

Section I: Introduction and Framework

Introduction

In April 2007, the Lawrence Avenue Development Corporation (LADCOR) and LISC Chicago asked LISC MetroEdge to conduct an assessment of the commercial development potential of Albany Park, where LADCOR and its partners have invested substantial time and energy in commercial revitalization.

LISC MetroEdge is a product of the Local Initiatives Support Corporation (LISC), the nation's largest community development intermediary. LISC MetroEdge has been working in urban markets since the mid-1990's with clients from the public and nonprofit sectors as well as directly with retailers and developers. LISC MetroEdge is national in scope – serving clients from Los Angeles to New York, from Atlanta to Milwaukee, from Chicago to Jacksonville. The Retail Scan process used by LISC MetroEdge assesses the development potential of commercial areas and provides direction on strategies for sustaining and building markets.

Project Goals

The purpose of this LISC MetroEdge Retail Scan is to use market data and on-the-ground observations to inform the identification of assets and liabilities, and suggest strategies and tools which will improve retail choices for consumers and business viability for owners and operators.

LADCOR will take the lead in creating an action plan based on the Retail Scan to further the market development in concert with its partners. This study is intended to inform stakeholders, profile the market, outline challenges and opportunities and then suggest possible long-range objectives and short-term starting points.

Sources

The Retail Scan is based on an analysis of national and local data sets, and on-the-ground observations. The national data is provided by Claritas, a major commercial market data provider typically used by retailers and investors. Claritas provides demographic, income and retail market data. Additional sources of data include the Federal Financial Institutions Examination Council (data on homeowners), the City of Chicago (building permits), the Chicago Police Department (crime data) and the State of Illinois (traffic counts).

On-the-ground assessments include interviews with community leaders and organizations and multiple driving and walking tours of the market. In addition, Allen Joffe of Baum Realty toured the market with LISC MetroEdge staff and provided input on local and regional development possibilities.

Trade Areas

Two trade areas were defined for the study and used to frame the information. The *Albany Park/Mayfair Convenience Trade Area* is bordered by Foster Ave on the north, the Chicago River on the east, Montrose Ave on the south and Cicero Ave on the west. This area is a convenience retail trade area, which typically includes "Saturday morning" shopping needs such as pharmacies, groceries, dry cleaners, auto parts or hardware stores.

Trade Areas Continued....

The *Drive Time Trade Area* is based on an approximate 15 minute drive time from Lawrence & Kimball. This trade area can be used to evaluate comparison or destination shopping retail goods and services that people from outside the neighborhood would typically access.

Key Findings

Albany Park/Mayfair is a good market and a good place to live. It is well located with access to public transit, and with great residential incomes and demographics for existing and new retail.

The neighborhood is also a great place to do business. Businesses are supported by their neighborhood and their community and institutions. These businesses, including regionally known restaurants and ethnic stores, are succeeding in Albany Park/Mayfair.

LADCOR is connected to strong institutional partners, employers, investors who are working together and are committed the success of the neighborhood.

The time is right to re-market the neighborhood to existing and new audiences (civic leadership, retailers, residents and workforce) to change their perceptions to match the market potential evident in the MetroEdge profile.

LADCOR is ready to build on its award-winning corridor enhancement programs to further clean up the streets and sidewalks to support the retention/attraction of businesses.

With new interest in transit-oriented development, the CTA and others are ready to reengage in planning for Lawrence & Kimball, a long term priority of LADCOR.

Section II Core Market Assets

ACCESSIBILITY BY TRAIN, BUS, CAR AND WALKING

The neighborhood features well positioned public transit stops at Kimball & Lawrence and Kedzie & Leland. These are coupled with transit access via the Kennedy/Edens Expressway Junction nearby as well as strong markets within walking distance of key corridors.

- Traffic counts in the neighborhood are strong, such as 19,800 cars per day (average) on Foster near Kedzie and 18,300 cars per day (average) on Pulaski near Lawrence. This traffic, though dense, presents an opportunity, particularly on Lawrence.
- Over 1.8 million annual customers enter the Brown Line in Albany Park (Kimball Ave, Kedzie Ave, Francisco Ave).
- Buses carry thousands of people to and through Albany Park/Mayfair each day; 15,000 on the Lawrence Ave bus and 25,000 on the Kimball Ave buses.

IMPROVING HOUSEHOLD INCOMES WITH DIVERSE DEMOGRAPHICS

Albany Park/Mayfair has great residential demographics to support existing and new retailers. The neighborhood has income density and diversity, a strong and varied single family housing stock, major employers and a history of changing ethnic diversity. It is a port-of-entry for immigrant groups.

- Median Household Income, a common starting place for retail analysis, is \$50,000 for the Drive Time Trade Area and \$48,000 for the Albany Park Mayfair Trade Area. Both are very near the county wide median of \$52,000.
- Middle Income Households are densely concentrated in the market. There are 1,600 middle income households per square mile in the Albany Park/Mayfair Trade Area compared with just 400 per square mile in the county.

GREAT RETAIL DEMAND AND FLOAT

Albany Park/Mayfair residents have strong buying power, which translates into opportunities for investors and retailers.

- With \$300 million per square mile of buying power, Albany Park/Mayfair ranks as one of the top 10 (of 77) communities in Chicago. This is nearly triple the buying power of Wilmette (\$107 million per sq mile) and nearly six times the buying power of Northbrook (\$55 million per sq mile).
- Demand for retail goods outstrips supply in all categories. For example, Albany Park/Mayfair residents spend \$29.6 million dollars outside the trade area boundaries at restaurants and bars on an annual basis. This represents an opportunity for existing stores to capture a greater market share, or for new stores to open and respond to the excess demand.

RECORD OF SUCCESS IN PRODUCTIVE PARTNERSHIPS AND DEVELOPMENT

LADCOR and its partners have a proven track record in retail development, business recruitment and retention and community facilities development. Over **\$200 million** is currently invested in 36 total projects under construction including 430 new/planned condo units and 269,000 projected new/rehabbed square foot commercial space. This is a signal to existing and potential investors and retailers that the market is active.

Section III Market Challenges

The possibilities for Albany Park have matured in the last several years, often in response to LADCOR and its partners' efforts. A community already rich with strong institutions and transit infrastructure has seen household incomes increasing. The new possibilities and profile of market strength, however, are yet to be fully perceived by the community. The current market conditions could erode some of the buying power of Albany Park residents as unemployment increases everywhere.

Albany Park Retail Scan Executive Summary

In addition to these challenges, the aesthetics of many storefronts on major corridors in the neighborhood are unappealing and do not match the market’s potential. Physical improvements such as new/upgraded lighting are only partially complete due to limited resources. On most corridors, the business mix does not include contiguous stores that encourage walkers seeking a shopping experience, especially on Lawrence Ave.

The following section proposes several strategies that address these challenges. LADCOR board, staff and partners must consciously balance resources for initiatives such as implementing a ‘Promote Today’s Albany Park’ campaign or organizing technical assistance programs, with the day-to-day requests from community members as well as with the desire to spend time on long term opportunities such as positioning Albany Park for transit-oriented development.

Section IV Next Steps and Strategies

1. Reframe the perception of Albany Park

Civic and business institutions in Albany Park should take the lead in reframing and promoting the key characteristics and opportunities of Today’s Albany Park. This Retail Scan has identified an initial profile of Today’s Albany Park, as follows:

Reframing Today’s Albany Park
<p>Albany Park is a good market and a good place to live and play. The educational institutions, quality health care, civic associations, ethnic dining, accessible public transit are highlights of the community, which also features parks and natural trails including along the Chicago River.</p>
<p>Albany Park is a great place to do business. Businesses are supported by their neighborhood and their community and institutions. These businesses, including regionally known restaurants and ethnic stores, are succeeding in Albany Park.</p>
<p>The neighborhood has strong residential character with attractive and diverse housing choices occupied by a community where 48% of the resident households are earning at or above middle income.</p>
<p>The neighborhood is a great place to work. Major employers include Albany Bank and Trust Co., First American Bank, Swedish Covenant Hospital, North Park University, Northeastern Illinois University, Channel 11/WFMT, Summit Industries and 1,500 small businesses.</p>
<p>Albany Park is well positioned for future re-marketing of the neighborhood to existing and new audiences (civic leadership, retailers, residents and workforce) to change the perceptions to match the potential evident in the market data.</p>
<p>LADCOR is recognized for its award winning corridor enhancement programs and is ready for expansion of its enhancement, clean up and business retention/attraction strategies.</p>

Promoting Today's Albany Park

To promote Today's Albany Park, LADCOR and its partners should select a theme and launch a campaign which includes use of new media, advertising, events and print materials to let residents, businesses and the workforce know that Albany Park is "the place to be." An example of this in practice is North Park University's Homecoming Block Party. The event promotes the neighborhood, the institution and introduces potential customers to Albany Park. Local businesses promoting the event drives people to it and raises the profile of the businesses as well.

Albany Park residents are a key audience for the message about Today's Albany Park. Educate residents about today's community assets, new diversity, income mix, employment and market demand. Profile successful partner institutions, great jobs, successful businesses, fun places to spend a weekend day or relax for an evening.

In addition to educating different audiences about Today's Albany Park directly, implement the unified theme/brand on the streets. For example, when new banners are selected, replace existing banners so that there is one unified banner, one image for the neighborhood. Place these banners throughout key corridors in the neighborhood.

2. Improve the physical environment, retail mix, and business operations on the corridors

Aesthetic and Infrastructure Improvements

Build and expand, as well as finish implementation of LADCOR's award-winning renovation and design program, including clean up, lighting and street improvement programs. Implement the program strategically along key corridors and at key nodes, near transit, and near gateways into the neighborhood.

On Lawrence Ave and Kedzie Ave where vacancies are relatively low, work on banners, landscaping, other aesthetic improvements such as the Sculpture Park or work with business to improve their merchandise displays. On Montrose Ave, where vacancies are higher, focus on streetscape improvements and street clean up to improve the environment around the buildings. Work with owners of these vacant storefront buildings to create clean white boxes ready for showing.

Improvements for Retailers and Their Businesses

Aggressively assist businesses with the tools and support to sustain their operations. Tools such as Retail Audits can help businesses improve their operations to better connect with customers. Seek funds to continue to provide incentives including funding and technical assistance to businesses willing to make improvements to their facades.

Continue the work of documenting, creating and maintaining the inventory of retail spaces on Lawrence Ave. Match businesses to available spaces based on the MetroEdge Retail Float data, size and cost of spaces, continuity with other retail, and proximity to transit locations.

3. *Reengage in transit-oriented development*

Take advantage of new emphasis on transit-oriented development by the CTA and the City to reengage in planning at Lawrence & Kimball. Long-term work should focus on making Brown Line transit-oriented development a priority of these agencies. In addition to Brown Line transit-oriented development, continue to work on improving parking and bus access, particular engaging the CTA about a Kedzie Ave bus.

Section V How You Can Get Involved

The Lawrence Avenue Development Corporation will take the lead in implementing the strategies recommended in this Retail Scan. The development of this market, however, is dependent on proactive support and action from all community partners and stakeholders. Some ways you can support LADCOR and this market include:

Local Retailers, Developers, Investors

- Make aesthetic and infrastructure improvements that reflect Today's Albany Park.
- Offer merchandise and services that appeal to the demographics nearby.

Community and Civic Groups

- Partner with LADCOR in creating the vision for filling and using space on Montrose Ave, Kedzie Ave and Lawrence Ave.
- Promote Today's Albany Park, including the businesses and institutions, in meetings and at events.

Individuals

- Promote Today's Albany Park, including the businesses and institutions, to friends and family (from within and from outside the neighborhood).

Everyone

- Communicate with public officials about the need for parking and transit-oriented development.