

Village of Glenwood Glenwood Plaza Area Study

Final Master Plan

November 2010

Prepared by:
Hitchcock Design Group
in association with:
Business Districts, Inc. and Obora Phillips & Associates, LLC

Acknowledgements

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On the Cover
Glenwood Plaza aerial

Executive Summary

Dear Community Leaders:

This Final Master Plan concludes the third and final phase of our three-phased study of Glenwood Plaza and adjacent properties. In addition to this Executive Summary and a brief review of the previously completed Opportunity Analysis, this report summarizes our Preferred Strategy, illustrates the 2015 Master Plan, and concludes with a list and 5 year timeline of short term implementation projects.

Given the existing marketplace (slow and crowded), resources (great location with obsolete structures) and stakeholder (frustrated and impatient) conditions, we remain convinced that it will be extremely challenging for the existing property owners, individually or collaboratively, to accomplish the project goal and objectives without municipal intervention. Instead, we believe that through a partnership that includes the Village and existing or new property owners/developers, along with a \$15 million TIF financed investment in public improvements, the study area can be successfully redeveloped with about 120,000 square feet of market-supported commercial space, such as a specialty grocer, casual dining, about 90 rental apartments, and a new fire station. Unlike its competitors in the Halsted corridor, the new Glenwood Plaza will feature a distinctive, walkable setting that includes a stylish new 1.2 acre public park that will be a powerful attraction for both neighbors and visitors. In fact, we believe that when complete, the study area will have been repositioned as one of the most desirable destinations in the region to shop, dine, work, live, play and socialize.

In addition to speculating about the pace of national, regional and local economic recovery, Village leaders must manage, as best as possible, the various interests of several key land owners and the timing of dozens of implementation actions. The first of about 40 implementation recommendations is well underway. Village leaders must continue to actively reach out to the community, the Plan Commission, Village Board and other stakeholders in order to build consensus for this Final Master Plan. Simultaneously, in order to promote further confidence, the Village should authorize an analysis of alternative financial scenarios, based on the Master Plan that, when complete, will set the stage for plan approval in late 2010 or early 2011. Once the Village Board approves the Master Plan, they should quickly appoint an Implementation Task Force, who, along with appropriate planning, design, marketing, real estate development and legal consultants, will initiate and facilitate a series of systematic and incremental implementation actions. While generally sequential, the timing of each implementation action is important since most early actions create a foundation for future actions. In particular, we urge the Village Board to carefully time enactment of a new TIF in order to gain the maximum return on its investment of political and financial capital.

While challenging, we believe that it is possible for the Village to achieve its 2015 study area vision – to recreate the Glenwood Plaza Study Area as one of the most desirable destinations in the region.

It has been a privilege to prepare this Master Plan. We look forward to working with Village leaders during its implementation.

Sincerely,
Hitchcock Design Group



Richard G. Hitchcock,
President

Background

In close collaboration with Business Districts, Inc (BDI) and Obora Phillips Associates, LLC, the Village retained Hitchcock Design Group (HDG) in June 2010 to explore redevelopment potential of the 24 acre study area illustrated in Figure 2. Concurrently and independently, the Village engaged Ehlers and Associates, Inc and Buxton to provide TIF guidance and tenant opportunities, respectively, for selected properties including our study area. HDG's three phased engagement included an Opportunity Analysis, a Preferred Strategy, and a Final Master Plan (Figure 1).

HDG completed the Opportunity Analysis in August and the Preferred Strategy in September 2010. During our work, we met with many stakeholders, and we met six times with the project task force, twice with the Plan Commission and once with the Village Board. This Final Master Plan summarizes our services, our conclusions and our recommendations, including a five year implementation plan that will help the Village achieve its study area Goal and Objectives.

Goal and Objectives

The following goal expresses the study participant's ambitious vision for the study area:

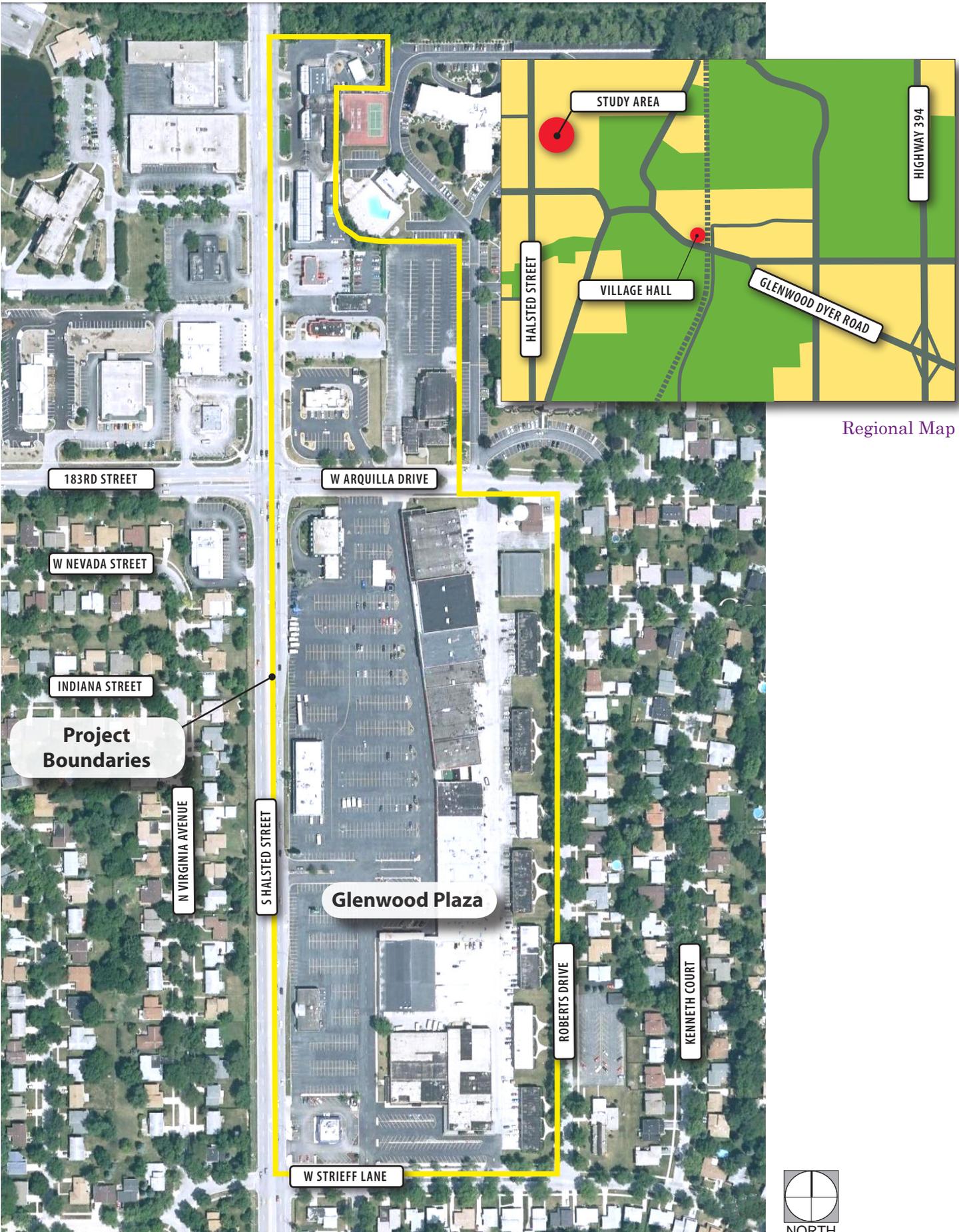
By 2015, recreate the Glenwood Plaza Study Area as one of the most desirable destinations in the region.

The following four objectives each describe a measurable outcome which, when achieved, will help accomplish the goal:

- Create an attractive community gateway*
- Increase tax revenue*
- Increase the diversity of uses*
- Create a compelling community destination*



Figure 1



Regional Map

Study Area

Figure 2

Opportunity Analysis Summary

The Opportunity Analysis Summary, completed in August 2010, described the existing **marketplace** (*demographics, spending power, competition, trends, under/over represented uses, and required co-tenancies*), **resources** (*natural, structural, infrastructural, cultural, and financial*), and **stakeholder interests** (*owners, tenants, community leaders, and jurisdictional agencies*) along with our first impression of the most promising opportunities for redevelopment. Our analysis revealed that the existing study area:

- includes many vacant and uncompetitive properties in a comparatively robust corridor,
- has extraordinary exposure and accessibility (almost 30,000 vehicles per day on Halsted),
- supports a wide range of uses based on demographics and spending power,
- reflects poorly on Glenwood according to a broad cross section of community stakeholders who are overwhelmingly anxious to see the area revitalized,
- is blighted (Blighted area for Improved Land and for Vacant Land AND a Conservation Area for Improved Land) and eligible for a Tax Increment Financing (TIF) district according to the July 2010 “Tax Increment Finance, Village of Glenwood, Halsted Redevelopment Project Area, Redevelopment Plan and Project” prepared by Ehlers and Associates.

As we considered potential redevelopment opportunities, we concluded that rehabilitation of Glenwood Plaza as a traditional shopping center with one or two larger anchors and a series of in-line stores was not likely. We considered the feasibility of demolishing the existing buildings and even expanding the property in order to accommodate a so-called big box anchor, but the high cost of land acquisition, near-term market conditions and intense, existing local competition severely limit that potential. By contrast, we determined that one of the most promising opportunities was to demolish the existing structures, re-entitle the properties, reconstruct new infrastructure – featuring a prominent new public space – and construct smaller scale, market-niche (predominantly food and beverage) retail stores, a small grocer, and some rental apartments. In addition, we observed that the potential for medical offices deserved further exploration with the 3 regional hospitals in the vicinity. The Village will be able to confirm potential uses as the plan advances and property owners, developers and potential tenants are further engaged in the process.

**STRONG
RETAIL
CORRIDOR**

**VILLAGE
OF
HOMEWOOD**

183RD STREET

**13,000
VEHICLES
PER DAY**

**30,000
VEHICLES
PER DAY**

HALSTED STREET

STUDY AREA

RENTAL APARTMENTS

MEDICAL OFFICE

**PUBLIC
SPACE**

RENTAL APARTMENTS

SMALLER RETAIL FORMATS

GROCERY STORE

**VILLAGE
OF
GLENWOOD**

Study Area in 2015

Based on our Opportunity Analysis, we believe that it will be extremely difficult for the existing study area property owners to accomplish the project goal without municipal intervention. However, as a result of our subsequent review of several alternative land use concepts and implementation strategies during the Preferred Strategy phase, we believe that the Village, in partnership with existing or new owners/developers, can, by 2015, redevelop and reposition the study area as one of the most desirable destinations in the region. In fact, we are confident that once constructed as outlined the new development and public spaces will create a very attractive gateway to Glenwood, substantially increase both property and sales tax revenues, and provide diverse and compelling destinations for residents and visitors to the community.

The *2015 Master Plan* (concept plan, opposite page) includes our recommendations for Land Use, Organization and Ownership, Access and Circulation, and Management, Maintenance and Marketing. In addition, we have included a longer-term land use recommendation that the Village should promote once the 2015 goal is accomplished.

Land Use, Ownership and Organization

By 2015, the existing fire station and most of the existing commercial uses, except for the relatively new retail structures along Halsted Street, north of West Arquilla Drive, will have been demolished. The area will be re-subdivided, improved and redeveloped as illustrated in the 2015 concept plan:

Public Park: This specialty, 1.2 acre park that replaces the existing fire station, warehouse and some of the existing retail space is located to have significant exposure along W. Arquilla Drive, Roberts Drive and a short, new public street that links W. Arquilla Drive to the new retail stores. Visitors on foot will be able to access the park from sidewalks that front every street and visitors arriving by car can park along any of the streets of in a small off-street lot. It should be given a high-profile name and include landscaped, lighted walks, and perhaps, a garden, a themed play area, a water feature, and other high-profile public features that will make this a attractive destination where residents, visitors and shoppers can socialize, participate in programmed activities or simply relax.

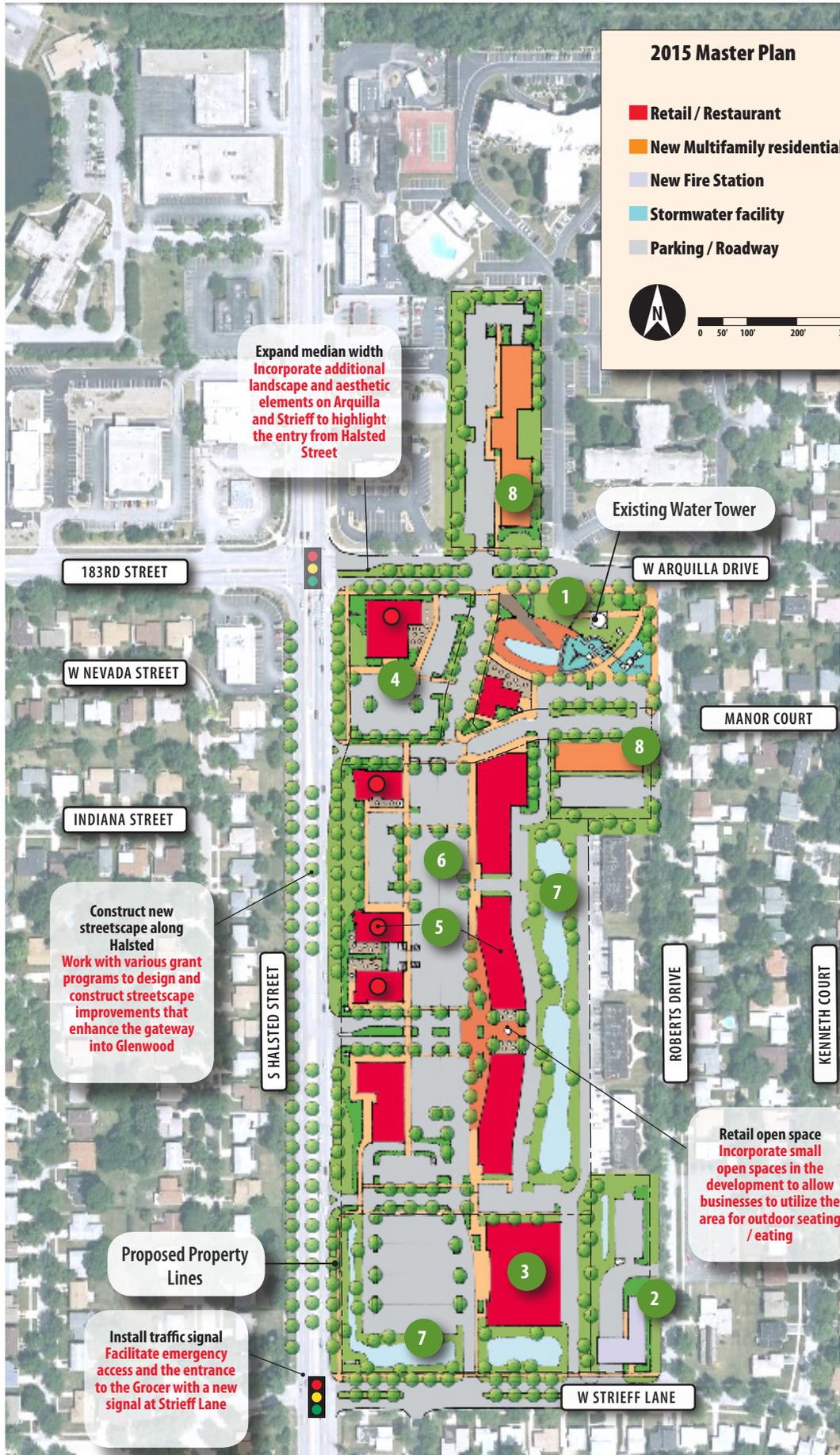
Public R.O.W: Two new streets, the extension of Manor Court and a short new street adjacent to the park, should be publically owned in order to control access, exposure and maintenance of the new park and new retail and residential developments.

Fire Station: A new 8,000 square foot village fire station, currently in an obsolete facility at the base of the water tower on W. Arquilla Drive, will replace two condominium buildings on Roberts Drive and will have direct access to W. Strieff Lane. The new facility will include 26 off-street parking spaces and approximately 0.1 acres of surface area for storm water management.

Grocer: A 30,000 square foot independent specialty grocer will have significant exposure to north and southbound Halsted Street motorists. The site will include 165 landscaped, off-street parking spaces, ample off-street loading behind the store and approximately 0.9 acres of surface area for storm water management adjacent to W. Strieff Lane.

Corner Restaurant/Retail Pad: An 11,000 square foot retail/restaurant pad will accommodate a casual dining tenant who needs a generous footprint and outstanding exposure and access. The site will include approximately 75 off-street parking spaces.

Retail/restaurant: The new commercial development will prominently feature 4 additional free standing pad destinations totaling about 27,000 square feet along



2015 Master Plan

	Square Feet	Parking Provided	Ratio
■ Retail / Restaurant	120,000	585 spaces	4.8/1000
■ New Multifamily residential	90 units	135 spaces	1.5/unit
■ New Fire Station	8,000	26 spaces	3.2/1000
■ Stormwater facility			
■ Parking / Roadway		35 on-street spaces	



Expand median width
Incorporate additional
landscape and aesthetic
elements on Arquilla
and Strieff to highlight
the entry from Halsted
Street

Existing Water Tower

183RD STREET

W ARQUILLA DRIVE

W NEVADA STREET

MANOR COURT

INDIANA STREET

Construct new
streetscape along
Halsted
Work with various grant
programs to design and
construct streetscape
improvements that
enhance the gateway
into Glenwood

S HALSTED STREET

ROBERTS DRIVE

KENNETH COURT

- 1 Public Park
- 2 Fire Station
- 3 Grocer
- 4 Corner restaurant / retail pad
- 5 Retail / restaurant
- 6 Parking
- 7 Stormwater management
- 8 Rental apartments

Retail open space
Incorporate small
open spaces in the
development to allow
businesses to utilize the
area for outdoor seating
/ eating

Proposed Property
Lines

Install traffic signal
Facilitate emergency
access and the entrance
to the Grocer with a new
signal at Strieff Lane

W STRIEFF LANE

Halsted Street, each large enough to accommodate contemporary, casual dining tenants and other retailers, plus approximately 50,000 square feet of in-line retail space with 70 foot average depths. The retail spaces will share approximately 345 landscaped, off-street parking spaces and two on-site storm water management totaling approximately 1.3 acres of surface area for storm water management.

Parking: Abundant off-street parking, as described with each commercial land use, is proximate to all of the new retail/restaurant development. However, the parking spaces must be shared in order to make the commercial tenants successful.

Storm Water Management: All of the new development will need to comply with contemporary Metropolitan Water Reclamation District of Greater Chicago (MWRDGC) requirements that restrict outfall into nearby sewers, both north and south of the study area, to levels that are more restrictive than when area was originally developed. Approximately 7 ac. ft is required for the 2015 plan. The master planned concept illustrates storm water management facilities located behind the retail center and south of the grocer that will be shared by and serve the entire study area. These facilities provide enough capacity to meet the required storage volume. In addition, the MWRDGC ordinance is considering allowing the first 1/2" of stormwater to be captured using infiltration methods on-site such as bioswales, permeable paving and others. The development should utilize as many of those methods as possible to maximize the developable land in the area.

Rental Apartments: Approximately 90 market-rate rental apartments in two separate buildings, each adjacent to the new park, will replace the existing theater and warehouse. Off-street parking spaces, some enclosed within the building footprint, will provide ample parking for residents and guests. Alternatively, a cluster of medical offices may be successful in place of the apartments if they are built to suit the specific requirements of a large, well-established tenant such as one of the three regional hospitals.

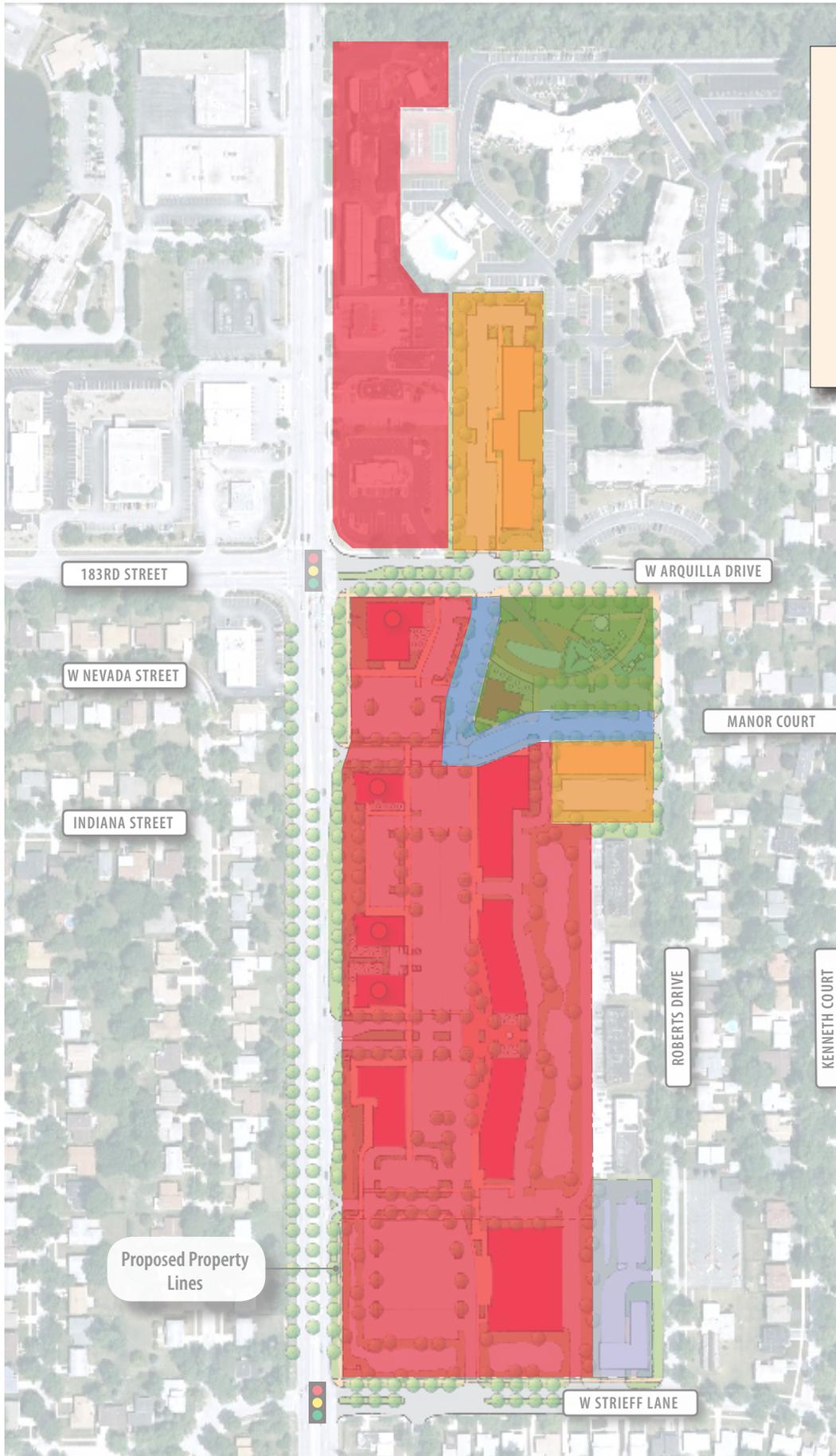
In addition, once redevelopment gains momentum, but beyond the 5 year time-horizon of the project goal, we recommend that the remaining aging condominium buildings along Roberts Drive be replaced with market rate, owner occupied townhouses in order to stabilize the neighborhood and provide some additional residential product diversity in the study area.

Access and Circulation

The new restaurant/retail development will have superb access from Halsted in 3 locations, one of which is the dedicated extension of Manor Court. The Manor Court extension, which includes 20 on-street parking spaces, improves motorist and pedestrian connectivity between the existing neighborhood and the new retail and public destinations. A second new public street, including 15 on-street parking spaces, will connect W. Arquilla Drive to Manor Court extended.

The new apartments will be conveniently accessed from W. Arquilla Drive and Manor Court extended. Until they give way to new townhouses, the off-street parking spaces for the existing condominium buildings will have to be accessed along an alley that will temporarily extend along the back of the buildings, east of the on-site storm water management. Long range, the new townhouses will be directly accessed from Roberts Drive.

All existing and proposed public streets will include broad and handsomely landscaped sidewalks that will welcome visitors and encourage pedestrian use. All new retail, restaurant and residential development will include sidewalks that connect adjacent uses, the park and the public streetscape.



2015 Master Plan	
	Acres
■ Private - Retail / Restaurant	20.7
■ Private - Residential	2.8
■ Public - Fire Station	1.1
■ Public - Right-of-way	1.0
■ Public - Park	1.5

Character

In order to create immediate and lasting impact that supports the study area goal, new public improvements and private construction will need to meet contemporary market and community appearance expectations. For instance, new buildings need to be carefully scaled, detailed and finished using durable materials such as masonry and glass, service areas need to be screened, sign graphics need to be coordinated, and exterior spaces need to be generously landscaped with distinctive pedestrian amenities such as plazas, benches and lighting.

Management, Maintenance and Marketing

In order to maintain the competitive advantage of the redeveloped study area, the Village and property owners will need to rigorously maintain, actively manage and collaboratively market the new park and related development. For instance, an advisory group that includes business, community and resident representation should coordinate park programming that is likely to attract visitors who will patronize the adjacent restaurants and retail establishments. A Business District and/or Special Service Area for the area may provide a revenue source that can supplement extraordinary maintenance and marketing expenses.

Entitlements

The zoning code and development regulations need to be amended to set minimum requirements for contemporary commercial and residential development contemplated in the Preferred Strategy. Regardless of who leads the redevelopment initiative, the study area should be rezoned as a Planned Unit Development (PUD) in order to create land use flexibility while establishing specific standards, outcomes and procedural requirements that aren't normally addressed in the zoning and building codes. In fact, the PUD should include specific planning and design standards that will set a high performance expectation for all public and private land improvements and building construction within the study area. An overlay district may be a useful tool to apply the new standards.

Land and Capital Costs

In addition to its current investments in market analysis (Buxton), TIF financing (Ehlers) and redevelopment planning (HDG), at a minimum, the Village will most likely invest in some permanent land acquisition (for the public park and new public rights-of-way) and some temporary land acquisition (property assembly for resale to developer(s)). The site clearing component of the project could cost approximately \$2.4 Million. That cost may be shared with or completed by the private sector. Given the circumstances, it is difficult to speculate about the land costs at this time. Excluding land acquisition costs, the approximate cost to construct the public improvements is \$12.6 Million.

- \$3.0M Public park improvements
- \$1.3M New and extended streets with enhancements
- \$1.5M Existing street enhancements
- \$2.2M Fire station
- \$4.6M Design, financing, legal, contingencies and other project costs



Parking areas include landscaped islands that buffer cars



Site furnishings will provide places for people to sit and gather



Outdoor eating areas are encouraged



The Public Park will have a combination of active and passive uses



Building architecture should define the public areas and allow visibility into, and out of, stores



This type of arrangement typifies the 2015 Master Plan. Two bays of parking in front of one to two story buildings with abundant landscaping and pedestrian amenities. Outlots frame the parking on the other side (see inset) and present high quality restaurant experiences to their customers.





Short Term Implementation Projects

The ambitious project goal and exciting master planned outcomes will require the Village and others to invest significant amounts of both effort and capital making the process seem, at times, a little overwhelming. However, once the Village Board reaches a broad consensus on **why** (*create an attractive gateway, increased tax revenues, and a diverse and compelling destination*), **what** (*new market-supported retail and residential uses anchored by a specialty grocer and a distinctive public park*) and **how** (*collaborate with the existing or new owner/master developers to entitle, clear, market, and improve the site with the owner/developer responsible for tenant recruitment, final site and building design and construction, and property management*), they can confidently adopt this master plan and begin its systematic and incremental implementation.

The following actions are intended to be, generally, sequential and are listed by year, starting with the fourth quarter of 2010. However, many activities can and should be conducted concurrently in order to create and maintain momentum.

2010

The Study Area Task Force, through meetings, newsletters, internet, press and other public outreach, should confirm community, Plan Commission and Village Board consensus regarding all aspects of this master plan with particular emphasis on:

- Unpredictability of the economy
- Unpredictability of multiple property owners
- Goal and objectives
- Need for a new fire station
- Planned outcomes and future property ownership
- Need for new zoning and design tools
- Probable Village roles, costs and financing tools
- Complexity and duration of the implementation process

The Plan Commission should recommend approval of the Master Plan to the Village Board.

Ehlers should complete the TIF eligibility analysis.

The Village Board should authorize an analysis of alternative financial scenarios based on this master plan including:

- Land acquisition costs
- Public improvement costs
- Design, financing, legal and other “soft” costs
- TIF revenue options including potential “pour over” opportunities related to the existing Walmart TIF
- Village’s probable role as a financial partner (land assembly, public improvements, developer “gap” assistance, limited management/maintenance/marketing partner) in master plan implementation

The Village should confirm the availability of other funds for implementation including CIP, state and federal grants (particularly for the streetscape improvements along S. Halsted Street).

The Village Board should approve this master plan.

The Village Board should appoint an Implementation Task Force (ITF) including the Village President, the Plan Commission Chairman, the Village Administrator, other community leaders, who, along with appropriate planning, design, marketing, real estate development and legal consultants, should spearhead the master plan implementation and report progress to the Plan Commission, Village Board and general public on a monthly basis and at other times as may be appropriate.

2011

Village representative(s) should meet, independently, with each of the commercial property owners in the study area to review:

- the Village's actions to date
- the Village's commitment and timetable to implement the master plan
- the property owners' near-term intentions (partner, sell, hold).

The ITF should determine the probable role of the existing owners (sellers, partners, developers, or eminent domain candidates).

The ITF should confirm the preferred/probable role of the Village (land assembly, public improvements, developer "gap" assistance, limited management/maintenance/marketing partner).

The ITF should initiate an outline for a redevelopment agreement, including responsibilities and performance standards, predicated on either:

- the Village assembling and selling land to a developer
- the Village partnering with existing owners to develop

The Village Board, through the Plan Commission, should amend the current zoning ordinance to update existing commercial districts and include provisions for a Planned Unit Development (PUD).

The ITF should prepare for adoption by the Plan Commission and Village Board an overlay district with supplementary (not covered in the zoning or building codes) planning and design standards for study area.

Village staff should review and, if necessary, restructure the existing development review process in order to accommodate the implementation of the master plan.

Predicated on the land assembly/development strategy, the ITF should identify:

- the RFQ/RFP process
- candidate developers and consultants (based, in part, on tenant preferences and relationships)

Predicated on the land assembly/development strategy, the ITF should prepare draft RFQ/RFP documents.

The ITF should update the previously prepared financial strategies to consider current land acquisition costs and market circumstances, and prepare a decision-making matrix to guide Village's use of public funds to support private sector redevelopment (gap financing).

Predicated on the land assembly/development strategy, authorized Village representative(s) should meet with the commercial property owners to initiate the acquisition and assembly of land.

Predicated on the land assembly/development strategy, the ITF should prepare and release final RFQ/RFP documents and preliminary agreements including responsibilities, deliverables, schedule and performance standards.

The Village Board should enact the new TIF district.

The ITF should review RFQ/RFP submittals and recommend to the Village Board the preferred developer(s) for further consideration and negotiation of final development agreement(s).

Predicated on the land assembly/development strategy, the Village should acquire properties that will be used for the public park, rights-of-way, fire station and other properties which will, in turn be sold to developer(s).

The ITF should monitor and communicate progress to the Village Board and general public.

2012

The Village Board should create a Business District and enact municipal sales tax for the study area in order to generate and capture revenue that can be used to incent and support development.

The Village Board should create a Special Service Area that will produce supplementary tax revenue that will be used exclusively to support the management, maintenance and marketing of the redeveloped study area.

Based on the acceptability of the developer(s) tenant, design, financial, construction and management proposal, the ITF should finalize the partnership/development agreement(s) for the disposition and development of the commercial properties for Village Board and developer(s) execution.

Predicated on the final development agreement, the Village and/or developer should demolish the existing commercial and residential structures in the study area that will be redeveloped.

In close collaboration with the property developer(s), the ITF should design, engineer and permit the construction documents for the public park, streets and fire station.

The developer(s) should design, engineer and permit the construction documents for the initial phases of redevelopment.

The ITF should monitor developer tenanting, design and permitting progress.

The Village staff should periodically update the financial plan.

The ITF should finalize for Village Board approval the management, maintenance and marketing structure, organization and staffing for the study area.

The Village Board should approve a BD and/or SSA for the study area.

The ITF should monitor and communicate progress to the Village Board and general public.

2013

The Village should bid and construct the public park, streets and fire station.

The developer(s) should construct the first phase(s) of redevelopment.

The Village Board should enable the new management, maintenance and marketing organization.

The ITF should monitor and communicate progress to the Village Board and general public.

2014

Once the public and private sector improvements are constructed, the Village Board should dissolve the ITF.

Once the public and private sector improvements are constructed, the new management, maintenance and marketing organization should begin to:

- Coordinate management of the public and private properties
- Create a maintenance standard for the public and private properties
- Create a marketing plan and coordinated events schedule to program the public park in concert with the promotion of the new tenants.
- Create an interim and long-range financial model for management, maintenance and marketing.

2015

Celebrate

