

# Modernizing Special Uses in Chicago's Zoning Code

## About special uses:

### What is the special use process?

Chicago's zoning code requires **an additional level of scrutiny** for particular businesses and activities that the code names as "special uses" in certain zoning districts. To move forward with these uses, small businesses must notify surrounding property owners of their plan to apply for a special use permit and submit an application to the city's Zoning Board of Appeals (ZBA), a five-member voting board appointed by the mayor.

Applicants need to prove that their proposal meets certain **subjective standards**, such as compatibility with "the general welfare of the neighborhood," and "the character of the surrounding area." The city's Department of Planning and Development (DPD) then makes a non-binding recommendation on the application. Finally, the ZBA holds a public hearing during its monthly meeting and votes on the application.

More than 92% of special use applications are approved, a rate that reflects DPD's work with applicants to strengthen proposals prior to hearings.

### The special use process is challenging for small businesses

Most special use applications are business-related. Four out of five special use proposals are located in either business (B) or commercial (C) zoning districts.

Designating a type of business as a special use does not block that business from opening. Instead, the vast majority of applications pass through a process that **favours prospective businesses with more resources**. The process is likely to impose significant costs on the applicant, since a land-use attorney is often required.

Beyond this financial hurdle, a special use approval often **adds months to an opening timeline**, which can threaten the viability of new small businesses. According to an MPC survey, 2-3 months can pass between an application's submission and its first ZBA hearing. While 82% of all ZBA applications are decided in their first hearing, future hearings add an average of 70 days before a decision is reached on the remaining applications.

Meanwhile, based on their voting patterns, ZBA members rarely disagree on the outcome of an application: **96% of the ZBA's votes are unanimous**. This is due in part to the work that DPD does behind the scenes to support businesses in shaping their special use applications.

MPC's research on special uses identifies a need to modernize this outdated system. Through careful reevaluation of special uses and implementation of objective standards to address common concerns, we can **remove barriers for small businesses**.

# It's time to modernize special uses:

## Transitioning to a more streamlined, predictable approach

MPC and the SBAC have been collaborating since 2023 to update the special use process and support small and local businesses. Based on input from a wide array of business organizations across the city, we propose that Chicago **transition four special uses to by-right status in select zoning districts**—while instituting objective standards for those uses. Objective standards would provide a clear set of criteria for potential businesses to plan around, avoiding the uncertainty of public hearings and the need to hire a lawyer.

These uses would not be permitted by right everywhere in the city under this proposal. Instead, they would be permitted only in specific zoning districts, regulated through the zoning code, and subject to any business licensing requirements, like all other uses.

	Currently Special Use	Currently By-Right	Proposed By-Right	Estimated Frequency*
Body Art Services	B3, DC, DX	C1, C2, C3, DS	B1, B2, B3, DC, DX	77
Rooftop Outdoor Patios	B3, C1, C2, C3	DC, DX, DS	B3, C1, C2, C3	65
Hotels and Motels	B3, C1, C2, C3	DC, DX, DS	B3, C1, C2, C3	35
Business Live/Work Units	B1, B3, C1, C2	B2	B1, B3, C1, C2	22

\*Estimated frequency of applications for a special use permit between April 2012 and October 2023

## Maintaining a role for community input

Due to the volume of applications, in-person ZBA meetings can last many hours—sometimes continuing from the morning into the late evening—meaning community input on ZBA decisions is theoretically possible but logistically difficult. The time of day when a specific hearing will occur is unclear, as is the extent to which public comments will influence the outcome of any given application.

By modernizing special uses, alderpersons and the Department of Planning and Development can redirect energy toward **proactive community planning**, and rezone as needed to align with community sentiment about the types of uses that benefit the neighborhood—an approach already used for all other land uses.