

September 18, 2024

Chicago City Council
City Hall, 121 N. LaSalle St.
Chicago, IL 60602

Dear Members of the Chicago City Council:

Metropolitan Planning Council (MPC), a 90-year-old independent, nonprofit policy and planning organization dedicated to building equity in the built environment, submits this written testimony in support of the amendment of Municipal Code Chapter 16-18 to adjust Open Space Impact Fee (OSIF) costs and schedules. We believe this amendment will strengthen and preserve park funding resources and help Chicago accommodate growth.

MPC recognizes public open space as key infrastructure in supporting vibrant, sustainable neighborhoods. As new development comes online, it is critical the City maintains mechanisms to sufficiently invest in neighborhood amenities to support growth. Since the institution of OSIF in 1998, there has been no adjustment to fee amounts, substantially eroding the value of this revenue source to invest in park and recreational facilities. As detailed by the Trust for Public Land's Park Score, Chicago's investment in parks per-capita lags peer cities Washington D.C., Seattle, and San Francisco by 70% to 170%, while the ratio of Chicago's park acreage to overall land area lags New York by half. Given these disparities, strong revenues for investments in public open space are crucial.

Following MPC review of six large peer cities and six local jurisdictions, there are key gaps in Chicago's OSIF program, some of which are addressed by this ordinance. Chicago's fee amounts notably trail national peers like Los Angeles, Miami, and Phoenix, and the ordinance's proposed increase to base fees will bring us in line with our peers. Alongside more proportionate fees, many jurisdictions include regular adjustments to their fees based on economic factors. The ordinance's addition of inflation-based adjustments to Chicago's fees will prevent the corrosion of dollars for parks which has occurred since 1998.

MPC supports these changes but believes more can be done to improve OSIF. In contrast to large and local peers, Chicago's program does not include strong statutory links to planning or a targeted fee formula advancing city priorities. Large peers have requirements for annual reporting, synchronization between fees and capital improvement programs, and regular program review, elements Chicago should emulate. These requirements ensure fees adequately match capital needs while providing transparency around spending. Further, Chicago's fee structure could be improved by increasing the assumed open space per-capita ratio and refining exemptions. Currently, Chicago's open space ratio for fees sits at 2 acres per 1,000 people, in comparison to 2.5 acres per 1,000 in Los Angeles. Most peers have similar affordable housing exemptions, but some include exemptions to support more equitable development patterns, such as modified fees for target geographies. We encourage City Council to explore how development-related fees align with City priorities.

The proposed amendment advances the City's continued efforts to ensure all neighborhoods have robust, well-resourced open spaces. MPC offers support for this proposal and invites you to reach out with any questions.

Sincerely,



Kendra J. Freeman
Vice President of Programs and Strategic Impact

Board of Governors

Chair

Paul C. Carlisle •

Vice Chair, Immediate Past Chair
Melissa Washington •

Vice Chair, Development
Kyle Barnett •

Treasurer

Ramiro J. Atristain-Carrión •

General Counsel
David Williams •

Meena Beyers •
Christopher B. Burke
Eileen Chin

Lester Crown
Polly Eldringhoff
Nedra Sims Fears
Manuel Flores •

Alejandra Garza
Janet R. González Tudor
Linda Goodman
Laritz Lopez
James E. Mann

Erica Marquez Avitia
David Mook
Daryl Newell
Sameer Patel
Julian G. Posada •

Elle Ramel
George A. Ranney, Jr.
Matthew R. Reilein •
Robert G. Reiter, Jr.

Alana Ward Robinson
Carol Ross Barney
Unmi Song
Bruce W. Taylor
Michael A. Thomas

Jessica Droste Yagan •

Interim President & CEO
Chris Conley •

Executive Committee •
Executive Advisors

Carol L. Bernick
Polished Nickel Capital
Management LLC

John Bucksbaum
Bucksbaum Properties, LLC

Jonathan C. Bunge
Quinn Emanuel Urquhart &
Sullivan, LLP

David Casper
BMO Financial Group

Robert M. Chapman
CenterPoint Properties

Keating Crown
Sterling Bay

Marsha Cruzan
U.S. Bank

Robert Frentzel
CIBC U.S.

John S. Gates, Jr.
TradeLane Properties, LLC

Nancy S. Gerrie

J. Marshall Peck
InterPark Holdings LLC

Mark G. Sander
Old National Bancorp

Katherine M. Scherer
Deloitte LLP

Scott Swanson
PNC Illinois

Stephan B. Tanda
AptarGroup, Inc.

metroplanning.org