



## News Release

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### **REPORT POINTS TO HOUSING AS KEY REGIONAL CHALLENGE**

A wide range of regional challenges, ranging from traffic congestion to broad inequities in school funding, are related to the Chicago region's housing patterns, according to a report released today by Chicago Metropolis 2020, a business-backed civic organization.

“What the data tell us is that if you think you can build a healthy and attractive region without paying attention to what kind of housing the region is adding, and where it is being built, then you are completely missing the boat,” said George A. Ranney, Jr., President and CEO of Chicago Metropolis 2020.

*The Chicago Metropolis Housing Index: Housing As Opportunity* is a compilation of data broadly related to housing in the six-county Chicago area. The 70-page report, which draws upon 30 years of Census data and numerous other sources, documents trends in new housing construction, dramatic growth in commute times, changing demographics throughout the region, rising property values, a tightening rental market, and other growth-related developments that profoundly affect the region's quality of life and economic competitiveness.

The report identifies numerous housing-related trends:

Development patterns:

- New development has become significantly less dense. Between 1990 and 2000, the amount of open space in the Chicago region consumed by residential development grew by 21 percent – or nearly twice the rate of population growth.

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- Development patterns are also associated with dramatic increases in auto travel. The state population increased nine percent between 1990 and 2000 while the number of vehicle miles of travel grew 23 percent.
- While Chicago remains at the core of the region, robust suburban growth has reduced the City's share of the regional population from 48 percent in 1970 to 36 percent in 2000.

#### The Housing Market:

- The Chicago region has added far fewer rental units than other metropolitan areas over the past 30 years. Falling vacancy rates and increased overcrowding over the past decade suggest a tightening of the rental market.
- Property values increased faster in the Chicago area during the 1990s than in almost every other major metropolitan area, making a house or condominium an excellent investment for those who had already bought into the market but less affordable for those who have not.

#### Housing and Jobs:

- Employment throughout the region is more diffuse than it was in 1970. However, the bulk of the region's jobs are still in Cook County. In 2001, Cook had more jobs than the other five counties combined.
- The median commute climbed between 1990 and 2000 in all six counties, as did the number of individuals commuting more than 30 minutes to work.
- Many of the region's job centers added thousands of jobs between 1990 and 2000 while adding virtually no new housing. The housing that is being built is not affordable for workers taking the jobs that are being created in those areas.

#### Housing and Education:

- Since Illinois depends more heavily on local property taxes than most states, school spending is highly correlated with community wealth. In Cook County, spending per high school student ranges from \$7,500 to over \$16,000. In Lake County, spending per elementary school student stretches from \$5,800 to over \$18,000.
- Students throughout the region are not likely to attend schools that reflect the racial and ethnic diversity of the region.

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- A striking proportion of students, particularly students in Chicago, are not meeting state achievement standards.

Housing and Regional Diversity:

- All six counties have grown more diverse, primarily because of growth in the Latino population. In 1990, 12 percent of the region's population was Latino; by 2000, the region's Latino population had grown to 17 percent. One result is that Spanish is spoken as the primary language in a significant number of households in all six counties.
- The region's African American population remains relatively concentrated in southern Cook County, including the southern suburbs.

The report also underscores the role that housing plays as a means of connecting individuals and families to the rest of society. "A home is also a gateway to opportunity – the most important connection to jobs, schools, transit, and community. If we are to provide access to economic opportunity for more Chicago area families, then we must provide a broader range of housing choices throughout the region," the report notes.

Housing issues will become even more complex as the region grows in coming decades. The six-county Chicago region is projected to add 800,000 new jobs, nearly two million new residents, and a million new cars by the year 2030.

**About Chicago Metropolis 2020**

Chicago Metropolis 2020 is a nonprofit civic organization created in 1999 by The Commercial Club of Chicago to promote long-term planning, better regional cooperation, and smart investments in the Chicago region and its people.

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