

# VISION DRIVING DEVELOPMENT

Lawndale Corridor Development Initiative 2008

The Lawndale Corridor Development Initiative is cosponsored by the Metropolitan Planning Council and Lawndale Christian Development Corporation.



METROPOLITAN PLANNING COUNCIL





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North Lawndale is a jewel. Our beautiful historic buildings, transportation access, proximity to downtown and, of course, our residents all make it so.

While we have a lot of work to do to improve our community, development interests and others are quickly recognizing how many assets North Lawndale has. This is a good thing. However, as residents, we need to educate ourselves so we have a clear understanding of the type of development we want for our community, and have an informed voice in the future of North Lawndale. As your 24th Ward alderman and chair of the Lawndale Corridor Development Steering Committee, this is why I began the Lawndale Corridor Development Initiative. Through this dynamic planning process, residents of the 24th Ward were given an opportunity to share their vision for the future of North Lawndale, while receiving guidance and hands-on learning from professional developers, architects and planners on what it takes to make real estate development successful.

So many people are responsible for the outstanding levels of participation we had at the three community meetings we hosted this summer, as part of the Lawndale CDI. The commitment of residents and our partners to revitalizing our neighborhoods is truly inspiring. I am most thankful, and hope you share my sentiments. The sincere input of residents has made an impression on me and how I see the future of our ward changing for the better.

Understanding costs, design, financing, retail, and business needs is key to guiding the development of our neighborhood into a welcoming, vibrant and active place, where families and visitors are drawn to live, work and play. Now is the time to start envisioning a Lawndale that showcases our rich cultural history and engaged community.

Quality jobs and opportunity, plentiful retail and recreational options, homes affordable for families of all sizes and incomes – these are all hopes we share for future development in Lawndale.

I look forward to working with each of you to bring these hopes alive.

Ald, Sharon Denise Dixon Alderman, 24th Ward, Chicago, III. Summer 2008

# From the Lawndale CDI Steering Committee





The Lawndale Corridor Development Initiative (CDI) was an interactive planning process that involved Lawndale residents, architects and developers in the creation of practical development recommendations for parcels along Ogden Avenue. More than 100 residents participated in the Lawndale CDI during the summer of 2008. The development recommendations described in this publication are the result of those meetings.

This publication is meant to provide developers, investors, and others interested in the redevelopment of Lawndale with an understanding of the type of development the community wishes to see, as well as equip community members with a guide by which to assess future development proposals. By working with professional architects and developers, residents designed recommendations that align with the type of development the neighborhood can realistically expect to see, and represent the values and desires of the community. The three development recommendations in this report were selected by meeting participants as the most desirable of the proposals designed by residents during the Lawndale CDI process, based on their residential and commercial space, height, and general layout. Aside from building mass and type of use, the recommendations are open to interpretation according to specific development plans and architectural styles.

Finally, this report highlights Lawndale's potential for development and describes the community's vision for reaching that potential. The publication is divided into three sections: a history of Lawndale, an overview of development currently happening in the community, and a description of the Lawndale CDI process and the recommendations developed by residents at these meetings.

We wish Lawndale residents every success in helping to creating a community that is attractive to residents and visitors alike.



# Background

Less than five miles from downtown
Chicago, Lawndale is full of opportunity.

#### **History of Lawndale**

Conveniently located close to the I-290 expressway and CTA Pink Line, Lawndale boasts beautiful greystone homes, has a dedicated residential population, and is home to many strong community organizations. Recent development in the neighborhood ++includes a shopping center on

Roosevelt Road and more than 1,200 units of for-sale or rental housing.

Originally a bustling neighborhood that housed immigrants and workers from local manufacturing jobs, the population of Lawndale grew steadily through the early part of the 20th Century. However, during the 1950s and 1960s, government, corporate and individual disinvestment and the loss of nearly 80,000 residents left Lawndale with a high unemployment rate, decaying housing stock, and limited commercial and retail options. Since this time, the population and the number of homes, businesses and jobs have steadily decreased. During the 20-year period between 1950 and 1970, for example, 75 percent of the businesses in Lawndale left the neighborhood. Between 1970 and 2000, the population of Lawndale fell by more than half and the number of homes decreased by almost 40 percent. In terms of building conditions, the 2008 Ogden-Pulaski Tax Increment Financing Redevelopment Area Project and Plan found almost 20 percent of the buildings in the project area are currently dilapidated or significantly deficient.

#### **Recent Development in Lawndale**

In 2005, the Lawndale Christian Development Corporation (LCDC) and LISC's New Communities Program released Lawndale's Quality of Life Plan, *Faith Rewarded*. This document was the result of a community-wide planning process that began in 2003 and included visioning sessions and the formation of a task force. *Faith Rewarded* outlined strategies to guide development in the neighborhood, particularly the



strengthening of Ogden Avenue as the neighborhood's main commercial street. It also encouraged improved amenities and infrastructure, increased employment options for residents, and assistance for homeowners and renters.

Also in 2005, the Metropolitan Planning Council (MPC) released a survey of existing conditions in Lawndale. Created as a tool for advancing community-based planning activities, the survey was a four-year collaboration between MPC, the Chicago Metropolitan Agency for Planning (CMAP), 24th Ward alderman, and community groups. Results of the survey showed that of the 6,724 parcels in the study area, more than one-third (2,317) were vacant lots. Existing buildings were mainly greystone and brick, which demonstrates that despite the high number of vacant lots, the existing buildings in the study area are of sound construction.

Lawndale came under new leadership in 2007, when Sharon Denise Dixon was elected as the 24th Ward's first female alderman. Ald. Dixon is committed to attracting new businesses to the neighborhood, rehabbing and building new and affordable housing, and creating and maintaining jobs for Lawndale residents.

In April of 2008, the city established the Ogden-Pulaski Tax Increment Financing (TIF) District. Bounded by Roosevelt Road and 16th Street on the north; Albany Avenue on the east; Cermak Road and 24th Street on the south; and Kostner Avenue on the west, the TIF district provides a way for Lawndale to promote a coordinated, comprehensive redevelopment plan that integrates land use, access, parking, public services, and urban design, as well as ensures the neighborhood receives proper and adequate assistance from the city. The TIF can be used to encourage public and private investment, entice developers, fund street improvements, and promote commercial development along Ogden Avenue and other thoroughfares.

A number of collaborative development efforts have resulted in the creation of spaces in Lawndale where people can live, work, learn, and play. The Homan Square Community Center includes a new YMCA, a healthcare center, singlefamily homes, and rental apartments. In developing Homan Square, the Shaw Company, winner of a LISC-Chicago Neighborhood Development Award in 2003, was sensitive to the needs of the Lawndale community and developed the project with input from residents and stakeholders, the Chicago Park District, and Homan Square Community Center Foundation.

Breaking Ground, Inc., is another example of collaboration and community input that resulted in a win-win situation. The John Egan Housing Development, located in Lawndale, is a partnership between Breaking Ground and the City of Chicago that has created more than 70 affordable homes on vacant land previously held by the city. These for-sale homes were made available through the city's New Homes for Chicago program.

# Lawndale Corridor Development Initiative

"The Lawndale CDI was an opportunity for the community to share dreams about what they'd like to see happen in Lawndale."

Kim Jackson,
Executive Director, Lawndale
Christian Development
Corporation
Member, Lawndale CDI Steering
Committee.

Ald. Sharon Dixon launched the Lawndale CDI in the summer of 2008 as a way to capitalize and build upon years of hard work to revitalize the North Lawndale neighborhood. A steering committee that included community groups and residents oversaw the Lawndale CDI, which brought together more than 100 residents to share their vision for the future of North Lawndale.

The format of the Lawndale CDI was borrowed from the Corridor Housing Initiative in Minnesota. Designed as a way to bring different voices to the table at the beginning of the development process to guide future development,

the CDI process is a series of three public meetings. The goal of the first meeting is to discuss with residents current land use policies, demographic and commercial changes in the community, and challenges, opportunities and goals for future development. At the second meeting, using block models that represent standard size buildings, residents work with architects and developers to create hypothetical development options for sites in the community. The proposals are sketched out by Design Advisors stationed at each table, while a Real Estate Advisor helps calculate development costs and revenues. At the final meeting, the results of the block exercise are presented and analyzed by residents, and a development panel provides feedback on the concepts and answers community questions. Residents then vote on their preferred development recommendation.



The goal of this collaborative effort is to educate residents about the development process, and work with them to create realistic development recommendations. By seeking their input before development begins, citizens and community and business leaders in a neighborhood are able to guide development in a direction that serves the local community's needs, and provides a catalyst for positive economic development and growth for the area. "The Lawndale CDI was an opportunity for the community to share dreams about what they'd like to see happen in Lawndale," said Kim Jackson, executive director of the Lawndale Christian Development Corporation, and a member of the Lawndale CDI Steering Committee.

# Lawndale CDI Development Priorities





Major themes identified by residents during the Lawndale CDI included increased commercial and residential options, mixed-use development, retail stores, and recreational facilities. The community also wanted to develop more green space, trees and plants, additional safe public spaces, and improved streetscapes; and to preserve and celebrate the historic character of the neighborhood, especially the beautiful greystone houses that line many of Lawndale's streets.

At the first meeting, for example, 56 percent said they wanted to see one to three-story buildings along Ogden Avenue. Over the course of the meetings, residents learned that more residential homes will better support the community's commercial development goals, that it is less expensive for developers to construct buildings with more units per square foot., and that design solutions can ensure mid-rise buildings complement existing architecture along the corridor. As a result, by the final meeting, 60 percent of the residents wanted to see four to six-story buildings along Ogden, 75 percent said they had a better understanding of development, finance and design, and 74 percent felt they had more clarity about the type of development they would like to see along Ogden Avenue. Residents who attended the CDI meetings not only created these proposals, but also learned about the development process.

#### **Specific Commercial Retail Goals**

- small-scale retail
- · recreational facilities, such as a movie theater or bowling
- food options, both grocery stores and restaurants

#### **Specific Residential Development Goals**

- · mix of residential options that cater to the existing community and attract new people to the neighborhood
- mix of one-bedroom and multiple-bedroom homes
- combination of rental and for-sale options

#### **Specific Building Types**

- four to six-story buildings along Ogden Avenue
- mixed-use development, with ground-floor retail and upper-floor residential
- large windows in ground-floor retail spaces
- design consistent with or complementary to existing neighborhood

# Examples of a Community-Generated Development Plan







The following development recommendations were selected by residents at the Lawndale CDI meetings as representative of the type of future development they would like to see in their neighborhood. Residents voted on the height and layout of residential and commercial space, not architectural style or specific location. These proposals can be used to shape future development along Ogden Avenue, and may be adjusted according to specific development plans and sites.

The Lawndale CDI Real Estate Advisor used some assumptions in calculating the cost of each proposal. Though these assumptions are based on current conditions in Lawndale, there are ways to lower costs. For example, the Ogden-Pulaski TIF District may be used by developers to close the price gap. A number of the vacant lots in Lawndale are currently owned by the City of Chicago, which could substantially lower or eliminate the cost of purchasing the land.

The goal of each community-generated plan is to provide commercial space(s) at street level to revitalize the community and provide vitality for growth within the Lawndale neighborhood.

<b>ASSUMPTIONS</b>
Land Price PSF

Land Trice 151	ΨΖ
Market Sales Price PSF	\$225
Developer Return	15%
Average Parking Space Area	350 sq. ft
Sale of Parking Spaces	\$12,000
RENTAL	
Rents	\$1,200
Occupancy	95%
Expense Ratio	35%
Cap Rate	6%
RETAIL	
Square Feet per Unit	1,360
Efficiency	97%
Rent	\$12.00 ps
Closing Costs/Commissions	6%
First Year Leasing Commission	8%
Last 9 Years Leasing Commission	3%
Occupancy	95%
Cap Rate	8%
Affordable Sales IBR	\$156,000
Affordable Sales 2BR	\$183,000
Affordable Sales 3BR	\$203,000
Affordable For Sale Construction Costs PSF	\$170
Rental Construction Costs PSF	\$165
Condo Construction Costs PSF	\$175
Retail Construction Costs PSF	\$125
Underground Parking Construction	\$100 ps

\$20

#### **Example Site: 19th Street and Pulaski Avenue**

# DEVELOPMENT DETAILS:

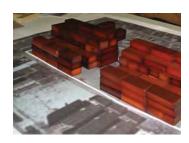
Number of Stories 3 - 5

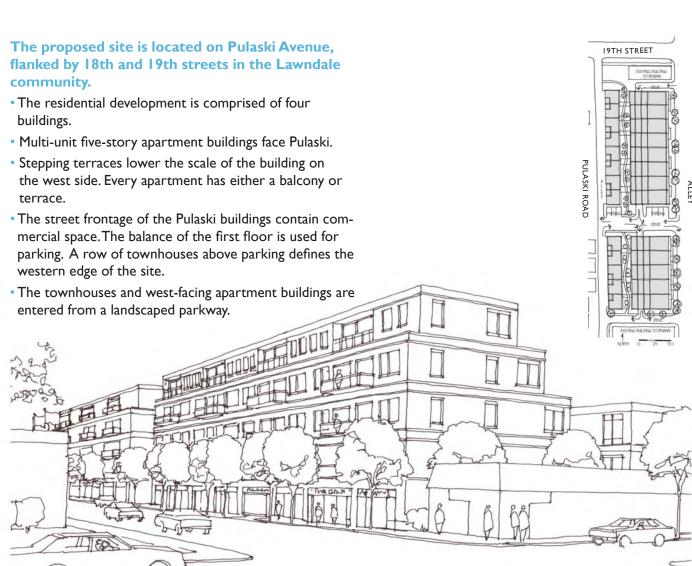
Residential Space 95,000 sf 20% affordable

Commercial Space 8,160 sf 6 small stores

Total Cost \$22.2 million

Loss \$645.000





#### **Example Site: West Ogden Avenue and North Millard Street**

# DEVELOPMENT DETAILS:

Number of Stories 5

Residential Space 68,000 sf 20% affordable

Commercial Space 13,600 sf 10 small retail stores

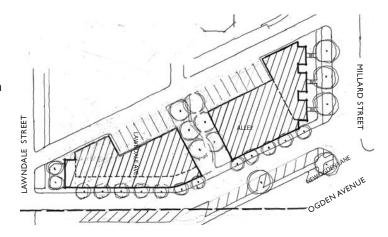
Total Cost \$16.6 million

Loss \$340.000



# This proposed is located on the north side of Ogden Avenue, between Millard and Lawndale streets in the Lawndale community.

- A secondary drive, called "Ogden Lane," runs parallel to Ogden and bends parallel to the El tracks, creating a green buffer and parking adjacent to ground level commercial.
- The "lane" frontage is commercial; covered and open residential parking will be off the alley on the ground level.
- Residences at the west end of the site, parallel to the El tracks, are set back behind the commercial ground-level frontage.
- Common green space is provided at the center of the block.





#### **Example Site: West Ogden Avenue and Millard Street**

### DEVELOPMENT DETAILS:

Number of Stories

Residential Space 80,720 sf 30% affordable

Commercial Space 4,828 sf 5 small retail

Total Cost \$18.4 million

Loss \$100,000

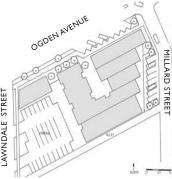


The proposed site is located on the south side of Ogden Avenue, and flanked by Millard and Lawndale streets, in the Lawndale community.

Five commercial spaces provide frontage at the Ogden Avenue street level, while 18 affordable homes are intended to be sold as a response to residents' desires to maintain an economic consciousness to local residents and their current financial status.

- The street-level arcade provides an outdoor community social and gathering area.
- Housing is set back to soften the streetscape on Ogden Avenue. Parking is available at the west end of the street.





#### Contributors

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The Corridor Development Initiative can work in any community in the Chicago region. If you would like to host a Corridor Development Initiative in your community or want to learn more about the Lawndale CDI, please contact Karin Sommer at the Metropolitan Planning Council at ksommer@metroplanning.org or 312.863.6044.



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