

Mayor Emanuel's Industrial Corridor Modernization

Kinzie Industrial Corridor

Fulton Market Innovation District Plan Implementation

October 19, 2017



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Agenda

1. Background

Fulton Market Innovation District Plan

Approved by the Chicago Plan Commission on July 17, 2014

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

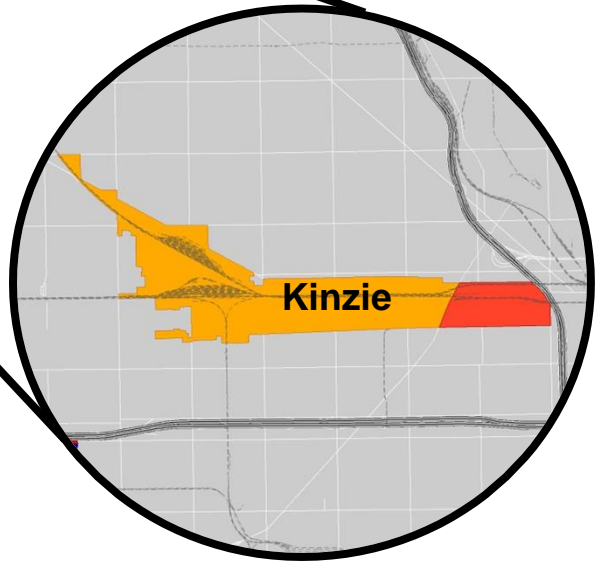
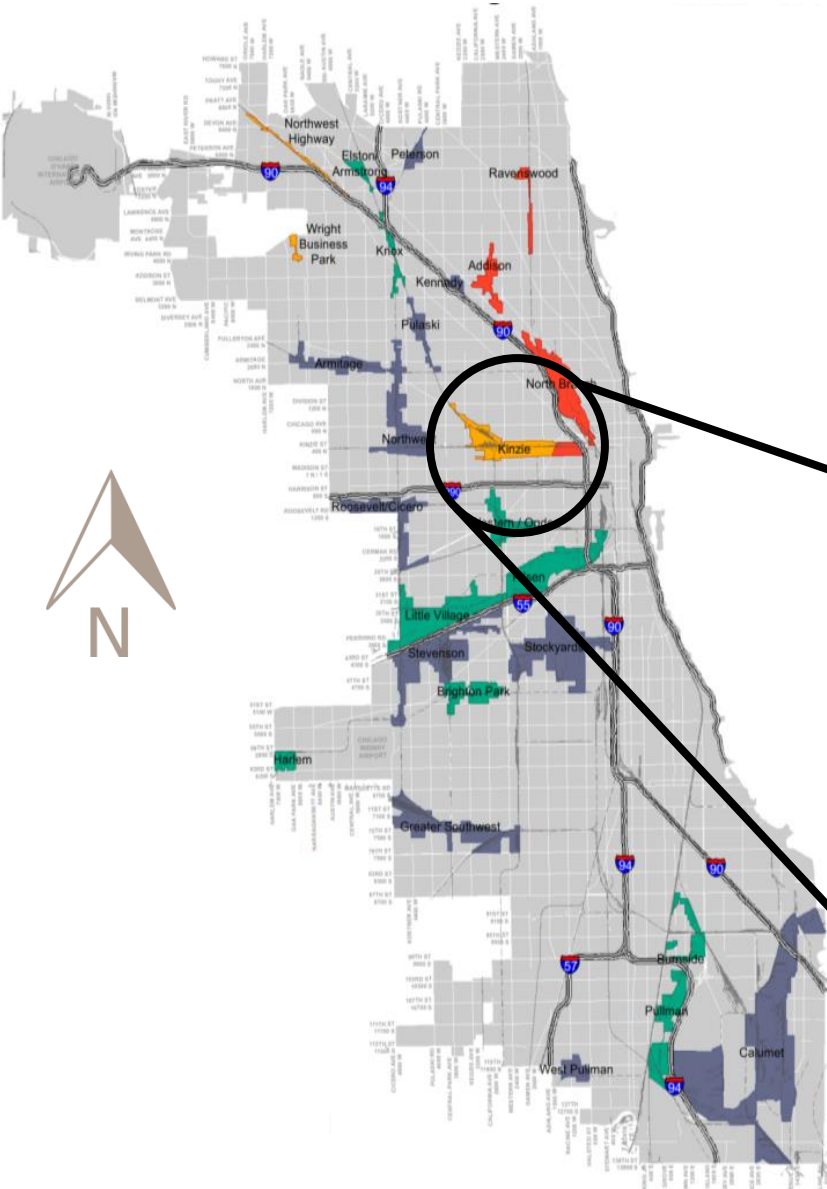
3. Next Steps

Council Committee to Review Ordinance

Employment Trends in the Industrial Corridor System

Core Job Employment Trends 2002 - 2014

-  **Manufacturing**
(Largest number of jobs are in manufacturing and are stable or growing)
-  **Manufacturing and Moving & Storing Goods**
(Largest number of jobs in both manufacturing and the distribution and storage of goods and are stable or growing)
-  **Business to Business**
(Largest number of jobs are in business support services and are stable or growing)
-  **Info & Tech**
(Largest number of jobs are either information technology and management or business support services and are stable or growing)



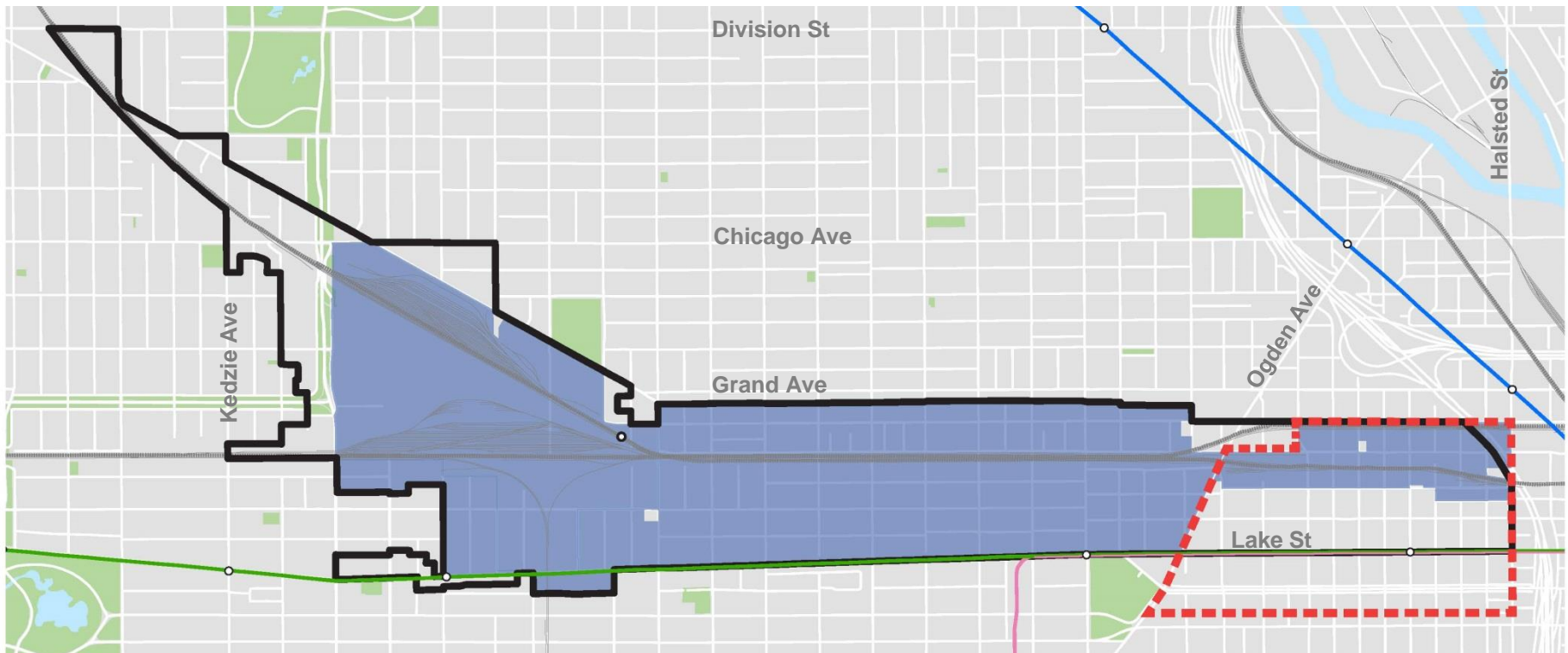
Two Processes

Process 1: Implementation of the Fulton Market Innovation District (FMID) plan

- Proposed Zoning Changes

Process 2: Kinzie Industrial Corridor Study

- Public process to begin in January

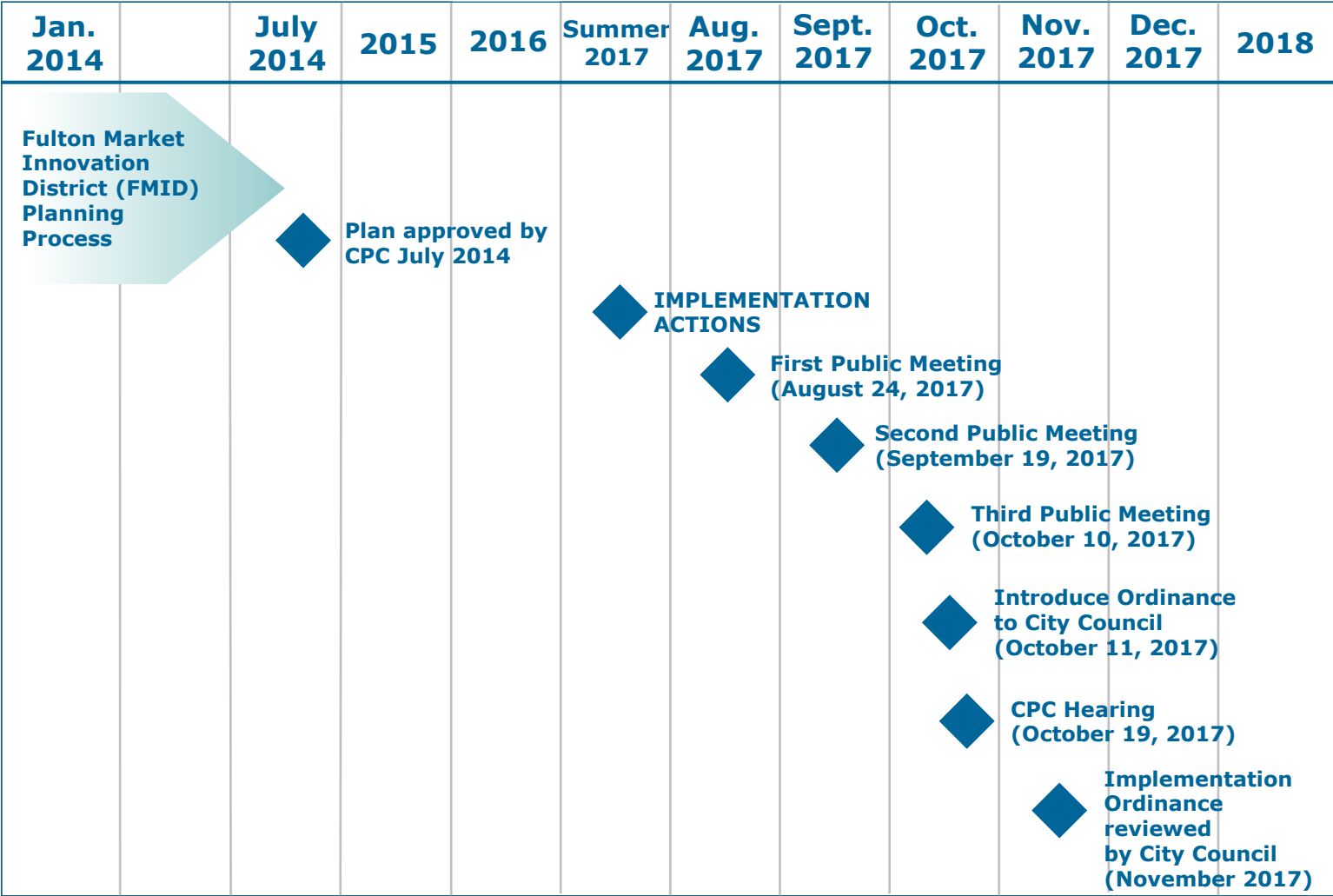


Kinzie Industrial Corridor

-  Fulton Market Innovation District (FMID) Plan Study Area
-  Planned Manufacturing District 4
-  Kinzie Industrial Corridor Boundary

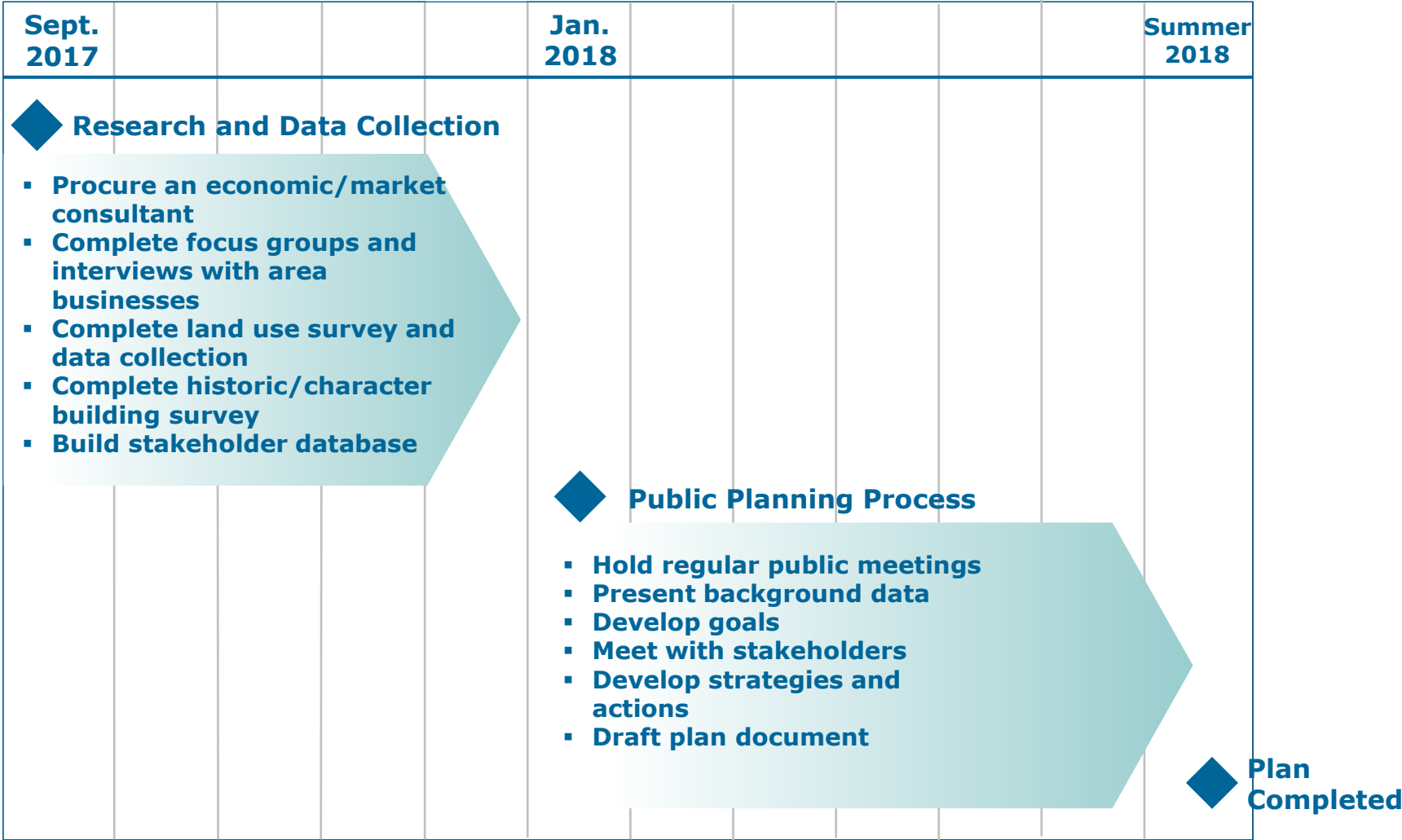
Process 1: Proposed Zoning Changes

Proposed Schedule for Fulton Market Innovation District Plan Implementation



Process 2: Kinzie Industrial Corridor Study

Proposed Schedule for full Kinzie Industrial Corridor Study



Fulton Market Innovation District (FMID) Plan

Approved by the Chicago Plan Commission in July 2014, the Fulton Market Innovation District plan outlined **a vision to preserve existing jobs while accommodating private sector investments that reinforce the area's expanding role as an innovation-driven employment center.**

PLAN COMPONENTS:

1. A formal land use plan to guide future zoning change requests.
2. General design guidelines.
3. Assorted infrastructure and streetscape projects that reinforce a cohesive district identity that combines food, innovation, culture and nightlife.
4. A historic preservation component.



A COMMUNITY-BASED PLAN

More than **450 participants** contributed in a 7-month process that included:

- 3 Public meetings
- 7 Neighborhood meetings

FMID Key Actions

The plan identifies **seven key actions** that serve to guide City policies and investment within the area:

1. **Adopt a land use map for the Fulton Market Innovation District to minimize future land use conflicts and maximize the production of real and virtual products**
2. **Establish Subdistrict B within the Kinzie Planned Manufacturing District**
3. **Adopt general design guidelines**
4. **Coordinate public infrastructure investments to create a cohesive district identity and support ongoing private investment projects.**
5. **Invest in facilities for regional food products, traditional wholesale businesses and associated historic buildings**
6. **Encourage programming and events on food and Chicago's role within the regional and nationwide food systems**
7. **Establish a historic district within a portion of the Fulton Market Innovation District**

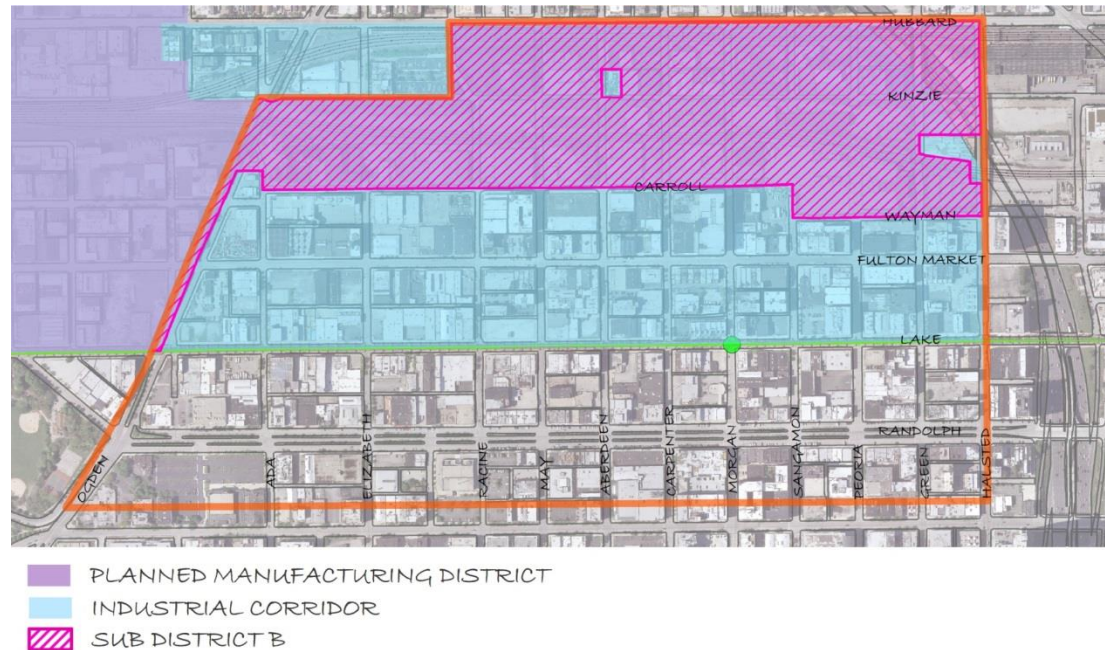
FMID Key Actions

FMID Key Action 2:

Establish Subdistrict B within the Kinzie Planned Manufacturing District (PMD). A new subdistrict should be considered within the Kinzie PMD to reinforce the area's expanding role as an innovation-driven employment center.

➔ **New tools to meet the same goal, as well as strengthen industrial and commercial corridors citywide:**

- Zoning Overlay District to guide new development and expand business uses
- Industrial Corridor System Fund
- Neighborhood Opportunity Fund



Implementation of FMID Plan Key Action

To implement the FMID plan's vision to preserve existing jobs while accommodating private sector investments that reinforce the area's expanding role as an innovation-driven employment center, the City proposes an ordinance to:

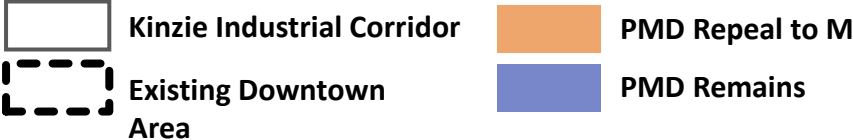
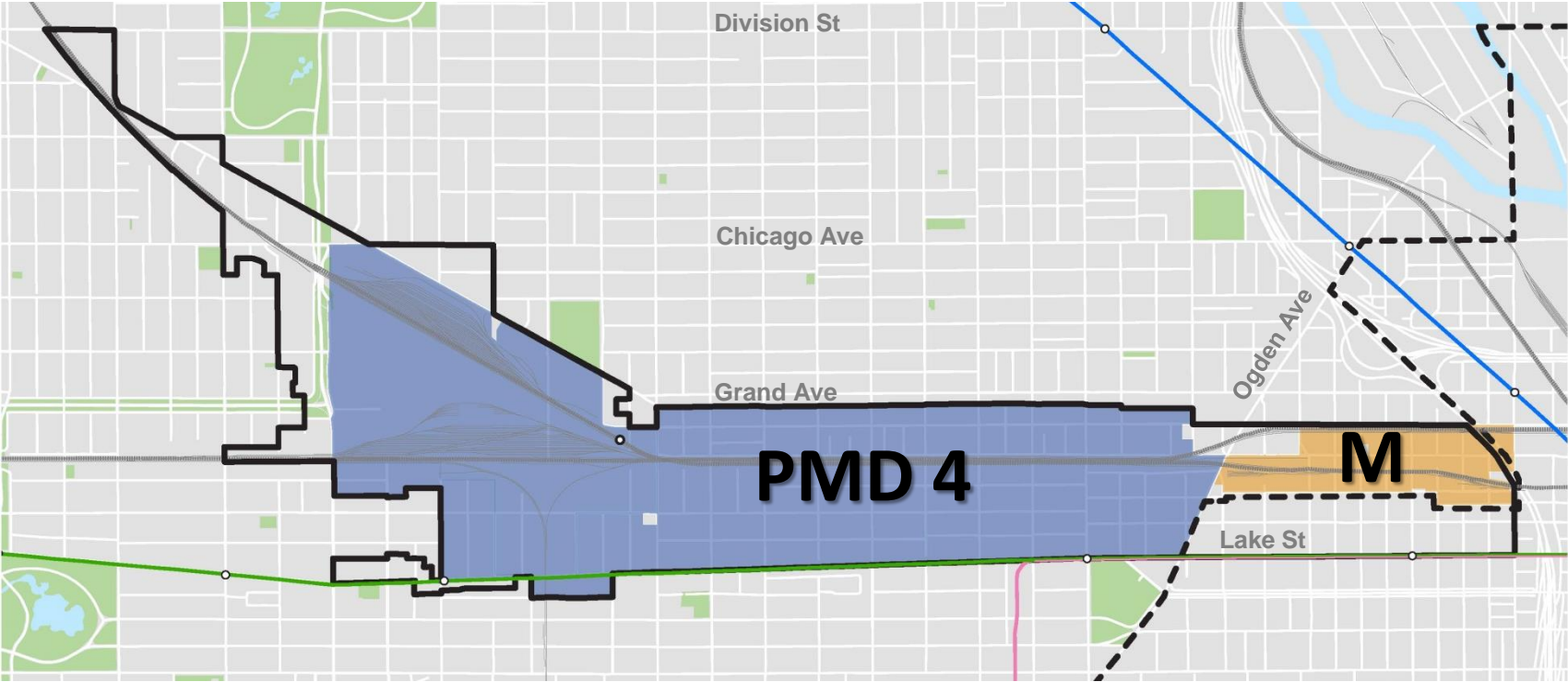
- 1. Repeal a portion of the existing Planned Manufacturing District 4 identified in the FMID plan as Subarea B to accommodate modern business uses.**
- 2. Designate the Kinzie Corridor Overlay District to guide future development.**
- 3. Apply the new Industrial Corridor System Fund to this area, which would support industrial projects throughout the city.**
- 4. Apply the City's existing Neighborhood Opportunity Bonus to the area.**

Proposed Zoning Changes

1. Repeal portion of existing PMD 4, east of Ogden Avenue

- Portion of existing PMD repealed to previous Zoning Districts (predominantly manufacturing zoning districts)

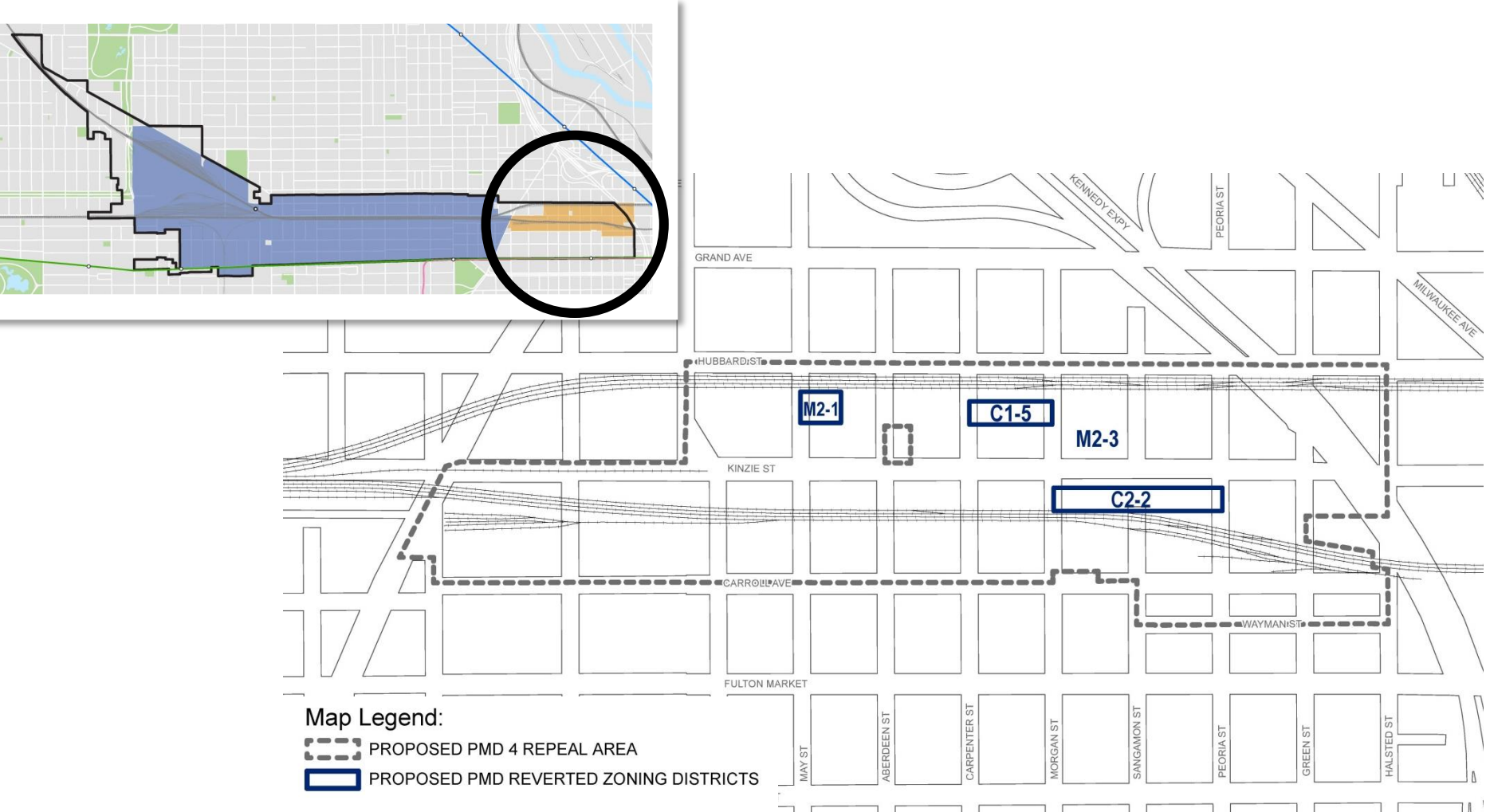
Maintain existing PMD 4 west of Ogden Avenue



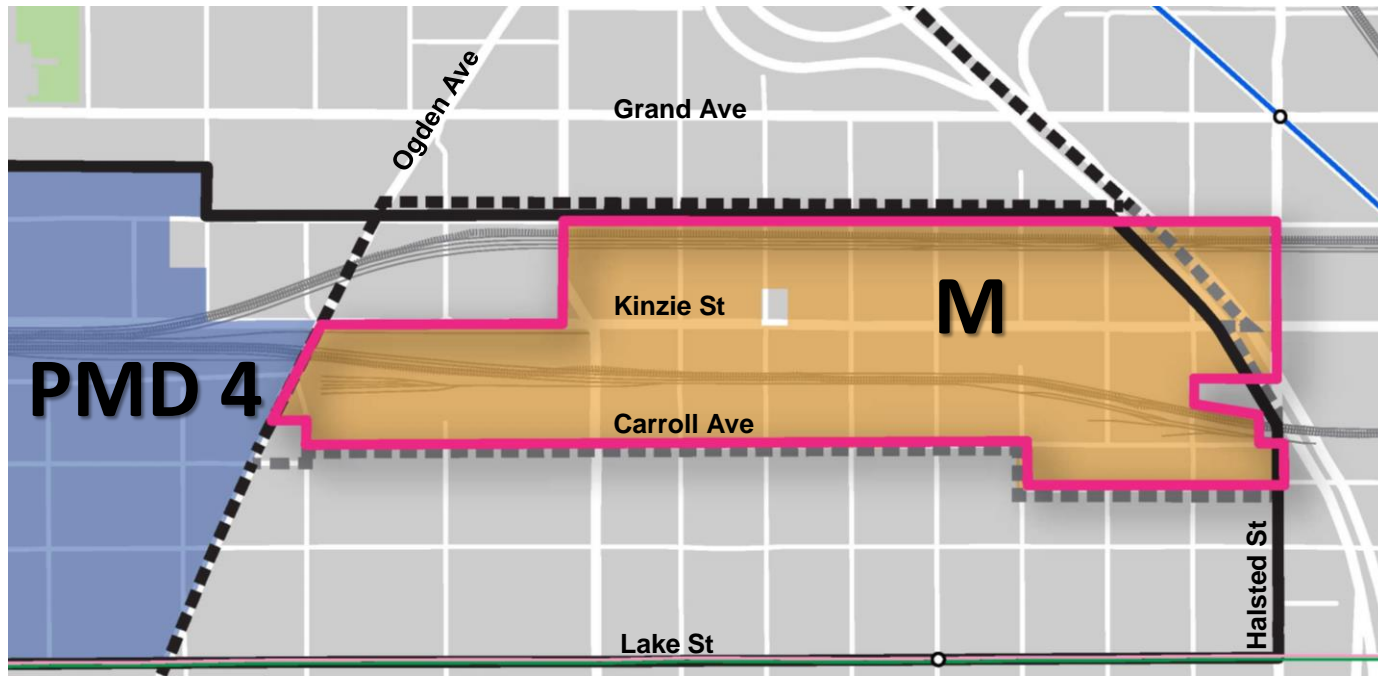
Proposed Zoning Changes

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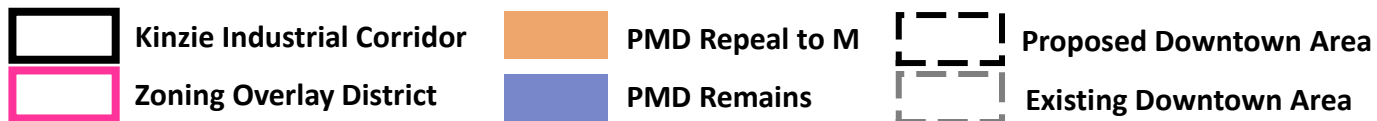
- Portion of existing PMD repealed to previous Zoning Districts, or most closely comparable Zoning Districts (predominantly manufacturing zoning districts)



Proposed Zoning Changes



2. Establish a Zoning Overlay District to supplement base regulations:
- Permits existing uses
 - Prohibits residential uses ←
 - Limits future zoning amendments to Downtown Zoning (DS and DX)
 - Applies the Industrial Corridor System Fee for future zoning changes



Proposed Zoning Changes

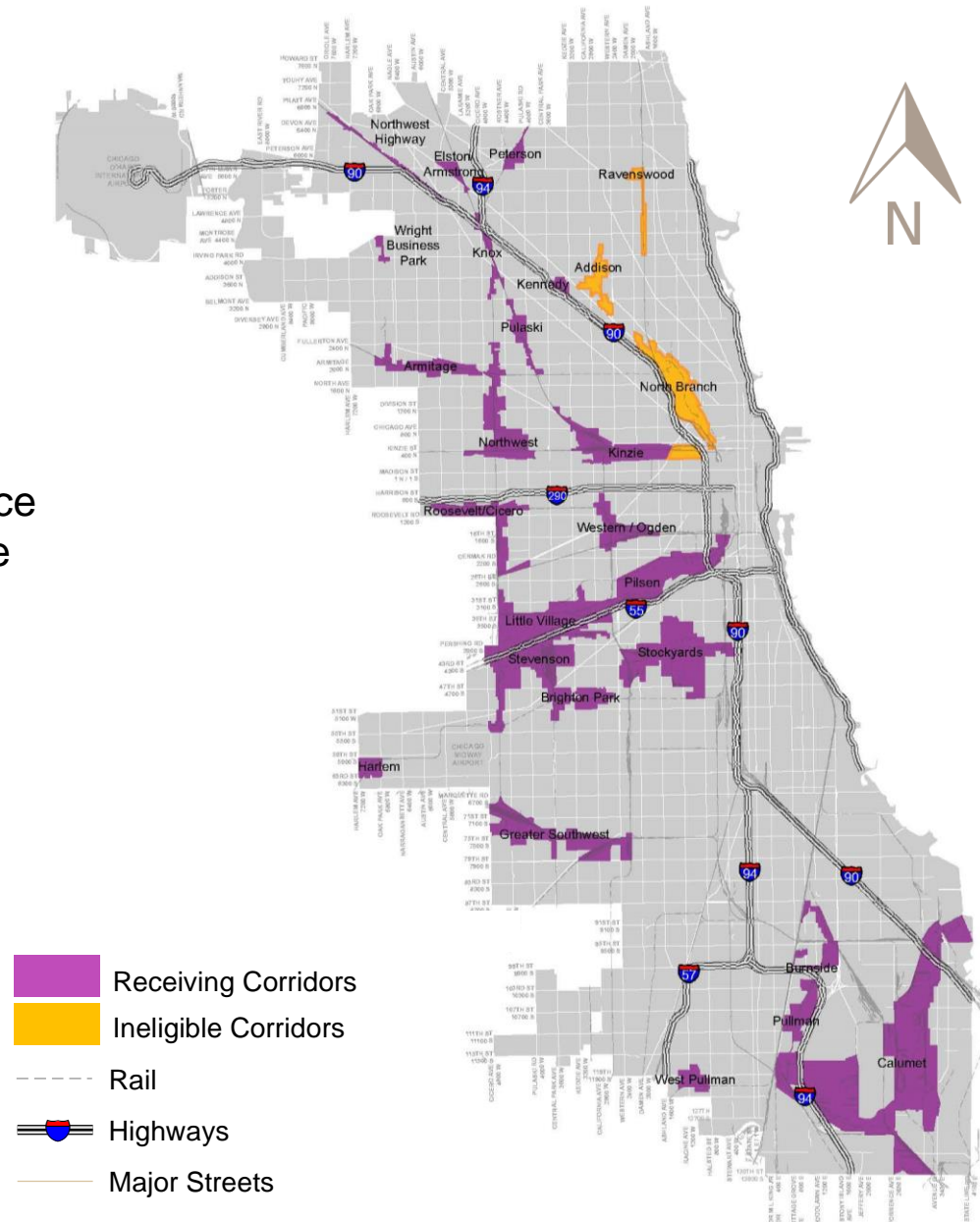
3. Apply the new Industrial Corridor System Fund to this area

The fee would apply to any project within a conversion area that requests a further zoning change from a pre-PMD zoning district to an allowed nonmanufacturing district

Use of Fee: To increase jobs and enhance the tax base across the City, funds will be used in other Industrial Corridors for:

- Infrastructure and utilities
- Environmental remediation
- Acquisition of industrial property
- Rehabilitating buildings

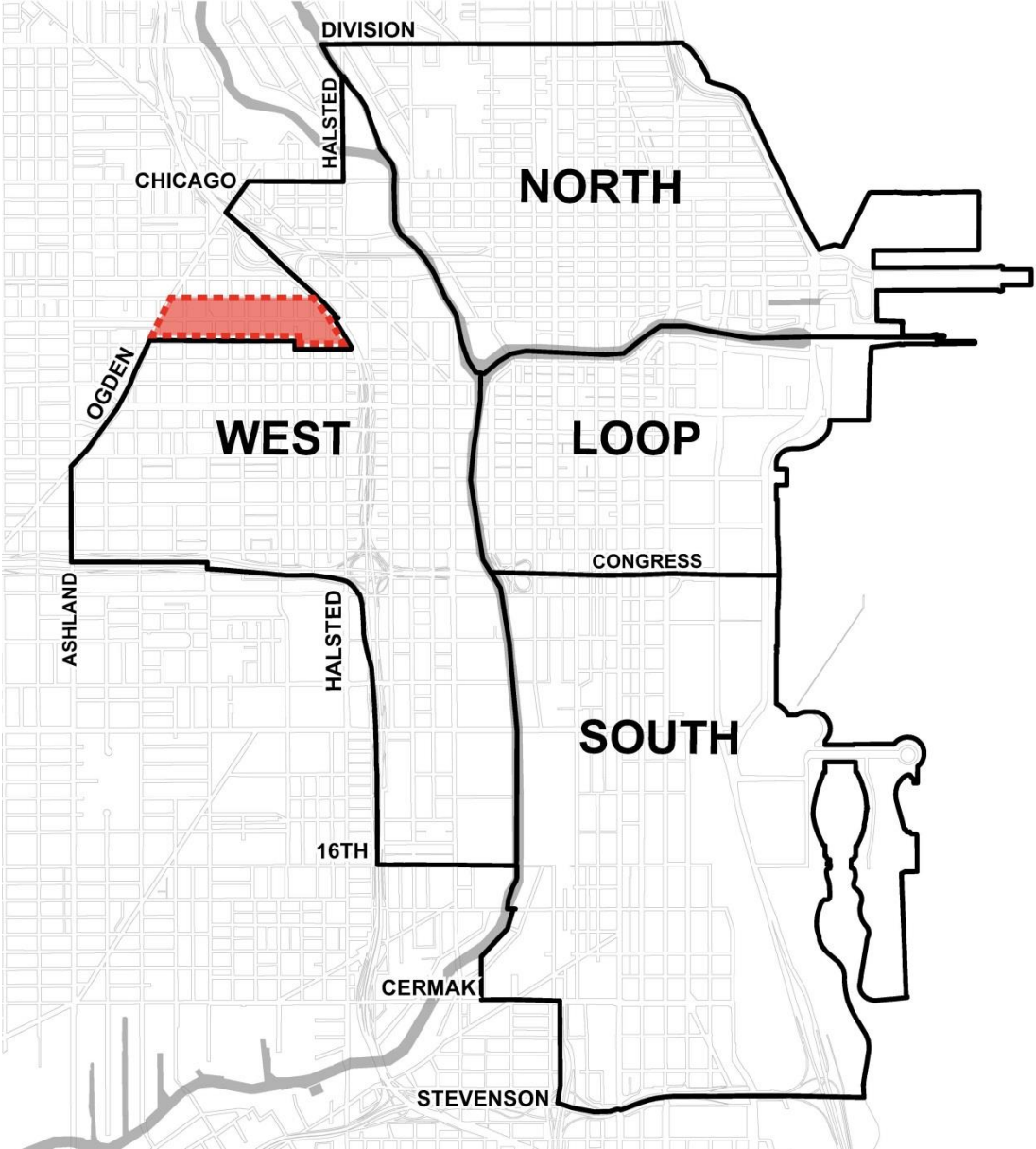
New fee could generate tens of millions of dollars; 100% to be allocated for industrial development in other parts of the city



Proposed Zoning Changes

4. Apply the City's existing Neighborhood Opportunity Bonus to the area.

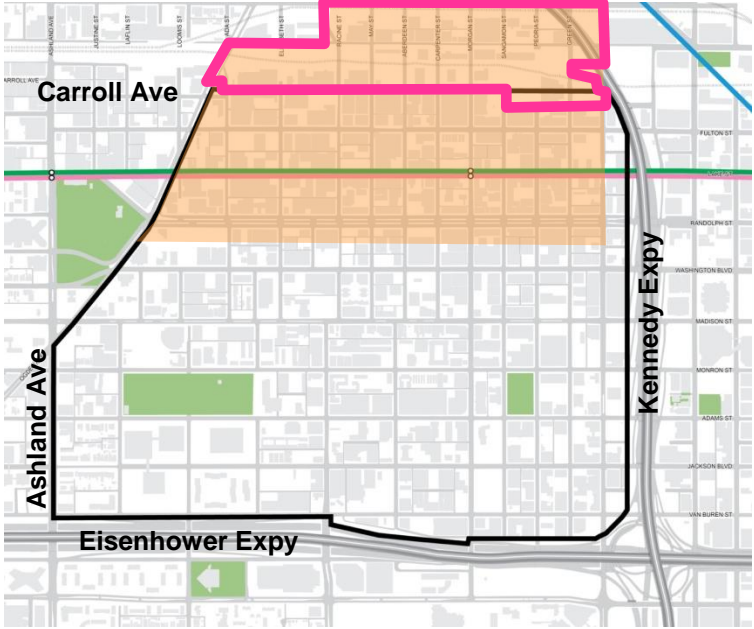
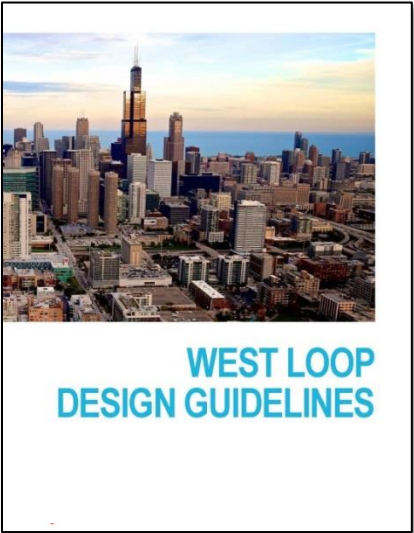
-  Downtown Submarkets
-  Expanded Neighborhood Opportunity Bonus area



West Loop Design Guidelines

On September 20, 2017, The Chicago Plan Commission approved design guidelines to foster excellence in design within the West Loop.

- The approved document stated that these design guidelines could apply to this area.



- Design Guidelines Boundary
- Kinzie Corridor Overlay District
- FMID Plan Area

Implementation of FMID Plan Key Action

- **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.**

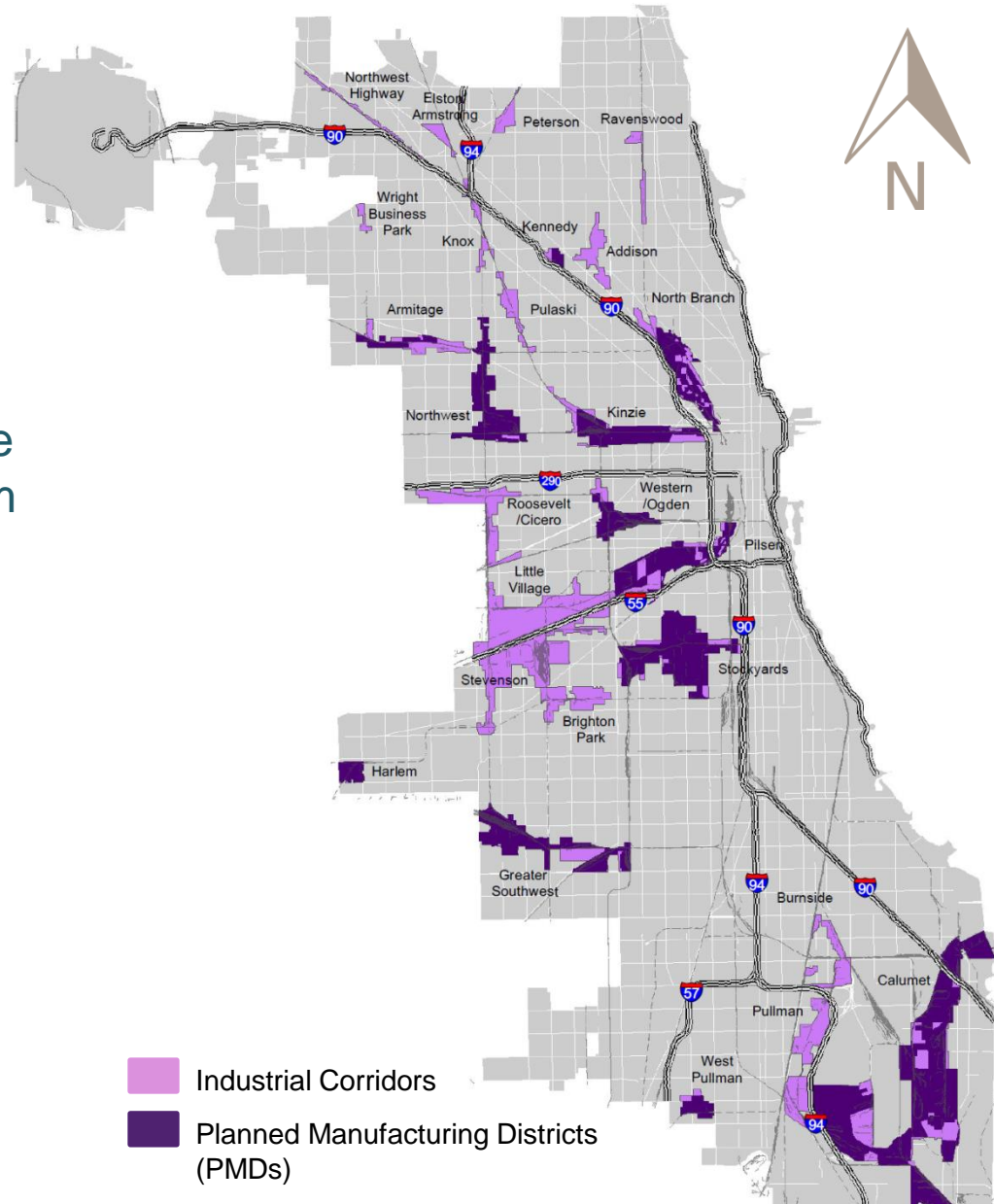
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PMDs Across the City

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.

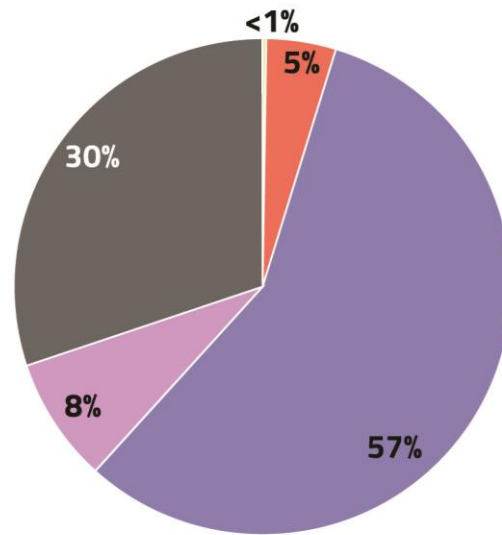


PMD Review

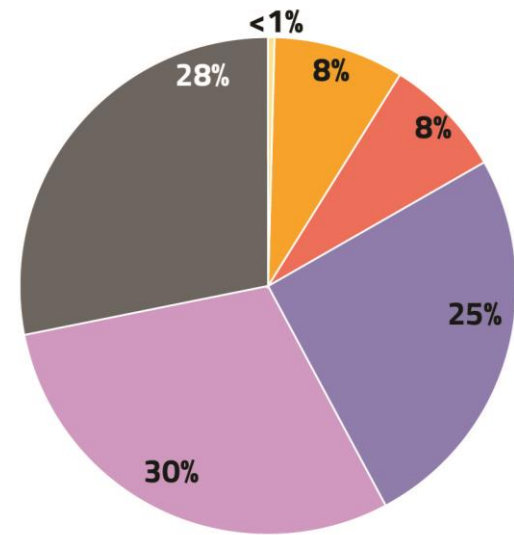
PMD LAND USE

Between 1990 and 2017, land uses in the portion of PMD 4 east of Ogden Avenue have shifted away from heavy industry.

- Manufacturing uses *decreased* from 57% to 25%
- Commercial uses *increased* from 5% to 16%
- Transportation uses *increased* from 8% to 30%



1990 Land Use



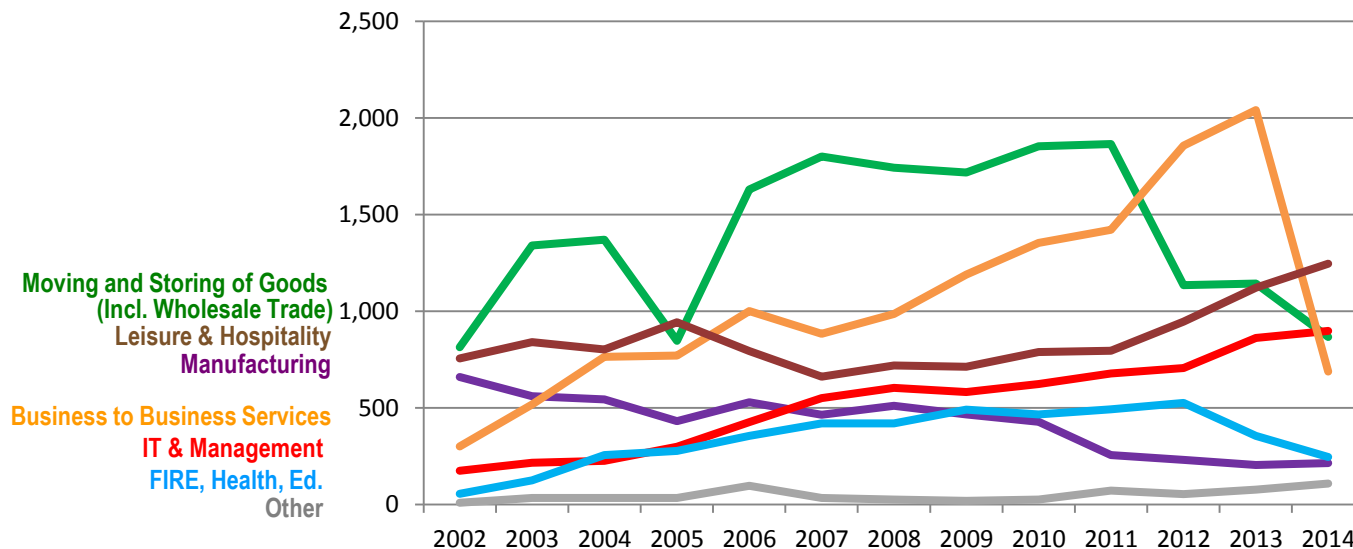
2017 Land Use

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

PMD EMPLOYMENT

Between 2002 and 2014, **employment** in the portion of PMD 4 east of Ogden Avenue **has shifted away from traditional industrial uses.**

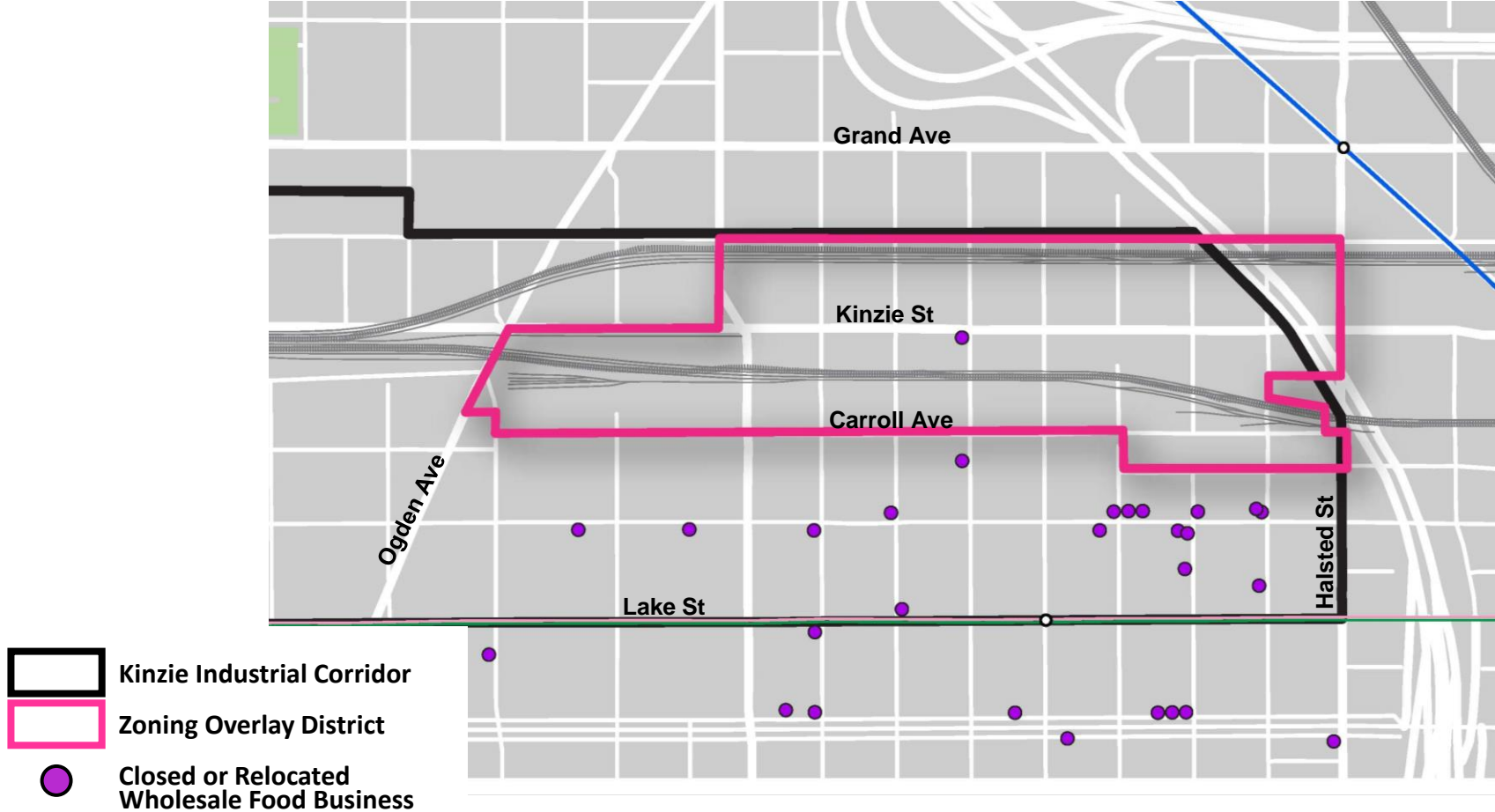
- Manufacturing jobs *decreased* 68%
- Information, Technology and Management *increased* 413%
- FIRE, Health, Ed *increased* 347%
- Leisure & Hospitality *increased* 65%



PMD Review

AREA BUSINESSES

Between 2013 and 2017, over 30 wholesale food businesses in Fulton Market have closed or relocated to other Industrial Corridors



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 and support services**

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 been moving away from the portion of PMD 4 east of Ogden Avenue |
| 2. Maintain the city's diversified economy for the general welfare of its citizens | Repealing the portion of PMD 4 east of Ogden Avenue would allow new types of technology or modern manufacturing businesses to be sited and grow in 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 portion of PMD 4 east of Ogden Avenue, along with the surrounding Fulton Market area, has changed in the past decades with traditional industrial uses, jobs and businesses no longer being the primary use type in the area |
| 4. Encourage industrial investment, modernization, and expansion by providing for stable and predictable industrial environments | The environment of the Kinzie Industrial Corridor east of Ogden Avenue, including the area designated PMD 4, has not been stable or predictable – land uses, jobs and businesses have shifted greatly over the past decades |
| 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, technology and office uses to the city |

Map Amendments Within Industrial Corridor

Map Amendments Within Industrial Corridors

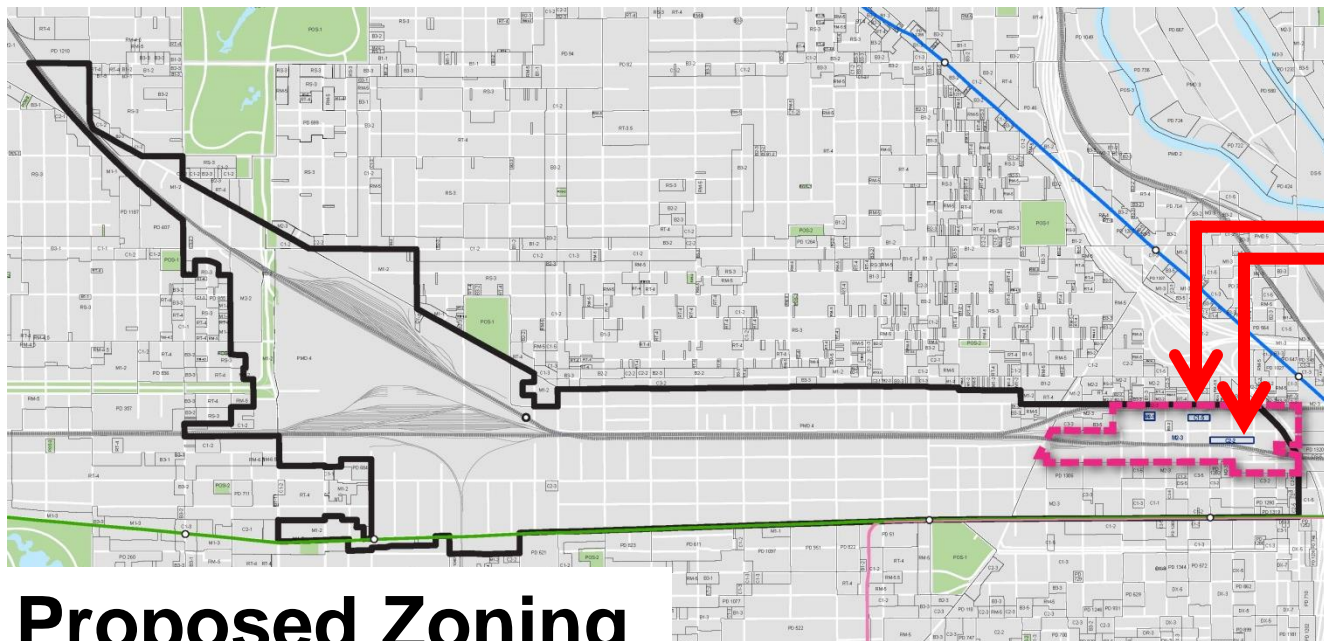
Plan Commission reviews rezonings within industrial corridors from M, PMD, POS or T zoning district classifications to any other non-manufacturing zoning district

- PMD 4 to C1-5 and C2-2

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)

Location of proposed C1-5 and C2-2 districts, which were in place, or are the closest comparable districts to what was in place, prior to the PMD designation

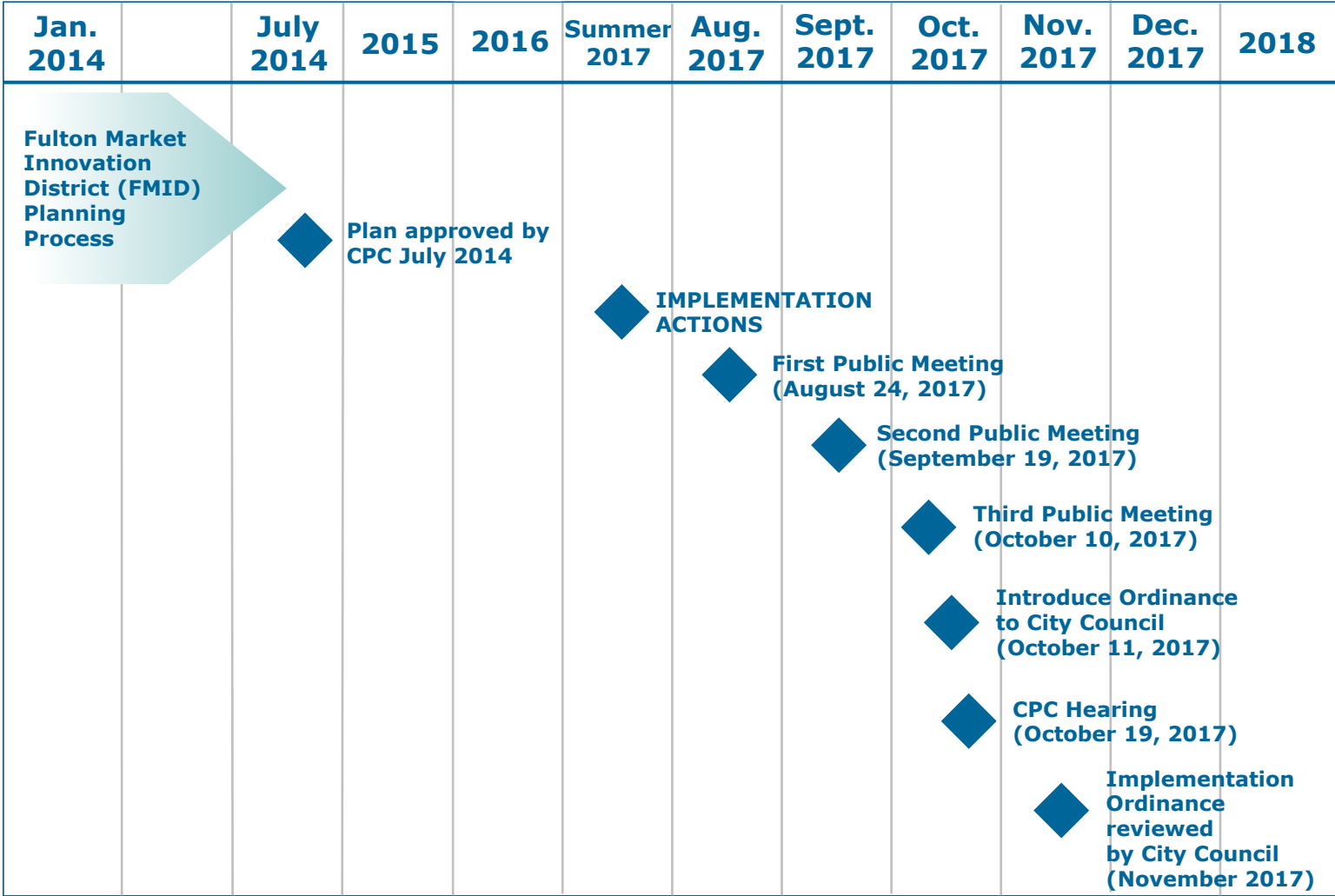


- Proposed Zoning
- Existing Zoning
- Kinzie Corridor Overlay District
- Industrial Corridor

Proposed Zoning

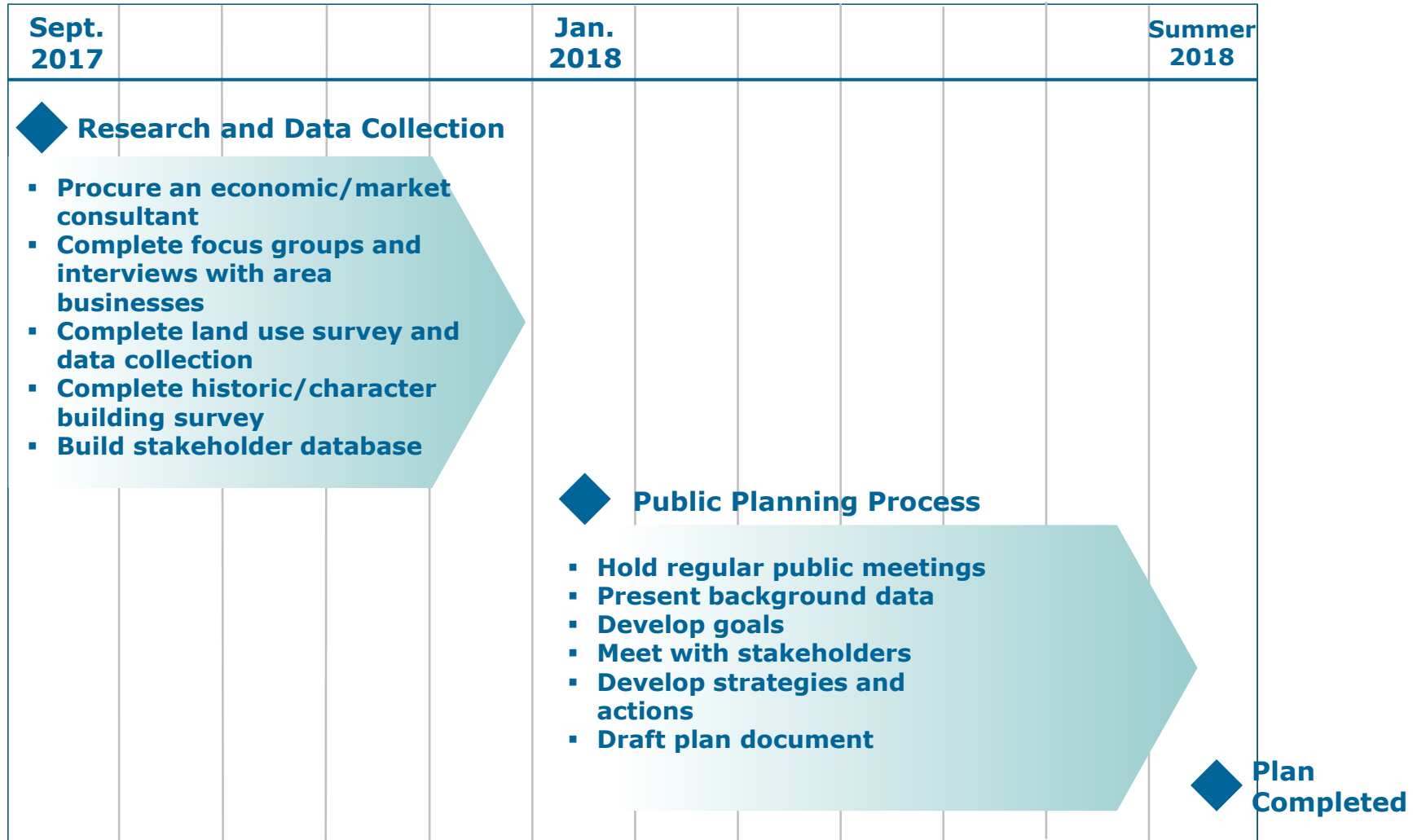
Proposed Zoning Changes

Proposed Schedule for Implementation

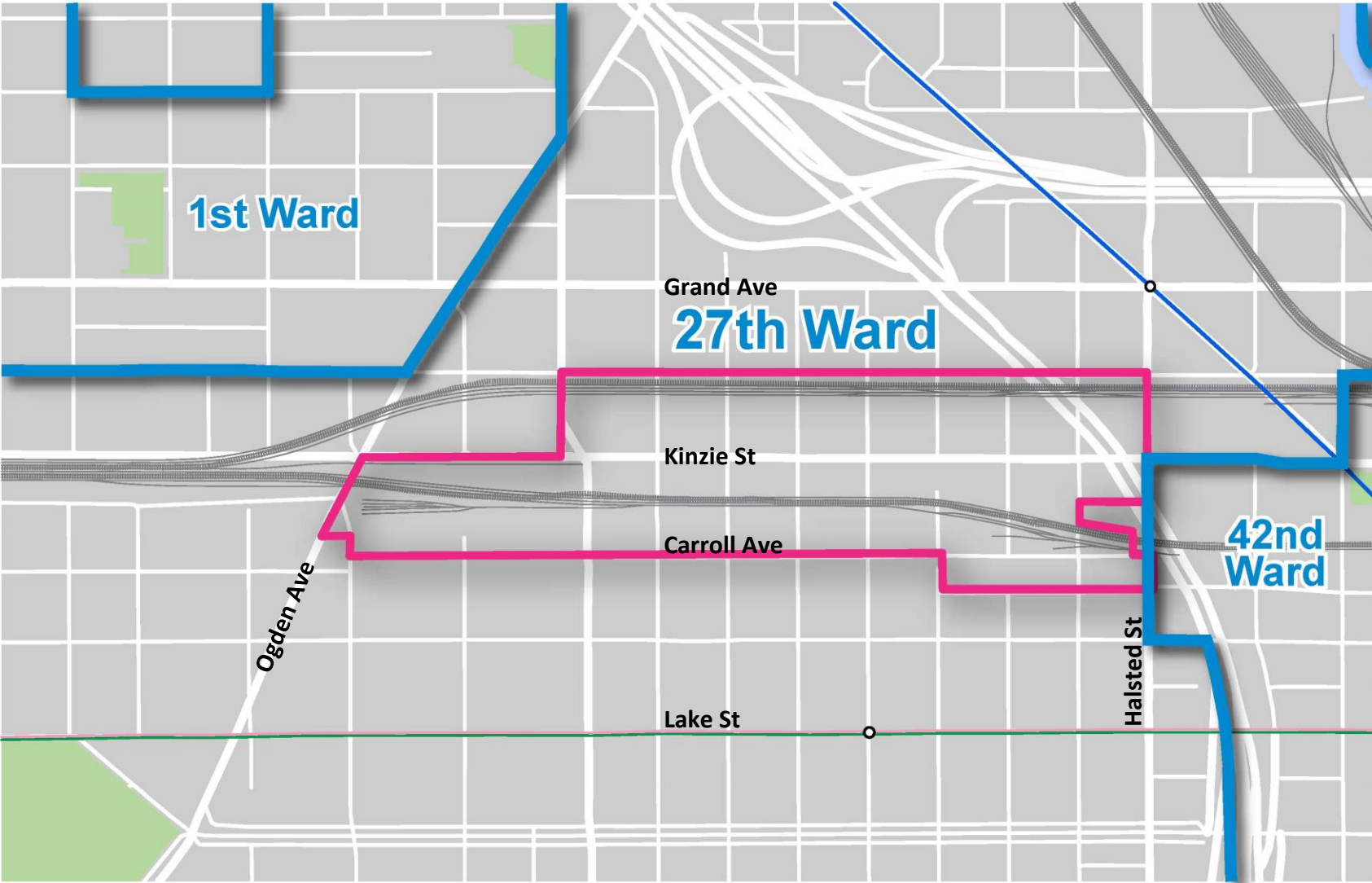




Kinzie Industrial Corridor Study

Proposed Schedule for full Kinzie Industrial Corridor Study



Ward Map



-  Ward Boundaries
-  Area of Subject Ordinance

