Business Location Decision-Making: CHICAGO NEEDS TO PLAN AGAIN

Federal Reserve Bank of Chicago
April 4, 2013

Jon B. DeVries
Director, Marshall Bennett Institute of Real Estate
A New Level of Planning Needed for Growth

- Chicago is not planning well for its future
- Central Area Plan neglected – living on legacy
- A department with 40% cut in budget
- WBC & OECD work incomplete, disconnected
- 10 Years of major change – a lost decade
Population Change, 2000-2010
Demographic Changes

Chicago Population


0 500,000 1,000,000 1,500,000 2,000,000 2,500,000 3,000,000 3,500,000 4,000,000
Immigration and Race

Chicago

Cleveland

Detroit

St. Louis
City Industrial Corridors 2011
EMPLOYMENT DISSAPPOINTING 2002-2010

- Industrial corridors – lost 19,279, or 16.3%
- City – gained 15,569, a modest 1.3%
- Cook County (non-City) – lost 72,080, or 5.7%
- Illinois – lost 35,640, or .6%
- U.S.A. – gained 2.3 million, or 2.1%
- Manufacturing decline unabated – 37,434 in City; 53,761 more in Cook; 187,761 Statewide
The Chicago Central Area Plan
Preparing the Central City for the 21st Century

Draft Final Report to the Chicago Plan Commission

May 2003
Chicago Central Area Plan, 2003
Transit Investment (2009)
State of Planning in Chicago

- Two Mayors, Three Departments, Four Commissioners
- Planning no longer in department name
- 40% less funding & relying on TIFS

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<tr>
<th>Year</th>
<th>Mayor</th>
<th>Planning Department Name</th>
<th>Planning Commissioner</th>
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<tr>
<td>2006</td>
<td>Richard M. Daley</td>
<td>Department of Planning and Development</td>
<td>Lori T. Healey</td>
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<td>2007</td>
<td>Richard M. Daley</td>
<td>Department of Planning and Development</td>
<td>Arnold L. Randall, Jr.</td>
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<td>2008</td>
<td>Richard M. Daley (1989-2011)</td>
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<td>Patricia A. Scudiero</td>
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<td>2009</td>
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<td>Rahm I. Emmanuel</td>
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Debt

City of Chicago, Gross Debt, per capita, in 2010 dollars


$0 $500 $1,000 $1,500 $2,000 $2,500 $3,000
Tax Increment Financing Districts 2011
Planning Matters to Business

• Rebuilding our capacity to plan together: city, private sector, communities

• Systematically establish goals for investment that will sustain and attract business:
  – Transit Capacity
  – Neighborhoods, Immigration, Population Growth
  – Finish Major Plans – Central Area, McCormick, CTA
  – Recalibrate industrial plans to new employment