

Department of Planning and Development
2024 Budget Statement

Acting Commissioner Patrick Murphey

Greetings and thank you Chair and members of the City Council for this opportunity to provide a brief overview of the Department of Planning and Development budget request for 2024, along with a recap of recent accomplishments and near-term goals.

For the record, my name is Patrick Murphey and I was appointed last month as the department's Acting Commissioner in addition to my current work as the city's Zoning Administrator. I'm joined on the dais by Assistant Commissioner Paul Moody, former Deputy Commissioner Matt Schmitz who's now with the Office of Budget and Management, and Human Resources Director Amy Henry. In the box we have:

- Deputy Commissioner Kathy Dickhut
- Deputy Commissioner Jim Harbin
- Managing Deputy Commissioner Tim Jeffries
- Deputy Commissioner Mary O'Connor
- General Counsel Kali Plomin
- Deputy Commissioner Cindy Roubik
- Managing Deputy Commissioner Dawveed Scully
- Assistant Commissioner Noah Szafraniec
- Assistant Commissioner Kyle Barlett
- Assistant Commissioner Chris Jang
- And Assistant Commissioner Damian Albert

As you know, DPD administers the city's economic development, zoning, planning and historic preservation initiatives, as well as numerous inter-agency efforts that support our schools, parks, natural resources, arts and culture, and other quality-of-life amenities that Chicagoans expect and deserve.

The department's \$196 million budget request for 2024 supports our collective goals for equitable and resilient neighborhoods that directly address the needs of residents and businesses. This request reflects continued investments in DPD's core functions as the city's principal planning agency and the individuals tasked with delivering our services and resources.

In 2023, we welcomed 25 new employees and promoted staff to fill 28 critical vacancies, bringing our total payroll to 157 professionals, including members of an Operations Bureau that we share with the Department of Housing.

The remainder of my prepared remarks will focus on our priority initiatives and projects, which I will keep as brief as possible before moving on to your questions.

I'll start by referencing our new **Small Business Development Bureau**, which was created early this year to better support Chicago's small business community by combining our smaller grant programs and corridor management resources within a single unit.

Through September in 2023, the bureau allocated more than \$57 million in grant funding to 284 businesses and nonprofits for workplace upgrades and community improvements, plus another \$9.6 million for 17 groups providing **Corridor Ambassador** services.

These are in addition to our **Small Business Improvement Fund (SBIF)** grants, which disbursed more than \$7 million to 82 small businesses through September. SBIF grants are allocated through a rolling application schedule that last month included, for the first time, the **LaSalle/Central TIF**, where SBIF is being utilized to reduce record-high storefront vacancies in the central Loop.

SBIF resources are generated by the City's **Tax Increment Financing** program, which is we use to support public facilities, affordable housing, and economic development in eligible areas. In 2023, there are 36 new redevelopment agreements moving forward that are leveraging about \$188 million in TIF for projects collectively valued at about \$600 million. They include: \$17 million in TIF in Ald. Burnett's ward to support **mHub's** adaptive reuse of a 96-year-old building as an advanced manufacturing incubator; \$27 million in Ald. La Spata's ward for the revival of the landmark **Congress Theater** complex; and \$12.25 million in Ald. Taliaferro's ward to convert a former elementary school into the **Aspire Center for Workforce Training**.

TIF is also anticipated to be used for several pending projects selected through the **Request for Qualifications** process for City-owned property, including: A 63-unit mixed-income equitable transit-oriented development at **Kedzie and Lake** in Ald. Ervin's ward; a 70-unit mixed-income building at **63rd and Ellis** in Ald. Taylor's ward; a 120-unit adaptive re-use project and grocery store in Ald. Ramirez' ward; and the pending development to be selected for the former Aldi site at **Madison and Hamlin**, also in Ald. Ervin's ward.

These projects are in addition to our ongoing efforts to use TIF to achieve **30% affordability** in high opportunity areas, such as north of Lake Street in Fulton Market and along the LaSalle corridor in the Loop.

I'll also mention our work with sister agencies that utilize TIF for capital improvement projects. In the last 10 months, City Council approved \$1.2 billion in TIF to advance more than 70 schools, parks and transit projects, such as **Greater Lawndale High School for Social Justice** in Ald. Rodriguez' ward, **Cragin Park** in Ald. Cardona's ward, and the **Red Line Extension** in Ald. Ramirez, Taylor and Beale's wards.

We're also helping the **Red Line** extension through a **transit-supportive development plan** that was adopted by Plan Commission in May, as well as the \$1 sales of 46 City-owned lots that will be used for rail line construction, new stations, and a rail yard.

These **land sales** are in addition to about 240 lots we've sold to private buyers this year, plus another 380 sales that are pending from previous years. We're also reviewing more than 1,000 new sales applications received through the new **ChiBlockBuilder** web site and preparing to move

them through the legislative process. More than 80% of these proposed purchases involve new housing construction, most of it affordable through DOH's City Lots for Working Families program.

Also, be aware that we're working with the Chicago Architecture Center to publish a **Come Home** catalog of contemporary housing typologies for small, walk-up buildings on vacant lots throughout the West and South Side, and we're working with the Chicago Community Trust to make working drawings of select designs available to facilitate their construction by emerging and minority developers next year.

Before I close, I'll mention a handful of framework plans to foster pedestrian-oriented growth in select portions of the City, such as the award-winning **Clark Street Crossroads** plan that was recently adopted by Plan Commission for Uptown, the **Milwaukee Avenue Urban Identity Study** that's nearing completion in Logan Square and Avondale, and the **95th Street Corridor Plan** that starts this fall in Washington Heights and Roseland. All of these efforts aim to maintain local commercial corridors as viable places for business while ensuring future investment moves forward according to local goals.

That's also a primary goal of our **Central Area Plan Update**, which is engaging individuals from throughout Chicago to make downtown more equitable involving citywide needs. This is a 20-year follow-up to the 2003 Central Area Plan, which will include updated goals and strategies to help ensure downtown serves everyone in the city, regardless of where they live or work.

Public engagement underscores all our initiatives, including ongoing efforts to improve the **Planned Development process**, as well as the implementation of the new **citywide plan** that was adopted by Plan Commission this spring after unprecedented public input.

I'll close by mentioning that on Nov. 4, DPD will be co-hosting the first **City Civics Day** for people interested in becoming more involved in their neighborhoods. It's an all-day, free event at the Epiphany Center for the Arts on the Near West Side, where civics-minded visitors can attend workshops and panel discussions about how to be more engaged as citizens of Chicago. Your staff and constituents are welcome to attend, and we will gladly share our publicity toolkit.

On behalf of the entire department, thank you for your time, consideration and partnership as we work toward our collective goals.

Thank you.

###