Red Line Extension Project

Transit-Supportive Development Comprehensive Plan

Market Analysis Report

May 31, 2021

Prepared for:
Chicago Transit Authority
567 W. Lake Street
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Section 1 - Executive Summary

1.1 Introduction

This market analysis report is intended to inform the Red Line Extension (RLE) Project Transit-Supportive Development (TSD) Comprehensive Plan as it moves forward with planning in the areas around the four proposed new CTA stations at 103rd Street, 111th Street, Michigan Avenue, and 130th Street on the Far South Side of Chicago.

It provides research on residential, commercial, retail, and industrial development trends and offers insights into potential development opportunities that will maximize the economic benefits of the RLE Project and provide benefits to the surrounding communities. Sources include available public and private sector data, as well as interviews with community stakeholders and leaders in the real estate field, listed in Appendix A.

This market work was completed in late 2020 while the COVID-19 pandemic was at its peak. While the pandemic has impacted real estate markets in Chicago and across the country, the data sources and market analyses used in this report anticipate that real estate markets will soon rebound, albeit with some potential changes, as will be described in the various market segments.

The geographic areas subject to this market analysis include the following:

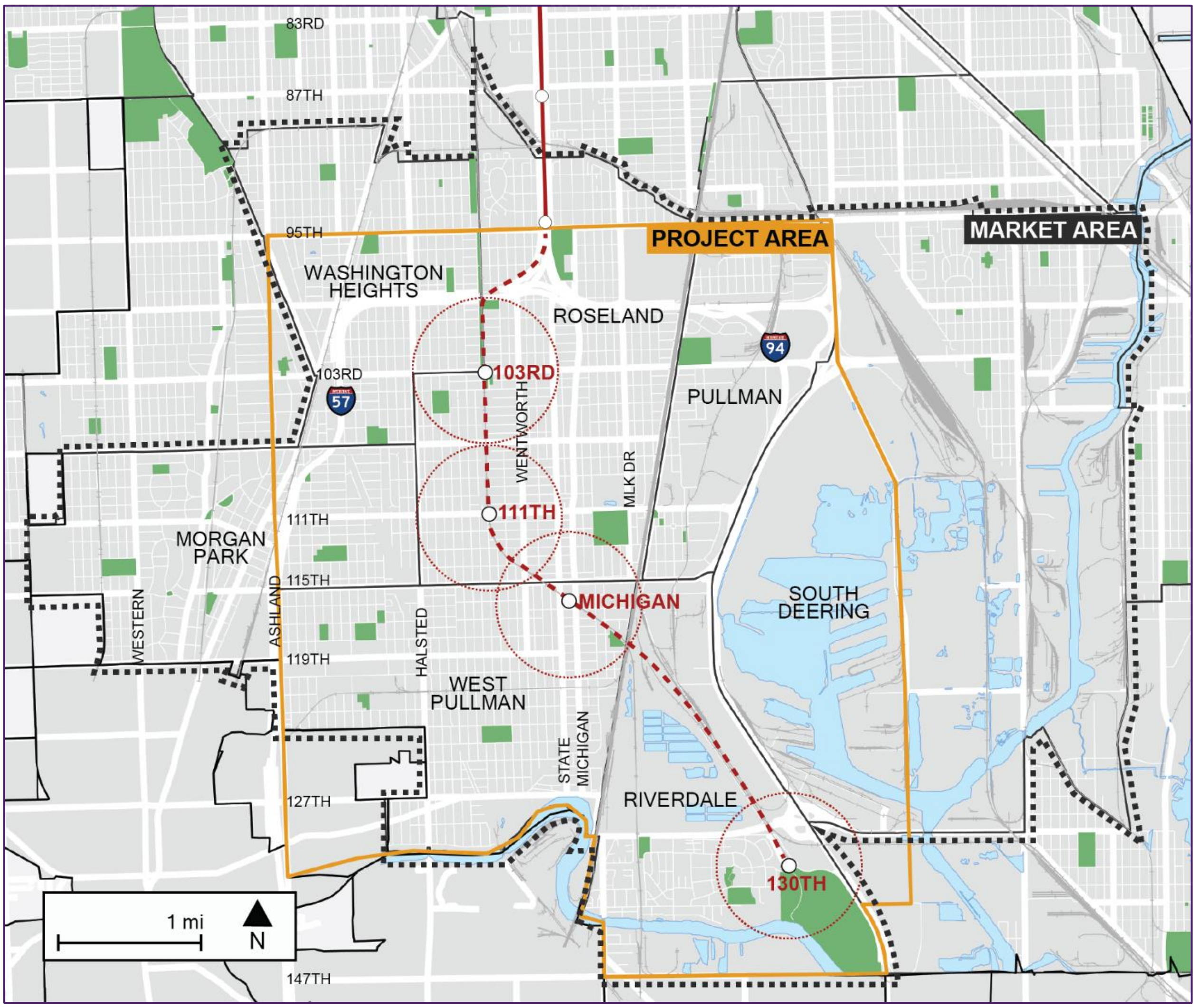
Each **station area** is a ½ mile radius around the four stations listed above.

The **project area** has a northern extent about 11 miles south of the Chicago Central Business District (commonly referred to as the Loop) and encompasses approximately 20 square miles. The boundaries of the project area are 95th Street on the north, Ashland Avenue on the west, Stony Island Avenue on the east, and the Calumet-Sag Channel/Little Calumet River and 134th Street on the south. The I-57 Expressway and I-94 Bishop Ford Freeway cross the western and eastern edges of the project area, respectively. Lake Calumet is in the eastern portion of the project area.

The **market area** includes seven community areas whose boundaries are recognized by the City of Chicago. Community areas are collections of census tracts and form the basis for much of the City's planning efforts. The seven community areas included in the market area for this report include Roseland, Pullman, West Pullman, South Deering, Washington Heights, Riverdale, and Morgan Park.

Note that the market area is larger than the project area, and was selected due to availability and accuracy of data, since most private and public sector demographic and real estate data are collected and presented by community area. The market area was also extended beyond the project area to capture jobs in the industrial corridors on the Far South Side, as seen in Figure 1-1.

The Village of Calumet Park is partially included in the project area because of its geographic proximity to the RLE Project, however it was not included in the market area for the Market Study. At the onset of study, it was determined that the general demographic composition of the community and its identity is distinct from the City of Chicago, suggesting that it would not be influential on the outcomes of the market study. The Village of Calumet Park adopted a Comprehensive Plan in December of 2020. Relevant recommendations will be folded into subsequent TSD Study reports.



Source: Map created by Goodman Williams Group

Figure 1-1: Red Line Extension with Market Area and Project Area

1.2 Highlights of Plans and Development Trends

While much of the Far South Side has suffered from population loss and disinvestment over the past several decades, several locations in the project area have seen noteworthy planning and development activity in recent years that may encourage additional investment. A number of new plans and developments suggest that more activity may be coming in the near and long term.

1.2.1 Pullman

Pullman was one of the country's first planned communities, built around the Pullman Palace Car Company. In 2015, Pullman was designated a **National Monument**, and plans were laid out in the **Positioning Pullman Plan** to guide development for both visitors and residents.

In addition to the historic restoration of the Pullman Administration Building and factory grounds, Pullman has seen notable investment and new development in recent years. Master-planned by Chicago Neighborhood Initiatives (CNI), more than $340 million worth of new commercial and industrial investment has occurred in Pullman, adding more than 1,580 permanent jobs. **Pullman Park** is an 180-acre mixed-use site near the intersection of 111th Street and I-94. A number of companies have built new industrial and distribution facilities neaby, including Method Home Products, Gotham Greens, and Whole Foods Distribution Center. Retail stores and commercial uses are located in **Pullman Park**, anchored by a Walmart.

Ryan Companies teamed with CNI in 2019 to develop **Pullman Crossings**, a 76-acre industrial park which is now home to an Amazon distribution center and SC Johnson, making Pullman Park fully occupied as of 2020, with no additional acreage for further development.

Pullman Community Center opened in 2018 at 104th Street and Woodlawn Avenue. It provides indoor sports, educational services, and cultural programming to the neighborhood, and is the region's largest, year-round indoor athletic facility.

Source: Ryan Companies, Rendering looking south, three Pullman Crossings warehouse buildings on the right

Figure 1-2: Rendering of Pullman Park with new Pullman Crossings development

1.2.2 Roseland

Roseland Medical District is centered on 111th Street, anchored by the Roseland Community Hospital, a 134-bed short-term acute care facility, located at 45 W. 111th Street. Efforts to financially improve Roseland Hospital and strengthen the Roseland Medical District are in progress. An existing conditions report was recently completed by the Chicago Metropolitan Agency for Planning (CMAP). An upcoming District Plan, led by the Chicago Department of Planning and Development, will focus on improving neighborhood health, increasing economic development opportunities along 111th Street, and partnering with community leadership, public agencies, and private developers. Efforts to expand health care offerings and improve the financial standing of the Roseland Hospital are also underway.

Greater Roseland is one of the ten priority communities in the City's **INVEST South/West** program, with focus on portions of 111th Street and the Michigan Avenue commercial corridor. INVEST South/West is an innovative community improvement initiative launched by Mayor Lori Lightfoot in 2019 to channel City resources, community organizations, and corporate and philanthropic partners to ten communites on the City's South and West Sides. The program aligns more than $750 million in public funding over three years to support infrastructure development and improve opportunities for businesses and residents. A goal is to leverage those investments to catalyze additional capital and development into 12 prioritized corridors.

1.2.3 Riverdale

In 2013, the **Altgeld Gardens and Philip Murray Homes Master Plan** was released, a plan for the 169-acre Chicago Housing Authority (CHA) development located just south of 130th Street. The plan resulted in the demolition of 648 unoccupied, non-rehabilitated units, south of the 130th Street station option. Additional healthcare services and a community center were recommended, and delivered in 2020. A limited amount of neighborhood serving retail space was also reccomended, though it has not yet been delivered.

In 2019, CMAP and the Chicago Department of Transportation (CDOT) led the **Riverdale Community Area Multimodal Transportation Plan**. The plan developed recommendations for improving non-motorized access to existing transit services, recreation, and job opportunities, in conjunction with the City's **Complete Streets Design Guidelines**.

In 2019, the Forest Preserves of Cook County, along with the American Institute of Architects (AIA) Chicago, hosted a workshop and produced a draft ideas book for the future **Beaubien Woods and Little Calumet River Action Plan**. With support from the Metropolitan Planning Council (MPC) and Chicago Field Museum, the draft ideas book focused on reimagining Beaubien Woods and improving access to the Little Calumet River.

1.2.4 South Deering

A number of recently completed plans focus on expanding the industrial base in South Deering, including the following:

The Illinois International Port District (IIPD) is a municipal corporation that controls more than 1,800 acres of waterfront property, most of which is located near Lake Calumet, east of I-94. The IIPD is currently in the process of completing the **Illinois International Port District Master Plan**, funded by IDOT and CMAP, designed to address a number of issues and trends that will affect the Port's future. The plan will promote freight movement and industrial development, as well as recreational uses on Port property, building off of the Port's Harborside International Golf Center. The golf center opened in 1995, and provides two 18-hole courses and a clubhouse on a 500-acre former capped landfill. The size and location of the Port's property in the Lake Calumet area provides opportunities for a variety of additional industrial, commercial, recreational, or environmental improvements on the vacant property to the south.

Also located in South Deering is the **Ford Motor Company**, which in 2019 completed a $1 billion renovation to its two Chicago-area plants, including the Torrence Avenue assembly plant located in the market area. The renovation to the Torrence Avenue added 600 robots, 3D printers, and improved employee amenities. Approximately 500 new workers were hired at the Torrence Avenue plant, bringing total employees up to 5,200. The popularity of its Ford Explorer resulted in the Torrence Avenue plant running three shifts, 24-hours a day.

Commerce Park Chicago is a 200-acre redevelopment of the former Republic Steel Mill on Chicago's Far South Side into the largest industrial development in recent Chicago history. The $164 million master-planned campus being develped by NorthPoint Development features 2.3 million square feet of light manufacturing, assembly and logistics space. Ford is leasing the first of five new industrial buildings, a 360,000 square foot 32 acre site at 12144 S. Avenue O, which opened in September 2020. The building will be used to support their assembly plant on Torrence Avenue. The project is expected to be completed in 2022, and will create 500 construction jobs and up to 1,400 permanent jobs upon completion.

Other recently completed plans focus on remediating environmentally degraded sites in the area and improving recreational opportunities. In 2015, Active Transportation Alliance, in partnership with Chicago Park District, released the **Big Marsh Access Action Plan.** The plan identified priority improvements for safe bike access to Big Marsh. Big Marsh Park, a 280-acre park on former industrial land, opened in 2016 and features nature reserves, walking trails, hiking trails and off-road biking courses. The Action Plan identified several priorities to better connect the park with residents on the Far South Side. Key recommendations include developing a trail connection between Pullman and Big Marsh around Lake Calumet.

1.2.5 City and Regional Plans

The City of Chicago has undertaken a three-year planning process to produce a new citywide plan called **We Will Chicago**. The plan, expected to be completed by 2023, will encourage neighborhood growth and vibrancy while addressing social and economic inequalities that impair Chicago's legacy as a global city.

With its many partners and stakeholders, CMAP, the federally designated Metropolitan Planning Organization (MPO) for metropolitan Chicago, began to develop the **ON TO 2050** comprehensive regional plan in 2015. Adopted in 2018, the plan guides transportation and investments and frames regional priorities on development, the environment, the economy, and other issues affecting quality of life.

The RLE is included in the list of ON TO 2050 fiscally constrained regionally significant projects and was factored into processes that produced their local population and household forecasts.

1.3 Summary of Market Conclusions

Initial findings and conclusions from each section in this report are summarized below, and a summary of market conclusions for each station area can be found in Appendix E.

1.3.1 Demographics and Employment

Demographic data shows significant losses in population and households in the market area between 2000 and 2018, with an estimated loss of nearly 41,000 residents and 6,000 households. Population projections from CMAP's regional comprehensive plan ON TO 2050, which will be discussed later in this report, indicate a recovery in the market area by 2040, factoring the addition of the RLE and other planning and policy interventions into the projections.

Employment data shows growth in total jobs in the market area since 2007, particularly in manufacturing, healthcare, and social services sectors. Wages have also steadily increased since 2007 for jobs in the market area, though employed residents in the market area have not experienced the same wage growth during those years. In-flow and out-flow patterns show only 11 percent of all jobs in the market area are held by residents living in the market area, indicating that most employees working in the market area are commuting in from elsewhere, including a significant number of commuters from Indiana and the south suburbs. The majority of employed residents in the market area commute to jobs elsewhere in Chicago and Cook County. There is a very large local labor force in the market area, amounting to more than 54,000 workers in 2017, though only 11 percent work within the boundaries of the market area.

1.3.2 Market-Rate Residential Market Conclusions

A key goal of the RLE Project is to improve transit options for area residents to access employment centers throughout the City as well as to connect to anchor institutions in nearby communities. Shorter commute times, coupled with increases in affordable housing options, will enhance the desirability of living within the project area. New investments would address vacancies in residential lots and buildings that have contributed to a cycle of disinvestment, as well as safety concerns, which was a recurring factor mentioned in stakeholder interviews.

Constructing and rehabbing more housing in the residential neighborhoods in the project area would not only mitigate safety concerns by enhancing the physical environment but would also spark new investment and development in the future. Additional residential development will be particularly helpful in supporting future retail development, which relies on increased households and foot traffic.

Equally important is ensuring affordability, especially with home ownership. Habitat for Humanity Chicago's Affordable Homeownership Program and other down payment assistance programs will not only encourage residential growth but will also strengthen the vitality of communities by helping create generational wealth.

Utilizing local lot acquisition programs including the Cook County Land Bank and the City-Owned Land Sale programs will be paramount in reviving the residential market in the market area. Between the two programs, there are nearly 1,000 vacant parcels acquired, or targeted for acquisition within the four station areas.

Based on CMAP's current ON TO 2050 household forecasts, demand for more than 15,000 new residential units in the larger market area is projected over the next 20 years. The demand segments needed to support this projected growth include young professionals seeking affordable units with modern amenities close to transit, families wanting to send their children to one of several prominent neighborhood schools, and seniors wanting to age in the community.

There are several different ways to support future residential demand in the market area:

- Encouraging occupancy of existing habitable vacant homes
- Renovating and rehabbing vacant housing units to make them habitable for new residents, or demolishing if in extreme disrepair
- Infilling vacant lots with new construction of detached and attached single-family homes and townhouses
- Constructing denser mixed-use buildings with rental units closer to the new stations

1.3.3 Commercial and Retail Market Conclusions

Nationwide, retail has been in flux in recent years as retailers respond to the growth of online shopping. The global pandemic accelerated retail closures, and the long-term impacts on retail remain to be seen; however, it has highlighted several opportunities that stakeholders can focus on in the near and mid-term to bolster support for longer term development.

New households and employees will help support the existing shopping centers and big-box retailers located in and near the market area. In addition, there will also be some demand for additional locally owned retail and small businesses in the project area. This may include small grocery or co-op food stores as well as specialty stores.

Higher traffic counts, larger lot sizes, and clustering of national retailers will continue to make the Halsted Street commercial corridor, Pullman Park retail, and other shopping centers in the project area more desirable for large-scale retail attraction and development.

The Michigan Avenue corridor, which is currently challenged by high vacancy rates, should target small-scale retailers and service businesses to accommodate nearby residents, as well as some destination or experience-based retailers to attract visitors. Renovating historic storefronts and adding safety measures, including lighting and security, can make the shopping district more stable, accessible, and attractive to potential retailers and shoppers.

Commercial net rents typically required to support new development are higher than current rents in the market area. New commercial development will likely need incentives and financial support to open in the corridors, particularly in the near-term.

Health care related uses are a growing commercial sector that will likely continue to occupy former retail spaces along the corridors. Described by some retail brokerage firms as “medtail,” uses such as physical therapy, dialysis centers, urgent care, and dental facilities have the potential to expand in the station areas, particularly along 111th Street and Michigan Avenue near the Roseland Medical District.

Lastly, the City’s focus on upgrading commercial corridors in the market area through the INVEST South/West program indicates a growing interest from City officials in the importance of investing in struggling commercial corridors on the City’s South and West sides, with a particular focus on the Michigan Avenue commercial corridor in the RLE market area.

1.3.4 Industrial Market Conclusions

The industrial sector continues to grow throughout the Chicago metropolitan region. Growth in the City is concentrated on the South Side along the I-55 Corridor and I-94 in the RLE market area. This growth is being fueled by demand for large-scale transportation, distribution, and logistics space, with additional demand from specialized manufacturing uses and data centers.

Demand for logistics and distribution on the Far South Side remains, as recent developments have proven the area to be a viable market for business and investment. Industrial growth will likely continue for the foreseeable future on the Far South Side, based on the following factors:

Transportation access: Proximity to interstates such as I-57 and I-94 provides trucks with convenient access to the interstate highway system, avoiding toll roads. For e-commerce delivery, the area is strategically located within a populated urban area, which is attractive for last-mile distribution. Access to freight rail lines is also critical to many of the companies located in the market area. While fewer companies are using the Calumet River for goods movement, it is still an important asset for those needing access to the Great Lakes and the Mississippi River.

Availability of large undeveloped sites*:* Unlike on the North Side of the City, the South Side of Chicago has large sites available at reasonable prices. This allows for the construction of new state-of-the-art logistics, manufacturing, distribution, and data facilities.

Large local labor force: Given low unemployment rates (pre-pandemic) in the region and nationally, the available labor force on Chicago's South Side is a positive factor in developers' decisions on where to build and industrial users' choices of where to locate new facilities.

The potential for significant new industrial employment on the Far South Side in the industrial corridors will benefit the RLE project area. While the RLE may not deliver employees directly to these industrial sites, there is potential to service these destinations via bus or shuttle connections from RLE in the future. The abundance of proximate well-paying industrial jobs will help spur residential development in the RLE project area, which in turn, would support more commercial uses. This was certainly the case in the 20th century when the strength of the manufacturing sector and employment growth drove demand for housing and retail in the nearby neighborhoods.

While the prospect of additional jobs is a positive for nearby neighborhoods, concerns of negative environmental impacts must be addressed, including truck traffic, as well as emissions and waste. Community input, environmental impact assessments, and mitigations need to be part of future permitting and planning processes.

1.4 SWOT Analysis

The following analysis identifies the strengths, weaknesses, opportunities, and threats at each station area (SWOT) to organize development potential and contextualize trends.

1.4.1 103rd Street Station Area

Strengths: Proximity to educational facilities, such as Olive-Harvey College and Chicago State University, as well as employment centers on the Far South Side, including a growing number of industrial sector jobs in Pullman, Burnside, and South Deering, will help strengthen the future housing demand in the station area. The housing stock within this station area is also in fair condition, particularly north, west, and east of the station, and retail options along 103rd Street, including the Dollar General, and retailers on Halsted Street provide residents with some basic goods and services.

Weaknesses: Continued population loss within the 103rd Street station area has left behind many vacant houses and vacant lots, deterring residential demand from potential buyers or investors in the station area. Deferred maintenance on vacant homes increases the state of disrepair, potentially requiring significant investment for renovations, or demolition if necessary. The commercial frontage on 103rd Street suffers from high vacancy rates. Real or perceived crime and safety issues also remain a major weakness in the 103rd Street station area.

Opportunities: The positioning of the 103rd Street station will provide opportunities for growth and development in the station area. Availability of large vacant sites near the station offers opportunities for denser residential development, including attached single-family homes, or multifamily residential units with ground-floor commercial to serve nearby residents. Vacant homes and lots on residential streets present opportunities for home renovation, or infill of new single-family homes, including City-owned and Cook County Land Bank Authority lots. Due to the proximity of nearby education and employment centers, strengthening the residential inventory here would attract younger families, students, and professionals. Connecting residents to the growing number of industrial sector jobs in the area with improved transit access and job training is a major opportunity.

Threats: Continued depopulation is the greatest threat at the 103rd Street station area, which would increase housing and retail vacancies, deterring investment and demand for new developments within the station area. Retail on 103rd Street could continue to suffer, as retailers might prefer the Halsted Street and Michigan Avenue commercial corridors with higher auto and foot traffic, making storefronts on 103rd Street less competitive.

1.4.2 111th Street Station Area

Strengths: The Roseland Hospital and the Roseland Medical District anchor 111th Street, providing jobs and access to healthcare. Proximity to educational facilities and community assets, such as Gwendolyn Brooks College Preparatory Academy, Fenger Academy, and the Agape Center, and to employment centers on the Far South Side that provide many industrial sector jobs in Pullman, Burnside, West Pullman and South Deering, will help strengthen the future housing demand in the station area. Retail options along 111th Street and near Michigan Avenue provide residents with some basic goods and services.

Weaknesses: Continued population loss within the 111th Street station area has left behind a large number of vacant houses and vacant lots, deterring residential demand from potential buyers or investors in the station area. Deferred maintenance on vacant homes increases the state of disrepair, potentially requiring significant investment for repairs, or demolition if necessary. Real or perceived crime and safety issues remain a major weakness in the 111th Street station area. Additionally, industrial zoned land within the station area is vacant or underutilized, and while some parks are near, there is not a park located within one-half mile of the station.

Opportunities The positioning of the 111th Street station provides many opportunities for growth and development in the station area due to the location of Roseland Hospital and the Roseland Medical District. Implementation of the Roseland Medical District Plan would strengthen housing and commercial demand within the 111th Street station by bringing more skilled jobs, filling retail vacancies, and adding households. The availability of large sites near the proposed station offers opportunities for medium to large-scale transit-supportive development, including multifamily or mixed-use developments. Vacant homes and vacant lots present opportunities for renovation and infill of new single-family homes. Lastly, strengthening connections to the neighboring Pullman National Monument, Pullman Park Plaza, and the growing number of jobs in the Pullman Industrial Corridor would be advantageous.

Threats: Failure to invest in Roseland Hospital so that it may grow competitive services and elevate the quality of care will threaten the long-term viability of the hospital, although efforts to increase hospital investment are ongoing. Continued depopulation is also a threat to the 111th Street station area, which would increase housing and retail vacancies, deterring investment and demand for new developments within the station area. Retail on 111th Street could continue to suffer, as retailers could prefer the Halsted Street and Michigan Avenue commercial corridors with higher auto and foot traffic, making storefronts on 111th Street less competitive.

1.4.3 Michigan Avenue Station Area

Strengths: The Michigan Avenue commercial corridor is a major amenity, providing residents with needed retail and serving as a destination for shopping. Proximity to educational facilities, such as Gwendolyn Brooks College Preparatory Academy and multiple elementary schools and middle schools, as well as employment centers on the Far South Side, including a growing number of industrial sector jobs in Pullman, and South Deering, and healthcare jobs in the Roseland Medical District will help strengthen the future housing demand in the station area.

Weaknesses: Continued population loss within the Michigan Avenue station area has left behind a very large number of vacant houses and vacant lots, deterring residential demand from potential buyers or investors in the station area. Deferred maintenance on vacant homes increases the state of disrepair, potentially requiring significant investment for renovations, or demolition if necessary. The housing stock within the Michigan Avenue station area is in a particularly poor state of repair. Real or perceived crime and safety issues remain a major weakness in the Michigan Avenue. Lastly, a very high number of retail vacancies on Michigan Avenue make for a weak commercial corridor and deter future investment. Lasting vacancies on the commercial corridor have left many storefronts in need of serious renovations or potentially demolition.

Opportunities: The positioning of the Michigan Avenue station provides opportunities for growth and development, especially along the Michigan Avenue commercial corridor. It is near jobs in the Roseland Medical District, Pullman retail and industrial areas, and other industrial sector jobs on the Far South Side. City initiatives are putting more focus on Michigan Avenue with the INVEST South/West program, highlighting the need for investment in the current structures on Michigan Avenue as well as potential for catalytic large-scale mixed-use development at the large parcel on 115th Street and Michigan Avenue. The availability of other large parcels near the proposed station offers opportunities for medium to large-scale transit-supportive development, including multifamily or mixed-use developments. Vacant homes and vacant lots present opportunities for renovation, and infill of new single-family homes. Strengthening connections to neighboring the Pullman National Monument, Pullman Park retail, and growing number of jobs in the Pullman Industrial Corridor would be advantageous. Lastly, there is added opportunity to attract potential consumers and CTA riders with park-and-ride facilities.

Threats: Continued depopulation is the greatest threat at the Michigan Avenue station area, which would increase housing and retail vacancies, deterring investment and demand for new developments within the station area. Retail on Michigan Avenue could continue to suffer, as retailers could prefer the Halsted Street corridors with higher auto and foot traffic, making storefronts on Michigan Avenue less competitive.

1.4.4 130th Street Station Area

Strengths: The 130th Street station area is a potential transportation hub with access to I-94. Proximity to employment centers on the Far South Side in the Pullman and Calumet industrial corridors could provide many industrial sector jobs to nearby residents. Access to open space and recreation at Beaubien Woods (Forest Preserves of Cook County) is a major strength of this station area. Strong institutional partners within this station area, particularly the Chicago Housing Authority in Altgeld Gardens Philip Murray Homes, have recently renovated many homes in the neighborhood and helped deliver a library and community center.

Weaknesses: Continued population loss within the 130th Street station area deters residential demand from potential buyers or investors in the station area. Deferred maintenance on vacant homes increases the state of disrepair, potentially requiring significant investment for repairs, or demolition if necessary in neighborhoods west of Altgeld Gardens. Real or perceived crime and safety issues also remain a major weakness in the 130th Street station area. Due to the smaller population and lower disposable income in this area, very few commercial businesses are located in the area, leaving residents with limited access to fresh food, specialized healthcare, and other community assets or amenities. Lastly, the low level of vehicle ownership and access makes residents further isolated from jobs and other amenities.

Opportunities: Significant land availability for development is limited by nearby Altgeld Gardens and Philip Murray Homes, a 1,500-unit Chicago Housing Authority development, as well as heavy industrial, utility, and manufacturing users, and capped landfills that are in need of innovative reuse or remediation. Addressing capped landfills to promote recreation or renewable energy could add jobs or open space for residents and visitors.

The main opportunity at the 130th Street station is to become a connection point for commuters from the south suburbs traveling on the Red Line for work or to nearby industrial employers. Added commercial retail and fresh food offerings for neighbors and commuters would be met with market support. Expansion of recreational offerings at Beaubien Woods could also provide much needed programming for residents and become a destination for visitors. Lastly, opportunities to connect residents to nearby jobs, particularly the growing number of industrial jobs at the nearby IIPD, and in the Calumet and Pullman industrial corridors, through job training and strengthened transit connections would be beneficial.

Threats: Continued depopulation is the greatest threat at the 130th Street Station area, which would increase housing and retail vacancies, and deter investment and demand for new developments within the station area. Retail options and access to fresh food within Riverdale and the 130th Street station area could continue to weaken as a result.

Section 2 - Demographics and Employment

Demographic trend data was collected and analyzed for the seven community areas near the proposed station areas along the planned RLE.

This analysis utilizes demographic data from the 2000 and 2010 Census, along with 2014 – 2018 American Community Survey Estimates, to better recognize trends over time. Population projection data is sourced from CMAP, providing a 20-year outlook on total population and total households.

This market report uses the currently available CMAP population and household projections, with an understanding that they take into consideration new investments in the market area, referred to as *regionally significant projects*, including the RLE.

CMAP acknowledges that their population projections for the region are optimistic and may be lowered as new Census data becomes available, as noted in the direct quote from CMAP below. Future regional forecast changes would likely lower population projections for the City of Chicago and the RLE market area.

"The ON TO 2050 forecast projected a regional population of 8,970,201 by the year 2020, an increase of over a half-million people from the 2010 Census count for the region. Current (2019 vintage) estimates from the Census Population Estimates Program show the region slightly below the 2010 Census at 8,429,599. Thus, it is not unreasonable to expect that the Plan Update forecast may trend about 500,000 persons fewer throughout most forecast years."

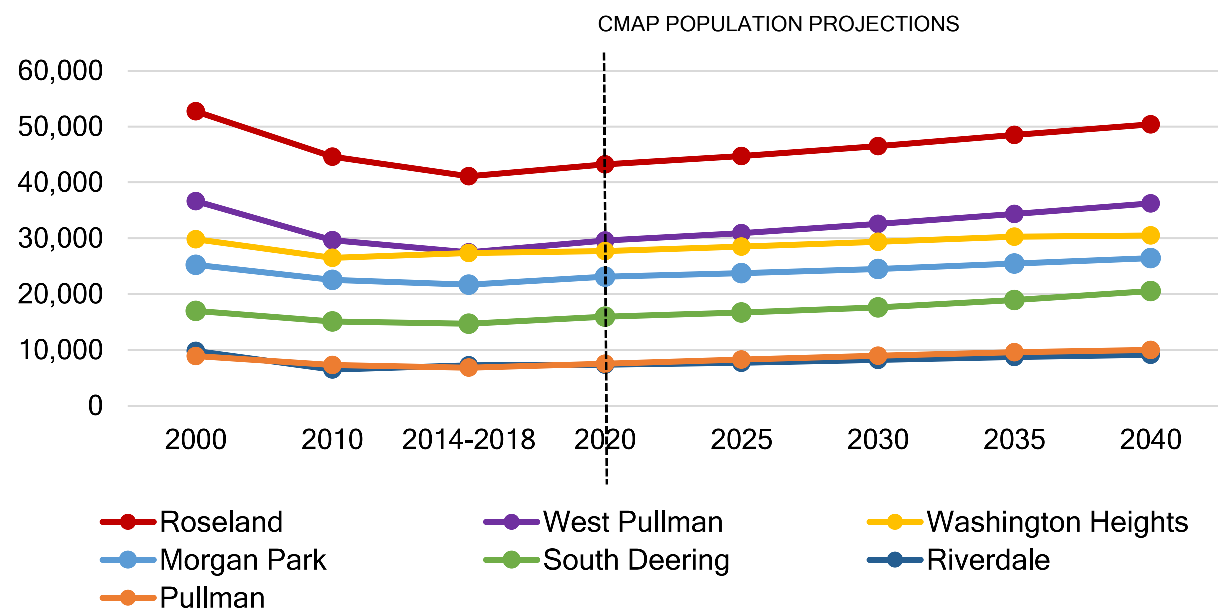
A description of relevant geographies in this report are listed below.

- **Community area**: City defined boundaries based on census tracts
- **Market area**: Collection of seven community areas near the proposed stations
    - Roseland, Pullman, West Pullman, South Deering, Washington Heights, Riverdale, Morgan Park
- **Project area**: CTA defined boundary, outlined in Figure 1-1
- **City of Chicago:** City boundary

2.1 Population and Household Trends and Characteristics

2.1.1 Total Population Estimates and Projections

Figure 2-1 displays total population estimates and projections for each of the seven community areas in the market area. Table 2-1 provides the population totals for the market area (sum of seven community areas), the project area, and the City of Chicago.



Source: US Census 2000, 2010, American Community Survey Estimate 2014 - 2018, CMAP Population Projections 2020 - 2040

Figure 2-1: Population Estimates and Projections, Community Areas

Table 2-1: Population Estimates and Projections, Project Area, Market Area, City of Chicago

	US Census	US Census	ACS Estimates	CMAP Population Projections				
	2000	2010	2014-2018	2020	2025	2030	2035	2040
Project Area	129,358	107,737	102,993	111,709	116,395	121,899	127,847	132,967
Market Area	193,113	180,161	152,223	154,510	160,574	167,767	175,900	183,297
City of Chicago	2,896,016	2,695,598	2,718,555	2,779,134	2,848,848	2,917,202	2,948,447	3,036,099

Source: US Census 2000, 2010, American Community Survey Estimate 2014 - 2018, CMAP Population Projections 2020 - 2040

Project Area: The project area has experienced significant population loss between 2000 and 2018, with a loss of more than 26,000 residents, a 20 percent decrease.

Population projections from CMAP suggest a growing population growth in the project area despite significant losses between 2000 and 2018. CMAP projects the population in the project area will increase by 30 percent between 2018 and 2040, increasing by 30,000 residents. This increase accounts for most of the projected growth in the market area.

Market Area: The market area has seen significant declines in total population between 2000 and 2018, with an estimated loss of 21 percent, amounting to nearly 41,000 people. All geographies listed including the City experienced population loss between 2000 and 2010, with the rate of decline in the City and market area being very similar. The market area continued to decline between 2010 and 2018, while the City began to rebound and grow between the same years.

Population losses can be attributed to several factors, including loss of jobs over time, continued disinvestment in these communities, real or perceived crime and safety issues, amongst others.

Despite this significant population loss in the market area, population projections from CMAP indicate a growing population between 2018 and 2040 within the market area, projecting nearly 31,000 new residents, a 20 percent increase from current estimates.

Community Areas: All seven of the community areas in this analysis experienced significant population loss between 2000 and 2010, with the most significant losses in Roseland, Pullman, West Pullman, and Riverdale of 15 to 20 percent. Except for Washington Heights and Riverdale, continued losses occurred in all community areas between 2010 and 2018, with the highest rate of losses again in Roseland, Pullman, and West Pullman, of eight percent.

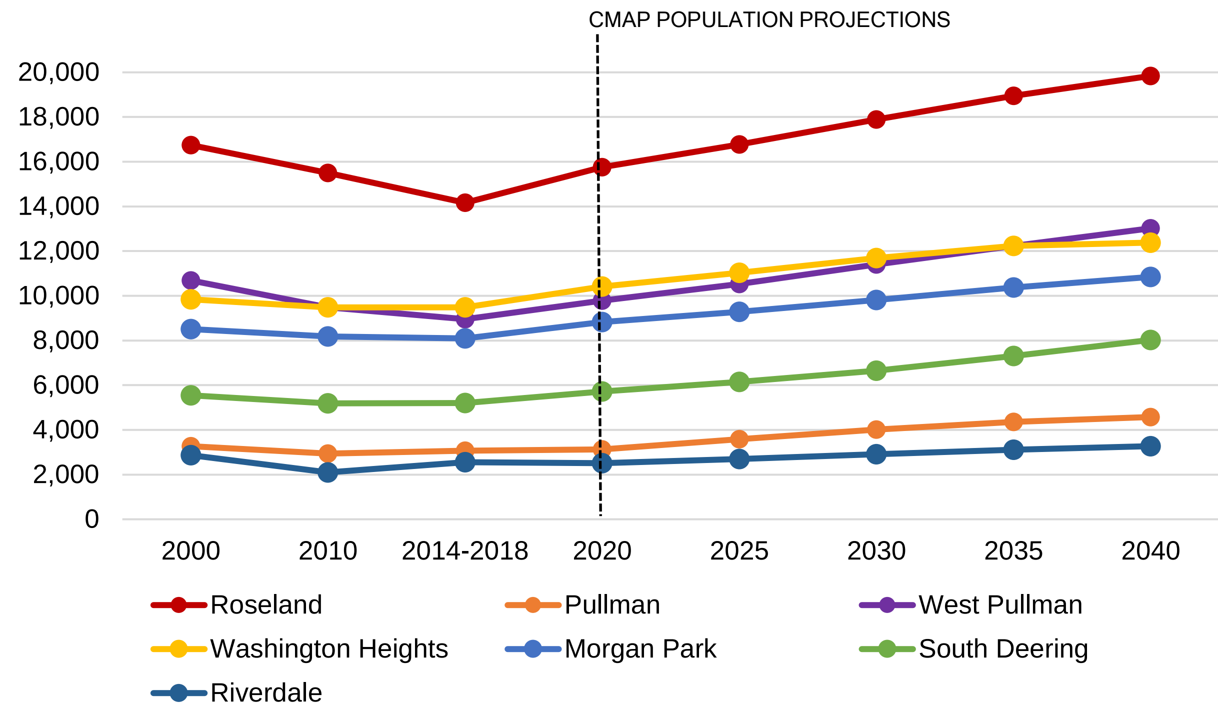
Population projections from CMAP suggest a growing population in all community areas between 2020 and 2040, bringing populations closer to or above 2000 estimates. Estimates show the most population growth in Roseland and West Pullman, each expected to grow by nearly 9,000 residents between the years.

City of Chicago: The City experienced population loss between 2000 and 2010, with a loss of more than 200,000 residents. Estimates show population growth between 2010 and 2018, indicating a rebound from the extreme losses experienced within the previous decade, with an estimated 23,000 residents added between the years.

Population projections from CMAP indicate a growing population between 2020 and 2040 citywide, projecting an added 317,000 residents between the years, a 12 percent increase. This would bring the total population in Chicago over three million.

2.1.2 Total Household Estimates and Projections

Figure 2-2 displays total household estimates and projections for each of the seven community areas in the market area. Table 2-2 provides the household totals for the market area (sum of seven community areas), the project area, and the City of Chicago.



Source: US Census 2000, 2010, American Community Survey Estimate 2014 - 2018, CMAP Population Projections 2020 - 2040

Figure 2-2: Household Estimates and Projections, Community Areas

Table 2-2: Household Estimates and Projections, Project Area, Market Area, City of Chicago

	US Census	US Census	ACS Estimates	CMAP Household Population Projections				
	2000	2010	2018	2020	2025	2030	2035	2040
Project Area	40,380	36,888	36,054	39,850	42,849	46,112	49,132	51,465
Market Area	57,460	52,864	51,531	56,150	60,056	64,389	68,559	71,966
City of Chicago	1,059,177	1,045,560	1,056,118	1,133,019	1,169,623	1,200,053	1,227,794	1,245,535

Source: 2000 and 2010 US Census, 2014 - 2018 Estimates, CMAP Population Projections 2020 - 2040

Project Area: The project area has experienced significant household loss between 2000 and 2018, with a loss of more than 4,300 households between the years, a ten percent decrease. Household losses were more drastic between 2000 and 2010 than 2010 and 2018.

Household projections from CMAP suggest growing household growth in the project area by 2040 despite significant losses between 2000 and 2018. CMAP projects the number of households in the project area will increase by 42 percent between 2018 and 2040, increasing by 15,400 households.

Market Area: The market area has seen significant declines in total households between 2000 and 2018, with an estimated loss of ten percent, amounting to nearly 6,000 households. All geographies listed above, including the City, experienced household loss between 2000 and 2010, though the market area continued to decline between 2010 and 2018, while the City began to rebound and grow between the same years.

Household projections from CMAP indicate significant household growth by 2040, forecasting more than 20,400 new households in 2040 than current 2014-2018 ACS estimates, an increase of nearly 40 percent.

Community Areas: All seven of the community areas in this analysis experienced significant household losses between 2000 and 2010, with the most significant losses in Roseland, Pullman, West Pullman, and Riverdale of 15 to 20 percent. Except for Washington Heights and Riverdale, continued losses occurred in all community areas between 2010 and 2018, with the highest rate of losses again in Roseland, Pullman, and West Pullman, of eight percent.

Household projections from CMAP suggest a growing population in all community areas between 2020 and 2040, bringing populations closer or above 2000 estimates. Estimates show the most household growth in Roseland and West Pullman, each expected to grow by nearly 9,000 households between the years.

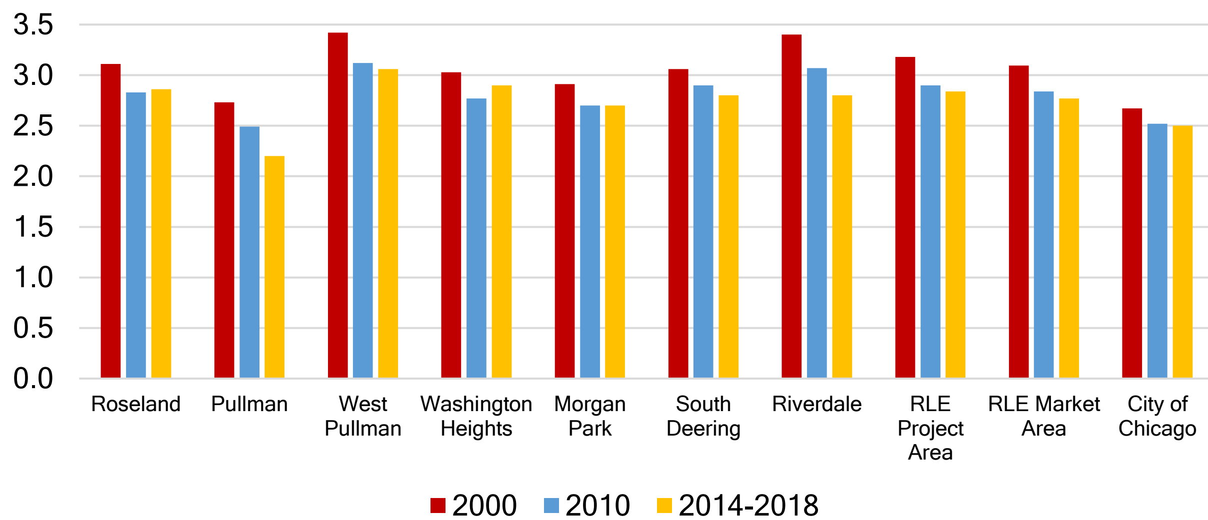
City of Chicago: The City experienced household loss between 2000 and 2010, with a loss of more than 13,600 households between the years. Estimates show population growth between 2010 and 2018, indicating a rebound from the extreme losses experienced within the previous decade, with an estimated 10,500 households added between the years.

Household population projections from CMAP indicate growing households between 2018 and 2040 citywide, projecting an added 190,000 households by 2040, a 12 percent increase.

2.1.3 Average Household Size

Figure 2-3 displays the average household size in each community area, the project and market areas, compared to the City of Chicago.

Note that average household size has been declining nationally since the end of the baby boom in the 1960s. Other factors contributing to shrinking household size include fewer married households, fewer children per household, and increases in life expectancy that has resulted in many one- and two-person elderly households. Adequate housing types will be needed to accommodate changing household sizes and types.



Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-3: Average Household Size

Project Area: Average household size within the project area decreased between 2000 and 2018, from 3.2 to 2.8, an 11 percent decrease.

Market Area: Average household sizes also decreased slightly in the market area from 3.1 in 2000 to 2.7 in 2018, a ten percent decrease.

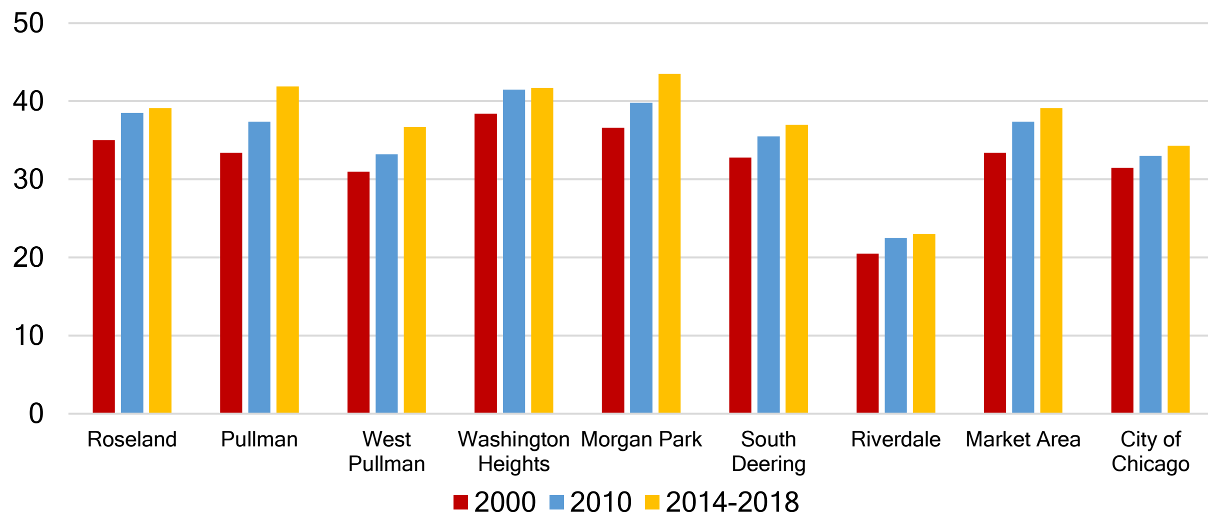
Community Areas: West Pullman and Washington Heights have the highest average household size, at 3.0 and 2.9 respectively. All community areas have decreased in average household size between 2000 and 2018. 2018 estimates show all community areas have an average household size of three or less.

City of Chicago: The City experienced a five percent decrease in average household size between 2000 and 2010 but maintained an average household size of 2.5 between 2010 and 2018.

2.1.4 Median Age

Figure 2-4 displays the median age in each community area and market area, compared to the City of Chicago. The data could not be calculated for the project area.

Note that increased median age is a nationwide trend as the Baby Boomer generation ages into the 65+ age cohort, and fertility rates decline. In 2018, median age nationwide was 38.2, up from 35.3 in 2000, an eight percent increase.



Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-4: Median Age

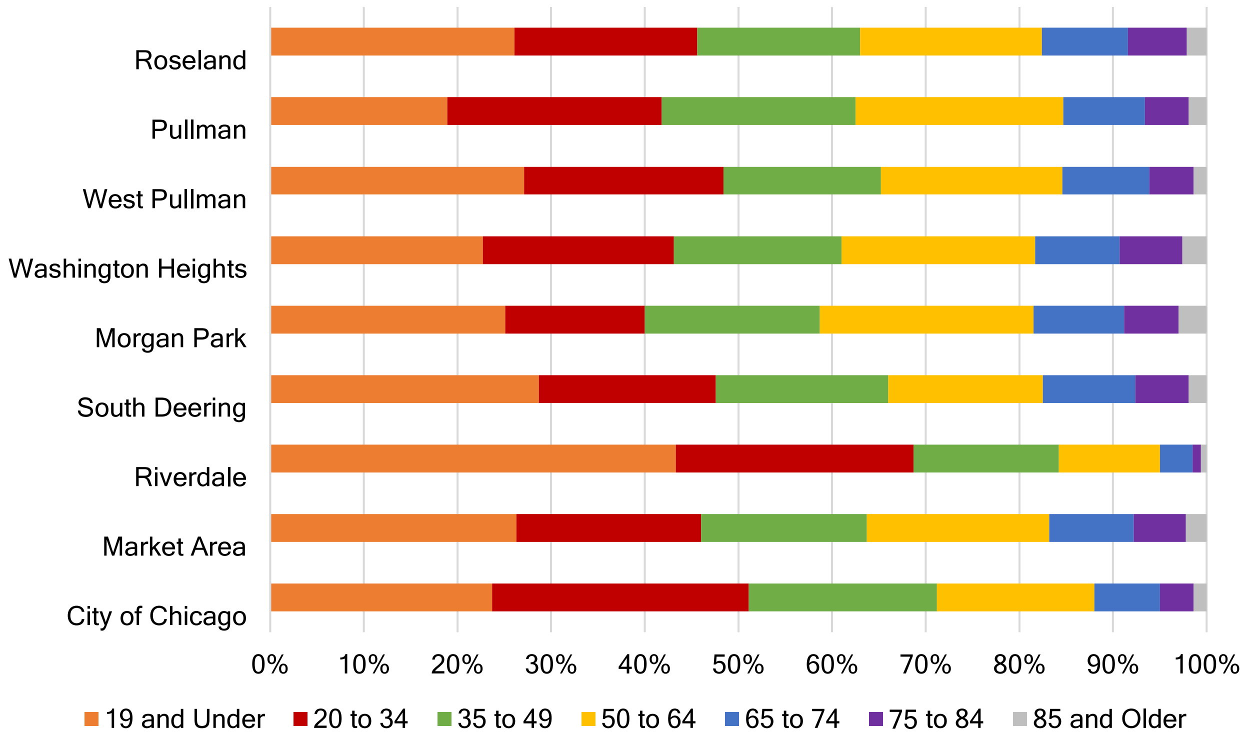
Market Area: The median age within the market area increased by 17 percent between 2000 and 2018, from 33.4 to 39.1. While this trend is occurring nationwide, the median age in the market area increased twice as fast as the City between 2000 and 2018.

Community Areas: Morgan Park is the oldest community area, with an estimated median age of 43.5, a 19 percent increase from 2000. Pullman and Washington Heights are second oldest at 41.9 and 41.7, respectively, a 19 percent increase between 2000 and 2018. These three community areas have the highest rates of change between 2000 and 2018, indicating that they are aging at a faster pace than other community areas as these populations age in place, with few young professionals and families moving to these areas. Riverdale has the lowest median age of 23, indicating a large number of children.

City of Chicago: An increase in median age occurred in the City, from an estimated 31.5 in 2000 to 34.3 in 2018, though at a lower rate than community areas on the Far South Side with an increase of only nine percent.

2.1.5 Age Cohorts

Figure 2-5 displays the age cohort in each community area and market areas, compared to the City of Chicago.



Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-5: Age Cohorts. 2014- 2018 Estimates

Age 0 to 19: Comparatively, there is a slightly higher percentage of people age 0 to 19 in the market area at 26 percent compared to the City of Chicago at 24 percent, amounting to more than 38,000 children and young adults in the market area. Except for Washington Heights and Pullman, all community areas in the market area have a higher percentage of people under 20 when compared to the City, with Riverdale having the highest percentage at 43 percent, followed by South Deering at 29 percent.

With one quarter of the population in the market area aged 19 or younger, consideration should be given to devising appropriate planning measures that address the needs of this growing cohort, including adequate housing types to accommodate children and young families, as well as students and young adults, neighborhood amenities for children including recreation and open space, and ample schools and places of learning.

Age 20 to 34: Comparatively, there is a lower percentage of people age 20 to 34 in the market area at 20 percent of the total population compared to the City at 27 percent, amounting to 29,000 residents in the market area. Every community area in the market area has a lower percentage of this age cohort than the City, with Riverdale most comparable at 25 percent. Combining this age cohort with the previous (0 to 19) shows nearly 70 percent of the total population in Riverdale is younger than 35.

This age cohort is a demand segment that is lacking in the market area. Consideration should be given to developing appropriate housing types for young professionals and young families, access to transit and jobs, retail amenities that provide basic goods and services, as well as active commercial corridors with eating and drinking places, and open space and recreational amenities.

Age 35 to 49: The market area has a slightly lower percentage of people age 35 to 49 than the City at 18 percent compared to 20 percent, amounting to 26,000 adults in the market area, with Pullman the most comparable to the City at 21 percent, and Riverdale with the lowest at 15 percent.

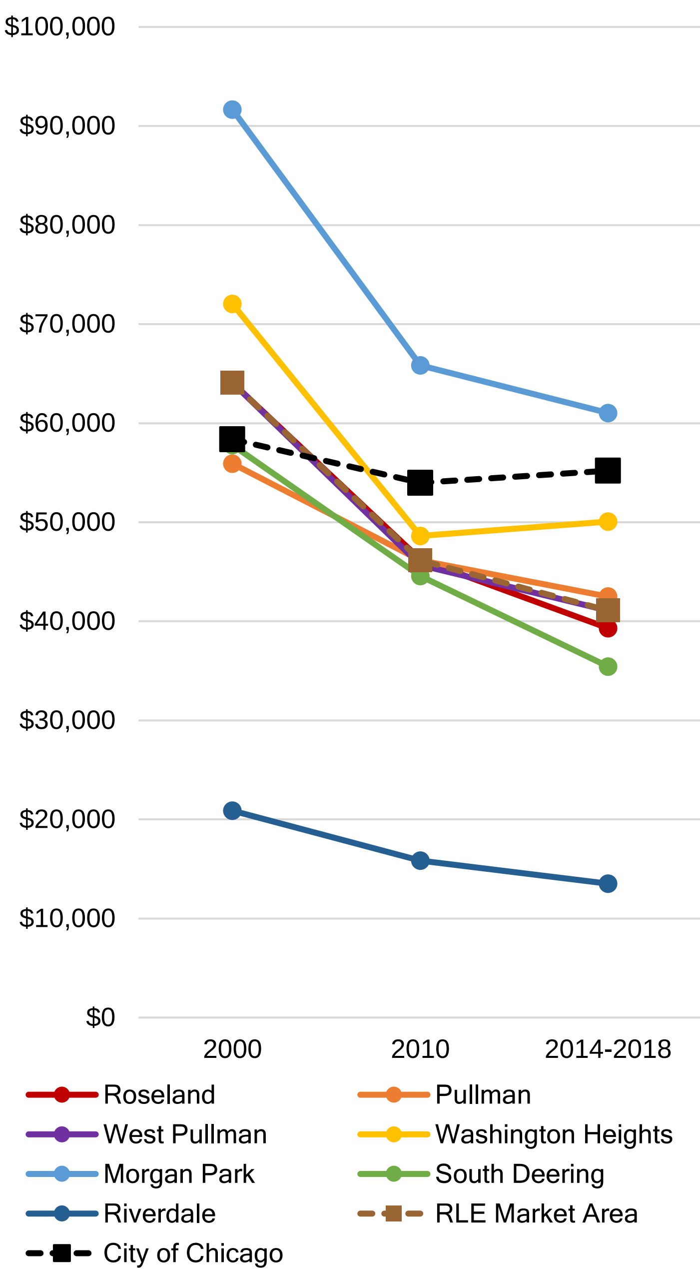
Similar to the previous age cohort, this age demographic should be targeted to locate within the market area, with similar amenities as listed above.

Age 50 to 64: The market area has a slightly higher percentage of people age 50 to 64 with 20 percent compared to the City's 17 percent, amounting to more than 23,600 residents that may decide to age in place in the market area. New residential housing types that accommodate those wishing to age in place would be desirable.

Age 65+: 17 percent of the total population in the market area falls in this age cohort, amounting to nearly 25,000 residents. Over the next 20 years, more than 50,000 current residents in the market area will be aged 70 and older. A variety of housing options to address those wanting to stay in their homes, transition to a more independent living accommodations or income-restricted and supportive senior residences need to be considered to accommodate this growing age cohort.

2.1.6 Median Household Income

Figure 2-6 displays the median household income in each community area and the market area compared to the City of Chicago.



Market Area: In 2000, the median income in the market area was higher than the City at $64,000 compared to $58,000. Significant decreases occurred between 2000 and 2010, and continued into 2018, dropping to an estimated $41,000 while the citywide median income grew.

Community Area: Morgan Park has maintained the highest median income of all the community areas, though it decreased by more than 30 percent between 2000 and 2018, to $61,000. Riverdale remains the community area with the lowest median income, also decreasing by more than 30 percent between 2000 and 2018 to an estimated $13,500. Except for Washington Heights, median incomes in the community areas on the Far South Side decreased by at least 25 percent since 2000.

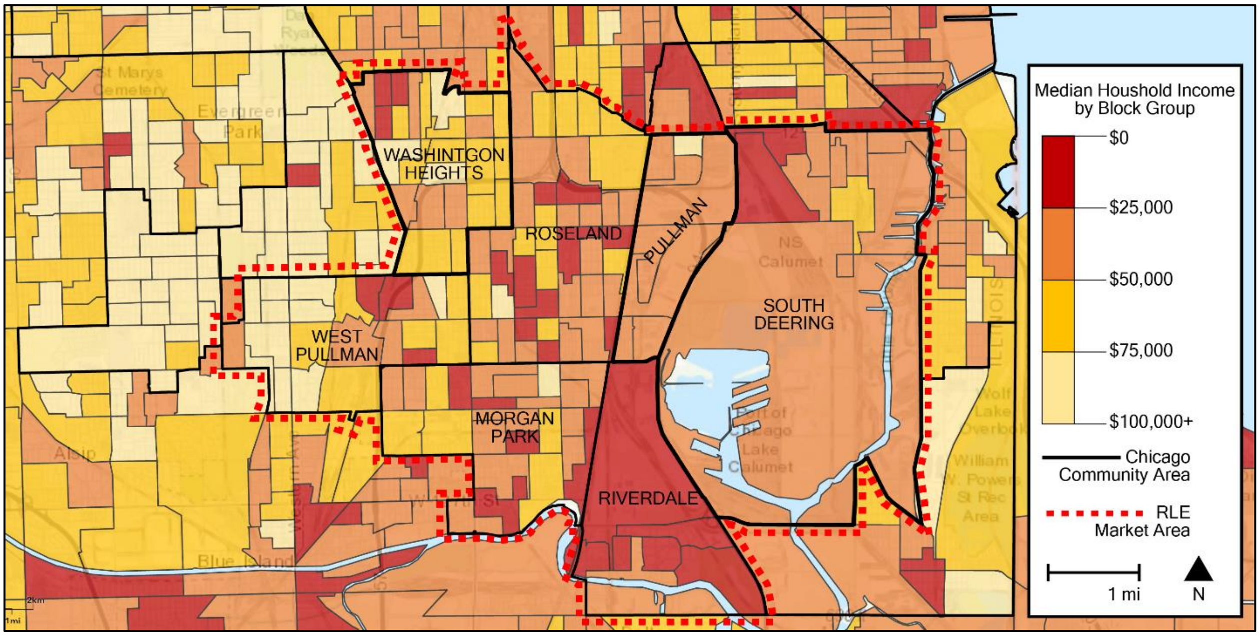
City of Chicago: While the median income decreased slightly in the City from $58,000 in 2000 to $54,000 in 2010, it is estimated to have rebounded by 2018 to $55,000. This indicates that trends occurring on the Far South Side are not occurring citywide.

United States: The median income in USA decreased between 2000 and 2010 from $61,461 to $56,939 due to the recession but grew to $61,937 in 2018.

Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-6: Median Household Income by Neighborhood

Figure 2-7 displays median household income by block group in the market area, outlined in the dashed red line. Block groups in red represent areas where the median household income is less than $25,000 per year, including Riverdale, South Deering, Roseland, Morgan Park, West Pullman, and Washington Park.



Source: American Community Survey 2014 - 2018 Estimates
Figure 2-7: 2018 Median Household Income Map by Block Group

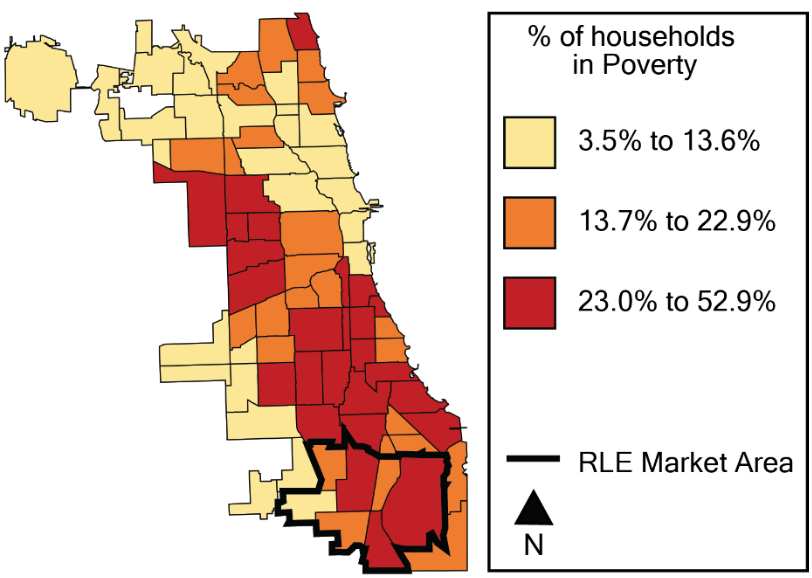


Figure 2-8 displays the percentage of households in poverty in each community area in Chicago by equal intervals in color ranges from low to high. Three community areas in the market area have 23 to 53 percent of households that are in poverty: Roseland, South Deering, and Riverdale. Citywide, many of households with higher percentages of poverty are located on the South and West Sides.

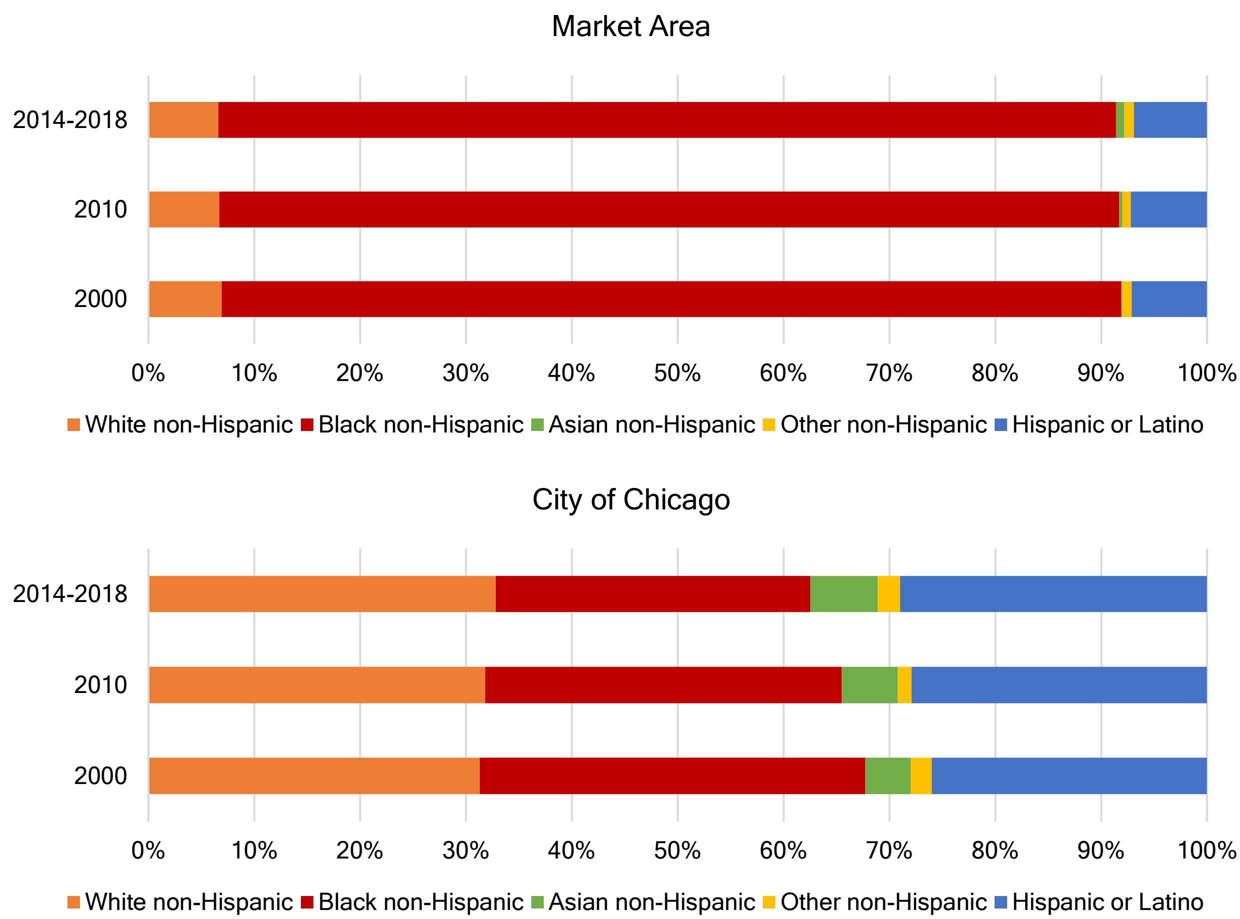
Source: American Community Survey 2014 - 2018 Estimates
Figure 2-8: 2018 Percentage of Households in Poverty

2.1.7 Race and Ethnicity

Figure 2-9 displays the race and ethnicity in the market area compared to the City of Chicago. More detail on race and ethnicity by community area can be found in Appendix B.

Eighty-five percent of the market area identified as Black non-Hispanic in 2018, compared to 30 percent citywide. While the percentage of the total population that identifies as Black non-Hispanic has remained 85 percent between 2000 and 2018 in the market area, the loss of total population shows 35,000 less Black non-Hispanic residents in the market in 2018 compared to 2000.

The loss of Black non-Hispanic residents has been occurring citywide between 2000 and 2018, with an estimated loss of 6.7% relative to the City population, amounting to 246,739 residents.

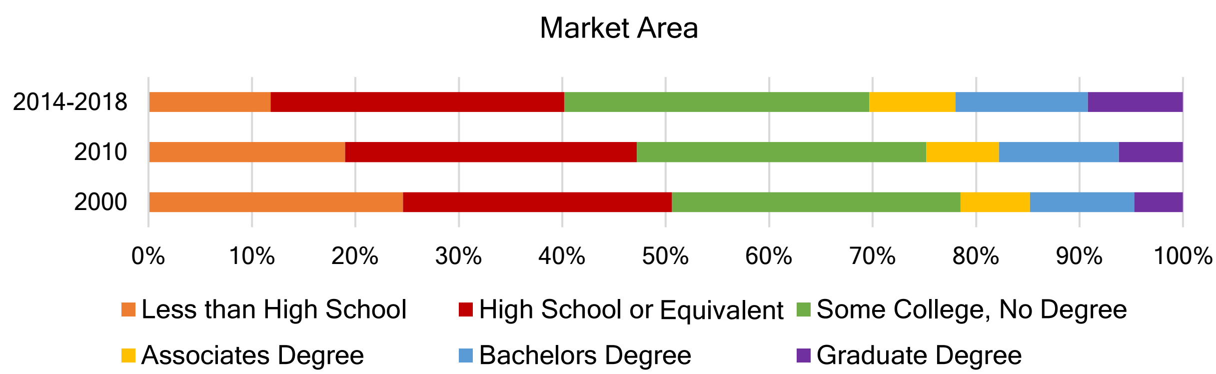


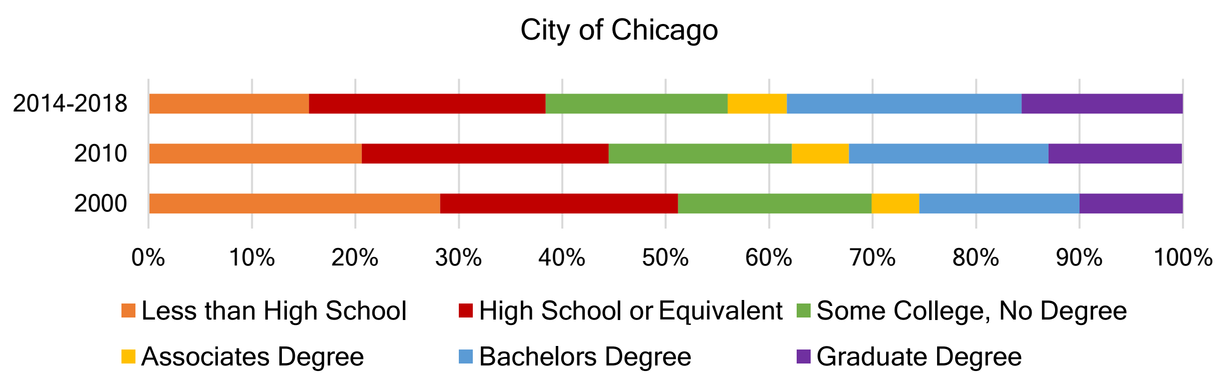
Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-9: Race and Ethnicity

2.1.8 Educational Attainment

Figure 2-10 displays the educational attainment in the market area, compared to the City of Chicago. Sources include US Census data for 2000 and 2010 and American Community Survey 2014-2018 estimates. Educational attainment by community area is detailed in Appendix C.





Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-10: Educational Attainment

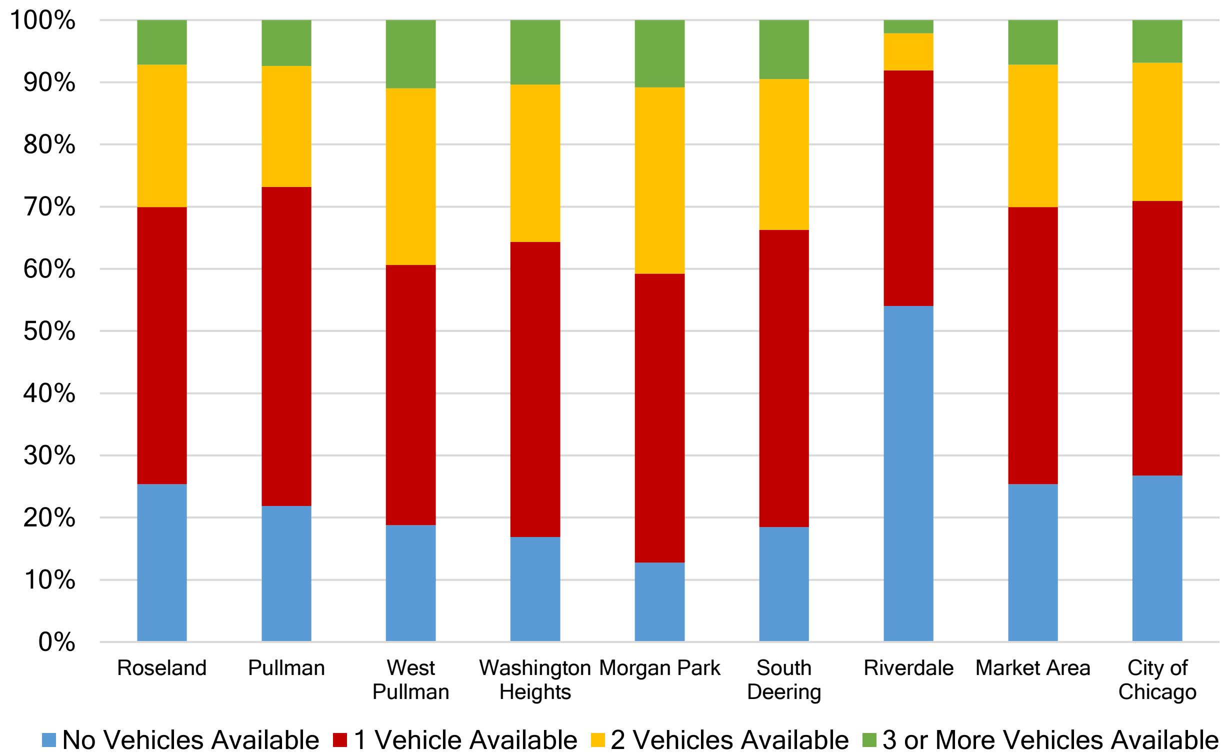
Market Area: The percentage of adults 25 and older in the market area that did not graduate high school has decreased between 2000 and 2018 by nearly half, while rates of college attendance have increased.

Community Areas: South Deering and Riverdale have the highest levels of residents not graduating high school at 21 percent and 18 percent, respectively. Riverdale has the highest percentage of residents attending some college or obtaining an associate's degree. Morgan Park has the highest percentage of residents obtaining a bachelor or graduate degree at 37 percent.

City of Chicago: Thirty-eight percent of Chicago residents have a bachelors or graduate degree, which is higher than all the community areas and the market area. Rates of adults 25 and older that did not graduate high school has decreased by 13 percent between 2000 and 2018, and rates of college attendance have increased.

2.1.9 Vehicles Available

Figure 2-11 displays the number of vehicles available per household in each community area and market area, compared to the City of Chicago.



Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-11: Vehicles Available, 2014-2018

Market Area: The percentage of vehicles available in the market area aligns with citywide trends with nearly 75 percent of all households in the market area having at least one vehicle available. One quarter of all households, however, have no vehicles available, indicating a reliance on public transit, carpooling, walking, or biking despite the relative lack of transit service in the area

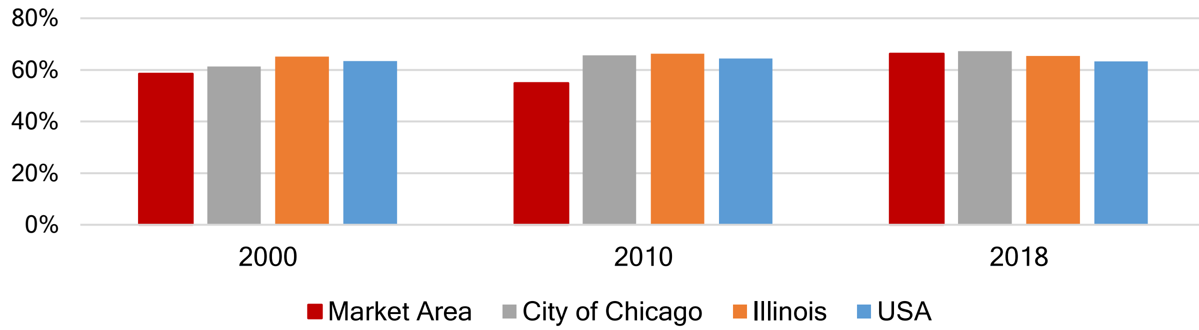
Community Areas: Vehicle availability varies significantly throughout the community areas, with Morgan Park, Washington Heights, and West Pullman having the highest number of vehicles available. Riverdale is exceptional in that more than half of all households have no vehicles available, corresponding to the low-incomes and high population of minors in the area.

City of Chicago: Seventy-three percent of all households in Chicago have at least one car available. Nearly a quarter of all households do not have a vehicle, indicating many households rely on public transit, carpooling, walking, or biking.

2.2 Employment Analysis

The following data displays the labor participation rate and unemployment rate in the market area, City, State, and Nation between 2000 and 2018.

Figure 2-12 shows the labor participation rate, which includes the total population age 16 and over that are active in the labor force, not including members of the armed forces. In all geographies, the labor participation rate ranged between 63 and 67 percent in 2018. It was estimated to be 66 percent in the market area in 2018, which was a significant increase relative to 2010.

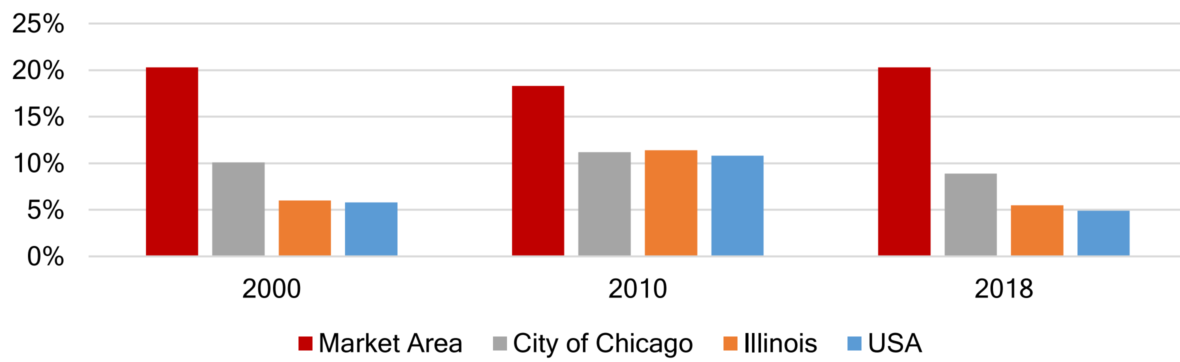


Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-12: Labor Participation Rate

Figure 2-13 shows the unemployment rate trends between 2000 and 2018, reflecting the working age population in the workforce that are unemployed. The unemployment rate in the market area remained significantly higher than other geographies, ranging between 18 and 20 percent.

While city, state, and national unemployment trends increased between 2000 and 2010 due to the Great Recession, there were significant decreases between 2010 and 2018. The opposite trend was observed in the market area, with increasing unemployment occurring between 2010 and 2018.



Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 2-13: Unemployment Rate

2.2.1 Total Jobs

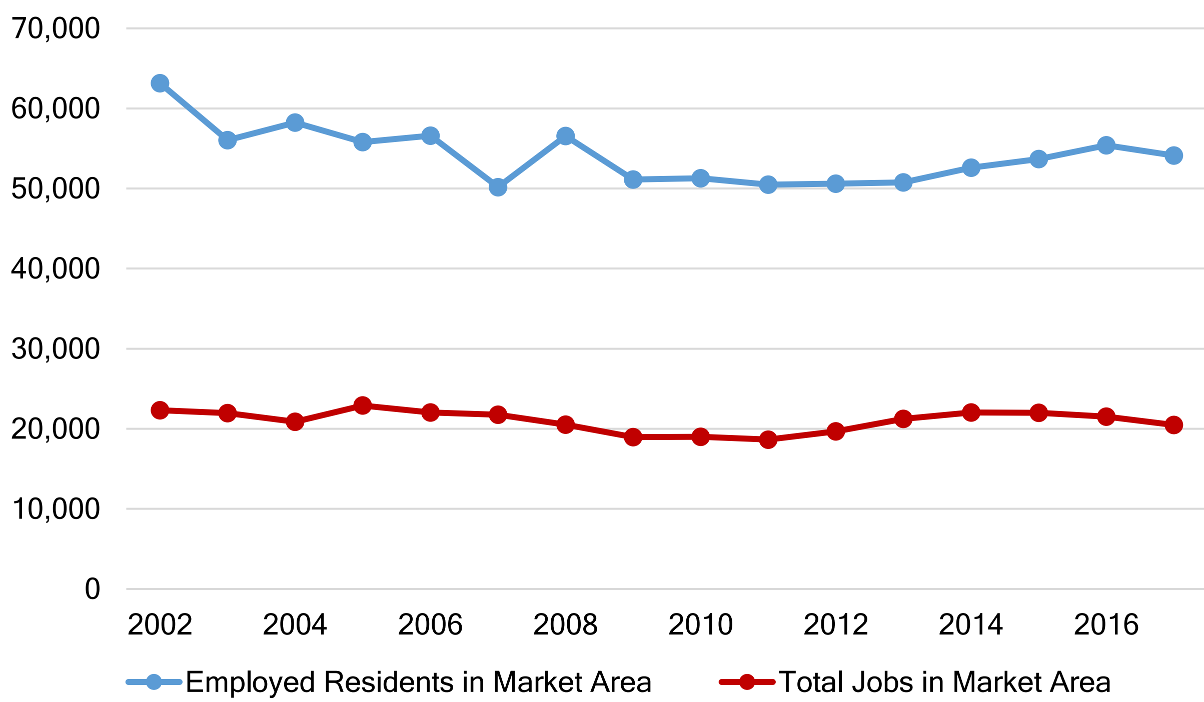
The following data, sourced from the US Census Bureau's OnTheMap estimates, tracks employment trends in the market area, highlighting total number of jobs, employment sectors, in-flow and out-flow patterns, and wages. This source provides employment data for 2002 to 2017.

Figure 2-14 displays total jobs in the market area between 2002 and 2017 and the total number of employed residents in the market area.

Job numbers in the market area peaked in 2005 nearing 23,000 jobs, and decreased thereafter, particularly following the 2008 Great Recession. Job numbers began to recover in 2012, steadily remaining over 20,000 between 2012 and 2017. Most current data estimates 20,500 jobs in the market area in 2017, which reflects a slight decline since 2014.

The number of employed residents in the market area was highest at the start of the data period in 2002 with more than 63,000 employed residents, decreasing by more than 13,000 by 2007 to a low of 50,200 total employed residents in the market area, represented in blue in Figure 2-14.

The number of employed residents remained steady between 2009 and 2017, ranging between 51,000 and 55,000 with an estimate of 54,106 in 2017 (represented in blue in Figure 2-14).



Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-14: Total Jobs in Market Area

2.2.2 In-flow and Out-flow Analysis

Source: US Census Bureau Center for Economic Studies, OnTheMap data 2017

Figure 2-15: In-flow and Out-flow Pattern Data, 2017

In-Flow: 89 percent of all jobs in the market area in 2017 were held by employees commuting to the market area that live elsewhere, amounting to 18,228 employees and represented in green.

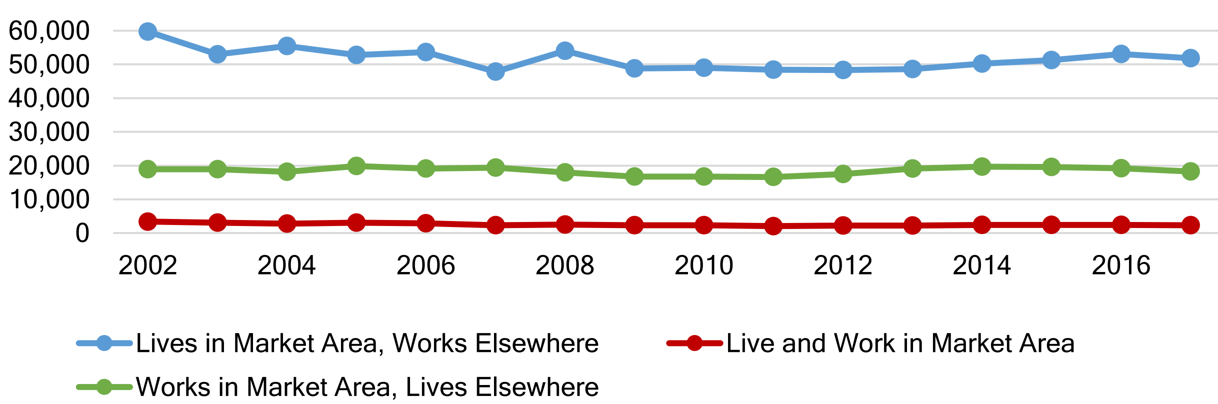
More than 6,000 employees in the market area traveled from elsewhere in Chicago, and 3,600 workers were commuting from Indiana. The remainder commute from Will County, DuPage County, Lake County, Kane County and McHenry County.

Out-Flow: The data indicates that 96 percent of employed residents living in the market area commute outside of the market area for work in 2017, amounting to 51,848 workers, represented by the blue arrow in Figure 2-15 above.

Nearly 32,000 residents in the market area commuted to jobs in Chicago outside of the market area and more than 13,000 commuted elsewhere in Cook County. The remainder commuted to Northwest Indiana or DuPage, Will, Lake, Kane, and McHenry counties, amongst others.

This has been the trend since at least 2002, with the majority of jobs in the market area held by employees living outside of the market area, as seen in Figure 2-16.

Live and Work in Market Area: The remaining 11 percent of all jobs in the market area in 2017 were held by employees who live and work in the market area, represented in red on the figure.

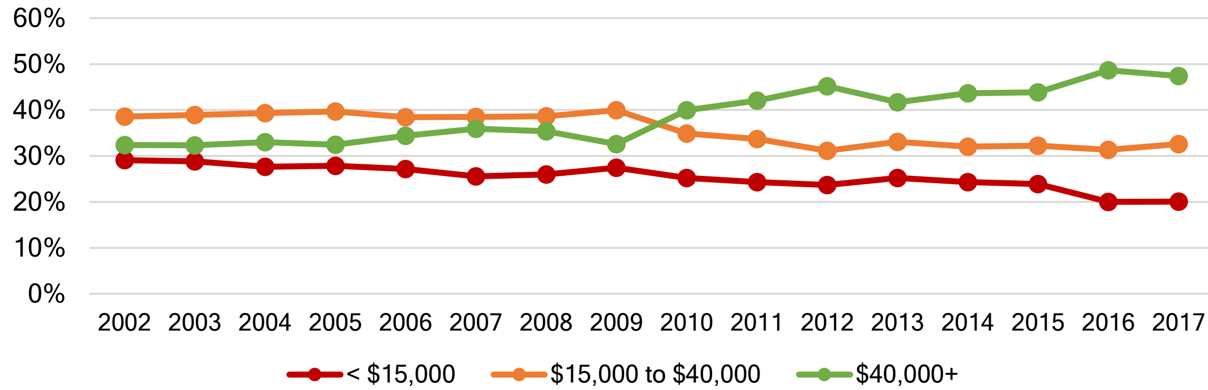


Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-16: In-flow and Out-flow Pattern Chart, 2002 - 2017

2.2.3 Jobs by Earnings

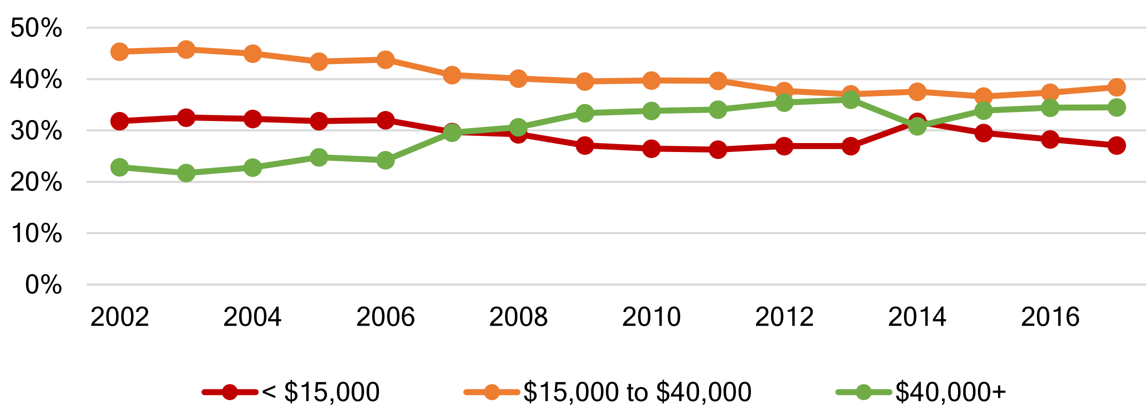
As seen in Figure 2-17, the percentage of employees working in the market area earning more than $40,000 per year has steadily been increasing since 2009, represented in green in Figure 2-17 below. Jobs with wages below $40,000 per year and more than $15,000 per year began decreasing in 2009, but have experienced upticks or stagnation in recent years, represented below in orange. Jobs with wages below $15,000 have steadily been decreasing, represented below in red. All dollar values have been adjusted to reflect 2018 dollars.



Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-17: Jobs by Earnings of Employees in Market Area (per year)

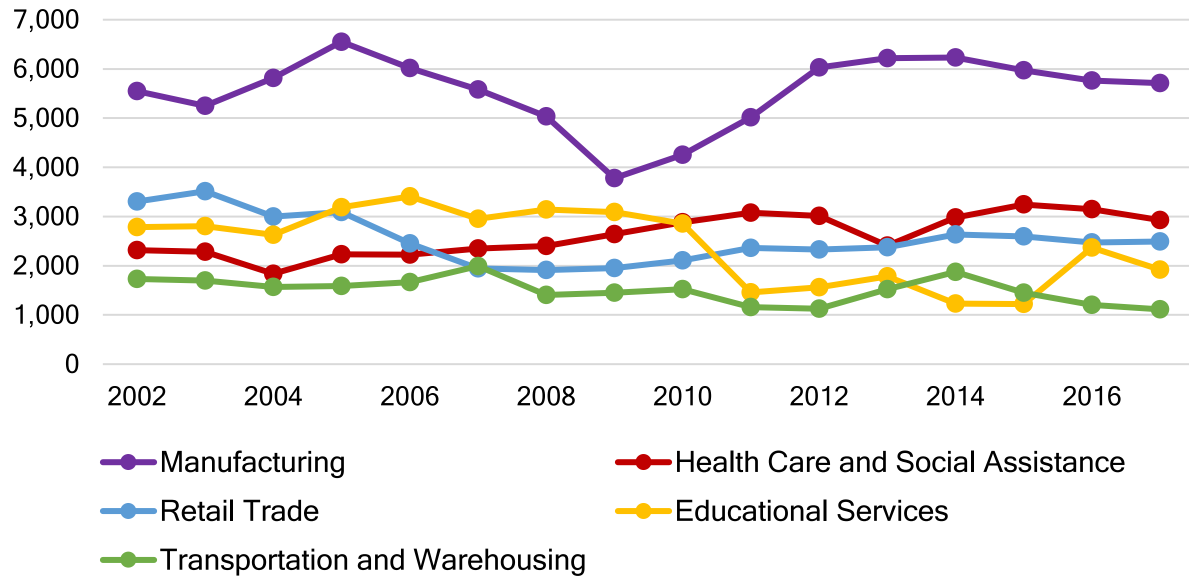
While jobs in the market area have experienced increasing wages, employed residents in the market area have not experienced the same wage growth. As seen in Figure 2-18 below, 65 percent of all employed residents in the market area earn less than $40,000 per year, with 27 percent earning less than $15,000 per year. While the gap appears to be lessening, it starkly differs from wages earned by employees working in the market area. All dollar values have been adjusted to reflect 2018 dollars.



Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-18: Jobs by Earnings of Employed Residents of Market Area (per year)

2.2.4 Leading Employment Sectors



Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-19: Leading Employment Sectors in Market Area

Manufacturing: Manufacturing has remained the leading employment sector in the market area between 2007 and 2017, despite significant declines in 2008 – 2009 during the Great Recession. In 2017, manufacturing jobs accounted for 28 percent of all jobs within the market area. Growth in this job sector is attributed to the many industrial and manufacturing users in the Calumet, Pullman, West Pullman, and Burnside industrial corridors. The leading employer in this sector is the Ford Assembly Plant, accounting for more than 4,000 workers (2017).

Health Care and Social Assistance: The second leading employment sector in 2017 is in healthcare services, accounting for nearly 3,000 jobs in 2017. Some jobs are attributed to the Roseland Hospital and Roseland Medical District, and other public and private healthcare providers.

Retail Trade: Employment in the retail sector has been wavering over the last decade, though slight increases have occurred in recent years, providing 3,300 jobs in the market area in 2017.

Educational Services: Many educational institutions, including colleges, are leading employers in the market area. Despite a major decrease in 2011, jobs in this sector have grown somewhat since 2015 and there were a total of 2,800 jobs in 2017.

Transportation and Warehousing: Jobs in transportation and warehousing have wavered over the years, peaking in 2014 with 1,900 jobs, and slowly decreasing to 1,100 jobs in 2017. While not reflected in this dataset, new distribution facilities in Pullman and South Deering were delivered between 2015 and 2020 that added jobs, though the exact number is unknown at this time.

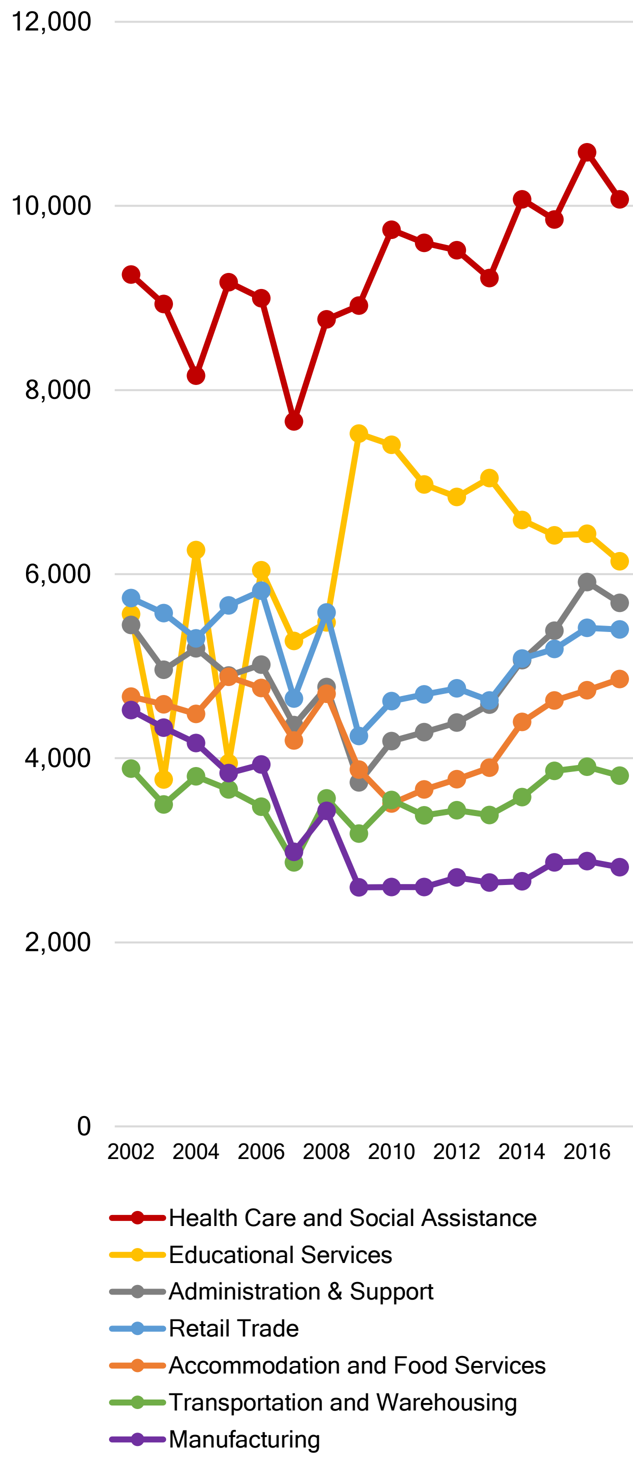


Figure 2-20 shows leading employment sectors of employed residents in the market area between 2002 and 2017. The intent of this analysis is to better understand how employed residents in the market area align with jobs available in the market area.

Figure 2-19 on the previous page identifies manufacturing as the leading employment sector in the market area, with more than 5,700 manufacturing jobs in 2017. Per the chart to the left, there has been a significant decline in residents in this employment sector, though 2,800 market area residents worked in this employment sector in 2017.

The leading employment sector of market area residents historically has been health care and social services, with more than 10,000 market area residents working in this field. Figure 2-19 on the previous page identifies nearly 3,000 healthcare jobs in the market area.

Educational services jobs increased significantly in 2009, with more than 7,500 market area employees working in this sector at the time but has decreased to just over 6,000 in 2017. This is also a leading employment sector in the market area.

Growing employment sectors of market area residents include retail trade and accommodation and food services, as well as transportation and logistics.

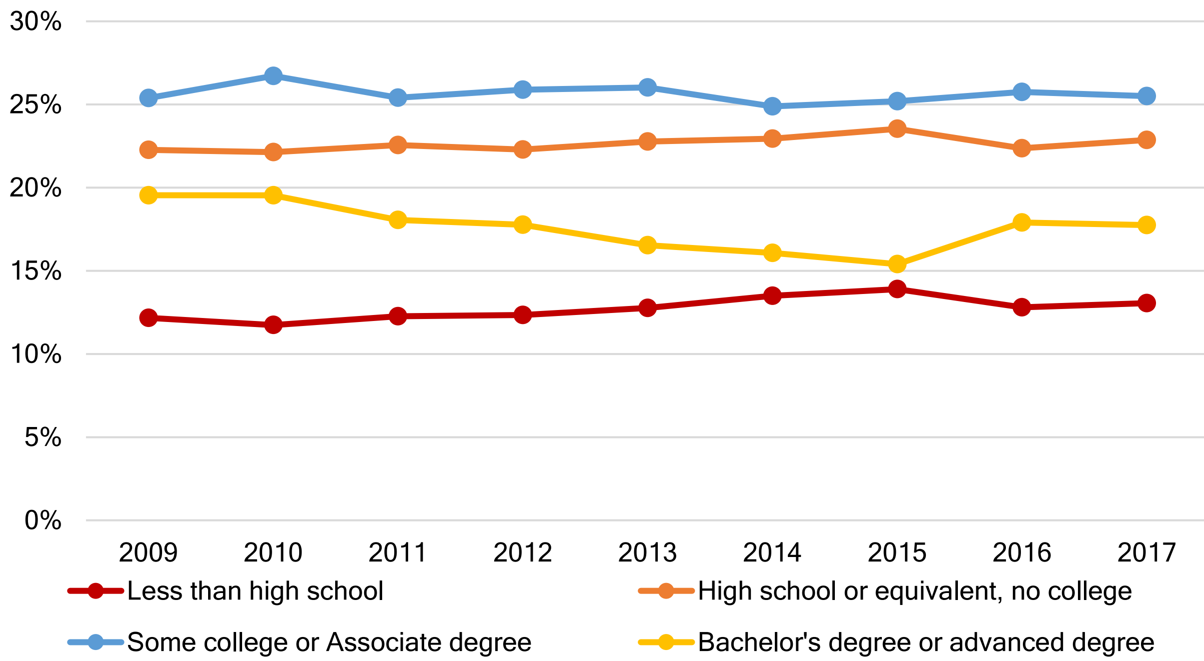
Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-20: Leading Employment Sectors of Employed Market Area Residents

2.2.5 Jobs by Worker Educational Attainment

Figure 2-21 displays total jobs in the market area between 2009 and 2017 by educational attainment of employees working in the market area. Data is unavailable between 2002 and 2008.

The most common educational attainment in the market area is employees with some college or associate's degree, followed by high school graduates. In 2017, only 18 percent of all employees received a bachelor's or advanced degree, with 13 percent having no high school diploma. No major changes in educational attainment of workers in the area occurred between 2009 and 2017.



Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 2-21: Jobs by Worker Educational Attainment

Per figure 2-8, 38 percent of residents in the market area aged 25 and older attended college, or received an associate's degree, with an additional 22 percent obtaining a bachelor's degree or advanced degree, according to the US Census Bureau's ACS 2014 – 2018 estimates.

Twenty nine percent of the adult population in the market area graduated high school, according to the same source, with 12 percent not graduating. These figures indicate that residents living in the market area are aligned educationally with jobs in the market area.

Section 3 - Residential Market Assessment

3.1 Housing Profile

The residential communities on Chicago's Far South Side were first occupied primarily by immigrants who moved to the area in the late 19th and early 20th centuries to be near heavy manufacturing jobs. A second significant growth period in the area followed World War II, when the Great Migration brought thousands of African American residents to the South Side of Chicago. In the 1980s, however, as steel mills closed and jobs disappeared, the South Side began to suffer population and household losses that continue to this day.

The RLE market area still offers many assets that make it a desirable place to live. Among them are prominent public educational facilities, proximity to growing employment centers, and affordable housing options. Despite gaps in the existing housing stock, an affordable real estate market and introduction of new housing options bolstered by improved transportation access can create opportunities for residential growth in the future.

3.1.1 Housing Unit Data

Sources for housing unit data below include US Census data for 2000 and 2010, American Community Survey 2014-2018 estimates.

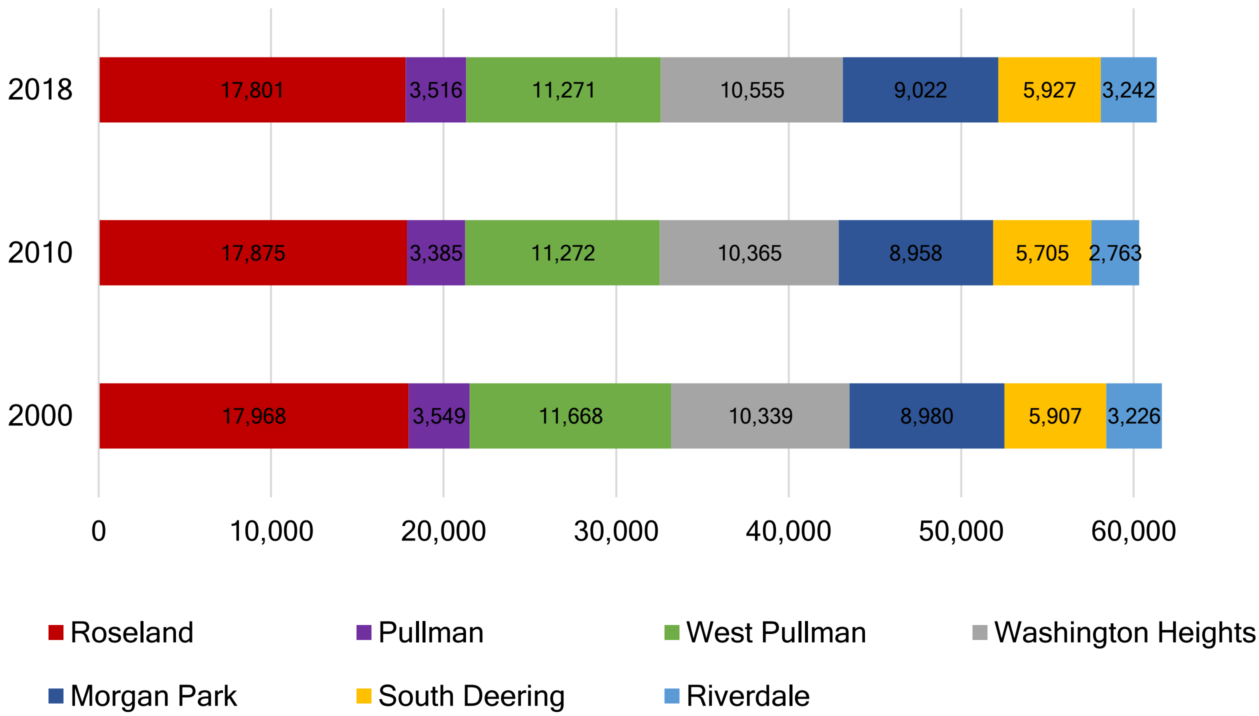
3.1.1.1 Total Housing Units

The Great Recession hit the market area particularly hard, highlighted by a continued decline in housing units. As seen in Table 3-1, the market area has 61,300 housing units according to the most recent Census estimates, which is approximately five percent of all housing units in the City. However, the number may actually be lower, given that more than 600 units at Altgeld Gardens and Philip Murray Homes in Riverdale were demolished after 2010, but were not removed from the Census totals. Housing unit losses occurred primarily in Roseland, Pullman, and West Pullman, whereas other community areas, such as Washington Heights and Morgan Park saw increases in the housing stock since 2010, as seen in Figure 3-1 on the following page.

Table 3-1: Total Housing Units

	2000	2010	2014-2018	% Change 2000 - 2018
RLE Project Area	43,527	42,732	43,725	+ 0.5%
RLE Market Area	61,637	60,323	61,334	- 0.5%
City of Chicago	1,150,809	1,194,337	1,208,839	+ 5.0%

Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

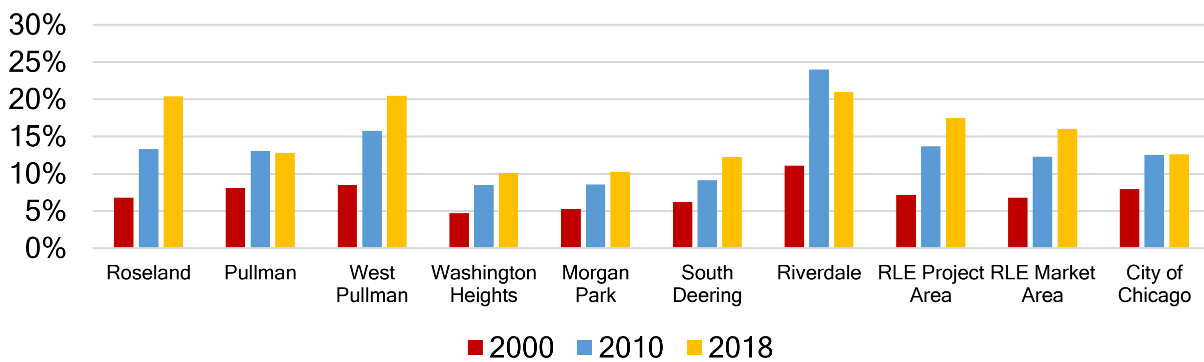


Source: US Census 2000 and 2010, American Community Survey 2014 - 2018 Estimates

Figure 3-1: Total Housing Units, Community Areas

3.1.1.2 Vacancy Rates

In addition to housing unit losses, vacancy rates in the market area rose to 16 percent in 2018, doubling from eight percent in 2000, as seen in Figure 3-2. Vacancy rates in both the City and market area have yet to recover in the post-recession years, with citywide rates nearing 13 percent, a five percent increase from 2000. Roseland, West Pullman and Riverdale community areas suffered the largest increase in vacancies, estimated to be above 20 percent in 2018.

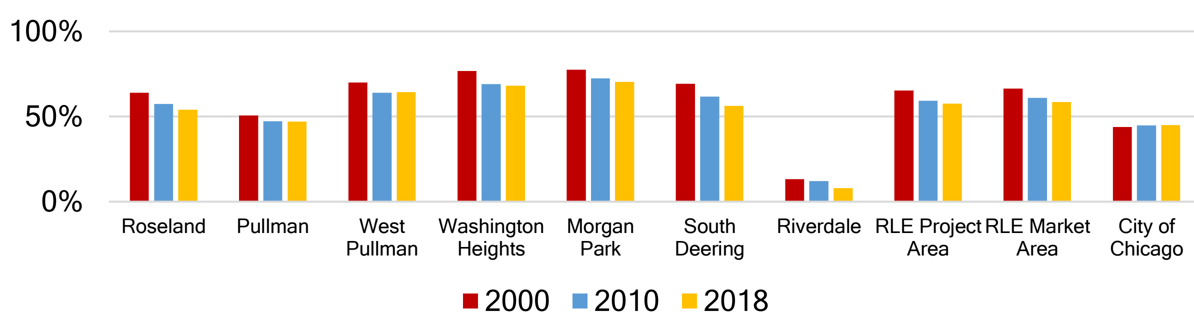


Source: US Census 2000 and 2010, American Community Survey 2014 - 2018
Figure 3-2: Housing Unit Vacancy Rate

3.1.1.3 Housing Tenure Trends

While housing units in the market area are mostly owner-occupied, the share of renter-occupied units in the market area has risen eight percent since 2000, accounting for 41 percent of occupied units in the market area as of 2018, as seen in Figure 3-3.

Pullman and Riverdale are the only community areas in the market area with a majority of renter-occupied units, with CHA's Altgeld Gardens and Philip Murray Homes accounting for most of the renter units in Riverdale. The City, on the other hand, is primarily renter-occupied, representing 55 percent of occupied units, although owner occupancy in the City is increasing.



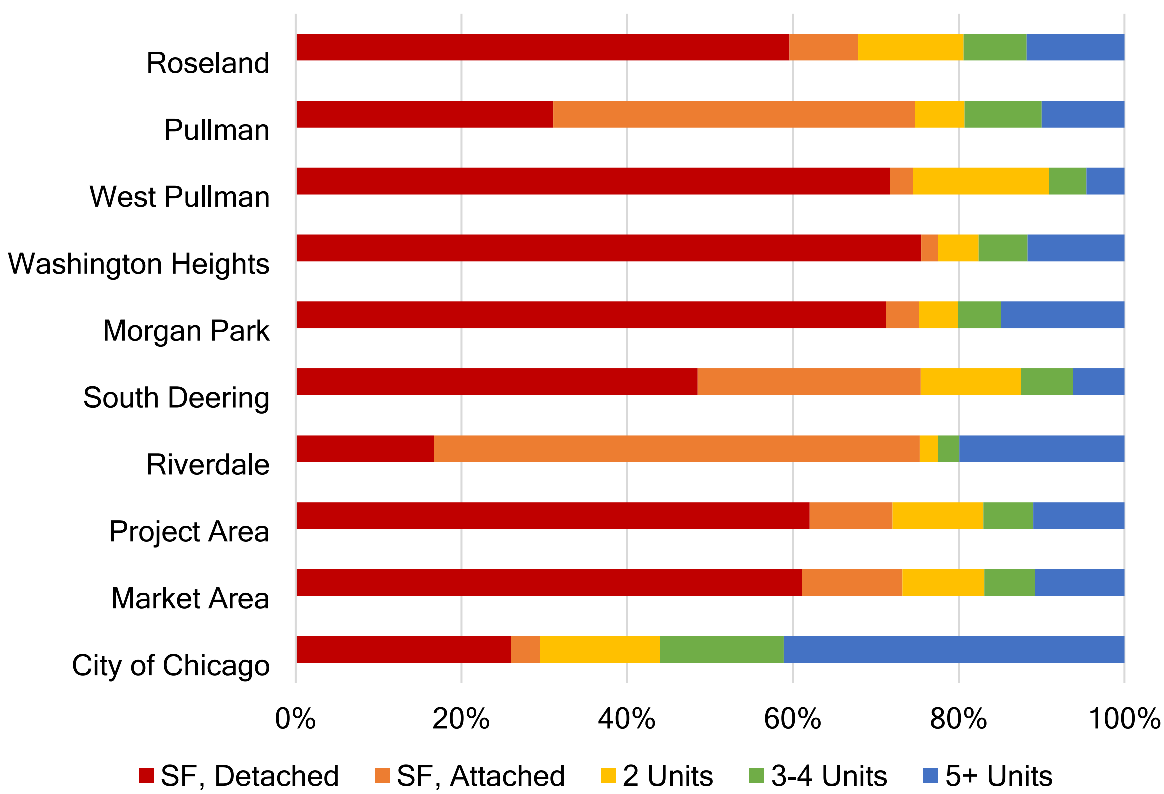
Source: US Census 2000 and 2010, American Community Survey 2014 - 2018
Figure 3-3: Owner-Occupied Housing Units

3.1.1.4 Housing Types

Most homes within the market area are single-family, with detached homes accounting for more than 60 percent of the total housing inventory. Single-family attached homes are an additional 12 percent, indicating nearly three quarters of all the homes in the market area are single-family dwellings. The majority of the housing stock in the market area was built prior to 1970, and single-family homes have historically been more typical of the Far South Side housing character overall. Multi-family buildings are less common within the market area, with only six percent of all housing units in three or four unit buildings, and 11 percent in five or more unit buildings.

Community areas with the highest percentage of single-family detached homes include Washington Heights, Morgan Park, West Pullman, and Roseland. Pullman and Riverdale have a larger share of single-family attached homes than other community areas.

Unlike the market area, less than 30 percent of all the homes in Chicago are single-family dwellings. A majority of homes in the City overall are multi-family dwellings of three or more units, with 40 percent of all homes in five or more-unit buildings.



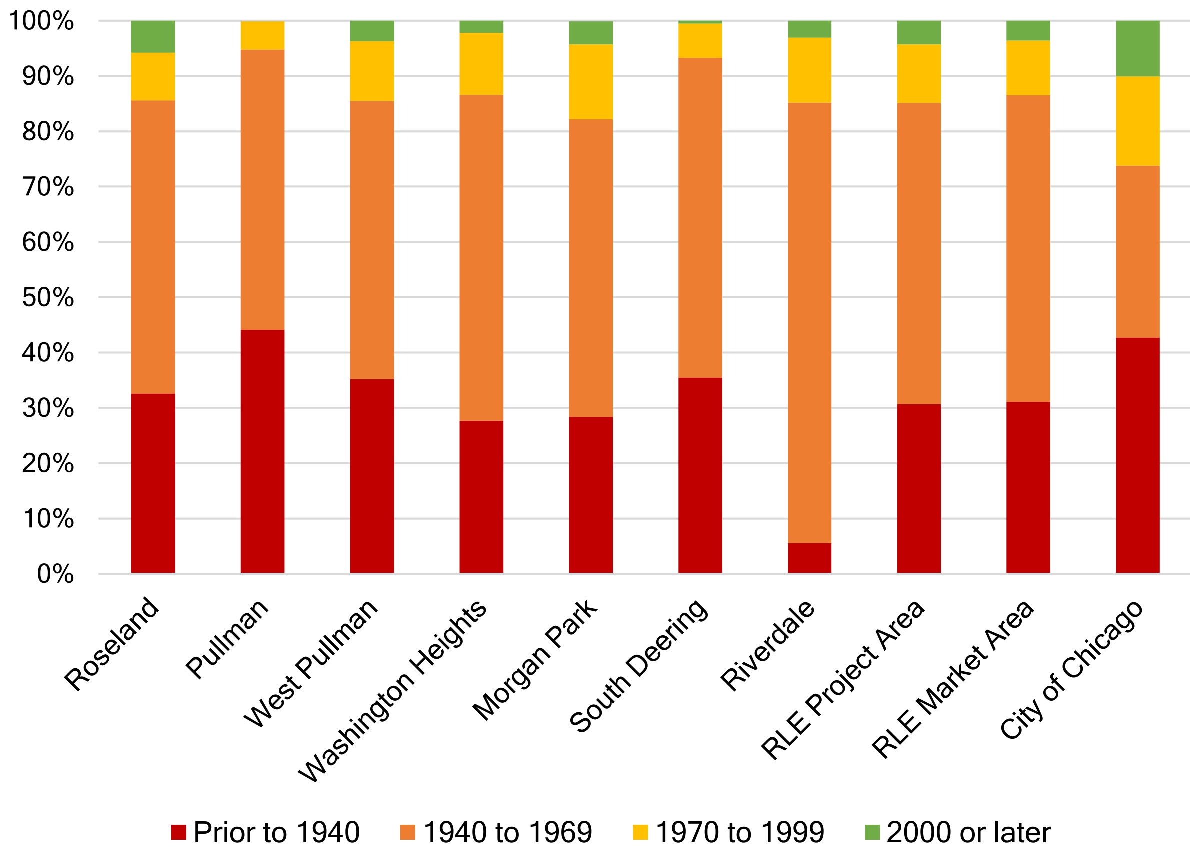
Source: US Census 2000 and 2010, American Community Survey 2014 - 2018

Figure 3-4: Housing Types, 2014-2018 Estimates

3.1.1.5 Housing Age

The majority of homes in the market area were built between 1940 and 1969, amounting to 34,000 homes (55 percent). An additional 30 percent were built prior to 1940, amounting to 19,000 homes. These figures indicate an older and aging housing stock within the market area, suggesting many homes might be in need of renovation or repair, or potentially demolition. Older homes might also require added maintenance and upkeep, which could discourage interest from buyers.

Newer homes are less common in the market area. 13 percent of the housing units were constructed in the last 50 years. 6,000 units (ten percent) were built between 1970 and 1999 and only 2,200 units or three percent were built since 2000. Comparing these figures to citywide trends show that only five percent of all homes built within the City over the last 50 years were located in the market area, and less than two percent of all homes built in Chicago since 2000 were built in the market area. Details on new housing developments within the market area can be found on the following page.



Source: US Census 2000 and 2010, American Community Survey 2014 - 2018

Figure 3-5: Housing Age, 2014-2018 Estimates

3.1.2 New Housing Developments, 2000 – 2020

There have only been a handful of new residential projects constructed in the market area since 2000, all of which are fully affordable or have an affordable component. Many of the projects have been built in West Pullman, as seen in Figure 3-6 labeled one through six.

1. **Wentworth Commons** at 11045 S. Wentworth Avenue was constructed in 2005 by Mercy Housing. The four-story, 51-unit affordable supportive housing development contains apartments for formerly homeless families and homeless individuals with special needs. The building was the first multi-unit residential building to receive LEED certification in the Midwest for green, sustainable design supporting a healthier living and working environment. It is within the 111th Street station area.

2. **Roseland Village Apartments** at 64 E. 104th Street in Roseland opened in 2011 by Mercy Housing. In partnership with Neighborhood Housing Services, this 10-unit development features three and four-bedroom apartments for seniors raising their grandchildren or relatives under 18 years of age.

3. **Kennedy Jordan Manor**, a four-story senior building with studio and one-bedroom apartments opened in 2015 in West Pullman at 825 W. 118th Street.

4. **West Pullman School** redevelopment, located at 11917 S. Parnell Avenue in West Pullman opened in 2019. The former Chicago Public Schools (CPS) school was transformed into 60 affordable apartments for seniors.

5. **Pullman Artspace Lofts** at 11137 S. Langley Avenue in Pullman opened in late 2019. The 38-unit project features affordable studio, one and two-bedroom live and workspace for artists. The building also features 2,000 square feet of gallery space for artist residents to display their work.

6. **Habitat for Humanity Chicago** developed seven affordable for sale detached single-family homes in West Pullman in 2020. The project, located at 120th Street and Emerald Avenue, is part of their Affordable Home Ownership program, which helps qualified buyers purchase affordable homes. Habitat plans to develop more homes through this program, though timing has yet to be determined.

3.1.3 Planned / Proposed Housing Developments

There are six residential developments planned, which are in varying stages of development. All of the projects are affordable and include a mix of rental and for sale units. Those with addresses have been mapped on Figure 3-6 as a, b, and c.

a) Habitat for Humanity Chicago also plans to develop 22 attached rental townhomes at 955 W. 115th Street.

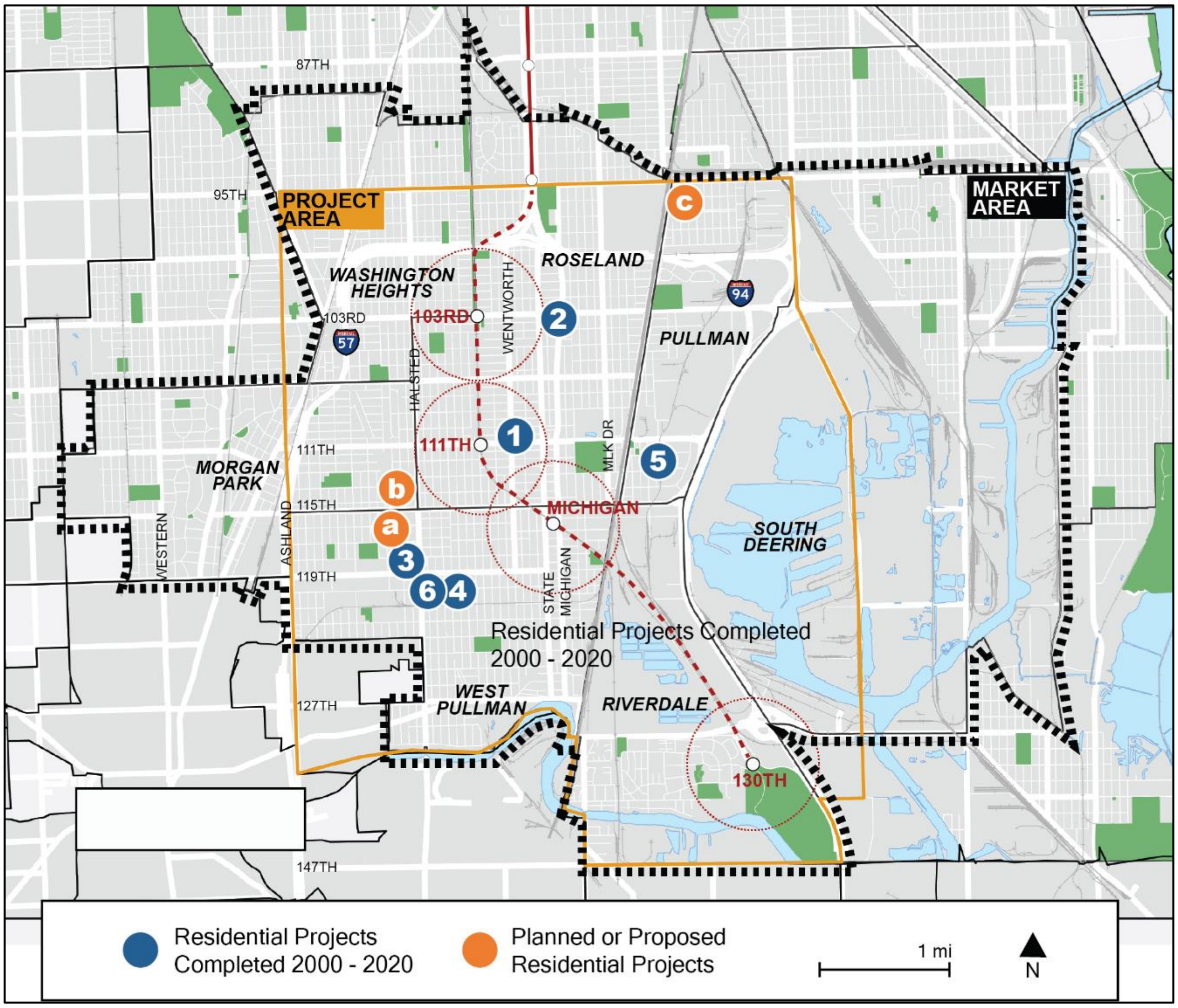
b) Far South CDC and Preservation of Affordable Housing (POAH) plan to redevelop the northwest corner of 115th Street and Halsted Street. The 12-acre site, which will be known as Morgan Park Commons, will be developed in phases, and will ultimately include a total of 364 residential units, 10,000 square feet of ground floor retail space, and a community center. The site will also feature four acres of open space.

c) Trinity 95th plans to develop Imani Village Senior Residences, a 70-unit senior housing building at 9633 S Cottage Grove Avenue in Pullman.

- Habitat for Humanity Chicago plans to develop a second phase to its Affordable Home Ownership development in West Pullman.

- CNI and partner Area Wide Realty will rehab 35 row homes in Pullman and intend to sell them at prices between $120,000 and $140,000.

- CNI and partner Urban Power plan to develop 200 new single-family homes on scattered sites in Roseland. The project is still in the early development stages and timing has not been announced; however, the intention is to keep the sale prices affordable.



Source: Map created by Goodman Williams Group

Figure 3-6: Recently Completed and Planned or Proposed Residential Projects

3.2 For-Sale Market Conditions

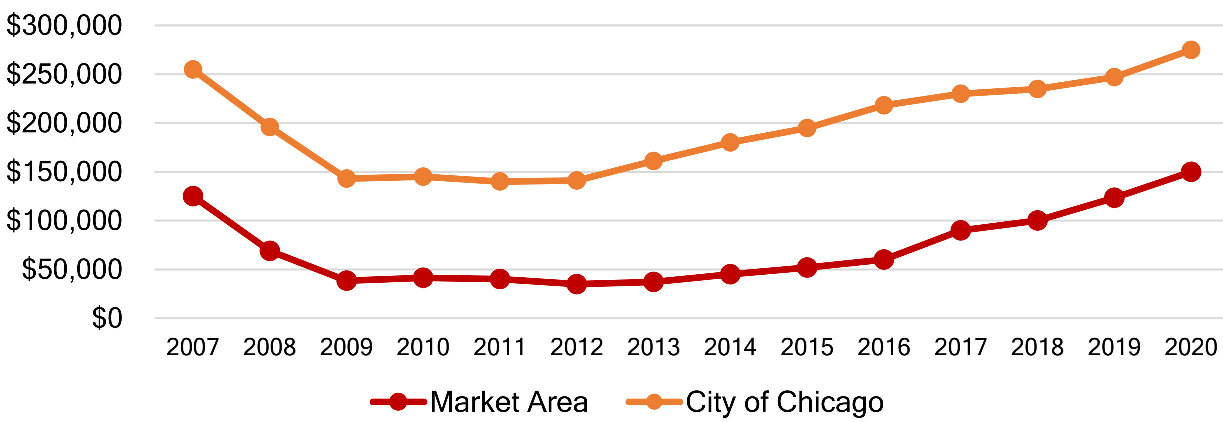
The investigation of for-sale market conditions in the market area included an analysis of sales trend data from the regional Multiple Listing System (MLS). The MLS database includes information on sales for all MLS-listed properties but does not include sales made outside of the MLS system. MLS data was gathered for the seven community areas in the market area, as well as the City of Chicago to determine the market area's competitive position.

The MLS categorizes single unit residential properties as "detached" and "attached" homes. Attached homes includes both single-family attached units (e.g., townhomes or duplexes) as well as for-sale units in multifamily buildings, as seen in Figures 3-9 and 3-10. Conversely, detached homes include any free-standing residential dwelling, as seen in Figures 3-7 and 3-8.

3.2.1 Detached Housing

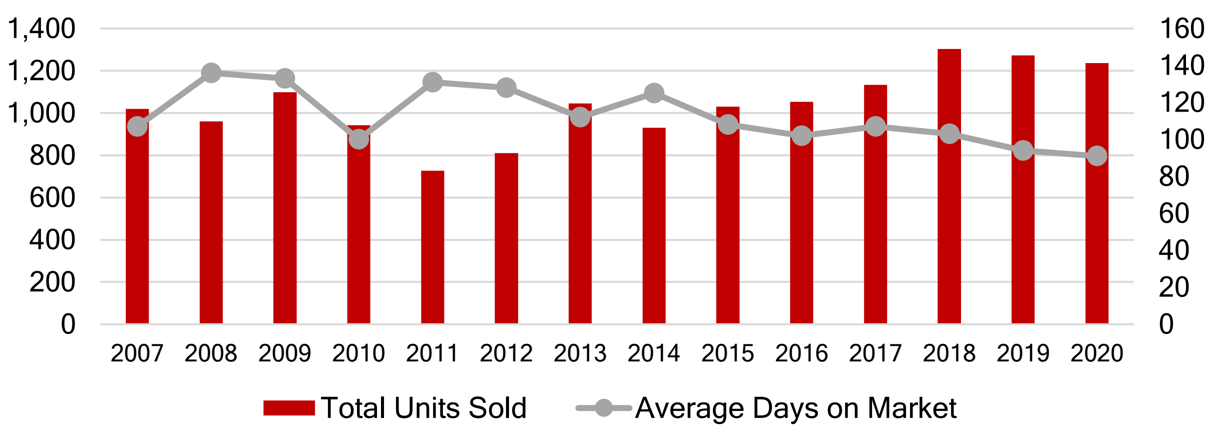
Detached single-family homes in the market area are more affordable compared to the City. Median sale prices were initially slow to recover from the Great Recession in both the market area and the City, only surpassing pre-recession values in 2020 after bottoming out in 2012. The median sale price for 2020 is $150,000, while citywide median sale prices remain higher at $275,000.

Sales activity in the market area and the City as a whole slowed over the last few years, although the number of sales in the market area were trending upwards until 2018. The desirability of affordable single-family homes is highlighted by the shortening time on market, averaging 91 days. Homes are selling the fastest in Pullman, averaging 47 days in 2020, 2.5 times faster than in 2007.



Source: Multiple Listing System (MLS), 2007 - 2020

Figure 3-7: Median Sales Price Trends, Detached Housing Units, Market Area



Source: Multiple Listing System (MLS), 2007 - 2020

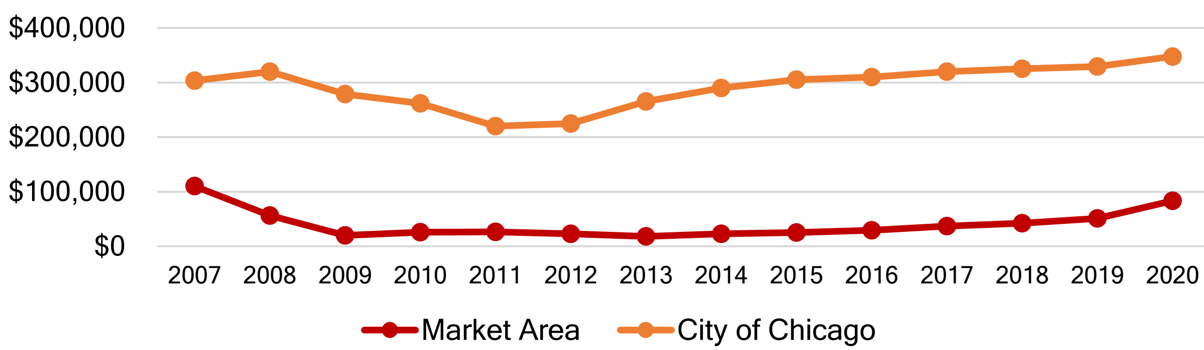
Figure 3-8: Total Units Sold, Average Days on Market, Detached Housing Units, Market Area

3.2.2 Attached Housing

Sale prices for attached housing in the market area dropped starkly during the Great Recession and have yet to fully recover, unlike median sales prices citywide that have surpassed pre-recession figures. The median sale price in the market area in 2020 was $83,000, a quarter of the price for the City.

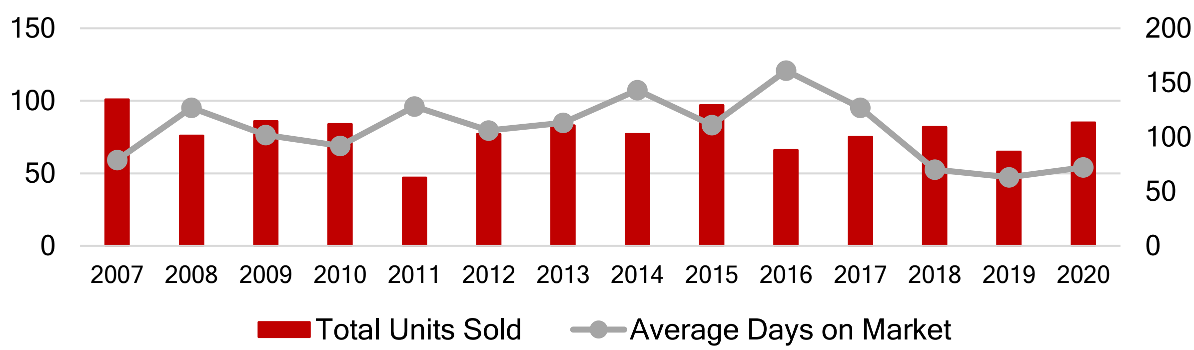
The total number of sales in the market area has also not recovered from the Great Recession, with 85 attached homes sold in 2020 as opposed to 101 in 2007. Low sales numbers could be attributed to the lack of attached housing unit inventory in the market area, only comprising 12 percent of the total inventory, per ACS estimates. Additional, attached housing sales are highly variable in the market area. Community areas that experienced the highest number of attached housing unit sales include Morgan Park with 37 sales, and South Deering with 26.

The limited available inventory has not deterred interested buyers though, as the time on the market has decreased, averaging just 72 days in 2020. Attached homes are selling the fastest in Morgan Park, averaging 40 days in 2020, which is more than 2.5 times faster than in 2007.



Source: Multiple Listing System (MLS), 2007 - 2020

Figure 3-9: Median Sales Price Trends, Attached Housing Units, Market Area



Source: Multiple Listing System (MLS), 2007 - 2020

Figure 3-10: Total Units Sold, Average Days on Market, Attached Housing Units, Market Area

3.2.3 Foreclosure Trends in the Market Area

Foreclosure rates are an important indicator of a housing market's level of distress. The rate of foreclosures in the market area has steadily dropped since the Great Recession. Foreclosure filing rates in the market area were nearly two to three times higher than in the City leading up to the Great Recession, peaking in 2008 according to data from DePaul's Institute for Housing Studies. Roseland experienced the highest levels of foreclosures, reaching 668 properties in 2007. Filings in both the City and the market area have steadily declined since the Great Recession despite spikes in activity in 2012.

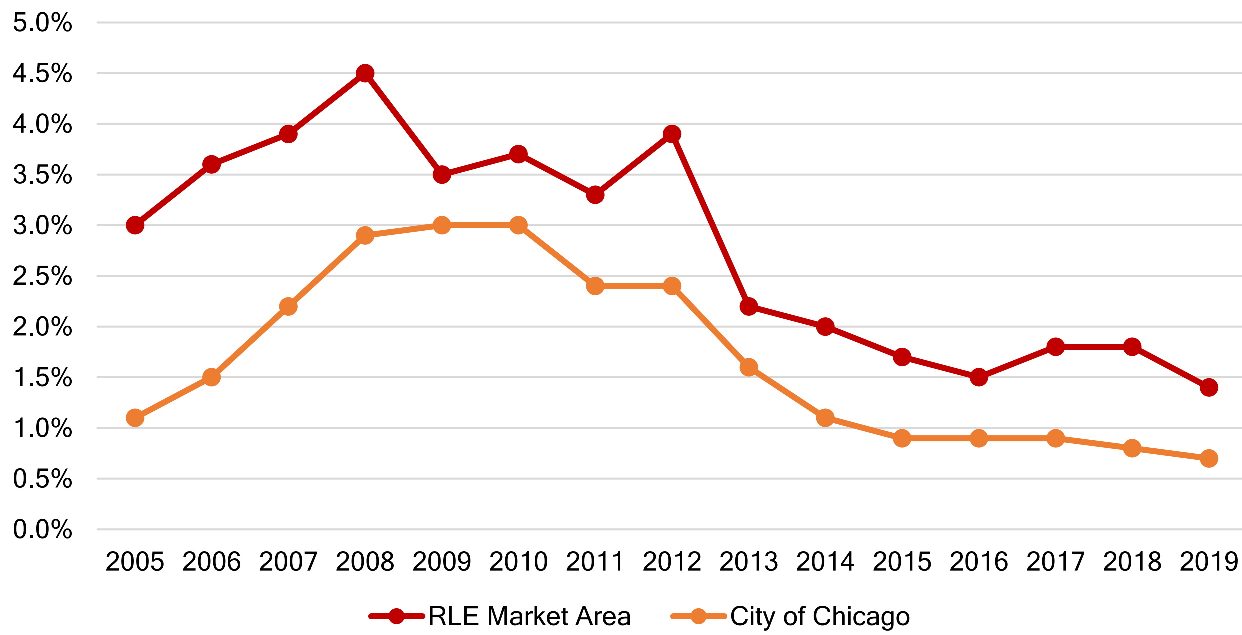


Figure 3-11: Foreclosures per 100 Residential Parcels, Market Area
Source: DePaul Institute for Housing Studies, 2005 - 2019

3.2.4 City Owned Parcels and Cook County Land Bank in Station Areas

Combining the City-owned land inventory and Cook County Land Bank Authority (CCBLA) inventory, there are more than 1,000 parcels within the four station areas that are in the possession of, targeted for acquisition, or in progress of being acquired by the City or CCBLA.

3.2.4.1 City Owned Parcels

The City of Chicago owns 369 properties in the station areas. Most of the City-owned properties are around the 111th Street and Michigan Avenue stations. The properties range from vacant single-family homes and lots to commercial properties. A coordinated strategy to market these properties to developers could be influential in sparking revitalization throughout the project area.

3.2.4.2 Cook County Land Bank

Tax delinquent properties remain a challenge, particularly in the station areas, depressing the vitality of the neighborhoods. The CCLBA, the largest land bank in the country, has been active in acquiring delinquent and vacant properties with the goal of preparing properties to go back on the market.

CCLBA works with local developers, community stakeholders and homebuyers to help spark revitalization. With the single-family home inventory, local developers help get these homes occupied by owners by working with housing counseling agencies and lending partners to develop a path to homeownership. Many of these partnerships have created opportunities to not only strengthen neighborhoods but also create small businesses in the construction field.

As of October 2020, CCLBA has acquired 73 properties within the four station areas, and are in the process of acquiring 138 more, with 454 targeted for future acquisition. Most of the acquired properties are adjacent to, or within a block or two, of the proposed 111th Street and Michigan Avenue stations. A majority (58 percent) of the parcels acquired, in progress to be acquired, or targeted for delinquent taxes, are residential structures, and 31 percent are residential land.

The CCLBA is helping promote the transfer of properties near the 111th and Michigan Avenue stations to productive use by implementing housing and partnership strategies. These efforts could potentially increase affordable housing opportunities and job creation, which would promote sustainable communities.

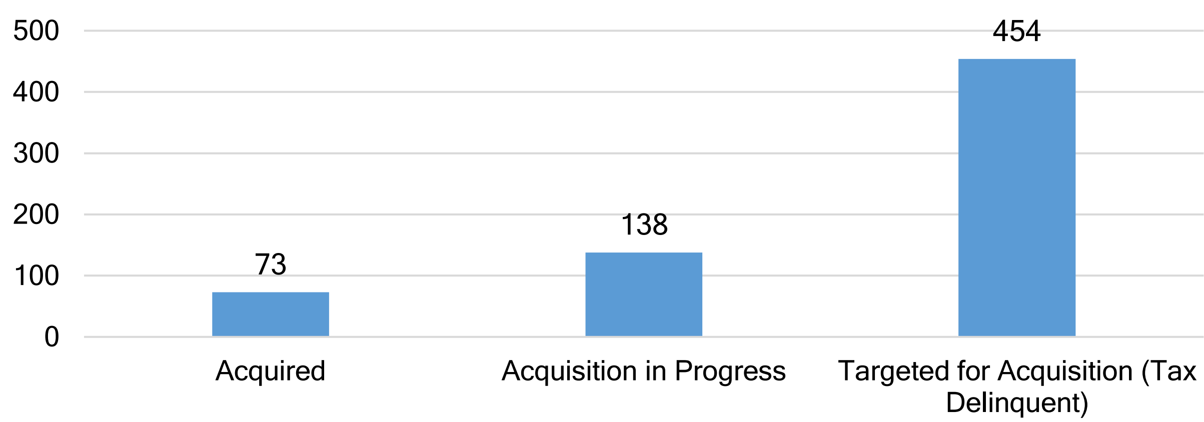


Figure 3-12: Cook County Land Bank Parcels by Status (sum of all four station areas)
Source: Cook County Land Bank Authority, October 2020

3.3 Rental Market Conditions

3.3.1 Rental Market Overview

The rental market in the market area consists of primarily a mix of smaller two and three-story multifamily buildings. Most of the apartments are located in Roseland east of Michigan Avenue between 103rd Street and 115th Street, in Washington Heights east of Ashland between 89th Street and 95th Street, and in pockets in Morgan Park near the 111th St/Morgan Park Metra Rock Island District station.

CoStar reports 7,280 total rental units spread across 234 buildings in the market area, which account for just two percent of total rental units in Chicago. Over two-thirds (68 percent) of the units are located in the Roseland and Riverdale community areas. Occupancy rates in the market area improved in post-recession years, and now stands at 92.6 percent, which is slightly higher than the City at 91.1 percent. Occupancy varies across each community area in the market area with Riverdale at the high end at 94.5 percent.

Table 3-2: Rent and Occupancy Characteristics

	Total Units	Occupancy	Absorption Units (12 month)	Avg. Monthly Rent per Unit	Avg. Rent per SF
RLE Market Area	7,280	92.6%	7	$1,009	$1.23
City of Chicago	325,835	91.1%	-3,344	$1,477	$1.97

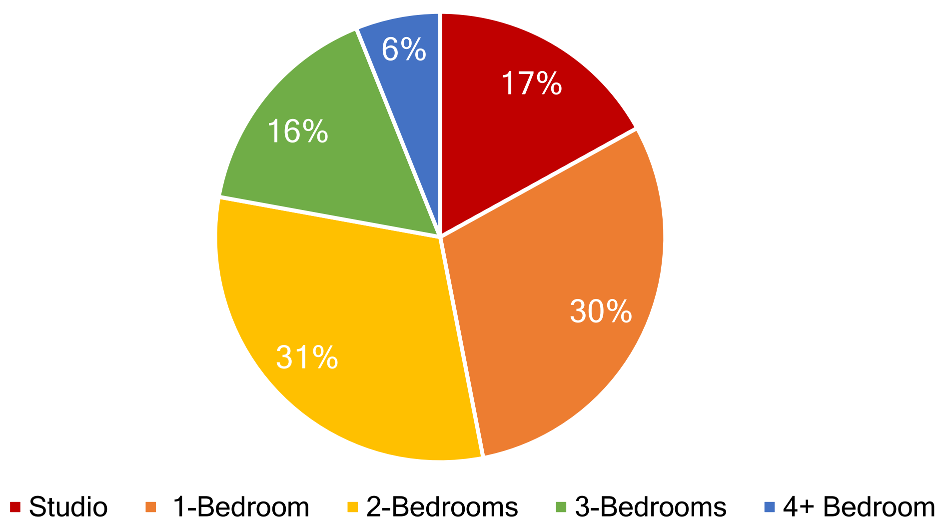
Source: CoStar, January 2021, Note this data was collected during the COVID-19 global pandemic

Note that this market analysis was conducted during the ongoing COVID-19 pandemic and economic downturn. Steady increases in unemployment led Illinois Governor J.B. Pritzker to issue a rent eviction moratorium in an effort to prevent large-scale evictions. As of early January 2021, the eviction moratorium was extended into February 2021; however, it is unclear if housing protection measures will be renewed. While distribution of a new vaccine bolsters optimism for a recovery, the long-term effects of the pandemic on the rental market remain unclear.

Marcus & Millichap's Multifamily 2021 outlook from March 2021 noted that many households across the Chicago Metropolitan Area sought less costly and larger residences that could accommodate remote work activities during the pandemic. This shift in living space needs contributed to reduced rental demand, particularly in the downtown area.

3.3.1.1 Market Area Rental Inventory

As seen in Figure 3-13, nearly one third of rental units in the market area are two-bedrooms, averaging 931 square feet in size, and another 30 percent are one-bedrooms, averaging 662 square feet. Large units, which would be suitable for families, account for less than 23 percent of the units. Small studio units, which would be suitable for young adults and seniors, are less common, at 17 percent of units in the market area.



Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic

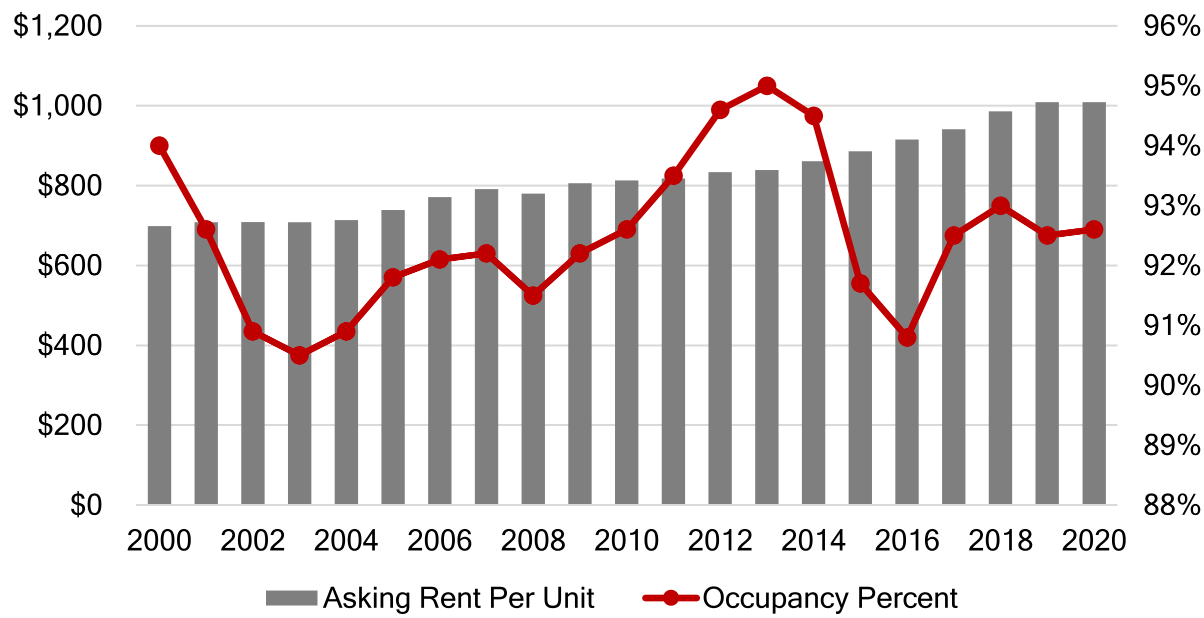
Figure 3-13: Market Area Rental Inventory by Type

According to CoStar, average asking market rents per unit have steadily risen over the years, currently averaging $1,009, or $1.23 per square foot, but remain lower than the City average which dropped in 2020. Also contributing to the lower asking rents in the market area is the supply of affordable (income restricted) rental properties.

Table 3-3: Market Area Rental Inventory

	Total Units	Average SF	Average Market Rent / Unit
Studio	1,235	495	$846
One Bedroom	2,182	662	$920
Two Bedrooms	2,251	931	$1,025
Three Bedrooms	1,169	1,154	$1,200
Four Bedrooms	443	1,544	$1,266

Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic



Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic

Figure 3-14: Rent and Occupancy Trends in the Market Area, 2000 – 2020

3.3.2 Large-Scale Market Rate Multifamily Buildings

Nine large-scale multifamily rental buildings were identified within the market area (100 or more units), however, only two properties are rented at market rate, while the others are affordable, rent restricted, or rent subsidized units. The two notable market rate rental developments in the market area, described below:

Ivy Park Homes, 9119 S. Stewart Avenue

Roseland

Townhome development with 908-units spread across 151 two-story garden style buildings. The unit-mix includes recently renovated two and three-bedrooms and feature private basements and gardens. Market rate asking rents average $1,085 for 1,000 square foot two-bedrooms and $1,185 for 1,110 square feet three-bedrooms. As of mid-January 2021, occupancy is 95.6 percent, per CoStar.

Pangea Lake Apartments, 13300 S. Indiana Avenue

Riverdale

Garden style development with 154-units spread across 20 buildings. Unit-mix includes two, three and four-bedroom apartments and townhomes with parking and on-site laundry facilities. Market asking rents average $920 for 864 square feet two-bedrooms, $1,365 for 1,077 square foot three-bedrooms, and $1,390 for 1,354 square foot four-bedrooms. As of mid-January 2021, the occupancy is 93.9 percent, per CoStar.

3.3.3 Senior Housing

Seniors are a growing segment of the population, with nearly 25,000 residents in the market area currently aged 65 and older, and nearly 30,000 residents in the market area currently aged 50 to 64 that will be aging into senior age cohorts over the next ten years. These growing segments will require adequate housing options in order to age in place in the market area.

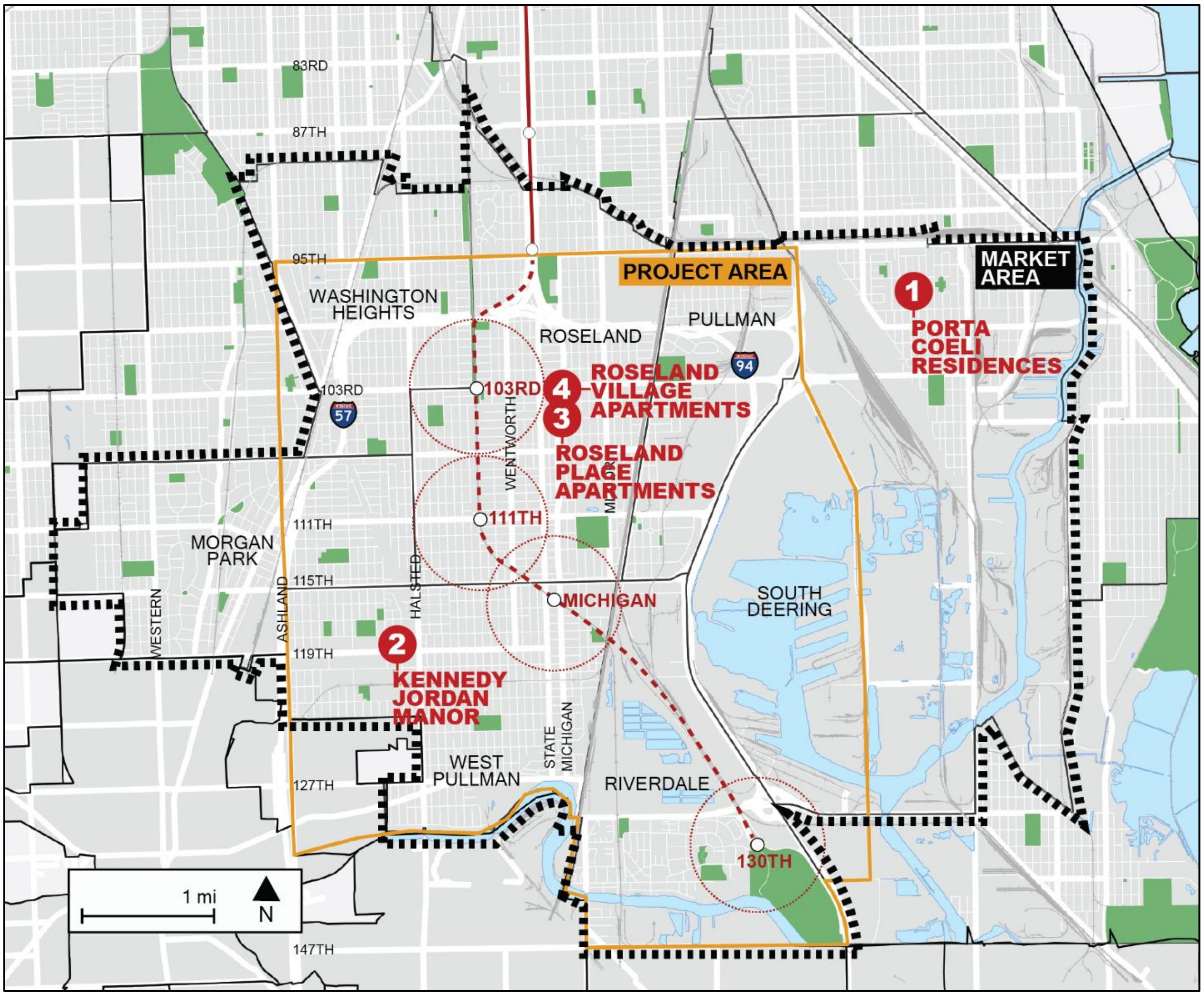
Many seniors choose to stay in their homes, as evidenced by the higher ownership rates. For seniors looking to age in place but not be burdened with home ownership, there are several housing options in the market area, ranging from independent living to supportive housing. All of the facilities are affordable, where rents are restricted to a percentage of a household's income. Recently completed projects are highlighted below and mapped in Figure 3-14.

1. Porta Coeli Residences, 2260 E. 99th Street
South Deering
This 86-unit affordable senior development was constructed in 2015 by Catholic Charities. The four-story building features one-bedroom apartments averaging 540 square feet in size. Rents are restricted to no more than 30 percent of a household gross income. As of mid-January 2021, the occupancy is 78 percent.

2. Kennedy Jordan Manor, 825 W. 118th Street
West Pullman
Kennedy Jordan Manor is 70-unit senior apartment building in West Pullman. Built in 2015, the four-story development features a mix of studio and one-bedroom units with a community room and fitness center. 65 of the units are restricted to seniors with lower than area median incomes.

3. Roseland Place Apartments, 10426 S. Michigan Avenue
Roseland
The Roseland Place Apartments is an independent living facility for seniors earning 50 percent or below the area median income. The 60-unit, five-story building was constructed in 2011 as part of a Senior Campus in Roseland. The apartment's average 540 square foot with rents at $1,056, and the complex is 96 percent occupied.

4. Roseland Village Apartments, 64 E. 104th Street
Roseland
Roseland Village Apartments opened in 2011 by Mercy Housing. As described earlier, the 10-unit development features three and four-bedroom apartments for seniors raising their grandchildren or relatives under 18 years of age. As of mid-January 2021, the occupancy is 90 percent per CoStar.



Source: Map created by Goodman Williams Group

Figure 3-15: Recently Completed Senior Housing Developments in the Market Area

3.4 Initial Conclusions and Market Forecasts (2040)

3.4.1 New Residential Demand

As detailed in an earlier chapter, the market area has experienced a prolonged decline in households over the last 20 years. This trend stands in contrast with CMAP's ON TO 2050 forecasts, which show future population increases. It is important to keep in mind that CMAP's ON TO 2050 forecasts reflects the implementation of ON TO 2050 priorities in local areas, including the RLE project. CMAP's population projections for 2020 through 2040 can be seen below in Figure 3-14.

A demand model was utilized to understand the potential effects of the RLE project on future residential opportunities. Two key data sources form the basis of the analysis:

- CMAP's ON TO 2050 population projections for 2020 and 2040 households, which do not include housing unit occupancy statistics.

- US Census Bureau 2014-2018 American Community Survey for the 2018 Housing Units estimates and ratios of occupied and vacant units.

Several assumptions were made when developing the model:

- Projected household growth is used as a proxy for potential residential demand.

- Not all potential residential units by 2040 will be new construction. A portion will be satisfied by occupying existing vacant units.

It is reasonable to assume that vacancy rates should decline by 2040 as new households move into the market area. Future vacancy rates are unknowable given available data. Therefore, an assumption was made that vacancy will drop to ten percent across each community area. This figure is slightly lower than the lowest current vacancy rate in Washington Heights but still high by industry standards.

With that assumption in mind, the ten percent vacancy rate was applied to the 2018 housing unit figure to estimate potential total vacant units in 2040 across each community area and the market area.

It is worth noting that the "vacant units and percent" figures do not delineate between habitable and uninhabitable vacant units. The American Community Survey reports vacant units, however, it does not determine if a vacant unit is livable. Anecdotes from residents and stakeholders indicate many vacant units are uninhabitable. The condition of the existing housing stock is an important distinction, as it can help inform the types of residential programs needed to support forecasts.

The United States Postal Service (USPS) provides vacancy data quarterly to HUD on a Census tract level that could potentially provide insight into prolonged vacancies in the station areas and help inform residential demand strategies. For the purposes of this analysis, an assumption was made that the difference between 2018 vacancy totals and 2040 estimates reflects the number of existing vacant units that could be habitable and occupied over time.

Demand for an estimated 15,816 residential units is projected over the next 20 years in the market area. Table 3-4 on the following page shows the potential residential demand across the market area, which extends beyond the RLE project area. Successful implementation of the RLE project has the potential to not only replenish the market area with nearly 6,000 households lost between 2000 and 2018 but also attract nearly 10,000 new households over the next 20 years.

Table 3-4 highlights two key opportunities in fulfilling future demand: occupancy of vacant units and new construction. The "New Construction Potential" estimate, which is the difference between "Potential New Households" and "Occupying Vacant Units", accounts for three-quarters or 12,147 units of the potential demand.

There are several different ways to support future demand in the market area:

- Encouraging occupancy of existing habitable vacant homes
- Renovating and rehabbing vacant housing units to make them habitable for new residents
- Demolishing uninhabitable vacant housing units and constructing new residences
- Infilling vacant lots in the neighborhoods, with new construction of detached and attached single-family homes
- Constructing denser mixed-use buildings with new units closer to the new stations.

Satisfying a large influx of future residential demand will take a strategic multifaceted approach and coordination amongst key stakeholders, including local developers, the City of Chicago, the CCLBA, and key funding sources.

Table 3-4: New Potential Residential Demand Derivation, 2020 – 2040

	Roseland	Pullman	West Pullman	South Deering	Washington Heights	Riverdale	Morgan Park	Market Area
Households, 2020 Estimate	15,763	3,132	9,784	5,725	10,410	2,512	8,824	56,150
Households, 2040 Forecast	19,841	4,577	13,021	8,027	12,382	3,272	10,846	71,967
Projected HH Growth	4,078	1,445	3,238	2,302	1,972	760	2,022	15,816
Per Year	204	72	162	115	99	38	101	791
Housing Units, 2018 Estimate	17,801	3,516	11,265	5,927	10,555	3,242	9,011	61,317
Occupied Units	14,164	3,067	8,950	5,206	9,485	2,560	8,084	51,516
Occupied Units Percent	79.6%	87.2%	79.4%	87.8%	89.9%	79.0%	89.7%	84.0%
Vacant Units, 2018 Estimate	3,637	449	2,315	721	1,070	682	927	9,801
Vacant Units Percentage	20.4%	12.8%	20.6%	12.2%	10.1%	21.0%	10.3%	16.0%
Vacant Units, 2040 Estimate	1,780	352	1,127	593	1,056	324	901	6,132
Vacant Units Percentage (2040 Assumption)	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Potential Residential Demand, Units	4,078	1,445	3,238	2,302	1,972	760	2,022	**15,816**
Occupying Existing Vacant Units	1,857	97	1,189	128	15	358	26	**3,669**
Per Year	93	5	59	6	1	18	1	**183**
New Construction Units	2,221	1,347	2,049	2,174	1,958	402	1,996	**12,147**
Per Year	111	67	102	109	98	20	100	**607**

Source: American Community Survey Estimates 2014 – 2018 and CMAP 2040 Population Projections, Demand Model created by Goodman Williams Group

Satisfying the potential residential demand across the market area, which extends beyond the RLE project area, requires occupancy of 183 existing vacant units and more than 600 newly constructed units on average per year over the next 20 years.

3.4.1.1 Demand Segments

A key goal of the RLE Project is improved access to employment centers, which includes not only Downtown Chicago, but increasingly Pullman and the Calumet Industrial Corridor. In the midst of strategic planning, the Roseland Medical District has the potential to be a hub not only for medical staff working at the hospital, but for all the expanding associated healthcare uses that can open nearby. Other institutional anchors include Chicago State University and Olive-Harvey College. Shorter commute times to these growing employments centers and community anchors, coupled with affordable housing options, can enhance the desirability of living within the project area.

However, prolonged vacancies, in both buildings and lots, has contributed to a cycle of disinvestment and perpetuates safety concerns in the project area. Conversations with stakeholders reflected concern around the safety hazards related to vacant homes and empty lots. Filling in those vacancies by constructing and rehabbing more housing can not only improve safety concerns by enhancing the physical environment but spark new investment and development in the future. Additional residential development will be particularly helpful in supporting future retail development, which relies on increased households and foot traffic.

Equally important is ensuring affordability, especially with home ownership. Habitat for Humanity Chicago's Affordable Homeownership Program helps buyers purchase affordable homes in West Pullman. CNI and its partner Area Wide Realty plan to rehab 35 rowhomes in Pullman and ensure affordable sale prices. More programs, such as these, will not only encourage residential growth but strengthen the vitality of communities by helping create generational wealth.

Stakeholders and community members have expressed desire for more senior housing in the project area. Half of the most recent residential projects in the market area have been geared towards seniors. Currently, more than 35 percent of the total population in the market area is aged 50 an older, amounting to more than 53,000 residents that will continue to age in place in the market area, requiring adequate housing options. Senior housing options, ranging from remaining in their homes, transitional age-restricted independent living, and income-restricted supportive living, would provide opportunities for older residents to continue aging in the community.

The pandemic sparked a desire for more affordable space, particularly among young adults. A November 2020 survey from Pew Research Center found that ten percent of adults surveyed said "they moved or had someone else move in with them" as a result of the pandemic. Young adults aged 18 to 29 were more likely to move than any other age group. The survey found nearly one third of adults who moved cited financial constraints as a reason.

The economic downturn focused attention on the need for more naturally occurring affordable housing as well as income-restricted developments. The market area lacks market rate residential options that would be attractive to young professionals, who seek affordable spaces with modern amenities, such as in-unit laundry, high-end finishes, and proximity to transit. The RLE project area has several renowned CPS schools, specifically Gwendolyn Brooks College Preparatory Academy and Carver Military Academy. New and rehabbed affordable single-family homes could appeal to families wanting to send their children to one of these facilities.

3.5 Development Strategies for Station Areas

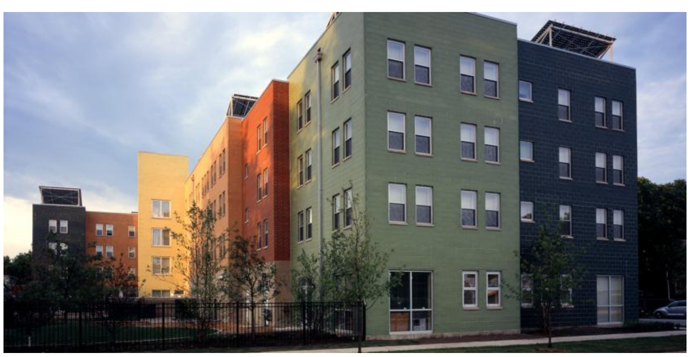
3.5.1 103rd Street Station Area

The 103rd Street station area is primarily residential with commercial zoning along 103rd and Halsted Streets, and industrial south of the station. The housing unit vacancy rate is high in this area at 22 percent, with the nearly three-quarters of residents owning their homes.

Development Guidelines: The prevalence of underutilized or vacant lots near the 103rd Street station presents opportunities for new denser mixed-use buildings near the station on larger lots. Rehabbing vacant homes and construction of new single-family homes can fill in the gaps in the existing residential areas.

Proximity to area schools and higher educational institutions, such as Olive-Harvey College and Chicago State University, growing employments centers in Pullman and access to I-94 and I-57 could be attractive to residents and families seeking affordable options near transit and other convenient amenities.

Residential development in this area would need to include affordable for-sale and rental options with a variety of unit types to accommodate families with children as well as single person households. Wentworth Commons, which was described earlier and in Figure 3-16, would provide an appropriate comparison for new affordable housing at the 103rd Street station.



Source: HED Designs

Figure 3-16: Wentworth Commons, 11045 S. Wentworth Avenue

3.5.2 111th Street Station Area

The 111th station area is a mix of residential with commercial zoning scattered along 111th Street and nodes at State and Halsted Streets. 56 percent of the population of the station area lives in a home owned by the family. With most vacant lots being located in the eastern portion of the station area. the housing in the area is challenged by a high vacancy rate of 27 percent. The City and CCLBA own a significant number of properties in the eastern half. Some larger vacant sites are in the station area, including a large 3.5-acre parcel just adjacent to the station.

Development Guidelines: Rehabbing vacant homes and constructing new single-family homes can fill in the gaps in the existing residential areas. Coordinated efforts from the City, CCLBA and local developers in reactivating these vacant lots can help stabilize the neighborhoods and catalyze more investment in the station area.

The vacant 3.5-acre site would be appropriate for denser residential development. A three-story townhome development, or mixed-use building with ground floor commercial space or flex space with residential above would meet with market support. Pullman Artspace Lofts would be an appropriate comparison for new affordable mixed-use housing in the 111th Street station area.

Proximity to educational assets, such as Gwendolyn Brooks College Preparatory Academy, parks, and employments centers in historic Pullman and Roseland Medical District, could be attractive to residents and families seeking affordable options near transit and other convenient amenities. As Roseland Medical District develops, affordable housing options within walking distance or near transit could appeal to medical professionals and staff working at the hospital and ancillary uses.

Residential development in this area would need to include affordable for-sale and rental options with a variety of unit types to accommodate families with children as well as single person households. Affordable single-family home developments, similar to Habitat's Affordable Homeownership Program in West Pullman, could attract families looking to live near transit and other convenient amenities.

Source: ArtSpace Org.

Figure 3-17: Rendering of Pullman Artspace Lofts, 11143 S. Langley Avenue

3.5.3 Michigan Avenue Station Area

The Michigan Avenue station area is anchored by the Michigan Avenue commercial corridor with residential properties in varying types and conditions around the station area. The housing in this station area is challenged by high vacancies at nearly 31 percent, with 55 percent of residents renting their residence. There are more vacant lots on the eastern portion of the station area than the western half. A large six-acre parcel adjacent to the proposed station location has been vacant since a shopping center on the site was demolished in 2005.

Development Guidelines: Addressing vacant homes and lots is crucial to the residential recovery within this station area. The City and CCLBA own a significant number of vacant properties in the eastern half. Activating these vacant lots with new single-family homes or small multi-family buildings can fill in the gaps in the residential neighborhoods, particularly south of the station. New households in the station area could generate more activity for local businesses.

The southwest corner of 115th Street and Michigan Avenue is the greatest opportunity for catalytic development in the station area. At six acres, the site could accommodate a mixed-use building with ground floor commercial or institutional space and residential above. Such a development would meet with market support. Rental options could include a variety of unit types to accommodate families with children as well as young adults looking to live close to the train and other commercial and institutional amenities.

Rental options geared towards seniors could also be attractive in the future, especially if located above retail, medical or institutional uses, such as a library or social service provider. Such a development would provide another option for seniors, who are more likely to rely on transit, to stay in the community and age in place.

3.5.4 130th Street Station Area

The 130th station area is largely comprised of challenging land uses from a development perspective. A significant portion is Altgeld Gardens and Philip Murray Homes, a rental development owned and operated by CHA. The Metropolitan Water Reclamation District also operates their Calumet Water Reclamation within the station area. Extensive roadway infrastructure and industrial land uses make the existing residential development isolated from the rest of the City.

Initial goals for the 130th Street station envision a parking garage, park & ride, and bus facilities with the expectation of attracting commuters from nearby neighborhoods and suburbs. New residential development is less likely relative to the other RLE station areas.

Section 4 - Commercial and Retail Market Assessment

4.1 Commercial and Retail Profile

The following section provides an analysis of the commercial and retail conditions on the Far South Side, identifies trends in the RLE market area, and compares them to the City as a whole. Information was collected through multiple methods and sources to complete this analysis and is used to inform recommendations to enhance the competitive position of the RLE station areas to make them more active retail destinations for residents and visitors.

The retail sector has been changing nationwide over the past decade with the rise of e-commerce and the recognition that this country has an oversupply of retail space. Nationwide, retailers are adapting to consumers' evolving preferences, causing store closures and consolidations, smaller format stores, and more online options. Large shopping malls and plazas are reconfiguring the space to consider multiple uses. Retailers are looking to provide memorable in-store experiences, and local and independent operators are gaining various sources of support.

4.1.1 Regional and City Retail Market Trends

CBRE, a global real estate brokerage firm, provides quarterly reports on the state of retail for the Chicago Metro Region. CBRE's research team divides the City of Chicago into two market areas: City North and City South (City North includes all retail north of I-290, and City South includes all retail south of I-290). Table 4-1 below shows gross building areas and vacancy rates for the Chicago Metropolitan Region, the City and City South. The report reflects data from third quarter 2020, which was collected during the COVID-19 pandemic. Note the high regional vacancy rate at 11.6 percent, and slightly lower vacancy rate in Chicago at 9.3 percent.

The City South area has a marginally higher vacancy rate than the City as a whole at 10.1 percent, but is slightly lower than the metropolitan region. Average asking leases are lower on the South Side compared to citywide averages, but higher than the metropolitan region.

Table 4-1: CBRE Retail Market Data

	Gross Leasable Area (SF)	Vacant Area (SF)	Vacancy Rate (%)	Avg. Asking Lease ($/SF/Yr) LOW	Avg. Asking Lease ($/SF/Yr) HIGH
Chicago Metro. Region	138,840,012	16,038,614	11.6%	$16.52	$20.68
City of Chicago	16,317,687	1,521,720	9.3%	$18.45	$22.96
Chicago City South	6,270,802	632,173	10.1%	$18.45	$21.91

Source: CBRE Research, Q3 2020, note this data was collected during the COVID-19 Global Pandemic

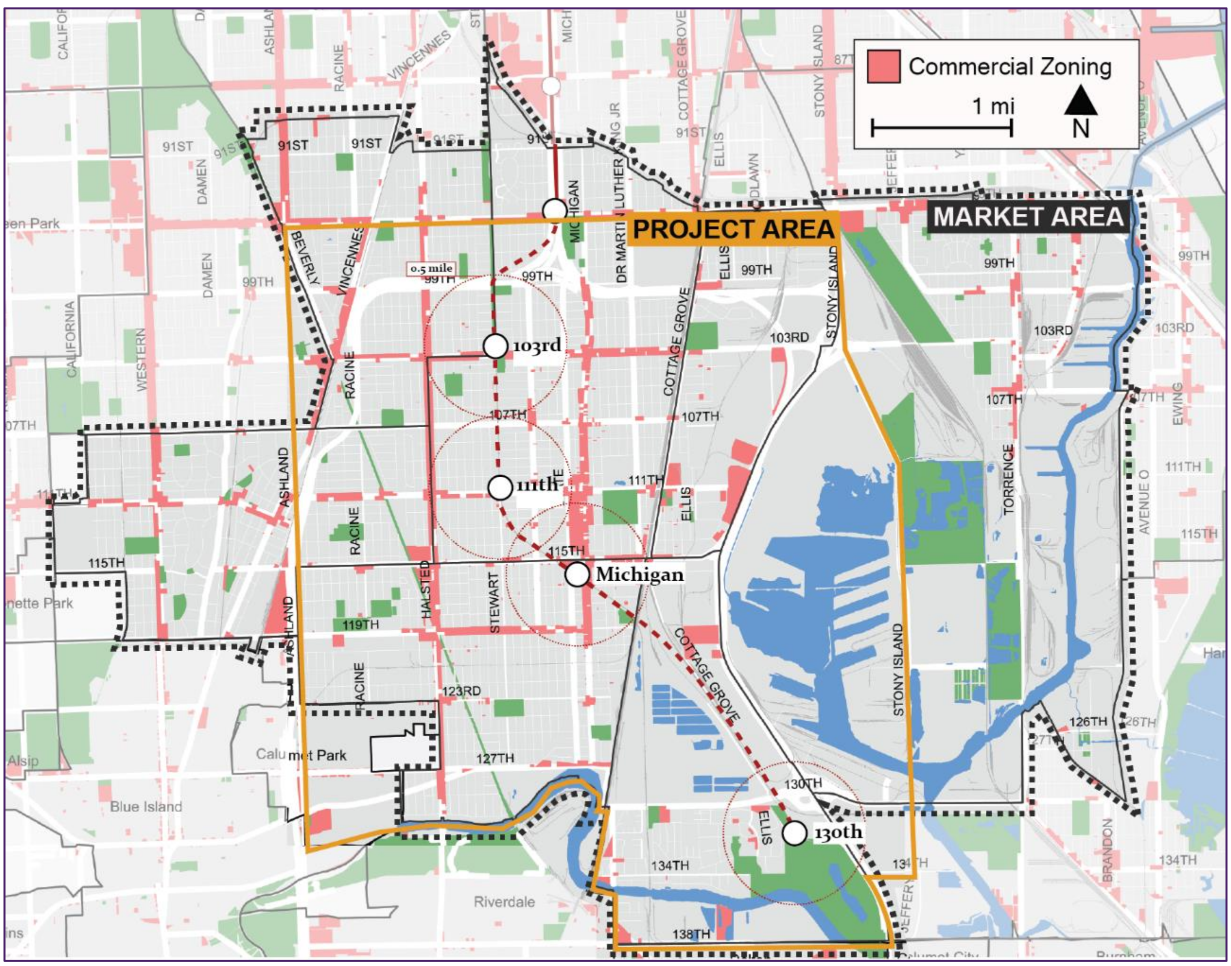
4.1.2 Regional and City Retail Market Trends

As seen in Table 4-2 below, the RLE market area includes more than four million square feet of commercial space, with over one million square feet of that total located in the Roseland community area. Most of the retail is concentrated along 95th Street, Halsted Street, Michigan Avenue, and near I-94 and I-57. Figure 4-1 below uses City of Chicago zoning data from 2018 to display areas with commercial zoning.

Table 4-2: CoStar Retail Data in RLE Market Area, January 2021

	Total Existing (SF)	Under Construction (SF)	Net Absorption (12 month, SF)	Market Rent ($/SF)
RLE Market area	4,054,718	0	17,545	$16.20
RLE Project area	2,755,089	0	22,600	$15.09
City of Chicago	150,554,910	328,808	-443,970	$23.25

Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic



Source: City of Chicago Zoning Data 2018, Map created by Goodman Williams Group

Figure 4-1: RLE Market Area, Retail Zoning Map

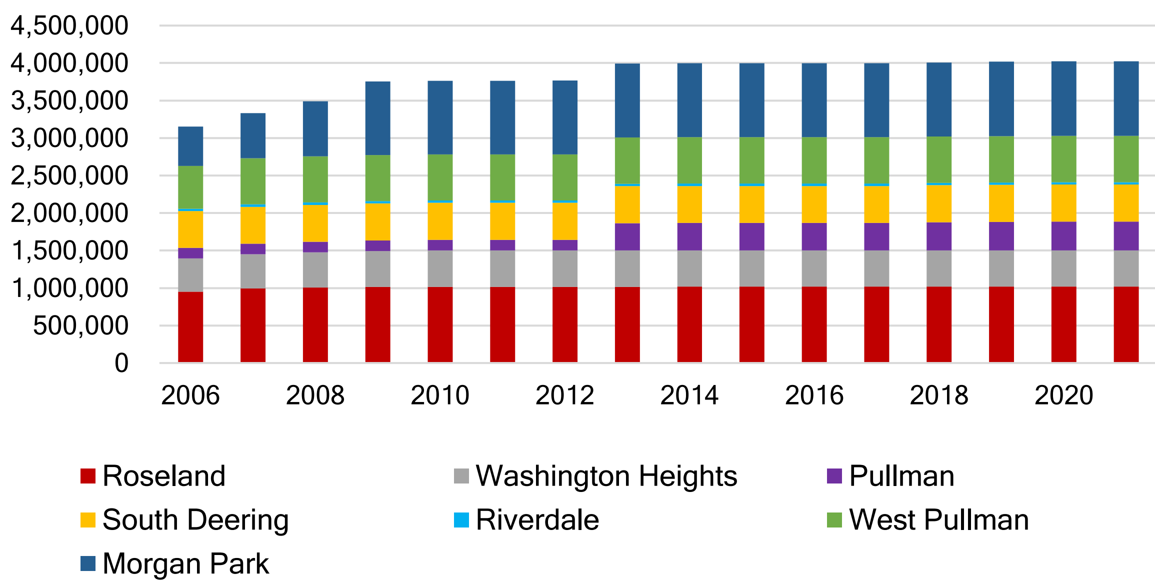
The retail market has wavered since the Great Recession, with varying circumstances across each community area. There is no new retail actively under construction in the market area; however, a Culver's broke ground in October 2020 in Pullman Park and is planned to be completed in 2021.

Note that market conditions within the RLE market area, as well as across the larger metropolitan region, continue to be affected by the ongoing global COVID-19 pandemic, which hit in March 2020. The stay-at-home orders and limits on gatherings accelerated bankruptcies of several prominent national retailers and increased closures of large and small retailers alike.

Restaurants and other small businesses were hit particularly hard as public health guidelines restricted occupancy levels. Many businesses adapted and implemented innovative solutions, such as take-out meals, expanded outdoor eating, and no-contact pickup to bolster business.

Grocery stores weathered the pandemic as supply chain logistics adjusted to the increased demand. Home improvement stores and sporting goods retailers also endured as people improved their living environments and sought alternative fitness solutions during mandatory stay-at-home periods. The total effect of the pandemic on retail performance metrics remains unclear as guidelines continue to adjust to changing statistics, vaccination rates increase, and online shopping further solidifies.

Figure 4-2 below provides CoStar retail data on the seven community areas in the RLE market area from 2006 to the present. As will be discussed, much of the recent retail growth has been in the Pullman community area.



Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic

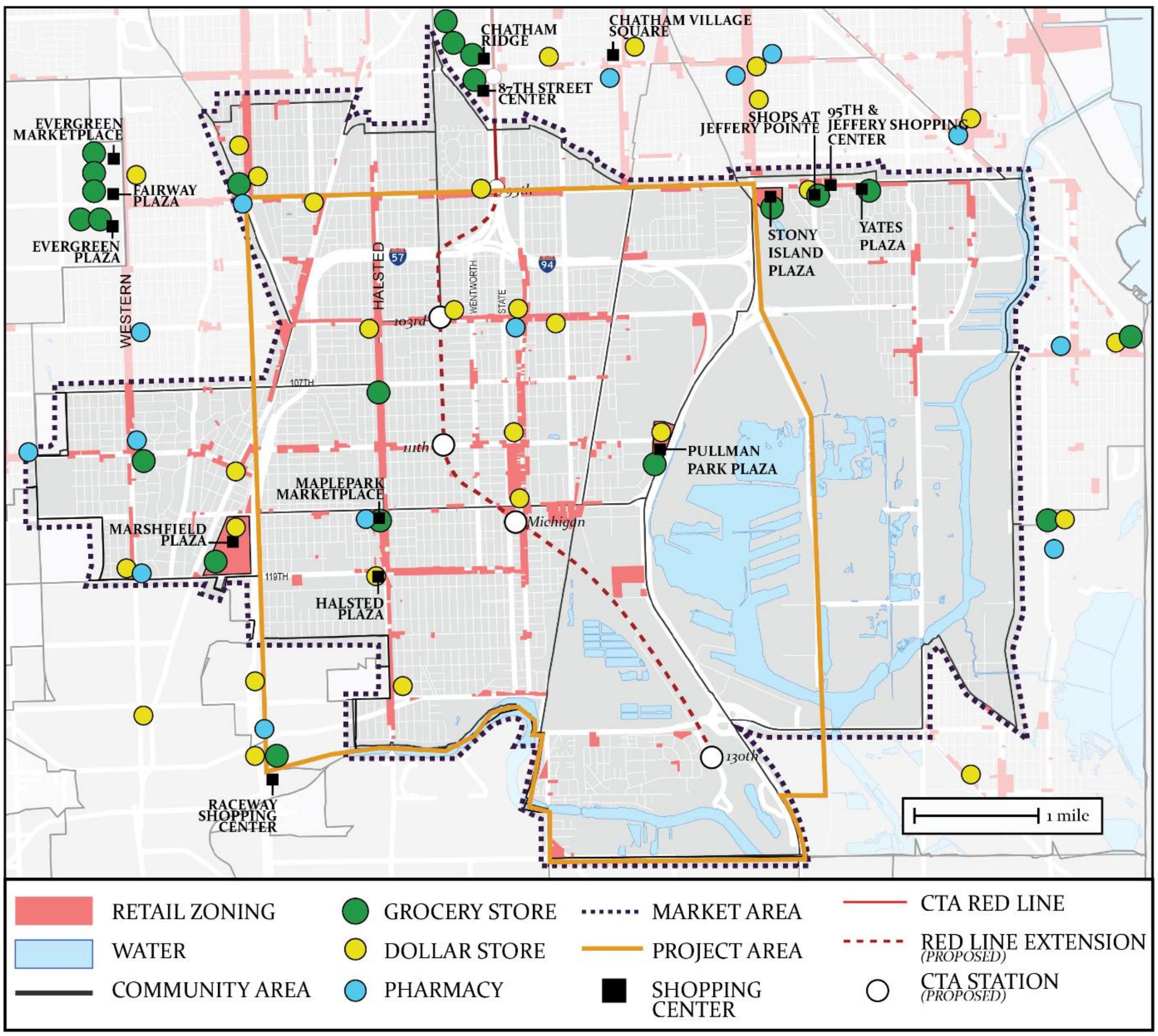
Figure 4-2: CoStar Retail Inventory by Commmuntiy Area (SF), January 2021

4.2 Major Retail Destinations

More than one million square feet of retail space is spread across eight shopping centers in the market area, with larger centers situated near or adjacent to major arterials. Some shopping centers have experienced major retail closures, although many are currently well occupied.

The map below identifies the shopping centers, grocery stores, national pharmacy chains, and dollar stores in and around the RLE market area. As will be discussed, the 130th Street station area is further removed from grocery stores, dollar stores, and pharmacies than other station areas.

Figure 4-3 below uses City of Chicago zoning data from 2018 to display areas with commercial zoning, and CoStar to identify grocery stores, dollar stores, and pharmacies.



Source: Map created by Goodman Williams Group

Figure 4-3: Shopping Centers, Grocery and Dollar Stores, and Pharmacies

4.2.1 Shopping Center Inventory

Using CoStar data, shown in Table 4-3 below, there are eight major shopping centers within the market area, containing a total of more than 1,119,231 square feet of space. All shopping centers listed have more than 90 percent occupancy, and many have grocery stores as anchor tenants.

The largest shopping center in the market area is **Marshfield Plaza** in Morgan Park. The 453,000 square foot center is anchored by Blue Cross Blue Shield Blue Door Neighborhood Center, a new health facility located in the space previously occupied by Target, which closed in 2018.

Pullman Park, the 233,000 square foot center in Pullman, was catalytic in attracting investment and new retail in the Far South Side. It is anchored by a Walmart, and has attracted Ross Dress for Less, Planet Fitness, Potbelly Sandwiches, and a Blue Cross Blue Shield Blue Door Neighborhood Center. It is fully occupied as of early January 2021 and plans to add a Culver's in spring 2021.

Stony Island Plaza is a 159,785 square foot center that is anchored by Jewel-Osco and Oak Street Health and is near full occupancy. Fresh Market on Jeffery grocery store anchors **Shops at Jeffery Pointe** and **95th and Jeffery Shopping Center** has a variety of food and service tenants. **Yates Plaza,** a 51,548 square foot center, is anchored by Aldi and Family Dollar.

Two smaller shopping centers on Halsted include **Maple Park Marketplace**, a 57,460 square foot shopping center in West Pullman, and **Halsted Plaza Shopping Center,** a 61,800 square foot center anchored by Citi Trends and Family Dollar. Both shopping centers are fully occupied.

Table 4-3: CoStar Shopping Center Inventory in the Market Area, as of January 2021

Name	Address	Community Area	Gross Leasable Area (SF)	Occupancy	Anchor Tenants
Marshfield Plaza	11602 S. Marshfield Avenue	Morgan Park	453,316	96.4%	Blue Door Center, Jewel-Osco
Pullman Park	10820 S. Doty Avenue	Pullman	233,000	100.0%	Walmart, Dollar Tree
Stony Island Plaza	1619 E. 95th Street	South Deering	159,785	94.7%	Jewel-Osco, Oak Street Health
Halsted Plaza	801 W. 119th Street	West Pullman	61,800	100.0%	Citi Trends
Maple Park Marketplace	800 W. 115th Street	West Pullman	57,460	97.5%	Aldi, Walgreens
95th and Jeffery Shopping Center	2065 E. 95th Street	South Deering	52,322	94.2%	ACM Care
Yates Plaza	2251 E. 95th Street	South Deering	51,548	100.0%	Aldi, Family Dollar
The Shops at Jeffery Pointe	9539 S. Jeffery Avenue	South Deering	50,000	90.8%	Fresh Market on Jeffery

Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic

Using CoStar data, and as seen in Table 4-4, there are more than 1.5 million square feet of retail just outside the RLE market area, most of which is situated along the Red Line at 87th Street in Chatham and in Evergreen Park. The largest destination is **The Evergreen Marketplace** in Evergreen Park. **Chatham Village Square** at 87th Street and Cottage Grove Avenue in the Chatham community area is challenged by significant vacancy, attributed to the closure of Target in 2019. Discover Financial Services announced in March 2021 it will open a new call center in the shuttered Target, bringing 1,000 new jobs over the next four years.

Table 4-4: CoStar Shopping Centers Inventory outside of the Market Area, as of January 2021

Name	Address	Location	GLA (SF)	Occupancy	Anchor Tenants
The Evergreen Marketplace	9252 S. Western Avenue	Evergreen Park	454,727	100.0%	Meijer, Menards
Evergreen Plaza	9500 S. Western Avenue	Evergreen Park	384,636	97.0%	Whole Foods, DSW, TJ Maxx
Fairway Plaza Shopping Center	2520 W. 95th Street	Evergreen Park	326,094	100.0%	Sam's Club, Walmart
Chatham Village Square	E. 87th Street/S. Cottage Grove Avenue	Chatham	251,077	49.6%	Nike Factory Store, Walgreens
87th Street Center	101 W. 87th Street	Chatham	216,524	91.2%	Jewel-Osco, Rainbow
Chatham Ridge Shopping Center	110 W. 87th Street	Chatham	175,991	95.9%	Food 4 Less, Dollar Tree
Raceway Shopping Center	13029 S. Ashland Avenue	Calumet Park	164,212	88.1%	Planet Fitness, Aldi

Source: CoStar, January 2021, Note this data was collected during the COVID-19 Global Pandemic

4.2.2 Grocery Stores, Dollar Stores, and Pharmacies

Additional grocery stores and retailers selling fresh food are frequently cited by residents as a need in their neighborhoods. There are four grocery stores located in the project area, all of which are outside the station areas. Grocers anchor several of the shopping centers in the market area, and several other grocers have locations scattered along the outskirts of the market area.

The USDA Food Access Research Atlas, utilizing 2015 data, identifies seven low-income census tracts in the project area where a significant number or share of residents is more than one mile (urban) from the nearest supermarket and 23 census tracts where a significant number or share of residents is more than ½ mile (urban) from the nearest supermarket.

Demographic data from an earlier section showed one quarter of all households in the larger market do not have a vehicle available, indicating many residents rely on public transportation. The USDA Food Access Research Atlas identified 17 low-income census tracts where more than 100 housing units do not have a vehicle and are more than ½ mile from the nearest supermarket.

This analysis, coupled with the grocery store inventory, highlights the importance of improving access to grocery stores and food retailers for residents in the project area.

National dollar store retailers Dollar Tree, Family Dollar, and Dollar General have a significant presence with 18 locations across the market area, two-thirds of which are in the project area and several more just beyond. While dollar stores are known for selling general merchandise, national chains are actively expanding product offerings to include more fresh and frozen grocery items. The timing of changes in the station area stores is not available.

Dollar stores are not a substitute for full-service grocery stores or fresh food retailers in a community. However, their nationwide expansion of fresh products highlights their continued commitment to providing services in underserved areas. Residents of the RLE project area that lack full-service grocery stores can rely on local dollar stores to fill a grocery void when traditional grocery stores are out of reach and they do not want to rely on limited offerings at convenience and corner stores.

Similar to dollar stores, pharmacies have expanded their grocery offerings over the last few years. Walgreens has four locations in the market area, while CVS has just one location after shuttering its 103rd and Halsted location in 2019. There are several locations farther out from the immediate market area, as seen on Figure 4-3.

4.3 Commercial Corridors and Assistance

There are several commercially zoned corridors throughout the market area, the most notable of which are on Halsted Street and Michigan Avenue. Average daily traffic counts ranging from 15,000 to 24,000 vehicles per day along Halsted Street make it a desirable corridor for many national and regional retailers. Michigan Avenue is a less trafficked corridor with daily traffic counts averaging 10,750 vehicles per day. Commercial zoning stretches along portions of 103rd Street, 111th Street, and 119th Street, with small nodes on 115th Street. Traffic counts on 103rd Street and 111th Street are highest when approaching I-94 eastbound, ranging from 13,800 to 15,200 vehicles per day, on average.

Although Halsted Street is a stronger commercial corridor, Michigan Avenue was the historic commercial shopping district for Roseland. The street was lined with a mix of small storefronts and large department stores, which served residents in Roseland and neighboring communities. Several long-time businesses have survived, including Old Fashioned Donuts at 11234 S. Michigan Avenue. The corridor's historical importance has been recognized by the Department of Planning and Development, which is conducting a historic preservation study to evaluate and preserve historic buildings in the Michigan Avenue Business District.

4.3.1 Special Service Areas (SSA)

Supporting the businesses along many of these corridors are Special Service Areas (SSAs), also known as Business Improvement Districts in other cities. These locally funded taxing districts provide supplementary programs and services to businesses within the district. Services range from street beautification and safety and security to marketing and business attraction and retention. There are two SSAs in the market area.

1. **SSA #45: 103rd/Halsted** runs along Halsted Street from 95th Street on the north to 115th Street on the south and along Major-Taylor Trail between 111th Street and 115th Street. Its boundaries extend into the periphery of the 103rd and 111th station areas. The SSA is administered by the Far South CDC. SSA #71 can be seen in dark blue on Figure 4-4.

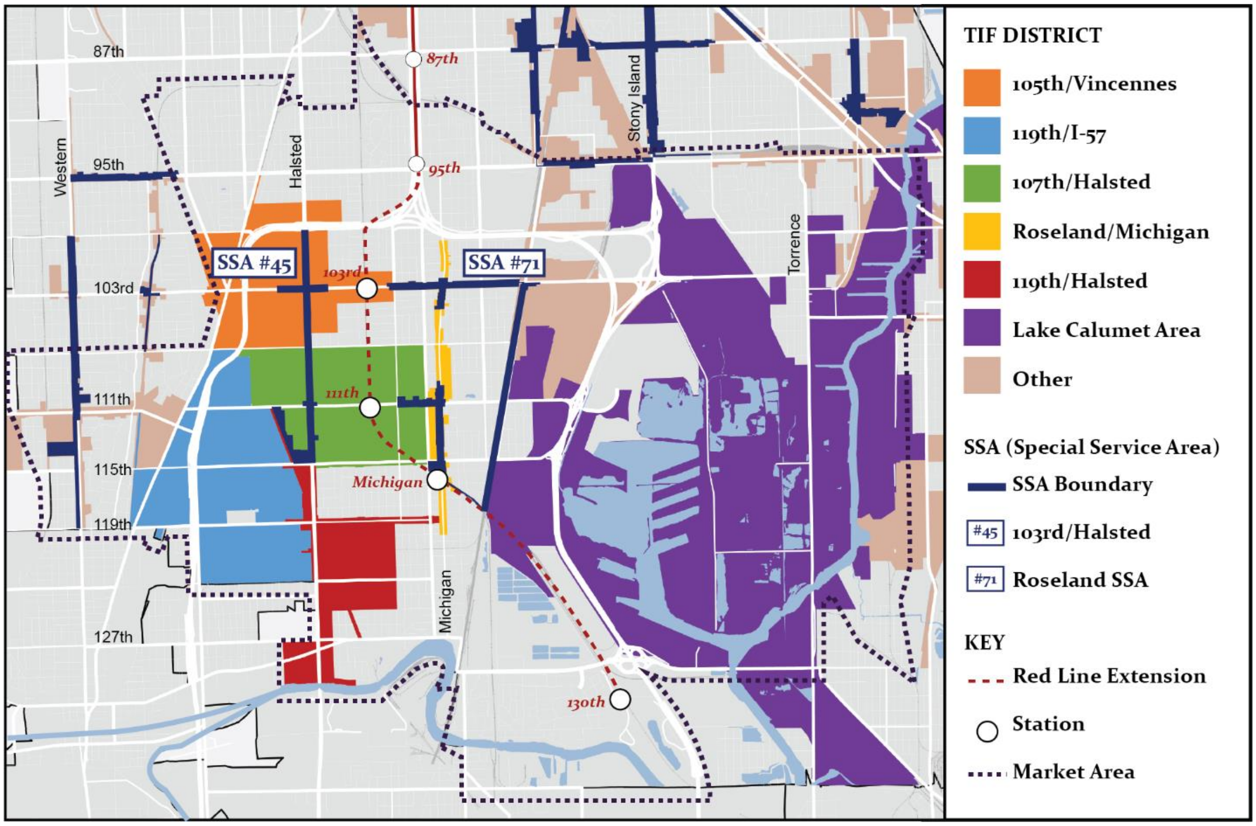
2. **SSA #71 Roseland** was established in 2016 when two expiring SSAs were combined (SSA #40 and #41). The northern half of the SSA runs along 103rd Street from Yale Avenue on the west to Corliss Avenue on the east, along parts of Michigan Avenue and Cottage Grove Avenue from 103rd Street to 111th Street.

   The southern portion extends along Michigan Avenue from 109th Place on the north to 116th Street on the south and the entire southwest corner of 115th Street and Michigan Avenue and south along the Metra and Canadian National tracks. The northern half of the Michigan Avenue station area will be serviced by the SSA #71. The Calumet Area Industrial Commission administers this SSA. SSA #71 can be seen in dark blue on Figure 4-4.

In addition to administering the SSA #45, the Far South CDC is a Neighborhood Business Development Center (NBDC). The NBDC program is an initiative from the City's Department of Business Affairs and Consumer Protection and provides additional grants to chambers and business organizations to support neighborhood business development services.

NBDCs help implement the City's Neighborhood Small Business Growth Strategy by assisting start-up entrepreneurs and local businesses with a myriad of business support programs. These services range from small business start-up support and business-to-business networking opportunities to employment and workforce development assistance.

Far South CDC's NBDC coverage extends through most of the RLE Project area. The Greater Roseland Chamber of Commerce is another NBDC in the Project area, and provides direct services to the 103rd Street, 111th Street and Michigan Avenue station areas. Having access to these additional business resources can be instrumental in attracting new businesses to the project area.



Source: SSA and TIF Shapefiles from Chicago Data Portal, Map created by Goodman Williams Group

Figure 4-4: Special Service Areas and TIF Districts

4.3.2 Tax Increment Financing Districts (TIF)

There are nearly a dozen different Tax Increment Financing (TIF) districts throughout the market area, covering both commercial and industrial areas. The following six TIF districts are located in the immediate vicinity of the station areas, and are identified in Figure 4-4:

- 105th/Vincennes (expires 2025)
- 107th/Halsted (expires 2038)
- 119th/Halsted (expires 2026)
- 119thth/I-57 (expires 2026)
- Roseland/Michigan (expires 2026)
- Lake Calumet Area Industrial (expires 2024)

When employed strategically, TIF districts can be an effective tool in encouraging future development in the market area. For example, CNI received $11 million in TIF assistance in 2013 to cover infrastructure costs for The Walmart at Pullman Park Plaza, including street construction and site remediation. Subsequent phases of Pullman Park, which include the 150,000 square foot Method Soap manufacturing facility and the 140,000 square foot Whole Foods Distribution Center, also received TIF assistance for site preparation. The success of Pullman Park, as detailed in the industrial chapter, is highlighted as part of Pullman's resurgence.

The redevelopment of the Maple Park Marketplace, the Aldi-anchored shopping center at 901 W. 115th Street in West Pullman, was another TIF assisted project in the market area. The developer received $1.9 million in TIF funds to assist with redevelopment costs. The shopping center was completed in 2017 and as of mid-January 2021 is nearly fully occupied with less than three percent vacancy.

TIF funds can assist in making challenging projects financially feasible; however, the process can be long and complex and is most often used on large-scale development projects, such as the projects described above. When a TIF request is not possible, businesses and property owners can apply for Small Business Improvement Fund (SBIF) grants when available.

The SBIF program utilizes TIF revenues to help owners of commercial and industrial properties within specific TIF districts make repairs or remodel their properties for their business or on behalf of their tenants. Recent enhancements to the program increased the maximum grant amount to $150,000 for commercial properties, and commercial applicants may now receive up to 90 percent of eligible project costs reimbursed. Eligible expenses range from façade repair and replacement and interior build out to project related design and construction fees. Access to these financial incentive programs can be instrumental in catalyzing investment and redevelopment in the project area.

4.3.3 Neighborhood Opportunity Fund

The Neighborhood Opportunity Fund (NOF) was established in 2016 to encourage equitable neighborhood development in West, Southwest, and South Side commercial corridors. Funds are generated through the Neighborhood Opportunity Bonus, which enables developers of downtown construction projects to increase floor area ratio in exchange for a voluntary payment. The Fund receives and allocates 80 percent of all downtown bonus payments. The remaining 20 percent is evenly split between local infrastructure and designated landmarks.

The NOF awards grants to projects addressing community-based goals and providing potential catalytic impacts on the neighborhood, such as grocery stores, restaurants, service providers, and cultural facilities. Projects with construction or rehabilitation of residential uses, manufacturing uses, industrial uses or places of worship that do not identify commercial as the main use are not awarded grants.

There are two types of grants: Small Projects (assistance up to $250,000) and Large Projects (assistance of more than $250,000). The assistance available depends on the location of the project.

- Small Projects must be located in eligible commercial corridors, which are public streets generally zoned for retail or commercial uses, or priority investment corridors, which are similar to eligible commercial corridors but have a greater amount of commercial activity.

- Large Projects may be considered outside of eligible commercial corridors but must be within a qualified investment area. Unlike Small Project, Large Projects must receive City Council approval and have a full Redevelopment Agreement. Large Projects are also subject to the City's construction requirements, which includes MBE/WBE, Local Hiring and Prevailing Wage.

Eligible costs include:

- site preparation and assembly
- public improvements
- architectural and engineering fees
- financing fees related to securing a loan or other capital
- other soft costs associated with eligible hard costs

NOF is structured as a funding partnership, meaning the City provides a grant for a percentage of the total project costs and the applicant provides the remaining funds. New construction related grants vary; small projects are eligible for grants up to 50 percent of total project costs while large projects are up to 30 percent of total project costs. Rehabilitation projects are eligible for grants up to 50 percent of the total project costs.

Seventeen projects have been awarded NOF grants in the project area since its creation in 2016, seven of which are located on S. Halsted Street. Awarded projects range from renovating small storefronts and tenant build out for restaurant and office users to construction of the proposed Culver's in Pullman and build out for the Visitors' Center at the National Pullman Monument Park. Projects are in varying stages of the development process.

Four of the projects were announced in January 2021, two of which are near the 111th station area. A donut shop and café is proposed for E. 111th Street, a vacant Wendy's restaurant, and a bookstore is proposed for 11001 S. Michigan Avenue, the ground floor space of 1921, a new business incubator.

Two projects were awarded grants in the Michigan station area in 2020. Bass Furniture & Rug at 11431 S. Michigan Avenue was awarded a grant for interior and exterior renovations and Scott Enterprises at 11513 S. Michigan Avenue was awarded a grant for renovating existing office space.

NOF was recently revamped to focus support for building community-based wealth. The Build Community Wealth Bonuses provide eligible projects with additional funds if they either maintain a residence in an NOF eligible area or hire new employees who maintain their primary residence in an NOF eligible area. Both bonuses each provide up to 25 percent of total eligible costs.

This change can allow some projects to potentially be fully funded by the grant. The availability of funding opportunities, such as TIF, SBIF, and NOF among others, and the ability to layer these financial programs together could be instrumental in improving the financial feasibility of potentially catalytic projects in historically underserved neighborhoods.

4.4 Retail Gap Analysis

One tool used to identify possible retail opportunities within a market area is to calculate the leakage, or gap, between the spending potential of households living in a market area and the estimates of retail sales from businesses located there. In comparing consumer spending in a trade area with the corresponding retail sales of the trade area, we can determine potential market opportunities by retail category.

Using the most recent Esri Business Analyst data, which relies upon 2017 sales data, and as seen in Table 4-5 on the following page, a positive retail gap suggests that demand exceeds local supply, indicating that shoppers are spending money outside of the market area for those types of goods or services, shown in the accompanying chart in green. If sales exceed the market area's spending potential, shown in the accompanying chart in red (negative), it indicates that existing stores are attracting dollars from a larger area, meaning it is a more competitive retail environment.

Note that this analysis is not a definite indicator of retail opportunities within the market area. Successfully recruiting businesses to an area depends on many factors, including proximity of potential competitors, demographic trends (such as population loss), and vehicular and pedestrian traffic levels among other metrics.

The analysis also does not account for the full impact of e-commerce or online sales in a market area. Esri reports its "Electronic Shopping & Mail Order Houses" subcategory of "Nonstore Retailers (NAICS Code 454)" reflects retailers whose sales volumes are largely derived from online transactions. This analysis does not delineate online transactions of brick-and-mortar retailers with a small online presence. Historical analysis of Illinois retail sales tax collection data would provide insights into effects of e-commerce; however, the data is limited to a municipal level and would not reflect localized impacts in the market area.

The pandemic accelerated the reliance on e-commerce as people stayed at home and relied on online shopping for purchases. The International Council of Shopping Centers reported that nationwide e-commerce sales grew by 34.2 percent with the largest growths in food and beverage stores (+147 percent), building materials (+61.7 percent), health and personal care stores (+67.6 percent) and sporting goods (+60.7 percent). This gap analysis does not reflect these sales trends. Future analysis will be necessary to understand the effects of the pandemic on e-commerce and retail demand potential.

The gap analysis for the market area completed on the following page shows that there are more than 51,000 households within the market area with a median disposable income of $34,997. The industry summary indicates that there is an annual retail gap (retail trade and food and drink combined) of more than $391 million dollars that were spent at various stores and eateries located outside of the market area boundary. Major gaps exist in general merchandise stores and restaurants categories.

A separate gap analysis was done for the smaller RLE project area. The analysis in Appendix D shows more than 36,000 households in the project area have a median disposable income of $33,371. The industry summary shows an annual retail gap of more than $446 million dollars that are spent outside the smaller project area with major leakage in every category except beer, wine, liquor stores, and drinking places. This indicates that residents living in the project area are shopping at the major centers and big box retailers that are located along the arterials further from their homes. As an example, in contrast to the gap analysis for grocery stores in the market area, which showed more supply than demand, there was clear leakage for grocery stores in the smaller project area.

The growth of the food and beverage, building materials, and health and personal care industries during the pandemic reinforced the necessity of these retailers in shoppers' daily lives. The gaps in these categories highlight potential retail opportunities in the project area. These gap analyses suggest that demand for future retail and commercial development in the project area and station areas will likely be for smaller, independent retailers that serve the nearby community, as opposed to larger national retailers.

Table 4-5: Retail Gap Analysis for the RLE Market Area*

2020 Population	145,602
2020 Households	51,396
2020 Median Disposable Household Income	$34,997
2020 Per Capita Income	$21,797

Industry Summary	Demand	Supply	Gap
Total Retail Trade + Food and Drink	$1,390,772,179	$999,219,558	$391,552,622
Total Retail Trade	$1,255,132,920	$911,126,738	$344,006,182
Total Food and Drink	$135,639,259	$88,092,820	$47,546,439
Industry Group	**Demand**	**Supply**	**Gap**
Motor Vehicle and Parts Dealers	$263,639,410	$33,447,777	$230,191,633
Gasoline Stations	$134,077,937	$121,143,312	$12,934,625
Furniture and Home Furnishings Stores	$41,242,603	$5,881,396	$35,361,207
Electronics and Appliance Stores	$46,749,313	$9,645,164	$37,104,149
Building Materials, Garden Equip	$84,450,461	$174,113,688	-$89,663,227
Building Material and Supplies Dealers	$76,384,966	$174,113,688	-$97,728,722
Lawn and Garden Equip and Supply Stores	$8,065,495	$0	$8,065,495
Food and Beverage Stores	$209,215,857	$299,168,209	-$89,952,352
Grocery Stores	$184,338,607	$278,041,121	-$93,702,514
Specialty Food Stores	$10,862,280	$2,132,602	$8,729,678
Beer, Wine and Liquor Stores	$14,014,970	$18,994,486	-$4,979,516
Health and Personal Care Stores	$85,010,123	$64,395,463	$20,614,660
Clothing and Clothing Accessories Stores	$65,415,017	$31,339,250	$34,075,767
Sporting, Hobby, Book/Music Stores	$31,732,249	$11,288,663	$20,443,586
General Merchandise Stores	$214,207,844	$134,116,091	$80,091,753
Miscellaneous Store Retailers	$45,693,621	$11,970,707	$33,722,914
Non-store Retailers	$33,698,485	$14,617,018	$19,081,467
Food Services and Drinking Places	$135,639,259	$88,092,820	$47,546,439
Special Food Services	$3,226,818	$3,716,208	-$489,390
Drinking Places - Alcoholic Beverages	$4,404,900	$4,922,848	-$517,948
Restaurants/Other Eating Places	$128,007,541	$79,453,764	$48,553,777

Source: Esri Business Analyst 2020 Estimates

**Market area consists of seven community areas; Roseland, Washington Heights, Pullman, South Deering, Riverdale, West Pullman and Morgan Park*

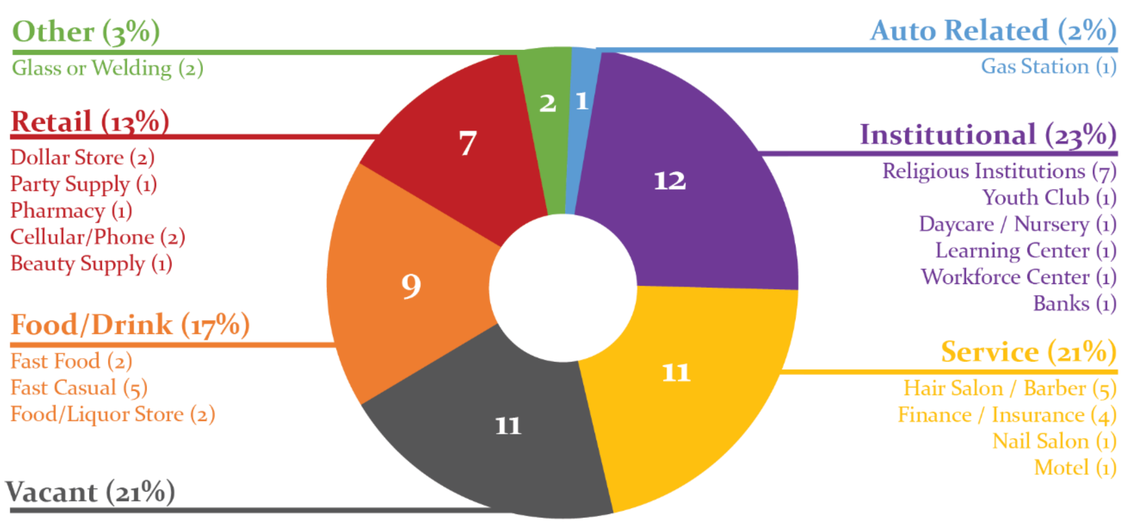
4.5 Station Area Commercial Business Inventory

A business inventory was conducted of each station areas in December 2020 to better understand the current business mix and storefront vacancy rate. These inventories are snapshots captured during the ongoing COVID-19 pandemic, which has hindered small businesses. In many instances, it was not clear if a boarded-up storefront or building was temporarily closed due to the pandemic, lingering remnants from protests and looting during the summer of 2020, or permanently closed. Data sources include City of Chicago business license data, CoStar, and fieldwork for Figures 4-5, 4-6, and 4-7.

4.5.1 103rd Street Station Area

The 103rd Street station area inventory identified 53 storefronts and buildings, 11 of which are vacant, putting the vacancy at 21 percent. The business mix is below, showing a high number of institutional uses, ranging from daycare centers to places of worship, and a large number of service uses. Most of the businesses identified are located close to Halsted Street. More retail can be found outside the station area near Michigan Avenue.

The inventory identified nine food and drink uses, seven of which are located on Halsted Street and include a mix of national fast food and local restaurants like Harold's Chicken. There were only seven retail stores identified within the station area. Family Dollar and Dollar General, which is adjacent to the proposed station, are located in the station area. There are two businesses west of the proposed station on 103rd Street that are more manufacturing in nature, which consist of a weld shop and a glass block manufacturer.



Source: Goodman Williams Group Survey December 2020

Figure 4-5: Business Mix, 103rd Street Station Area as of December 2020

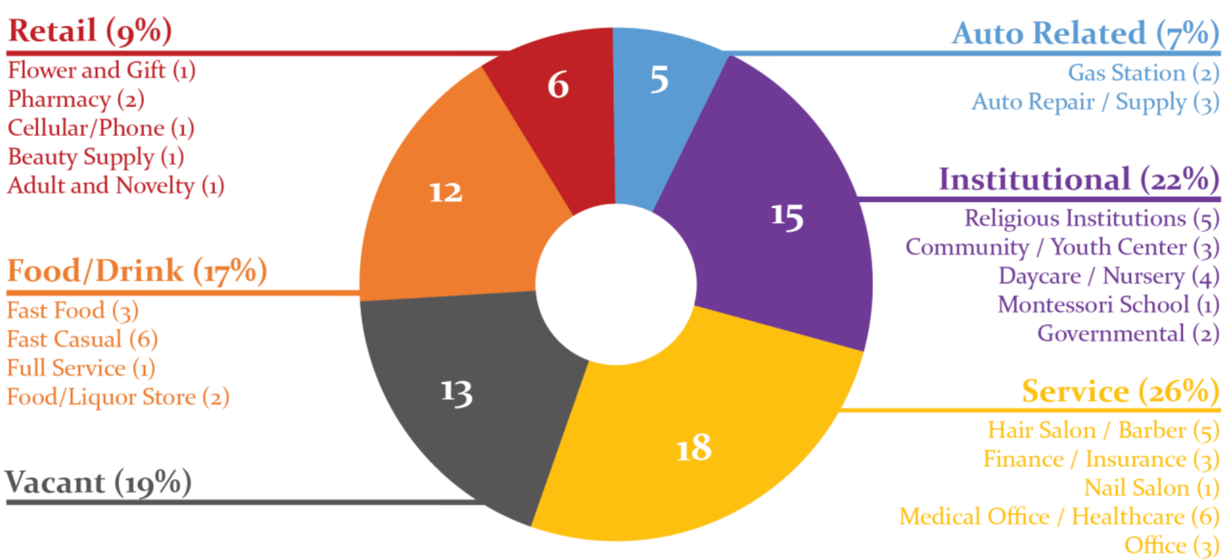
4.5.2 111th Street Station Area

The 111th Street station area inventory identified 69 storefronts and buildings, 13 of which are vacant, putting the vacancy at 19 percent. The business mix displayed in Figure 4-6 below shows a high number of institutional uses, ranging from daycare centers to places of worship and a large number of service uses. As with the 103rd Street station area, most of the retail in the 111th Street station area is along Halsted Street and Michigan Avenue.

The inventory identified 18 businesses as service-oriented, ranging from hair and nail salons to H & R Block and Jackson Hewitt tax providers. There are also six medical businesses in the station area, three of which are located across from Roseland Hospital, and include a Fresenius dialysis center, dental clinics, and a family health center.

The 15 institutional users include five places of worship and five daycare and preschool facilities. The Agape Community Center, a community facility, is located adjacent to the proposed station. There are two governmental facilities in the station area, a post office and the 34th Ward office.

The 12 food and drink uses are primarily clustered near Halsted Street and across from Roseland Hospital, ranging from national fast food chains, fast casual restaurants, and one full-service restaurant. There were only six retail stores identified within the station area, two of which are pharmacies.



Source: Goodman Williams Group Survey December 2020

Figure 4-6: Business Mix, 111th Street Station Area as of December 2020

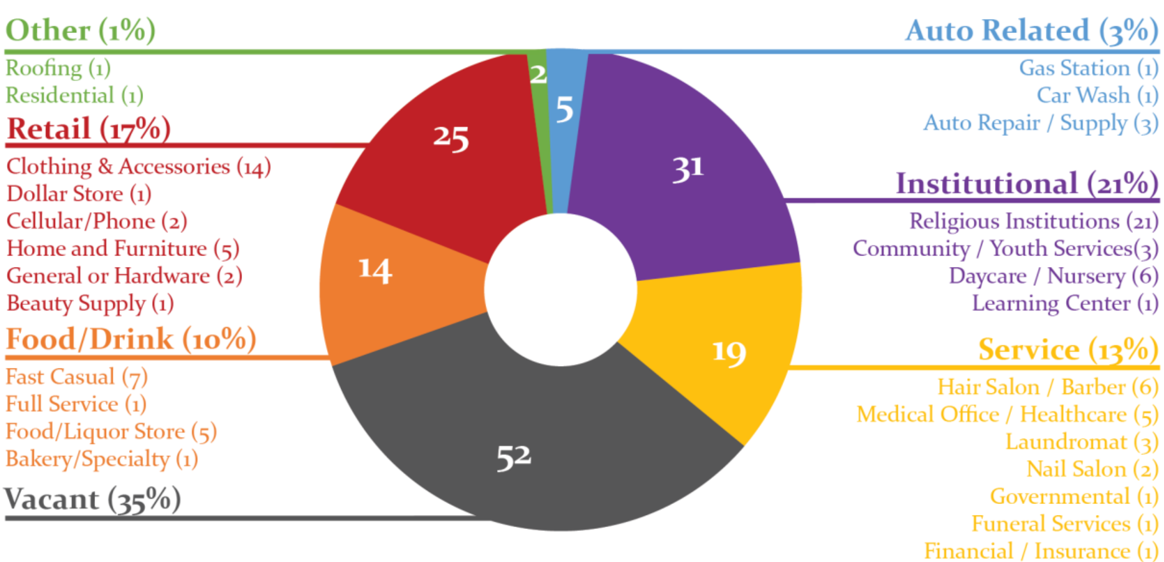
4.5.3 Michigan Avenue Station Area

The Michigan Avenue station area has the largest inventory of the four station areas. The inventory identified 148 storefronts and buildings, over one-third of which are vacant. As noted earlier, the ongoing pandemic presented challenges in determining a temporary versus permanent vacancy. Institutional uses are the most prevalent use in the station area, with places of worship or religious institutions accounting for 20 of the establishments. Daycare centers and are another common use with six throughout the station area.

Clothing stores are a mix of local establishments, such as J Bee's, and national retailers, like City Sports. Family Dollar anchors the northwest corner of 115th Street and Michigan Avenue. There is one True Value Hardware, the only hardware store identified in the four station areas.

Service oriented businesses, including hair and nail salons, barber shops, and laundry facilities, are scattered throughout the station area. The inventory identified 20 service businesses, including four medical facilities.

Food and drink establishments dot Michigan Avenue, accounting for 15 of the storefronts. One of the most notable is Old Fashioned Donuts at 11248 Michigan Avenue, a destination that has been in the same location for nearly 50 years. A mix of sit-down restaurants and small convenience stores were identified in the inventory. Unlike in the other station areas, several Mexican restaurants are located in the Michigan Avenue station area, a likely reflection of the growing Hispanic and Latino population, which increased to 16 percent of the total population within the station area in 2018, up from ten percent in 2000.



Source: Goodman Williams Group Survey December 2020

Figure 4-7: Business Mix, Michigan Avenue Station Area as of December 2020

4.5.4 130th Street Station Area

The 130th Street station area has the fewest businesses of the four station areas. There is a TCA Health Primary Care & Pharmacy and Center for New Horizons early care and learning facility, which was constructed in 2020 in Altgeld Gardens and Philip Murray Homes along with the new library. While there are two convenience stores located more than half a mile outside the station area, the immediate station area lacks the retail amenities present in the other station areas, a result of its proximity to utility and waste facilities, industrial uses, roadway and railway infrastructure, as well as the river and open space.

4.6 Initial Conclusions and Market Forecasts (2040)

Nationwide, retail has been in flux in recent years as retailers respond to the growth of online shopping. The global pandemic accelerated retail closures, and the long-term impacts on retail remain to be seen; however, it has highlighted several opportunities that stakeholders can focus on in the near and mid-term to bolster support for longer term development.

Retail development requires support from demand segments including residents and workers. As highlighted in the residential chapter of this RLE market report, the number of households in the market area is projected to grow by more than 15,000 households by 2040. Similarly, the growth of jobs in the industrial sector, as discussed in the industrial chapter, will bolster the need for more retail. Future retail will likely be convenience and service oriented, geared towards serving the residents and workers nearby.

Added households and employees will help support the existing shopping centers and big-box retailers located in and near the market area, like Walmart; however, the presence of these large retailers will not likely diminish the demand for local retailers, or stores occupying less than 5,000 square feet. The gap analysis suggests there is demand for additional specialty food stores, such as meat markets, fruit and vegetable markets, and baked goods stores, within the project area. The expansion of fresh food options in dollar stores may serve the short-term needs of the local residents.

In the longer term, a smaller-scale grocery store, or food co-op at one of the stations could potentially be supported by new households or employees using the Red Line. Interviews with retail brokers highlighted the challenge of expanding retail in the project area, particularly along Michigan Avenue. Current standards, such as higher traffic counts, larger lot sizes, and clusters of national retailers will continue to make Halsted Street, Pullman Park Plaza, and other shopping centers in the project area more desirable for large retail development. As previously noted, the inventory identified high vacancies along Michigan Avenue.

Typically, rents required for new development range between $40 and $50 per square foot excluding other costs, such as property taxes. These rents are not currently achievable in the market area, which averages commercial rents of $16.20 per square foot. New commercial development will likely need incentives and financial support to open in the corridors, particularly in the near term.

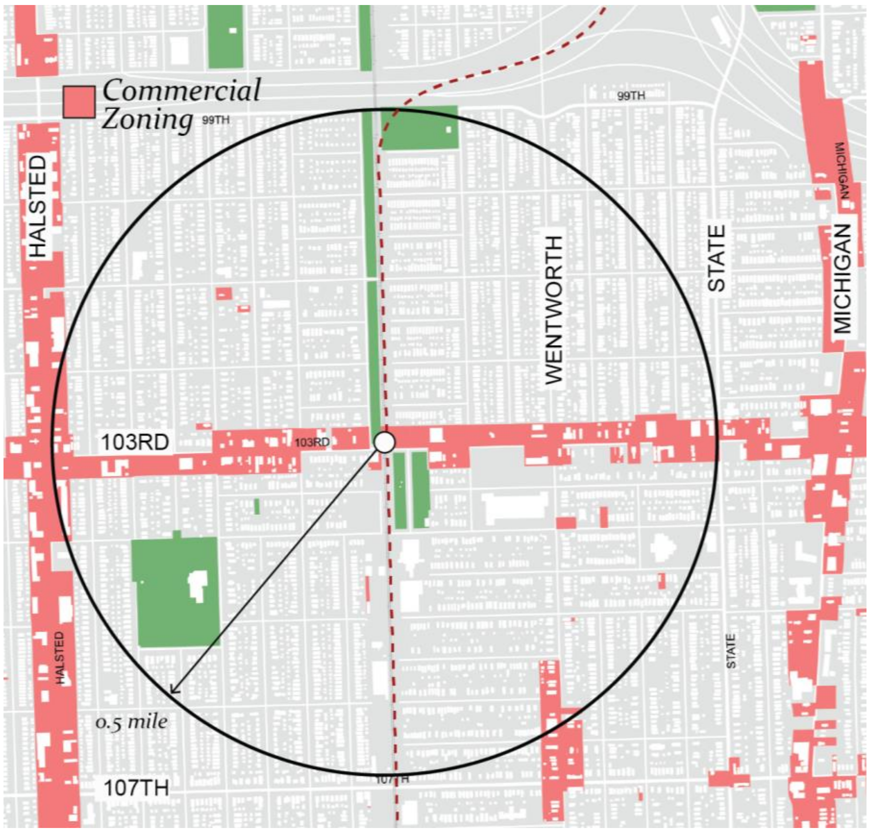
The ongoing pandemic and subsequent economic downturn has the potential to spur an emergence of new entrepreneurs. There will be opportunity to appeal to new entrepreneurs looking to move their new business out of their homes. Renovating storefronts on Michigan Avenue or developing artist live/workspaces can encourage new activity within the station areas. The announcement of the 1921 Coworking & Incubator at 11001 S. Michigan Avenue highlights the potential for more space geared toward start-ups and entrepreneurs.

Prior to the pandemic, there was growing emphasis on making health and wellness more accessible. The pandemic highlighted the lack of access to healthcare in minority communities. Medtail, also described as medical uses opening in retail locations, is a growing commercial sector that will likely continue in the years to come, and has potential in the stations areas, particularly 111th Street and Michigan Avenue near the Roseland Medical District. The Roseland Medical District provides essential services to the neighborhood, and as plans for developing the district continue to take shape, it is reasonable to expect more medtail uses to open in the long term. These include but are not limited to physical therapy, dialysis centers, urgent care, and dental facilities.

As evidenced by the station area inventories, daycare is one of the more common uses throughout the project area. Household and employment growth in and around the project area will bolster demand for more daycares and childcare supportive services.

4.7 Development Strategies for Station Areas

4.7.1 103rd Street Station Area



Source: City of Chicago Zoning Data, 2018

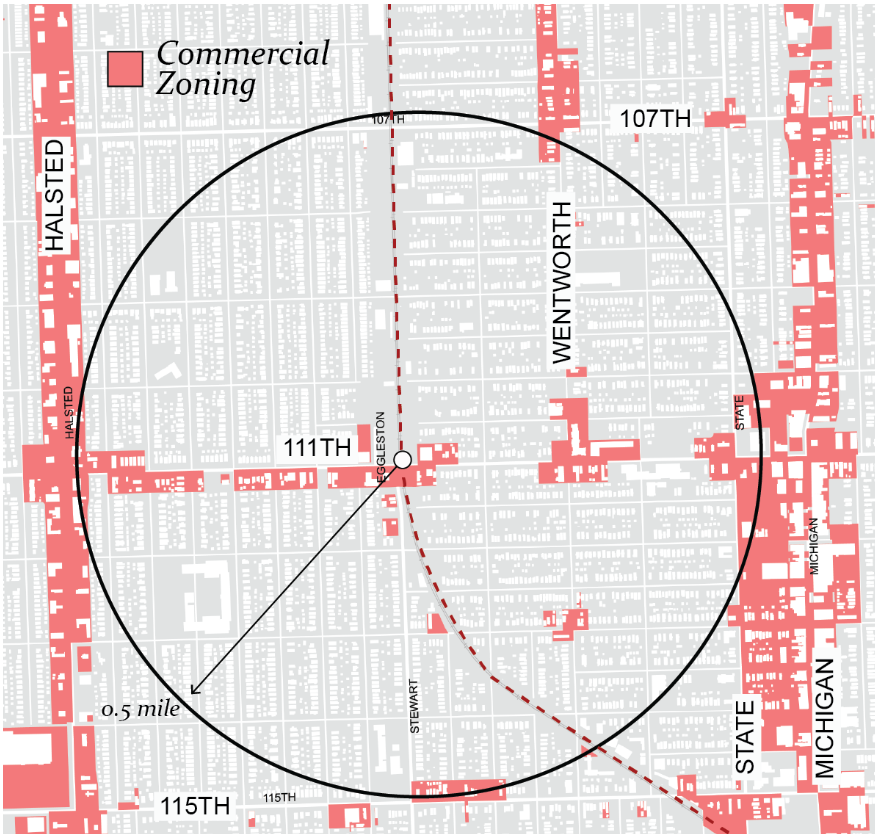
Figure 4-8: 103rd Street Station Area, Retail Zoning Map, 2018

The 103rd Street station area is primarily residential, with commercial zoning along 103rd Street, Halsted Street, and Michigan Avenue. Retail vacancy is high at 21 percent, with most of the businesses inventoried closer to Halsted Street. Many retail storefronts cater to institutional or service uses, especially religious institutions and hair care, with some fast casual food and drink places. The mix of uses is evident along 103rd Street with some residential homes on the corridor.

Development Guidelines: The prevalence of underutilized or vacant lots on 103rd Street present opportunities for denser mixed-use development near the station.

The market would support some ground floor small format commercial uses that meet the needs of nearby residents and commuters using public transit with convenience and service uses. There are limited options for food in the immediate vicinity of the proposed station; quick service eateries and restaurants are located closer to Halsted Street and Michigan Avenue, where retailers are more likely to locate due to higher traffic counts. Additional residents in this area could create demand in the future for fast casual eateries, likely closer to Halsted Street and Michigan Avenue.

4.7.2 111th Street Station Area



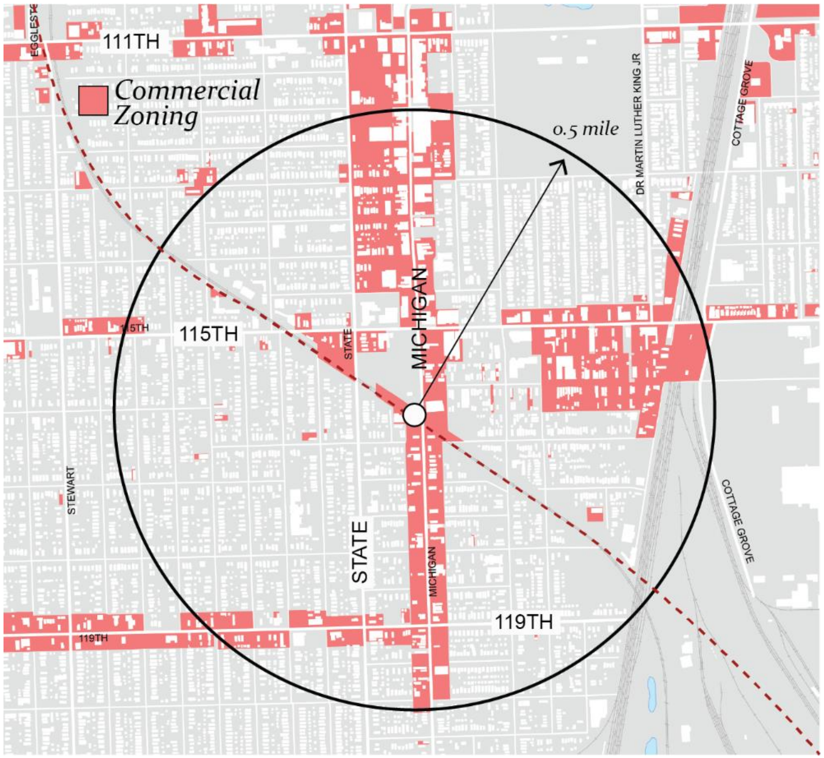
Source: City of Chicago Zoning Data, 2018
Figure 4-9: 111th Street Station Area, Retail Zoning Map, 2018

The 111th Street station area is primarily residential with commercial zoning scattered along 111th with nodes at Halsted Street and Wentworth Avenue near Roseland Hospital. Commercial vacancies are high in this area at 19 percent, with institutional and service users most common, particularly religious institutions and hair and beauty care. Similar to the 103rd Street station, there is a prevalence of underutilized and vacant lots on 111th Street that create opportunities near the station.

Development Guidelines: Larger parcels near the proposed station would be appropriate for denser mixed-use developments that could include ground floor commercial space to serve residents. Lowering commercial vacancy rates within the station area will require additional households that create demand for smaller independent retailers, likely convenience and service based businesses that serve the local neighborhood, as national retailers are more likely to locate near Halsted Street where traffic counts are higher.

The Roseland Medical District anchors the eastern portion of the station area, and as it develops, new medtail uses are likely to locate on 111th near the medical district. Growth of jobs at the medical district and nearby employment centers could create demand for future convenience retail and food options that would accommodate the daytime employee population.

4.7.3 Michigan Avenue Station Area



The Michigan Avenue station area is anchored by the historic commercial corridor. The station area is struggling with high retail vacancy, with nearly one-third of the commercial property vacant. Occupied storefronts include many clothing stores and eateries along the corridor. While vacant buildings and lots along the corridor are common, they create opportunities to fill storefronts with small independent businesses to serve the neighborhood.

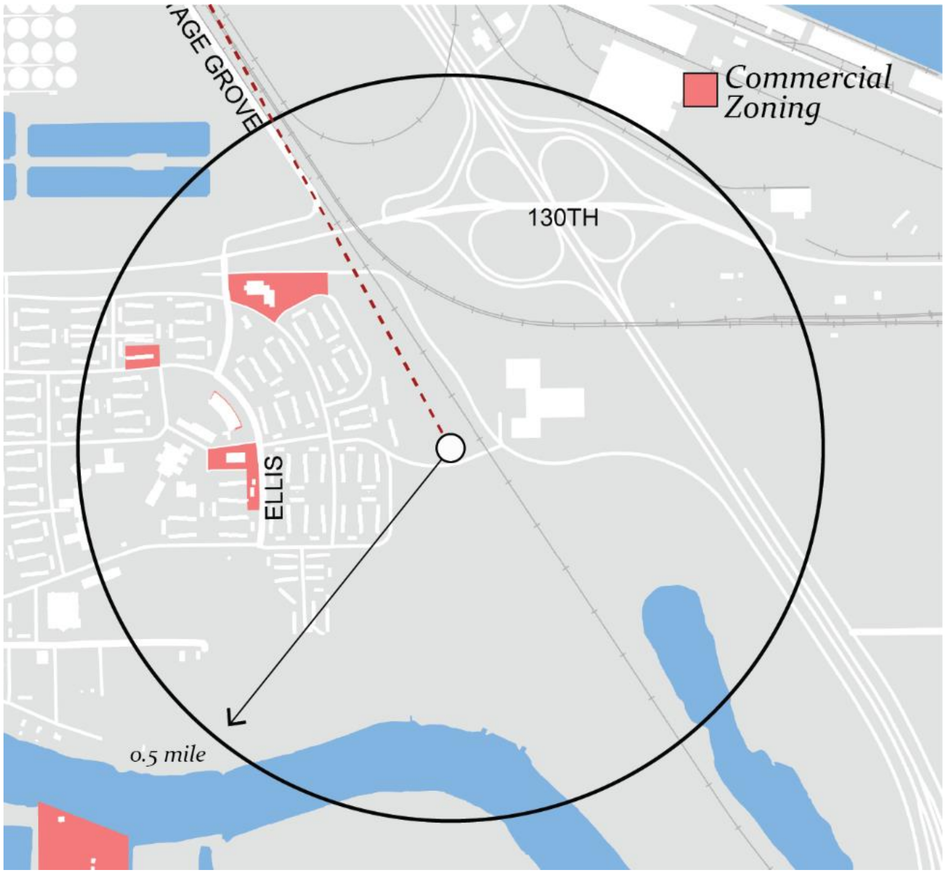
Source: City of Chicago Zoning Data, 2018

Figure 4-10: Michigan Avenue Station Area, Retail Zoning Map, 2018

Development Guidelines: The vacant six-acre site on the southwest corner of 115th Street and Michigan Avenue is the greatest opportunity for catalytic investment in the station area, providing an opportunity to accommodate new residential, additional retail and supplementary parking. Additional households and new transit riders would add demand for commercial tenants that serve the daily needs of area residents and commuters, including a small grocer or food store. New commercial development can be facilitated through key Department of Planning and Development initiatives, such as the INVEST South/West initiative, that aim to attract equitable investment in low-income and underserved neighborhoods, including the Greater Roseland and Pullman communities. The Michigan Avenue corridor in this station area is one of 12 commercial corridors prioritized in the program. Future redevelopment efforts will benefit from focused public investments that boost local assets.

The Historic Research and Report for the Michigan Avenue Business District conducted by DPD will assess the potential for formally creating a historic district along Michigan Avenue. If designation occurs, more financial incentives would become available to property owners and developers for renovations.

4.7.4 130th Street Station Area



The commercial assessment for the 130th Street station indicated very few options for retail in this area with significant portions of land dedicated to utility and waste facilities, transportation/right of way and Forest Preserves of Cook County. Additionally, the median income of the community area limits the amount of disposable income needed to support new retail.

Source: City of Chicago Zoning Data, 2018

Figure 4-11: 130th Street Station Area, Retail Zoning Map, 2018

Development Guidelines: A new transit station and park & ride facility would attract new commuters from neighboring communities and suburbs. New ridership and auto traffic could potentially create demand for up to 20,000 square feet of commercial space over time with tenants that serve the daily needs of residents and commuters, such as convenience or food options. Visibility and access from 130th Street are essential for attracting retailers and restaurants to the development site.

This assessment supports the recommendation in the Altgeld Gardens and Philip Murray Homes Master Plan, completed by Teska Associates in 2013, that suggests new retail opportunities are possible if located at the entrance of the community along Ellis Avenue and 130th Street. The retail and commercial assessment concluded potential support of 10,000 to 20,000 square feet of retail space with a first phase of up to 10,000 square feet.

Section 5 - Industrial Market Assessment

5.1 Industrial Profile

The Chicago Metropolitan Region has historically been a hub for industry, largely due to the complex transportation network that connects North American cities from coast to coast. The Chicago region is the leading rail hub on the continent, while also having an extensive highway system consisting of more than 10 interstates, a port district and river system that connects to both the Great Lakes and Mississippi River, and multiple airports including O'Hare International Airport, Midway International Airport, and Gary/Chicago International Airport.

Industrial, transportation, and utilities uses comprise nearly half of the land in the RLE project area. The Port District, several industrial parks, and large manufacturers are major employers in the project area, particularly in the Pullman and South Deering community areas. The Metropolitan Water Reclamation District (MWRD) has its major Calumet Water Reclamation Plant in Riverdale, just north of 130th Street. Industrial property is also located in West Pullman, west of Halsted Street.

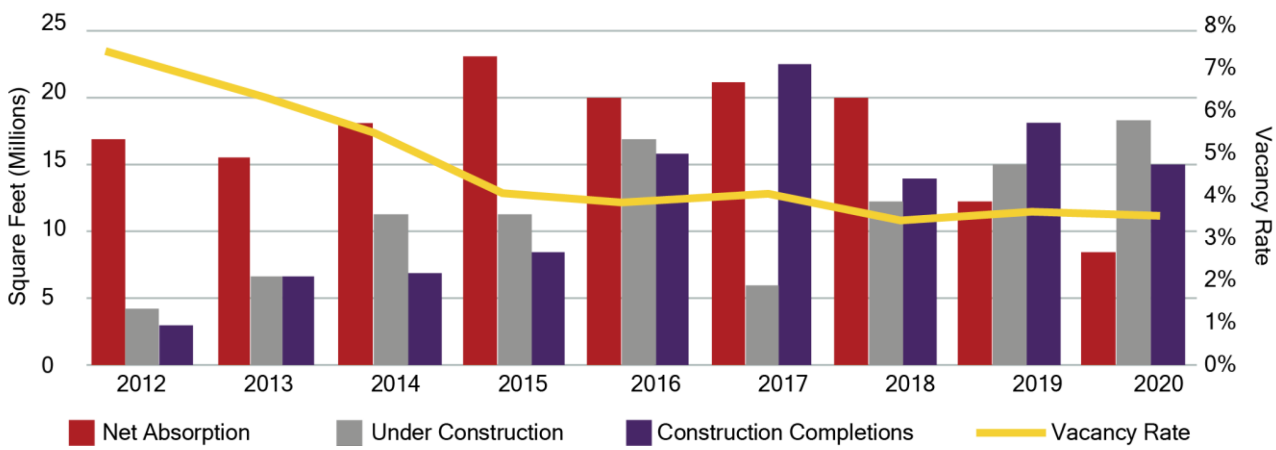
The history of the Far South Side of Chicago is tied to its industrial past. It has been the primary location for significant and intensive manufacturing in the City, focusing on the production of steel. At its peak, the steel industry reportedly employed an estimated 200,000 workers. The old steel mills on Chicago's Far South Side have all been shuttered, beginning with the departure of Wisconsin Steel in 1980. The loss of hundreds of thousands of jobs resulted in a cycle of disinvestment that has affected nearby residential neighborhoods. Closures also left behind hundreds of acres of contaminated land, and while a number of brownfields have been remediated, others are still contaminated, complicating redevelopment options.

Within the last decade, however, interest and investment in industrial uses is growing on the South Side. As large development sites on the North Side of Chicago have become scarce and more expensive, industrial users have been eyeing land on the South Side, where they can expand their footprint at a lower cost. Driving the demand has been proximity to the expressways and rail lines for the transportation and logistics industry, which is being fueled by the need for timely e-commerce deliveries and the availability of large sites. Manufacturing sites and existing industrial buildings on the South Side are also in demand.

While significant new industrial uses will not be recommended for RLE station areas, the growth of industrial jobs in the industrial corridors proximate to the proposed stations will strengthen residential demand within the neighborhoods in the project area and larger market area. Workers and their families will be motivated to live within a short commute of the growing job market on the Far South Side.

5.1.1 Regional and City Industrial Market Trends

Figure 5-1 presents industrial data from CBRE, a global real estate brokerage firm, for the Chicago metropolitan region, that shows the extent to which new construction and net absorption of industrial space has continued to grow since 2012. Net absorption of space, which represents the change in occupied square footage, has remained positive in the Chicago metropolitan region, with the highest growth being 23 million square feet in 2015. New construction has continued and the vacancy rate remains low at less than four percent.



Source: CBRE Research, Q3 2020, note this data was collected during the COVID-19 Global Pandemic

Figure 5-1: CBRE Industrial Market Trends, Chicago Metropolitan Region in Q3 2020

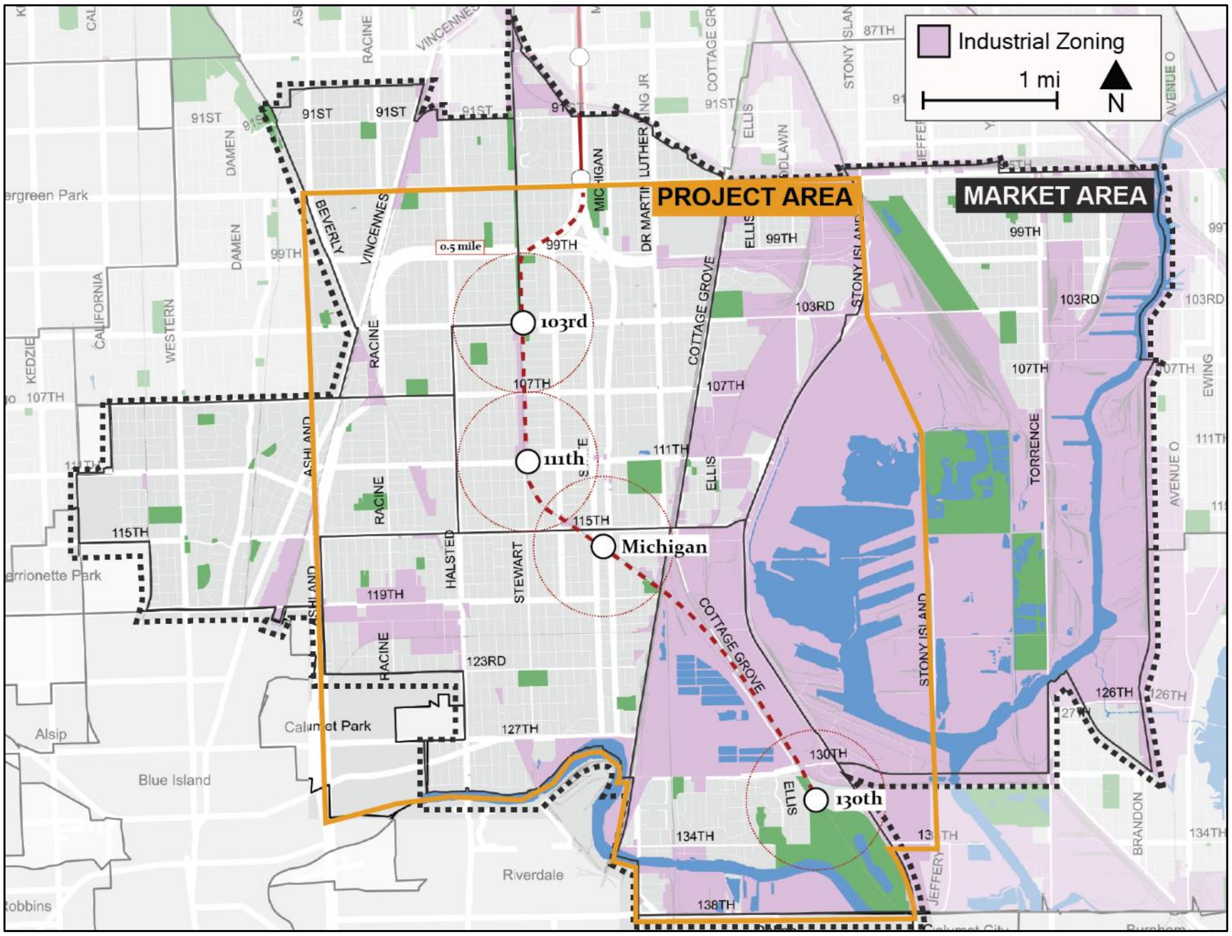
CBRE, and most large commercial real estate firms, divide the City of Chicago into two market areas: North Side and South Side (north and south of I-290). As seen in Table 5-1, their most recent data show that the Chicago City South submarket has more than 144 million square feet of rentable industrial space, with another 1.14 million square feet under construction. Average asking lease rates are lower in Chicago City South than the City's overall rate but higher than in the Chicago metropolitan region.

Table 5-1: CBRE Industrial Market Data, Q3 2020

Market	Gross Leasable Area (SF)	Vacancy Rate	Net Absorption (YTD SF)	Under Construction (SF)	Avg. Net Asking Lease ($ / SF / Yr)
Chicago Metro. Region	1,306,547,699	3.6%	8,413,755	18,323,139	$5.51 - $6.44
City of Chicago	248,555,693	1.6%	334,448	1,144,900	$5.65 - $8.50
Chicago City South	144,038,989	1.4%	757,932	1,144,900	$5.65 - $7.00

Source: CBRE Research, Q3 2020, note this data was collected during the COVID-19 Global Pandemic

5.1.2 Industrial Trends, RLE Market Area



Source: City of Chicago Zoning Data 2018, Map created by Goodman Williams Group

Figure 5-2: Industrial Zoning Map, Far South Side

Table 5-2 presents CoStar's relevant market indicators in the RLE market area, project area and the City. The data show more industrial space in the RLE market area than the project area due to the large amount of industrial space in South Deering, outside of the RLE project area. It is notable that there are lower rents within the RLE market and project areas compared to the City.

Table 5-2: CoStar Industrial Market Indicators in RLE Market Area and Project Area, Jan. 2021

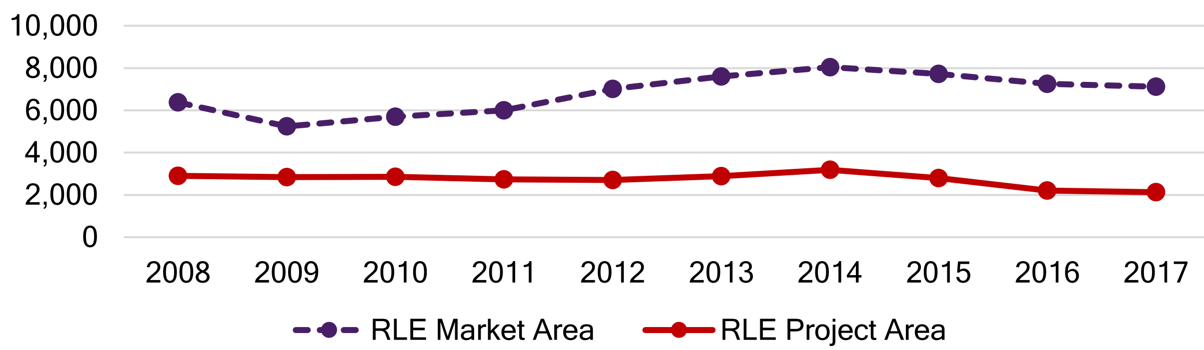
Market	Rentable Building Area (SF)	Vacancy Rate	Net Absorption (YTD SF)	Under Construction (SF)	Average NNN Rent ($ / SF)
RLE Market Area	16,922,260	3.7%	212,266	580,587	$3.50
RLE Project Area	9,455,538	5.7%	113,068	0	$3.50
City of Chicago	248,555,693	1.6%	334,448	1,144,900	$5.65 - $8.50

Source: CoStar, January 2021, note this data was collected during the COVID-19 Global Pandemic

5.2 Industrial Sector Employment Trends

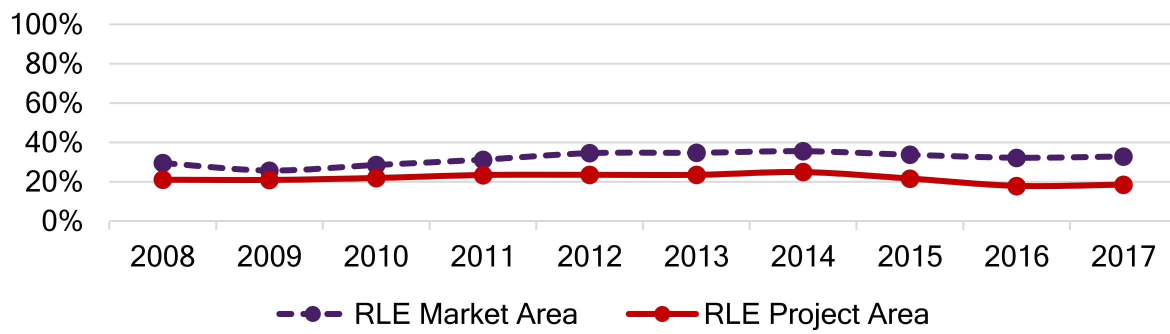
The most current data available from US Census OnTheMap estimates show steady job numbers in the industrial sector (includes jobs with NAICS codes in manufacturing, transportation and warehousing, and utilities) in both the RLE market area and project area, as seen in the Figure 5-3 below. Job numbers in the market area are significantly higher than the project area due to the location of the Ford Assembly Plant that accounted for more than 4,000 jobs in 2017 (outside of the project area). Slight losses are seen in industrial jobs within the RLE project area, primarily from the manufacturing sector.

Using US Census OnTheMap data from 2008 to 2017, Figure 5-4 shows industrial jobs as a percentage of total jobs between 2008 and 2017 in the RLE project area (red) and RLE market area (purple). Industrial sector jobs in the RLE project area account for 18.5 percent of total jobs in 2017. In the RLE market area, industrial sector jobs account for 33 percent of total jobs in 2017. The following section will highlight major employers, anchors, and new developments that contribute to job growth on the Far South Side.



Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 5-3: Industrial Job Totals, 2008 – 2017



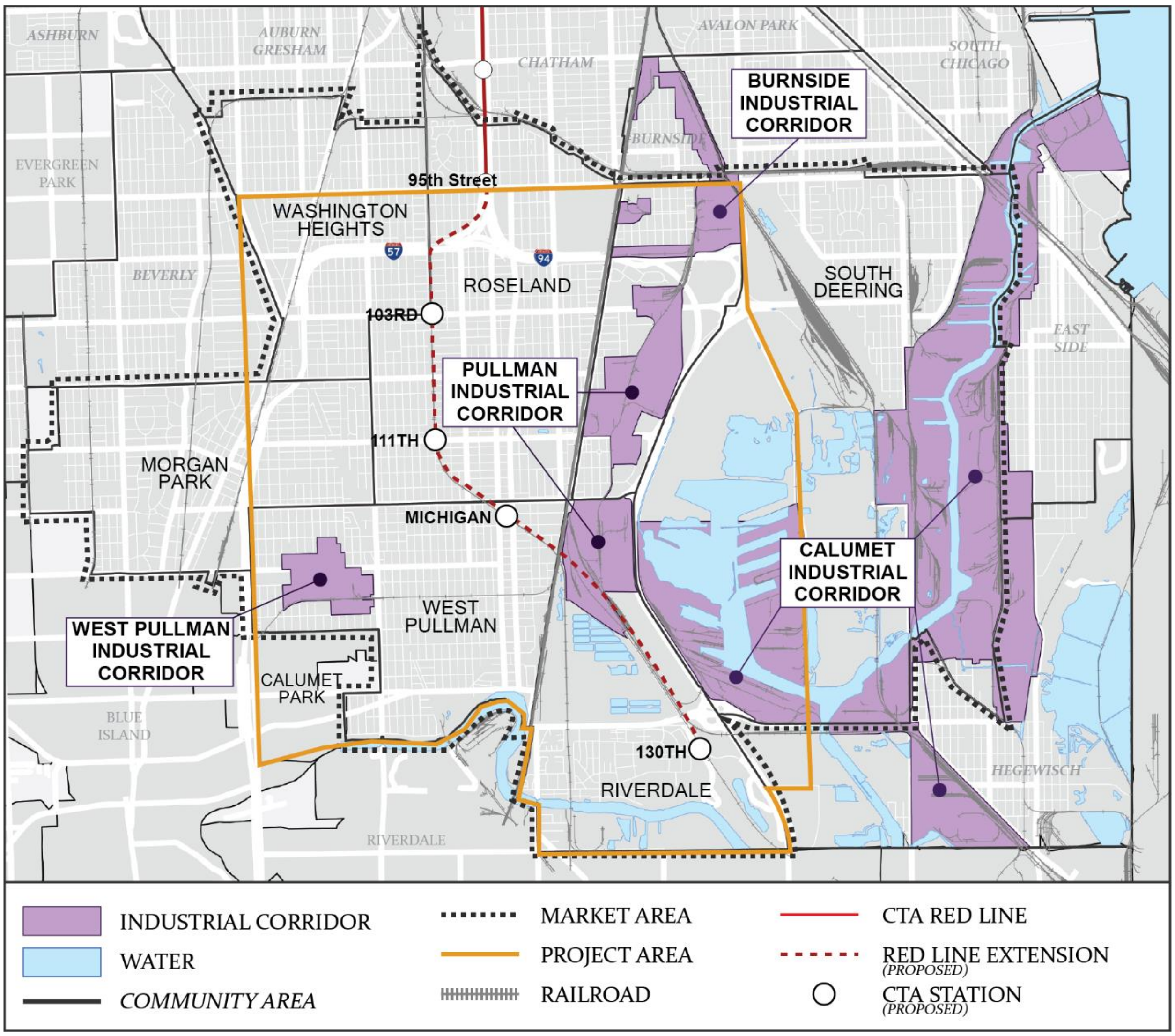
Source: US Census Bureau Center for Economic Studies, OnTheMap data 2002 - 2017

Figure 5-4: Industrial Jobs as a Percentage of Total Jobs

5.3 Industrial Corridors and Users

In the 1990s, the City of Chicago approved a comprehensive industrial land-use plan that defined industrial corridors proximate to the commercial rail lines, expressways, and existing industrial businesses. Today, the City's 26 designated industrial corridors contain two-thirds of all land in the City that is zoned for manufacturing.

Four industrial corridors fall within the boundaries of the RLE market area: Pullman, Calumet, West Pullman, and Burnside. Figure 5-5 shows the industrial corridors in purple.



Source: Industrial Corridor Shapefile from City of Chicago Data Portal, Map created by Goodman Williams Group

Figure 5-5: Far South Side Industrial Corridors Map

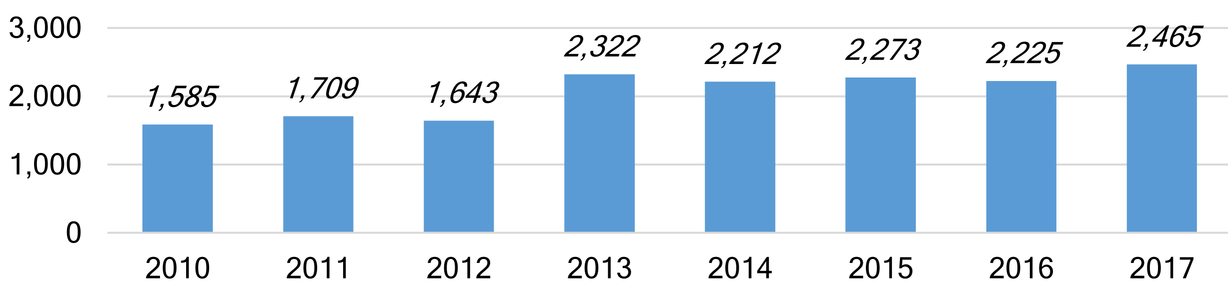
5.3.1 Pullman Industrial Corridor

The Pullman Industrial Corridor contains 692 acres of land zoned primarily for manufacturing. It extends for approximately two miles along the west side of I-94, 12 miles south of Downtown, and is located within the RLE project area. Pullman was the first planned industrial community in Chicago, fueled by the rise of railroads and the opening of the Pullman railcar factory in 1881. Operational for 100 years, rail car production came to a halt and new industries have since moved into the corridor, particularly materials handling, trucking, and warehousing.

Truck access to I-94 and multiple nearby interstate highways make it attractive to tenants needing to store and move goods, spurring industrial and commercial interest and investment over the last decade. Most notable is Pullman Park, a 180-acre mixed-use development master-planned by CNI. Also included is Pullman Park Plaza, a 220,000 square foot retail center anchored by a Walmart. It is estimated that 1,600 jobs were added in Pullman Park, diversifying the employment options within the industrial corridor.

Using data from the DPD, job numbers within the Pullman Industrial Corridor area have grown since 2010, reaching an estimated 2,465 jobs in 2017, as seen in Figure 5-6. Industrial related services account for more than half of all total jobs within the industrial corridor, followed by goods manufacturing, such as Method Soap and Sherwin Williams, and then retail, such as Walmart and other retailers in Pullman Park Plaza. Employment in the Pullman Industrial Corridor is more diverse than any other industrial corridor on the Far South Side, due to recent additions of retail and transportation, distribution, and logistics users. More details on future projects and industrial space demand will be detailed on the following page.

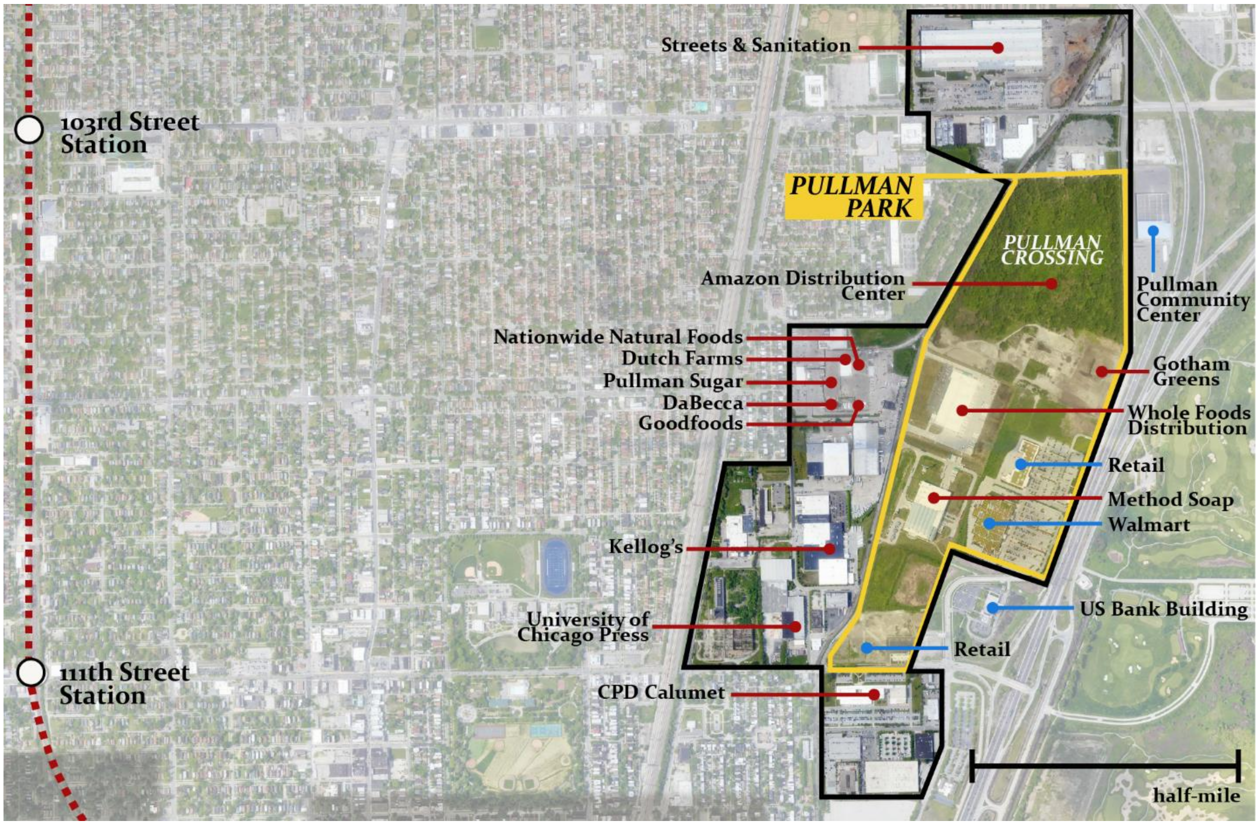
Proximity to the growing number of jobs in the Pullman Industrial Corridor will aid in residential housing demand in this area. It will also promote RLE transit ridership, though last mile connections between the proposed stations and the Pullman Industrial Corridor will need to be addressed.



Source: IDES, AECOM, City of Chicago

Figure 5-6: Pullman Industrial Corridor Employment Totals by Year

Developments within the northern portion of the Pullman Industrial Corridor have attracted both local and national companies that brought more than 1,500 jobs to the area in recent years, as well as the addition of much needed retail. Figure 5.7 below highlights major industrial users in red, and retailers and others in blue. Proximity to the growing number of jobs in the Pullman Industrial Corridor will support residential housing demand in this area going forward.



Source: Map created by Goodman Williams Group, January 2021

Figure 5-7: Major Anchors and Users in Pullman Industrial Corridor (North)

5.3.1.1 Pullman Crossing

At the northern end of Pullman Park at I-94 south of 103rd Street is **Pullman Crossings**, a 76-acre master planned business park being developed by Ryan Companies in conjunction with CNI. The first phase included a 400,000 square foot speculative warehouse building that has since been leased by SC Johnson, which purchased Method Products in 2017.

The other major development in Pullman Crossings is a new 145,000 square foot **Amazon Fulfillment Center**. Proximity to transit and the availability of large parcels played a role in these developments, as well as other incentives such as enterprise and opportunity zone incentives.

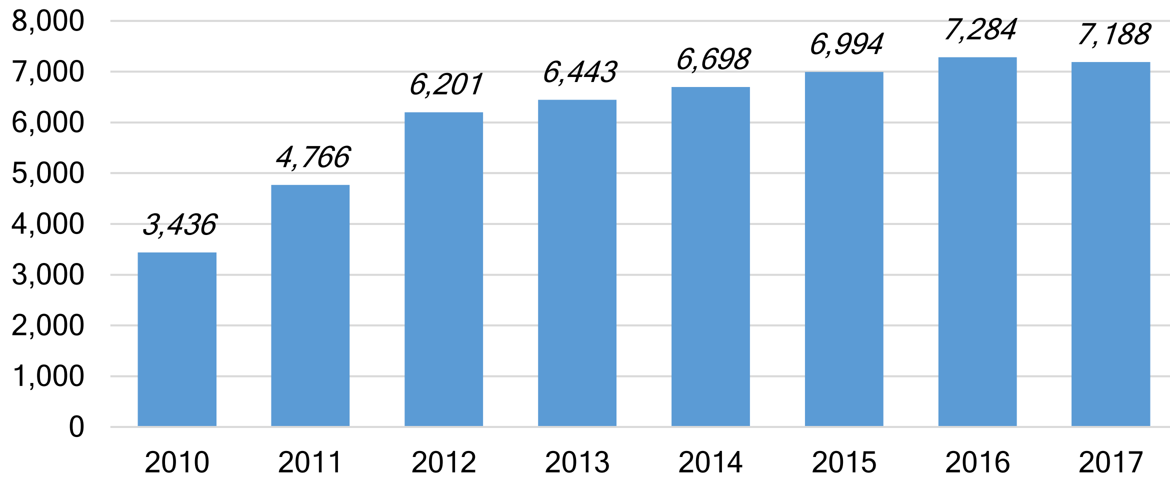
5.3.2 Calumet Industrial Corridor

The Calumet Industrial Corridor is Chicago's largest industrial corridor with more than 4,000-acres dedicated to manufacturing and other industrial uses. The Calumet Industrial Corridor has historically served as home to the City's most intensive manufacturing uses and has been a site for waste disposal and treatment activities as well as distribution activities. Truck access to I-94 and multiple other nearby interstate highways as well as waterway access make it attractive to tenants needing transportation access to move goods.

DPD will be launching the Far South Industrial Corridor Modernization Study in 2021, which will include the Burnside, Calumet, and Pullman industrial corridors. This initiative will refine land-use policies for continued growth and private investment in these three industrial corridors. The goals of this initiative are to unleash the potential of select industrial areas for advanced manufacturing and technology-oriented jobs while reinforcing traditional industrial activities in other areas, maintain and improve the freight and public transportation systems that serve industrial users, support new job growth and local job opportunities, and leverage the unique, physical features of local industrial corridors to foster demand. It will also enhance the area's design guidelines to improve the area's image to current and prospective residents and businesses.

The IIPD has two sites in the Calumet Industrial Corridor, the larger site surrounds Lake Calumet, while the other is positioned at the junction of the Calumet River and Lake Michigan (called Iroquois Landing). More than 30 industrial users occupy space along the Calumet River, on both the east and west banks. A portion of the Calumet corridor extends along Torrence Avenue south of 130th Street to 139th Street and to the railroad tracks. This area is the site of the Ford Assembly Plant, among other users.

Using data from DPD, job numbers within the Calumet Industrial Corridor area have more than doubled between 2010 and 2017, reaching an estimated 7,188 jobs in 2017, as seen in Figure 5-8. Goods manufacturing jobs account for 80 percent all total jobs within the industrial corridor, due to the high number of employees at the Ford Assembly Plant, followed by industrial related services (17 percent), made up of many smaller scale industrial users. The increase in jobs between 2011 and 2012 is attributed to increases in motor vehicle manufacturing jobs at the Ford Assembly Plant.



Source: IDES, AECOM, City of Chicago
Figure 5-8: Calumet Industrial Corridor Employment Totals by Year

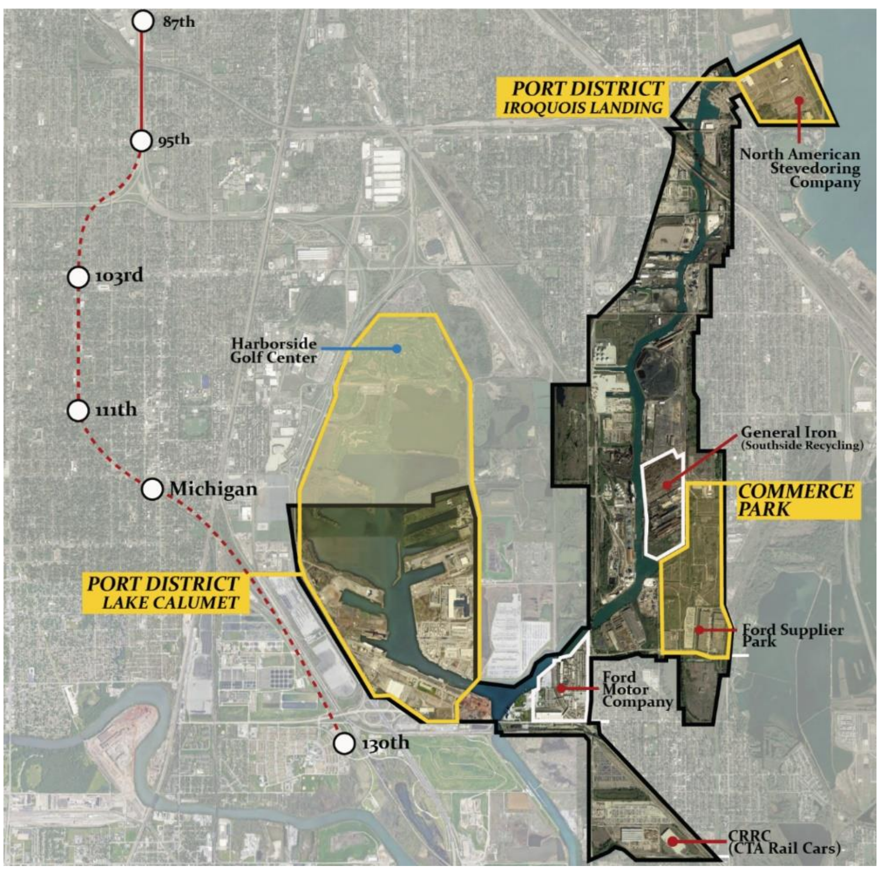


Figure 5-9 outlines the Calumet Industrial Corridor in black and highlights notable properties in yellow. The IIPD property accounts for a large percentage of land in the Calumet Industrial Corridor, which includes the Lake Calumet facility, Iroquois Landing facility, and Harborside Golf Center at the north end of the port property. Also highlighted in yellow is Commerce Park, a growing industrial park, detailed later in this section. Many industrial users line the river, utilizing access to the river, lake, and nearby railroad tracks and highways.

Source: Map created by Goodman Williams Group, January 2021
Figure 5-9: Major Anchors and Users in the Calumet Industrial Corridor

5.3.2.1 Illinois International Port District

The IIPD is a municipal corporation that controls more than 1,800 acres of waterfront property in three major locations: Iroquois Landing at the junction of the Calumet River and Lake Michigan, the industrial area surrounding Lake Calumet, and Harborside International Golf Center. The Port serves as a landlord to 20 industrial tenants, with the majority located on property proximate to Lake Calumet.

IIPD is currently going through a master planning process funded by CMAP, designed to address a number of issues that will affect the Port's future. The plan is expected to be completed in 2021 and will incorporate strategies in CMAP's ON TO 2050 Plan and the Illinois Department of Transportation's long-range transportation plan.

In addition to promoting freight movement and industrial development, the upcoming plan will also address potential non-industrial uses on Port property. Harborside International Golf Center, which opened in 1995, provides two 18-hole courses and a Clubhouse on a 500-acre former capped landfill. Its size and location in the Calumet Area in Chicago provide opportunities for a variety of commercial, recreational, environmental, and other non-industrial uses on the vacant property to the south.

Further to the south along the western bank of Lake Calumet is underutilized industrial property noted for its abandoned grain silos. As of March 2021, the Port is preparing to offer nearly 90 acres of this land for an industrial development, which could attract e-commerce and logistics companies to the site. The southern end of the Lake Calumet is already undergoing infrastructure improvements along Butler Drive that will improve its ability to store and transfer industrial goods.

Source: Illinois International Port District

Figure 5-10: Illinois International Port District, Western Bank

5.3.2.2 Ford Motor Company Assembly Plant

While located just east of the RLE project area, the Ford Motor Company's Torrence Avenue Assembly Plant is the largest employer in the Calumet Industrial Corridor with an estimated 5,200 employees (2020). Ford Motor Company completed a $1B renovation in June of 2019 of its stamping assembly plants in Chicago and south suburban Chicago Heights, adding 500 jobs between the two plants. They plan to produce more than 350,000 vehicles per year.

5.3.2.3 Commerce Park Chicago Industrial Park

Also located just east of the RLE project is Commerce Industrial Park. Acquired by NorthPoint Development in 2017, Commerce Park Chicago is 155 acres in size. It includes the Ford Supplier Park, which consists of four leased buildings, whose tenants make parts utilized by the nearby Ford Assembly Plant. NorthPoint plans to develop 2.3 million square feet of light manufacturing, assembly, and logistics facilities as part of the development. They claim that Commerce Park will be the largest industrial park in the City of Chicago.

5.3.2.4 CRRC Sifang America

The CRRC Sifang America assembly facility is located at 135th Street and Torrence Avenue, at the southern end of the Calumet Industrial Corridor, just outside the RLE project area. In March 2016, the CTA awarded CRRC Sifang, a subsidiary of a Chinese rail car company, a $1.3B contract to supply 846 new 7000 series rail cars. The 7000 series will be the first CTA cars produced in Chicago since 1964, and will replace the oldest rail cars in the fleet, which have been in operation since 1981. The factory cost $100M to build, and broke ground in March of 2017. The first 70 employees were hired in March of 2019. Once production fully ramps-up, CRRC will employ up to 170 manufacturing, warehouse, and professional employees.

5.3.2.5 Proposed RMG General Iron (Southside Recycling)

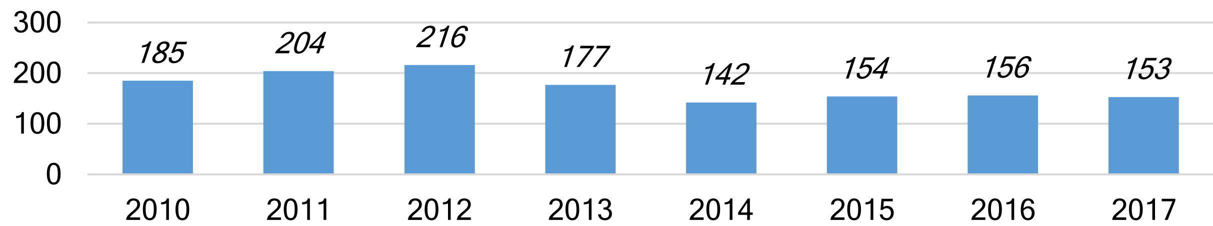
Also located in the Calumet Industrial Corridor, but outside the project area, is a proposed new site for the General Iron Industries (rebranding as *Southside Recycling)* plant that is proposing to relocate from the North Branch Industrial Corridor. The 175-acre site for the new scrap metal shredding facility is owned by parent company RMG. The company is currently seeking final approvals from the City for the new facility, but they are facing significant resistance from the surrounding community that is concerned about potential environmental impacts.

5.3.3 West Pullman Industrial Corridor

West Pullman is a smaller 192-acre industrial corridor located between 117th Street and 122nd Street west of Halsted Street. By 2000, the West Pullman Industrial Corridor was mostly vacant, and more than ten older vacant buildings have been demolished over the years, leaving only five buildings standing with a total of 400,000 square feet of industrial space.

Some new users have since occupied the vacant property, including Exelon City Solar, a nine-megawatt solar installation located on a 41-acre brownfield site at 120th Street west of Halsted Street. Completed in 2010, it is now the largest urban solar power plant in the United States. Other users include the Salvation Army Kroc Community Center, and Axle Tech International, which sells specialty vehicle systems and components.

Using data from DPD, job numbers within the West Pullman Industrial Corridor have remained low, estimating just 150 jobs in 2017, as seen in Figure 5-11 below. Most jobs are attributed to motor vehicle part manufacturing at Axle Tech International. While the Exelon City Solar plant occupies the most space, it does not require a large number of employees.



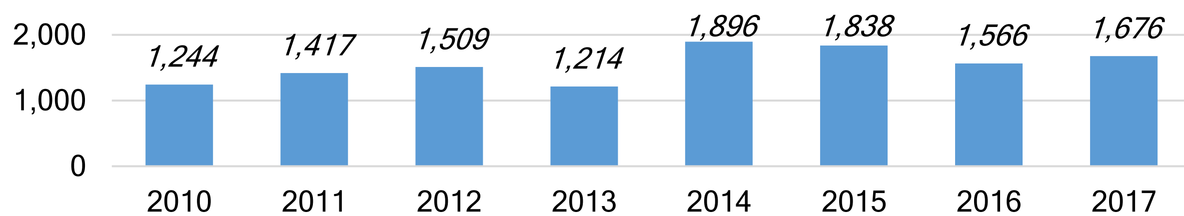
Source: IDES, AECOM, City of Chicago
Figure 5-11: West Pullman Industrial Corridor Employment Totals by Year

Map created by Goodman Williams Group, January 2021
Figure 5-12: Major Anchors and Users in West Pullman Industrial Corridor

5.3.4 Burnside Industrial Corridor

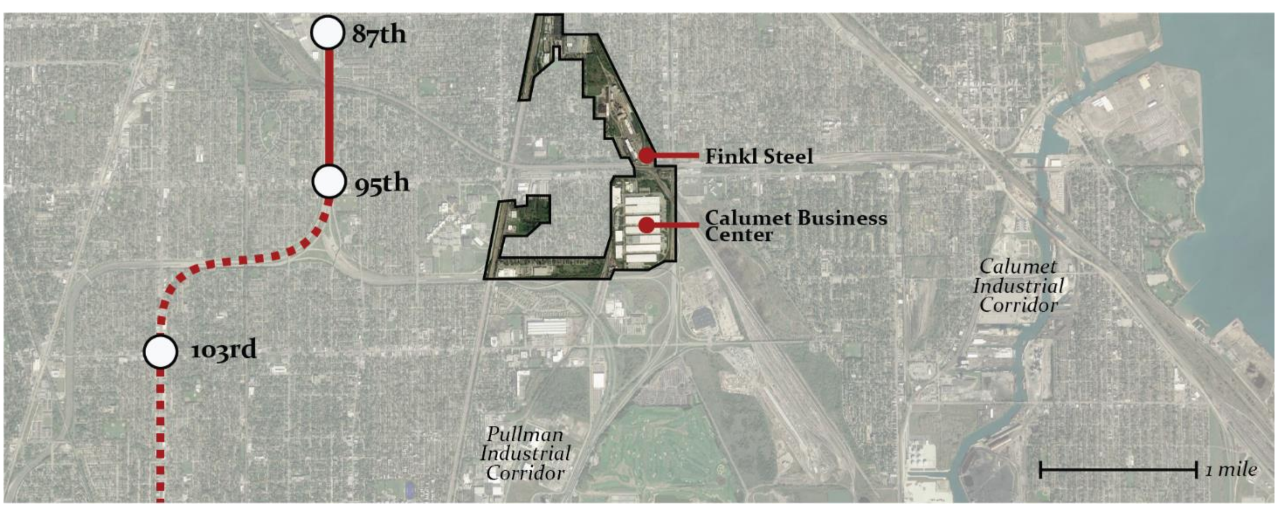
Part of the Burnside Industrial Corridor is located within the RLE project area, just south of 95th Street. The relocation of Finkl Steel to this corridor in 2014 and increase in food manufacturing companies revitalized the corridor more recently. The Calumet Business Center is located in Burnside and is made up of 12 industrial warehouse, distribution, manufacturing, and office facilities, with more than two million square feet of rentable area. Calumet Business Center is 93 percent occupied by 15 different tenants. Direct rail service to six of the buildings make it extremely attractive to tenants requiring frequent goods shipments.

Using employment data from DPD, job numbers within the Burnside Industrial Corridor have fluctuated between 2010 and 2017, though remaining over 1,200, as seen in Figure 5-13 below. 70 percent of the 1,676 estimated jobs in 2017 are industrial related services, and have only grown between 2010 and 2017, whereas jobs in goods production have continued to decrease over the same time period, making up 26 percent of total jobs in 2017, down from 75 percent in 2010. This is likely due to the shift from manufacturing to companies geared toward transportation, distribution, and logistics at Calumet Business Center.



Source: IDES, AECOM, City of Chicago

Figure 5-13 Burnside Industrial Corridor Employment Totals by Year



Map created by Goodman Williams Group, January 2021

Figure 5-14: Major Anchors and Users in Burnside Industrial Corridor

5.4 Initial Conclusions and Market Forecasts (2040)

The Chicago industrial sector continues to grow on a region-wide basis. Within the City itself, growth is concentrated on the South Side along the I-55 Corridor and I-94 in the RLE market area. This growth is being fueled by demand for large-scale transportation, distribution, and logistics space, with additional demand from specialized manufacturing uses and data centers. Additional construction-related uses would also be appropriate, particularly when the RLE moves forward. Industrial growth will continue for the foreseeable future in the RLE market area on the Far South Side, based on the following factors:

Transportation access: Access to I-94 provides trucks with convenient access to the interstate highway system, avoiding toll roads. For e-commerce delivery, the area is also proximate to the City's population. Access to the rail lines is also critical to many of the distribution companies located in the market area. While fewer companies are using the Calumet River, it is still an important asset for distribution to the Great Lakes as well as the Mississippi River.

Availability of large undeveloped sites*:* Unlike on the North Side of the City, the South Side of Chicago has large sites available at reasonable prices. This allows for the construction of new state-of-the-art logistics, manufacturing, and data facilities.

Large local labor forc*e:* Given low unemployment rates (pre-pandemic) in the region and nationally, the available labor force on Chicago's South Side is a positive factor in developers' decisions on where to build, and industrial users' choices of where to locate new facilities.

The potential for significant new industrial employment on the Far South Side in these industrial corridors could benefit the RLE project area. While the RLE may not deliver employees directly to these industrial sites, an abundance of proximate well-paying industrial jobs could help spur residential development in the RLE project area, which in turn would support more stores and service providers. Strengthening the manufacturing sector and employment growth will drive demand for housing in the nearby neighborhoods. A critical aspect is focusing on last mile transit access to employment centers in the market area from the RLE.

While the prospect of additional jobs is a positive for nearby neighborhoods, concerns of negative environmental impacts must be addressed, including truck traffic, as well as other impacts such as emissions and waste. The following items need to be part of the permitting process:

- Community input
- Environmental impact assessments
- Mitigations

5.5 Development Strategies for Station Areas

In areas immediately adjacent to the proposed RLE right-of-way, there is some industrial zoned land and smaller manufacturing buildings, most of which are vacant. While these smaller buildings and sites could not support large-scale manufacturing and distribution uses, they may have potential for specialty manufacturing and small business development. Figures in Section 5.5 were created using City of Chicago zoning data from 2018.

5.5.1 103rd Street Station Area

Source: City of Chicago Zoning Data 2018
Figure 5-15: 103rd Station Area, Industrial Zoning Map

At the 103rd Street Station, parcels surrounding the railroad tracks south of the station are zoned manufacturing (M1 limited manufacturing, warehouses, and wholesalers), shown in purple in the map. The majority of the land is vacant. Of the handful of buildings on these M1 parcels, a number are vacant, shown in black on the map. The Roseland Pumping Station is located just outside the M1 zoning parcels, which provides water to Chicagoans south of 75th Street and some nearby suburbs.

Development Guidelines: The land zoned manufacturing within the 103rd Street station area is mostly vacant land, with very few active businesses. Due to the proximity to the rail tracks, manufacturing zoning designation is appropriate at most of this site, and will likely be used by the RLE right-of-way. Land not utilized by the tracks could accommodate small-scale industrial or manufacturing users, craftsman or makerspaces, or brewery or distillery use. With a zoning designation change from manufacturing to residential, business, or mixed-use, sites closer to the proposed station could support a development of that category.

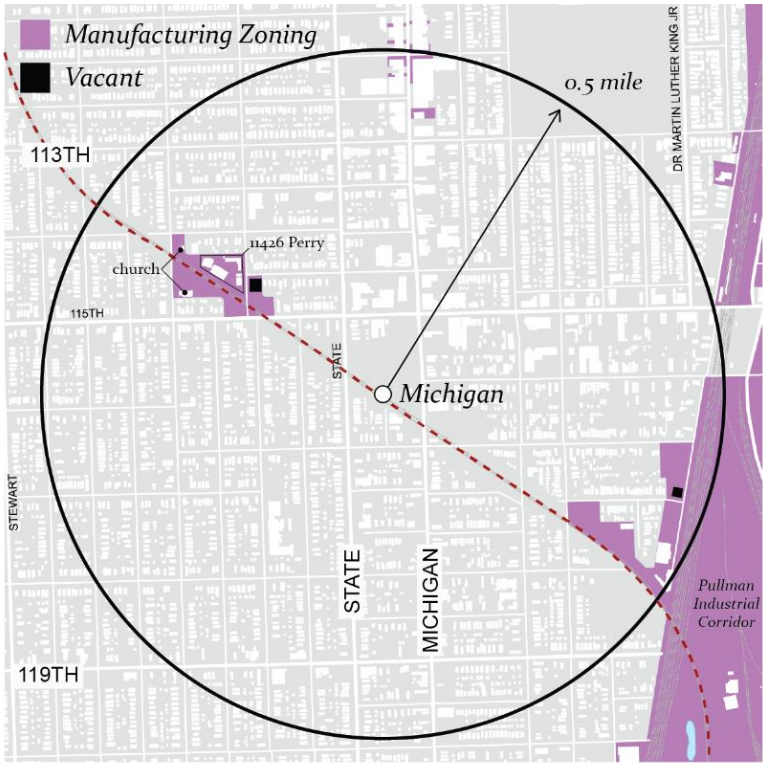
5.5.2 111th Street Station Area

At the 111th Street Station, parcels surrounding the railroad tracks north of the station are zoned manufacturing (M1 limited manufacturing, warehouses, and wholesalers), shown in purple in the map. Of the handful of buildings zoned M1, many are vacant, shown in black on the map. Two active businesses occupy this area, including South Shore Iron Works, a structural steel fabrication manufacturer with less than 30 employees, and Leinweber Co. Underlayment.

Source: City of Chicago Zoning Data 2018
Figure 5-16: 111th Station Area, Industrial Zoning Map

Development Guidelines: The land zoned manufacturing within the 111th Street station area is mostly vacant land, with two active businesses. Due to the proximity to the rail tracks, manufacturing zoning designation is appropriate at this site, and could attract small-scale industrial or manufacturing users, craftsman or makerspaces, or brewery/distillery use. A zoning designation change from manufacturing to residential, business, or mixed-use sites close to the proposed station could support a development of that category. Single-family residential infill is a potential rezoning option, though the size of the sites near the station could accommodate higher density developments.

5.5.3 Michigan Avenue Station Area



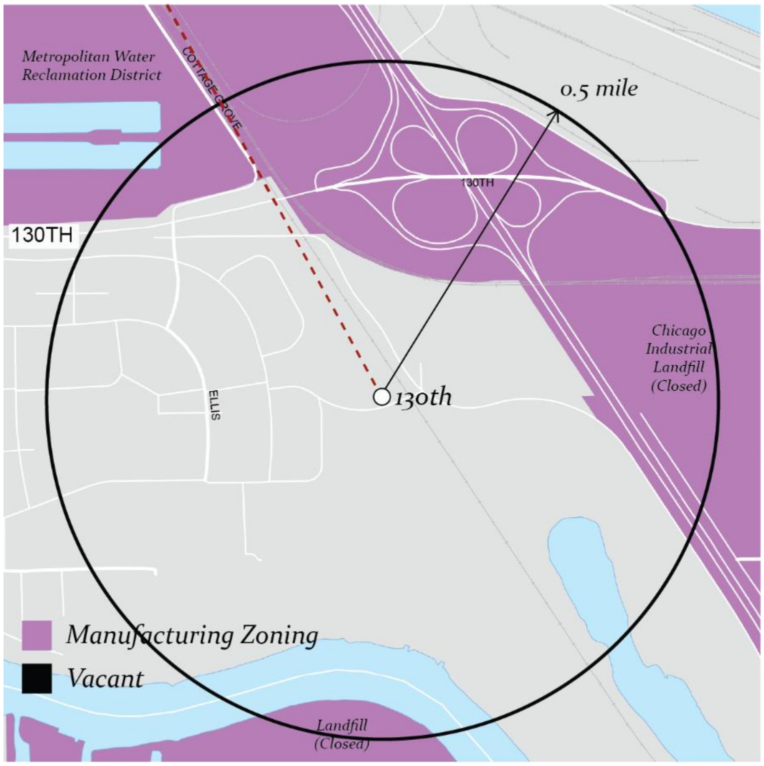
Source: City of Chicago Zoning Data 2018
Figure 5-17: Michigan Station Area, Industrial Zoning Map

Parcels northwest of the Michigan Avenue Station along the railroad tracks have a M1 zoning designation (limited manufacturing). A handful of buildings remain on the parcels. Two are active churches, and others consist of a collection of buildings at 11426 Perry Street. Parcels east of the station and west of the Pullman Industrial Corridor carry a M3 designation (heavy industry).

Development Guidelines: The land zoned for manufacturing near the Michigan Avenue station is either vacant, non-manufacturing uses (churches), or not capturing the highest and best use. Proximity to the station and commercial uses on 115th Street and Michigan Avenue position these parcels for a zoning change to residential or mixed-use, with denser residential multifamily developments and the potential for ground floor retail.

The block of parcels east of the station and west of the Pullman industrial corridor would be better utilized as residential infill. Parcels closer to the railroad tracks should maintain M1 designation as a buffer between residential homes and heavy manufacturing in Pullman.

5.5.4 130th Street Station Area



The 130th Street Station is surrounded by parcels with an M-3 zoning designation (heavy manufacturing). North of 130th Street is the Metropolitan Water Reclamation District, responsible for treating waste and storm water for most of Cook County. To the east is the Chicago Industrial Landfill (CID), which was closed and capped in 2007. South of the station is the River Bend Prairie Landfill, which was closed in 2015. Though both landfills closed, they have left behind land in need of remediation prior to redevelopment or reuse.

Source: City of Chicago Zoning Data 2018

Figure 5-18: 130th Station Area, Industrial Zoning Map

Development Guidelines: The future of the brownfield landfill sites is unclear. Thoughtful planning has suggested a return to open space, or sites dedicated to green technology or renewable/sustainable energy, such as a solar field. Creative uses of brownfield development include the Harborside International Golf Course at the Port District, which was converted from a capped landfill to a recreational golf course in 1995. Other plans have identified the capped landfills as opportunities for open space as parks, wetlands, or recreation areas.

Another recommendation from past planning efforts is to implement a Renewable Energy Pilot Program. This would involve putting solar panels on top of some of the area landfills that have not been remediated or restored for recreational uses. Since landfills are characteristically viewed as "dead space," landfill-based solar power panels would generate income as they generate energy. Successful solar fields can be found currently in the West Pullman industrial corridor.

Appendix A - Stakeholder Interviews

Organization	Name	Title	Date
Metropolitan Planning Council	MarySue Barrett, Christina Harris	President, Director, Land Use Planning	11/16/2020
Adrian Smith & Gordon Gill Architectures	Richard Wilson	Director of Urban Design	01/06/2021
Draper & Kramer	Mike Mallon	Senior Vice President	01/08/2021
Matanky Real Estate Group	James Matanky, Mary Bonome	Chief Executive Officer, Broker	01/08/2021
Chicago Metropolitan Agency for Planning	David Clark	Senior Analyst	01/13/2021
Cabanban Rubin & Mayberry	Todd Cabanban	Managing Broker	01/14/2021
Chicago Neighborhood Institute	David Doig, Ciere Boatright	President, Vice President	01/14/2021
Ryan Companies	Curt Pascoe	Director of Real Estate	01/22/2021
DL3 Realty	Leon Walker, Ryan Green	Managing Partner, Chief Investment	02/01/2021
Urban Equities	Lennox Jackson	Chief Executive Office	02/01/2021
Preservation of Affordable Housing	Bill Eager	Senior Vice President	02/01/2021
Roseland Community Hospital	Tim Egan	President	02/03/2021
Far South CDC	Abraham Lacy	President	02/10/2021
Habitat Company	Charlton Hame	Senior Vice President	02/16/2021
Community Investment Corp.	Jonah Hess	Director Community Initiatives	02/26/2021
S.B. Friedman	Ranadip Bose	Senior Vice President	03/10/2021

Appendix B - Race and Ethnicity Detail

2000	White non-Hispanic	Black non-Hispanic	Asian non-Hispanic	Other non-Hispanic	Hispanic or Latino
Roseland	0.5%	97.8%	0.1%	0.9%	0.7%
Pullman	8.5%	81.4%	0.2%	1.0%	8.9%
West Pullman	0.9%	93.5%	0.0%	0.9%	4.6%
Washington Heights	0.5%	97.5%	0.1%	1.0%	0.8%
Morgan Park	29.8%	66.7%	0.3%	1.1%	2.1%
South Deering	7.6%	63.7%	0.0%	0.4%	31.2%
Riverdale	0.7%	96.6%	0.1%	1.0%	1.6%
Market area	6.9%	85.0%	0.1%	0.9%	7.1%
City of Chicago	31.3%	36.4%	4.3%	2.0%	26.0%

2010	White non-Hispanic	Black non-Hispanic	Asian non-Hispanic	Other non-Hispanic	Hispanic or Latino
Roseland	0.6%	97.7%	0.1%	1.1%	0.6%
Pullman	7.2%	83.9%	0.0%	0.0%	8.9%
West Pullman	0.6%	94.5%	0.0%	0.6%	4.3%
Washington Heights	0.5%	96.7%	0.1%	1.6%	1.1%
Morgan Park	31.3%	65.1%	0.7%	0.9%	2.0%
South Deering	7.0%	59.3%	0.2%	1.3%	32.2%
Riverdale	0.3%	97.7%	0.7%	0.0%	1.3%
Market area	6.8%	85.0%	0.3%	0.8%	7.2%
City of Chicago	31.8%	33.7%	5.3%	1.4%	27.9%

2014 - 2018	White non-Hispanic	Black non-Hispanic	Asian non-Hispanic	Other non-Hispanic	Hispanic or Latino
Roseland	1.2%	95.9%	0.4%	1.2%	1.3%
Pullman	9.9%	83.5%	0.1%	2.1%	4.4%
West Pullman	0.7%	92.1%	0.1%	1.4%	5.7%
Washington Heights	1.0%	97.0%	0.1%	1.3%	0.6%
Morgan Park	27.1%	65.8%	4.3%	0.1%	2.7%
South Deering	4.7%	63.7%	0.0%	0.4%	31.2%
Riverdale	1.8%	95.3%	0.3%	0.0%	2.6%
Market area	6.6%	84.8%	0.8%	0.9%	6.9%
City of Chicago	32.8%	29.7%	6.4%	2.1%	29.0%

Source: US Census 2000, 2010, American Community Survey 2014 – 2018 Estimates

Appendix C - Educational Attainment Detail

2010

	Less than High School	High School	Some College, No Degree	Associates Degree	Bachelor's Degree	Advanced Degree
City of Chicago	20.6%	23.9%	17.7%	5.5%	19.3%	12.9%
Roseland	17.4%	29.4%	29.5%	7.4%	10.4%	5.8%
Pullman	15.6%	28.3%	31.0%	7.7%	11.0%	6.4%
West Pullman	22.6%	28.9%	29.0%	6.6%	8.2%	4.7%
Washington Heights	5.6%	35.7%	26.1%	6.0%	8.7%	8.0%
Morgan Park	10.9%	24.7%	9%	7.5%	18.0%	13.0%
South Deering	21.9%	33.6%	25.7%	5.5%	8.7%	4.6%
Riverdale	24.6%	32.0%	27.8%	9.9%	5.2%	0.5%

2014-2018

	Less than High School	High School	Some College, No Degree	Associates Degree	Bachelor's Degree	Advanced Degree
City of Chicago	15.5%	22.9%	17.6%	5.7%	22.7%	15.6%
Roseland	15.2%	25.2%	30.9%	8.8%	12.1%	7.8%
Pullman	12.6%	24.2%	29.8%	9.4%	15.3%	8.7%
West Pullman	14.3%	32.8%	29.5%	6.9%	9.9%	6.6%
Washington Heights	9.7%	29.4%	29.5%	8.4%	14.0%	9.0%
Morgan Park	8.4%	22.3%	23.7%	8.2%	19.8%	17.6%
South Deering	20.7%	33.0%	7.1%	7.1%	7.9%	6.3%
Riverdale	18.1%	29.3%	7.5%	7.5%	2.2%	1.8%

Source: US Census 2010, American Community Survey 2014 – 2018 Estimates

Appendix D - Retail Gap Analysis, Project Area

2020 Population	105,534
2020 Households	36,632
2020 Median Disposable Household Income	$33,371
2020 Per Capita Income	$20,087

Industry Summary	Demand	Supply	Gap
Total Retail Trade + Food and Drink	$947,935,260	$501,267,462	$446,667,798
Total Retail Trade	$856,157,246	$443,793,652	$412,363,594
Total Food and Drink	$91,778,014	$57,473,810	$34,304,204
Industry Group	**Demand**	**Supply**	**Gap**
Motor Vehicle and Parts Dealers	$180,890,544	$33,956,944	$146,933,600
Furniture and Home Furnishings Stores	$28,086,028	$6,858,686	$21,227,342
Electronics and Appliance Stores	$31,697,622	$8,378,579	$23,319,043
Building Materials, Garden Equip & Supply	$57,289,969	$29,693,722	$27,596,247
Food and Beverage Stores	$142,661,450	$113,638,827	$29,022,623
Grocery Stores	$125,821,250	$92,846,834	$32,974,416
Specialty Food Stores	$7,412,126	$2,182,670	$5,229,456
Beer, Wine and Liquor Stores	$9,428,074	$18,609,322	($9,181,248)
Health and Personal Care Stores	$58,295,490	$44,008,067	$14,287,423
Clothing and Clothing Accessories Stores	$43,920,481	$21,876,752	$22,043,729
Sporting, Hobby, Book/Music Stores	$21,451,366	$5,289,150	$16,162,216
General Merchandise Stores	$145,592,488	$74,281,163	$71,311,325
Miscellaneous Store Retailers	$31,339,264	$5,650,489	$25,688,775
Food Services and Drinking Places	$91,778,013	$57,473,810	$34,304,203
Special Food Services	$2,176,998	$354,243	$1,822,755
Drinking Places - Alcoholic Beverages	$2,972,571	$3,912,568	($939,997)
Restaurants/Other Eating Places	$86,628,444	$53,206,999	$33,421,445

Source: Esri Business Analyst, 2017 Data

Appendix E - Development Summary

Station	Residential	Commercial	Industrial
103rd Street Station	The 103rd Street station area is primarily residential with commercial zoning along 103rd and Halsted Streets, and industrial south of the station. The housing unit vacancy rate is high in this area at 22 percent, with nearly three-quarters of residents owning their homes. The prevalence of underutilized or vacant lots near the 103rd Street station presents opportunities for new denser mixed-use buildings near the station on larger lots. Rehabbing vacant homes and construction of new single-family homes can fill in the gaps in the existing residential areas. Proximity to area schools and higher educational institutions, such as Olive-Harvey College and Chicago State University, growing employments centers in Pullman and access to I-94 and I-57 could be attractive to residents and families seeking affordable options near transit and other convenient amenities. Residential development in this area would need to include affordable for-sale and rental options with a variety of unit types to accommodate families with children as well as single person households. Wentworth Commons, which was described earlier, would provide an appropriate comparable for new affordable housing at the 103rd Street station.	The 103rd Street station area is primarily residential, with commercial zoning along 103rd Street, Halsted Avenue, and Michigan Avenue. Retail vacancy is high at 21 percent, with most of the businesses inventoried closer to Halsted Street. Many retail storefronts are institutional and service uses, especially religious institutions, and hair care, with some fast casual food and drink places. The prevalence of underutilized or vacant lots on 103rd Street present opportunities for denser mixed-use development near the station. The market would support some ground floor small format commercial uses that meet the needs of nearby residents and commuters using public transit with convenience and service uses. There are limited options for food in the immediate vicinity of the proposed station; quick service eateries and restaurants are located closer to Halsted Street and Michigan Avenue, where retailers are more likely to locate due to higher traffic counts. Additional residents in this area could create demand in the future for fast casual eateries, likely closer to Halsted Street and Michigan Avenue.	At the 103rd Street Station, parcels surrounding the railroad tracks south of the station are zoned manufacturing (M1 limited manufacturing, warehouses, and wholesalers). The majority of the land is vacant. Of the handful of buildings on these M1 parcels, a number are vacant, shown in black on the map. The Roseland Pumping Station is located just outside the M1 zoning parcels, which provides water to Chicagoans south of 75th Street and some nearby suburbs. The land zoned manufacturing within the 103rd Street station area is mostly vacant land, with very few active businesses. Due to the proximity to the rail tracks, manufacturing zoning designation is appropriate at this site, and will likely be used by the RLE track right of way. Land not utilized by the tracks could accommodate small-scale industrial or manufacturing users, craftsman or makerspaces, or brewery or distillery use. With a zoning designation change from manufacturing to residential, business, or mixed-use, sites closer to the proposed station could support a development of that category.

Station	Residential	Commercial	Industrial
111th Street Station	The housing in this station area is challenged with high vacancies at 27 percent. The City and CCLBA own a significant number of properties in the eastern half. Rehabbing vacant homes and constructing new single-family homes can fill in the gaps in the existing residential areas. Coordinated efforts from the City, CCLBA and local developers in reactivating these vacant lots can help stabilize the neighborhoods and catalyze more investment in the station area. Larger vacant sites would be appropriate for denser residential development. A townhome development, or mixed-use building with ground floor commercial space or flex space with residential above would meet with market support. Proximity to educational assets and employments centers in historic Pullman and Roseland Medical District, could be attractive to residents and families seeking affordable options near transit and other convenient amenities. As Roseland Medical District develops, affordable housing options within walking distance or near transit could appeal to medical professionals and staff working at the hospital and ancillary uses. Residential development in this area would need to include affordable for-sale and rental options with a variety of unit types to accommodate families with children as well as single person households.	The 111th Street station area is primarily residential with commercial zoning scattered along 111th with nodes at Halsted Street and Wentworth Avenue near Roseland Hospital. Commercial vacancies are high in this area at 19 percent, with institutional and service users most common, particularly religious institutions and hair and beauty care. The prevalence of underutilized and vacant lots on 111th Street create opportunities near the station. Larger parcels near the proposed station would be appropriate for denser mixed-use developments that could include ground floor commercial space to serve residents. Lowering commercial vacancy rates within the station area will require additional households that create demand for smaller independent retailers, likely convenience and service based, serving the local neighborhood, as national retailers are more likely to locate near Halsted Street, where traffic counts are higher. The Roseland Medical District anchors the eastern portion of the station area, and as it develops, new medtail uses are likely to locate on 111th near the medical district. Growth of jobs at the medical district and nearby employment centers could create demand in the future convenience retail and food options that accommodate the daytime employee population.	At the 111th Street Station, parcels surrounding the railroad tracks north of the station are zoned manufacturing (M1 limited manufacturing, warehouses, and wholesalers), Of the handful of buildings zoned M1, many are vacant, Two active businesses occupy this area, including South Shore Iron Works, a structural steel fabrication manufacture with less than 30 employees, and Leinweber Co. Underlayment. The land zoned manufacturing within the 111th Street station area is mostly vacant land, with two active businesses. Due to the proximity to the rail tracks, manufacturing zoning designation is appropriate at this site, and could attract small-scale industrial or manufacturing users, craftsman or makerspaces, or brewery/distillery use. A zoning designation change from manufacturing to residential, business, or mixed-use sites close to the proposed station could support a development of that category. Single-family residential infill is a potential rezoning option, though the size of the sites near the station could accommodate higher density developments

Station	Residential	Commercial	Industrial
Michigan Avenue Station	The housing in this station area is challenged by high vacancies at nearly 31 percent. Addressing vacant homes and lots is crucial to the residential recovery within this station area. The City and CCLBA own a significant number of vacant properties in the eastern half. Activating these vacant lots with new single-family homes or small multi-family buildings can fill in the gaps in the residential neighborhoods, particularly south of the station. The southwest corner of 115th Street and Michigan Avenue is the greatest opportunity for catalytic development in the station area. At six acres, the site could accommodate a mixed-use building with ground floor commercial or institutional space and residential above. Rental options could include a variety of unit types to accommodate families with children as well as young adults looking to live close to the train and other commercial and institutional amenities. Rental options geared towards seniors could also be attractive in the future, especially if located above retail, medical or institutional uses, such as a library or social service provider. Such a development would provide another option for seniors, who are more likely to rely on transit, to stay in the community and age in place.	The station area is struggling with high retail vacancy, with nearly one-third of the commercial property vacant. While vacant buildings and lots along the corridor are common, they create opportunities to fill storefronts with small independent businesses to serve the neighborhood. The vacant six-acre site on the southwest corner of 115th Street and Michigan Avenue is the greatest opportunity for catalytic investment in the station area, providing an opportunity for additional retail. Additional households and new transit riders would add demand for commercial tenants that serve the daily needs of area residents and commuters, including a small grocer or food store. New commercial development can be facilitated through key DPD initiatives, such as the INVEST South/West initiative, that aim to attract equitable investment in low-income and underserved neighborhoods. Future redevelopment efforts will benefit from focused public investments that boost local assets. Historic research for the Michigan Avenue Business District conducted by DPD will assess the potential for formally creating a historic district along Michigan Avenue. If designation occurs, more financial incentives would become available to property owners and developers for renovations.	Parcels northwest of the Michigan Avenue Station along the railroad tracks have a M1 zoning designation (limited manufacturing). A handful of buildings remain on the parcels. Two are active churches, and collection of buildings at 11426 Perry Street. Parcels east of the station and west of the Pullman Industrial Corridor, carry a M3 designation (heavy industry). The land zoned for manufacturing near the Michigan Avenue station is either vacant, non-manufacturing uses (churches), or not capturing highest and best use. Proximity to the station and commercial uses on 115th Street and Michigan Avenue position these parcels for a zoning change to residential or mixed-use, with denser residential multifamily developments with the potential for ground floor retail. The block of parcels east of the station and west of the Pullman industrial corridor would be better utilized as residential infill. Parcels closer to the railroad tracks should maintain M1 designation as a buffer between residential homes and heavy manufacturing in Pullman.

Station	Residential	Commercial	Industrial
130th Street Station	The 130th station area is largely comprised of challenging land uses from a development perspective. A significant portion is Altgeld Gardens and Philip Murray Homes, a rental development owned and operated by CHA, and the Metropolitan Water Reclamation District operates their Calumet Water Reclamation within the station area. Extensive roadway infrastructure and industrial land uses isolate the existing residential from the rest of the City. Initial goals for the 130th Street station envision a parking garage and park and ride and bus facilities with the expectation of attracting commuters from nearby neighborhoods and suburbs. New residential development is less likely to be developed in the station area.	The commercial assessment for the 130th Street station indicates few options for retail in this area with significant portions of land dedicated to utility and waste facilities, transportation/right of way and Forest Preserves of Cook County. Additionally, the median income of the community area limits the amount of disposable income needed to support new retail. A new transit station and park and ride facility would attract new commuters from neighboring communities and suburbs. New ridership and auto traffic could potentially create demand for up to 20,000 square feet of commercial space over time with tenants that serve the daily needs of residents and commuters, such as convenience or food options. Visibility and access from 130th Street are essential for attracting retailers and restaurants to the development site. This assessment supports the recommendation in the Altgeld Gardens and Philip Murray Homes Master Plan, completed by Teska Associates in 2013, that suggests new retail opportunities are possible if located at the entrance of the community along Ellis Avenue and 130th Street. The retail and commercial assessment concluded potential support of 10,000 to 20,000 square feet of retail space with a first phase of up to 10,000 square feet.	The 130th Street Station is surrounded by parcels with an M-3 zoning designation (heavy manufacturing). North of 130th Street is the Metropolitan Water Reclamation District, and to the east is the Chicago Industrial Landfill, which was closed and capped in 2007. South of the station is the River Bend Prairie Landfill, which was closed in 2015. Though both of the landfills closed, they have left behind land in need of remediation prior to redevelopment or reuse. The future of the brownfield landfill sites is unclear. Thoughtful planning has suggested a return to open space, or sites dedicated to green technology or renewable/sustainable energy, such as a solar field. Creative uses of brownfield development include the Harborside International Golf Course at the Port District, which was converted from a capped landfill to a recreational golf course in 1995. Other plans have identified the capped landfills as opportunities for open space as parks, wetlands, or recreation areas.