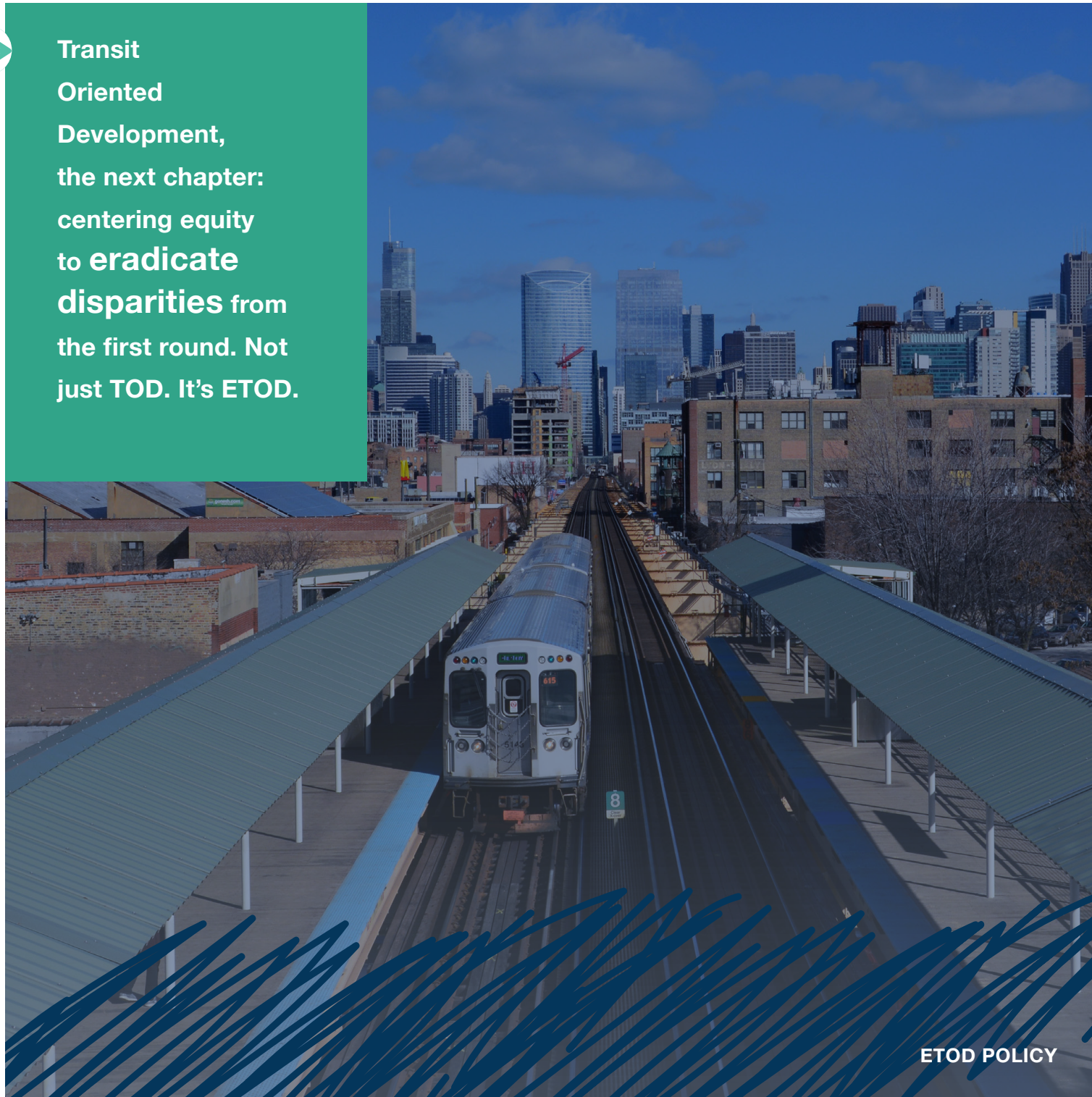
THE CITY OF CHICAGO
EQUITABLE TRANSIT-ORIENTED DEVELOPMENT (ETOD)
POLICY PLAN

Transit Oriented Development, the next chapter: centering equity to eradicate disparities from the first round. Not just TOD. It's ETOD.



ETOD POLICY

“Every Chicagoan, no matter what side of the City they reside on, should have access to both our world-class transportation system and the recreational, housing, and environmental benefits that come with it. The new ETOD Policy Plan will expand this access and give our most disinvested neighborhoods the long overdue opportunity to enjoy these benefits while not being forced out of the community they call home. I look forward to working closely with our Departments of Transportation, Housing and Public Health, the Chicago Transit Authority, Planning and Development, and other key stakeholders as we take this next step to bringing the values of equity and inclusion into our urban development agenda.”

—Mayor Lori E. Lightfoot, City of Chicago

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ETOD Policy

The ETOD Policy Plan was developed through an 18-month outreach process with a cross-sector group of over 70 neighborhood, citywide and regional stakeholders. The Mayor’s Office partnered with the Departments of Planning and Development, Housing, Transportation, Public Health and the Chicago Transit Authority in developing the plan, along with support from Elevated Chicago and its members and partners. The plan was further revised after a 45-day public comment period.

Additional information on the ETOD Policy Plan can be found at **chi.gov/ETOD**, including the full plan, translated versions of the Executive Summary, public comment summary report and all appendices.

For a glossary of common terms, see Appendix F.

A NEW COURSE

Through thoughtful policy decisions, investments and program placement that incorporate these values, development occurring in transit-served locations can more effectively benefit all Chicagoans, regardless of whether they reside near transit assets.

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Patrick L.Pyszka, Samuel Sotelo-Avila, City of Chicago

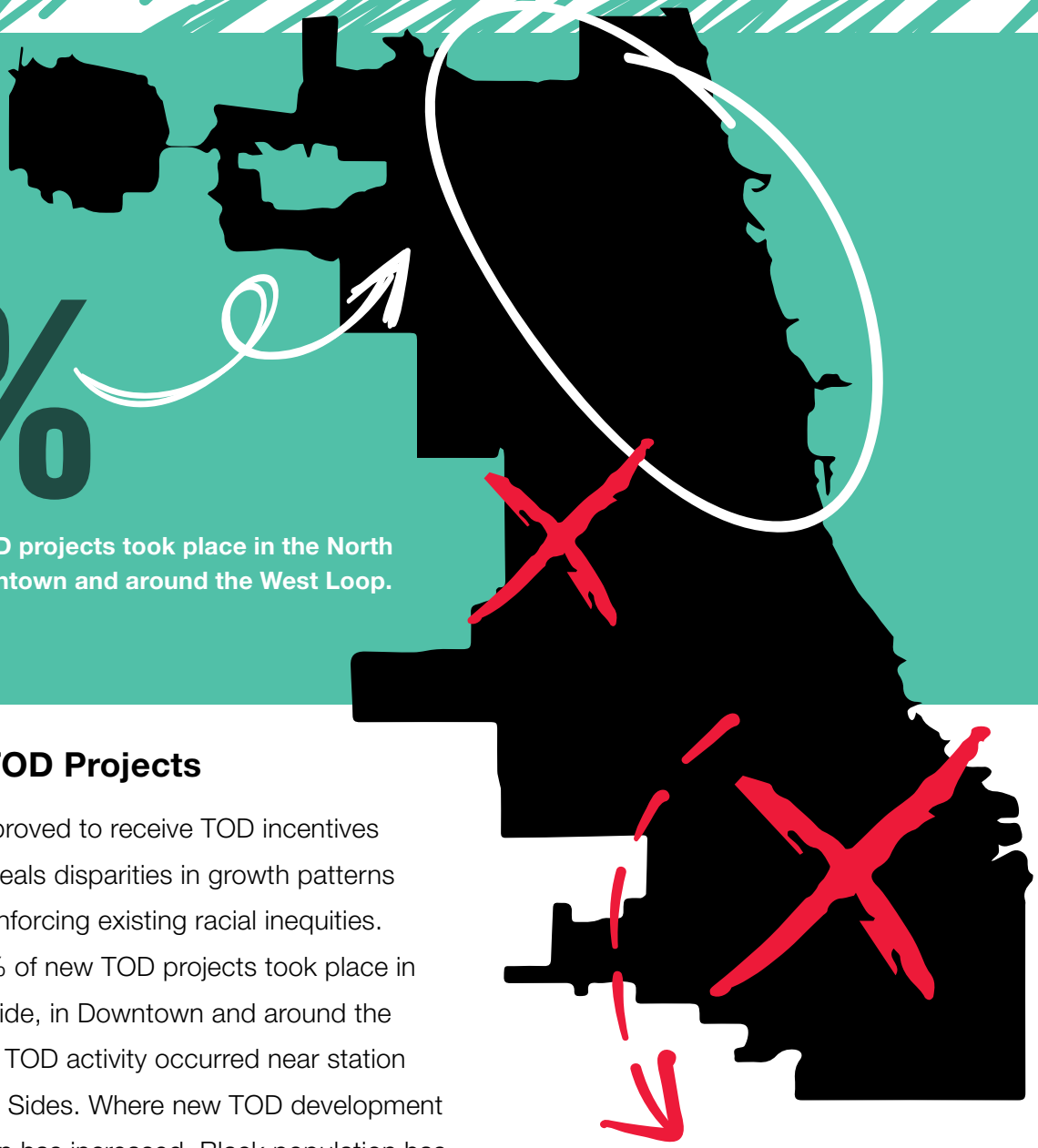
EXECUTIVE SUMMARY

Context for the City of Chicago's ETOD Policy Plan

Since 2013, the City of Chicago has been encouraging compact, mixed-use transit-oriented development (TOD) near CTA and Metra rail stations, and more recently along several bus routes. This development model can create additional community benefits such as increased transit ridership and more walkable communities, both of which reduce traffic congestion and greenhouse gas emissions, while also promoting public health and adding to the City's tax base. Through a series of TOD ordinances, first adopted by City Council in 2013 and then amended in 2015 and 2019, Chicago is evolving its approach to TOD. To date, this approach has been voluntary, allowing willing developers of sites near transit to reduce parking, increase height and density, and design projects to increase walkability and affordability. The January 2019 TOD ordinance amendment included an explicit equity focus and expanded TOD policy provisions to include property near several high-frequency bus corridors. Importantly, the 2019 Ordinance also requires the City to evaluate the performance of recent TOD projects and recommend revisions to the TOD provisions where appropriate. This ETOD Policy Plan fulfills that requirement. It captures findings from recent quantitative analysis and stakeholder engagement. The Plan also proposes a roadmap for City actions over the next three years to advance racial equity, community wealth building, climate resilience and public health goals through equitable Transit-Oriented Development (ETOD).

90%

Previously, 90% of new TOD projects took place in the North Side, Northwest Side, Downtown and around the West Loop.



Little TOD activity occurred near station areas in the South and West Sides

Impacts of Recent TOD Projects

Analysis of development approved to receive TOD incentives between 2016 and 2019 reveals disparities in growth patterns between neighborhoods, reinforcing existing racial inequities. During this time, almost 90% of new TOD projects took place in the North Side, Northwest Side, in Downtown and around the West Loop. In contrast, little TOD activity occurred near station areas in the South and West Sides. Where new TOD development is occurring, white population has increased, Black population has decreased, and Hispanic/Latinx population has increased in some areas and decreased in others. These demographic shifts point to displacement patterns. In contrast, areas near rail stations that are eligible for TOD benefits but that have not seen TOD project activity have 40% more residents of color, 23% more low-income residents and 16% more residents with a high school education or less than areas where TOD projects have occurred.[1]

The analysis also found that TOD projects had positive transportation and economic development impacts. Areas of the City with new TOD projects had lower household car ownership than areas without TOD activity.

1 U.S. Census Bureau, 2016 American Community Survey 5-year estimates & CNT's AllTransit™

Developers are also taking advantage of optional parking reduction benefits in the TOD ordinances and have reduced off-street parking spaces by 74% in their TOD projects. Households in areas with new TOD projects[2] have, on average, access to 1.73 times more jobs than households in areas without TOD project activity (as defined by jobs within 30 minutes on transit). In addition, TOD projects approved between 2016 and 2019 are expected to create 75,533 new jobs in the City and produce over 3,000 new affordable housing units through the City's Affordable Requirements Ordinance.

1.73X MORE JOBS

Households in areas where new TOD projects were occurring have, on average, transit access to 1.73 times more jobs than households in areas without TOD project activity

Defining Equitable Transit-Oriented Development

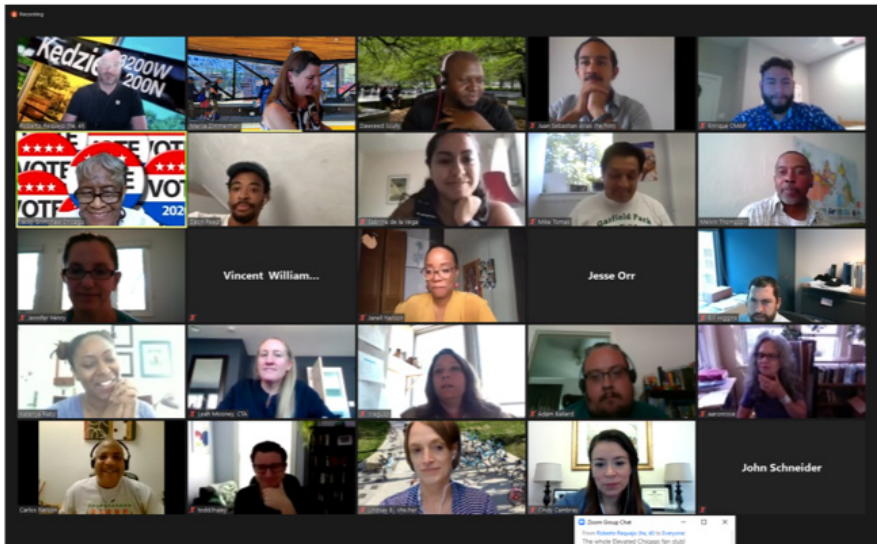
Equitable TOD (ETOD) is development that enables all people regardless of income, race, ethnicity, age, gender, immigration status or disability to experience the benefits of dense, mixed-use, pedestrian-oriented development near transit hubs. ETOD elevates and prioritizes investments and policies that close the socioeconomic gaps between neighborhoods that are predominately people of color and those that are majority white. ETOD projects and processes elevate community voice in decision making processes and in realizing community-focused benefits such as affordable housing, public health, strong local businesses, and environmental sustainability, to name a few. When centered on racial inclusion and community wealth building, ETOD can be a driver of positive transformation for more vibrant, prosperous, and resilient neighborhoods connected to opportunities throughout the city and region.

The Office of Mayor Lori E. Lightfoot envisions a Chicago that no longer concentrates poverty and racially segregates people from socio-economic opportunity; where structural racism no longer is manifested in city policies, programs or investments; and where a person's race or zip code no longer determine their health outcomes, potential to build wealth, or access to opportunity. ETOD is both a process and a type of development that can help us realize this vision. ETOD can facilitate an equitable recovery from the simultaneous racial justice, public health, economic and climate crises our communities face. By contrast, TOD without an equity lens can have negative health and economic impacts on current residents through possible displacement as a result of gentrification if proactive steps are not taken. Without an equity lens on TOD, the benefits of transit — affordability, access to jobs, livable and walkable neighborhoods— will likely not be distributed equitably to those who need them most and can end up accruing to those already with wealth and power.

2 U.S. Census Bureau, 2015 Longitudinal Employer Households Dynamics and CNT's AllTransit™

Committing to Action

The 2020 ETOD Policy Plan outlines a comprehensive set of actions for the City to take over the next three years. Recommendations were informed through a cross-sector engagement process and analysis of City programs, and an evaluation framework focused on outcomes, equity, and implementation criteria. An ETOD work group with more than 70 members was created to engage stakeholders representing numerous City departments, community-based organizations, the private sector, philanthropies, and regional non-profit and governmental partners.

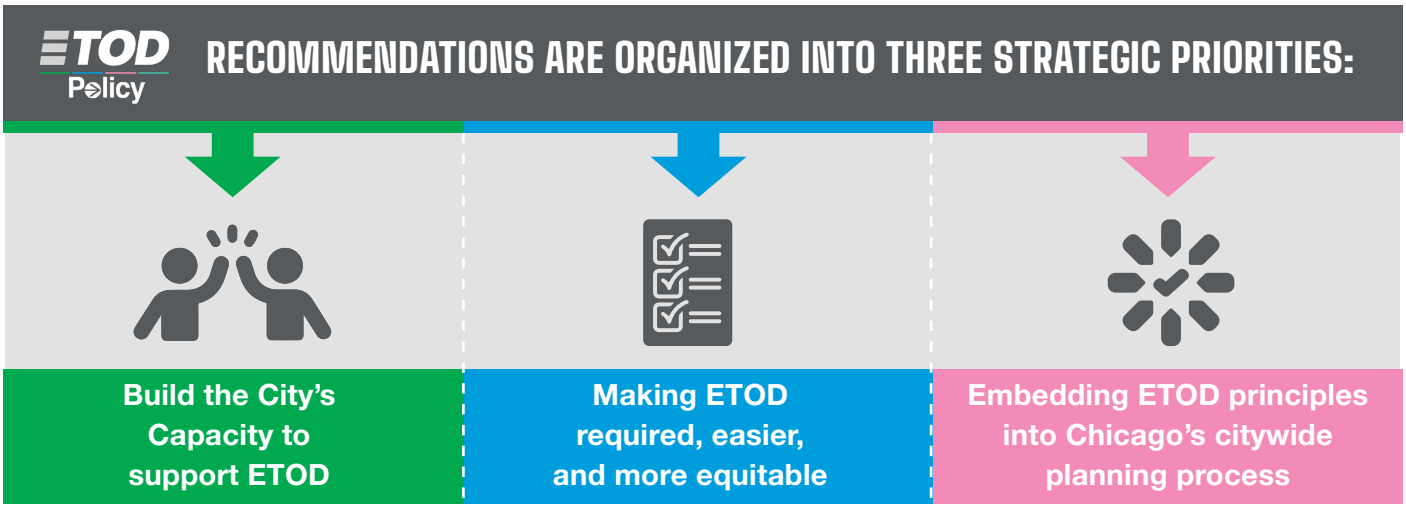


Members of the ETOD work group met virtually to discuss shared values and priorities to inform the City's ETOD Policy Plan.

The Policy Plan is a living document that will be refined as parallel City initiatives and planning efforts occur. These policy commitments set the direction for the City of Chicago's equitable TOD policy agenda and implementation plan. Many of the specific commitments will require additional community and stakeholder engagement to refine details and ensure equitable impact.

Within the first year, following final publication and approval of this Policy Plan, City leadership wants to show quick wins from existing processes that leverage work underway to strengthen affordable housing commitments, standardize community engagement, and formalize cross-sector and interdepartmental coordination. Over the next year, the Mayor's Office, Department of Planning and Development (DPD), Department of Housing (DOH), Department of Transportation (CDOT), Chicago Transit Authority (CTA) and other partners will identify specific opportunities to revise the current TOD ordinance, as well as better align other policies and programs with eTOD goals. The City will identify potential pilot areas and demonstration projects to begin testing and implementing aspects of the Policy Plan, including, but not limited to, opportunities within the Mayor's INVEST South/West community improvement initiative.

Three Strategic ETOD Priorities [3]



1. Build the City's Capacity to support ETOD

Significant cross-sector and inter-agency coordination is needed to support the many goals of equitable Transit-Oriented Development, as well as a commitment to evaluation, accountability, and transparency. Building the infrastructure to support comprehensive ETOD will be foundational to ensure the vision is met.

Implementation & Coordination	Continue convening ETOD Work Group and **formalize cross-sector, cross-agency coordination**, such as through the formal creation of an ETOD Task Force or other advisory body. Clarify interdepartmental roles in implementation and to promote accountability.
	Dedicate **full time City staff** to serve as ETOD Manager in advancing policy recommendations and coordinating ETOD projects and programs.
Evaluation & Accountability	Create an **ETOD evaluation framework** and publish an **annual performance report**, which can include setting targeted ETOD goals and tracking metrics such as Housing and Transit Affordability Index; production and preservation of affordable housing; accessibility; economic development, public health and environmental justice impacts; and transportation and demographic characteristics of TOD residents.
	Create an **ETOD Scorecard** that community and government partners can use to assess future projects and programs.[4] Include environmental justice principles and metrics, such as considering pollution reduction in impact assessment, as part of evaluation and scorecard efforts.

3 For additional detail on each see the complete 2020 ETOD Policy Plan, with a timeline for implementation available in Appendix E.
4 See example from Minneapolis: http://thealliancetc.org/wp-content/uploads/2016/06/EquitableDevelopmentScorecard.pdf

Facilitating Equitable Development	Develop strategy to leverage **publicly owned land and vacant lots near transit** for public benefit, including publishing a directory of all public-owned land within designated TOD zones.
	Address root causes of vacant land, including environmental contamination and remediation needs.
	Develop a **comprehensive ETOD calculator mapping tool** combining existing resources from Center for Neighborhood Technology (CNT) and Metropolitan Planning Council (MPC). The calculator will help community members and developers identify qualifying ETOD sites and potential impacts.
Engagement & Communication	Standardize **community engagement requirements and practices** related to development and planning projects across City departments. Build on agreed-upon engagement principles and recommendations, such as those developed by Elevated Chicago, and utilize ETOD policies and projects as opportunities to test and pilot new engagement practices. Ensure multiple avenues of communication are utilized to reach the maximum amount of people.
	Develop **public education and messaging tools** to communicate the vision and case for ETOD.

2. Make ETOD Required, Easier, and More Equitable

In advance of the multi-year Citywide planning effort, the City and its partners can take many steps to ensure elements of ETOD are required in target neighborhoods, easier to accomplish, and more equitable in its execution. All strategies will be tailored to local market context in alignment with City goals of facilitating development in neighborhoods historically disinvested, while avoiding displacement in neighborhoods already experiencing accelerated investment. This includes creating and preserving affordable housing near transit, promoting multimodal transportation usage, and committing to incorporating health and equity criteria in both policy and project development. New strategies and policies will look to incentivize equitable development near transit, especially in disinvested communities on the South and West sides, and to not inadvertently incentivize development away from transit or outside the city.

Policy	Apply **health and equity impact assessments** to the development of ETOD-related policy.

Zoning & Land Use	**Improve design and use guidelines to promote walkability and transit-orientation** in current TOD (also known as TSL) ordinance, tailored to neighborhood context (such as market strength).
	Expand eligibility and strengthen density and parking incentives in current TOD (also known as TSL) ordinance.
	Allow more **flexibility in permitted building uses**, such as by permitting residential on the ground floor in more business and commercial districts and right-sizing parking to reflect these additional uses.
	Allow **small scale multi-family housing** in all TOD zones.
Parking-related Zoning	Strengthen minimum internal and external **bike parking requirements** for TOD projects. Disconnect vehicle parking and bike parking requirements.
	Establish a **cap on off-street parking spaces** allowable in all TOD areas identifying provisions, if needed, to minimize burden on low-income drivers.
	Require parking to be paid or leased separately from housing in TOD projects (i.e., **unbundle parking and housing costs**) in TOD projects and potentially citywide.
	Include **sustainable transportation options and incentives in zoning code**, i.e., require developers to implement a certain number of options and incentives, such as transit passes, to manage traffic demand.
	Allow **shared parking arrangements** to meet parking requirements in TOD areas.
Jobs & Workforce	Strengthen **equity in procurement and supplier diversity policies** to ensure small and minority owned firms and Black, Brown, Indigenous and other people of color, and people with disabilities benefit from new development.
	Create **quality jobs** through ETOD projects with priority given to local residents and firms.
Architecture Design/Review	Require **health, arts and culture, and equity** considerations in TOD-project level design.
	Develop architectural design templates that can **streamline and simplify city approvals** for ETOD projects.

Transportation	Improve **pedestrian infrastructure** in TOD zones by prioritizing and targeting resources based on need, starting with an inventory of current sidewalk infrastructure.
	Improve **visibility and accessibility of transit and mobility resource signage and wayfinding**, especially for people with disabilities or for whom English is not their first language. Ensure accessible options are provided.
	Increase access to **shared micro-mobility options**, including bike-share, e-bikes, e-scooters and car-share.
	Prioritize funding to make CTA and Metra **rail stations fully accessible** to people with disabilities, **clean and safe** for all passengers, and to provide sufficient rail capacity for new riders.
	Ensure **high-performing bus service**, especially along TOD bus corridors. Explore options for equitable enforcement of blocking bus and bike lanes that does not disproportionately harm low-income residents. Consider bus priority treatments.
	Prioritize **high-quality bicycle infrastructure** to, from, and within ETOD areas. Support bike lanes and other active transportation investments.
Housing	**Preserve existing unsubsidized affordable housing** within TOD zones, such as by disincentivizing the demolition and deconversion of 2-4 flat buildings.
	Streamline and incentivize the production of **multi-family affordable housing near transit.**
	Strengthen affordability and accessibility requirements for city-supported housing development in TOD zones, including through updates to the Affordable Requirements Ordinance.
	Modify the City's Qualified Allocation Plan (QAP) to include preference for **building affordable housing in TOD zones**, especially for very low-income residents.
Development Incentives	Develop **incentives and policies to preserve and retain** community organizations, small businesses, and other neighborhood assets in TOD Zones.
	Encourage **joint development opportunities with transit agencies** to advance ETOD.
	Prioritize ETOD in applications for city funding that supports housing and economic development, including but not limited to the Neighborhood Opportunity Fund.
	Develop **incentives for** the creation, activation and programming, and long-term stewardship and maintenance of **public and open space** in ETOD projects.
	Develop **incentives for services that would benefit young children, families, and pregnant persons** near transit hubs or in ETOD projects.

3. Embed ETOD into Chicago's Citywide Plan

Chicago is in the beginning stages of its first citywide plan in decades. Recommendations to advance ETOD can and should be incorporated early in the Citywide Planning Process, from incorporating health and equity assessments to prioritizing transit investment and recognizing the specific opportunities near transit hubs.

Land use & zoning	Develop a process for the City and partners to conduct **racial and health equity assessments** on land use plans and zoning decisions.
	Establish a framework for **neighborhood land use plans** that adheres to the goals of equity, resiliency and diversity and recognizes the **specific opportunities within TOD geographies.**
Transportation	Prioritize investments in **transit, biking, and walking** in the Citywide Plan.
Health and Safety	**Incorporate health and safety** into City's citywide plan

A time for bold action on equity

Much has happened over the last eighteen months since the ETOD Work Group first convened that has influenced the development of this Policy Plan. Among the major events was Mayor Lori E. Lightfoot's election and inauguration and departmental leadership transitions. The City has also felt the devastating effects of a global pandemic profoundly influencing the health and economic security of thousands of Chicagoans, particularly people of color. Residents from across the City are sustaining racial justice protests demanding reform in policing and across a range of government programs where the continued legacy of systemic racism creates deep socio-economic disparities for Black and Brown communities.

Now is the time for bold thinking and action. Perhaps never before has the City been better prepared to commit to a new course that is founded on the power of community, that commits to desegregating our city, that provides community wealth building pathways for all regardless of the color of their skin or their transit line, and that promotes healthy communities to close the racial life expectancy gap. Through thoughtful policy decisions, investments and program placement that incorporate these values, development occurring in transit-served locations can and should more effectively benefit all Chicagoans, regardless of whether they reside near transit.

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