

DEPARTMENTAL ENVIRONMENTAL JUSTICE ACTION PLAN

CITY OF CHICAGO'S GOAL: *Take a whole-government approach to improve and protect the environment, health, and quality of life in environmental justice (EJ) communities through changes to internal policies, processes, practices and/or budgets.*

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Department Name – Action Name: Department of Planning and Development – Industrial Corridor System Fee/Fund

Department Scope and Authorities:

Title 16-8 Industrial Corridor System Fund was added to the municipal code by the Chicago City Council in July 2017 as part of a suite of changes related to industrial corridors. The purpose of this chapter is to mitigate the loss of industrial land and facilities in conversion areas (as defined and/or described in 16-8-020 and 16-8-030) by generating funds for investment in receiving corridors (defined in 16-8-020) in order to preserve and enhance the city's industrial base, support new and expanding industrial uses, and ensure a stable future for manufacturing and industrial employment in Chicago. The legislative intent of this chapter is to promote the city's vital interests. A summary of the process as described in Chapter 16-8 is below.

Funds are collected through fees applied to rezonings in identified conversion areas (as defined and/or described in 16-8-020 and 16-8-030). Conversion areas are identified through adopted land use plans and rezoned areas and rezonings (as defined in 16-8-020) must occur through the processes noted in The Chicago Zoning Ordinance (Title 17).

16-8-040 Industrial corridor system fund.

Established a separate fund (Industrial Corridor System Fund) into which 100% of the funds collected from any rezoning under this chapter will be deposited. The revenues of the Industrial Corridor System Fund shall be reserved and utilized exclusively in accordance with this chapter.

16-8-120 Use of funds.

The Industrial Corridor System Fund may be used for the following costs when they are necessary or desirable for the preservation, development and/or growth of industrial uses in receiving corridors:

- (a) costs to acquire land and buildings;
- (b) costs for environmental site assessment and remediation;
- (c) costs to demolish substandard, obsolete, or vacant buildings;
- (d) costs to rehabilitate or repurpose underutilized or out-of-date industrial buildings;
- (e) costs to provide key support infrastructure; and
- (f) administrative, reporting, and monitoring costs and expenses of the Industrial Corridor System Fund, provided such costs and expenses may not exceed 5% of the Fund.

16-8-150 Administration.

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(a) The department shall administer the Industrial Corridor System Fund and all projects funded under this chapter. Any grant or loan of funds for a private project shall require city council approval and shall be subject to jobs covenants and other covenants, conditions and restrictions to ensure that the funds are devoted to the purpose described in this chapter.

(b) The commissioner is authorized to prescribe application forms and other forms necessary to collect relevant information concerning participants and projects utilizing the Industrial Corridor System Fund, and to adopt such rules as the commissioner may deem necessary for the proper implementation, administration, and enforcement of this chapter, including without limitation, rules setting forth criteria and guidelines for the selection of projects and disbursement of funds in a fair and equitable manner. The commissioner is further authorized, subject to the availability of duly appropriated funds, to negotiate and enter into contracts from time to time with outside providers to assist in administering this chapter. The contracts authorized by this section may contain terms that the commissioner determines to be reasonable and appropriate, including terms governing reasonable compensation.

(c) The commissioner shall post on the department's website an annual report detailing the receipt and expenditure of funds from the Industrial Corridor System Fund.

Environmental Justice Strategy:

DPD will work with a group of informed stakeholders including Local Industrial Retention Initiative (LIRI) delegate agencies, industrial businesses, community organizations, environmental justice organizations, and others to propose amendments to the Industrial Corridor System Fund Ordinance (MCC 16-8-010) to provide that any funds generated by development in "conversion corridors" for use in "receiving corridors" shall be used to mitigate environmental impacts from existing and new industrial developments, and to prioritize funds for use in Environmental Justice Neighborhoods. Anticipated outcomes are noted below:

Amend relevant sections in 16-8 to:

1. Clarify and prioritize use of Industrial Corridor System Funds for development of vegetated or other buffers to help mitigate environmental and other impacts of industrial developments on adjacent residential areas.
2. Change the definition of "Receiving Corridors" to
 - a. Add North Branch PMD areas (NBCO-B) in "Receiving Corridors" definition
 - b. Amend reference to Kinzie in the list of "Receiving Corridors" to specify that the Kinzie area west of Ashland Ave

Supporting Department(s):

DPD may need to collaborate across multiple departments (including the Department of Transportation, the Department of Public Health, and others) to accomplish this strategy.

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Impact Measures:

- Performance data: Project measures may include: linear or square feet of vegetated buffers, square feet or acres of buildings/land that is added or replaced, anticipated and post construction outcomes or types of impacts mitigated may be measured by City or external parties.
- Community-level data: Data on project location (in EJ community, surrounding populations, approximate distance from residential areas) as well as anticipated performance of project can be assessed.
- Post on the department's website an annual report detailing the receipt and expenditure of funds from the Industrial Corridor System Fund

Related Department Investments & Prior Commitments:

The We Will Chicago (WWC) citywide plan is a 10-year framework for citywide growth and vibrancy. WWC is a critical tool to guide the city's future annual budgets, capital projects, and policy priorities to ensure public decision-making is focused on the needs of the entire City and all of its residents. Approved by the Chicago Plan Commission after three years of intensive neighborhood-based and virtual public engagement, WWC consists of more than 40 goals and 150 objectives to guide the City's governance across eight "planning pillars" for the next decade. The pillars include Housing & Neighborhoods; Arts & Culture; Environment, Climate & Energy; Lifelong Learning; Public Health & Safety; Transportation & Infrastructure; Civic & Community Engagement; and Economic Development.

DPD holds the following WWC pillars and goals as being most relevant to this EJ Action :

ECONOMIC DEVELOPMENT

Goal 2: Support business growth throughout Chicago, especially businesses owned by Black and Latino people.

ENVIRONMENT CLIMATE & ENERGY

Goal 1: Prioritize climate resiliency efforts in overburdened communities and for low- income individuals through both public- and private- sector efforts.

Goal 2: Use environmental justice principles to establish criteria and policies for geographies harmed by environmental degradation.

2.3 Remove barriers and constraints to participating in the workforce and accessing good quality jobs.

TRANSPORTATION & INFRASTRUCTURE

Goal 3: Balance the economic benefits of moving goods with negative impacts on communities, eliminating, then equitably distributing burdens.

3.2 Mitigate the health, safety and environmental burdens caused by trains, trucks and delivery vehicles.

3.5 Maintain the City's role as a global intermodal hub with strategic and innovative transportation and infrastructure investments.

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Action Steps	Timeline	Status
DPD will begin developing proposed changes to the text in 16-8 with input from informed stakeholder groups	2023 Q4	Not Started
Publish draft for public comment	2024 Q1	Not Started
Incorporate feedback	2024 Q2	Not Started
Introduce ordinance changes to City Council	2024 Q3	Not Started
Community Input & Response		
Community Input: This was an unspecified comment from the Preliminary Public Input document that was prepared for CDPH and OCEE by their consultant team: <ul style="list-style-type: none"> • Use industrial funds for more than just vegetation 		
Response to Community Input: <i>The Industrial Corridor Fee is currently set up to be used for a variety of improvements as noted above (16-08-120). DPD is exploring the feasibility of using the IC funds for other projects/improvements that can help mitigate potential negative impacts of the industrial corridors such as vegetated or engineered barriers. DPD will also examine how to expand where the funds can be used.</i>		