**North suburban mayors, MPC and Charter One Bank launch Charter One Workforce Housing Initiative**

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(Chicago) … The communities dotting Lake Michigan’s shoreline north of Chicago are well known for excellent schools, fine dining, high-end shopping, and plentiful jobs. But for tens of thousands of people who work in the northern suburbs, the area falls critically short of homes they can afford.

In fact, new data on workers in Deerfield, Highland Park, Highwood, Lake Forest and Northbrook show that approximately 60,000 employees (or 77 percent of the local workforce) earn less than $50,000 per year; yet only 5,000 homes in the five communities (or 13 percent of the total housing stock) are affordable to these families. This shortage is threatening economic development, hurting local employers, and forcing workers to make long commutes from more affordably priced communities.

To address this jobs-housing mismatch through a unique public-private collaboration, mayors and employers from these five communities launched the Charter One Workforce Housing Initiative on June 15 in Northbrook.

“Through the Charter One Workforce Housing Initiative, local communities and employers will tap new resources to cultivate innovative solutions to help their workers afford homes in the communities in which they work every day,” said Scott C. Swanson, president and CEO, Charter One Bank. “Charter One Bank knows how valuable homeownership is to families and communities, and we are proud to support this important new initiative.”

Employers attended Friday’s briefing to learn not only how they can participate in the initiative, but also why their involvement will benefit workers, employers and local communities alike.

“Though housing prices are temporarily on their way down, across Chicagoland, particularly in communities with a good job base, working families are increasingly unable to afford to purchase a home,” said Mayor Michael Rummel, City of Lake Forest . “Employers are finding it’s difficult to recruit workers who face the prospect of making long commutes from more affordable towns. Or they hire people who are willing to make the commute, but soon realize they’re often late, or that they quit when they find a job closer to home. Meanwhile, Chicagoland continues to experience the third-worst traffic delays of any metropolitan region in the nation.”

“By examining and changing local policies to encourage the preservation and development of affordable homes, area towns and cities are working to stem the tide of the regional workforce housing shortage,” said Mayor Michael D. Belsky, City of Highland Park. “Today’s gathering represents how, through strategic collaborations with each other and with private sector leaders, we can improve the range of housing options available for valued members of our community and workforce.”

Those next steps are critically needed, according to the nonprofit Metropolitan Planning Council (MPC), which along with nonprofit Housing Opportunity Development Corporation is administering the Charter One Workforce Housing Initiative. MPC provided new data at the briefing to illustrate how serious the jobs-housing mismatch is in the northwest suburbs: by 2030, the five communities of Deerfield, Highland Park, Highwood, Lake Forest and Northbrook will need an additional 4,800 rentals and 10,000 for-sale homes affordable to households earning less than $75,000, according to projections calculated by Fregonese Calthorpe Associates for Chicago Metropolis 2020 and the Metropolitan Mayors Caucus.

The numbers tell an all-too-familiar story that is playing out in communities across the region, said MPC President MarySue Barrett.

“If we cannot promise employers that their workers will be able to afford quality homes, and if we do not plan carefully to create more live-near-work opportunities that reduce traffic, then we are in danger of losing employers to metropolitan regions that can and do,” said Barrett. “ Chicago ’s continued economic competitiveness depends on guiding growth to create communities in which we can live, work and play.”

To help achieve this goal, the Charter One Workforce Housing Initiative offers local companies a “menu of options” to choose from, outlining market-based strategies they can employ to help workers afford existing homes and/or to help create new homes affordable to working families. An early success of the program is the expansion of locally proven models for addressing the workforce housing shortage, such as employer-assisted housing (EAH).

Through EAH, employers provide qualifying employees with downpayment assistance and free homeownership counseling to help them purchase a home. In 2000, MPC launched its first EAH project in Illinois with System Sensor, now a division of Honeywell, based in St. Charles, Ill. Since then, more than 60 Illinois employers have invested in EAH, helping more than 1,000 workers afford to purchase homes. Illinois Housing Development Authority matches an e mployer’s downpayment assistance for households earning up to 80 percent of Area Median Income (AMI in metropolitan Chicago is $75,400 for a family of four.) And employers can tap t he Illinois Affordable Housing Tax Credit program, which provides a 50-cent tax credit for every $1 invested in EAH. These incentives make EAH very attractive to large and small employers.

To further encourage smaller businesses in the five communities to invest in workforce housing by offering EAH programs, Charter One Bank will cover the cost of providing homeownership counseling to their workers.

While EAH has become more common in Illinois, in large part due to the attractive state incentives, employers also can address the workforce housing shortage through a variety of tested models, according to Henry S. Webber, vice president of community and government affairs, University of Chicago . At the June 15 event, Webber explained how the university is helping preserve workforce housing in the five communities surrounding the university’s Hyde Park campus, through a $1 million investment in Community Investment Corporation’s loan pool for rental housing preservation and rehabilitation. (The university also has helped more than 115 employees purchase homes through its successful EAH program.)

For more information on the Charter One Workforce Housing Initiative, contact Mandy Burrell, Metropolitan Planning Council communications associate, at 312.863.6018 or mburrell@metroplanning.org; or Mark Guess, Charter One Bank assistant vice president, public relations manager, at 312.777.3479 or mark.w.guess@charteronebank.com.

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About Charter One Bank, N.A.

Charter One Bank, N.A., is a $46 billion bank operating in Illinois , Indiana , Michigan and Ohio . It has 466 branches and more than 780 ATMs. It has 119 branches and 364 ATMs in Illinois . Charter One is a subsidiary of Citizens Financial Group, Inc., a $161 billion commercial bank holding company headquartered in Providence , R.I. Citizens has more than 1,600 branches, approximately 3,100 ATMs and more than 25,000 employees. It has a 13-state retail branch network plus non-branch retail and commercial offices in about 40 states. Citizens is the eighth-largest commercial banking company in the United States ranked by deposits and ninth in assets as of September 30, 2006. Citizens is owned by RBS (The Royal Bank of Scotland Group plc).The Charter One Web site is charterone.com.

About Metropolitan Planning Council

Founded in 1934, the Metropolitan Planning Council (MPC) is a nonprofit, nonpartisan group of business and civic leaders committed to serving the public interest through the promotion and implementation of sensible planning and development policies necessary for an economically competitive Chicago region. MPC researches and develops policy recommendations and conducts outreach and advocacy in partnership with public officials and community leaders to enhance equity of opportunity and quality of life throughout metropolitan Chicago .

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