

**For Immediate Release**  
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### **NEW STATE LAWS COULD HELP WORKERS FIND HOUSING CLOSE TO THEIR JOBS**

***Benefits Seen For Workers, Employers And Taxpayers***

CHICAGO, IL – Legislation signed today by Gov. Rod Blagojevich will encourage businesses to expand close to worker housing and mass transit and will help state government plan for future housing needs.

“The mismatch between jobs and housing in the Chicago region has serious consequences for all of us, and our business climate will suffer until it is resolved,” said George A. Ranney, Jr., President and CEO of Chicago Metropolis 2020. “Patterns of housing segregation and separation cost employers \$200 million to \$300 million a year due to reduced labor pools, higher wages, higher turnover and increased training costs, and workers end up spending too much time and money on long commutes and too little time with their families.

“State government has an important role to play in making housing and transportation more readily available, and this legislation can help achieve that goal and at the same time can reduce the cost of doing business in Illinois,” Ranney added.

Chicago Metropolis 2020, a business-based civic organization promoting long-term planning and smart investment in the Chicago region, led coalitions of groups in support of the legislation.

The bills signed by Gov. Rod Blagojevich are:

- Senate Bill 2885, known as “Location Matters,” allows the Department of Commerce and Economic Opportunity to offer a limited incentive to businesses creating a high number of jobs in “location efficient” areas where the cost of new infrastructure and impact on road congestion is minimal.
- Senate Bill 2290, the Comprehensive Housing Planning Act, requires the development of an annual housing plan and yearly assessment of the state’s progress toward meeting housing goals. An earlier executive order, issued by Blagojevich, resulted in the state’s first comprehensive housing plan. The executive order would have expired in 2008, but enactment of SB 2290 makes that annual plan a statutory requirement.

Additional background and a fact sheet on both bills are available at [www.chicagometropolis2020.org](http://www.chicagometropolis2020.org).

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*Friday, June 30, 2006*

Ranney said the Location Matters legislation breaks new ground in Illinois and makes Illinois one of the first states with the ability to encourage companies to bring jobs close to available workers and to locations where infrastructure already exists to handle large-scale business development.

“With this new law, Illinois government signals the importance not just of encouraging job growth but encouraging new jobs close to workers’ homes or within an easy commute,” Ranney said. “The creation of jobs near mass transit and a ready pool of workers lessens the impact on traffic congestion, reduces the need for expensive new highways and allows working families to cut commute times and spend more time with their families.

“When it comes to economic development, location really does matter,” Ranney said.

Ranney commended the sponsors of the bills for their leadership and dedication to enacting the legislation. The chief sponsors of SB 2290 were Sen. Iris Martinez of Chicago and State Rep. Julie Hamos of Evanston. The chief sponsors of SB 2885 were Sen. Terry Link of Lake Bluff and State Rep. Kathy Ryg of Vernon Hills.

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**Senate Bill 2885**  
**Sponsored by Sen. Terry Link and Rep. Kathleen A. Ryg**  
**Investing Public Funds for the Greatest Public Benefits**

**LOCATION MATTERS**  
**The Business Location Efficiency Incentive Act**

Senate Bill 2885 allows the Illinois Department of Commerce and Economic Opportunity (DCEO) to make the most efficient use of limited state funds while assisting businesses with progressive and low-cost methods to recruit and retain employees and increase assistance to companies that create jobs in areas most in need of new jobs.

Using easily accessible data, DCEO will be able to:

- apply limited state economic development funds wisely;
- reduce commute time resulting in less traffic congestion and air pollution;
- promote the availability of workforce housing near jobs;
- help businesses build a stable workforce; and
- support economic development in areas of the state with a surplus of available labor.

SB 2885 gives DCEO the option of offering increased economic development benefits. The benefits are limited to employers qualifying for EDGE tax credits under any of the following three different ways.

1) EDGE applicants can provide DCEO with information about the business location, including data on affordable workforce housing and/or access to public transit near the site. If DCEO determines the employer is in a “location efficient” site, the employer receives up to 10 percent in added tax credits through EDGE or an extension of EDGE credits for additional years.

2) If DCEO determines the employer is not in a location efficient site, the employer can still qualify for the bonus if it chooses to give DCEO a plan to increase the housing and/or transportation options of its employees. Such plans might include an employer assisted housing plan, shuttle services, pre-tax transit cards, or carpooling assistance. Many Illinois employers have already implemented these low cost plans to improve their recruitment and retention efforts.

3) SB 2885 also addresses the need to create more jobs where they are needed most. If an employer qualifying for EDGE creates jobs in a Labor Surplus Area as defined by the Illinois Department of Employment Security, the employer will be eligible to receive the EDGE bonus, regardless of the availability of affordable workforce housing or access to public transit.

**SB 2885 -- LOCATION MATTERS**  
**The Business Location Efficiency Incentive Act**

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**Everyone Benefits:**

Taxpayers win:

- DCEO funds will be spent, whenever possible, to maximize the use of existing infrastructure and avoid additional expenses for publicly financed transportation.
- Illinois will remain competitive in attracting and retaining businesses to our state.

Employers win:

- Employers in location efficient sites or those with housing/transportation plans may have a more stable workforce and spend less on hiring new employees.
- DCEO will help employers develop low-cost plans to ease employees' commutes.

Workers and other residents win:

- Workers spend less time commuting and more time with their families.
- Residents near the worksite can spend less time in traffic when fewer workers clog the highways and roads near the worksite.
- Residents and workers enjoy cleaner air as pollution decreases over time.

**It Can Be Done .... And Has:**

Illinois Employers Leading the Way:

- Many employers -- such as Boeing and Abbott Labs -- are choosing areas with public transit options.
- Many employers choosing to locate farther away from housing and public transit have developed programs to increase employees' housing/transportation options. Examples include Bloomington's Wheels to Work program run by the local YWCA.

**SUPPORTERS OF SENATE BILL 2885**

Center for Neighborhood Technology  
Chicago Metropolis 2020  
Citizen Action-Illinois  
Good Jobs First  
Home Builders Assoc. of Greater Chicago  
Home Builders Assoc. of Illinois  
Illinois Housing Council  
Illinois Manufacturers' Association  
Metropolitan Planning Council  
UFCW, Local 881

**Senate Bill 2290**  
**Comprehensive Housing Planning Act**  
Sponsored by Sen. Iris Martinez and Rep. Julie Hamos

The Comprehensive Housing Planning Act codifies provisions of the Governor's 2003 Executive Order establishing a comprehensive state housing policy.

The legislation recognizes that the availability of decent and affordable housing throughout the state is important to the state's economic health and requires state government to have an action plan for addressing the growing need for affordable housing.

**Executive Order in action:**

Governor Blagojevich's Executive Order, issued in September 2003, created a State Housing Task Force composed of the Director of the Illinois Housing Development Authority and representatives of the Governor, the Lieutenant Governor, legislative leaders and state agencies with housing assistance programs or serving residents with housing needs. In January 2005, the Governor and the Task Force issued the first comprehensive and coordinated plan to better distribute more than \$600 million in annual state spending to benefit more than 115,000 citizens.

**Legislation to require annual updates:**

The legislation directs the Task Force to advise and guide a smaller interagency subcommittee in the development of an annual housing plan, which will be delivered to the Governor and General Assembly by January 1 of every year. By April 1 of the following year, the subcommittee will report on progress made toward achieving the goals of the previous year's plan.

**The Comprehensive Housing Plan:**

- Creates goals to help underserved populations – such as low-income families and seniors and people with disabilities – in need of new and rehabilitated housing;
- Identifies all funding sources under state control for housing construction, rehabilitation, preservation, operating or rental subsidies, and supportive services;
- Recommends state actions to assist housing creation and suggest incentives for communities to create a mix of housing to meet the needs of current and future residents.

## **Supporters of SB 2290 Comprehensive Housing Planning Act**

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AIDS Foundation of Chicago  
Alliance to End Homelessness in Suburban Cook County  
Business and Professional People for the Public Interest (BPI)  
Champaign-Urbana Tenant Union  
Chicago Metropolis 2020  
Community Crisis Center  
Corporation for Supportive Housing  
DuPage Homeownership Center  
Habitat for Humanity of Illinois  
Hanover Township Mental Health Board  
Hispanic Chamber of Commerce of Northern Illinois  
Housing Action Illinois  
Housing Choice Partners  
Illinois Association of Realtors  
Illinois Housing Council  
Interfaith Open Communities  
Lakeside Community Development Corporation  
Latinos United  
Lawyers' Committee for Better Housing  
Leadership Council for Metropolitan Open Communities  
League of Women Voters of Illinois  
League of Women Voters of Wheaton  
Metropolitan Alliance of Congregations  
Metropolitan Planning Council  
Pax Christi Illinois  
Project IRENE  
Sargent Shriver National Center on Poverty Law  
Southern Illinois Center for Independent Living  
Southern Illinois Coalition for the Homeless  
Southern Illinois Homeownership Coalition for People with Disabilities