Planned Manufacturing Districts: How a Community Initiative Became City Policy

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It's August 1988 in Chicago, and it's sweltering in the gym at Christopher House. Well over two hundred people have gathered for a public hearing on the proposed Clybourn Corridor Planned Manufacturing District. Every person I don't recognize makes me nervous, so I'm nervous as hell.

The proponents are hopeful that Chicago's first Planned Manufacturing District (PMD) will emerge from this community hearing ready for passage—first by the Chicago Plan Commission and then by the city council. The opponents are hoping for a minor miracle. The press is here—TV cameras and all. A front-page article this morning in the *Chicago Tribune* lambasted the PMD as ill conceived, politically motivated, and lacking manufacturing support.

Those of us in the middle of the issue know that the support base is strong, diverse, and well organized. It crosses most of the political barriers that plague Chicago. But we've been through a lot; we know where the pitfalls are and that anything can happen.

Harold Washington has been dead for nine months. Eugene Sawyer is now the acting mayor. Alderman Marty Oberman, a Washington ally, whose support signaled the start of the PMD development process, left office more than a year ago. The candidate he endorsed as his successor lost the election. Edwin Eisendrath, often an opponent of Harold Washington, is now the alderman of the 43rd ward. Rob Mier has been replaced by Timothy Wright as commissioner of the Department of Economic Development (DED) and Bob Giloth, who nurtured the PMD within the city bureaucracy as deputy commissioner of DED's Research and Development (R&D) Division, has moved to Baltimore. Now, Greg Longhini, in the Department of Planning, is the point person. The PMD hasn't died. It has survived a lot of change and has actually improved along the way.

It was five years ago that the first proposal to convert a manufacturing building in this area to residential lofts was approved. Within just a few months, three or four additional zoning changes were requested for other

industrial properties in the Clybourn Corridor. Surrounding manufacturers raised concerns about their future if additional zoning changes and conversion proposals were approved. A clear city policy and an area-wide solution were needed. Case-by-case consideration of zoning changes was discouraging continued manufacturing investment, causing lengthy land use battles, and doing nothing to discourage speculation and rapid increases in the cost of land.

The PMD concept was originally created to address the displacement concerns of these Clybourn Corridor industries. It was designed to ensure that certain manufacturing-zoned areas like the Clybourn Corridor would continue to be used for industrial purposes despite upscale residential and commercial development pressures. It was also designed as a flexible zoning tool. Each PMD will specify what types of land use changes, if any, will be allowed, where, and under what circumstances. These rules assure manufacturers in the district that new development will be compatible with their operations. Like the Clybourn Corridor PMD, additional districts will be constructed to address the unique land use questions facing that area.

This hearing has been a long time coming. Commissioners Elizabeth Hollander (Planning) and Timothy Wright (DED) preside over it together. I know that this, in and of itself, is a major success. No deputy commissioners running this one—it's too important. The PMD is not yet the law, but it is city policy. Their presence is also an important signal. Both departments own the PMD now. This display of unity and cooperation was years in the making.

Alderman Eisendrath speaks first. I've already read his testimony, so I know we'll be off to a good start. He summarizes the four-year effort to preserve the manufacturing land in the face of development trends that threaten to replace the existing industrial base with upscale residential, office, and retail uses: "Over the past year, I've felt like a marshal in the Old West presiding over a range war. Some people want to farm; others want to run cattle over the land. We've gotten past that speculation, but now it's a question of balance." Eisendrath goes on to explain why the PMD is important and why it has his strong support.

His testimony is followed by workers, union officials, manufacturers, community organizations, residents, and real estate developers and brokers. The vast majority speak in favor of the PMD.

"Preserving the industries here (in the Clybourn Corridor) is one thing that workers and companies can agree on," says a Black union vice president.

A Hispanic area resident and worker says:

> I used to have a $75 apartment in the . . . area and I walked 1½ blocks to my job. . . . That $75 apartment is now $1700 and the job where I

had a good union wage is now a condominium. . . . The choice is this: working at a good manufacturing job or working at a service industry job to get McDonald's wages. I'm for protecting manufacturing and protecting jobs.

Another area resident makes the arguments of the wealthier white opponents, "I cannot be an enthusiastic supporter [of the PMD]. It's environmentally questionable . . . and there are no tax studies to demonstrate that residential development wouldn't outweigh the tax revenues from heavy manufacturing."

His arguments are countered by a wealthy white supporter: "Our city cannot survive as just a service economy, as just a consumer economy. We don't see industry at odds with residential Lincoln Park. Most opposed [to the PMD] are those who say, "When I get out of the city, I want to make my bucks so I can build elsewhere."

Our guys are doing great! A commercial developer testifies on our behalf. He was "converted" earlier in the summer and has helped us enormously with the other developers and retail businesses. The president of the largest and heaviest industry in the Clybourn Corridor, a steel mill, explains: "Our workers average $40,000. . . . We're a heavy, hot industry, but we've been a good neighbor. We'd like to be here for another 100 years, but we need certainty. We need stability to plan."

Another industry owner states his opposition to the PMD. "Someday when we want to leave, all this [the PMD] will do is keep our property values low." A third owner counters, "I'm a firm believer [in the PMD]. I disagree with . . . my neighbor. I think [he's] looking at the holy buck." A fourth owner sums it up this way: "I didn't move into Clybourn thinking it would become condo row. When I moved there, people thought I was crazy. Now, I'm considered visionary. To people who don't want to live near factories, I say, 'Don't move there.' We were there first and it's zoned for that [manufacturing]."

I'm really proud of these guys. They were all afraid to speak in public two years ago. When my turn to testify comes, I aim straight for the reporter who's front-page story that morning enraged and energized us. I'm sick of the biased way that the *Chicago Tribune* has covered this issue. It has the power to shape public opinion, and I wish it would be more accurate, if it can't be supportive. So methodically, fact by fact and point by point, I refute his article. Everyone knows who I'm talking about, and he's in the audience squirming. There have been a lot of things during the long process that have made me angry, but none have made me angrier than his article.

I miss the next testimonies because the reporter and I are embroiled in a heated exchange in the back: I'm talking about the responsibility of the press to be accurate and to represent issues truthfully, and he's telling me that I'm naive—"It's controversy that sells papers, not harmony." One of

my staff comes to tell me to cool it. I look up. All eyes are on us. We part company.

Then comes the testimony we'd hoped for. An opponent whose outrageous statements make us look all the more responsible. She introduces herself as a "resident," neglecting to mention that she's also a real estate broker: "The manufacturing district here started 100 years ago. Things change. . . . We can't legislate what works for people. . . . If Finkl (Steel) needs to be protected, draw a line around *him* and make him a zoo—show our children how steel is made." Even the opponents tell her to sit down.

The former alderman, Oberman, who has stayed closely involved, finishes off the hearing: "We are breaking new ground here. . . . Old zoning tools did not seem to be working. We here in Chicago are setting a pattern for the whole country. Look on it as a pilot program. . . . We've worked on it over four years. Now it is time to put it into effect."

Two months, two more hearings, and a few days later, the Clybourn Corridor PMD was passed into law, unanimously and without fanfare in an omnibus bill, by the city council. This was the first time that I really felt like celebrating.

The Context

Establishing the Local Employment and Development Council

The concept of industrial displacement began as an attempt to make sense of our observations in the field, grew into a community issue, and then into an accepted cornerstone of Mayor Washington's economic development policy. This process was exhilarating and exhausting, inspiring and frustrating. Mostly it was a roller coaster ride and a lot of hard work. It wasn't planned—it evolved. It was only sort of what I'd had in mind when, fresh out of MIT's Master's program in city planning, I started the Local Economic and Employment Development (LEED) Council as a unit of the New City YMCA in 1982. It was the last year of Mayor Jane Byrne's administration.

Before graduate school, I helped run youth advocacy and employment programs for the local YMCA. Frustrated by the social service approach that helped people but never addressed the more fundamental problems in the community, I left to study community and economic development at MIT. The New City YMCA was built during this time, replacing an old YMCA and expanding its constituencies and services. Community development was to be a key component of the new "Y."

The director of the New City YMCA asked me to put together my ideas about what types of community economic development activity could be done from a YMCA base. Ultimately, I wrote my Master's thesis as an answer to his question and was hired to implement it. I knew the area, understood economic development strategy, and had figured out how to get started. I had no idea what would evolve.

I started by convening a nine-month planning process that brought together large and small manufacturers and community groups to look at the economic development needs of the community and what could be done to address them. It was a diverse group, including public housing residents from Cabrini–Green, managers from Montgomery Ward and Procter & Gamble, settlement house staff, and owners of small companies. This group operated on the basis of unanimous consensus throughout the planning process.

This diverse group of planners was convened in order to get people working together who had never even talked to each other before. Most community economic development organizations either were started from the business community *for* the business community or were started from a low-income residential base *for* that base. I was trying to create a hybrid by bringing the businesses and low-income residents together from the start. The interests of the low-income residents and the manufacturers, while not necessarily the same, could (I hoped) complement each other. A potential employment link existed between the residents and the manufacturers. And by working together they might be able to counter the mounting displacement pressures that threatened both communities.

The LEED Council's goals, determined by this planning group, were consistent with this underlying strategy: retain businesses and jobs; provide employment opportunities for residents; create new jobs and industrial development; and support efforts to create new housing options for low-income residents.

The Community

These goals reflect the conditions in the larger Near North River Industrial Corridor. The corridor, located along the Chicago River, stretches for about 3 miles just north of Chicago's downtown. It includes Goose Island and the Clybourn and Elston industrial areas. Covering parts of three wards, it contains a total of 30,000 mostly industrial jobs representing all major categories of manufacturing activity. Despite years of job loss and neglect by the city, it's still a strong manufacturing area.

The goals also reflect the dynamic between the industrial corridor and the bordering communities. Cabrini–Green is a large low-income public

housing development. Lincoln Park is one of the wealthiest residential communities in Chicago. West Town is a neighborhood of predominantly working-class Hispanic and Polish residents who are rapidly losing ground to new, wealthier white residents. And River North, formerly a manufacturing area, is now a chic commercial, office, and residential area next to Chicago's downtown. Pressure from upscale retail, office, and residential development is converging on the industrial corridor, Cabrini–Green, and West Town from both Lincoln Park and River North.

Getting Started

The planning group felt that industrial retention should be the initial focus of the LEED Council's work since, no matter how successful we might become, we'd probably never create 30,000 new jobs. They also agreed that our industrial retention work had to benefit area residents through increased local hiring. The other goals would be phased in later as this basic strategy was implemented.

I began an "industrial advocate" service, meeting with companies to find out what their problems were and trying to help solve them. In 1983 the Byrne administration agreed to support our industrial retention work through a $14,250 contract, which increased our access to the city departments. Some companies viewed this city connection with suspicion, whereas others felt that it increased our credibility. The contract eventually allowed us to hire another staff person and increase our contacts with companies.

In addition to assisting individual companies, we also began to organize them to take collective action. Our first organizing efforts focused on obtaining infrastructure improvements. We were lucky: the planning had already been done on a number of industrial street improvement projects, but the funding had never been allocated. When Harold Washington was elected mayor he began funding these repairs. Our organizing successes came quickly—and they were literally in concrete.

During this early period I joined the Community Workshop for Economic Development (CWED), a coalition of organizations involved in community economic development. I hadn't worked in community development in Chicago before, and CWED offered me a chance to meet people in the field. When the Washington campaign started, some of the people involved in CWED asked me to help write *The Washington Papers* on jobs and economic development. The process was an exciting one and helped me understand the relationship between various city policies and what the LEED Council was trying to accomplish.

The Washington Papers and CWED's early work looked at issues of em-

powerment and economic development together. Those involved were looking for ways to democratize the development process and widely distribute the benefits. This was expressed in the concept of "balanced growth," which meant balance between economic sectors and between neighborhood and downtown development. Our work also began to redefine economic development. Until this point economic development and real estate development were considered synonymous. When *The Washington Papers* moved the issue of jobs—numbers of jobs, the quality of jobs, and jobs for whom—to the front burner, the differences between real estate development and economic development became apparent.

The Industrial Displacement Issue

The LEED Council developed the industrial displacement issue within the institutional and community context described above and finally in the larger citywide policy arena. This process involved several steps: (1) organizing companies to oppose zoning changes, and conducting research to understand and define the problem; (2) creating the PMD concept; and (3) developing enabling legislation. Throughout, we needed to manage the community process that developed the PMD proposal, and build the community and citywide support bases needed to enact the proposal into law.

The Organizing and Research Stage

In 1983, about a year after the LEED Council was started, the first zoning change was requested for a residential conversion on Clybourn Avenue. Up until that point Clybourn had been an industrial street. We organized the companies near the proposed Clybourn Lofts and went to the hearings. The developers were very convincing. They argued that their housing was for artists and others who liked the idea of living in a manufacturing environment. As a concession to the manufacturers, the loft purchase agreements would indicate that the buyer understood this was a manufacturing area. Since the residents would be there at night, security would improve. And, because residents vote, the streets would get fixed. Finally, they argued that there was no other use for this vacant, multistory industrial building. So we agreed to the conversion.

However, a couple of months after the first occupants moved into the development, companies began receiving complaints and three or four additional zoning changes were requested. Development hit the area at a

startling rate, and before long every building on the market was "priced for conversion" to residential, office, or retail use—not for manufacturing.

The LEED Council continued talking to the manufacturers, going with them to hearings on proposed developments, and trying to get a handle on the phenomenon, which we ultimately called *industrial displacement.* We learned that, contrary to popular opinion, many companies did not want to leave the area. We began to understand how industrial displacement happens. Then, we started explaining what we were learning to others. The idea of industrial displacement was not easily accepted. The prevailing view was that all industry *wants* to leave the city and that Chicago would inevitably have a service-sector economy because all manufacturing is either dying or dead. Nobody had thought about industrial displacement as a *cause* of job loss or relocation.

From our vantage point, the city government was pursuing contradictory policies. On the one hand, the administration wanted to retain the manufacturing base here and was funding industrial street improvements, company expansions, and the LEED Council. On the other hand, it was granting zoning changes from manufacturing to other uses without question and destroying the future of manufacturing in the area. These zoning changes were creating a new dynamic. Manufacturers could no longer afford expansion space, and new manufacturers couldn't move into the area. Investors were buying property and holding it until redevelopment arrived at their doorstep. Then they would sell it for other uses at higher prices.

In the Near North River Industrial Corridor, industrial land sold for $6–9 per square foot. For retail use, it commanded $12–20. For residential use, the price was as high as $40. Manufacturers could not compete in the office, retail, or residential markets. As change continued, they faced growing operational problems and conflicts with their new neighbors.

For example, manufacturers operate under performance standards. A manufacturer next to other manufacturers operates under one set of standards for noise, vibration, odor, etc. If a manufacturer is located next to a business-use site, it operates under another, more stringent set. And a manufacturer next to a residential-use site operates under yet another *more* stringent set. So, for example, a steel mill in Lincoln Park that has been operating for a hundred years under the "manufacturing next to manufacturing" standards can suddenly, if a zoning change is granted, find itself in violation of the law. In the case of the steel mill, it's technologically unfeasible for it to meet *either* of the other two standards. In other cases the standards can be met but the company incurs increased operating costs that its competitors in other manufacturing areas do not have to assume.

Uncertainty became another major problem. More and more companies in the industrial corridor were afraid to continue investing here. Investments in maintenance or expansion could be foolish if, in six months or five years, incompatible uses were developed next door. Major capital invest-

ments take years to pay for themselves. A stable industrial environment is a requirement for capital investments to take place.

As we worked with the companies, the causes of industrial displacement became more clear and zoning fights were consuming more and more of the LEED Council's resources. We needed a strategy to *solve* the problem, because we couldn't continue fighting zoning changes on a case-by-case basis. We might win battles, but eventually we would lose the war because we couldn't create a stable industrial environment. One by one companies would leave. We had to get to a point where we could propose a solution.

The idea of industrial displacement got its first positive reception from the R&D Division of DED. Bob Giloth, the deputy commissioner, had worked in Pilsen, another community near the downtown area, and had encountered the same issues there. Other colleagues in community development, with less direct experience of the same phenomenon, were harder to convince and tended to question our observations rather than support our efforts to understand the process. I was very frustrated by this, because although I had expected it to be difficult to convince others, I had counted on support from our friends. So, I began working just with the R&D Division to conduct research on industrial displacement. The purpose of the study was both to understand the issue better and to give the issue credibility.

We worked on the study for a long time exploring what had happened to companies displaced by redevelopment from River North and projected what could be expected in the Goose Island/Clybourn areas. The work was split between LEED and the R&D Division. Later the Center for Urban Economic Development at the University of Illinois at Chicago (UICUED) joined the research team. UICUED's role was to find out if other cities were experiencing the same phenomenon and what they were doing about it.

I was scraping together the staff time to do the research whenever I could. Our city contract did not include funding to do research. The Field Division of DED, which monitored our city contract, tolerated the industrial displacement work but didn't recognize it as part of our industrial retention responsibilities. It didn't fit into their categories, and initially they were angry that I was working directly with another division of DED. They required delegate agencies to access other divisions through them. To me community empowerment meant that community groups were equal players and should be allowed to access DED's resources the same way that everyone else did—directly.

Building a Solution: The PMD

When the first draft of the research paper was complete, we sent it out for review. One copy went to Marty Oberman, the alderman in the 43rd ward,

where most of our zoning battles had occurred. He was beginning to understand the issue and was concerned about having to face continuing battles with no policy guidance from the city administration. Fortunately, right before we finished the first draft of the research, two things happened to underscore the magnitude of the problem in his ward:

First, a new residential conversion was proposed, but it faced opposition by a number of companies. The developer argued that residential was the only viable use for the building. But an industrial broker had informed us that an industrial bid had been made for the property. Armed with this information, we went to the hearing, and the alderman agreed to give us three weeks to produce an industrial bid. If we could produce such a bid, he wouldn't support the zoning change. When we found a suburban company that wanted to relocate to the area, the developer withdrew his request for a zoning change and developed the property with commercial and office uses allowed under the existing zoning. Nevertheless, we had proven to the alderman that an industrial market did exist in the corridor—even for multistory loft buildings.

Second, one of the companies closest to the redevelopment (who subsequently did leave the area) contacted Oberman. The owner explained in detail how the redevelopment was affecting his company and why he couldn't operate in the corridor much longer. This company employed 150 people and had been located in the area for years. The phone call made an impact. When Alderman Oberman received the research draft, he decided it was time to do something about the problem. He called a moratorium on zoning changes in the industrial area until a solution could be developed. Then he asked LEED, the city government, and his staff to come up with a solution.

At this point DED's role changed significantly. Until Alderman Oberman came on board, the industrial displacement work was an interesting idea being nurtured in the bureaucracy. But the administration wasn't really committed to the issue, and it did not take any real risks until that first alderman supported our work. This was the major turning point. Oberman gave the issue the legitimacy that provided the security needed for the city to proceed with the next steps. This was in early 1986, two and a half years after the first conversion on Clybourn.

In January 1986, at Alderman Oberman's request, we began to develop a solution to the industrial displacement problem in our area. We held meetings with the companies and developed a manufacturing district that would protect the industries. These meetings were significant for three reasons: First, the companies involved in the process began to feel as though they shared ownership of the solution. Second, a split developed between those who wanted to stay in the area and those who wanted to sell their properties at the highest (nonindustrial) price and leave. Third, the alder-

manic office, R&D staff, and Planning Department staff involved in the process had their first significant contact with the companies and heard, first hand, about the problems they faced. This helped to cement our credibility and strengthen support in the government.

During the first nine months of our work on the PMD concept, industrial displacement was still viewed as a local issue. One zoning case emerged in the 42nd ward, and the first case occurred in the 32nd ward, further north on Clybourn. But both were in the larger industrial corridor that forms our service area. Nonetheless, the city government's involvement with industrial displacement changed dramatically during this time.

Up to this point, zoning changes were left to the discretion of the local alderman. In September 1987, the LEED Council was contacted by the Planning Department about a rezoning requested for Goose Island (located in the neighboring 42nd ward). The developer wanted to convert a multistory industrial building zoned for heavy manufacturing use to a mixed-use, work/live development called "River Lofts." Plan Commission approval was needed because of the river frontage. The alderman and the commissioner of economic development had apparently given the green light to proceed with the plan months before. When we discussed the proposal with the manufacturers on Goose Island and found strong opposition, a protracted nine-month battle ensued. After a series of hearings, the administration decided to support the industries. The alderman, who generally supported the administration, wanted the development approved. The Planning Department was charged with conducting negotiations between the developer, the local industries, and the LEED Council to reach a compromise. As a result of these negotiations, the development proposal was modified somewhat to address the company's concerns and the alderman agreed to support passage of a PMD on Goose Island to ensure its industrial future.

The River Lofts situation was significant for a number of reasons. The city government began to realize the implications of pursuing the new industrial displacement policies it had helped to create. For the first time it took significant risks to move the policy forward. The LEED Council learned what it took to provide enough community support to reduce the city's risks. And, through the negotiation process, the Planning Department, which had remained skeptical, became convinced that industrial displacement was really a problem and warranted its serious consideration.

Both the River Lofts case and the Clybourn Corridor PMD proposal, which had been approved at a community hearing in January 1987, received media attention. This broadened awareness of industrial displacement. As people began to hear about it, they also began to *see* it. Industrial displacement cases began to surface in other neighborhoods—

one in Back-of-the-Yards, and some further north. Industrial displacement had occurred before in Chicago, in places like Printer's Row and River North, and it was currently happening in other parts of the city. But until it was defined, it wasn't seen. Confirmation of the problem in other communities helped our legitimacy. It also added a year to our work.

The Enabling Legislation

As industrial displacement became obvious in other Chicago neighborhoods, we realized that we should be creating a tool that could be applied in other communities as well. We decided to draft the enabling legislation for the PMD to allow the creation of many districts; *then* we would go back to pass legislation for the Clybourn District. As a result, we went through the process of developing the Clybourn Corridor PMD and obtaining community approval *twice*. Too much time elapsed between the alderman's community hearing in January 1987 and passage of the PMD enabling legislation in April 1988. Furthermore, passage of the Clybourn Corridor PMD had to follow the rules now set forth in the enabling legislation. In October 1988, the Clybourn Corridor PMD finally became law.

This was a period of a lot of change and frustration. In April 1987, Alderman Oberman was replaced by Alderman Eisendrath. Almost immediately after Eisendrath took office, the Law Department staff, which had been consulted early in the process, decided that the structure of the enabling legislation was unworkable, but they let our revision sit in their offices for four months without comment. In August 1987, Bob Giloth, who had been the key city staffer pushing the PMD through the bureaucracy, moved from Chicago. Subsequently, the R&D Division that nurtured the PMD from its infancy shrank considerably. One of its staff, Greg Longhini, moved over to the Planning Department, a recent PMD supporter, to assume the main PMD staffing responsibilities. Finally, Rob Mier left DED for the Mayor's Office and it took considerable time for a new commissioner to be named. In the meantime, DED was severely understaffed.

The Law Department finally completed its review of the enabling legislation in September 1987. After a series of meetings it was finally ready for city council submission. Then, three weeks after Mayor Washington toured our service area and announced his support for the PMD, he died. Acting Mayor Eugene Sawyer was elected by a raucous and divided city council. At this point, the enabling legislation was finally ready to go—almost two years after Alderman Oberman had requested a solution. The newspaper, commenting on the fate of Washington's policies, reported the PMD to be "hanging in the balance." I had no idea what would happen. I couldn't believe how easily years of painstaking work—putting all the right pieces

in place—might fall apart. Even if we would ultimately succeed, it would take months more of effort and energy to put all the pieces back in place.

The Ingredients of Success

However, the PMD didn't die with Harold Washington. It survived all the changes and actually improved along the way. The main reason for this was that, quite simply, it wasn't Harold Washington's PMD. He didn't publicly support it until three weeks before his death. By that time, stakeholders included not just the administration but also the companies, the alderman, community organizations, workers, and many others.

The Administration

The Washington administration made it possible to develop the PMD, but it originated in the community. Parts of the administration wanted to support it and took stronger and stronger steps to do so as we were able to produce the expanded bases of support that minimized the risks of each step. Other parts of the administration were dragged along kicking and screaming by those who were supporters. The policies established in *The Washington Papers* and then "Chicago Works Together," I and II, the city's development plan, were held over the heads of the bureaucracy more than once to induce cooperation.

The role of the supporters in the administration was to coach us, help us, and give us legitimacy when they could, and to pave the way in the bureaucracy to take each successive step. Our role was to know our community, know what was needed, and to build the base of support that could keep the process moving. We made the policies real. Our agendas and priorities didn't always match, and there were many tense moments along the way.

The Companies

Once the decision was made to develop enabling legislation and build a citywide tool, we had to build a broader base of support for the PMD. The company managements remained the critical spokespeople in the process and were more and more important in the process as it went along. They were the people who gave the issue validity. I could explain the problem,

but until real, profit-making manufacturers who wanted to remain in the industrial corridor spoke up, much of the public was skeptical.

The companies played a key role. Getting them involved in public processes and helping them articulate the issue was no small task. We did succeed in building leadership among a core group of manufacturers, and over time they became the key spokespeople about the issue. For example, until 1986, nobody had heard of A. Finkl and Sons. At Alderman Eisendrath's urging, they hired a public relations firm and ultimately assumed a high profile and a leadership role in the community. Finkl's public relations firm was also instrumental in lining up experts in the field to do research and to testify in support of the PMD. By the time the PMD passed, Finkl was a household word in Chicago's economic development circles.

The Alderman

Alderman Eisendrath was critical to the success of the process. He understood the public relations aspects of the issue and used this knowledge to help overcome the negative perceptions about the PMD and its policy implications. He helped make it a mainstream issue. Eisendrath wanted the PMD to be more than right, he actually wanted it to be elegant—and succeeded in improving it markedly. Finally, it was his leadership that kept the PMD alive in the confusion after Mayor Washington died.

Community Organizations and Coalitions

As other community organizations and business organizations began to see this problem in their communities, they began to help broaden the issue, each in their own way. Both of the citywide coalitions of community economic development organizations found ways to support and further the issues underlying the PMD. The Chicago Association of Neighborhood Development Organizations (CANDO) initiated the Securing Older Buildings Project to identify other techniques to control land use and to explore ways to reuse older industrial buildings for industrial purposes. CWED began a Local Development Issues Working Group, designed to help other groups address development issues in their communities.

The community groups supporting the PMD were a diverse lot. They were from white ethnic neighborhoods, poor minority communities, and manufacturering areas. Ultimately every community group in the wealthy Lincoln Park neighborhood bordering the Clybourn Corridor PMD supported its passage.

Workers and Unions

We also developed strategies to involve workers in the issue. A small study that we conducted with five companies on Goose Island indicated that their 385 employees came from all 50 wards of the city. We asked the companies to have their employees write their aldermen (city council representatives). We also began to develop some connections into the unions, through the companies that supported the PMD, through the city government, and later through community groups that had union and worker contacts.

The Press

Another critical role was played by the press. There were a few friendly reporters and editors who helped enormously. In particular *Crain's Chicago Business* played a crucial role in educating the public about the issue and why it was important. Its staff wrote a series of editorials and a number of articles that supported the issue. They kept the PMD in the public eye at critical times. The *Reader*, the *Booster*, and a number of other smaller publications also played important public education functions. The two major Chicago newspapers, on the other hand, tended to look for and cover any controversy related to the issue rather than playing educational roles.

The Results

Building this base that spanned different interests provided new ways to influence the support of others. It offered a wider range of options. When we were trying to change the *Chicago Tribune's* editorial position, we could now send people that they might listen to more readily than others. So, one by one and piece by piece, different groups came on board and the base expanded.

Once the enabling legislation was ready and the support base was lined up, Mayor Washington finally came out and said, "Okay, I'm behind this." I was angry about his public silence for a long time. He could have saved us a lot of frustration and energy by legitimizing the issue earlier. Valuable time was lost. But, when he died, I was glad he *hadn't*. He forced us to do our homework and to build the base needed to make the initiative credible on its own.

As I now see it, we might well have gotten the enabling legislation and the

Clybourn Corridor PMD passed earlier with Mayor Washington's backing, but it wouldn't have been a process that changed economic development thought in Chicago. And it might not have found the common ground that brought so many different interests together. In the long run this loose coalition that joined together in support of the PMD may prove to be the PMD's most important by-product. Relationships were formed that could be critical to addressing other important issues related to Chicago's economic future.

Conclusion

The Planned Manufacturing District evolved out of a community process. We felt our way along; I had certainly never done anything like this before. We simply began to see and then to address a local issue. We had no master plan and no idea that our PMD work would lead to major city policy changes or spawn related work in and out of government.

Just what has and what has not been accomplished as a result of our work will be more clear in the years to come. Our success will be measured by whether the two additional PMDs needed in the Near North River Industrial Corridor are designated, by what happens to the industries and jobs in the PMDs, and by whether we can provide the manufacturers with the supports needed to complement the PMDs. It will also be measured in terms of whether the coalition that came together around the PMD stays together even if the political climate changes. Will it continue to grow? Will it take the issue further and in new directions? Can it evolve to address other critical issues? Will the economic development and land use policies that have emerged from this process as acceptable mainstream thought remain there?

The success that we know we've had was not easy to achieve. The process of developing the PMD and changing city policy was essentially one of forging new ground and then giving that ground to other people. When we started, industrial displacement was a LEED Council's issue. This is obvious from the press accounts. Every article mentioned LEED Council or Donna Ducharme. Today's press accounts rarely mention the LEED Council. Instead, it's the mayor, the commissioner, the alderman, this company president, or that expert. The issue has been kicked up a few levels.

This change had to occur for us to be successful. City policy wouldn't have changed without it happening. Now there are probably ten people who rightly believe that the PMD is the result of their efforts. In order to become an important issue, more people had to own it. In order for it to

have spin-off policy and program impacts, other people had to develop their own cut on the issue. For example, the Economic Development Commission funded an industrial land use plan for Chicago's North Side in 1989. The need for the plan and its contents clearly evolved from the work we've done on industrial displacement. It succeeds in taking what we've done a few steps further and has been a valuable vehicle for involving the real estate industry in the process. In 1990, similar plans were formulated for the South and West Sides.

A number of community and economic development organizations have also developed *their* own cuts on the issue that reflect their own agendas and constituents. Some of them have been more closely reflective of our work than others. All of them have expanded the base and taken the issue in new directions. The LEED Council does not control the agendas or strategies of these groups but does try to establish a cooperative atmosphere.

The PMD has helped, along with the continuing work of other groups, to change the prevailing assumptions about what economic development really is and about what constitutes a healthy balanced economic future for the City of Chicago. It has also helped change the locus of decision making about development choices in communities. Opponents of these changes portray initiatives that have recalculated the benefits of different development choices or "democratized" development decision making as essentially political and unprofessional. They deny that their positions perpetuating the status quo are also essentially political.

Perhaps the greatest accomplishment of the Washington administration's development policy is that it encouraged learning. It became acceptable to ask questions like "Who benefits from this development choice?" and "Are there other ways to do this?" It also recognized that *all* development decisions are essentially political because they are decisions about who will benefit and about how these benefits will be distributed. The PMD process verified that well-formulated questions and well-supported answers would be seriously considered and could actually alter city policies, actions, and plans.