East Garfield pursues retail possibilities

ED FINKEL | MAY 5, 2006

As East Garfield Park leaders and community residents work to redevelop the retail strip along Madison Street and other key commercial nodes, what store types should they consider and how should they prioritize?

Eight graduate students in the Urban Planning and Policy Program at the University of Illinois at Chicago presented their answers to those questions March 16 at the Garfield Park Conservatory. The forum was attended by about 50 area residents, business owners and community leaders as well as potential developers and retailers.

The students are enrolled in “Revitalizing Urban Business Districts,” taught by associate professor Rachel Weber, and they delivered their findings in conjunction with UIC’s City Design Center, which had worked with the East Garfield Park Chamber of Commerce and the LISC New Communities Program to coordinate the effort.

**Leakage and capture rates**

The students focused on eight retail categories based on recommendations from the chamber and the NCP quality-of-life plan: grocery, pharmacies, restaurants, cafes, family apparel, shoes, hardware and building supply. ([See related story for detailed findings.](http://www.newcommunities.org/news/articleDetail.asp?objectID=503))

They collected data from market research firm Claritas to measure spending “leakage,” or the percentage of area residents’ dollars spent outside the community, and they analyzed the potential “capture rates” in each category, Weber said.
The lack of retail stores and restaurants along Madison Street means there is opportunity for new development, the UIC students said.

"You’ve got to get your butt in the car and drive up and down the street," she said. Dodd added that clustering certain retail types like shoes, clothing, restaurants and cafes works well – but not so for groceries and pharmacies.

**Data isn’t enough**

Greg Kirsch, a retail broker with Baum Realty who represents Starbucks, Kinko’s and Washington Mutual, said data alone doesn’t persuade typically conservative real estate managers to locate in under-retailed areas like East Garfield.

“A real estate manager never gets fired for the deal they don’t do,” he said. “You need to drive around, look at the activity and have somebody who’s open-minded. It’s art and science; urban planning is as much enthusiasm as data.”

Ernestine King, who heads the East Garfield Park Chamber of Commerce, said she and other leaders are trying to identify developers interested in the community. “A lot of plans end up on the shelf. We want this plan to carry through,” she said of NCP. “We do have our assets.”

East Garfield leaders should tout similar communities’ success – and then their own once they move forward, said Jennifer Boss, senior vice president at Heitman, a real estate investment management firm. “You need to find other urban successes and find out what this [community] has in common with them,” she said. “Once you do have successes, you have to sell those. It can be a local retailer who’s doing well.”

It might not feel like it now, but a retail boom soon will hit East Garfield, predicted John Luce of Luce Development. “You’re 24 blocks away (from the Loop). It’s coming, whether you want it or not,” he said. “There’s too much money here.”

Mike Holzer of the LEED Council agreed, advising community leaders to be choosy. “It’s coveted land,” he said. “You are at ground zero. You need to be educating yourself about the
types of businesses and types of economic development you can benefit from. Retailers will find you.”

Kirsch said the amount of vacant land in East Garfield presents “a truly unique opportunity” to create a true mixed-income community. “The real expensive stuff’s going to fill in, but the existing population is going to stay, he said.

For more information about this project, please click [here](http://www.newcommunities.org/news/articleDetail.asp?objectID=503).