

# OUR CITY, OUR FUTURE

## Recommendations for Building Resilient Chicago Neighborhoods



## Urban Land Institute Chicago

The Urban Land Institute (ULI) is a global, member-driven organization dedicated to advancing the Institute's mission: shape the future of the built environment for transformative impact in communities worldwide. ULI Chicago, a District Council of the Urban Land Institute, has over 1,400 members in the Chicago area representing all aspects of the real estate industry, including developers, property owners, investors, architects, planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics.

### Technical Advisory Services Program

ULI Chicago's Technical Assistance Services (TAS) program allows local communities or government agencies an opportunity to access strategic advice from development experts that they could not obtain through any other process. Through its TAS program, ULI Chicago convenes a multidisciplinary team of ULI-members and partners to address complex land use challenges and help sponsors find creative, practical and implementable solutions.

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## ULI Urban Resilience Program

The ULI Urban Resilience program is focused on how communities can be more resilient to the impacts of climate change and other environmental vulnerabilities. The Urban Resilience program works with ULI members to provide technical assistance, advance knowledge, and catalyze the adoption of transformative practices for real estate and land use policy. A central goal is ensuring that efforts to enhance resilience not only reduce vulnerability to climate impacts, but also strengthen cities overall, enhancing environmental performance, economic opportunity and social equity.

### Resilient Land Use Cohort

The ULI Chicago Resilience Initiative is part of a larger series of resilience technical assistance and learning opportunities, called the Resilient Land Use Cohort (RLUC). RLUC is a network of ULI District Councils, member experts and community partners in eight cities working together to identify strategies to be more resilient in the face of climate change and other vulnerabilities, including floods, extreme storms, and extreme heat, as well as the related social, environmental, and economic impacts. Funding for RLUC is provided by the ULI Foundation through support from JPMorgan Chase.

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# Introduction

Chicago is home to nearly 3 million people from different cultural, racial, and economic backgrounds. It is also home to one of the most diversified economies in the country, driven by its talented, diverse workforce and supported by world class education and research institutions. Sitting on the shore of Lake Michigan, it has access to plentiful fresh water and the recreation and beauty of a Great Lake. A strong transit network and the relative lower cost of living further enhance Chicago's competitive edge and have helped build its reputation as "The City that Works."

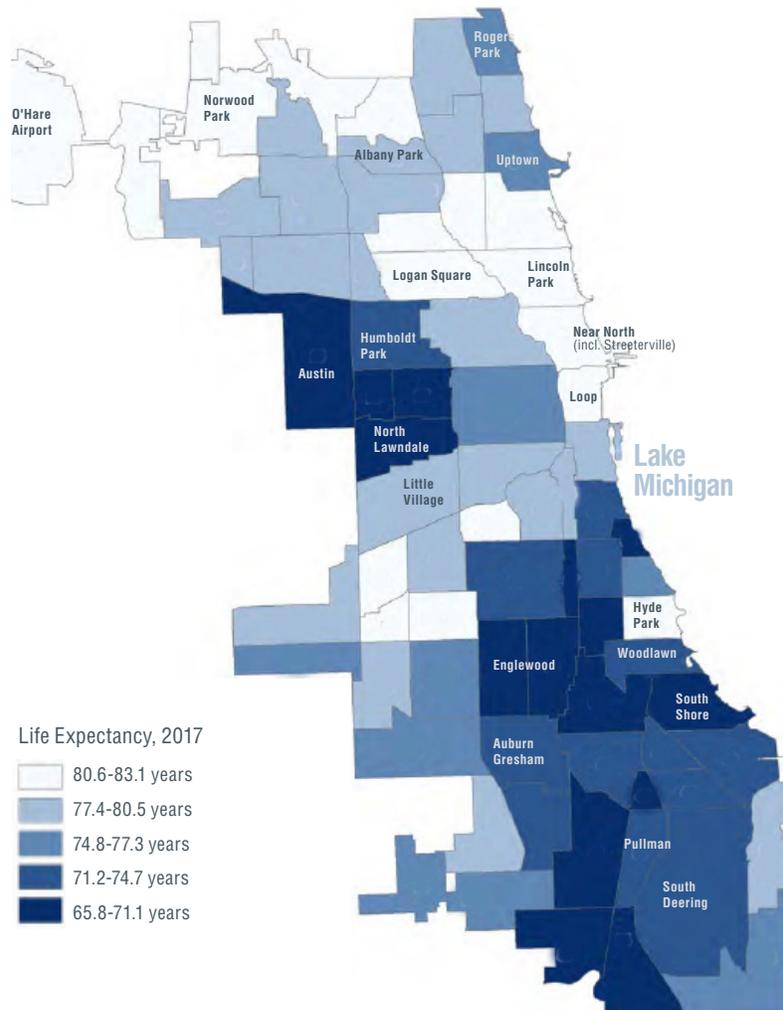
But it doesn't work for everyone. The city's South and West sides, where most Black and Brown residents live, have suffered through decades of neglect and lack of investment. The result is a split city—one side with new development, parks and vibrant businesses, and the other with far too much vacant land, broken infrastructure, and few job opportunities. The impact of this disparate disinvestment and segregation is wide and deep, such that residents in Chicago's South and West side neighborhoods have a life expectancy of up to 17 years lower than residents on the North side (Figure 1). A separate analysis by the NYU School of Medicine found an even higher life expectancy gap—of 30 years between residents of Streeterville on the North side and Englewood on the Southwest side<sup>1</sup>. This life expectancy gap between neighborhoods is reflective of the vast differences in opportunity for educational and economic advancement, housing stability, and in access to good healthcare and healthy lifestyle choices. Chicago's lowest-income neighborhoods also bear an unfair burden of climate change impacts. Extreme rain events and urban flooding have become increasingly common, and nearly 90% of all flood damage insurance claims in the city between 2007 and 2016 were paid in communities of color<sup>2</sup>.

These disparities were brought home in the COVID-19 pandemic, with the highest infection rates in majority Latino neighborhoods, and death rates among Black Chicagoans,

nearly twice those of Whites<sup>3</sup>.

It is increasingly clear that even with all its advantages, Chicago cannot live up to its full potential without a shared, inclusive vision for its future that includes all residents. If specific interventions for structural, lasting change are not made now, our neighborhoods and residents that are already struggling from decades of disinvestment, will be left behind even as rest of the city recovers, further deepening racial and social inequity.

3 Zamudio, María Inés. "COVID-19 Deaths Are Rising In Chicago And Black Residents Remain The Most Likely To Die." *WBEZ Chicago*, November 20, 2020. [www.wbez.org/stories/covid-19-deaths-are-rising-in-chicago-and-black-residents-remain-the-most-likely-to-die/31d4c1e6-666d-4bc6-9878-b5fbc5e9aecc](http://www.wbez.org/stories/covid-19-deaths-are-rising-in-chicago-and-black-residents-remain-the-most-likely-to-die/31d4c1e6-666d-4bc6-9878-b5fbc5e9aecc)



**Figure 1. Life Expectancy by Community Area, Chicago, 2017**  
There is a 17-year difference between community areas with the highest and lowest life expectancy.

Source: Illinois Department of Public Health (IDPH), Division of Vital Records, Death Certificate Data Files, 2017; US Census Bureau, 2010 Census.

1 Schencker, Lisa. "Chicago's lifespan gap: Streeterville residents live to 90. Englewood residents die at 60. Study finds it's the largest divide in the U.S." *Chicago Tribune*, June 6, 2019. [www.chicagotribune.com/business/ct-biz-chicago-has-largest-life-expectancy-gap-between-neighborhoods-20190605-story.html](http://www.chicagotribune.com/business/ct-biz-chicago-has-largest-life-expectancy-gap-between-neighborhoods-20190605-story.html)

2 Center for Neighborhood Technology. *Assessing Disparities of Urban Flood Risk for Households of Color in Chicago*. December 2018.

## The ULI Chicago Initiative

Chicago can be truly resilient only when ALL residents and neighborhoods have the opportunity to thrive. With equitable and sustainable development as our guiding tenets, we can build back a better, stronger, more resilient future for all Chicagoans, regardless of who they are or where they live in the city.

With this belief, ULI Chicago launched the Resilience Initiative in October 2020. We convened over 60 ULI members and partners with expertise in different aspects of real estate and community development to help advance the following goals:

- Identify key characteristics of resilience and the most significant barriers to promoting and sustaining these characteristics in Chicago's neighborhoods.
- Prepare recommendations, which through the collective action of public, private and non-profit partners, can help overcome barriers and create more equitable, sustainable neighborhoods as building blocks of a thriving, resilient Chicago.

Our Initiative participants were organized into four multi-disciplinary task forces based on four distinct, yet intertwined, components or “pillars” of resilience:

1. Social Infrastructure
2. Housing Diversity
3. Economic Opportunity
4. Physical Infrastructure

Over a period of nine months, the four task forces convened six times in a series of 2-hour workshops to discuss challenges to building resilient neighborhoods and to develop solutions to help overcome them. Shared values, ideas, and recommendations generated by the task forces are presented in this report.

## Informing Chicago's Citywide Plan

Findings and recommendations from this initiative will also inform the citywide plan, “We Will Chicago,” that is currently being prepared by the City of Chicago.

While there have been many plans for different parts of the city over the years, this will be the first, citywide effort since 1966 to comprehensively address systemic issues that are impacting the city and work collectively to develop a strategic path forward towards a strong, equitable future. More information on the citywide plan, including opportunities to participate in the planning process, is available online at [www.wewillchicago.com](http://www.wewillchicago.com).



Over 60 ULI Chicago members and partners, with backgrounds in different aspects of real estate and community development, participated in a series of six virtual workshops to develop the shared values and recommendations presented in this report.

# Equitable and Sustainable Development

## Cornerstones of Resilient Neighborhoods

A city's resilience is defined by the ability of its individuals, institutions, businesses, and systems within the community to survive, adapt, and grow despite the chronic stresses or acute shocks it experiences. As described in the City of Chicago's Resilient Chicago Plan<sup>1</sup>, a truly resilient city is not only expected to perform well in good times but also recover expediently after challenges. In a nutshell, when individuals and communities are resilient, they are safer, healthier, and able to thrive in the face of everyday stresses and withstand and recover from sudden shocks such as the pandemic. For Chicago to be truly resilient, equity and sustainability have to be the cornerstones of future planning and development.

### Why Equitable Development?

A report by the Joint Center for Housing Studies of Harvard University<sup>2</sup> defines equitable development as a form of planning and community development that can transform communities of low- and moderate-income and people of color into places that provide economic opportunities,

<sup>1</sup> City of Chicago. Resilient Chicago: A Plan for Inclusive Growth and Connected Chicago. February 2019

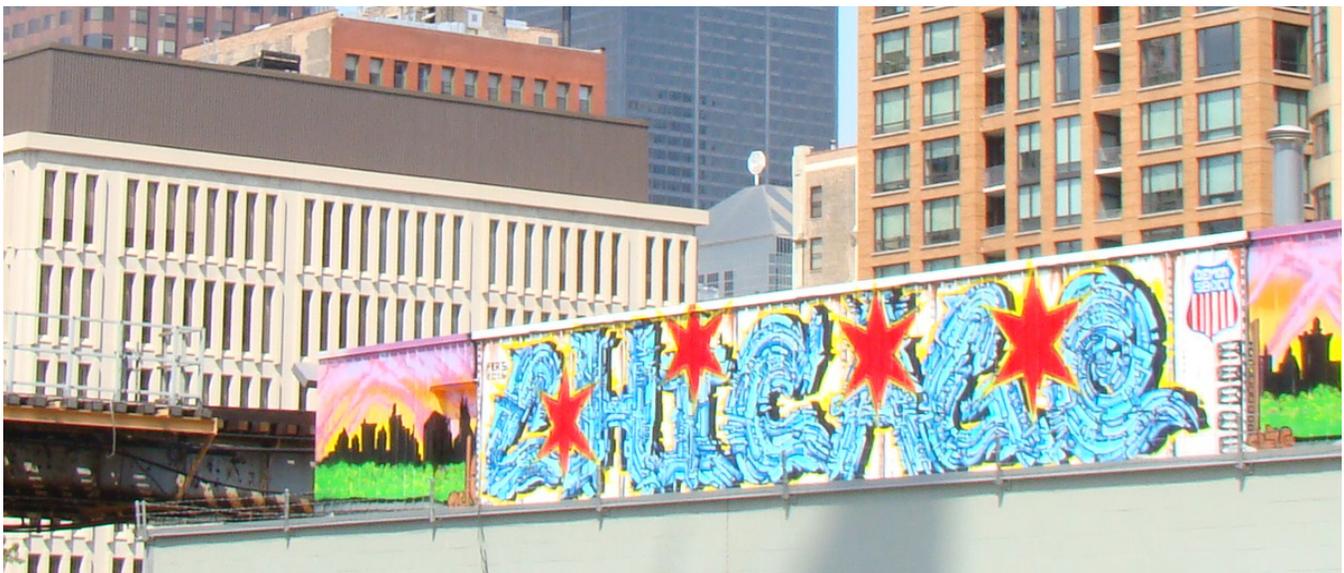
<sup>2</sup> Joint Center for Housing Studies of Harvard University. *The Ingredients of Equitable Development Planning*. 2019

affordable living, and cultural expression for all residents. Equity-focused development policies are necessary to help uplift Chicago's Black and Brown communities suffering from long-term disinvestment.

### Why Sustainable Development?

In addition to a focus on equitable development, building a resilient future also requires us to prepare for future challenges, especially the growing impact of climate change. Not surprisingly, lower income and communities of color often bear the brunt of the negative impacts of climate change—incidences of flooding and resulting property damage are highest on the South and West sides of Chicago. Integrating sustainable development practices will allow us to meet present needs without compromising the ability of our future generations to do the same. The goal of sustainable development is the long-term stability of the economy and environment, achieved through the integration and acknowledgement of economic, environmental, and social concerns throughout the decision-making process<sup>3</sup>.

<sup>3</sup> Emas, Rachel. *The Concept of Sustainable Development: Definition and Defining Principles*. 2015



## Shared Values

As the Resilience Initiative task forces got to work, shared values started to emerge through the discussions. These values became the guiding principles for our recommendations development process. Additionally, beyond the ULI Chicago Initiative, we believe that these principles, presented below, should be an integral part of all planning and policy decisions to effectively disrupt Chicago's persistent disparate development pattern.

### Focus on People, Not just Places

All too often, when we make neighborhood plans, the focus is on buildings or infrastructure such as parks and roads, and ways to build them most efficiently or maximize the return on investment. Lost in that conversation, is the impact on people who would use these places or find themselves excluded from them. Realigning our development priorities to include people-centered metrics, such as wellness and access, especially for vulnerable populations, should be an important consideration.

### Build Resident Agency

While capital investment is long overdue in many Chicago neighborhoods, it is important that new investment and developments are responsive to the needs of existing residents. Engaging residents in a meaningful way such that they can help shape the future of their own neighborhood, should be another importation consideration.

### Take an Asset Based Approach

Even after decades of disinvestment, all neighborhoods have assets which should be preserved, enhanced, and built upon. These assets could be places of historical or cultural significance, local businesses that have become community hubs, long-time residents with deep community knowledge and pride, and even community events that bring residents together. They might not always be evident to everyone, but residents have unique insights into their neighborhood's assets and partnering with them can help make new developments more successful within the neighborhood context.

### Recognize that Neighborhoods are Unique and Part of an Interconnected Urban Ecosystem

Existing conditions, development needs, and opportunities vary widely across different Chicago neighborhoods necessitating different strategies for achieving equitable and sustainable development goals. At the same time, it is important to strengthen connections between different neighborhoods, and to downtown Chicago and other large employment centers, so that Chicagoans are not limited by opportunities available in their immediate neighborhoods.

### Assess Impact, Require Accountability

It is important to establish shared goals and metrics for measuring success, especially for publicly funded projects and programs. Impact assessments should be programmed at the onset to guide any necessary modifications to programs/policies to achieve desired results and to better inform future work.

### Encourage Collaboration and Collective Responsibility

The work of rebuilding Chicago as a more equitable, sustainable, and resilient city is going to require active participation and collaboration from all sectors—public, nonprofit and private. In addition to the city and other government agencies, our recommendations framework should include strategies for the private sector and nonprofit organizations.

# How We Got Here

## A Deliberate Erosion of Opportunity in Chicago's Black and Brown Communities

The history of neighborhood disinvestment and decline in the United States is a history rooted in deliberate political and business decisions and policies designed to segregate cities. In Chicago, like other metropolitan areas across the country, Black and Brown communities have been shaped by decades of racist and exclusionary policies at the local, state, and federal level.

Redlining is a prime example. Redlining is the practice of denying financial services such as home mortgages and home insurance within areas deemed “high risk” simply because of higher concentrations of people of color. While discriminatory lending practices existed earlier, they were institutionalized in the 1930s when the government sponsored Home Owners’ Loan Corporation (HOLC) developed color coded maps for most major American cities to categorize lending and insuring risks. Based on data and assessments by local real estate professionals—lenders, appraisers, and developers—these maps closely reflected the racial make-up of neighborhoods. Affluent and predominantly White neighborhoods received green lines and were considered “safe investments” whereas neighborhoods with a preponderance of Black or other “undesirable” families were delineated in red and designated “hazardous” for investment.

As shown in Figure 2, large swaths of Chicago, especially South and West sides, were redlined and accompanying descriptions made the reasoning behind the color codes abundantly clear. For example, for the redlined Washington Park neighborhood in Chicago, federal underwriters wrote “Between 35th and 67th, west of Cottage Grove to State, is a blighted area, 100 per cent negro, predominantly apartment buildings. Already Washington Park at the south, a very fine park, has been almost completely monopolized by the colored race. ...some believing it (Ida B. Wells U.S. Housing Project) should have been located north of Oakwood and west of Indiana in order to keep the colored influence as far as possible from further encroaching on park and lake water frontage.”

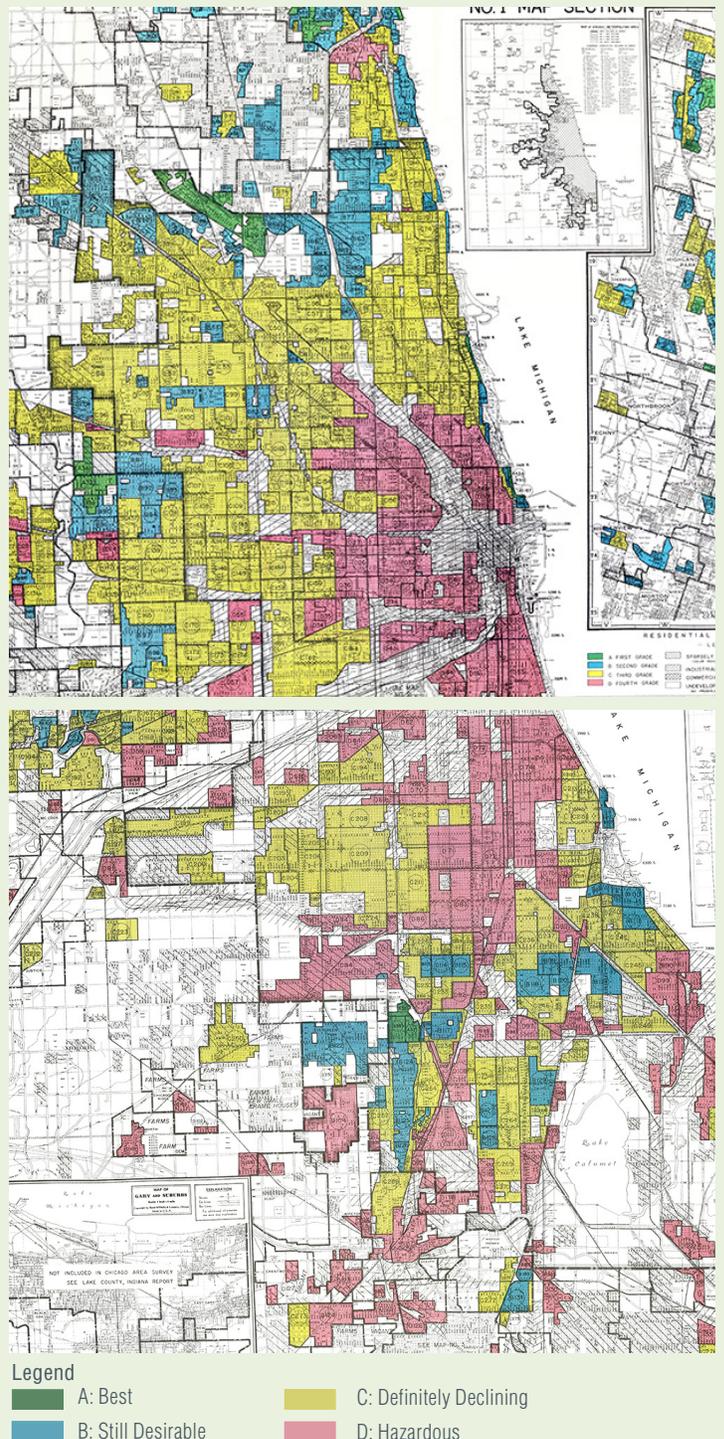


Figure 2. Home Owners’ Loan Corporation Map of Chicago.

Source: National Archives and Records Administration, Mapping Inequality

With that, banks and real estate brokers were steered far from Washington Park and other redlined, predominantly Black or immigrant neighborhoods. Mortgages in the redlined areas were deemed too risky to insure. Without insurance, no bank would lend, effectively dooming the communities to decades of disinvestment.

The actions would also strip potential wealth from Black families. Without access to mortgages, families often turned to their only option—predatory lenders. Historian Beryl Satter estimates that 85 percent of properties bought by African Americans in Chicago in the 1950s were purchased through “contract for deed” options<sup>1</sup>. Under the contract, a buyer would make payments to the seller, not a bank. While paying it off, the buyer would earn no equity. Miss a single payment and the buyer would forfeit all money put into it to date.

<sup>1</sup> Satter, Beryl. “Race, Family, and Real Estate: Beryl Satter’s Family Properties.” *Black Past*, December 2019. [www.blackpast.org/african-american-history/race-family-and-real-estate-beryl-satters-family-properties/](http://www.blackpast.org/african-american-history/race-family-and-real-estate-beryl-satters-family-properties/)

Not surprisingly, many of Chicago’s redlined areas in 1940 echo today’s underinvested neighborhoods. Research by the Federal Reserve Bank of Chicago shows that even today, formerly redlined areas have lower property values and homeownership rates and are more racially segregated<sup>2</sup>. Low-income, formerly redlined neighborhoods are also more likely to have poor air quality and face disproportionate impacts of climate change<sup>3</sup>.

Understanding and acknowledging that current disparate patterns of development are a result of deliberate, discriminatory past actions, is an important step towards undoing that damage and moving towards a more equitable future.

<sup>2</sup> Aaronson, Daniel, et al. The Effects of the 1930s HOLC “Redlining” Maps. WP 2017-12. Federal Reserve Bank of Chicago. Revised August 2020.

<sup>3</sup> Cusick, Daniel. “Past Racist “Redlining” Practices Increased Climate Burden on Minority Neighborhoods.” *Scientific American*, January 21, 2020. [www.scientificamerican.com/article/past-racist-redlining-practices-increased-climate-burden-on-minority-neighborhoods/](http://www.scientificamerican.com/article/past-racist-redlining-practices-increased-climate-burden-on-minority-neighborhoods/)

## The Cost of Segregation

Deep segregation in Chicago’s neighborhoods has resulted in reduced opportunities for residents of color, especially Black Chicagoans. Key financial impacts include:

### Lost Income

- Median annual household income for Blacks in Chicago (\$30,000) is less than half the median annual household income for Whites (\$71,000). The median annual household income for Latinos is \$41,000.

### Lost Business Potential

- The average value of a White-owned business (\$571,000) in Chicago is 12 times higher than the average value of a Black-owned business (\$47,000).

### Lost Assets

- One-third (33%) of all Black households in Chicago have zero net worth, compared with 15% of White households. Nearly 27% of Latino households have zero net worth.

### Higher Cost Burdens

- A large percentage of renters in Chicago are cost burdened, but the percentage is highest for Black renters (63%) compared to 56% for Latinos and 42% for White renters.

Source: CFED. The Racial Wealth Divide Initiative. *Racial Wealth Divide in Chicago*. January 2017.

# Four Pillars of Resilient Neighborhoods

Guided by shared values and principles of equity and sustainability, ULI Chicago Resilience Initiative participants identified key characteristics of resilient neighborhoods for each of the four pillars. These are the characteristics we want to nurture and promote in all neighborhoods across Chicago.

## Strong Social Infrastructure

The intersection of spaces, programs, relationships, and experiences that build community, support safety and wellness, and create opportunities for growth and self-determination for all residents and the community as a whole.

The social infrastructure of a city and its neighborhoods helps shape the day-to-day experiences of its residents. Access to healthy lifestyle choices including fresh foods, healthcare and safe open spaces, opportunities for meaningful cultural experiences, personal growth, and strong sense of community stemming from connections with neighbors and community pride, can help uplift and open new opportunities for individuals and entire communities.

Too often, developments are driven by a narrow focus on return on investment. They overlook social and environmental benefits that can add to the project's long-term stability and success and make it a true community asset.

## Housing Diversity

A mix of different types of housing units in all neighborhoods, including both for-sale and rental housing options, that are affordable for households at different income levels.

Neighborhoods are most vibrant when they have a mix of housing types that can attract a wide range of people—young people, families, and seniors—from different cultural and economic backgrounds. Diversity of housing options has a direct impact on a neighborhood's population diversity. Providing housing that is safe, stable, has easy access to jobs and other amenities, and is still affordable for middle and lower-income Chicagoans throughout the city, not just in certain neighborhoods or pockets, is key to reducing segregation and inequity. Additionally, research shows that because of their appeal to a wider pool of housing consumers, neighborhoods with diverse housing stock are also more resilient from shocks such as economic downturns and changing lifestyle preferences.



Solar-Heated Hoophouses at Growing Home's Wood Street Urban Farm & Training Center.

*Credit: Growing Home Inc.*

Growing Home\*, a Chicago-based non-profit, converted a vacant site into a social enterprise urban farm. The farm grows and sells USDA certified organic produce and provides job-training to individuals with high barriers to employment.

*\*2013 ULI Chicago Vision Award Winner*

However, maintaining affordability for middle- and lower-income families in neighborhoods perceived as high-amenity, becomes progressively harder as older, affordable housing stock gets replaced with newer, more expensive housing. Additionally, concentrating subsidized housing development in some neighborhoods because it might be most cost effective to do so, does not promote diversity. Ensuring a diverse mix of housing types at different price points in all neighborhoods will take careful planning, including strategies to preserve older housing stock that is naturally affordable, incentives to create new market-rate units for middle-income households and encouraging homeownership.

## Economic Opportunity

Opportunity for residents to gain economic security and build wealth through increased access to jobs and entrepreneurship is a key component of economic resilience.

Economic opportunity is vital to families and communities. Resilient communities provide many pathways to economic stability and prosperity for their residents by providing access to good schools, quality jobs, entrepreneurship opportunities, and robust networks that support and encourage their growth. Yet not all neighborhoods have equal access to these opportunities or enjoy the same level of connectivity, whether physical, digital, or social.



Improving connectivity—physical, digital, and social—is key to increasing economic opportunity.

Embracing a multi-faceted approach, that in addition to attracting new larger-scale, catalytic developments also invests in neighborhood residents and entrepreneurs, can help create a diverse, rich, and more resilient economic base.

## Modern, Interconnected Physical Infrastructure

Equitable access to opportunity and a healthy lifestyle for all residents, and improved long-term sustainability and resilience of the city as a whole.

Physical infrastructure—transportation, water, stormwater, digital, and energy infrastructure—is the underpinning of a city. Not only does it keep the city and its residents moving on a daily basis, it helps respond to emergencies such as extreme weather events.

Physical infrastructure decisions and investments have significant, long-lasting impacts on equity, sustainability, and resilience. For example, when infrastructure like roads and public transportation do not serve a neighborhood, it makes it more difficult for residents to access other opportunities. When there are too few trees to offer shade, heat islands form and raise temperatures to dangerous levels. When lead in pipes leaches into the water, it affects health and safety. Communities of color have long suffered from inadequate infrastructure investments in their neighborhoods. In many instances, they have been divided and even destroyed to make way for highways and other mega public projects.

As climate change intensifies, low-income and communities of color are especially ill-prepared for the impending changes. Not only are they more likely to live in areas where risks from disasters are higher, they are less likely to be able to afford home improvements to increase resilience. As the city plans infrastructure improvements over the next decade, it will be critical to ensure that the money is used to mitigate the inequitable impacts of past decisions, build climate resilience, and a more equitable future for all.

## Barriers to Building Resilient Neighborhoods

Initiative participants shared their insights on the most significant barriers to equitable and sustainable development—reasons behind the persistent wealth gap and poorer health outcomes for Chicagoans of color, and the obstacles that continue to slow down much needed economic development in South and West side neighborhoods. A summary of our discussion on the most significant barriers to building resilient neighborhoods and how they manifest themselves within the context of the four pillars of housing, economic development, and physical and social infrastructure, is presented below.

### Legacy of a Divided City

Neighborhood boundaries, defined by decades of racial segregation, can be stark in Chicago making it difficult to venture out of the comfort zone of one's neighborhood and into different parts of the city. As a result, far too many Chicago neighborhoods are defined by negative news rather than actual experience and an understanding of the community. When the focus is primarily on reports of violence and vacancies, positive community attributes such as strong community networks, thriving local entrepreneurs, and untapped spending power, can go unnoticed. The perception of risk becomes higher than the reality, dampening interest from potential residents as well as lenders/investors. It shrinks the opportunity area for everyone—for job seekers, for entrepreneurs who could otherwise reach a wider customer base, and for investors or developers who cannot tap into the unmet market demand in neighborhoods they don't know well, and reinforces the cycle of disinvestment.



Polluting land uses and brownfield sites are more common in lower-income neighborhoods with greater concentrations of people of color.

*Credit: Chicago Park District*

Decades of segregation and disinvestment have also resulted in deeply disparate conditions. Lowest-income households are concentrated on the South and West sides of Chicago (Figure 3). Residents in these neighborhoods also face longer commute times, have a greater number of boarded-up storefronts and closed schools, and breathe more toxic air. Repairing harm caused by past actions and bridging gaps to lay the groundwork for a more equitable future will require dedicated effort and continued collaboration from all Chicagoans.

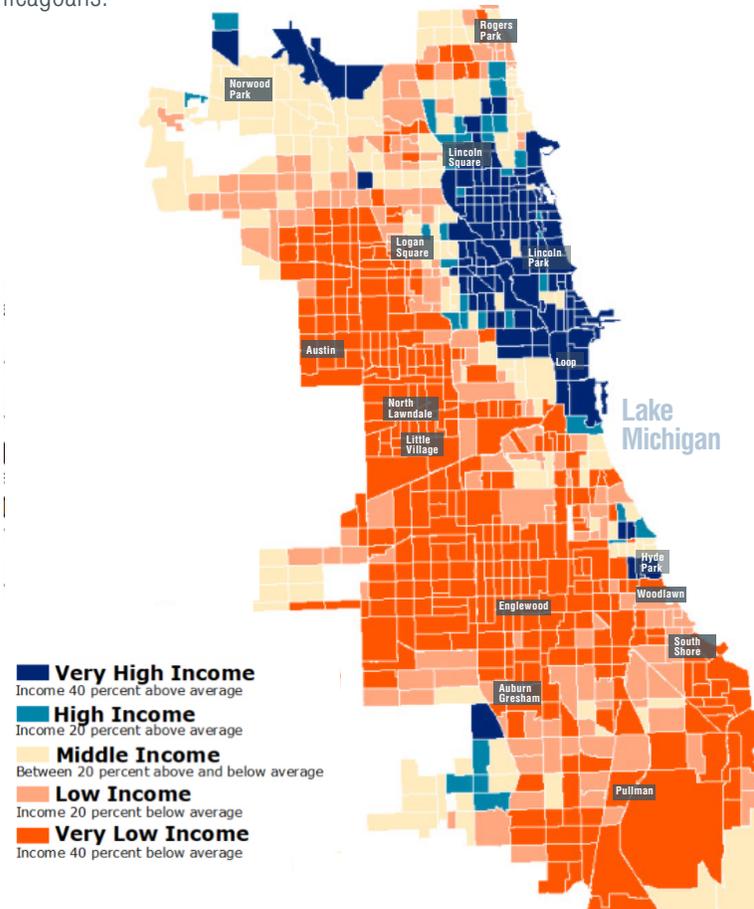


Figure 3. Average Individual Income for Chicago Census Tracts Relative to the Seven County Metro Area, 2016

Source: Kursman, Jessica and Zettel, Nick. *Who Can Live in Chicago? Part I*. Voorhees Center, June 2018. [www.voorheescenter.wordpress.com/2018/06/06/who-can-live-in-chicago-part-i/](http://www.voorheescenter.wordpress.com/2018/06/06/who-can-live-in-chicago-part-i/)

## Access to Capital

Creating stability and economic opportunity starts with access to capital. A family needs access to fair-priced loans to buy a car and a home so they establish roots in their community and build wealth. A small business needs a loan to launch and to grow. A neighborhood property owner needs a rehab loan to keep their older, naturally affordable property from falling into disrepair. A small developer needs capital to create a catalytic project that can start the ball rolling in a bypassed neighborhood.

Unfortunately, access to capital is not a given. According to an analysis by WBEZ, an NPR affiliate station, and City Bureau, between 2012 and 2018, financial institutions in Chicago made four times more mortgage loans in White neighborhoods compared to Black and Latino neighborhoods. In terms of actual investment, for every \$1 banks loaned in Chicago's white neighborhoods, lenders invested just 12 cents in the city's Black neighborhoods and 13 cents in Latino areas. Black businesses start with three times less capital than White startups, and Black entrepreneurs' loan requests are three times less likely to be approved.

Similarly, securing capital is challenging for developers of color, especially for those working in emerging markets where

In 2018, nearly 25% of Chicago's Black residents were "underbanked," which means that instead of banks, they relied on lenders with high fees and interest rates, such as check-cashing services and payday loans, for financial services<sup>1</sup>. Lack of access to conventional banking services can further impoverish low-income households—it is estimated that financially underserved households spend an average of \$108 per month on extra fees for basic services such as ATMs and cashing checks<sup>2</sup>.

<sup>1</sup> Woodstock Institute. "Government Survey Shows Fewer Unbanked People in Chicago; Extreme Racial and Ethnic Disparities Persist." October 2018. [www.woodstockinst.org/news/press-release/number-il-linois-households-bank-account-increases-barely/](http://www.woodstockinst.org/news/press-release/number-il-linois-households-bank-account-increases-barely/)

<sup>2</sup> Morpeth, Rachel. "Financial Inclusion in the U.S. – Are We Making Progress?" *Center for Financial Inclusion*, April 2018. [www.centerfor-financialinclusion.org/financial-inclusion-in-the-u-s-are-we-making-progress](http://www.centerfor-financialinclusion.org/financial-inclusion-in-the-u-s-are-we-making-progress)

"proof of concept" for non-subsidized development on a significant scale might not exist. Banks are reluctant to lend, and when they do, onerous loan terms—higher interest rates and high equity capital requirements—can make the loans inaccessible for developers of color who typically have less access to money from savings or through friends and family.

## Lack of Adequate Funding

While the city has many public and privately funded programs to support homeownership, entrepreneurship, and human capital development, they are often oversubscribed. The demand for these programs is far higher than available funding. Additionally, narrowly defined eligibility criteria and overtly complicated application processes, leave out many deserving applicants.

Funding for physical infrastructure improvements also falls far short of the need. As a result, there is an over-reliance on Tax Increment Financing (TIF) and many significant infrastructure projects, including transit improvements, are being completed as part of mega-developments within TIF districts. However, parts of the city that are not able to attract large developments which can generate enough tax increments, are left out of this opportunity, further reinforcing inequitable access and development patterns.



Lack of access to funds can lead to deferred maintenance and eventual demolition of older buildings that contribute to neighborhood character and offer more affordable housing or commercial spaces.

## Barriers to Resilient Neighborhoods (continued)

### Policy and Regulatory Barriers

Burdensome regulatory restrictions and lack of clear policies can slow down development, creating an especially challenging environment for smaller, local developers who typically operate with thin margins and with limited resources. For example, under current zoning, healthcare and education uses are considered a special use on most commercial corridors. This makes it much more expensive and time-consuming to obtain permits for converting vacant or otherwise sub-optimal commercial spaces into uses that can help build human capital in areas with tremendous need. Other restrictions, such as density limitations and excessive off-street parking requirements, can impact the financial viability of much needed new developments, especially in neighborhoods with weaker real estate markets.

At the same time, lack of adequate, enforceable restrictions on polluting land uses and clear policy guidance regarding their location, has resulted in communities of color being disproportionately impacted. A recent Yale University study found that the greater the concentration of people of color or low-income residents in a neighborhood, the more likely that potentially dangerous compounds linked to asthma, cardiovascular problems and cancer are in the air they breathe.

### Governance Structure, Limited Coordination and Long-Range Planning

Chicago's governance structure includes fifty wards with significant aldermanic control over development decisions within their wards. Aligning priorities across 50 wards, which differ significantly in existing conditions and resident needs, can be challenging and make it hard to successfully implement policies on a citywide scale.

Additionally, coordination across multiple city departments, agencies and private sector players can be difficult making it harder to achieve implementation efficiencies. Without effective coordination, it is also challenging to develop a unified long-term vision for guiding policy and investment decisions. Infrastructure investments especially tend to be “project by project” in Chicago instead of being part of a larger coordinated plan. This piecemeal approach discourages long-term thinking and innovations for “future proofing” and can instead exacerbate existing inequities.



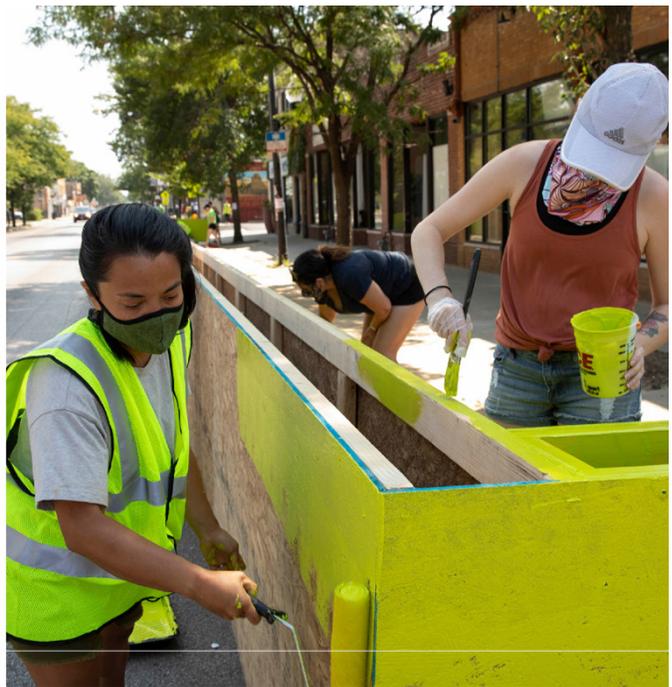
As the demand for brick-and-mortar retail continues to decline, zoning regulations that require ground-level commercial uses can make it challenging to reactivate vacant buildings.

## Not Enough Focus on People-centered Policies, Limited Community Engagement

Our policies and plans, even when crafted with the best of intentions, frequently overlook or miscalculate the impact on residents or people who will live in and utilize these spaces daily. For example, while a freshly rehabilitated, accessible transit station is a welcome investment in any neighborhood, it won't necessarily increase transit usage if sidewalks leading up to it continue to be broken and transit fares remain unaffordable for many. When fee structures for other essential services, such as water, gas, electricity, and high-speed internet, are not income-based, lower-income households get further squeezed. Even though they live next to Lake Michigan, one of the largest sources of fresh water in

the world, many of the lowest-income households in Chicago are behind on their bills and live under the threat of water shut-off. The city's \$9 million relief program for households with past-due bills is a step in the right direction but it still leaves out the most vulnerable households.

Understanding and responding to the realities of residents' daily lives, especially those who are living with decades of disinvestment, requires a trauma-informed approach that balances financial returns with equitable outcomes and longer-term sustainability. Meaningful community engagement is an integral part of this approach. However, too often, community engagement is simply a box to be checked, and community partners never see their ideas take shape. Trust erodes, diminishing the project's success and potential positive impact on the community.



75th Street Boardwalk, Chatham.

*Credit: Greater Chatham Initiative*

The Greater Chatham Initiative (GCI), led the design and installation of the 75th Street Boardwalk on 75th Street between Indiana and Calumet Avenues to expand outdoor dining capacity along Chatham's Restaurant Row. The Boardwalk, which was designed with community input, and built by local contractors and youth using recycled plywood, became a focal point for the community during the COVID-19 pandemic and boosted local businesses struggling from the pandemic's impact.

The Boardwalk will be dismantled in the coming months based on feedback from residents, but it has inspired additional innovative placemaking in Chatham. GCI is now working on an initiative to bring mobile wooden seating areas or parklets that can be installed to provide outdoor entertainment spots at various locations in Chatham, and easily packed-up when not in use.



75th Street Boardwalk, Chatham.

*Credit: Greater Chatham Initiative*

# Recommendations for Resilient Neighborhoods

With these challenges also come opportunities to envision and build a more equitable, sustainable, and resilient Chicago. We believe that through the collective action of public, nonprofit, and private sector partners, we can begin to successfully tackle the systemic challenges facing our neighborhoods and city. Our recommendations framework includes both policy and programmatic solutions for structural change; implementing them will require taking action in the near-term as well as sustained effort and focus over the longer-term.

We recognize that Chicago neighborhoods are diverse and there cannot be a one-size-fits-all strategy. However, the recommendations presented in this report include opportunities for all neighborhoods to move forward towards a more inclusive, equitable, and interconnected future so that Chicago can truly be a city that works for ALL. They are grouped according to the four resilience pillars but are as interconnected as the pillars themselves. The four pillars are:

- 1. Social Infrastructure**
- 2. Housing Diversity**
- 3. Economic Opportunity**
- 4. Physical Infrastructure**

Detailed recommendations for each resilience pillar and strategic actions to help implement them are presented in this section. Five unifying themes weave through all the recommendations, defining a new approach in planning and decision-making. These themes are:

- Focus on People, Prioritize Equitable Outcomes
- Increase Access to Capital, Especially for Smaller, Local Developers
- Increase Access & Connectivity to Physical, Digital & Social Networks
- Align Policy & Regulatory Framework to Support Development Goals
- Foster Collaboration and Strengthen Partnerships (Public, Private & Nonprofit)

Additionally, many significant community development initiatives and programs are already underway across the city. Led by a variety of organizations, these initiatives present a tremendous opportunity to drive equitable and sustainable growth in Chicago; we've highlighted some of them in this section.

## A. Strengthening Social Infrastructure

Social infrastructure is the intersection of spaces, programs, relationships, and experiences that build community. These include access to fresh foods, quality health care, open spaces, and arts that celebrate the neighborhood's rich architectural and cultural heritage. These intersecting connections support safety and wellness and create opportunities for growth and self-determination of all residents and the community as a whole.

In other words, it is the intangible and often overlooked social structure that holds a community together in good times and during crises. When South and West neighborhoods in Chicago were hit hard with COVID-19, neighbors, and Chicagoans from across the city stepped up to help. Even amidst the stress and uncertainty, the inherent social cohesion and resilience within these neighborhoods stood out. At the same time, the impact of decades of disinvestment in Chicago's Black and Brown neighborhoods became clearer than ever before—more residents in these areas worked lower-wage, service jobs that either disappeared during the pandemic or couldn't be performed from the safety of home. Disproportionate number of students in these neighborhoods didn't have access to high-speed internet, making it harder to keep up with remote school. As we rebuild, opportunities abound to do things differently by putting racial and social equity at the center, empowering residents to shape the decisions that will affect their communities, and through that process, rebuild community trust. Recommendations include:

### A1. Acknowledge the Role of Systemic Racism

Acknowledging that the deep disparity between Chicago's Black/Brown and White neighborhoods is not accidental, but the result of racist development policies embedded within our institutions and society, is an important step towards identifying and rooting out systemic racism.

#### Strategic Actions

- Private sector development professionals should play a key role in connecting with community partners to build trust, foster understanding of systemic racism, and develop a shared agenda to help dismantle it. Professional organizations such as ULI and community-based organizations can help facilitate these connections and difficult, yet necessary conversations.
- Public sector agencies should examine and correct systemic racism within government's operations; Chicago has appointed its first equity officer to do just that. The city has also launched "Together We Heal," a campaign to engage Chicagoans in honest, open conversations to begin the journey of racial learning and healing.

### A2. Support Authentic Community Engagement

Ensure that projects, whether driven by the public or the private sector, are planned with, rather than planned for residents. Instead of coming to the community with fully baked plans that have very little room for input, engage residents early-on so they can help shape projects/policies that are more responsive to the community's assets and needs. Balancing development and funding realities with community benefits, while not always easy, is key to winning community support and ensuring long-term project success.

#### Strategic Actions

- Professionals with expertise in community engagement and cross-cultural communications should be included on development teams, especially for larger projects, to build meaningful community connections and successfully incorporate input.
- Community-based organizations can work with residents, who have a unique understanding of their neighborhoods, to create asset maps to attract and guide context sensitive development. These asset maps can be a resource for smaller, local developers and larger development teams. Private, philanthropic or public partners should fund these initiatives to ensure that residents are compensated for their work.

## The Power of Business and Community Partnerships

### Englewood Square\*

Located at 63rd and Halsted, Englewood Square is anchored by an 18,000 square foot Whole Foods Market and includes Starbucks and Chipotle amongst its tenants. Going beyond the brick and mortar of development, DL3 Realty, the developer of Englewood Square, and the leadership team of anchor tenants, actively engaged area residents to understand their priorities and incorporate them into the development.

Creating economic opportunity was a top priority for the community, and Whole Foods did that by hiring local contractors, employees, and even local vendors. Much before its official store opening, Whole Foods supported a multi-year, community-led effort to recruit and train residents in job and entrepreneurship skills. To include residents that weren't likely to respond to traditional advertising, they engaged community partners to knock on doors and do word-of-mouth marketing.

Additionally, the Starbucks was designed as a community store, a concept that Starbucks has introduced in a few select locations to support pathways to opportunity for young people in the community. As a part of this commitment, Starbucks is training monthly cohorts of young people from the neighborhood in barista and customer service skills, preparing them for jobs within the Starbucks network and elsewhere.



Top Left: Mural by local artist in the Whole Foods Community Room | Top Right: Starbucks Community Store  
Bottom: Whole Foods Market in Englewood Square

*\*2018 ULI Chicago Vision Award Winner*

## A. Strengthening Social Infrastructure (continued)

### A3. Encourage People-centered, Trauma-informed Planning, Design, and Development

In neighborhoods that have suffered from disinvestment for decades, trauma unfortunately touches too many lives. Whether it is walking past boarded-up buildings and vacant lots to reach the only grocery store in the neighborhood, struggling to pay rent while juggling low-wage jobs, breathing toxic air from polluting industries, or losing loved ones to violence, trauma can leave lasting negative impacts. While a good practice for all types of communities, trauma-informed design is especially beneficial for vulnerable communities. Trauma-informed policies and programs can take many different forms, but they are always centered on community engagement and acknowledgement of daily traumas. They are designed to reduce chaos and stress, build social cohesion, and foster community resilience over time.



Sweet Beginnings Apiary.

*Credit: North Lawndale Employment Network*

Sweet Beginnings\* is a social enterprise in Chicago's North Lawndale neighborhood providing job-readiness training to formerly incarcerated individuals.

*\*2012 ULI Chicago Vision Award Winner*

### Strategic Actions

- Support and help scale-up existing programs such as Chicago Create Real Economic Destiny (Chicago CRED) and organizations such as the North Lawndale Employment Network (NLEN). Through their holistic approach, that includes outreach, counseling and workforce training, these programs are creating new opportunities for people in Chicago's most disinvested communities and successfully interrupting the cycle of poverty and violence. In addition to financial support, philanthropy and private companies can support micro-credentialing programs with pathways to apprenticeships and jobs for participants in CRED/NLEN and similar programs.
- Arts and culture have a unique ability to heal, inspire, bring joy, and build community through shared experiences. Supporting visual and performing arts in neighborhoods, such that it is accessible and meaningful for residents, should be priority throughout Chicago but especially in historically marginalized neighborhoods. For example, as part of INVEST South/West, Chicago's program to drive greater investment in South and West side corridors, the city has introduced an "artist in residence" program. As part of this, a local artist will be selected to create art installations and lead art-focused community engagement activities in each corridor.
- Ensure that developments, especially if they are receiving public assistance, provide proportionate community benefits. Benefits can include local hiring for construction and permanent jobs, job-training for residents so they can qualify for the new job opportunities, support for local entrepreneurs through discounted space and mentorship, and community amenities such as open space. For example, after decades of disinvestment, Pullman Park, a 180-acre mixed-use development by Chicago Neighborhood Initiatives (CNI), brought a new grocery store to Pullman and created hundreds of new jobs—both key priorities for area residents.

## A Trauma-Informed Approach to Community Development

### North Lawndale Employment Network (NLEN)

Once a thriving employment center on the west side of Chicago, North Lawndale today struggles with high rates of poverty and unemployment—nearly 45% of households live below the poverty line and more than 50% of adult residents have a history with the criminal justice system. The North Lawndale Employment Network (NLEN) serves under- and unemployed residents in North Lawndale and surrounding communities, including formerly incarcerated individuals, through its unique programs designed to help overcome barriers to employment.

NLEN's U-Turn Permitted program offers a 4-week job readiness program and ongoing coaching and support to help returning citizens reintegrate successfully into society. Sweet Beginnings, NLEN's social enterprise, offers transitional positions to U-Turn Permitted graduates helping them build skills such as punctuality, inter-personal communication, and teamwork, to help them succeed in professional settings. Sweet Beginnings produces and sells all-natural skin care products featuring its own urban honey from apiaries in Chicago. The recidivism rate for former Sweet Beginnings employees is below 8%, compared to the national average of 40% and the Illinois average of 55%. Learn more about NLEN's work at [www.nlen.org](http://www.nlen.org).

## Community-Focused Economic Development

### Pullman Park



Method Plant and Gotham Greens, Pullman Park.

*Credit: Marc PoKempner*

CNI led the redevelopment of the former Ryerson Steel site in Pullman. One portion of the site features a 150,000 square foot, LEED Platinum certified manufacturing plant for Method, a leading brand for environmentally-friendly cleaning products. A refurbished wind-turbine and solar panels generate renewable energy supplying nearly half of the building's power needs. The rooftop is occupied by Gotham Greens, a leader in technologically-advanced, sustainable, commercial-scale urban agriculture. Method and Gotham Greens, key anchors of Pullman Park, have brought hundreds of green economy jobs to Chicago's Southside creating new opportunities for area residents.

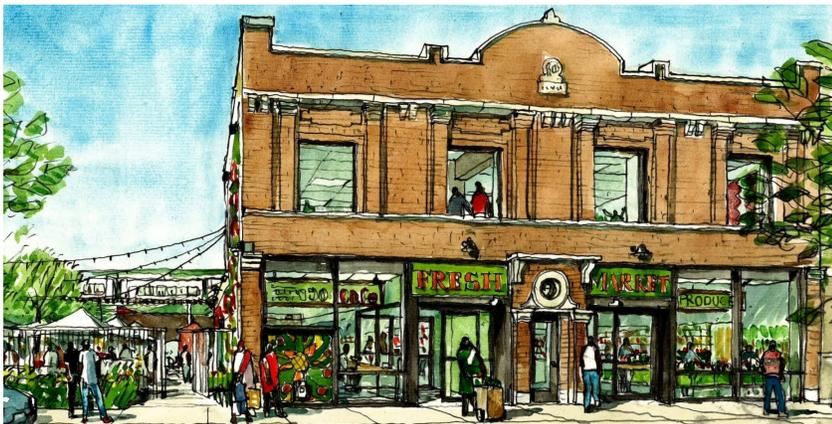
## Community-Focused Economic Development

### Go Green on Racine: An Englewood Rising Project

Englewood, located on the southwest side of Chicago, has suffered from decades of disinvestment that has hollowed out its once vibrant commercial corridors and strong residential blocks. But the spirit of its residents and their commitment to the neighborhood has endured, and has resulted in an ambitious and comprehensive community-driven revitalization initiative, “Go Green on Racine.” Go Green aims to build resilient ecosystems that will bridge the health and wealth gap for Englewood residents. Founded on a history of collaboration and shared vision, the initiative will harness the neighborhood’s assets to establish a concentrated node of development that will catalyze further investment and growth. Located at the 63rd Street and Racine Avenue intersection that connects Englewood and West Englewood, Go Green will introduce three catalytic developments:

- Go Green Community Fresh Market: A cooperative-inspired fresh produce market, including a chef concept café.
- The Regenerator: A former public school repurposed as a hub for reentry services including housing and Englewood’s health and wellness ecosystem.
- Racine Village: A mixed-use development with 20 mixed-income rental units, a business incubator, and restaurant.

In addition, Go Green will launch two accompanying strategies for broader revitalization: a rehab 350 vacant properties in surrounding blocks and advocacy to reopen the Racine Green Line station and attract transit-oriented development. Go Green was selected as a Chicago Prize finalist by the Pritzker-Traubert Foundation in recognition of its potential for transformative impact on Englewood. The initiative is being led by the Inner City Muslim Action Network (IMAN), Residents Association of Greater Englewood (RAGE), Teamwork Englewood, and E.G. Woode. Additional information is available at: [www.gogreenonracine.com](http://www.gogreenonracine.com).



#### Cooperative Fresh Market, Englewood.

*Credit: Wheeler Kearns Architects*

An architectural rendering of the Fresh Market (top left) illustrates the community’s vision for transforming the vacant 2-story building (bottom left) into a focal point for the neighborhood while improving access to healthy foods and healthy living. Construction started in Spring 2021 (top).

## A. Strengthening Social Infrastructure (continued)

### A4. Support Human Capital Development in Disinvested Communities

In neighborhoods throughout Chicago, but especially, in our disinvested neighborhoods, community-based organizations are doing tremendous work to launch projects and programs to build human capital and promote wellness. However, many of these efforts are either slowed down or stalled by City Hall processes, which while well-intentioned, can overwhelm smaller organizations working with shoe-string budgets and small staff.

#### Strategic Actions

- In the near-term, designate a City Hall champion or a “Navigator” to help advance projects focused on human capital development, and reduce the burden on smaller developers.
- Develop a mentorship program where larger companies can help small, minority-owned businesses acquire MBE/WBE certifications to work on city contracts, and gain the experience needed to eventually successfully compete on their own.
- In the longer-term, work towards systemic change to improve city processes:
  - Allow health and education related uses by right on select locations on commercial corridors instead of special use, which is inherently more time-consuming and expensive.
  - Ensure inter-departmental priorities and processes are aligned for a streamlined user experience.

- Balance a well-defined, consistent approval process with flexibility to accommodate special/unusual development conditions. For example, Chicago’s Sustainable Development Policy offers a performance-based approach for buildings and developments to meet sustainability goals instead narrowly-defined and prescriptive criteria.

### A5. Use an Environmental Justice Framework for Regulating Nuisance-generating Uses

Land-use policies in Chicago, as in cities across the country, have allowed polluting land uses to locate in lower-income and communities of color at greater rates and with minimal protections. Going forward, the city should use an environmental justice framework to ensure that polluting land-uses, even when they are employment generating or necessary for other reasons, are not concentrated in Chicago’s Black and Brown neighborhoods and that they are regulated to minimize negative impacts on residents.

#### Strategic Actions

- Require investments in clean and green technologies to minimize harmful emissions and installation of protective measures such as green infrastructure to mitigate negative impacts on the surrounding community. Require remediation investments to restore healthy living environments.
- Ensure that residents can benefit from the opportunities created by the development, including access to well-paying jobs.

## B. Promoting Housing Diversity

Providing a range of housing options that are affordable for Chicagoans with modest or lower incomes is key to neighborhood diversity, stability, and resilience. Neighborhoods with a mix of housing types have greater income and cultural diversity and are better positioned to withstand economic downturns and navigate social changes. However, housing affordability is a growing challenge in Chicago—middle and lower-income Chicagoans are increasingly finding themselves priced-out of neighborhoods in strong real estate markets. At the same time, lack of investment in many South and West side neighborhoods has led to diminished housing options that can attract middle and higher-income residents.

Low-income housing tax credits (LIHTC) and other subsidy programs play an important role in bridging the housing affordability gap in Chicago, but the demand for affordability far exceeds the number of units that can be built through subsidies. To meet the growing affordability challenge, private market innovations need to be part of the solution. Therefore, for this initiative, we focused on strategies for preserving and building housing units affordable for lower- and middle-income households without the use of extensive public subsidies.



Small-scale housing providers own and manage a significant number of naturally occurring affordable housing units in Chicago neighborhoods. Providing technical and financial assistance so they can continue to maintain safe and affordable units is key to maintaining housing affordability in Chicago.

*Credit: Community Investment Corporation*

### B1. Preserve and Improve Naturally Occurring Affordable Housing (NOAH)

Naturally occurring affordable housing or NOAH, refers to housing units that do not receive any public subsidies or have any affordability related legal restrictions, yet are affordable to middle- and lower-income households. NOAH units are typically older, have few amenities and modest finishes. They constitute a significant chunk of the affordable housing stock in Chicago but are at risk of being lost. In neighborhoods with rapidly rising property values, extensive renovations of NOAH units can lead to higher rents, pricing out lower-income households. In other areas, lack of upkeep and investment can result in NOAH units falling into serious disrepair leading to foreclosure or demolition. Once lost, it is very challenging, if not impossible, to provide the same level of affordability through a new construction unit without significant subsidies. Therefore, preserving the city's naturally affordable housing stock is key to maintaining and promoting diverse, affordable housing choices.

#### Strategic Actions

- Support smaller-scale, neighborhood-focused housing providers who own and operate many NOAH buildings in Chicago's neighborhoods. Specific ideas for financial and technical assistance that can help smaller housing

providers operate successfully while maintaining affordability, are included under Recommendation #B3.

- Support owner-occupants of 2-4 flats, which are another significant source of NOAH units, with financial assistance for purchase and rehab of their properties.

## B2. Put Vacant Land Back to Use

The city and its sister agencies own many vacant lots, especially in South and West side neighborhoods, that can be developed to provide housing for middle- and lower-income households. City-owned vacant lots represent a tremendous opportunity to rebuild entire blocks and neighborhoods; the city should formulate and execute a comprehensive strategy for redeveloping them expediently.

### Strategic Actions

- Create a transparent and streamlined process:
  - Create a publicly available, user-friendly database of vacant properties so it is easy to identify suitable development opportunities throughout the city.
- Simplify design standards to prioritize health and safety, not aesthetics, to control costs and maintain affordability.
- Provide a single-facing development review that coordinates requirements set by different city divisions and departments.
- Make it easier for smaller, emerging developers to participate:
  - Provide development ready sites by using public funds for site improvements such as debris removal, new sidewalks and Phase 1 environmental studies.
  - Provide incentives such as reduced permit fees.
  - Establish a program to pre-qualify community-based developers so they can go through an expedited process to acquire and develop city-owned vacant lots.



Vacant Lots on Chicago's Southwest Side

*Credit: Google*

Decades of disinvestment has resulted in far too many buildings being lost to disrepair and demolition, creating vacant lots and disrupting the neighborhood fabric in our South and West side neighborhoods. However, vacant lots also present a unique opportunity to rebuild these neighborhoods in a more equitable and sustainable way.

## B. Promoting Housing Diversity (continued)

### B3. Support Smaller, Community-Based Developers

There is tremendous untapped potential in Chicago's smaller, community-based developers to drive equitable and sustainable development that can transform our neighborhoods and city. Community-based developers have a unique understanding of their neighborhood and a deep commitment to its long-term success, but they are also often under-resourced. They have limited capacity to navigate complex development approval processes and face steep challenges in obtaining financing, especially if they are working in emerging markets with few recent examples of successful developments. Addressing gaps in the financing ecosystem for smaller developers, so they can access both debt and equity capital with greater ease, is key to driving equitable neighborhood development.

#### Strategic Actions

- Increase access to debt capital:
  - Create more transparency in commercial lending in Chicago's neighborhoods and hold lenders accountable to their obligations to lend to all communities, particularly in meeting Community Reinvestment Act requirements.
  - Properties in Black and Brown communities are often appraised lower than their true market value,
- diminishing the developer's ability to get adequate loans. Improve fairness in the appraisal process by exploring modified guidelines for formerly redlined neighborhoods and recruiting appraisal professionals from diverse backgrounds who are familiar with different types of neighborhoods.
- In neighborhoods that have suffered disinvestment for a long time, the perception of risk is often greater than the actual risk. To remove or reduce the perceived risk that makes banks hesitant to provide loans, a philanthropy driven fund can be formed to assume a "first loss" position in loans for certain developments in underinvested neighborhoods.
- Support the sharing of reliable and trustworthy data that can be used by appraisers, lenders and owners.
- Increase access to equity capital by forming a civically minded and patient equity fund that can help finance housing developments that improve affordability. An equity fund will help bridge a huge financing gap that often stymies developers of color, who do not typically have access to networks of wealthy "friends and family" to tap into to raise equity capital.
- Increase access to rehab loans making it easier for NOAH owners to maintain and improve their properties.
- Create more rental subsidies so housing providers

### Building a Strong Ecosystem of Support for Smaller Developers Community Investment Corporation (CIC)

CIC is a leading source of financing for the acquisition, rehabilitation, and preservation of affordable multi-family housing in Chicago. CIC specializes in working with small, local entrepreneurs who own and operate most of the unsubsidized, low-cost rental housing, also known as NOAH, in Chicago. CIC offers flexible loan products and programming, including property management training, to help small owner-operators succeed and grow. The success of these local business owners is critical for maintaining safe, affordable homes and building healthy communities, and Community Development Financial Institutions (CDFIs) such as CIC are helping build the ecosystem where these smaller businesses can thrive.

In 2019, CIC loans helped finance and rehab 1,128 affordable multifamily rental units and provided training to over 1,200 current and prospective rental housing owners.

can expand their tenant pool to include lower-income households while still earning market-rate rents. Master lease contracts with nonprofit organizations, who can recruit tenants and manage compliance, can make the process easier for housing providers.

- Create learning opportunities for smaller-scale housing providers through free or low-cost training programs in different aspects of property ownership and management. Encourage collaboratives of housing providers to promote information exchange.

## B4. Support Homeownership

Homeownership is a source of stability and wealth-building for individuals as well as communities. Our recommendations include strategies for expanding access to homeownership for new households, and for supporting existing homeowners in managing expenses so they can continue to stay in their homes.

### Strategic Actions

- Focus on managing costs that impact long-term stability of homeowners, such as utilities, taxes, and maintenance.



#### Homes Sold through Renew Woodlawn\*

*Credit: Neighborhood Housing Services of Chicago*

Top: Purchase rehab unit at 6538 S. Eberhart Avenue

Bottom: Move-in ready home at 6038 S. Champlain Avenue

\*2019 ULI Chicago Vision Award Winner

### Targeted Homeownership Programs

#### Renew Woodlawn

The Renew Woodlawn Homeownership Program, through targeted financial and technical assistance, helped moderate-income households purchase and renovate condominiums, single-family homes and 2-4 flats in Chicago's Woodlawn neighborhood. A total of 69 new units were rehabbed through this program, turning vacant, dilapidated properties into homes for families in the program's target area: from 60th Street on the north to 67th Street on the south, and King Drive on the west to Stony Island Avenue on the east.

Renew Woodlawn created 44 new homeowners, 40 of them are Black with an average annual household income of just over \$51,000. The average grant amount was \$25,000 although individual grants ranged from \$5,000 – \$50,000 based on the specific needs of the prospective homeowner and the condition of the property.

Renew Woodlawn is a partnership between the City of Chicago, Preservation of Affordable Housing (POAH), Neighborhood Housing Services of Chicago (NHS), and Community Investment Corporation (CIC).

#### SmartBuy by Illinois Housing Development Authority (IHDA)

Recognizing that student loan is a significant barrier to homeownership, IHDA introduced the SmartBuy program in December 2020. In addition to \$5,000 in down-payment assistance and an affordable 30-year fixed mortgage, this program provides 15% of the purchase price (up to \$40,000) in assistance for student loan debt relief to income-eligible borrowers. This was a limited-time program and funding for it ran out in May 2021; exploring opportunities for continuing such programs can vastly expand homeownership opportunities.

## B. Promoting Housing Diversity (continued)

- Ease eligibility and expand income requirements for accessing homeowner-support programs. For example, if a homeowner is already income-qualified for a City of Chicago program, extend that eligibility to other programs through simplified applications.
- Promote energy-efficient construction and provide increased funding for energy retrofits to reduce cost of ownership and the home’s carbon emissions.
- 2-Flats are a valuable housing resource for both owner occupants and tenants; extend homeownership benefits (for purchase and rehab) to include owner occupants of 2-Flats.
- Expand homeownership opportunities for potential new buyers:
  - Provide targeted down-payment assistance or other type of loan assistance, such as low-interest loans, as an extra boost to households who might be at the cusp of homeownership.
  - Establish a revolving fund to replace private mortgage insurance (PMI) that homeowners are usually required to pay in the early years of the mortgage if the loan to value (LTV) ratio is more than 80%. PMI is an added monthly cost to the new homeowner but does not protect them in case of mortgage default, it simply adds another layer of protection for the lender.
- Expand access to mortgage lending by continuing to hold lenders accountable to their equitable lending obligations. Support smaller local banks, credit unions, and other financial institutions who are able to successfully lend to Black and Brown borrowers.
- Expand use of the Chicago Community Land Trust (CCLT)—explore opportunities for placing selected infill housing developed on city-owned vacant land in CCLT to maintain long-term affordability, especially in higher cost markets.
- Encourage new forms of homeownership, including shared equity ownership models, such as housing cooperatives or limited equity housing cooperatives and shared ownership with equity investors. The traditional homeownership model of 20% down payment and 30-year mortgages is not necessarily suitable for everyone and precludes them from any type of homeownership opportunity.

### B5. Align Policies and Regulations with Development Goals, Create Accountability

Sometimes development regulations, such as zoning code restrictions or cumbersome program requirements, can get in the way of equitable development. In addition to crafting

#### Energy Retrofits to Reduce Costs and Carbon Footprint

##### Elevate

Elevate is a nonprofit organization dedicated to making the benefits and services of a clean energy economy available to everyone—no matter who they are or where they live. Elevate implements income-eligible energy efficiency programs for multi-family and nonprofit buildings, helping owners assess and complete energy efficiency upgrades to improve living conditions while reducing operating costs and meeting sustainability goals. It also implements two City of Chicago programs that provides home repair services to low-income residents that coordinates health and safety, accessibility, and energy efficiency repairs. Through these programs, Elevate has helped keep over 48,000 homes safe and affordable.

Additionally, Elevate is working in partnership with the National Renewable Energy Lab (NREL), the City of Chicago, and ComEd to develop an energy retrofit strategy for reducing energy consumption by 50% in existing single-family homes and 2-4 flats in Chicago. Additional information on Elevate’s programs is available at [www.elevatenp.org](http://www.elevatenp.org).

smart policies and programs aimed at improving equity and sustainability, it is important to ensure that their effective implementation is not impeded by regulatory barriers.

## Strategic Actions

As the need for housing affordability continues to grow, embracing greater density can help deliver more housing units. Often density is associated with new high-rises and high cost of living, but there is an opportunity to reframe that by subsidizing housing for more moderate-income renters in new construction buildings.

- Reduce parking requirements to improve development feasibility and encourage development in places it might not otherwise occur. Chicago has made tremendous progress in reducing off-street parking requirements through the Transit-Served Location (TSL) ordinance and more recently, the Additional Dwelling Unit (ADU) ordinance. Continue to build on this progress by encouraging shared parking, expanding access to safe biking and reliable transit.
- Enhance development opportunities in South and West side neighborhoods by reopening closed CTA stations and examining where new stations will be beneficial.
- Create accountability to ensure that programs and policies are meeting stated, shared goals:
  - Establish metrics for evaluating impact at pre-defined intervals and share progress in a transparent way.
  - Commit to problem-solve as needed to improve program effectiveness. This could include simplifying program requirements, offering technical support and/or financial incentives to encourage increased participation.
  - Evaluate existing programs such as City Lots for Working Families (CL4WF), eTOD Policy Plan, and the ADU Pilot Program for effectiveness.

- Encourage innovation and new approaches:
  - Modular housing holds a lot of promise in reducing costs and creating new units at more affordable price-points. The city can help achieve scale and efficiency by encouraging modular housing on city-owned lots and creating a catalog of pre-approved designs.
  - Allow greater flexibility in the city's affordability requirements ordinance (ARO) to build off-site units that can better serve lower-income families; encourage partnerships with neighborhood-based developers to build these units.



**Modular Home in Chicago's Back of the Yards Neighborhood.**

*Credit: Kinexx Modular Construction*

Modular homes can be built in less than half the time as regular new construction homes and have the potential to enhance opportunities for affordable homeownership.

## C. Increasing Economic Opportunity

Opportunities for residents to gain economic security and build wealth through access to jobs and entrepreneurship opportunities is a key component of economic resilience. A multi-faceted approach that in addition to attracting new larger-scale, catalytic developments to neighborhoods, also invests in neighborhood residents and entrepreneurs, can help create a diverse, rich, and more resilient economic base.

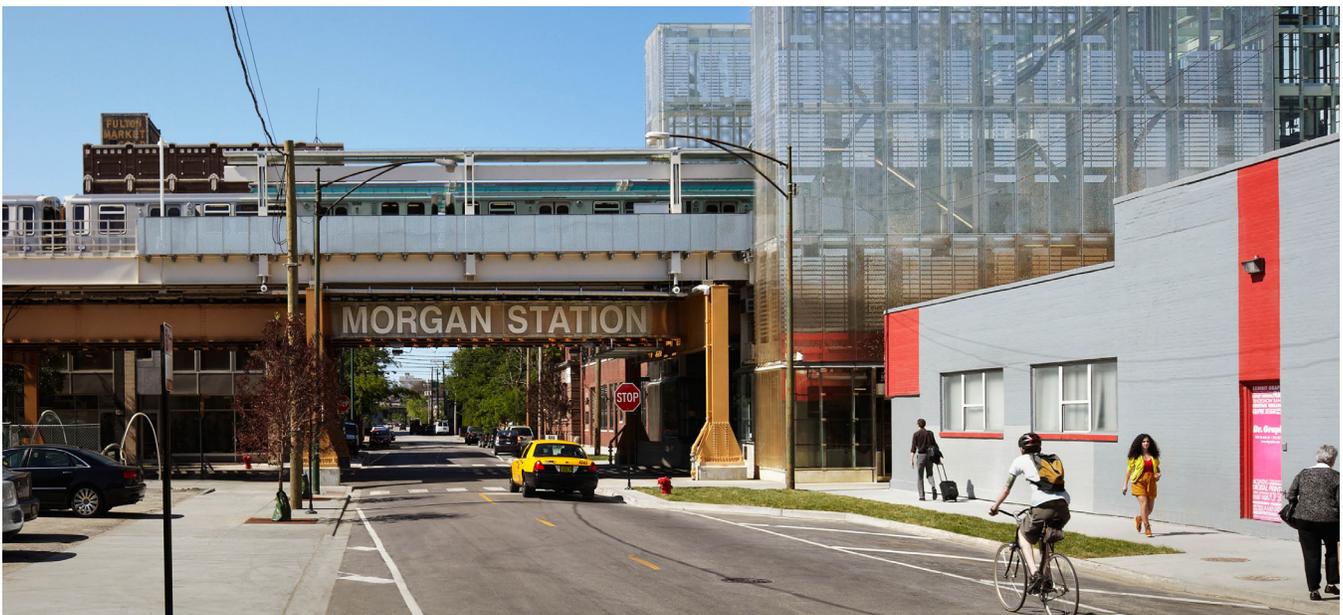
### C1. Improve Access to Opportunities Throughout the City for All Residents

In addition to their neighborhoods, Chicagoans should be able to pursue jobs and entrepreneurial opportunities anywhere in the city and the region. However, many parts of the city do not have the same level of connectivity to the downtown or other large employment centers. Commute times and costs are higher for South and West side residents and digital connectivity is often unreliable. In Austin, on Chicago's west side, nearly one-third of the households did not have internet access at the start of the COVID-19 pandemic. These disparities extend beyond connectivity—in Chicago's lower-income neighborhoods, schools are often under-resourced, workforce training is scarce and young

people have limited exposure to different career pathways. As outlined below, we need a holistic approach to address these disparities and improve access to economic opportunities.

#### Strategic Actions

- Improve connectivity:
  - **Physical.** Build a transportation network that supports equitable access—residents in all parts of the city should have access to safe, convenient, and affordable transportation options. South Cook Fair Transit Pilot program is an example of increasing equitable transit access in a historically under-served area. Recognize that TIF districts are not best suited to direct infrastructure investment where it is most needed; explore alternatives such as the formation of a new public bank.



Morgan Station\*, CTA Green and Pink Lines.

*Credit: Ross Barney Architects*

Safe, convenient, and affordable transportation options—including pedestrian and bike infrastructure, and transit—should be available to residents in all parts of the city.

*\*2015 ULI Chicago Vision Award Winner*

- **Digital.** Recognize high-speed internet as a critical component of modern-day infrastructure, expand equitable access through programs such as Chicago Connected, which is providing free, high speed internet to 40,000 families in need.
- **Social Networks.** Build more inclusive networks for recruitment, procurement, and other business partnerships, to reach workers who have been traditionally under-represented in different professions. Companies should support and help expand existing programs such as HIRE360, Skills for Chicagoland’s Future and ChiBizHub by World Business Chicago.
- Improve access to education and employment services:
  - Increase investment in high-quality education as a gateway to economic opportunity. From early childhood through higher-ed and workforce training, high quality education that includes financial literacy and entrepreneurial training, provides the foundation for economic success.
  - Provide targeted employment services for different age groups including internship opportunities for high-school students and continued education for experienced workers. Many people have untapped skills that if channeled could help them identify new careers. According to recent analysis published in a working paper for the National Bureau of Economic Research, 30 million low- and middle-wage workers without college degrees, have skills that are bridgeable to jobs that pay 50 percent more than their current job. Opportunity@Work is a nonprofit helping workers tap their “unseen” skills to access better jobs.
  - Support community organizations who can disseminate information to residents.

## Equitable Access to Opportunities

### South Cook Fair Transit Pilot Program

The Cook County Department of Transportation, in partnership with the regional transit agencies, Metra and Pace, launched a three-year pilot program in January 2021 to improve transit service and lower costs for the Southside residents of Chicago and Cook County.

By offering up to a 50% fare reduction on Southside Metra train lines and improved service on Pace bus routes, this pilot aims to improve transportation equity for Southside residents who, compared to Northside residents, face longer commute times and spend higher percentage of their income on transportation costs.

### Hire360

HIRE360, a non-profit, connects Chicago’s youth and underrepresented populations with careers in the hospitality, manufacturing, and construction industries. Through recruitment, training, placement assistance, and mentorship, HIRE360 aims to help individuals achieve long-term job stability and growth. In 2020, HIRE360’s inaugural year, more than 1,300 participants (50% Black and 35% Latino) entered the program to become eligible for an apprenticeship.



## C. Increasing Economic Opportunity (continued)

### C2. Encourage Neighborhood Economic Development: Support Small Businesses

Small, local businesses are the backbone of a neighborhood's economy. They help create a unique neighborhood identity, but also importantly, they generate local employment and local wealth. Local businesses tend to hire and source their supplies locally, and therefore, for every dollar spent by customers in local businesses, 68 cents stay within the community compared to only 43 cents for chain retailers<sup>1</sup>. However, small businesses face many barriers and need help to launch and grow—from finding the right space in the neighborhood to navigating city processes for various permits or bolstering their online presence—small business owners juggle many different roles with few resources. Securing lines of credit and loans can also be difficult for

<sup>1</sup> Andersonville Chamber of Commerce. "Retail Attraction and Market Research." Accessed June 30, 2021. [www.andersonville.org/business-resources/retail-attraction-market-research/](http://www.andersonville.org/business-resources/retail-attraction-market-research/)

new entrepreneurs, particularly if they are people of color. Our strategies for supporting small businesses navigate these challenges are presented here.

#### Strategic Actions

- Build a strong infrastructure of small business support services in all neighborhoods:
  - Ensure that all parts of the city have access to strong business support centers by improving and expanding Chicago's Neighborhood Business Development Centers (NBDCs) program. Develop sustainable funding models that allow local business centers to provide consistently high-level of service to local entrepreneurs. Local business development centers with dedicated, professional staff provide valuable support tailored to individual business needs. They can also help create a small-business friendly ecosystem, where neighborhood businesses



Local businesses are key to creating and sustaining vibrant commercial corridors, but they are especially vulnerable to economic downturns and other disruptions. Access to small business support services, including technical and financial assistance, can help them adapt quickly to changed conditions — such as converting parking spaces into dining areas along Broadway Avenue in Uptown.

*Credit: Uptown United*

and residents support each other, contributing to a thriving, full-service community.

- Provide access to data to better estimate and document existing demand. Spending power is often under-estimated in communities of color where a higher percentage of residents are likely to work in the gig economy and cash transactions are more common. This makes it harder to assess true growth potential of businesses, impeding their ability to access loans or other benefits. A more comprehensive approach that includes non-traditional metrics such as ATM withdrawals, which the Mastercard Center for Inclusive Growth used in Pullman, can help paint a more accurate picture.
- Increase access to small business loans:
  - Bolster the capacity of Community Development Financial Institutions (CDFIs). Unlike larger banks, CDFIs are more willing to make small loans (under \$50,000) and evaluate creditworthiness based on metrics such as on-time payment history instead of relying solely on credit scores. Boosting their lending capacity helps foster equity in small business lending because Black and Brown entrepreneurs typically seek smaller loans and are also more likely to have lower credit scores.
  - Encourage larger commercial banks to reevaluate their underwriting criteria to expand small business lending, and to partner with CDFIs and other microlenders to build upon their existing lending platforms.
  - Create a public bank to boost the lending capacity of CDFIs and help close existing gaps in the financial ecosystem, which leave out lower-income and communities of color.

## Bridging Gaps in the Financial Ecosystem

### Bolstering Community Development Financial Institutions (CDFIs)

The Microfinance Impact Collaborative and the Aspen Institute launched the Entrepreneurs Backed Assets (EBA) Fund in December 2020 to create a secondary market for loans originated by community-based micro-lenders, freeing up capital for new lending. The six micro-lenders in the Collaborative make most of their loans to entrepreneurs who have a difficult time accessing credit through traditional channels—75% of their loans are to business owners of color and 61% to low and moderate income business owners. The Fund has an initial goal of purchasing \$50 million in small business loans. Read more about the EBA Fund at [www.ebafund.org](http://www.ebafund.org).

### Role of a Public Bank

Public banks are banks owned by the public through a local, state, or national government that serve as a depository for public funds. Public banks allow cities and other government entities to leverage the power of their deposits, which can run into billions of dollars, to advance public priorities such as increasing homeownership and small business lending, especially in Black and Brown communities who struggle to access credit. Instead of depositing public funds in large, private commercial banks which prioritize shareholder profits, cities/states can deposit their funds in public banks, which can capitalize community-focused micro-lenders or directly finance public infrastructure projects. The Bank of North Dakota, established in 1919, has done that successfully, and while there are few other examples, the public banking movement is gaining momentum across the country. A new public bank in Chicago, designed to fill the gaps in the lending ecosystem rather than replicating existing commercial banking services, can help us move towards a more equitable and resilient future.

## C. Increasing Economic Opportunity (continued)

### C3. Encourage Neighborhood Economic Development: Catalytic Development Projects

Decades of disinvestment has had a devastating impact on many of Chicago's South and West side neighborhoods—areas that were once bustling with activity, are now struggling with population loss and have few businesses to meet the daily needs of residents. Stabilizing and rebuilding these neighborhoods requires a multi-faceted approach that includes encouraging local entrepreneurship (as outlined in Recommendation #C2) as well as focused investment within strategic nodes to create catalytic developments that can help shift the neighborhood's development trajectory. For new developments to have a truly catalytic impact on the lives of residents, they should be developed in partnership with the community.

#### Strategic Actions

- Support community-based organizations that can lead catalytic development projects.
  - Build a strong and diverse team of talented staff and board members. Building community trust and leading redevelopment efforts after long-term disinvestment is hard work and takes time. Therefore, having a strong leadership team at the staff and board level can ensure continuity and long-term project stability.
  - Explore sustainable funding models for community-based organizations that reduces dependence on fundraising and grant applications, allowing them to focus on community and economic development work instead.
- Increase access to capital. Similar to challenges faced by small business owners and smaller housing providers described earlier, accessing capital to finance larger development projects is a significant challenge for community-based organizations on the South and West sides. Our strategies for overcoming these challenges are similar, and are presented below:
  - Utilize non-traditional data sources to better document spending power, which is frequently underestimated in communities of color, leading to lower estimates of growth potential for area businesses and developments. Presenting more accurate and higher demand estimate can make it easier to access loans.
  - Create a platform to better connect catalytic development projects in underinvested neighborhoods with investors focused on ESG (environmental, social, governance) returns to help close funding gaps. The MacArthur Foundation's report "Bridging the Gap" found a significant gap between supply and demand for impact capital in Chicago and identified the need for a marketplace to aggregate investment opportunities to benefit both potential investors and investees.
  - Consider establishing a public bank to help push capital to projects with broad community benefits through CDFIs and other mission-driven lenders.

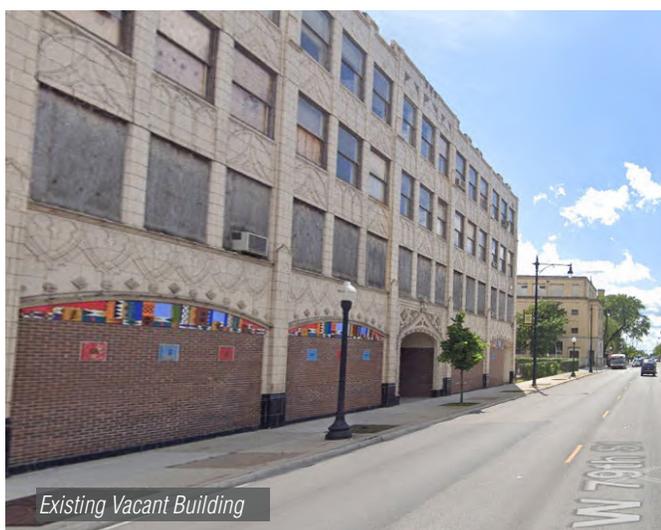
## Community-Focused Catalytic Economic Development

### Healthy Lifestyle Hub by the Greater Auburn Gresham Development Corporation (GAGDC)

The intersection of West 79th and South Halsted streets in the Auburn Gresham neighborhood was once a bustling commercial hub on Chicago's Southwest side. In the early and mid-1900s, retailers, service businesses, and entertainment venues thrived along 79th and South Halsted streets, but today they are defined mostly by vacant or underutilized lots and buildings. The Greater Auburn-Gresham Development Corporation (GAGDC) is leading the effort to revitalize this neighborhood business district with the redevelopment a long vacant, office building into a "Healthy Lifestyle Hub" for the Auburn Gresham community.

This catalytic redevelopment project was identified as a key priority in Auburn Gresham's community-driven Quality of Life Plan, prepared with input from over one-thousand area residents. The Healthy Lifestyle Hub project will complete a gut rehab of the four-story building located at 839-45 West 79th Street, transforming a vacant block into a vibrant community space. The Hub will provide equitable and holistic healthcare access and comprehensive community development services to Auburn Gresham residents while creating over 300 construction and professional jobs. It is a critical first step towards fully realizing the community's vision for a Green Auburn Gresham.

Healthy Lifestyle Hub was part of GAGDC's winning proposal for the \$10 million Chicago Prize, awarded by the Pritzker Traubert Foundation in 2020, in recognition of its potential catalytic impact in revitalizing a predominantly Black community in Chicago's under-invested Southside. Learn more about GAGDC's community-focused economic development initiatives including the Healthy Lifestyle Hub at [www.gagdc.org/839-Redevelopment.html](http://www.gagdc.org/839-Redevelopment.html)



**Healthy Lifestyle Hub Redevelopment. Left: Existing Vacant Building | Right: Rendering of Fully Rehabilitated Healthy Lifestyle Hub**

*Credit: @2021 Google (left) and Greater Auburn Gresham Development Corporation (GAGDC)\* (right)*

*\* The image is based on a screenshot of GAGDC's presentation to the ULI Resilience Initiative task forces in October 2020.*

GAGDC is leading the reuse of the vacant four-story, nearly 60,000 square foot former office building at 839-45 West 79th Street into a Healthy Lifestyle Hub for the Auburn Gresham community. The reuse will involve a gut rehab, but maintain the exterior and the handsome terracota facade of this significant building.

## D. Strengthening Physical Infrastructure

### Transportation, Water, Stormwater, Digital & Energy Infrastructure

Chicago's physical infrastructure should serve all residents equitably—connecting them to opportunity, supporting a healthy lifestyle, and improving the long-term sustainability of our neighborhoods and the city. Below are recommendations for guiding infrastructure policy and investments to achieve these goals.

#### D1. Coordinate infrastructure investment across all city and sister agencies to advance highest priority projects.

Chicago's massive physical infrastructure—hundreds of miles of roadways with underground utilities, trains and buses serving hundreds of thousands of riders every day, water lines, and stormwater facilities—are maintained and operated by multiple city departments, sister agencies and private utility companies. Coordination across multiple agencies can be difficult, but it is critical to achieve efficiencies in operations, prioritizing future improvements, and securing federal funding.

#### Strategic Actions

- Create a new position “Deputy Mayor for Infrastructure” responsible for coordinating investments in streets, transit, water, stormwater, and other major capital projects.
- Work collaboratively across agencies and with the community to develop a pipeline of projects making it easier to secure federal infrastructure funds for high priority projects. Projects should be prioritized based on the following criteria:
  - Equity: Will the investments enhance opportunities for low-income, communities of color and other groups that have faced discrimination?
  - Resilience: Will the investments stand the test of time and allow our neighborhoods to better



La Villita Park\*

*Credit: Chicago Park District*

A 22-acre brownfield site was redeveloped into a vibrant community park improving open space access for Chicago's Little Village and Lawndale residents.

*\*2017 ULI Chicago Vision Award Winner*

withstand shocks from climate change, technological advancements, and health, or economic crises?

- Competitiveness: Will the investments make the Chicago area more competitive and attractive for residents, businesses, and private investment?

## D2. Engage the community in the planning process.

Physical infrastructure is the underpinning of access and opportunity for residents, whether in the form of convenient transit, safe drinking water, or affordable broadband access. Creating an inclusive, meaningful resident engagement process to prioritize community needs and create community buy-in should therefore be an integral component of infrastructure planning.

### Strategic Actions

- Create a consistent process for community input for different types of infrastructure improvements and across city wards.
- Develop culturally relevant engagement methods to elicit meaningful participation from a diverse cross-section of people.

## D3. Create regional hubs across the city: South, Southwest, West, Northwest and North sides.

Infrastructure improvements, including improved transit access, roadways, and bike paths, are often completed as part of mega redevelopment projects. Neighborhoods that cannot attract large developments due to market or other constraints, may lose out on associated infrastructure improvements further exacerbating disparity in access. Creating regional hubs in all parts of the city, with strong transit connections, bike/ped connectivity, and broadband network can help improve equitable access for all residents.

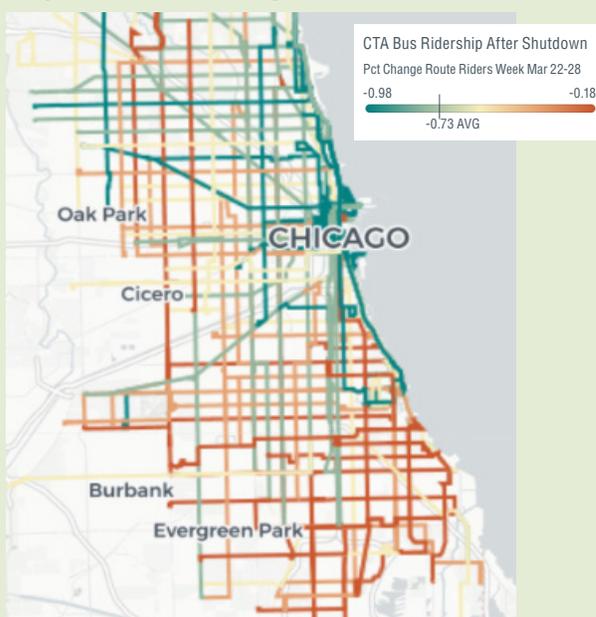
### Strategic Actions

- Create 10-12 hubs across the city with strong transit,

bike/ pedestrian, and digital connectivity that leads to new economic investment and improved access and quality of life for area residents.

- Center hubs around existing community assets such as transit stations, cultural destinations, or employment centers and build upon other programs, including INVEST South/West.

### Equity in Transportation Importance of Strong Transit Access



Percent Change in Bus Ridership from March 2019 to March 2020.

Source: Ramos, Elliott. "MAP: Transit Data Show Which Parts Of Chicago Are Working From Home" *WBEZ Chicago*, May 2020. <https://www.npr.org/local/309/2020/05/01/849092448/m-a-p-transit-data-show-which-parts-of-chicago-are-working-from-home>.

The COVID-19 pandemic, amongst other things, underscored the importance of transit access for Chicago's South and West residents. In the early months of the pandemic, most Chicagoans were working from home and transit ridership was plunging across the city. However, the lowest drops were on South and West side bus routes (shown in red), indicating that many residents in these areas had jobs that could not be performed from home and that they relied on transit to get to work. Bus routes with the highest ridership drops (shown in green) are clustered on the North side.

## D. Strengthening Physical Infrastructure (continued)

### Transportation, Water, Stormwater, Digital & Energy Infrastructure

#### D4. Create a longer-term capital infrastructure plan that builds resilience and promotes equity.

A longer planning time-horizon, such as ten years, with clearly articulated priorities for longer-term, medium-term and near-term capital improvement investments, can encourage forward thinking planning. This is particularly important as we prepare for technological advancements such as autonomous cars, and face growing challenges from climate change impacts such as extreme temperatures and increased urban flooding.

#### Strategic Actions

- Promote innovative use of existing infrastructure to serve multiple functions:
  - Slow streets that make room for all modes of transportation and activities like outdoor dining.
- Stormwater detention areas that function as parks most days.
- Ensure access to safe, reliable and convenient transit in all Chicago neighborhoods:
  - Complete CTA Red Line extension, evaluate closed stations for reopening, coordinate transit supportive investments around stations.
  - Introduce fare-capping, income-based pricing structures to ensure affordability.
- Promote a “One Water” approach
  - Provide access to safe & affordable drinking water by replacing lead pipes, reducing leakage, establish affordable pricing.
  - Reduce fresh-water usage by promoting reuse of greywater and rain barrels.
  - Promote green infrastructure for stormwater



Strengthening Chicago's extensive transit infrastructure to improve equitable access from all parts of the city, is key to a sustainable and resilient future.

management by expanding green alleys, green school yards and Cook County's Stormwater Credit Trading Pilot Program.

- Smart Grid & Decarbonization
  - Invest in smart electric grid and promote the use of community solar. Tie energy efficiency / smart grid opportunities to affordable housing to reduce cost burden on households.
  - Invest in electric vehicle fleets and locate electric charging stations based on equitable principles.
  - Encourage investment in high-speed, reliable and affordable digital network throughout the city.
  - Improve transit access and rethink minimum parking standards, allowing real estate to be used for more productive uses.

## D5. Pursue funding opportunities

- Develop the right package of federal, state and municipal funds to finance infrastructure improvements:
  - When appropriate, utilizing existing federal infrastructure credit programs such as Transportation

Infrastructure Finance and Innovation Act (TIFIA) and Water Infrastructure Finance and Innovation Act WIFIA.

- Like rideshare tax revenue, explore other revenue options such as congestion pricing and parking fees to improve transit infrastructure and service, and alternative transportation modes.
- Prioritize equity in pricing structure for all essential infrastructure: transit, water, broadband, and other utilities.
- Utilize Tax Increment Financing (TIF) in a transparent and equitable ways.
- Consider establishing a public bank to bridge financing gaps.
- Consider public private partnerships that are effective, accountable and have the right balance between public and private responsibilities.
- Leverage land owned by CTA and other public agencies leasing air rights (over certain stations) for development to generate a revenue stream.

## Looking Ahead

The guiding principles and recommendations presented in this report provide a roadmap for building a stronger, resilient Chicago. A city that offers a high quality of life and where all residents, irrespective of the color of their skin or the zipcode of their residence, can thrive. While challenges abound, there are tremendous opportunities to build on Chicago's unmatched assets, especially the strong entrepreneurial spirit and the deep civic commitment of its people, to strengthen Chicago's legacy as a global city.

Implementing many of the recommendations developed by the ULI Chicago Resilience Initiative will require structural change in our way of thinking and conducting business. It will also require all of us to work together—government, nonprofits, private industry, and community members—to build a more equitable, sustainable, and resilient Chicago. We encourage you to join us in this critical work for our city, our collective future.

# Summary Recommendations

A summary of recommendations developed by each task force and how they link to the five common, unifying themes is presented in this section. While we recognize that existing conditions and resident priorities will influence how recommendations are implemented in neighborhoods across Chicago, we've also indicated where substantial progress is possible in the near-term.

<b>Key</b>	People & Equity Focus	Access to Capital	Infrastructure & Connectivity	Policy & Regulatory Framework	Collaboration & Partnerships
	Substantial Implementation Progress Possible in the Near-term	Likely Longer-term Implementation Timeframe			

A. Strengthening Social Infrastructure		Links to Common, Unifying Themes	Timeframe for Substantial Progress
<b>A1. Acknowledge the Role of Systemic Racism</b>			
<b>A2. Support Authentic Community Engagement</b>			
<b>A3. Encourage People-centered, Trauma-informed Planning, Design, and Development</b>			
Support existing programs that are interrupting the cycle of poverty & violence			
Support meaningful visual and performing arts experiences			
Provide community benefits			
<b>A4. Support Human Capital Development in Disinvested Communities</b>			
Near term: Designate a City Hall champion or “Navigator” for smaller projects			
Encourage mentorship programs to help smaller, minority-owned businesses grow			
Longer term: Systemic change to better align City processes with development priorities			
<b>A5. Use an Environmental Justice Framework for Regulating Nuisance-generating Uses</b>			
B. Promoting Housing Diversity		Links to Common, Unifying Themes	Timeframe for Substantial Progress
<b>B1. Preserve and Improve Naturally Occurring Affordable Housing (NOAH)</b>			
<b>B2. Put Vacant Land Back to Use</b>			
Create a transparent and streamlined process			
Make it easier for smaller, emerging developers to participate			
<b>B3. Support Smaller, Community-Based Developers</b>			
Increase access to debt capital			
Increase access to equity capital			
Increase rental subsidies for lower-income households expanding tenant pools			
Create learning opportunities for smaller-scale housing providers			
<b>B4. Support Homeownership</b>			
Focus on managing costs that impact long-term stability of homeowners			
Expand homeownership opportunities for potential new buyers			
Expand access to mortgage lending			
Encourage new forms of homeownership, including shared equity ownership models			
<b>B5. Align Policies and Regulations with Development Goals, Create Accountability</b>			
Embrace greater density, include measures to ensure affordability			
Create accountability to ensure programs/policies are meeting stated, shared goals			
Encourage innovation			

C. Increasing Economic Opportunity	Links to Common, Unifying Themes	Timeframe for Substantial Progress
<p><b>C1. Improve Access to Opportunities Throughout the City for All Residents</b></p> <ul style="list-style-type: none"> <li>Improve connectivity: physical, digital, and social</li> <li>Improve access to education and employment services</li> <li>Explore equitable funding sources for improvements as alternatives to Tax Increment Financing (TIF)</li> </ul>		<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
<p><b>C2. Encourage Neighborhood Economic Development: Support Small Businesses</b></p> <ul style="list-style-type: none"> <li>Build a strong infrastructure of small business support services in all neighborhoods</li> <li>Increase access to small business loans: encourage equitable lending, bolster CDFIs</li> <li>Create a public bank to close gaps in existing financial ecosystem</li> </ul>		<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
<p><b>C3. Encourage Neighborhood Economic Development: Catalytic Development Projects</b></p> <ul style="list-style-type: none"> <li>Support community-based organizations that are leading (or can lead) catalytic developments</li> <li>Increase access to capital: improve access to reliable data that better estimates demand in lower-income communities (which typically have higher volumes of cash transactions)</li> <li>Create a platform to better connect catalytic projects with investors focused on ESG (Environmental, Social &amp; Governance) returns</li> </ul>		<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
D. Strengthening Physical Infrastructure	Links to Common, Unifying Themes	Timeframe for Substantial Progress
<p><b>D1. Coordinate Infrastructure Investment to Advance Highest Priority Projects</b></p> <ul style="list-style-type: none"> <li>Create a new position “Deputy Mayor for Infrastructure” to coordinate across City departments and agencies</li> <li>Develop a pipeline of projects prioritized based on equity, resilience and regional competitiveness</li> </ul>		<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>
<p><b>D2. Engage the Community in the Planning Process</b></p>		<ul style="list-style-type: none"> <li>✓</li> </ul>
<p><b>D3. Create Hubs with Strong Regional Access and Connectivity Across the City: South, Southwest, West, Northwest and North sides</b></p>		<ul style="list-style-type: none"> <li>✓</li> </ul>
<p><b>D4. Create a Longer-term Capital Infrastructure Plan that Builds Resilience from Climate Change and Technological Changes, and Promotes Equity</b></p> <ul style="list-style-type: none"> <li>Promote innovative use of existing infrastructure to serve multiple functions</li> <li>Ensure access to safe, reliable and convenient transit in all Chicago neighborhoods</li> <li>Promote a “One Water” approach</li> <li>Invest in smart grid &amp; decarbonization improvements</li> <li>Invest in high-speed, reliable and affordable digital network throughout the city</li> </ul>	 	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
<p><b>D5. Pursue Funding Opportunities</b></p> <ul style="list-style-type: none"> <li>Prioritize equity in pricing structure for all essential infrastructure</li> <li>Develop the right package of federal, state and municipal funds</li> <li>Consider public private partnerships that are effective, accountable</li> </ul>		<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>

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