

Mayor Emanuel's Industrial Corridor Modernization

Planned Manufacturing District Review North Branch Framework Implementation

Chicago Plan Commission

July 20, 2017



Rahm Emanuel, Mayor

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Agenda

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

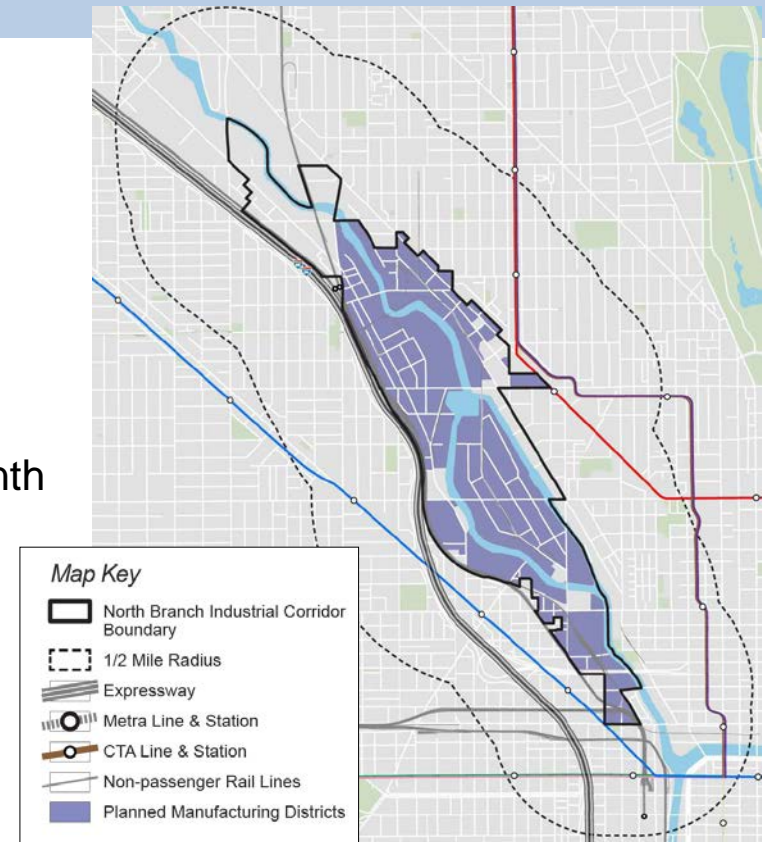
More than **1000 participants** contributed in a 13-month process that included:

- 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

1

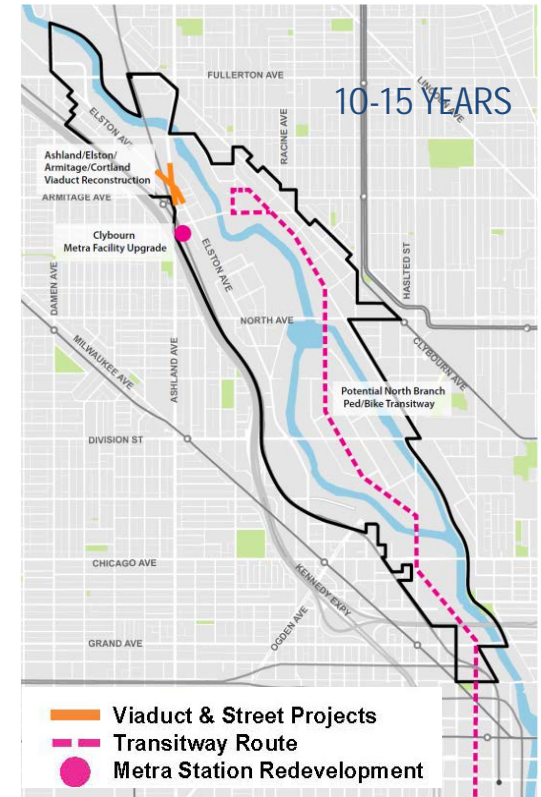
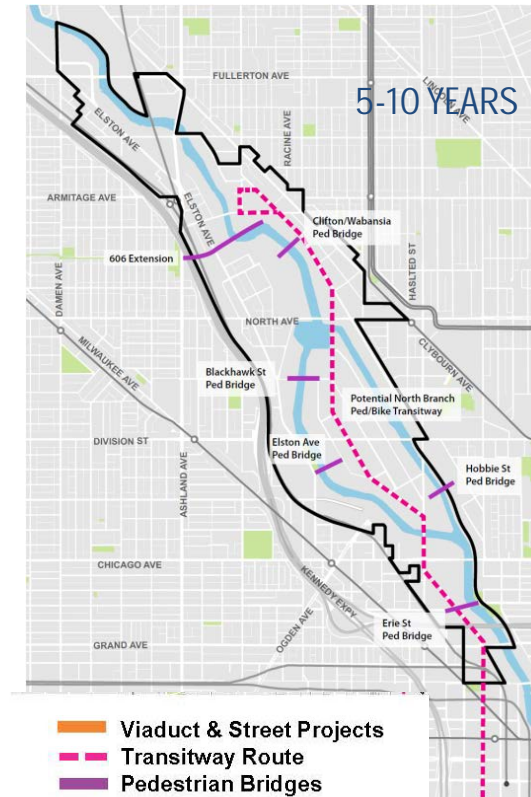
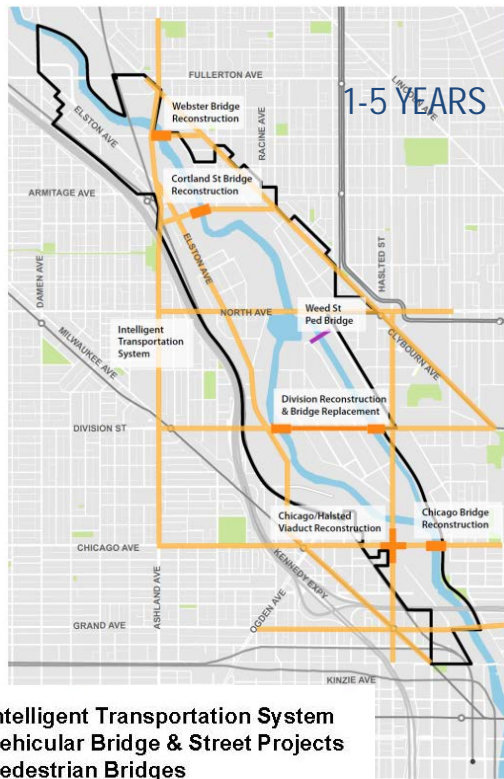
Maintain the North Branch corridor as an important economic engine and vital job center that supports the entire city of Chicago

- **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.

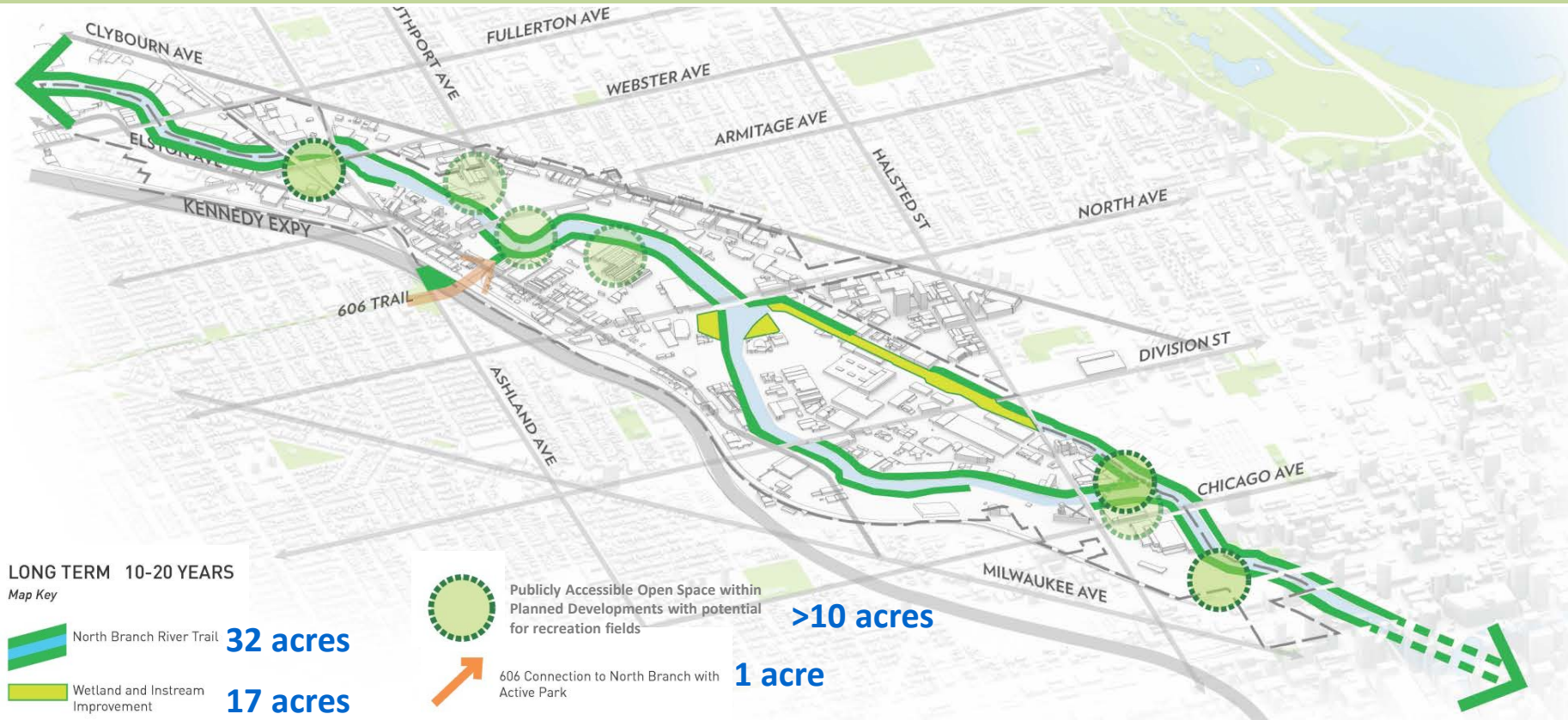


Better access for all transportation modes

2 Provide better access for all transportation modes through new pedestrian bridges, public transit enhancements, roadway improvements, and other amenities



Enhance unique natural & built assets



3

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.

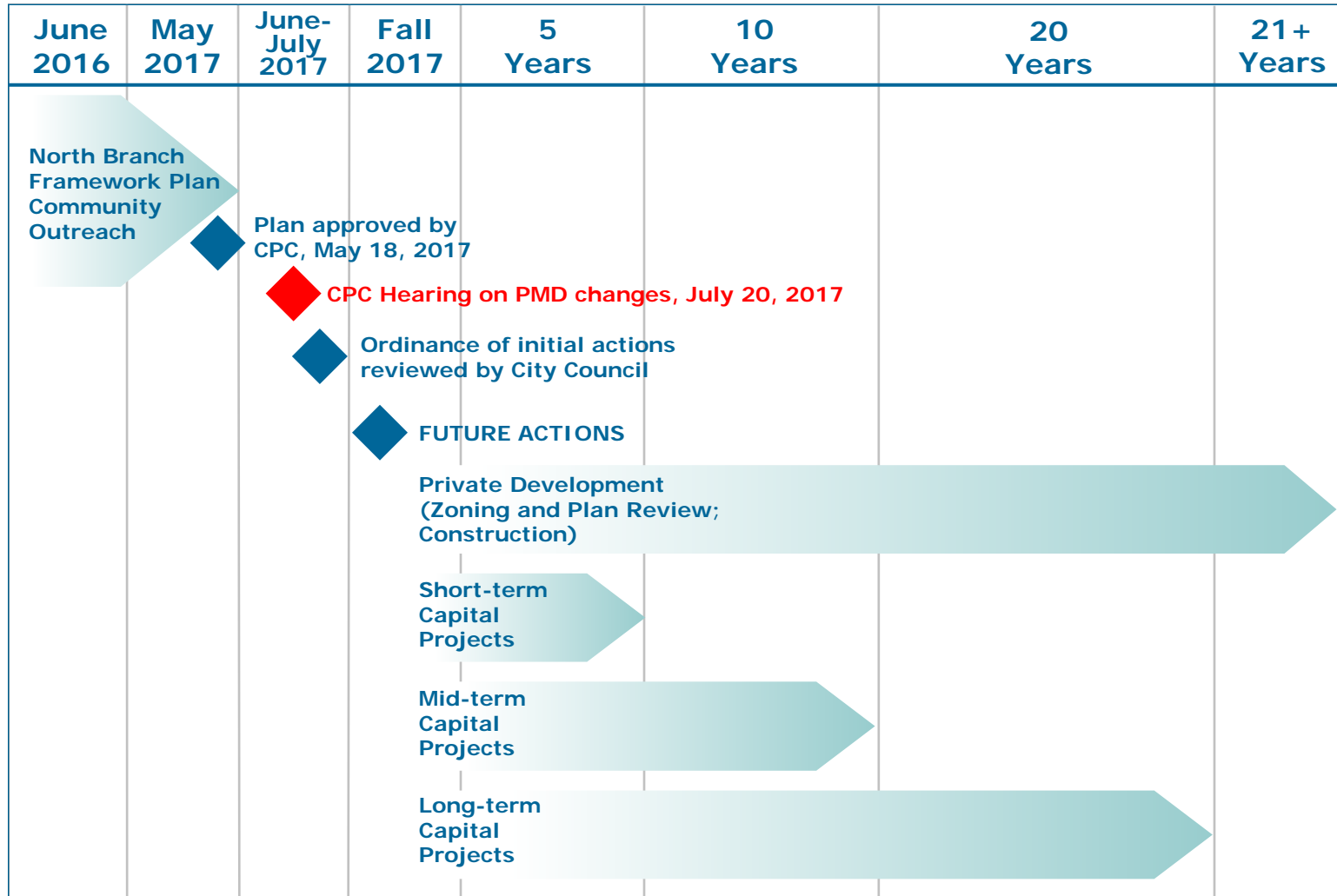
Implementation of Framework Plan

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.**

**} PMD Changes
Reviewed by Plan
Commission**

Implementation Timeline



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:

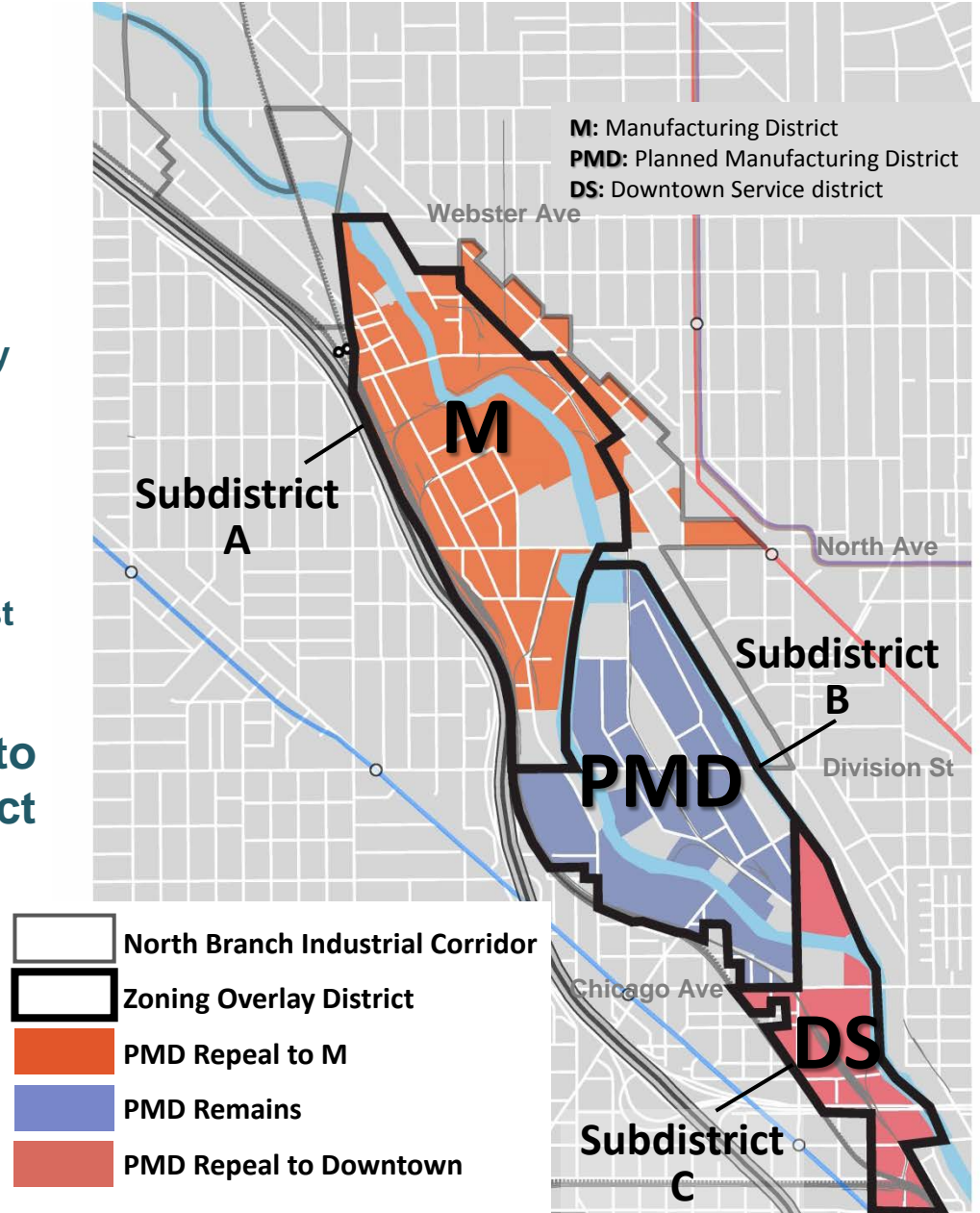
- 1. Repeal all or portions of existing PMDs in the northern and southern portions of the North Branch Corridor to accommodate the opportunity for mixed-use development.**
- 2. Designate the North Branch Overlay District to guide future development.**
- 3. Create a new Industrial Corridor System Fund 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.**

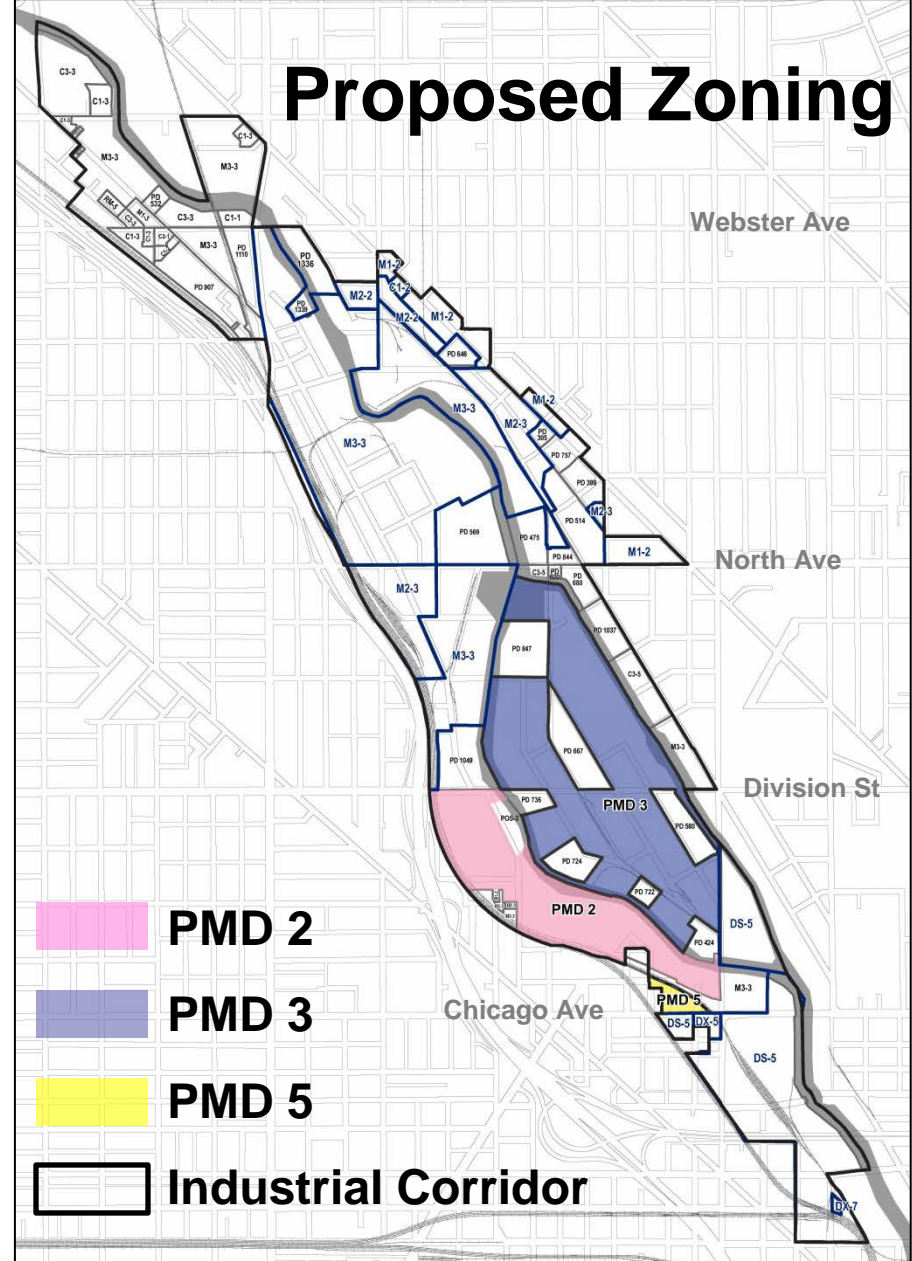
Proposed Zoning Changes

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



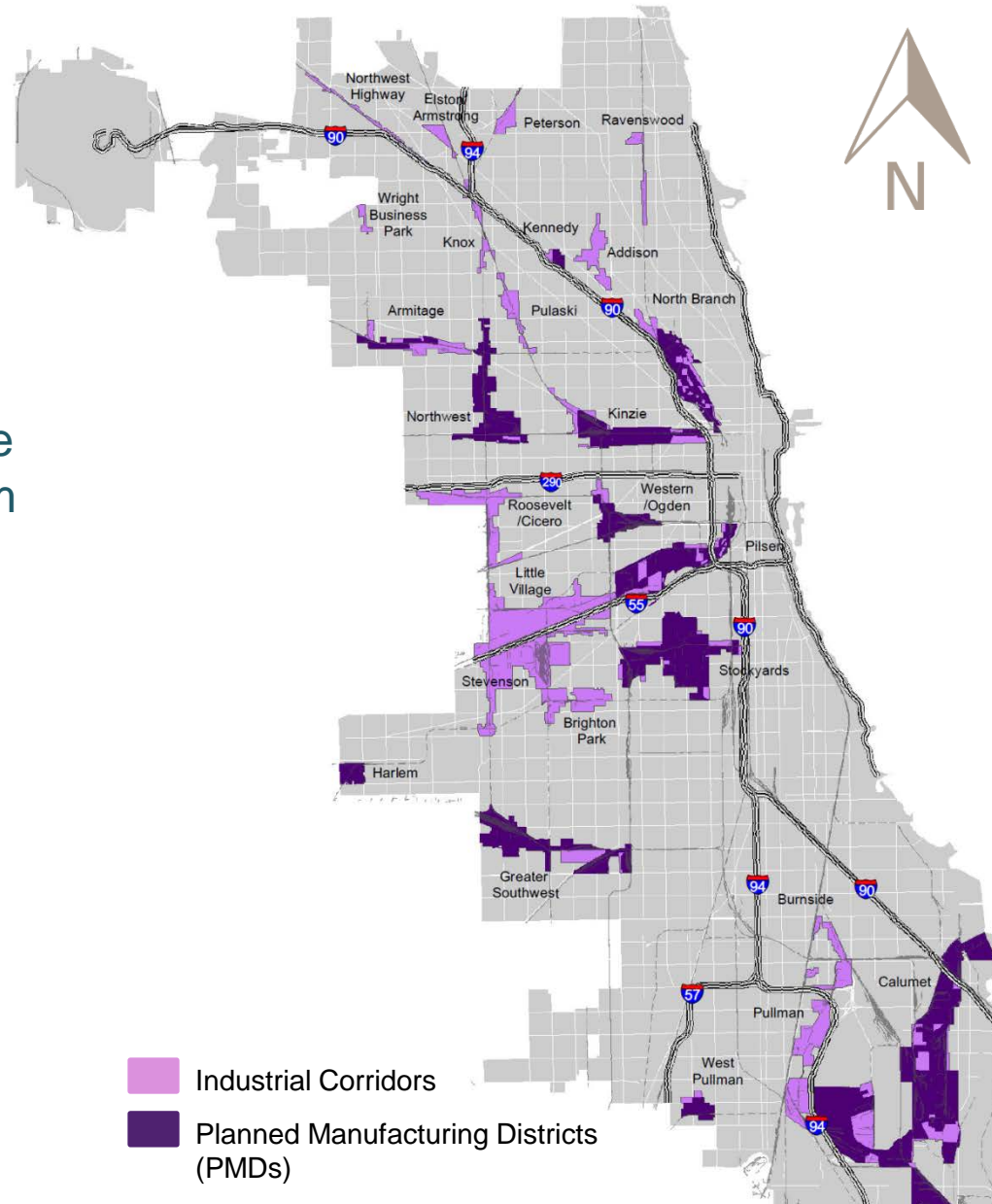


PMDs Across the City

Purpose of the PMD:

1. foster the city's industrial base
2. maintain the city's diversified economy for the general welfare of its citizens;
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;
4. encourage industrial investment, modernization, and expansion by providing for stable and predictable industrial environments; and
5. help plan and direct programs and initiatives to promote growth and development of the city's industrial employment base.

The Chicago Plan Commission is responsible for on-going review of the continuing effectiveness of PMDs.

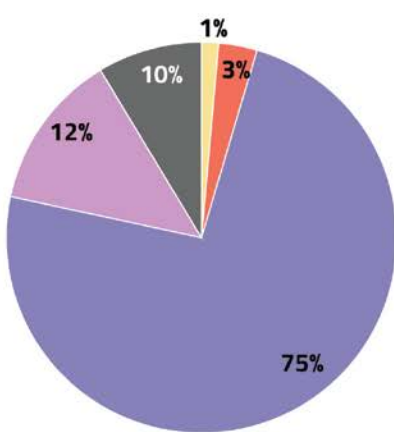


PMD Review

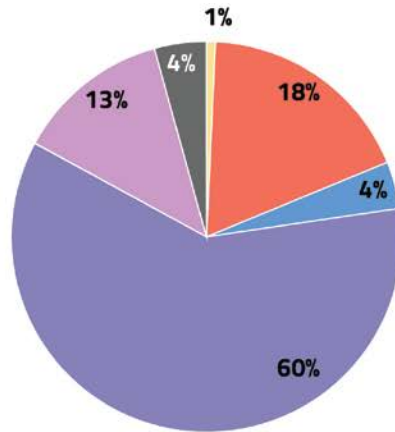
PMD LAND USE

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

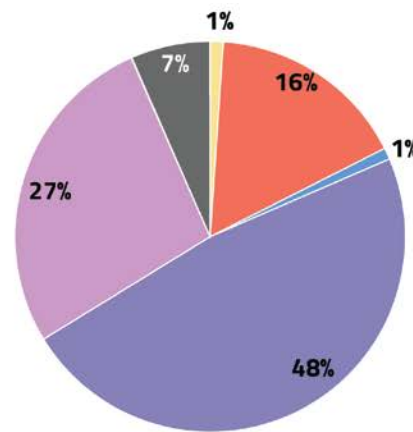
- Manufacturing uses *decreased* from 75% to 27%
- Commercial uses *increased* from 3% to 14%
- Transportation uses *increased* from 12% to 38%



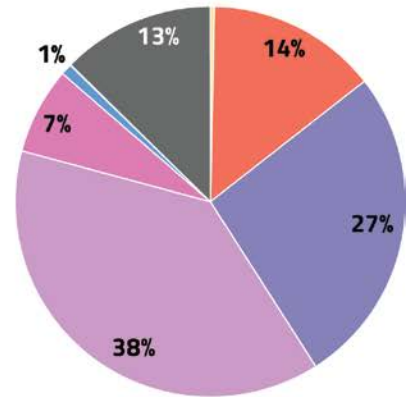
1990 PMD Land Use



2001 PMD Land Use



2010 PMD Land Use



2016 PMD Land Use

*Existing Land Uses in the
North Branch Industrial Corridor*



1. CMAP Land Use Inventory
2. Chicago Department of Planning and Development

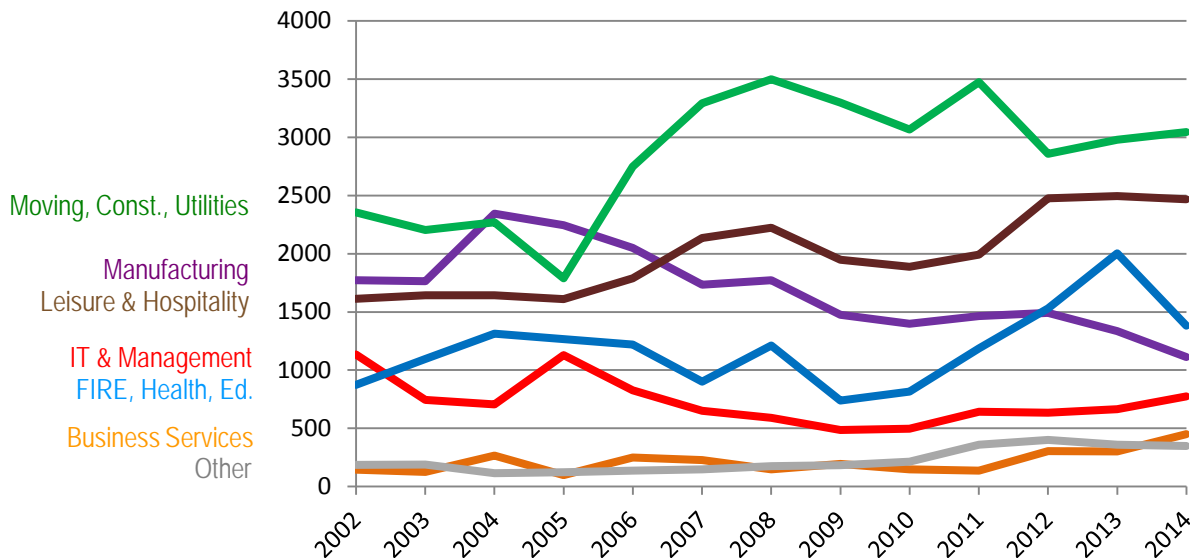
PMD Review

PMD EMPLOYMENT

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%

Change in Employment
in North Branch PMDs - 2002-2014



PMD Review

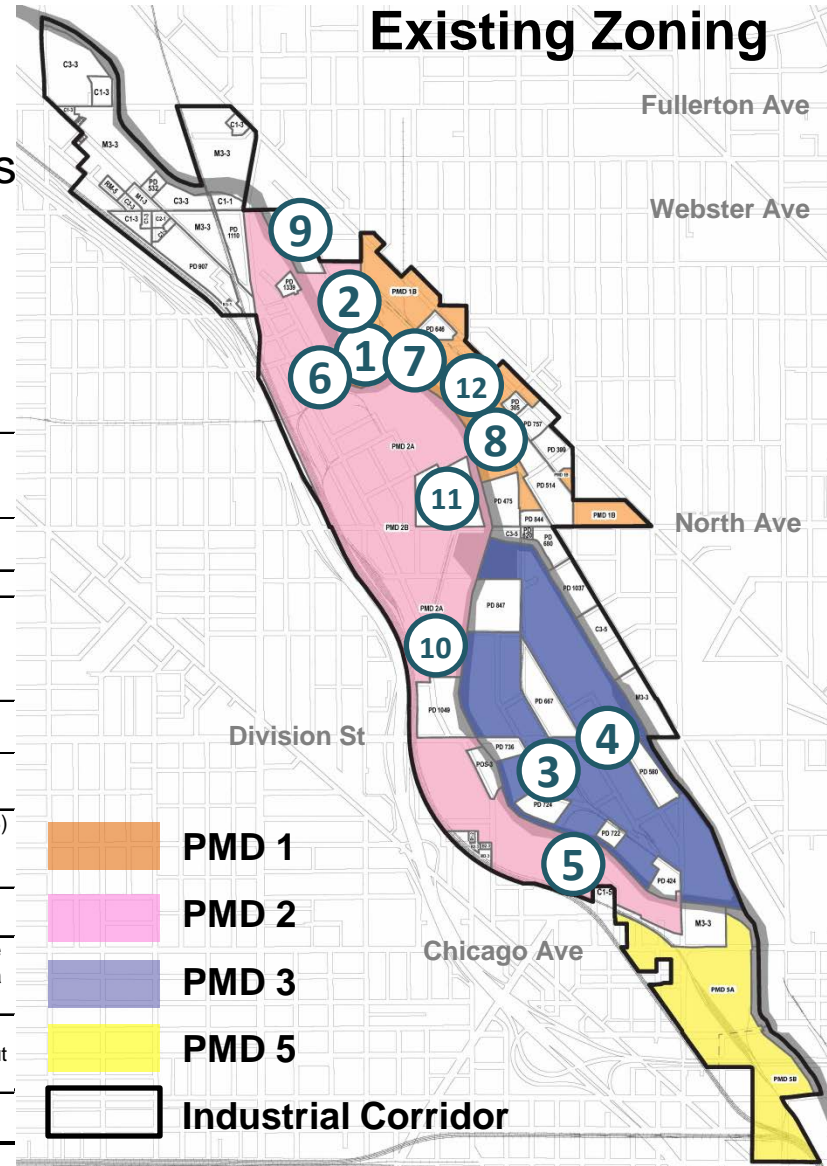
PMD BUSINESSES

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

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

Source: Based on sources deemed reliable March, 2017

Existing Zoning



PMD Review

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



PMD Review

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

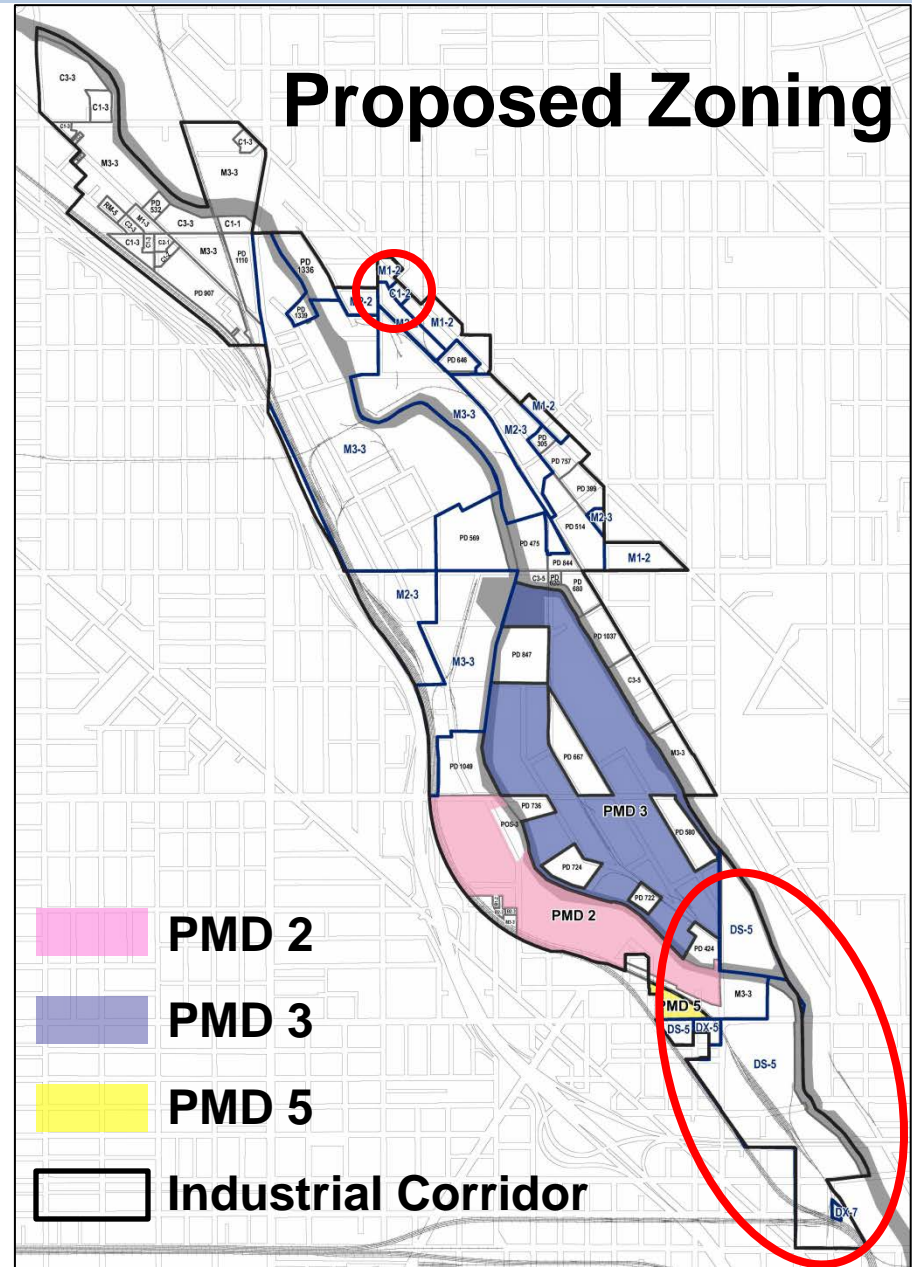
Map Amendments Within Industrial Corridors

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)



Next Steps

Planned Manufacturing District Review

- **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

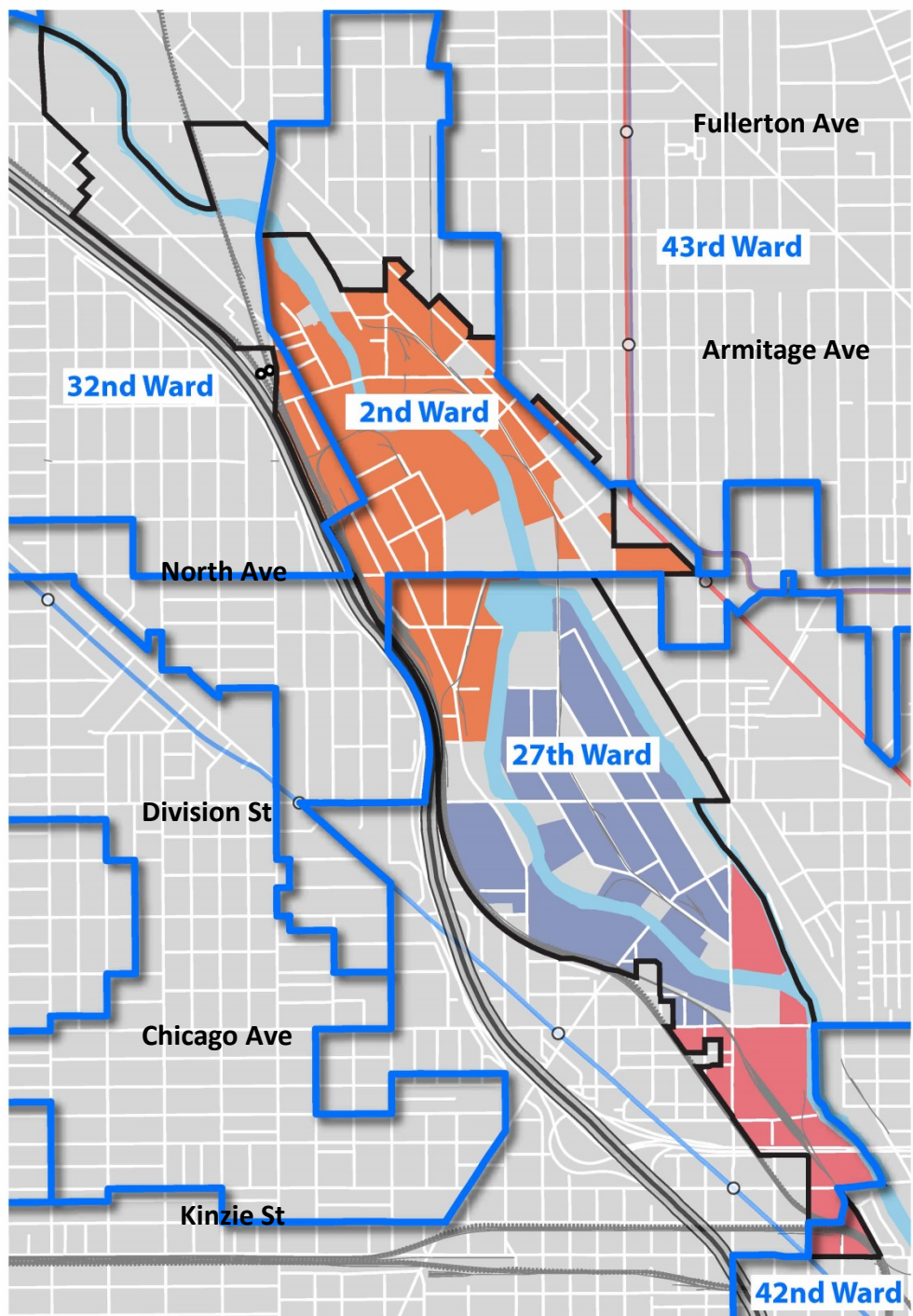
Vote by full
Council

Summary

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.





-  North Branch Industrial Corridor
-  Ward Boundaries
-  PMD Repeal to M
-  PMD Remains
-  PMD Repeal to Downtown