single point of contact for any agency in this Tri-State area who wanted to access our services for regional initiatives. I'd like to highlight those agencies: HUD, USDA, Small Business Administration, EPA, Federal Transportation Administration, Department of Labor, Employment and Training Administration, U.S. Army Corps of Engineers, Federal Highway, General Services Administration, Department of Education, Health and Human Services, and the Chicago Federal Executive Board.

Over the past four years, we have been meeting within each of our respective areas to identify those opportunities for collaboration. For EDA we have funded initiatives in Milwaukee with Milwaukee 7 with the Water Council. You've a lot about water technologies today. In the Chicagoland area, we have funded SEMAC with the

Community Assistance Program. The Institute for Work and Economy to help identify and leverage the talent assets in manufacturing capacity at the universities; the Alliance for Regional Development, (inaudible 0:45:17.6) in Chicago to increase microloan capacity within the Chicago area and to expand into northwest Indiana; Clean Energy Trust was recently announced; and NHUB, our new manufacturing initiative in Chicago, was just launched.

While these are individual programs, they're individual programs that were funded because of the impact that they would have on the regional economy. Every single one of those applications spoke about the impact in their community and their neighborhood; but also what it looks like when you speak about Milwaukee, Chicago, all the way down to Gary, Indiana. And in Gary, Indiana in conjunction with HUD, we've also been able to partner and find ways to invest in that community in order to help it move towards that next stage.

Not every community is ready for innovation. Not every community is ready for the next accelerator or incubator. Sometimes we need the basics, road, water and sewer and EDA is able to provide that. But when the community is ready to move to that next stage of development in its commercialization and technologies,

we're ready to move in that direction.

When it's looking at workforce, we also have the capacity to help support workforce. Secretary Pritzker has identified that the U.S. Department of Congress is open for business and that workforce is a critical component of business. It's hard to talk about the business community without talking about the workforce needs.

And so over the past several years, the Economic Development Administration has been focused on helping leverage various programs to support workforce initiatives. Everything from constructing facilities at community colleges, partnering with universities to providing soft skills training, and helping with the technology sector through robotics and certificate programs to help incumbent workers in their community.

I'd like to close by just pointing out that the group that you see here works together on a regular basis. That's the beauty of what EDA brings to the table. We have our own programs, our own technical assistance, our own staff; but more importantly, for purposes of this meeting today, we have our partnerships, and we're able to leverage those partnerships in a way that helps communities. Thank you.

MR. BOYLE: Thank you Jeanette. We are about to lose

Catherine to her chosen mode of transportation to get home. So, I do want to give her an opportunity with any last comments that she has. But I also want to see if there is anybody in the audience who has a pressing question about the Department of Transportation before she goes. Did you have any last remarks?

MS. BATEY: No, I was just going to throw one out that some of you all may be aware that the Administrator had 25 different Beyond Traffic Roundtables on freight economy over this past year. Chicago was one of the locations that was one of the last ones. But those, the information that was derived from those summits and those conversations -- and I was there at one of those and it was really, really good -- is going to be used to develop the draft or the National Freight Strategic Plan.

And again, a lot of the conversation that came out of that was great, you know, and you had stakeholders there that are directly impacted by the freight economy. And workforce was one of the major things that was brought up too in addition to, of course, congestion, et cetera.

Another area that we've been working is megaregions around the country. We talk about this megaregion, but the megaregion that I'm referring is where -- we're in one of the largest area population called this Midwest which

incorporates -- and I'm not going to be able to tell you off the top of my head, I think it's 10 or so different states and portions of, but it's 52 million people in terms of population. So, from a federal highway -- and we're trying to pull together some -- and we have had several meetings on these. There's one coming up in Memphis. We actually tried to link ours one for the Midwest in St. Louis with Mary Lamie and the freight group down there.

But again, emphasizing the benefits of the collaboration and partnering from a regional perspective, because when we look at megaregions as the key issues that we're talking about, at least what we've looked at is the infrastructure and the congestion associated with that. And so those key issues often that you're looking at from a regional perspective, you need to look at environment, air quality, you need to look at the freight issues, you need to look at economic volatility. All the things that we're sitting here talking about and number one and foremost should be safety.

But I do want to throw those things out, and I do want to just, you know, kind of pick on Colleen here a minute ago because she did talk about her compressed gas from the cow manure, et cetera. They're not paying a gas tax, and so I just wanted to say that, you know, we need to have

everybody paying a gas tax when they're driving on the roads.

MS. CALLAHAN: We don't set the tax, we just implement it.

MS. BATEY: But hopefully, we will have, you know, with the next administration, you never know. Again, it's about bi-partisan or partisan issue. And everyone wants to see whether infrastructure, which is roads and highways, water, the water quality, you know, all the different agencies, we're all in this together, and how can we build a better life for everybody. We need to work. We draw lines, but we can't draw lines at the state line. The pie is getting bigger, and there is enough of that pie for everybody. So it's really not about competition, it's about collaboration and working together.

And I am sorry, I still might not make that train, but I appreciate the opportunity to be here today and to listen to everything that I've heard. So I hope I'm invited back next year. Maybe I'll stay longer. Thank you.

MR. BOYLE: Thank you Catherine.

I'm about to go a little bit Phil Donahue here to sort of get other people involved. I know we're near the end of the day, but before I do that, I do want to give the panel one last opportunity with this kind of trick question.

Having had a few years now to be working collaboratively among the agencies, and working to some degree in response to some of these challenges to be working across boundaries, do you have a favorite example, I mean, we already heard one about the transit-oriented development in Gary and some of the work done in Menomonee Valley. But do you have any other illustrations of where this coming together among the agencies and addressing things across these boundaries has really worked particularly well that you'd like the opportunity to share with this group?

MS. TAMAYO: Absolutely. Can I start with one, and this is something that really affects close to 7 million people, and that's the Planning for Progress Agenda that Cook County undertook. Back in 2003, Cook County had to complete what's known as a Comprehensive Economic Development Strategy Document in order to qualify for EDA grants. It also had to complete the HUD's Consolidated Plan. Many of those elements are the same. And yet, it was undertaking two different processes.

The same people were invited to two meetings for two processes, and over and over there was so much repetition. Yet, they came to us in 2013 and asked if there was a way that we could collaborate with each other to help

streamline the process. What an easy way to say yes, of course, absolutely. Now, it wasn't as easy as saying "Of course," but we figured it out.

And we changed our deadlines, we changed our process, and what resulted is that the Bureau of Cook County Economic Development and the Cook County Planning Department were able to undertake and combine those two plans through one consolidated process. They were able to tap into talent pools just one time. They saved time and money. The result of that is what you might hear and know as Planning for Progress.

It's helped them have a guided tool that for the first time ever -- it's a coordinated housing community development -- economic development plan that allows them to look at what's happening in over 135 municipalities and over 3 million residents that it touches directly in a 7-million-person labor pool. That was a tremendous coordination with HUD where we undertook the initiative, figured out how to make this work, what we needed to do administratively.

And one of the things that we learned is that we did not need a statutory change or a presidential declaration. We simply needed to have the leadership and the will to find a way to make it work. And so where we had

administrative flexibilities, we exercised those administrative flexibilities and then together worked with Cook County over the past three years to achieve this great outcome.

MR. BOYLE: Thank you, any other examples?

MS. QUINN: Mine is an example here and is one that you probably don't want, but I think it's a good example of the partnerships that we've had. I've been with the Department for a year. Prior to that I was with the State of Michigan. And many of you probably have heard of Flint and the water issue that they had.

And that was the coming together of a number of federal agencies to help address the water issue and the disaster that happened there. When it comes to the employment side, and working with the partners, many people think our programs are very restrictive. I disagree with that because I try to look for flexibilities. But we were trying to assess people who were long-term unemployed, those who have lost their jobs and we were also dealing, of course, with this water issue. So, we worked with the State, they were provided a \$5 million -- excuse me, a \$17 million grant for two years to assist with the cleanup, distribution of water. They created pods across the City. They employed people from the City who were affected, who

probably hadn't ever worked in their life, hadn't worked for many, many years, needed to get back into that.

What we ran into, though, is that all of a sudden people were coming up to us and saying, we're losing our assistance with the Department of Human Services. And we had people say that they're losing their housing because they were making a wage. And so what we had to do is say, hold it you shouldn't be losing anything.

We got with our partners, explained what's going on, realized that they had hit some wrong things because of the funding that we do. Our funding in this situation does not affect somebody's assistance with Medicaid or their food stamps or their housing vouchers and those types of things. So, we had to get that all arranged. Otherwise, we would have had people dropping out of the workforce because their assistance was dropping immediately and they had no place to live.

So, I think that to me was showing how we needed to look at our regulations and what we had there, clean that up and make sure it wasn't affecting the individuals themselves. And I think that would not have happened a couple of years ago. I think it was a really good example.

MR. CUNNINGHAM: I'll give one that's kind of -- it's actually a work in progress, but -- getting back to the

work in progress. So, as you know one of the major goals at HUD and actually the federal government, is to end veterans' homelessness. And so we were having -- one of our providers was having an issue up in the East Chicago area. So, we had some meetings with local officials there, and because in order to end homelessness we work with the VA, and so had a big conference there and we ended up meeting with the Captain of Great Lakes Naval Base and we found that they were having some issues and they had some concerns about the neighborhood.

And we also found out that the DOJ was working in East Chicago and we started having discussions within the Federal Executive Board about, well, we also had some issues with the people who are working in Waukegan. And all of this is Place-Based and all surrounded it. So, right now we have the Federal Working Group that is working in basically Lake County to figure out synergies how we all are working together and how we can all work together on these issues to help address some of the issues that the Naval Base is, some of the issues that we had with VA in implementing our HUD Badge Program.

In the old days, HUD would have gone to that community and dealt directly with the Housing Authority and only the Housing Authority. We would not have had these larger

conversations. So, now we are actively engaging in two or three communities and with all the federal partners.

I just think even though we haven't -- we're in the formative stages, five to ten years ago that would not have happened and the community would have been on their own, Great Lakes would have been on their own, and everyone would have been out there figuring it out for themselves. So, I think that's just an example of what this administration has said, and I think also just what the federal agencies here in Chicago in Region 5 has said is that we're going to work together to make it easier to access us and also to help you, the community, solve your problems. So, I think that's another example of the work that we're doing.

MS. TAMAYO: And in Region 5, when we speak about Region 5, so from the HUD EDA combined planning, there's now a National Memorandum of Understanding that allows the two agencies to adopt nationally what we were able to do in Region 5. And this Region 5 collaboration has been part of the basis that has been mentioned. Just yesterday there was a presidential order that was issued establishing the Council on Community Solutions, which is a focus on collaboration among the federal agencies in order to support Place-Based work. And two of the projects and two

of the areas from Region 5 were highlighted: our work in Gary and our work in Rockford.

And in meeting with all of the various Community Solution teams, we've been able to highlight the work that we've been able to accomplish through the Chicago Federal Executive Board. For those of you who don't know what they are, it's 28 national boards that were created to serve as a collaboration and communication resource. Region 5 has taken that to heart, and not only have we embedded so much of our work at the Chicago FEB, but we are undertaking all of this Place-Based work simply because it's a good practice and it makes common sense, and there's no reason why we wouldn't do it.

If we were sitting on the other side, we would want the federal government to come to us and be helpful and make all of its resources available. We would not know which number to press and which silo to go through and which roadmap to follow. We would want that guidance. So, we're committed as a federal family within Region 5 to work across these federal lines, work across our programs and our respective agencies to help you navigate the systems that we have to follow, but help you navigate in a way that makes a difference to your community. And we're just really thrilled that this is the kind of work that flowed from the

OECD study from our original collaborations and is now part of a national model.

MR. VANDERKLOOT: My examples are more than nuts-and-bolts level in helping Gary find money and -- but they do involve some people you know.

The Sheraton Hotel stood right next to City Hall and it was a symbol of blight, and it had been standing vacant for years, and Gary needed two things to get this done. The first was money and so we worked with Gary on use of EPA Brownfield's Revolving Loan Fund money and also, there was HUD's Neighborhood Stabilization Program money left, and HUD was able to give us special dispensation that allowed the funds to be used in demolition of a large building rather than a small building.

But, the second thing that Gary needed is they needed help in putting together bid specs. So, we working -- our consultant at the time was the former mayor of Kenosha, John Antaramian. We went and visited with Lee Morris who is unfortunately not sitting here right now. And proposed that there needed to be a challenge fund created, you know, for local governments to use to get from the Regional Development Authority in Northwest Indiana for just exactly this sort of purpose. We drafted it the next day, and it was passed the next week.

Two hundred thousand dollars went to the City of Gary to hire a consultant to help design the bid specs for tearing down a large building, which is something not every local government knows how to do. And also the consultant helped them to review the bids as they came in. It was a very important step because Gary learned from this. The next building that they tore down, they did without this contractor's support because they built capacity by doing this.

The second is in tearing down large numbers of homes, the EPA and HUD and a number of other partners, notably the Congressman's office and the University of Chicago helped Gary to put together their case for getting Hardest Hit Funds from the Department of Treasury to tear down a large number of homes. This same structure was applied very much in Detroit.

So, the demolition of homes was combined with green infrastructure in two ways. One of which is EPA has put together model demolition specs for homes. The idea is so that you take out the foundation, you put down permeable soils and then you're not left with the property that causes runoff and flooding. In particular, in a city like Gary where their combined sewer overflows, this is significant.

But the second thing is that we sat down with the City of Gary and walked them through a broad range of green infrastructure funding sources, and they applied for a whole series of these from four or five different sources and developed a Green Infrastructure War Chest of over \$1 million. And, so, they've using this in creating demonstration projects on a number of demolished homes that were demolished through the Hardest Hit Funds and also, there is under construction right now, green infrastructure on the site of the former Sheraton Hotel right next to City Hall. So, the combining of resources has had some level of excitement to it.

MS. QUINN: Jerry, I don't have specific examples as my colleagues do, but as we conclude this, I think -- is everybody here a career person in federal government? I'm not, I'm a political appointee. I couldn't be more proud to hear these examples that you've given, because this has been a cultural change.

I know from sitting down with Agricultural Secretary Vilsack and being in the White House Rural Council meetings, there was no White House Rural Council. And at that White House Rural Council Meeting, there's a representative from every agency in the federal government around that table. And we'll sit and talk about what can we

do with the VA to help our servicemen and women with a very high percentage who come from rural communities, but whose VA clinics are not located in those rural communities that they've come home to. So how do we figure that out? How do we work together? How do we work with Health and Human Services? How do we get the kind of healthcare that we need in rural communities that doesn't exist in the more highly populated metropolitan areas?

And so we were challenged to get out of our respective silos and to talk to each other and to communicate and collaborate and what you described is a result of that. So, thank you for asking that question and for giving those examples because it really was a challenge that was presented to us to begin to work across agency lines and obviously, it was effective. Thank you.

MR. BOYLE: Thank you very much. My colleague Garr and I have microphones ready if there are any -- we only have a couple of minutes left. If there are any questions that people in the audience have for this panel. Yes, sir?

Q This is a brief question. You described regions in your respective areas. Are your regions all the same -- boundaries are all the same?

MS. QUINN: They haven't fixed that yet.

MR. CUNNINGHAM: They're not even all the same

within HUD.

MS. TAMAYO: We just align them as we needed to align them so that we can collaborate with each other.

MR. CUNNINGHAM: For the most part where I think the three of us are, Christine, she has 10 states, but 6 of which are within -- so we're 6 states and Agriculture -- are they the same states?

MS. QUINN: We have a Midwest Region for USDA Rural Development, but it's not the same kind of structure or states that --

MR. VANDERKLOOT: But if -- one of the things that we heard from the State of Indiana and I'm wondering if this isn't part of what we were hearing from this panel as well is that you would prefer to not have others define their regions by your regions. That it's more important for the folks in the audience to define their regions in compelling ways, and that this new collaboration across agencies allows you to be more responsive to whatever that designation is.

MS. TAMAYO: Absolutely, we want to meet communities with where they're at.

MR. CUNNINGHAM: I'll just give a quick example. We did a convening a year ago in East St. Louis to help work with that community. So, we did it under the guise of

the FEB, but so that's two -- they're right on the cusp of two HUD mostly, and most federal agency regions; Christine covers them both. She's easy, but so that's a challenge for us, right? But we were able to -- so, it's two different FEBs, typically two different regions that cover that bi-state area. But,] we've worked through that and we were able to do that so we had -- so, some agencies came from Chicago, some came from Columbia, some came from St. Louis, so it's just something we have to figure out. You just have to have an awareness of it, and I think now that we work the way we do we -- that's kind of first on our mind. What do we need to do?

MR. BOYLE: I am actually getting the time's up signal already. So, I'm sorry to do that. The only thing left to do now between this and a very nice reception that we have set up outside these doors is to allow Kelly O'Brien to come up and sort of close us out a little bit. So, if the panel could just bear with us for a couple of minutes. We'll wrap this up and then we'll all head for the -- does somebody need to leave for a train or something?

- END -