



# Connected Communities Ordinance

Proposed Zoning Reforms to advance Equitable Transit-Oriented Development (ETOD)



# Connected Communities supports Chicago's economy, safety, and affordability

Goals and key provisions in the Connected Communities ordinance include:

- 1** Grow the economy by allowing more homes and businesses near transit
  - Boost transit-oriented development by extending TOD incentives on bus lines and around rail stations.
  - Apply parking reduction incentives to high density residential
- 2** Make streets safer for Chicagoans who walk, bike, roll and ride
  - Implement pedestrian friendly design principles near rail, including limits to curb cuts
  - Require large developments to submit transportation management plans
- 3** Encourage more diverse & affordable housing in every neighborhood
  - Require up-or-down zoning committee votes on affordable developments
  - Limit deconversions in areas zoned for multi-family housing
  - Increase TOD incentives for affordable units

Different neighborhoods have different needs. The ordinance encourages investment in lower-income neighborhoods, affordability in high-income neighborhoods, and safer streets everywhere.



# Connected Communities promotes equitable development

## What the ordinance does

- More equitably distributes TODs citywide
- Allows for community and market to shape parking demand within transit corridors
- Allows for density bonus with Council approval where appropriate to improve project feasibility
- Reduces costs and improves feasibility for both market-driven and City-supported projects

## What the ordinance does NOT do

- Does not change the existing Aldermanic and City processes for development
- Does not circumvent design reviews
- Does not allow for larger by-right developments
- Does not remove the ability to provide sufficient parking
- Does not change existing zoning (no high density on residential side streets)

# ★ Connected Communities extends policies that supercharge City investments

## Investment with ETOD



- 43 Green in Bronzeville
- 99 units, 50% affordable/50% market
- 24 parking spaces

## Without ETOD

- Without TOD parking flexibility, 43 Green would **cost \$2.2 million more** due to added parking and garage construction
- Without TOD zoning bonus, 43 Green would **shrink by 28%**, losing 14 market rate and 14 affordable units

# ★ Connected Communities supports rehab and reuse of existing properties

## Investment with ETOD



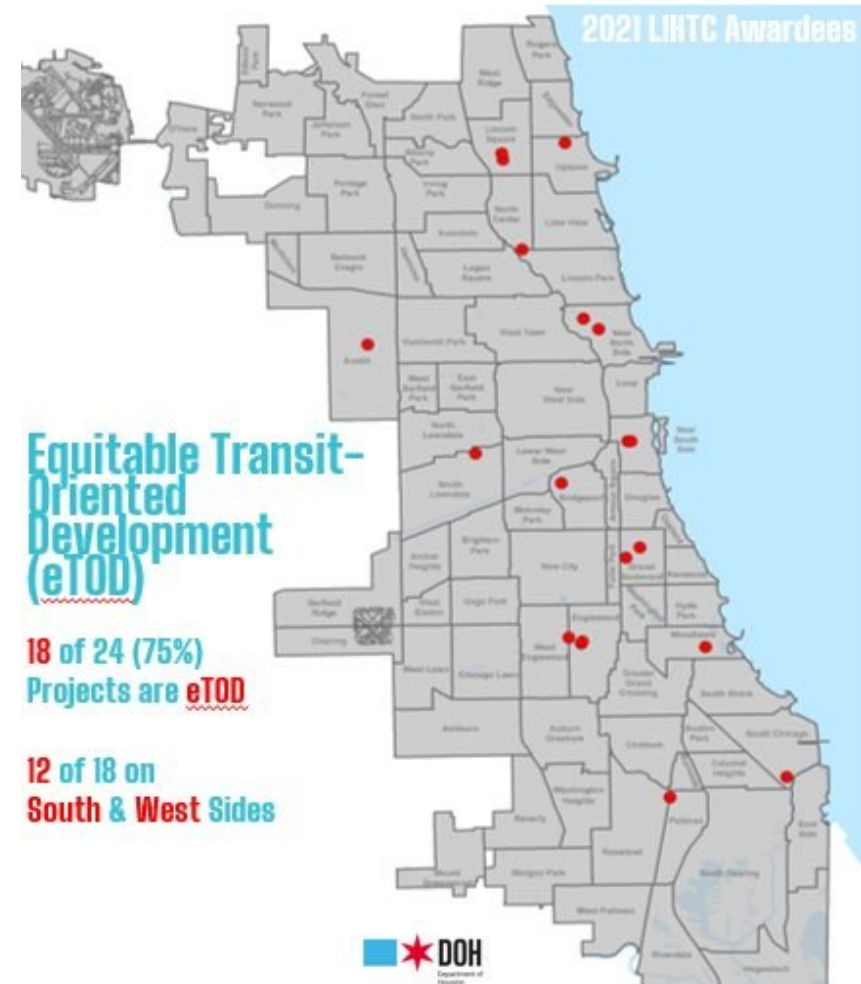
- Pullman Artspace Lofts
- Rehab and new construction
- 38 affordable homes
- 17 parking spots

## Without ETOD

- Without TOD parking flexibility, Pullman Artspace Lofts could **cost \$650,000 more** to build structured parking
- Space for parking would **force the number of units to be reduced**
- Both of the above substantially decrease project feasibility

# ★ Part of a Comprehensive Approach

- Economic development: **Invest South/West**
- Affordable housing: **\$1 billion 2021 LIHTC investment**
- Public transit service: **Better Streets for Buses + RPM + Red Line Extension**
- Cycling and pedestrian infrastructure: **Citywide Vision for Trails and Corridors + Capital Plan investments**
- Funding & Technical Assistance: **ETOD Pilot Program + \$10M CRP Investment**





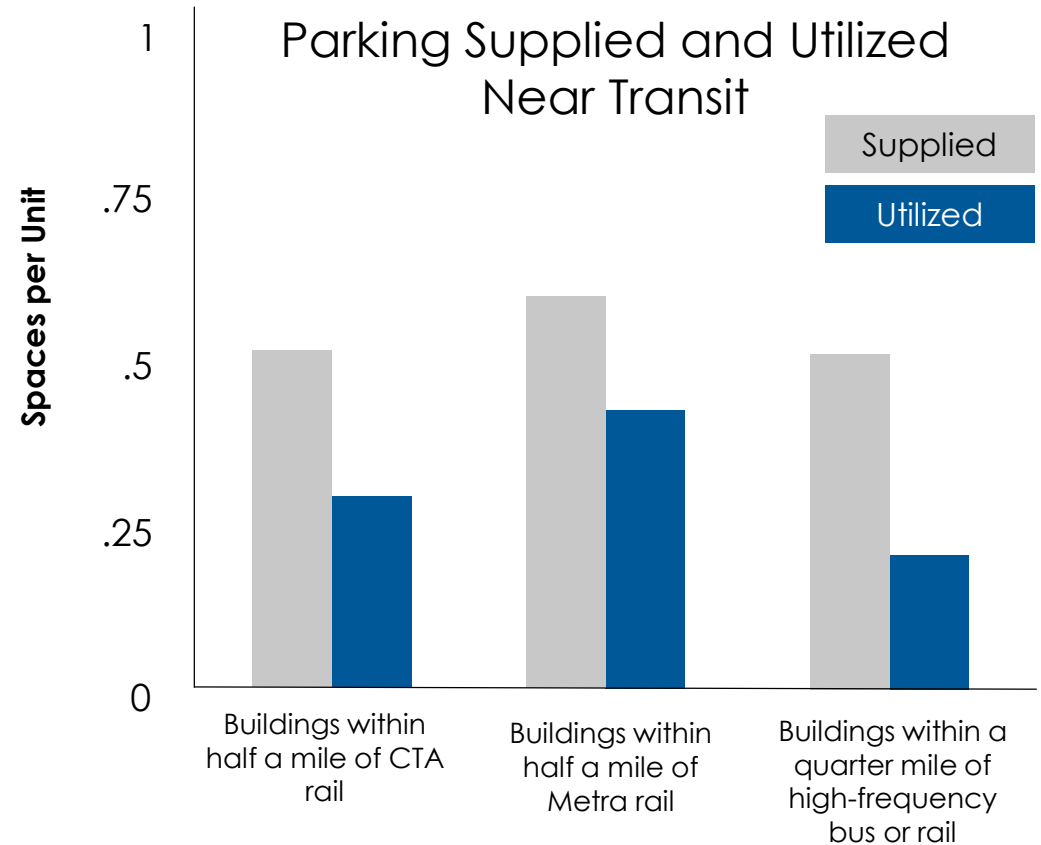
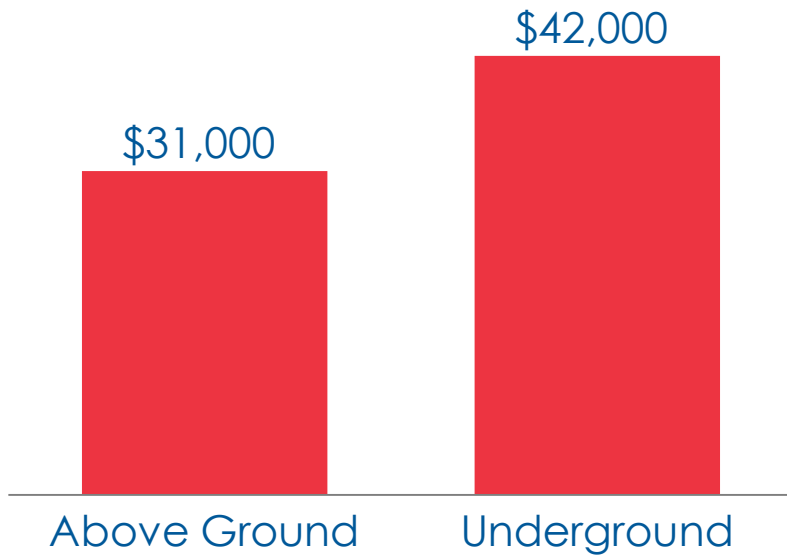
1 From 2016-2021, TOD investments created 161,687 new jobs in Chicago.

Only 10% of that investment occurred on the South and West Sides.



# Parking requirements impose high costs, yet half of spots go unused

Est. Construction Cost per Parking Space, 2022 Dollars



Sources: Donald Shoup, The High Cost of Parking Requirements, Spring 2016. Center for Neighborhood Technologies, STALLED OUT How Empty Parking Spaces Diminish Neighborhood Affordability, March 2016.





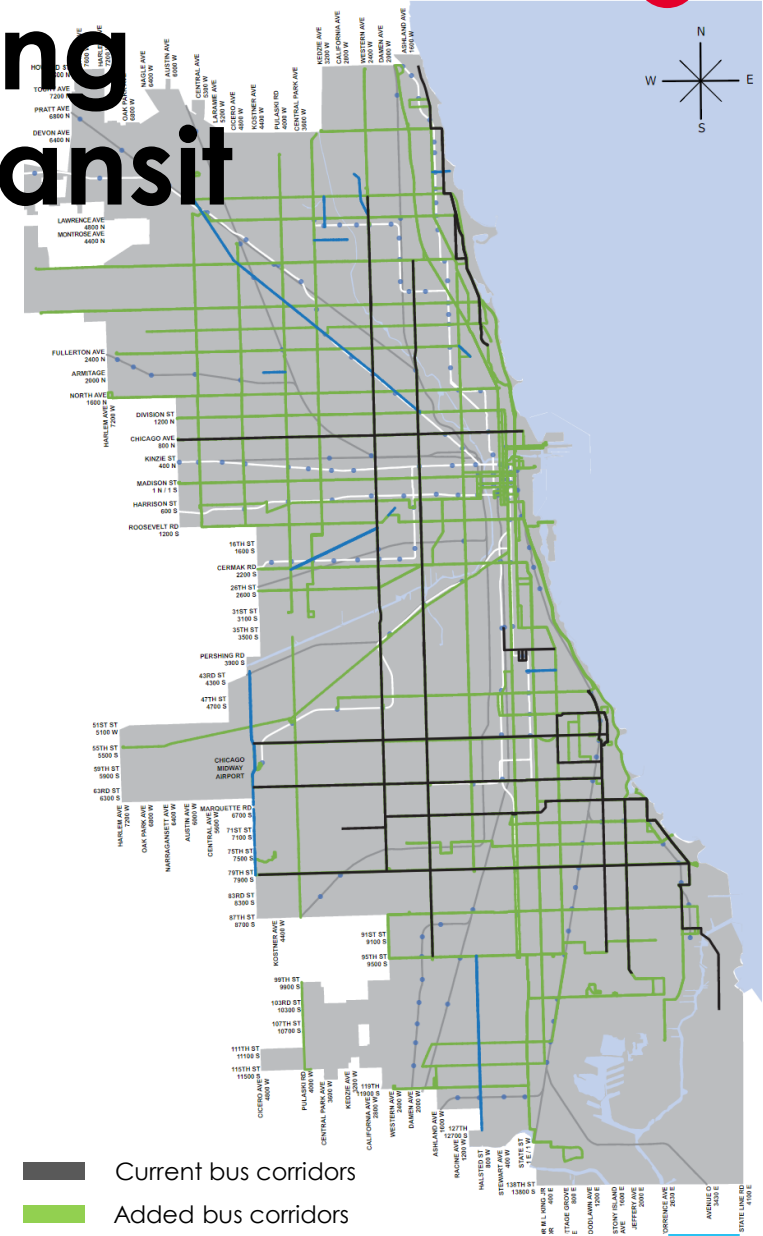
# Grow the economy by allowing more homes and jobs near transit

## To boost investment on the South and West sides:

- Apply existing TOD incentives in a standard four block range (1/2 mile) from all CTA and Metra rail stations
- Apply existing TOD incentives to all high frequency bus routes (running at least every 15 minutes from 12-1pm)

## To increase affordability citywide:

- Cap on-site parking in residential buildings near rail stations, so that default is 1 spot per 2 units with flexibility to build up to 1 spot per unit
- Allow existing TOD parking reductions to apply to high-density residential development





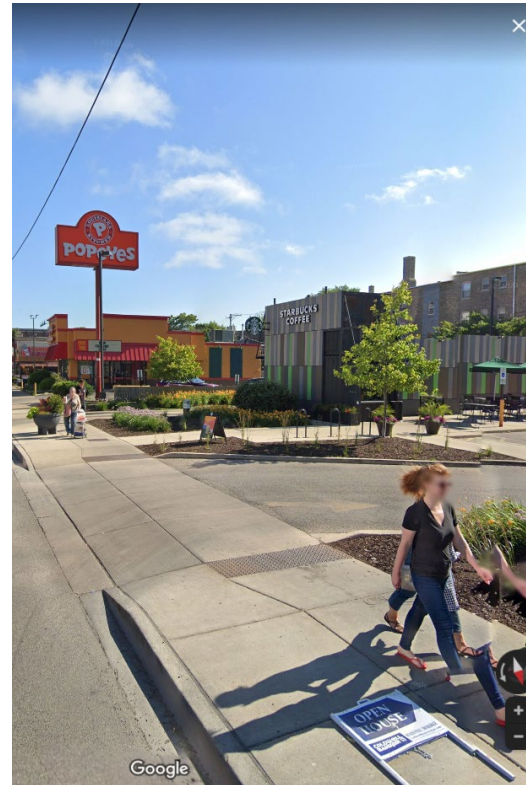
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In 2021, 83 people were killed by car crashes within a half mile of rail stations.

# ★ Make streets safer for Chicagoans who bike, roll and ride

## To address street safety citywide:

- Require an administrative adjustment for curb cuts and driveways within four blocks (1/2 mile) of rail stations
- Apply pedestrian-friendly design guidelines within four blocks (1/2 mile) of rail stations
- Establish residential bike parking requirements
- Require larger developers to submit a transportation management plan



**Design discouraged by ordinance**



**Design encouraged by ordinance**



3

Since 2013, Chicago has lost more than 4,800 2-4 flats, our most naturally affordable housing stock.

Only 10% of City-subsidized units from '93 to '18 were built in white, low-poverty areas

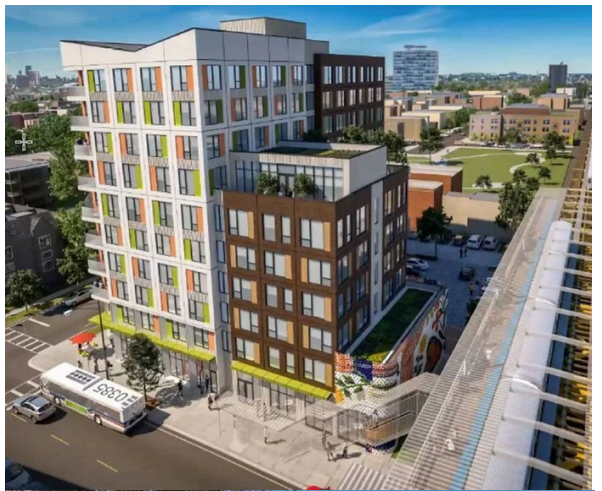
# ★ Encourage more affordable housing in every neighborhood

## To boost affordability in high-opportunity areas:

- Require an up-or-down Zoning Committee vote on affordable developments within 8 months
- Prevent deconversions in areas zoned for multifamily

## To increase affordability citywide:

- Tie TOD density bonuses to the provision of on-site affordable units
- Allow developments to swap parking spaces for housing units
- Eliminate parking mandates for affordable housing units
- Add a small height bonus for ground-floor accessible units





# Appendix Slides



# ★ Area affected by ordinance provisions

## Miles, from bus lines and CTA/Metra stops

	Existing	
	High Freq. Bus	Rail
Reduce Parking Mandate	1/4, select	1/4-1/2*
Density & Affordability	1/4, select	1/4-1/2*
Residential Parking Maximums		
Pedestrian Design Standards		
Limit New Driveways, Curb Cuts		
Ensure Vote on Aff. Housing ( <i>low-aff. &amp; gentrifying areas only</i> )		
Limit Deconversions ( <i>low-aff. &amp; gentrifying areas only</i> )		

## Connected Communities

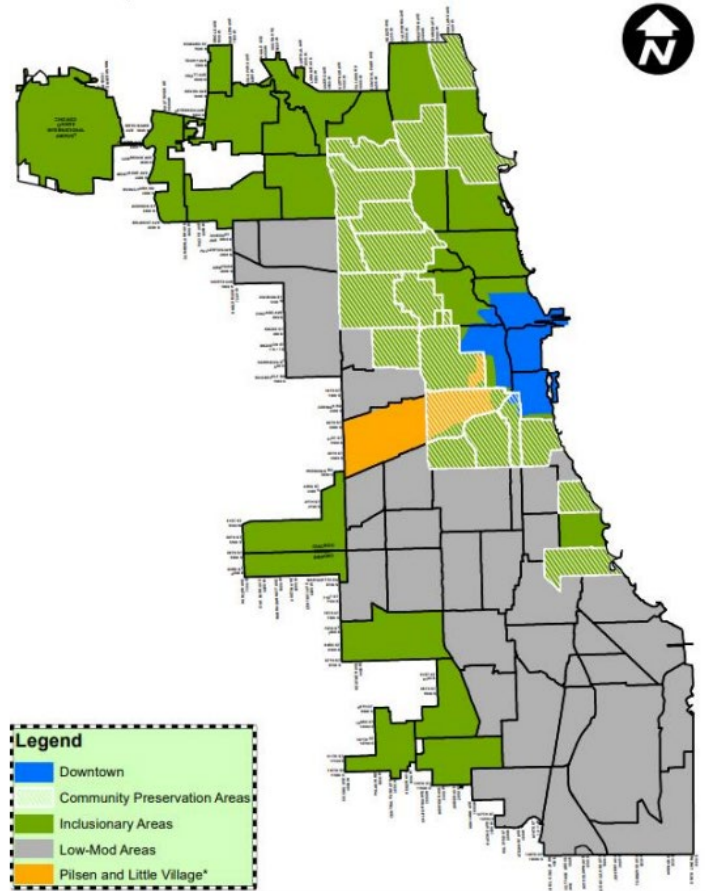
High Freq. Bus	Rail
1/4	1/2
1/4	1/2
	1/2
	1/2
	1/2
1/4, Inclusionary + preservation	1/2, Inclusionary + preservation
All Inclusionary & Preservation	

\*Permitted up to 1/2 mile on pedestrian designated streets



# Affordable Requirements Ordinance (ARO) Geographies

ARO Areas Map



Source: Chicago Department of Housing, April 2021

- The ARO divides the city into four areas to reflect different housing markets and priorities:
  - Downtown areas
  - Community preservation areas
  - Inclusionary housing areas
  - Low- to moderate-income areas







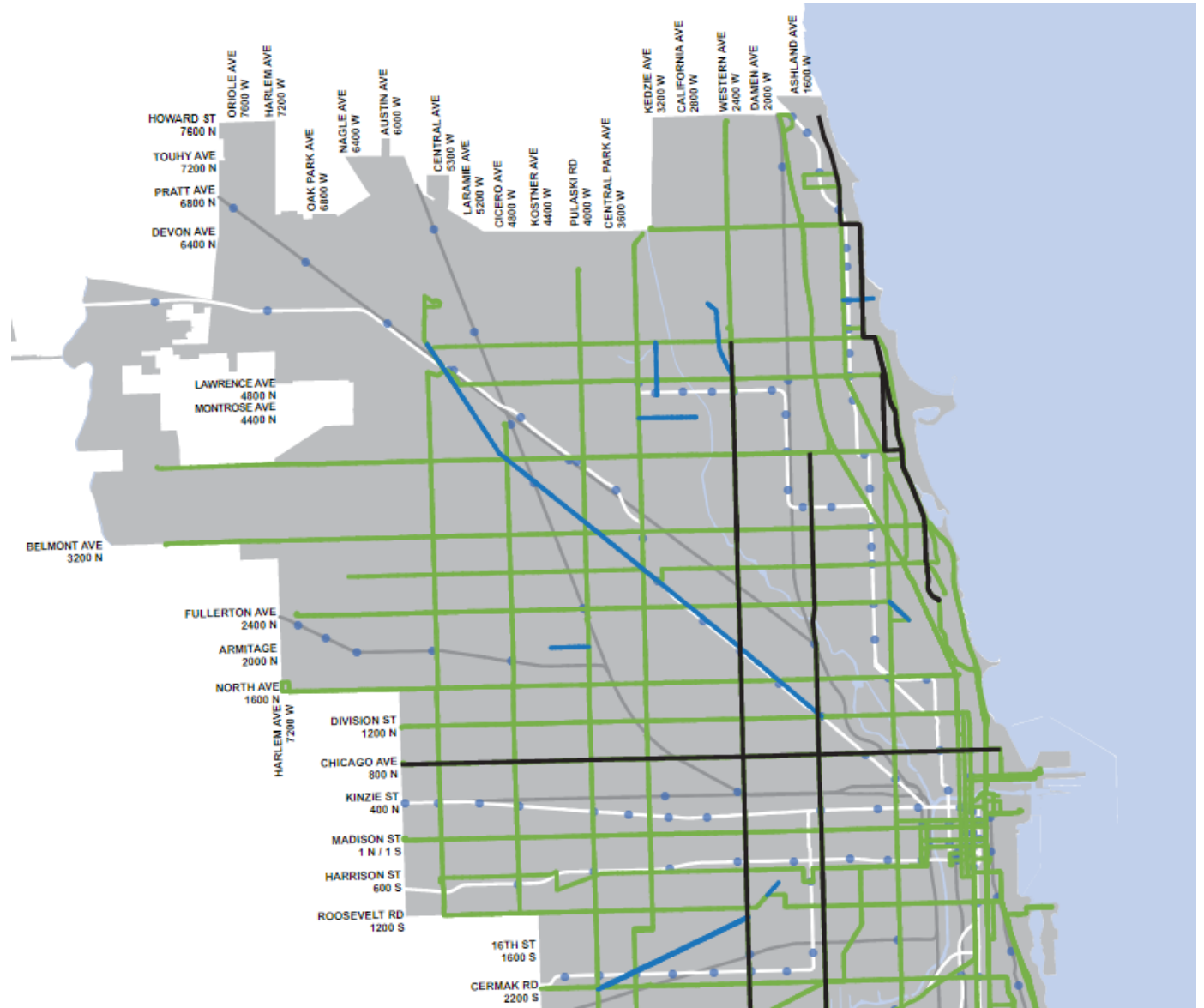
# Bus Corridors (1/2)

## Rail Legend

- Rail Station
- Metra Rail
- CTA Rail

## Bus Legend

- Existing TOD bus corridors
  - Bus Route segments in DPD-Identified Corridors
  - Bus route segments with 15-minute or better frequency
- \* Bus frequency is for the hour of 12–1pm





# Bus Corridors (2/2)

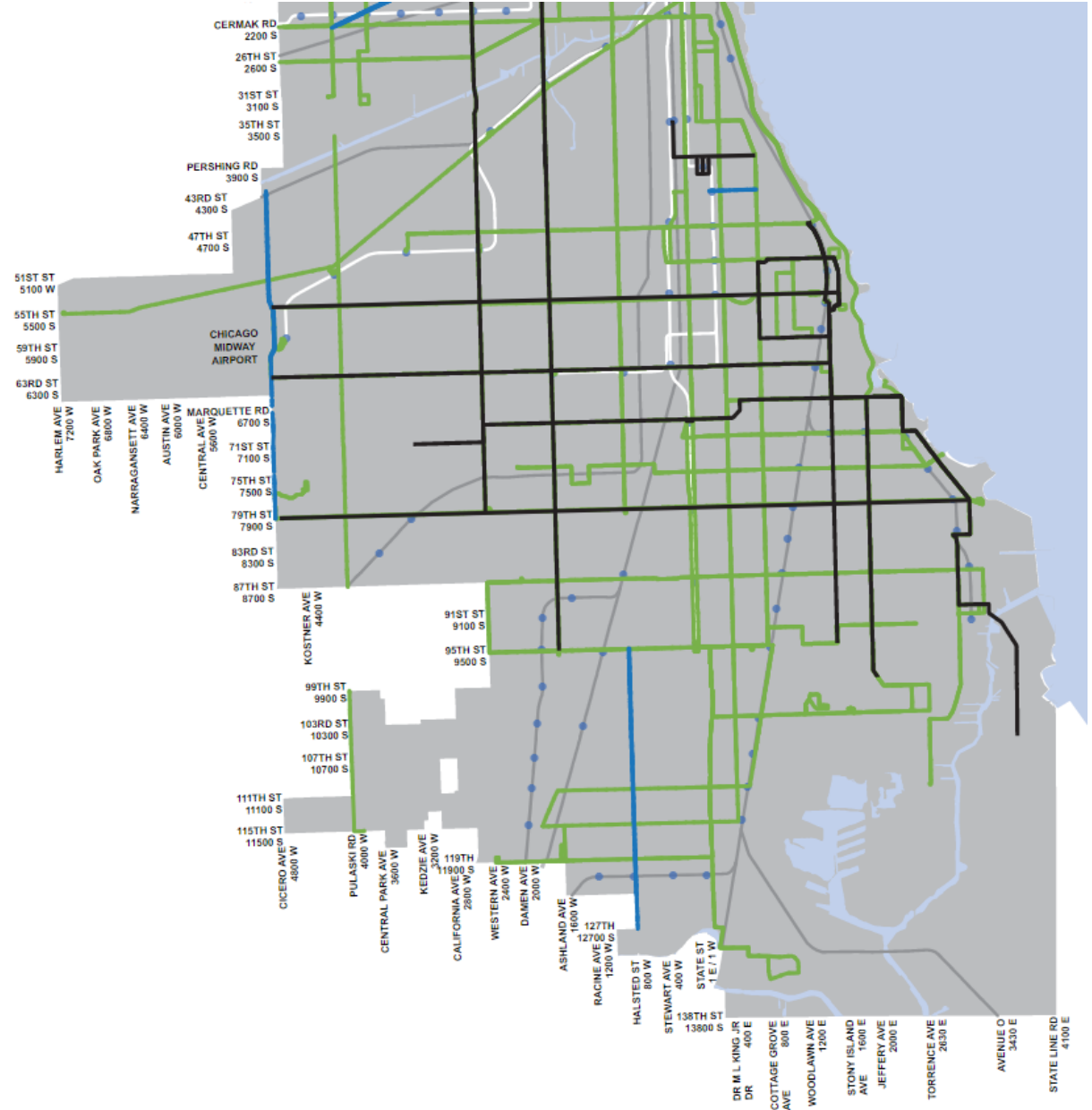
## Rail Legend

- Rail Station
- Metra Rail
- CTA Rail

## Bus Legend

- Existing TOD bus corridors
- Bus Route segments in DPD-Identified Corridors
- Bus route segments with 15-minute or better frequency

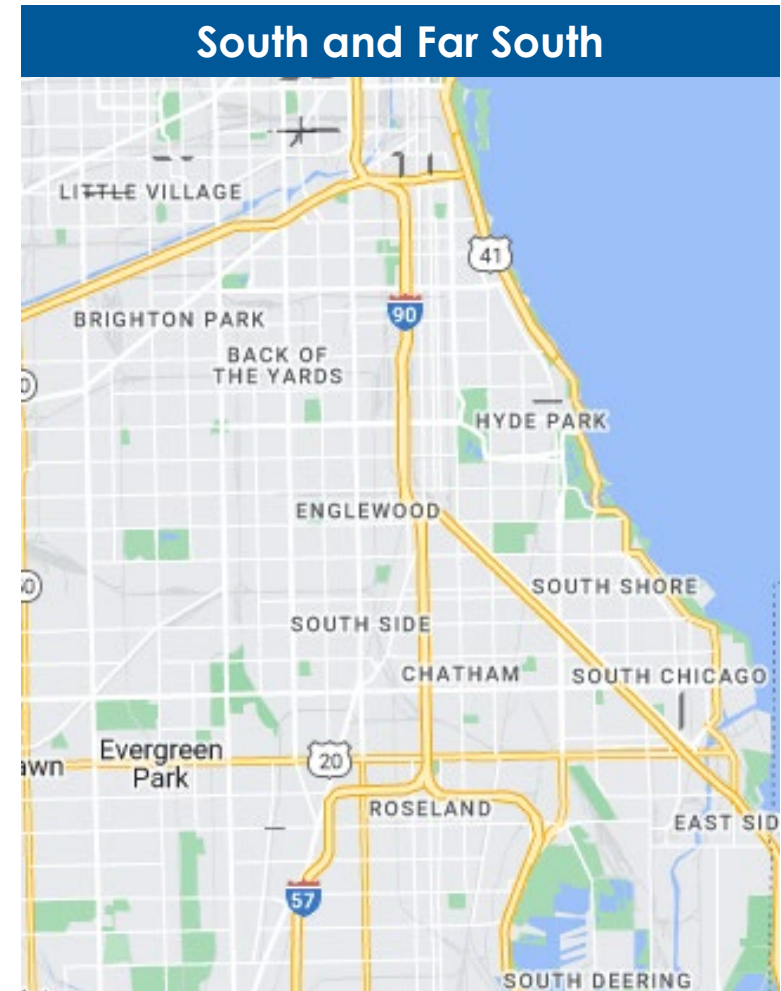
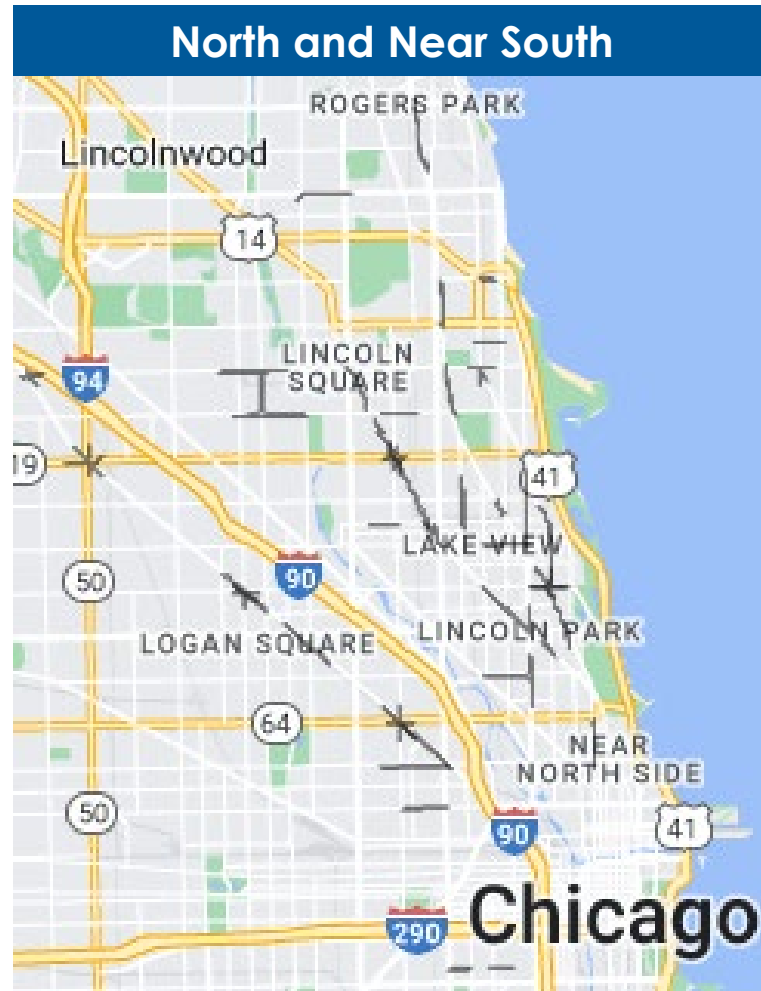
\* Bus frequency is for the hour of 12–1pm





# Pedestrian safety guidelines disproportionately on North Side

Pedestrian street designations which extend TOD benefits from  $\frac{1}{4}$  to  $\frac{1}{2}$  mile near rail and include greater pedestrian safety rules, are disproportionately located on the North side

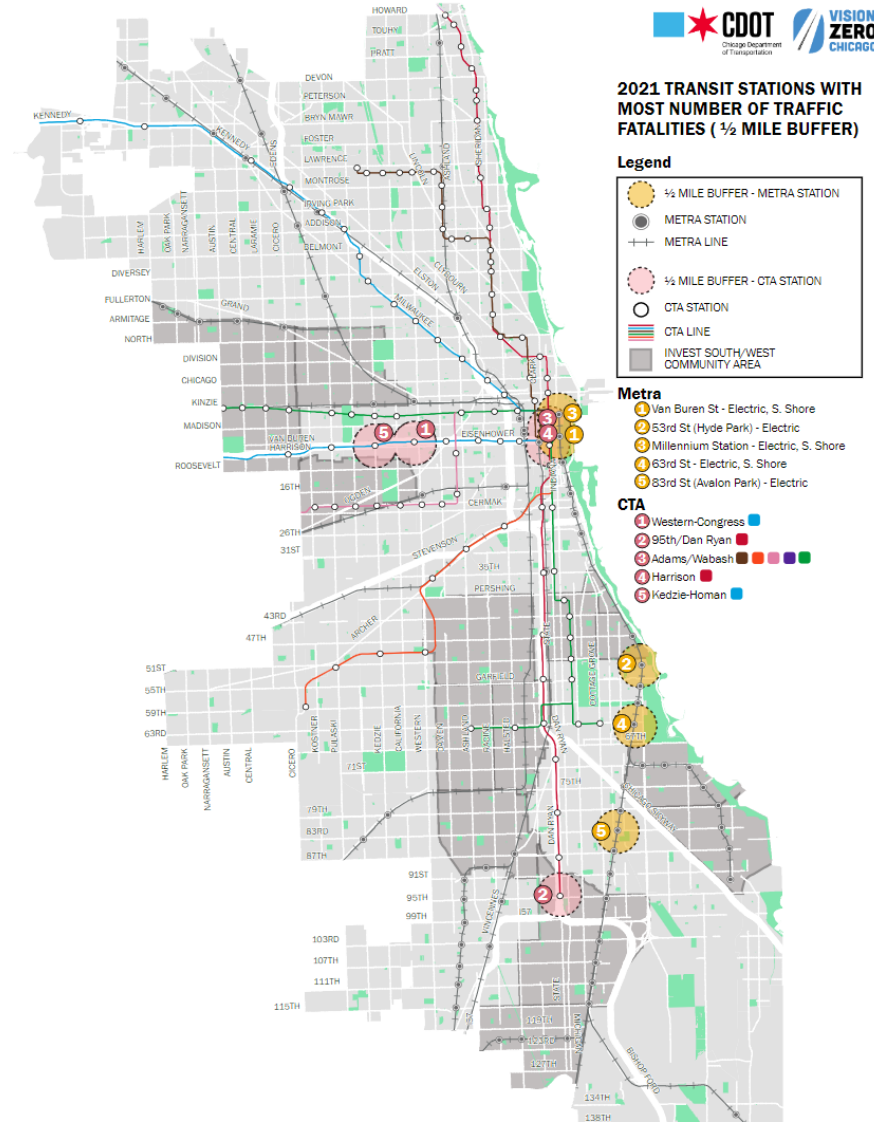




# Safety of streets and sidewalks near transit

In 2021:

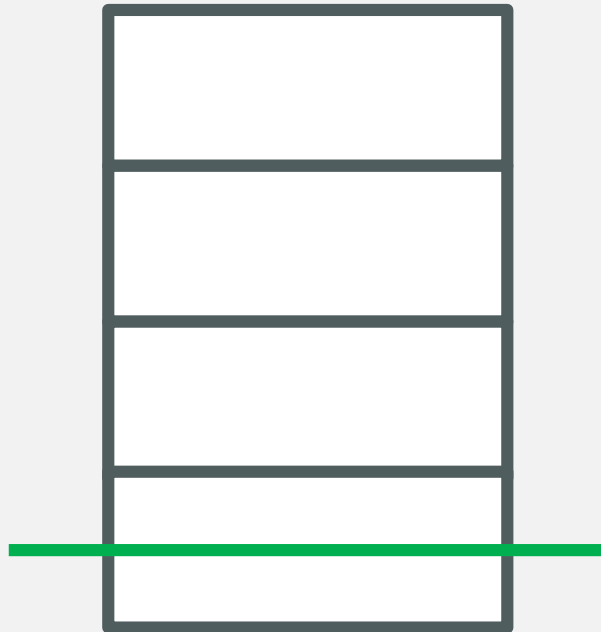
- 83 deaths from vehicle crashes in TOD zones, disproportionately on South and West Sides (54 drivers/passengers, 26 pedestrians, 3 cyclists)
- 1,181 serious injuries in TOD zones (841 drivers/passengers, 246 pedestrians, 94 cyclists)





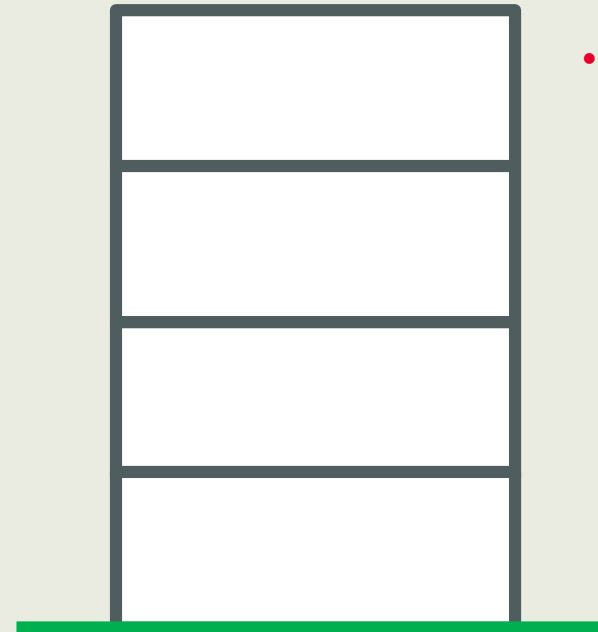
# Connected Communities incentivizes accessible units

## Current zoning incentives



- Half-basements don't count against allowed square footage
- Developers have a strong incentive to lift first floor at least 4 ft above the ground, eliminating accessibility

## Connected Communities



- Allows half-basements to be raised 4 ft to be flush with the ground **only if** the ground floor becomes an accessible unit



# Connected Communities reduces regulatory barriers to development

## Current costs

- A mixed-use building with ground-floor retail and three floors of apartments would have to provide over 30 parking spaces, regardless of need
- In a structured garage, this represents a cost of nearly \$1M

## Connected Communities

- By reducing parking by half to meet actual demand, the development can save almost half a million dollars, making financing more viable and the development more likely to happen
- This also creates the possibility of more green open space on the lot



# Connected Communities disincentivizes teardowns for ultra-luxury homes

## Current law allows mega-mansions in multifamily zones

- Multifamily zones allow larger buildings, intended for several or many homes
- But in some areas, developers use these allowances to build very large ultra-luxury single family homes, often displacing multi-unit buildings
- In RM-5 (meant for high-density multifamily), a developer can build a more than 7,000 sq ft home on a single standard lot with smaller multifamily-type front yard

## Connected Communities requires Council action

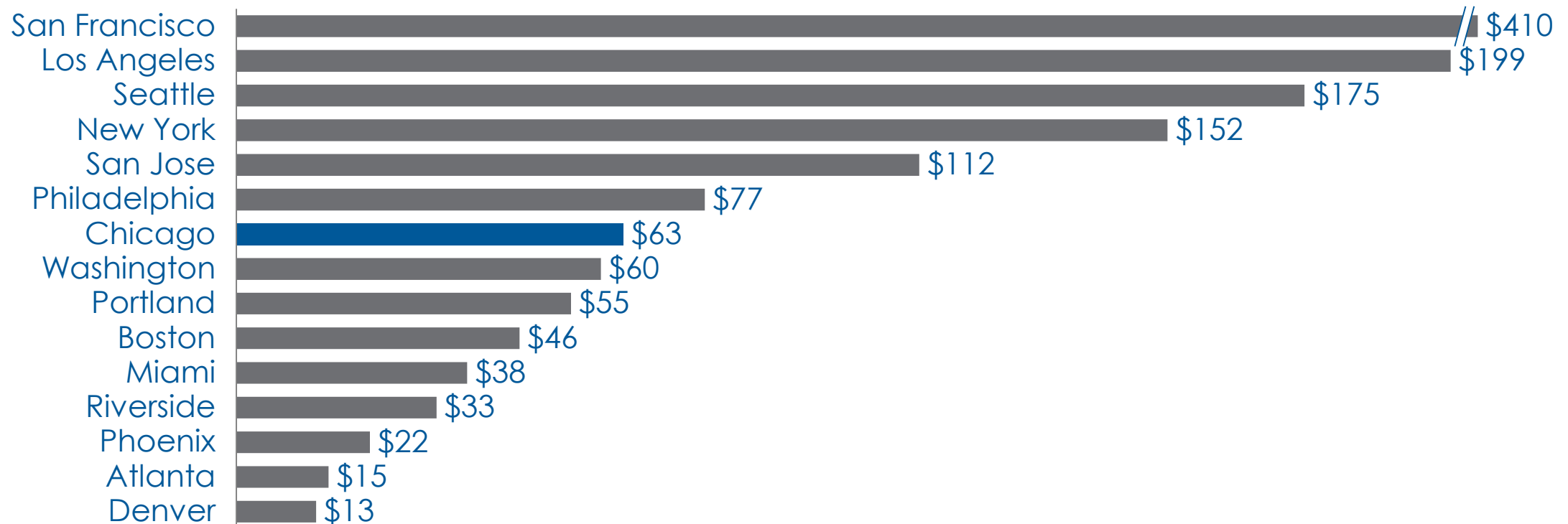
- Developers need a zoning map amendment to single-family zones in order to develop single-family homes
- Removes incentives to build ultra-luxury, extra-large homes in multi-family zones
- In RS-3, a developer can build a 3,750 sq ft home on a single standard lot with a larger single-family-type front yard



# ★ Restrictive zoning policies create affordability pressure across the region

## Estimated cost attributable to land use restrictions, top 15 metro regions

By metro region, per quarter-acre lot, thousands of dollars



Joe Gyourko & Jacob Krimmel, 2021. "The impact of local residential land use restrictions on land values across and within single family housing markets," Journal of Urban Economics, vol 126