Mayor Emanuel’s Industrial Corridor Modernization

Planned Manufacturing District Review
North Branch Framework Implementation

Chicago Plan Commission        July 20, 2017

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1. Background
   North Branch Framework Plan
   Approved by the Chicago Plan Commission on May 18, 2017

2. Plan Commission Actions
   - Planned Manufacturing District Repeal
     Section 17-13-0711 of the Chicago Zoning Ordinance states that the
     Plan Commission is responsible for monitoring the effectiveness of
     planned manufacturing districts and must recommend to the City
     Council changes in or repeal of a designated district
   - Map Amendments Within Industrial Corridors
     Section 17-13-0402 of the Chicago Zoning Ordinance requires a
     public hearing to be held by the Chicago Plan Commission on
     applications to rezone land within an industrial corridor from an “M”
     zoning district classification to any other zoning district classification

3. Next Steps
   Council Committee to
   Review Zoning and Fee Ordinance
North Branch Plan

Approved by the Chicago Plan Commission in May 2017, the North Branch Framework Plan establishes a vision to modernize the corridor’s land use, transportation and open space assets on behalf of the entire city.

**A COMMUNITY-BASED PLAN**

More than 1000 participants contributed in a 13-month process that included:

- 25 Public meetings
- Over 355 emails and 50 letters
- 53 Maps created via sMap
- 192 original sMap comments

**2 PLAN COMPONENTS:**

1. **Land Use and Development Framework**
   Establishes a framework for land use transitions, density, open space, urban character, and transportation improvements for adoption by the Chicago Plan Commission to help guide the review of private development proposals.

2. **Implementation Recommendations**
   In order to implement plan recommendations, changes to the zoning code by City Council will be needed.
An economic engine & vital job center

Maintain the North Branch corridor as an important economic engine and vital job center that supports the entire city of Chicago

- Allow mixed-use development in appropriate locations with provisions for affordable housing & publicly-accessible open space.

- Target more than 50% of land for employment to more than double 15,000 existing jobs.

- Consider residential uses to support the needs of a diverse workforce.

- Facilitate business expansion and/or relocation to other industrial corridors.
Better access for all transportation modes

Provide better access for all transportation modes through new pedestrian bridges, public transit enhancements, roadway improvements, and other amenities.
Build upon the corridor’s unique natural and built environment, including up to 60 acres of new public open spaces, a seven-mile river trail system, and other year-round recreational amenities for multiple user groups and age levels.
Implementation of Framework Plan

To implement the Framework's goals in the corridor while generating funds for industrial and commercial development throughout the city, the proposed ordinance:

1. Repeals all or portions of existing PMDs in the northern and southern portions of the North Branch Corridor to accommodate the opportunity for mixed-use development.

2. Designates the North Branch Overlay District to guide future development.

3. Creates a new Industrial Corridor System Fund that would support industrial projects throughout the city.

4. Expands the City’s existing Neighborhood Opportunity Bonus system to the southern portion of the North Branch corridor.

5. Creates a North Branch Corridor Bonus system in the northern portion of the North Branch corridor.
Implementation Timeline

- North Branch Framework Plan Community Outreach
- Plan approved by CPC, May 18, 2017
- CPC Hearing on PMD changes, July 20, 2017
- Ordinance of initial actions reviewed by City Council

FUTURE ACTIONS

- Private Development (Zoning and Plan Review; Construction)
- Short-term Capital Projects
- Mid-term Capital Projects
- Long-term Capital Projects
Implementation of Framework Plan

- Section 17-13-0711 of the Chicago Zoning Code requires the Chicago Plan Commission (CPC) to monitor the effectiveness of all PMDs and make recommendations as needed.

To implement the Framework's goals of accommodating mixed-use business growth in the corridor while generating funds for industrial and commercial development throughout the city, the proposed ordinance would:

1. Repeal all or portions of existing PMDs in the northern and southern portions of the North Branch Corridor to accommodate the opportunity for mixed-use development.
2. Designate the North Branch Overlay District to guide future development.
3. Create a new Industrial Corridor System Fund that would support industrial projects throughout the city.
4. Expand the City’s existing Neighborhood Opportunity Bonus system to the southern portion of the North Branch corridor.
5. Create a North Branch Corridor Bonus system in the northern portion of the North Branch corridor.
Proposed Zoning Changes

Repeal all or portions of existing PMDs in the northern and southern portions of the North Branch Corridor

- **Subdistrict A**: Existing PMD repealed to previous Zoning Districts (predominantly manufacturing zoning districts)
- **Subdistrict B**: Existing PMD remains
- **Subdistrict C**: Existing PMD repealed to Downtown Service district, which is most similar to the previous zoning districts

Establish a Zoning Overlay District to supplement base regulations, protect critical services and ensure smooth transitions for future development projects
The Chicago Plan Commission is responsible for on-going review of the continuing effectiveness of PMDs.
PMD LAND USE

Between 1990 and 2016, PMD land uses have exponentially shifted away from heavy industry.

- Manufacturing uses decreased from 75% to 27%
- Commercial uses increased from 3% to 14%
- Transportation uses increased from 12% to 38%

1. CMAP Land Use Inventory
2. Chicago Department of Planning and Development
Between 2002 and 2014, North Branch employment in the PMDs shifted further away from manufacturing toward commercial and other uses:

- Manufacturing jobs decreased 37%
- Business Services increased 210%
- FIRE, Health, Ed increased 58%
- Leisure & Hospitality increased 53%

Source: On the Map, U.S. Census Bureau
# PMD Review

## PMD BUSINESSES

Between 1990 and 2015, a number of businesses have closed or relocated to other Industrial Corridors, including:

<table>
<thead>
<tr>
<th>Business</th>
<th>Location</th>
<th>Employees</th>
<th>Company Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Finkl &amp; Sons</td>
<td>2011 N. Southport</td>
<td>430</td>
<td>Relocated to 1355 E 93rd Street in Burnside Industrial Corridor in 2014</td>
</tr>
<tr>
<td>A. Lakin &amp; Sons</td>
<td>2044 N. Dominick</td>
<td>250</td>
<td>Closed</td>
</tr>
<tr>
<td>Charles Levy Circulating</td>
<td>1140 N Branch</td>
<td>N/A</td>
<td>Company bought by Readerlink in 2011</td>
</tr>
<tr>
<td>Chicago Fish House</td>
<td>1250 W Division</td>
<td>115</td>
<td>Closed in 1996</td>
</tr>
<tr>
<td>Chicago Paperboard Corporation</td>
<td>900 N Ogden</td>
<td>110</td>
<td>This location closed in 2000. Company was bought by Carauster Industries and is now located at 555 N. Tripp in the Northwest Industrial Corridor</td>
</tr>
<tr>
<td>Cometco</td>
<td>1509 W Cortland</td>
<td>N/A</td>
<td>Bought by Sims Metal Management. Sims closed in 2015</td>
</tr>
<tr>
<td>Dix Superior</td>
<td>1229 N. Cortland</td>
<td>10</td>
<td>Closed in 1991</td>
</tr>
<tr>
<td>GLS Chemical</td>
<td>1750 N. Kingsbury</td>
<td>63</td>
<td>Great Lakes Terminal &amp; Transport Corp (GLS) relocated to 8800 W 71st Street in Bedford Park</td>
</tr>
<tr>
<td>Gutmann Leather Co.</td>
<td>1511 W Webster</td>
<td>N/A</td>
<td>Closed in 2006</td>
</tr>
<tr>
<td>Morton Salt</td>
<td>1357 N Elston Ave</td>
<td>23</td>
<td>Facility closed in 2015, was in operation since 1929. Company will retain other Chicago area sites</td>
</tr>
<tr>
<td>Proctor &amp; Gamble</td>
<td>1232 W North Ave</td>
<td>275</td>
<td>Closed the plant in 1990. Operations consolidated to other manufacturing plants out of state</td>
</tr>
<tr>
<td>U.S. Sample Corporation of Illinois</td>
<td>1840 N. Marcey</td>
<td>335</td>
<td>Company relocated to 4309 S. Morgan Street in the Stockyards Industrial Corridor</td>
</tr>
</tbody>
</table>

**Source:** Based on sources deemed reliable March, 2017
MODERN BUSINESS DISTRICTS

Modern business districts contain a mix of land uses that contribute to new jobs in a diverse economy, including office space, modern manufacturing, support services, and housing.

Three case studies:
• South Lake Union in Seattle
• The Seaport District in Boston
• Pittsburgh along the north and south banks of the Monongahela River
### Purpose of the PMD:

1. **Foster the city's industrial base**
   - Manufacturing uses, jobs and businesses have moved away from the North Branch Industrial Corridor

2. **Maintain the city's diversified economy for the general welfare of its citizens**
   - The existing PMDs in the North Branch industrial corridor are not best suited to add new types of research or modern manufacturing businesses to the city

3. **Strengthen existing manufacturing areas that are suitable in size, location and character and which the City Council deems may benefit from designation as a PMD**
   - The character of the North Branch area has changed greatly in the past few decades, with manufacturing uses, jobs and businesses no longer being the primary land use type in the area

4. **Encourage industrial investment, modernization, and expansion by providing for stable and predictable industrial environments**
   - The environment of much of the North Branch area has not been stable or predictable – land uses, jobs and businesses have shifted greatly since 1990

5. **Help plan and direct programs and initiatives to promote growth and development of the city's industrial employment base**
   - Updated business districts are needed to draw modern manufacturing, research and office uses to the city
Map Amendments Within Industrial Corridor

Plan Commission reviews rezonings within industrial corridors from M, PMD, POS or T zoning district classifications to any other non-manufacturing zoning district

- PMD 1 to C1-2
- PMD 3 and 5 to DS-5, DX-5 and DX-7

Two sets of criteria

1. First Set of Criteria: Continued Industrial Viability (Sec. 17-13-0403)
2. Second Set of Criteria: General Criteria for Zoning Map Amendments (Sec. 17-13-0308)
Planned Manufacturing District Review

Next Steps

• Must occur to implement the North Branch Framework land use plan

• City Council must approve all ordinances

Steps Required:

- Ordinance Introduction – covers code changes and fees
- Public meetings on Planned Manufacturing District Review
- Review by Plan Commission
- Committee hearing on ordinance with recommendation
- Vote by full Council
Citywide benefits:

- Billions of dollars in new private investment;
- Hundreds of millions of dollars in new tax revenues;
- Tens of millions of dollars in new revenue to support both local improvements and citywide economic development;
- Tens of thousands of permanent & construction jobs;
- Unprecedented open space improvements;
- And critical transportation enhancements.