

State of the 1st Ward: 1st Anniversary Report (May 20, 2020)

The 1st Ward Office completed its first year of community-based zoning review, which Alderman La Spata established as a major priority upon entering office.

1st Ward Policy Director Nicholas Zettel recommended approval on 22 cases upon completion of community review and recommendations from 1st Ward community partners and residents. There was no recommendation of approval on any case that conflicted with community outcome. Alderman La Spata concurred with these recommendations, and these 22 cases passed out of Committee. These cases included 6 transitional cases (from April 2019), and 16 new cases (May 2019 through May 2020).

Citywide Zoning Environment (Provisional Data)

It should be stressed that this section features provisional data, under review to ensure proper Ordinance count. Data are presented in incomplete form to allow a hypothesis that is worth additional data compilation and testing.

Over the last year, the City of Chicago witnessed a sea change in zoning map amendments and Committee on Zoning, Landmarks, and Building Standards meeting schedule. Between May 2018 and April 2019 the Committee on Zoning, Landmarks, and Building Standards hosted approximately 14 meetings that heard and recommended passage of zoning map amendments. These meetings produced approximately 485 Ordinances that were reported out to Mayor Rahm Emanuel's City Council. Following inauguration of Mayor Lori Lightfoot's City Council, the Committee on Zoning, Landmarks, and Building Standards hosted approximately 11 meetings that produced a Summary of zoning map amendments, with a total of 351 Ordinances. For the purposes of this overview, Ordinances grouped together were: Aldermanic Zoning Map Amendments; Miscellaneous Zoning Map Amendments (the most common form of map amendment); and Ordinances to establish Pedestrian Streets (which are quasi-zoning changes, as Pedestrian Streets enact different land use standards depending on location and zoning district). Based on the initial findings, a more thorough review is necessary.

In terms of aggregate numbers, zoning map amendments throughout Chicago declined by nearly 30 percent between Mayor Emanuel's final year and Mayor Lightfoot's first

year. Yet, this number of cases is undoubtedly impacted by the number of meetings held at City Council as well; when prorated by cases per meeting, the decline in zoning map amendments is approximately 8 percent. Additional investigation is necessary to determine if this decline is mostly due to Aldermanic introductions; or whether private market introductions explain the decline in zoning cases across the City.

On a Ward by Ward basis, here is how the top zoning map amendments changed between Mayor Emanuel's last year and Mayor Lightfoot's first year:

Estimated Zoning Map Amendments
Passed out of Committee on Zoning, May 2018 - April 2019

Ward	Cases
1st Ward	56
27th Ward	37
26th Ward	26
2nd Ward	24
25th Ward	23
32th Ward	21
47th Ward	18
11th Ward	17
15th Ward	16
44th Ward	15

Committee on Zoning, Landmarks, and Building Standards (COZ)
Published Summary Reports, Office of the City of Chicago Clerk
Cases per 14 total COZ Summaries

Estimated Zoning Map Amendments
Passed out of Committee on Zoning, May 2019 - May 2020

Ward	Cases
27th Ward	34
11th Ward	27
44th Ward	20
47th Ward	18
1st Ward	17
26th Ward	17
32th Ward	17
30th Ward	14
2nd Ward	13
25th Ward	12

Committee on Zoning, Landmarks, and Building Standards (COZ)
Published Summary Reports, Office of the City of Chicago Clerk
Cases per 11 total COZ Summaries

Across the City, large declines were evident by both new Aldermen and incumbent Aldermen alike. By rate (zoning cases approved per meeting), Committee on Zoning Summaries suggest that the largest decline in zoning map amendments occurred in the 15th Ward. By aggregate number, these Summaries suggest that the largest decline in zoning map amendments occurred in the 1st Ward. Rounding out the largest aggregate decline, it is estimated that the largest declines in zoning map amendments also occurred in the 25th, 2nd, 26th, 34th, 39th, 5th, 8th, and 29th Wards. By conducting additional investigation into the types of Ordinances approved, it may be possible to further understand why zoning map amendments declined across the City. Preliminary investigation suggests that Aldermanic zoning map amendments and Planned Developments experienced the largest decline from Mayor Emanuel's last year and Mayor Lightfoot's first year.

1st Ward Cases

(a) Transitional Items

Between the period of Alderman La Spata's election and inauguration in May 2020, residents of the 1st Ward urged the Alderman to reconsider eight cases that appeared in Committee on Zoning. Following discussion with neighborhood zoning groups in the 1st

Ward, it was immediately determined that the following cases ought to be released to City Council with no issue: 1300 N Milwaukee; 1330 N Leavitt; 1474 W Ohio; and 1511 W Erie.

Due to lack of a neighborhood zoning review process under the previous 1st Ward office, additional review was applied to 2940 W Lyndale and 3601 – 3611 W Cortland. Following work with applicants, as well as a group of neighbors that attended community meetings regarding the Cortland proposal, these cases were approved and released to City Council for the July 24, 2019 meeting.

Two additional transitional cases were not approved, following a community zoning meeting at the 1st Ward Office on Monday, June 24, 2019. These cases were 1838 – 1844 N Western and 1815 – 1821 N California. Due to numerous concerns voiced by members of the Zoning Committee for our West Bucktown Neighbors, as well as adjacent residents along The 606 and Logan Square, these cases were not approved.

These transitional cases provided a unique challenge to the 1st Ward Office, which was to maintain consistency in zoning review from our committed stakeholders who worked hard on these cases, and building a new transparent zoning process immediately upon entering offices. While several newly elected Aldermanic offices took time to either establish a new zoning advisory council, or hold development while designing a process, residents living throughout the 1st Ward raised immediate concerns regarding transparency in zoning, and therefore the Office immediately needed to implement and shape a process. Much credit is due to our community zoning partners, who provided considerable knowledge and goodwill while the 1st Ward Office worked on this transition.

(b) New Items

The 1st Ward Office immediately began reviewing zoning cases upon Alderman La Spata's inauguration, and this included 16 approved cases; 6 denied cases; 2 suspended cases (pending comprehensive zoning analysis by 1st Ward Office and community partners); 1 uncertain case; and 13 lapsed cases from 2019 (inquiries that never received update). Additionally, there are currently 36 active cases in the office, ranging

from basic inquiries (awaiting update) to cases under detailed community review, and one case in the Committee on Zoning, Landmarks, and Building Standards.

The full list of these cases are available at the1stward.com/zoning, by category.

Approved cases may be placed into categories that indicate trends of approval by community partners, the 1st Ward Office, and Alderman La Spata:

- (i) Planned Developments (1): Teacher's Village Chicago, a Planned Development project that rehabilitates the former Von Humboldt school building into a residential development.
- (ii) Business Licensing / Administrative Concerns (6): Several of the 1st Ward approved cases represent a change necessary to achieve a tavern license, or some other business licensing need. In general, these cases did not require any exterior changes to the building, and represent opportunities to activate streetscape by adding new businesses: 1572 N Milwaukee (Yeti); 1529 W Chicago (Fry The Coop); 1838 West Grand (proposed food production and commercial space); 1820 – 1830 West Grand (proposed daycare use); 1302 N Milwaukee (proposed indoor mini-golf use). Additionally, the proposed rehabilitation project at The Hollander building (2418 N Milwaukee) will also use a zoning map amendment to produce an entirely commercial redevelopment project.
- (iii) Administrative Changes (4): A few of the 1st Ward zoning map amendments were required to either bring existing non-conforming uses into compliance with the map (2655 W Haddon); resolve zoning conflicts for small renovations (906 N Ashland); resolve previous map amendment errors or contradictions (1510 N Talman); or restore previous lapsed Type-1 zoning map amendments (1317 – 1333 N Western).
- (iv) Rehabilitation (3): Several approved zoning cases required zoning map amendment to add gentle density (a small number of additional units) coupled with rehab projects. These cases include 1248 N Paulina; 1115 N Hermitage; and 1460 N Milwaukee.

- (v) New Construction (2): A couple of the 1st Ward cases represent new construction opportunities. These cases include 2209 N Campbell (single unit residence) and 2418 W Lyndale (multi unit condominium).

Cases that did not receive approval fall into two categories. One of the most important themes stated by many neighborhood zoning review groups across the Ward was bringing more reasonable proposals to community processes. Many groups expressed a preference to see proposals that exhibit a certain standard of development, resolve a hardship on the lot, or provide a specific community benefit. Thus, in rare scenarios, Alderman La Spata will decline to bring a proposal through community review following staff review and consultation with neighborhood groups.

- (i) Community Process Cases (2): Zoning map amendments proposed at 2455 N California and 1836 N Albany did not receive approval following community process. In the case of 1836 N Albany, community review included a meeting at the 1st Ward Office (July 22, 2019) and canvassing the neighborhood by 1st Ward residents. In the case of 2455 N California, extensive community process included a 1st Ward First Look zoning meeting (August 22, 2019); canvassing in the neighborhood by both the applicant and Logan Square Preservation; and review by our Greater Goethe Neighbors (counterproposal provided to applicant and 1st Ward Office). This case also received the most letters of any 1st Ward zoning case other than Teachers Village. Given the contested nature of recommendations and substantive community feedback, this case was not approved.
- (ii) Concept Stage Review: Based on the proposed bulk, density, and situational concerns, four applications throughout summer 2019 were not brought to community review (19 units proposed at 3520, 3531, and 3537 W Cortland; 4 units proposed at 2816 – 2818 W Lyndale; 6 units proposed at 2723 W Medill; and 9-unit mixed use development proposed at 2902 – 2904 W Armitage).

There are always a number of cases that may exit the 1st Ward zoning process based on the property owner's or applicant's volition. These cases are not reported here, but available on the 1st Ward website.

Forms of Community Review

It is the goal of the 1st Ward office to consistently review and improve the community zoning process, and this often includes discussions with neighborhood review groups and residents about their development preferences within an area, or their concerns about particular types of development (including previous developments). Community feedback about zoning enters the 1st Ward office in a variety of forms, including phone calls; letters to the Alderman; discussion with staff in office; and community meetings. While the community meeting is often upheld as the gold standard for community zoning, many 1st Ward residents also have expressed an interest (and used) electronic feedback forms, and expressed an interest in developing a canvassing program for the 1st Ward.

- (i) Canvassing Program: Throughout summer of 2019, a number of 1st Ward residents worked with the office to express their goals for improving community feedback in the zoning process. This goal included canvassing the neighborhood adjacent to proposed zoning map amendments. Caseload at that time precluded office-led canvassing, but many 1st Ward residents often took it upon themselves to canvass for cases. As zoning caseload stabilized, canvassing became a priority in discussions between Alderman La Spata and staff; unfortunately, the COVID-19 public health pandemic intervened, placing plans for direct face to face meetings and door knocking on hold. This effort also effectively removes zoning review from the performative pressures of a community meeting.
- (ii) 1st Ward First Look: In structured stakeholder meetings, and discussions with 1st Ward residents, one priority for the zoning process was to see projects early in their formation. A common criticism of community meetings is that an Alderman's Office may work with a developer over time to form an application, meaning that a proposal is fully formed or presented in a near-

final form by the time it reaches community meeting. Thus, the 1st Ward Office brings cases to the Ward Night "First Look" program at an early stage, so residents have a chance to express their thoughts, feelings, and concerns at a concept stage. A potential benefit of this meeting type is allowing resident feedback to help shape zoning proposals at a stage in the project where that feedback can be most impactful. The 1st Ward Office is working on refining this type of meeting, but thus far feedback collected at these meetings has been overwhelmingly positive. Criticisms or areas of improvement include providing more information about a zoning lot and the impact of a potential zoning map amendment, and facilitating conversation was also listed as an area of improvement for staff.

One major benefit of the Ward Night structure is that it also provides an opportunity for residents to *expect* when meetings will occur. One of the goals of Alderman La Spata and the 1st Ward Office is to build a truly community-oriented office, which is open to accepting feedback and building community knowledge about zoning cases, business development, and policy items. By hosting concept-level zoning meetings at regular intervals, it has been possible to quickly build trust among many community members; bring together community members from neighborhoods that may not normally work together; and form standards of community knowledge that allow for residents to express substantive, critical feedback.

- (iii) Online Feedback Form: The 1st Ward Office has typically used online feedback forms in business licensing proposals, when we face the challenge of collecting feedback in a timely manner. Businesses often face leasing decisions and start-up expenses that may necessitate faster turnaround than a formal community meeting, which often requires notice (2 or 3 weeks notice is a typical goal) and planning. The 1st Ward Office has recently brought this program to zoning review, with mixed success. This is an area of improvement for zoning review, especially in light of reduced meeting

capacity requirements during COVID-19 that will make electronic feedback more common. This effort also effectively removes zoning review from the performative pressures of a community meeting.

- (iv) Plans Available at Office: One of the goals of the 1st Ward Office is to provide unstructured forms of community review, which can help residents who are unable to attend meetings have a chance to review cases, and can potentially expand the audience for zoning review (ex., someone who visits the office for a permit parking issue can review plans and provide feedback). Thus, at “First Look”, each applicant is encouraged to leave a set of plans for review at the 1st Ward Office; the Office then advertises the plans with signage (ex., “Ask me about The Hollander!”) and engages with interested residents. This program has produced excellent opportunities for providing direct zoning feedback to staff, who can collect that feedback and add it to the process. This is also an area where more trust can be built between residents and staff, because residents can expect that zoning review may occur at any time and their feedback will be recorded and taken seriously. This effort also effectively removes zoning review from the performative pressures of a community meeting.

- (v) Community Meetings: The 1st Ward Office has not had many zoning cases that require large community meetings. Teachers Village Chicago is the main example here, where separate venues were booked for multiple meetings. Thus far, the Ward Office has served as an effective location for zoning review meetings with a capacity of 20 to 30 people, but residents from across the Ward have rightfully requested meetings closer to the proposed zoning application. The Goldblatt’s Building has been the main site used for zoning meetings on the east end of the Ward, and the McCormick YMCA was going to be the site of a west end meeting prior to COVID-19. This is an area of improvement for zoning review staff, both for finding acceptable venues that residents feel welcome to attend, and for building press about these events.

Concerns and Future Recommendations

There are a number of potential concerns and zoning policy areas that 1st Ward residents may benefit from hearing about and thinking about. Here are some recommended ideas following one year in office:

- (1) Deals Falling Apart & Project Implementation: One of the most difficult aspects of implementing zoning map amendments is following a case throughout its processes after the zoning change is approved. This is no small task, as a Type-1 change can go as many as two years between approval and receiving building permits without any additional action from the City. Additionally, it is rarely discussed at meetings, but deals can also fall apart following zoning map amendments are approved. This is a difficult situation, because it brings uncertainty to the community review process, and places the Alderman's office in the regrettable position of dealing with the fallout from a private contract gone wrong. Furthermore, residents are often given the impression that a zoning map amendment is the final outcome in a development process, when it is often the very first. Potential Solution: It could be worthwhile to explore assembling a 1st Ward Implementation Review Council, which would give volunteers a chance to follow zoning cases on their block, work with development teams after zoning changes are approved, following construction quality updates to improve reporting to the 1st Ward Office, among other areas.

- (2) Establishing the Facts: The 1st Ward Office designed a developer's packet to begin 2020, which requires uniform information supplied to the office to begin intake for zoning cases. No contact with the Alderman is allowed without these details, and all details must be submitted prior to any community action on a project. One of the most difficult areas of zoning review is ensuring that residents receive all the pertinent facts about a project, and so the 1st Ward office is using a uniform intake procedure to achieve this goal. Additionally, this intake process requires applicants to describe the community benefits their project will provide, and also serves as an area to establish construction quality goals and fair housing rental plans. The residents of the 1st Ward deserve quality projects, and establishing uniform information and ensuring that

applicants will follow fair housing laws and provide quality construction will help achieve quality projects. Proposal: This area should be consistently updated and revised based on the feedback and expressed needs or preferences of 1st Ward residents.

- (3) Specific Policy Goals: There are numerous policy challenges that will emerge in 1st Ward zoning cases, or are currently an issue:
- a. **Enforcing affordable housing units.** Developers often promise one affordable unit in small developments (1 to 9 units), but these elective affordable units are unenforceable by the City. This is an issue because residents believe they are receiving a benefit, but neither Alderman La Spata nor the City of Chicago can enforce the terms of these units. Thus far, the 1st Ward Office tries to avoid these types of deals.
 - b. **Manufacturing Zoning Review:** The 1st Ward features many neighborhoods that were or still are operating with industrial uses. These uses face pressures because of broader economic restructuring, and as a result many proposals in the 1st Ward will involve manufacturing zoning in the coming years. However, the City of Chicago also features numerous innovations in manufacturing uses, and there remain strong manufacturing industries within the City; additionally, manufacturing zoning can provide other benefits, such as affordable office space or similar low impact uses for businesses. Proposal: Recently, the 1st Ward unsuccessfully applied for a grant to review manufacturing zoning as a part of a Scenario Planning Consortium program (through the Lincoln Institute of Land Policy). However, establishing a board to review manufacturing zoning throughout the Ward should be a policy priority to consider in the near future (summer 2020 through summer 2021). In the meantime, it is worth considering a policy recommendation that manufacturing zoning be maintained as much as possible; staff would recommend against zoning map amendments to remove manufacturing zoning districts and symbols until there is a comprehensive planning effort with 1st Ward Residents.

c. **Speculative Land Markets, Rehabilitation, and Community**

Development Finance: Reviewing 1st Ward cases over the last year, case details suggest that developers use proposed demolitions or zoning map amendments to switch the asset class of the property, or benefit from lucrative land markets. Thus, the market assessment of a given use (such as a 2-flat that produces no more than \$50,000 in revenue during one year) is often disjointed from its proposed sale and demolition price (and this occurs across the Ward; in both the east end and the areas surrounding the 606, developers are offering to pay between \$600,000 to \$800,000 to demolish existing 2-flats). This market practice almost always ensures that more dense housing arrangements also raise the price of housing significantly; some of the most egregious cases involve historical family properties that support a per unit value of \$150,000 or less, to redevelop new housing with a per unit value above \$500,000 to \$700,000. This market practice makes it nearly impossible to develop housing when coupled with Chicago's rising construction costs and lenders' demands (most developers emphasize that lenders are requiring reasonable evidence of a rate of return between 10% and 15% in order to achieve financing). Each of these market functions occur prior to any concern about regulatory issues that impact construction and land markets. These market dynamics make it nearly impossible to aggressively use reasonable community development finance tools, such as community land trusts, community development finance programs to rehabilitate properties, or community development finance programs to maintain existing affordable housing. Thus a worthwhile policy goal for Alderman La Spata and the 1st Ward Office would be to build relationships between sectors, in order to assess the feasibility of using community development finance sources in a typical 1st Ward land deal, and to increase the ease with which family owners or generational owners can access numerous resources in order to maintain their properties. Policy Proposal: Develop a 1st Ward one-sheet that includes community development finance resources that can be leveraged at various stages of the development

process (from home rehabilitation to affordable housing preservation with land trusts).

The 1st Ward Office is always open to hearing zoning and development suggestions and concerns from residents.

Respectfully submitted,

Nicholas Zettel, AICP Candidate

1st Ward Policy Director (Alderman Daniel La Spata)

nicholaszettel@the1stward.com

(773) 770 - 3769

Appendix I: List of Community Meetings

The 1st Ward Office and Alderman La Spata hosted dozens of community meetings between June and November of 2019. Due to staffing levels and holidays, zoning operations were “closed” in December 2019. Here are the general categories of meetings held:

Community Groups (more than 13 meetings – 2 in 2020)

Thursday, May 30, 2019: structured stakeholder meeting with Wicker Park Committee
Thursday, June 6, 2019: structured stakeholder meetings with Chicago Grand Neighbors and West Town Neighbors
Monday, June 24, 2019: structured stakeholder meeting with East Village Association
Monday, July 1, 2019: structured stakeholder meeting with Wicker Park Committee
Monday, July 8, 2019: structured stakeholder meeting with Greater Goethe Neighbors
Monday, July 8, 2019: structured stakeholder meeting with Logan Square Preservation
Tuesday, July 9, 2019: structured stakeholder meeting with Logan Square Neighborhood Association
Tuesday, July 16: structured stakeholder meeting with East Humboldt Park Neighbors
Tuesday, July 16: structured stakeholder meeting with Eckhart Park Council
Monday, August 26: structured stakeholder meeting with Homer Street neighbors
Wednesday, September 11 & Monday, September 16, 2019: zoning process reveal

Monday, February 17: structured stakeholder (CGNA)
Monday, March 2: structured stakeholder (EVA invite)

This is generally a list of first introduction with neighborhood zoning review groups (if that date is known), and other activity related to specific cases. This is not an exhaustive list of meetings with residents who raised concerns about zoning and development in the Ward; or meetings with zoning review groups, groups of neighbors, etc. Additional community outreach occurs with an informal listserv of West Cortland Neighbors; and structured outreach from neighborhood groups to the 1st Ward Office (reports of minutes; case findings; concerns, etc.).

Zoning Case Review (11 meetings for 16 cases – 4 meetings in 2020)

Monday, June 24, 2019: meeting for 1838 – 1844 North Western and 1815 – 1821 North California.

Monday, July 1, 2019: meeting for Dog Park with West Bucktown Neighbors

Monday, July 22, 2019: meeting for 1115 N Hermitage and 1836 N Albany

Thursday, August 8, 2019: The Hollander redevelopment First Look

Thursday, August 22, 2019: First Looks (2455 N California, 2215 W North)

Wednesday, November 6, 2019: 1629 N Fairfield and 1920 N Sawyer

Tuesday, November 12: The Hollander redevelopment community meeting

Tuesday, January 14: 1533 W Fry and CGNA follow-up (1716 W Grand, structured stakeholder)

Thursday, January 23: 1806 N Monticello & 1327 N Western

Thursday, February 10: GGNA Open Meeting (2000 N Western)

February 27: 3600 W Cortland & 2016 N Point

Teachers Village (more than 6 meetings, structured stakeholder, and community outreach events)

July 25, 2019: structured stakeholder meeting (EHPNA)

August 1, 2019: structured stakeholder meeting (EHPNA)

August 7 and 9: 1st Ward office & Ald. La Spata canvassing neighborhood

August 12: large open meeting at Von Humboldt building

September 17: Result panel reveal @ Casa Central

November 13: Open meeting at Ward Office

This is not an exhaustive list of meetings – additional meetings included numerous structured stakeholder outreach areas, including concerns about affordable housing, and meetings scheduled with immediately adjacent Von Humboldt Neighbors. Structured stakeholder meetings were typically scheduled upon request from concerned and engaged residents.

Other Community Events incidentally related to Policy, Development, or Zoning (at least 9 events. 1 in 2020)

August 10: housing resources fair

August 15: property tax appeal workshop

September 26: ComEd Municipal Acquisition Feasibility policy night @ Ward Night

October 1: 1st Ward Budget Town Hall

October 10: Legislative Ward Night

November 7: Joint Budget Town Hall

November 14: Legislative Ward Night

December 17: Cannabis Town Hall

February 13: Legislative Ward Night

Appendix II: 1st Ward Approved Cases by Community Recommendation

Wicker Park Committee (4):

- 1572 N Milwaukee (Yeti)
- 1248 N Paulina
- 1460 N Milwaukee
- 1302 N Milwaukee (indoor mini golf)

Chicago Grand Neighbors (2)

- 1838 W Grand (food production & sales)
- 1820 – 1830 W Grand (daycare)

Greater Goethe Neighbors (2)

- 2209 N Campbell
- 2418 W Lyndale

West Town Chamber of Commerce (1):

- 1529 W Chicago (Fry The Coop)

Logan Square Preservation (1)

- 2418 N Milwaukee (“The Hollander”)

Other (6)

- 1115 N Hermitage (resolved community concerns with East Village Association and adjacent neighbors to the project)
- 2655 W Haddon (no change in building envelope or density)
- 906 N Ashland (technical matter)
- 1510 N Talman (technical matter to resolve previously approved project)
- 1317 – 1333 N Western (technical matter to restore previously existing zoning following lapsed Type 1 amendment)

- Teachers Village Redevelopment: large community process involving many stakeholders (Planned Development)