

Des Plaines Developer Panel Final Report

September 2023



Contents

Contents	1
<hr/>	
Introduction	2
Developer Discussion Panels	2
Attendees	3
<hr/>	
Background	4
Demographics and housing characteristics	4
Transit service	6
Pace routes and construction of Pace Pulse Dempster Line	6
Ridership	7
Future NCS Metra station	8
Planning and development projects	9
Planning and zoning	9
Development projects	9
<hr/>	
Study area	10
Ownership	11
Vision for redevelopment	12
<hr/>	
Recommendations	14
Site layout, uses, and target markets	14
List of recommendations	14
City investments to create an activity center	18
List of recommendations	18
Redevelopment strategies and incentives	20
List of recommendations	20
<hr/>	
Conclusion	22

Introduction

Since 1998, the RTA's Community Planning program has provided funding and technical assistance for transit-oriented planning and implementation initiatives with local partners throughout the six-county service area. The goal is to foster the growth of sustainable, equitable, walkable, and transit-friendly communities around transit assets by encouraging transit-supportive land uses and infrastructure. The program aids local economic development by increasing equitable access to employment centers and amenities to serve the constantly evolving needs of our diverse population.

The Community Planning program continues to be an important tool in the region for implementing transit-oriented development (TOD). Throughout the 25-year history of the program, the RTA has collaborated on 232 projects and invested over \$23 million in federal, local, and RTA funds. Collaborating partners include the RTA Service Boards (CTA, Metra, and Pace), all six county governments within the service area, several councils of mayors, and over 175 local governments.

Through its support for transit-oriented planning throughout the region, the Community Planning program builds on the strength of our transit network to promote more sustainable and livable communities that deliver value on our transit investments for both local partners and the Service Boards.

Developer Discussion Panels

One important element of the Community Planning program is the focus on projects and activities that implement completed planning studies, including Developer Discussion Panels. The RTA partners with the Urban Land Institute District Council (ULI Chicago), a professional organization of real estate and land use experts, to connect local governments with development professionals in order to facilitate practical discussions about the market potential of opportunity sites. These half-day events are intended for those municipalities that have completed a TOD or similar plan but need additional assistance in drawing transit-supportive projects within their study areas. The panels involve local government staff engaging with development professionals to discuss potential strategies to revitalize key parcels of land. The City of Des Plaines (the City) was selected to participate in a panel after applying to the Community Planning program in 2022.

The panel was held on Friday, June 2, 2023, at the Des Plaines City Hall. Following a presentation by City staff regarding recent planning and development activities, panel attendees took part in a site visit to the study area that the City had identified for potential redevelopment.



Attendees

City of Des Plaines

- Michael Bartholomew – City Manager
- John Carlisle, AICP – Director of Community and Economic Development
- Jonathan Stytz – Senior Planner
- Samantha Redman – Planner
- Emily Shaw – Management Analyst

Pace Suburban Bus and Metra Commuter Rail

- Steven Andrews – Pace Suburban Bus Section Manager, Community Relations
- Dan Thomas – Metra Commuter Rail Principal Planner

Urban Land Institute District Council (ULI Chicago), Regional Transportation Authority (RTA)

- Matt Dumich – Principal/Studio Leader; SmithGroup
- Terri Haymaker – Program Manager; ULI Chicago
- Madeline LaBorde – Local Planning Intern; RTA
- Matt Nix – Principal; REVA Development Partners
- Janet Protas – Senior Vice President, Multifamily; Conor Commercial Real Estate
- Alex Waltz – Senior Planner; RTA

Developer Discussion Panel participants on the site visit, looking southeast toward Oakton St. June 2, 2023



Background

Demographics and housing characteristics

The City of Des Plaines is located in northern Cook County and situated roughly 17 miles northwest of downtown Chicago, with transit access to Chicago and elsewhere in the region via Metra rail service and Pace bus service. As of the 2020 Census, Des Plaines has a population of 60,675 people. The City's population increased 4% between 2010 and 2020, outpacing growth in the rest of the region. Table 1 on the following page includes detailed demographic data, gathered from the Chicago Metropolitan Agency for Planning (CMAP)'s 2022 Community Data Snapshot.

In terms of race and ethnicity, Des Plaines has higher proportions of White (Non-Hispanic) and Asian (Non-Hispanic) residents compared to Cook County and the region and has a lower proportion of Black (Non-Hispanic) (2.9%) and Hispanic or Latino residents (18%) compared to Cook County and the region at large.

Age cohort data from CMAP indicates that Des Plaines has a smaller proportion of young professionals than other communities in the region and a larger share of residents approaching retirement age. Of all Des Plaines residents in the labor force, 95.7% are employed, and the two largest income cohorts are households earning between \$50,000 and \$74,999 annually (18.9%) and households earning between \$25,000 and \$49,000 annually (18.6%). Generally, Des Plaines residents' educational attainment matches that of the region, with the largest educational cohort in the City being people with a bachelor's degree (24%).

Housing statistics indicate that Des Plaines has a large supply of owner-occupied post-war single-family homes, a significant amount of large apartment buildings, and an opportunity to increase the diversity of housing types available, especially in terms of duplexes and buildings of nine or fewer units. The City's vacancy rate is 5.9%, which is lower than Cook County and the region, and 78.3% of occupied housing units are owner-occupied.

Refer to Table 1 for more detailed demographic information. CMAP Community Data Snapshot tables can be found on CMAP's [website](#).

Table 1: City of Des Plaines Demographics

Race and Ethnicity	Des Plaines	Cook County	CMAP Region
White (Non-Hispanic)	63.5%	42.0%	50.6%
Hispanic or Latino	18.0%	25.3%	23.1%
Asian (Non-Hispanic)	12.9%	7.4%	7.3%
Black (Non-Hispanic)	2.9%	22.9%	16.5%
Other/Multiple Races (Non-Hispanic)	2.7%	2.4%	2.5%

Age Cohorts	Des Plaines	Cook County	CMAP Region
Under 5	5.0%	6.1%	6.0%
5 to 19	17.3%	18.1%	19.2%
20 to 34	17.4%	22.8%	21.1%
35 to 49	18.6%	19.8%	20.0%
50 to 64	22.9%	18.5%	19.2%
65 to 74	8.9%	8.4%	8.4%
75 to 84	6.5%	4.2%	4.1%
85 and Over	3.4%	2.0%	1.9%

Household Income (2016-2020)	Des Plaines	Cook County	CMAP Region
Less than \$25,000	13.1%	19.2%	16.1%
\$25,000 to \$49,999	18.6%	18.8%	17.4%
\$50,000 to \$74,999	18.9%	15.9%	15.7%
\$75,000 to \$99,999	13.5%	12.3%	12.7%
\$100,000 to \$149,999	17.7%	15.9%	17.6%
\$150,000 and Over	18.2%	17.9%	20.4%
Median Income	\$73,639	\$67,886	\$76,606

Housing Type (2016-2020)	Des Plaines	Cook County	CMAP Region
Single Family, Detached	58.9%	40.5%	50.3%
Single Family, Attached	6.4%	5.2%	7.4%
2 Units	1.2%	9.6%	6.9%
3 or 4 Units	3.5%	10.6%	7.8%
5 to 9 Units	3.2%	9.8%	7.8%
10 to 19 Units	4.4%	4.7%	4.4%
20 or More Units	19.8%	18.8%	14.5%
Mobile Home/Other	2.6%	0.8%	0.8%

Housing Age (2016-2020)	Des Plaines	Cook County	CMAP Region
Built 2000 or Later	12.2%	10.0%	14.0%
Built 1970 to 1999	30.1%	26.3%	34.4%
Built 1940 to 1969	49.9%	35.4%	30.5%
Built Before 1940	7.8%	28.3%	21.1%
Median Year Built	1966	1959	1969

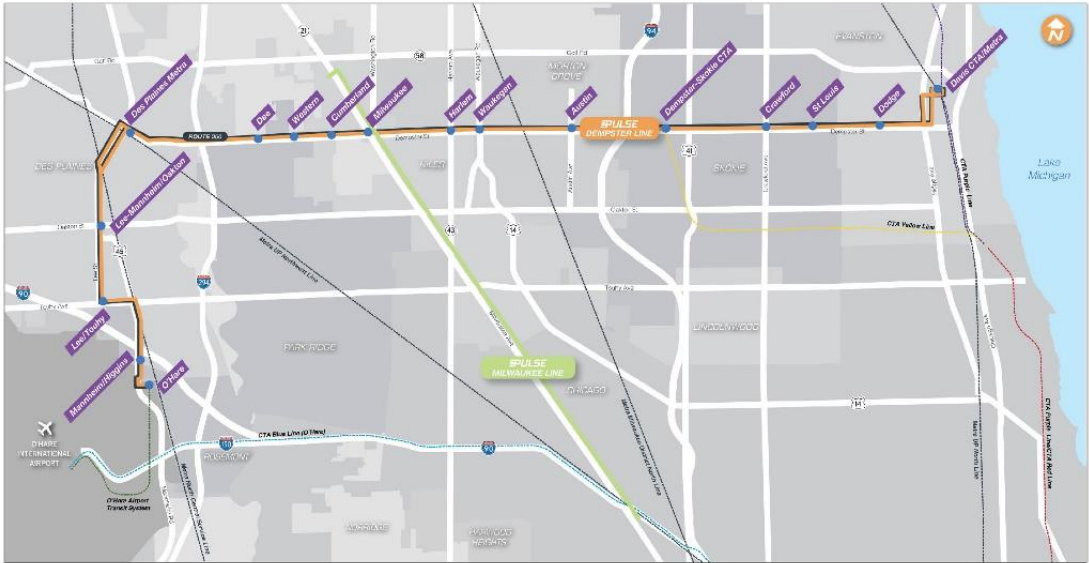
Transit service

Pace routes and construction of Pace Pulse Dempster Line

The parcels that were the subject of the panel discussion are directly adjacent to the Dempster Line, a new Pace Pulse route which will offer transit service similar to rail and Bus Rapid Transit between Evanston and the O'Hare Airport multi-modal center (Dempster Line service began August 13, 2023, and will operate on Sundays before daily service begins in Fall 2023). The Pulse Dempster Line will follow Pace Route 250 and provide complementary service at headways of 15 minutes or better with fewer stops between the destinations along the route. With fewer stops, Pulse aims to increase the average speed of travel for buses along the route, resulting in decreased travel times for riders. Pace's Pulse Milwaukee line opened in August 2019 and the Dempster line will be the second Pulse line to open. In addition to providing faster service with limited stops, Pulse offers an enhanced boarding experience with level boarding, modern stations with heated shelters, and new buses with

free Wi-Fi. The study area parcels are also served by Pace Routes 226 and 230, which offer service to destinations such as the Rosemont CTA Blue Line station, Nilcs, and Skokie.

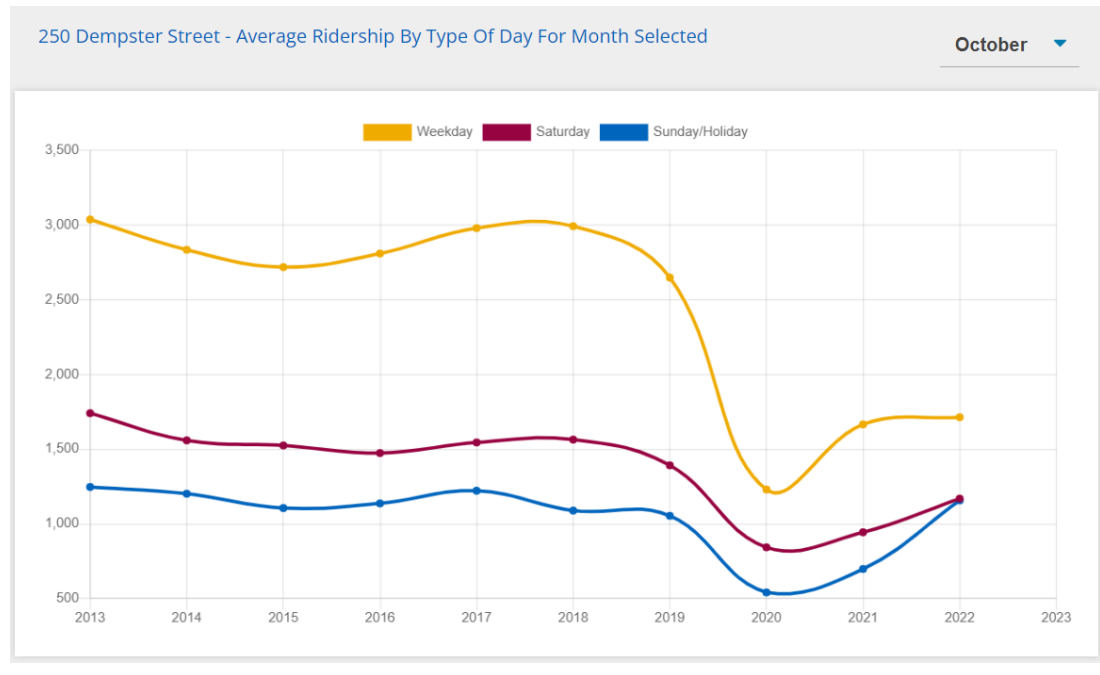
Map of Pace Pulse Dempster Line route. Credit: Pace Suburban Bus



Ridership

Since 2020, ridership on Routes 226, 230, and 250 have followed recovery patterns that mimic those seen throughout the region, with ridership rising to above half of pre-2020 levels by October 2022. Ridership on Route 250 is the highest among the three routes and averaged 1,719; 1,169; and 1,157 on weekdays, Saturdays, and Sundays in October 2022, respectively. The chart on the following page shows ridership on Route 250 since 2013.

Ridership on Pace Route 250, 2013 to 2022. Source: RTA Mapping and Statistics (RTAMS)



Future NCS Metra station

Building on the expansion of Pace’s Pulse network, Des Plaines staff have expressed interest in establishing a new infill station on Metra’s North Central Service (NCS) line, the tracks for which are located directly adjacent to the study area. The proposed station would be located on the north side of Oakton Street and would abut the eastern boundary of the study area. Metra staff indicated that additional residential development near the proposed station would help the area to meet the density and land use criteria that Metra uses to evaluate potential infill stations. Table 2 below shows average ridership on the NCS line in October between 2013 and 2022. Ridership on the NCS line follows a similar post-2020 rebound pattern as other transit services in the region, with 2022 ridership rising to roughly one-third of pre-pandemic ridership. NCS ridership in general is significantly lower than other Metra lines (average UP-NW ridership in October 2022 was 329,919), largely due to the level of service offered on the NCS. While the UP-NW runs daily with 39 weekday inbound trains running on roughly 30-minute headways throughout the day, the NCS only operates on weekdays and runs only 6 inbound trains, with schedules primarily offering inbound AM trips and outbound PM trips.

Table 2: Average Ridership in October on Metra NCS Line by Year

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Ridership	150,251	160,372	151,390	144,465	148,238	146,521	140,906	4,769	19,473	32,707

Planning and development projects

Planning and zoning

Des Plaines has completed a variety of land use and transportation plans that are being used by staff to guide development in the study area. Most notably, the 2019 Des Plaines [Comprehensive Plan](#) included a series of land use and transportation goals for the study area and Oakton and Lee Streets. With regard to land use, the Comprehensive Plan calls for commercial development in the study area and mixed-use development with residential along Oakton Street. The Plan also notes that bikeway facilities were programmed for both Lee Street and Oakton Street.

In addition, the City commissioned a [feasibility study](#) to examine the proposed infill station on Metra's NCS line, which was published in September 2019. The study sought to determine where a station might be located and if the station would attract enough potential riders to support its construction, among other considerations. The study revealed that the most ideal location for the infill station would be at the Oakton location, given the suitability of the site to accommodate a platform and the nearby opportunities to foster transit-oriented development. The overarching conclusion of the study was that an NCS infill station would indeed be feasible at this location and that the station would potentially attract ridership levels that would place it in the top 50% of all Metra stations. Although the study examined ridership in a pre-pandemic scenario, Des Plaines residents still strongly support the construction of the station according to City staff. If plans for the station were to move forward, Des Plaines would have to make a commitment to secure capital funding for construction and would be required by Metra to fund station and parking operation and maintenance costs.

The parcels in the study area are currently zoned as district C-4, which allows planned developments through a conditional use permit but otherwise restricts uses to those that are commercially-related (retail, restaurants, etc.). Nearby parcels are zoned C-3 or R-3, both of which allow more residential development than C-4. Des Plaines staff noted that they are considering proposing zoning amendments in this general area to permit greater mixing of uses and to reduce the minimum parking requirements to which C-4 properties are subject.

Development projects

Although the study area parcels themselves have not been redeveloped in recent years, redevelopment has proceeded on nearby parcels, which provides a clear signal that the area is attracting investment. The most notable redevelopment is a series of townhomes under construction along Oakton Street between Lee Street and Executive Way. This development of 125 townhomes will offer two- and three-bedroom options and feature small setbacks that foster a pedestrian-oriented streetscape. This development serves as a model for other infill residential projects in the study area, particularly with regard to the type of housing offered and the pedestrian-scaled design of the site and buildings. Another notable development is the planned expansion of the Des Plaines Fire Station 62 located in the study area on Oakton Street.

To facilitate additional redevelopment, Des Plaines is in the process of purchasing a collection of parcels immediately to the east of the NCS tracks, bounded by Center Street on the east, Oakton Street on the south, and the train tracks on the west.

Study area

The study area for the panel discussion included three large parcels, generally located at the intersection of Oakton Street and Lee Street. The parcels are privately-owned by two different landowners.

Des Plaines Developer Panel Study Area map



Ownership

The two study area parcels are generally referred to by the name of the anchor tenant at each site. The site on the northeast corner of Lee Street and Oakton Street is referred to as the “Oaks site,” while the site on the southwest corner is referred to as the “Kmart site.” Both property owners have expressed interest in redevelopment, but no formal proposals have been considered.

The Oaks site (NE corner) is inclusive of the shopping center that abuts the NCS tracks but does not include the Bank of America and Wendy’s outlots that have frontage on Lee Street. The site is owned/managed by a single owner and includes the smaller shopping center on the northwest portion of the site.

The Kmart site (SW corner) is owned by a family estate that has a long-term lease agreement with a Kmart real estate holdings firm. The building is vacant and has been since 2020, largely due to the terms of the deal between the holding firm and the estate, which do not provide a strong incentive for the property to be redeveloped. The Kmart site does not include the KFC and Taco Bell outlots, which are independently owned.



Legend

-  Kmart Site Parcel
-  Oaks Site Parcel 1
-  Oaks Site Parcel 2



Imagery Credit: Nearmap, captured April 7, 2023

Vision for redevelopment

In general, the City's ideal redevelopment for this area can be characterized as "main street" mixed-use that provides a diversity of housing types with small setbacks from the street, establishes connections between the opposing corners of the Oakton/Lee intersection, and includes streetscape elements such as street trees. Staff noted that because Oakton and Lee Streets tend to separate portions of the City from each other, they would like to encourage land uses that create additional destinations for people to visit and establish connections between these parcels.

City staff indicated that they think the Oakton/Lee intersection can become a dynamic mixed-use destination. Although the zoning at these sites does not allow residential development, City staff noted that they are open to changing the zoning to facilitate redevelopment. If the zoning was amended, staff said that the minimum off-street parking requirements would likely

be similar to that of other transit-adjacent zones in the City (ex. 1 space per studio or one bedroom, 1.5 spaces per two bedroom).

Des Plaines staff inquired with the property owners at both study area sites regarding their vision for redevelopment, short-term plans for the property, and what they view as the property's strengths and opportunities. The owner of the Oaks site (NE corner) stated that they have no short-term plans for new development on the property but that they envision "a fully leased vibrant shopping center...as the economic needs, activity, and market conditions of Des Plaines and its surrounding communities evolve and improve into the future." In addition, the property owner stated that the site benefits from its location along major thoroughfares, proximity to a variety of transportation modes, and strong anchor tenancies (grocery, fitness, and thrift retail). When asked if they had considered potential development scenarios, the property owner stated that they "would actively pursue opportunities that enhance the value of the property and believe that the site could be more densely developed with the right mix of tenants." Des Plaines staff did not receive responses from the owners of the Kmart site (SW corner).

View of the Oaks site looking northwest. June 2, 2023.



Recommendations

Following a presentation from City staff and a site visit to the study area, the panelists discussed prospects for redevelopment and potential strategies the City could employ to facilitate redevelopment. More specifically, the City was interested in the panelists' opinions about the feasibility of implementing the City's redevelopment vision of a dynamic-mixed use destination, the type of residential buildings suitable for the site, the incentives the City could offer to encourage redevelopment, and what additional land uses and amenities the City should invest in to catalyze residential and mixed-use development.

Generally, the panelists believed that the City's vision for redevelopment in this area is feasible and could be implemented through both private redevelopment and public investments in infrastructure and buildings. The panelists believed that attracting new housing, commercial, and retail assets would help to foster the area's identity and serve both the surrounding neighborhood and the City more broadly. The panelists' recommendations for City staff can be grouped into three themes: site layout, uses, and target markets; City investments to create an activity center; and redevelopment strategies and incentives. The following sections examine these themes in detail. Each section contains a bulleted list of the recommendations associated with that theme, followed by additional contextual information.

Site layout, uses, and target markets

List of recommendations

- Re-orient commercial and retail buildings to front on Oakton Street and Lee Street
- Pursue horizontal mixed-use development, not vertical
- Relocate Butera grocery store to front directly on Oakton Street or Lee Street
- Place residential uses behind commercial uses to buffer residences from the street and ensure that commercial uses are accessible for pedestrians coming from the street and residential units
- Attract new businesses to fill existing gaps in goods and services provided in the area
- Focus on delivering a rental housing product that would appeal to downsizing empty-nesters or people looking for flexible housing arrangements
- Construct a townhome or small-lot single family home development along the outer boundary of the Kmart site
- Use City-owned parcel adjacent to potential NCS station for residential units or other high density uses, not commuter parking

One of the overarching recommendations offered by the panelists was related to the layout of buildings on each site. Given the City's desire to create a walkable, mixed-use node of activity in the study area, the panelists suggested that the City re-orient commercial and retail buildings such that they have small setbacks from Oakton and Lee streets, especially on the Oaks site. In addition, the panelists recommended that the City seek to establish a horizontal mixed-use community in the study area. Because vertical mixed-use developments are more expensive to construct and because developers are currently having difficulty finding tenants for ground floor spaces in vertical mixed-use developments, the panelists thought that the City would have more success in attracting redevelopment if they embraced a horizontal mixed-use development framework than if they held steadfast to implementing vertical mixed-use. In addition, the panelists thought that horizontal mixed-use development might be more palatable than a vertical mixed-use concept to existing residents nearby and would fit better in context with the surrounding neighborhoods. The panelists suggested that buildings on the site should be no taller than four to five stories and that residential buildings between two and four stories high would integrate well with the existing character of the area.

For the Oaks site, the panelists recommended that the City approach the Oaks property owner about relocating the Butera grocery store such that it has direct frontage on Oakton or Lee Street, which would allow for new residential units to be constructed on the interior of the site. The panelists believed that in order for the City to establish an appealing, walkable area, new residential units should be placed in the "inner realm" of the site, shielded from the street by the grocery store and other commercial/retail uses. In addition to increasing visibility of the store, relocating the grocery store to front on Oakton or Lee Street would also provide a level of screening and privacy that would help insulate residential units from the noise generated by nearby traffic. Doing so would be mutually beneficial to the existing businesses and people living in the new residential units; the businesses would be placed in a more prominent and visible location while simultaneously creating a pleasant, walkable residential area that is adjacent to necessary goods and services but partially isolated from traffic noise. Furthermore, an improved grocery store in the redevelopment area would attract residents to the new residential buildings. To achieve this vision, the panelists recommended that the City encourage the property owner to raze the existing buildings once replacement buildings have been constructed on the site. In the panelists' opinion, moving the grocery store is a cornerstone component of any redevelopment strategy for the study area.

View of the Oaks site looking northeast, with Butera Fruit Market in the background. June 2, 2023.



To build on the grocery store anchor use, the panelists recommended that the City consider attracting additional food and entertainment uses, as well as a medical clinic. A brewery, additional restaurants, or other entertainment uses would help to fill the gaps in the existing mix of businesses in the study area while also creating destinations to which new and nearby residents could easily walk.

In terms of residential uses on the Oaks site, the panelists suggested that a rental housing product of around 150 units that is four stories high with off-street surface parking located behind the building(s) would be a suitable and feasible type of development. The panelists suggested that rentals would be the most appropriate housing type considering the size of potential units and the people that would be interested in living there. In contrast to the small rental units in the City's downtown area that are popular with young professionals, the panelists thought that slightly larger rental units would be appealing to people who don't necessarily need to be adjacent to the activity downtown. These potential residents would likely be downsizing empty-nesters or people looking for the flexibility afforded by a rental located in walking distance from daily needs, small-scale entertainment such as restaurants or bars, and frequent transit service.

For the Kmart site, the panelists suggested that the City establish a townhome or small-lot single family home development to line the perimeter of the site. Because the Kmart site already has some existing businesses that are close to Oakton and Lee Streets, the panelists thought that relocating existing retail to shield new residential development was not as imperative for the success of redevelopment on the Kmart site compared to the Oaks site. In addition, the panelists believed that the Kmart site could support a residential development of a similar scale, density, and layout as that recommended for the Oaks site.

View of the Kmart site, looking south. June 2, 2023.



In addition to the Oaks and Kmart site parcels, City staff asked the panelists for their opinions about appropriate uses for a City-owned parcel of land located to the east of the Metra NCS tracks along Oakton Street, adjacent to the tracks. Although City staff thought that a multi-family development would be a suitable use for this parcel considering that it would be consistent with the previous use (a mixed-use building on the parcel was demolished because its condition had deteriorated), residents have expressed a desire to designate this lot for commuter parking associated with a future NCS station, which would also serve the nearby businesses located east on Oakton Street. The panelists believed that given the size of the parcel (1.5 acres) and its location, commuter parking would not be the highest and best use of this parcel. Instead, the panelists recommended that the site could support a small apartment building, and an associated residential off-street parking lot located in the rear. The panelists believed that commuter parking for the new Metra station could be located west of the tracks within the Oaks redevelopment site via a shared parking agreement. In addition, Metra staff indicated that the parcel would not be a suitable location for a station depot, which should be located on the west (inbound) side of the tracks.

City investments to create an activity center

List of recommendations

- Install street trees and other vegetation/buffers along Oakton and Lee
- Improve Oakton/Lee intersection crosswalks and pedestrian infrastructure
- Create new public green space and/or trails that connect to nearby recreational destinations
- Develop a master plan for the study area

Oakton St west of Lee St, looking west. June 2, 2023.



Although the panelists believed that the City's redevelopment vision was largely achievable, they noted that Des Plaines has an opportunity to invest in the public infrastructure in the area to help create a walkable and transit-friendly environment. The panelists suggested that making investments in pedestrian and bicycle infrastructure as well as public buildings and facilities could catalyze private development and attract prospective residents looking for a walkable neighborhood with access to a variety of destinations and recreational opportunities.

The panelists' recommended improvements to pedestrian and bicycle infrastructure were generally focused on the Oakton and Lee corridors and the pedestrian experience. During the site visit, the panelists noted that the traffic noise along the Oakton corridor was loud and that there were no street trees to provide shade and additional separation between vehicles and pedestrians. In addition, the panelists observed that the intersection of Oakton and Lee had appropriate pedestrian signals but could benefit from high visibility crosswalk striping and a pedestrian refuge island. The panelists suggested that the City could work to install more street trees in the study area along Oakton and Lee to provide more shade and add a sense of place. Furthermore, they suggested that the City work with IDOT to reconfigure the Oakton/Lee intersection with shorter crossing distances for pedestrians, refuge islands, and improved crosswalk striping.



In addition to improving the pedestrian infrastructure around the Oakton and Lee intersection, the panelists recommended that the City create new public green space and trails to connect the study area to nearby recreational destinations. The panelists noted that because the area currently lacks green space within a short walk from Oakton/Lee, the City could create a new park that would both provide a buffer from the street and capture stormwater during precipitation events. Alternatively, the panelists suggested that the City could construct a linear park with trails that connect to nearby recreational destinations such as the Des Plaines River Trail or Lake Park (at the intersection of Lee Street and Howard Avenue). In terms of Lake Park, the panelists thought that although Lee Street south of Everett Street is striped with shared lane markings, public investment in a shared use trail or sidepath would be necessary to create a safe and comfortable connection for bicyclists.

The panelists believed that investments in public green space and facilitating bicycle and pedestrian connections to Lake Park and the Des Plaines River Trail would attract prospective residents and developers alike because they would deliver important lifestyle and quality of life amenities and capitalize on existing assets nearby. In concert with investments in public buildings such as the renovation of the fire station on Oakton Street, the panelists thought that improvements to the walking and bicycling infrastructure in the area would help to entice development.

Although the panelists believed that investing in public infrastructure would help drive interest in the study area, the panelists stressed that attracting the right developer would be key to ensuring that the City's vision for the area is realized. To that end, the panelists suggested that the City develop a master plan for the study area that would communicate and advertise the City's redevelopment vision to prospective developers and the public. In addition, the panelists noted that a master planning effort would give City staff the opportunity to think about what other projects and land uses are necessary to complement the horizontal-mixed use development recommended for the study area. Furthermore, the panelists believed that a master plan would assist the City in engaging IDOT and Cook County about the City's

desired streetscape improvements and help chart a path toward delivering a more walkable and transit-friendly area.

Redevelopment strategies and incentives

List of recommendations

- Work with a developer to pitch grocery store relocation/new residential development to Oaks site owner
- Pursue City land acquisition for Kmart site and publish an RFQ/RFP following land acquisition
- Waive permit fees and encourage developers to pursue New Market Tax Credits

View from interior of Kmart site, looking north. June 2, 2023.



One major obstacle the City faces in achieving its vision for the area is that the sites in the study area are privately owned. To effectively redevelop the two different sites, the panelists suggested that the City should employ varying strategies when engaging each property owner. In addition, they recommended that the City consider offering redevelopment incentives that could entice developers and encourage them to advance the City's vision.

The panelists' recommendation to pursue different strategies with the Oaks and Kmart site owners largely stems from each owner's previous engagement with the City. The Oaks and Kmart sites are equally important to achieving the City's vision for the area, but the Oaks site owner has thus far eagerly participated in activities related to redevelopment of the site, while the Kmart site owner has been reluctant to respond to the City's inquiries. In addition, given the different site layouts for Oaks and Kmart, the panelists believed that the City should develop and employ two separate strategies for redeveloping each site.

With regard to the Oaks site, the panelists suggested that the City work with a developer to present ideas for redevelopment of the site to the property owner. Because the Oaks site would require (and benefit from) rearranging the uses on the site, the panelists recommended that the City first identify a set of specific developers who have experience and interest in suburban TOD and would be willing to review redevelopment ideas with the Oaks site owner. Then, the panelists suggested that the City and the developer meet with the Oaks site owner

to discuss how the property could be redeveloped while allowing continuous operation of the grocery store. The panelists recommended that the City and developer make a pitch to the Oaks site owner to rebuild the grocery store with frontage on Lee Street and to demolish the existing buildings following construction of the new grocery store. In addition, because the owner of the Oaks site has exhibited interest and enthusiasm about redeveloping the site, the panelists suggested that a formal RFP would not be necessary. That being said, the panelists recommended that a master plan for the area could help the City in identifying a developer.

For the Kmart site, the panelists recommended that the City take an active role in gaining control of the site. Because the Kmart site owner has been reluctant to engage the City about redevelopment, the panelists suggested that the City take a direct approach, focusing on controlling the site through the City's land acquisition process. The panelists recommended that the City pursue land acquisition because it could either allow the City to control the parcel outright, result in the Kmart site owner selling or partnering with a developer interested in delivering the City's vision for the area, or entice the Kmart owner to pursue the City's desired redevelopment. If the City were to gain ownership of the site, the panelists suggested that the City should release an RFP for the site so that they attract a developer who agrees with the City's ideas for redevelopment and would be committed to achieving them. Furthermore, because the Kmart site lacks the constraints of existing businesses that would be impacted by construction and because the land acquisition process can be lengthy, the panelists recommended that the City initiate the land acquisition process on the Kmart site while beginning discussions with the Oaks site owners. The panelists also noted that because the Oaks' site owner has expressed greater interest in redevelopment opportunities compared to the Kmart site owner, redevelopment efforts at the Oaks site may come to fruition first.

To help encourage redevelopment, the panelists recommended that the City offer a package of incentives to prospective developers that is generally focused on reducing development-related costs. For both sites, the panelists suggested that the City encourage developers to pursue New Market Tax Credits. In addition, the panelists recommended that the City waive building permit fees.

Conclusion

In general, the panelists were encouraged by the City's redevelopment prospects and believed that the City's goal for redevelopment was achievable. The panelists believed that the study area's location and proximity to both transit routes and destinations such as Lake Park would make it appealing to renters looking for a walkable neighborhood. While the area's proximity to a new potential NCS Metra station adds to its appeal, the panelists believed that construction of the new station is not a prerequisite for redevelopment projects. In addition, the panelists believed that the City should encourage the existing property owners to redevelop their sites such that commercial and retail buildings are located along the street frontage, with residential units located behind in a cohesive "inner realm" of residential units. The panelists recommended that the City pursue a horizontal mixed-use development in the study area, which would be easier and less expensive for developers to construct while also offering a type of high-density development that is compatible with existing buildings in the area. Furthermore, the panelists recommended that the City consider pursuing land acquisition to gain control of the Kmart site property if the Kmart site owners show continued reluctance to engage the City in discussions about redevelopment. As for the Oaks site, the panelists recommended pursuing a mixed-use redevelopment strategy in partnership with the Oaks site's current owner. Finally, the panelists recommended that the City develop a master plan for the area to define their ideal development form, advertise the redevelopment opportunities to developers, and consider additional supportive projects that would contribute to the walkable environment the City is aiming to cultivate.

Pace Pulse Dempster Line stop under construction along Lee St, looking north. June 2, 2023.

