

Department of Planning and Development
2022 Budget Statement
Commissioner Maurice D. Cox

Greetings and thanks, Chairwoman Dowell and members of the City Council, for this opportunity to provide a brief overview of the Department of Planning and Development budget request for 2022, along with a recap of recent accomplishments and near-terms goals.

As you know, DPD administers the city's zoning, economic development, planning, design, and historic preservation initiatives, as well as numerous inter-agency efforts that support schools, parks, our natural resources, and other public assets.

The department's \$162.3 million budget request for 2022 will further our collective goals for equitable and resilient neighborhood improvements that directly address the needs of residents and businesses.

DPD's commitment to community-based planning and development starts with the staff who are serving the public. So far this year, we've hired nine new employees and promoted staff to fill 12 critical vacancies, bringing our total staff to 149 professionals, including members of an Operations Bureau that we share with the Department of Housing. One third of the new hires are Black and one third are Hispanic.

Our neighborhood-based improvement efforts are led by the nearly two-year-old INVEST South/West initiative, which is revitalizing 10 community areas on the South and West sides with more than \$750 million in targeted public and private investments.

INVEST South/West's most significant development tool to date has been through a Request for Proposals process that has generated more than 40 developer responses for mixed-use investments at key South and West side opportunity sites. Winning RFP selections have been made for seven locations, with total project costs valued at more than \$200 million dollars. Four pending selections could easily exceed another \$150 million in total project costs. At least three more RFPs could be issued by the end of the year, adding hundreds of permanent and temporary jobs to the neighborhoods that need them the most.

To help small, emerging, and community-based development and design professionals participate in local revitalization efforts, we reconfigured the City's TIF-Purchase Rehab program this year by making commercial spaces eligible for financial support for up to 50 percent of acquisition and rehabilitation costs. As a result, the vacant storefronts of smaller, mixed-use buildings that line our commercial streets will have additional financial resources for permanent improvements.

The owners and tenants of these buildings will continue to be supported by the Neighborhood Opportunity Fund, which has allocated more than \$15 million in grant funding to approximately 60 small business projects in 2021. Approximately 90 percent of the finalists are entrepreneurs of color, and we expect at least two funding rounds totaling \$10 million to be announced next year through our 2022 budget request.

The program that enables the grants, the Neighborhood Opportunity Bonus system, continues to move forward within the Downtown zoning district, where approximately two dozen Planned Development projects approved by Plan Commission through September are committing more than \$65 million in zoning bonus fees to the fund.

One of the largest PDs to move toward construction this year is the Bronzeville Lakefront project on the former Michael Reese Hospital site. The 48-acre site is being sold by the City for \$96.9 million and redeveloped as a \$3.6 billion mixed-use neighborhood that includes a new street grid and other amenities that will create 20,000 temporary and permanent jobs over the next 10 to 20 years.

Another prominent parcel of City-owned land that we announced for redevelopment this year involves the property at Plymouth and Van Buren in the Loop, which will be redeveloped as Chicago's first net-zero, all-affordable high-rise, providing 207 rental units priced for tenants earning 30 to 80 percent of the Chicago area median income. We also expect to announce a redevelopment plan for the City-owned Roosevelt/Kostner site in North Lawndale later this year, in addition to our ongoing efforts to reduce our inventory of small, vacant, residential lots through our various land sale programs.

City support for these and other redevelopment projects involve multiple layers of land use planning, community engagement, design, and financial considerations, including Tax Increment Financing (TIF). I'll quickly mention that 12 percent of TIF program revenues this year have been allocated toward economic development. The remaining 88 percent of TIF allocations are being directed toward fully public uses involving schools and parks, as well as affordable housing.

Affordable housing of course remains an important part of DPD's planning goals, which we addressed, in part, through this year's ordinance for Additional Dwelling Units (ADUs). The ordinance allows new housing units in attics, basements, and accessory buildings for the first time in more than 50 years, and more than 300 ADU zoning applications have been received to date.

For the sake of brevity, I'll quickly reference a handful of community- or corridor-oriented planning studies that moved forward or were completed this year, including: The Central City Recovery Roadmap for downtown; the North Western Avenue Corridor Study for the far North Side; and the revitalization of vacant lots for people-oriented uses, like the award-winning PopCourts! plaza in Austin. Other citywide efforts include a comprehensive repurposing of the City's abandoned or underutilized industrial railroad right-of-ways; and efforts to enhance public properties through the Chicago Works Community Challenge.

DPD is also helping to implement the City's Equitable Transit-Oriented Development (ETOD) pilot program to support community-driven projects that promote healthy, affordable, and accessible development near transit. Adopted by the Chicago Plan Commission this summer, the plan includes a \$135,000 pilot program to support up to 10 community driven ETOD proposals.

Before I close, I'd like to provide a brief update on the We Will Chicago citywide planning process. More than 150 citizens were selected this year to join seven research teams this year and, since late July, artist-organizer and mobile teams have held more than 80 virtual and in-person events across the city to discuss the plan's seven pillars. And, as you likely know from our aldermanic briefings, DPD is creating a toolkit called "Meeting-in-a-Box" to help you and your constituents host your own conversations around the plan's pillars. It's our intention to continue to engage with you as this plan is further developed into 2023.

In closing, I want to reiterate our commitment to working with you and your constituents to identify and implement community improvement projects that enhance Chicago as one city for all people.

Thank you.

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