

URBAN LIGHT

The ULI Chicago Newsletter

ULI Chicago Launches New Project Focusing on Retail Development for the 21st Century



The ULI Chicago Public Policy Committee has formed a new working group to address the challenges of creating successful retail in the 21st century. Over the past few years, ULI Chicago, through its **Technical Assistance Panel (TAP) Program**, has tackled retail development issues in a variety of communities ranging from Irving Park Road in suburban Hanover Park to Argyle Street in Chicago's Uptown neighborhood, and from the auto-centric segment of Devon Avenue in Lincolnwood to the areas surrounding Winnetka's Metra stations. While

these TAP communities are very different in terms of their locations in the metro region and their socio-economic make-up, all of them were struggling to reinvigorate their retail districts. The rapidly changing demographics, shifting shopping preferences, and new retailing formats including the steady growth of e-commerce, has created many opportunities, but has also made it necessary for communities to re-think their strategies for building and maintaining healthy retail districts.

The retail working group will bring together ULI member experts to utilize data from these local TAPs and the retail work being done by ULI nationally to develop a common set of "tools" that communities can use to develop a healthy framework for successful retail development and that can be used to effectively impact policy. While retail is the primary focus, the ultimate goal is to help communities become full service communities with a healthy array of housing types and needs, community serving institutions and work places as well as retail.

To develop this tool, the retail working group will begin by examining similarities in retail challenges and potential solutions based on the data gathered from previous local panels. To further refine potential solutions, and recognizing that to be most effective, these strategies have to be applied consistently within market areas that often spread across multiple communities, ULI Chicago will sponsor a sub-regional technical assistance panel composed of at least three neighboring communities that are willing to work together across jurisdictional lines.

At the national level, ULI Senior Resident Fellow and the Bucksbaum Family Chair for Retail, **Maureen McAvey**, is currently the recipient of a U.S. Department of Housing and Urban Development (HUD) grant to identify barriers and potential solutions for retail development in underserved communities. As a part of this research, ULI, in partnership with HUD and the International Council of Shopping Centers (ICSC), convened a forum in Washington, DC (Feb 11-12) that brought together elected officials, community leaders, developers, retailers, and finance experts from across the country to share success stories and identify the most critical steps for bringing retail to underserved areas. ULI Chicago members were active participants in the forum, and we will continue to work with Maureen McAvey so that her research at the national level can inform our work in the Chicago District Council.

Following the methodology outlined above, the retail working group will examine, evaluate and draw conclusions based on data revolving around the following points:

- Assessing a community's changes in population, retail landscape, and natural population draws such as medical centers, schools, etc.
- Understanding the challenges including financial issues affecting communities, such as the competition for sales taxes and county property tax differences and various infrastructure needs
- Understanding the space, access, and return on investment that underlie successful public private retail redevelopment partnerships
- Identifying markets that cross community boundaries and therefore require regional cooperation to be served successfully

As the working group moves forward, ULI Chicago's Public Policy Committee will share information and outcomes with members and partner organizations.

[Read more about one of ULI Chicago's retail-focused TAPs](#)

ULI Fall Meeting Meets All Expectations ... including Kahan Fellow's, Anthony Hrusovsky



Thank you to all who were involved in planning, chairing, speaking, volunteering, organizing, designing, photographing, and so many other roles performed by members and staff, for the ULI Fall Meeting in November. Thank you, also, to our Fall Meeting sponsors whose contributions made this the most successful Fall Meeting to date. The quality of sessions, speakers, and content was, in no small part, due to the efforts of many members and real estate professionals throughout the City

and suburbs. By all accounts, the event was an overwhelming success based on attendance figures, sponsorship dollars raised, and individual experiences during the 4-day event.

After being named the 2013 Jeffery Kahan Fellow, Anthony Hrusovsky of Solomon Cordwell Buenz shared his experiences at the ULI Fall Meeting, his first official Fellowship event, and insights on how he plans to make the most of this coming year.

How do you intend to take advantage of the benefits afforded by the Kahan Fellowship?

The two things that most excite me about the Kahan Fellowship are my ability to take part in the IOPC-Blue council meetings at the ULI Spring and Fall meetings and the relationships I will form with my Fellowship Mentors. In my mind industry insight and relationships are the two most important criteria anyone looks for when joining an organization like ULI. I'm lucky to be given formal access to the top tier of what ULI has to offer.

The Kahan Fellowship includes a ULI IOPC Mentor as well as a ULI Chicago Mentor. Please share a bit about your experience with your ULI mentors?

My Chicago mentor is still in the works but I have been given my IOPC mentor, Matt Field the CIO from TMG in San Francisco (*pictured above*). Matt has been great so far. We've had a number of in-depth discussions on topics ranging from the current state of the real estate industry and my career development to lacrosse and music. His advice thus far has been absolutely invaluable, which is obviously to be expected from a person as accomplished as he. ULI did a great job matching me up with Matt, which was made strikingly clear throughout the Fall Meeting. Whenever Matt and I were in a group discussion, the majority of the conversation seemed to be Matt fielding questions from an array of successful professionals about where they should be investing and what product types they should be considering as well as his general economic outlook, thoughts on interest rates and housing projections over the next few years. Having an inside track to someone like that is something of which I intend to take full advantage.

The Kahan Fellowship includes a guest spot on the IOPC-Blue council. Did you utilize this benefit during the ULI Fall meeting in Chicago? If so, please share your experience and take-away from the council meetings.

I did utilize this benefit. I joined the group for the pre-event cocktail party at the Shedd Aquarium and dinner at Mercat a la Planxa. Matt was incredibly welcoming and introduced me to a number of his Blue Flight friends from over the years. The dinner was delicious and the conversation was even better. I also attended the IOPC-Blue council meeting the next day. In general the meeting consisted of some very open and honest discussion as to where we are in the current cycle and thoughts as to how different firms are planning to invest in the near future. One of the aspects I enjoyed the most were the thought-provoking case studies presented. They offered an inside look into the past, current and future projects of some represented companies. It's always interesting to hear about assumptions made at the beginning of a project and how they really played out over the course of the investment.

What sessions did you attend at the 2013 ULI Fall Meeting, why, and what did you learn/take-away from each session?

I attended about ten different sessions but the most enlightening and enjoyable, aside from the IOPC Blue council meeting, were “What Equity Wants”, “Make No Small Plans (Adaptive Re-use)” and “From Chicago to the World”. Recently, I’ve been looking into a few properties for adaptable re-use purposes and I thought “What Equity Wants” would provide me a good feel for what opportunities JV partners might be interested in these days. I assumed “Make No Small Plans” would offer some insight into repositioning strategies popular in the market today. And lastly, I admire the work of Adrian Smith and Gordon Gill so it’s always great to hear them speak. I also really enjoyed Sam Zell’s session and the “Shark Tank” session.

Who would you like to see as a keynote speaker for the 2014 Fall Meeting in New York City?

I would love to see Jeff Blau and Stephen Ross speak. Obviously considering I went to Michigan I am a little biased but I think they are running one of, if not, the most successful real estate firm in the nation right now. I really respect the business they run and the work they do. I feel, considering how well they’ve fared since the recession, they would offer great business, leadership and industry insight.

How has ULI helped you achieve your career goals?

ULI has mainly impacted my career thus far in three ways. Firstly, I’ve been allowed access to very successful industry professionals locally, nationally and internationally. For example, within the first year of becoming a member I was given the opportunity to sit and have a private discussion for over an hour with Adrian Smith and Gordon Gill, potentially the two most important architects of our age. Secondly, it has helped me develop my leadership skills through my involvement in the Young Leaders program committee. And lastly, ULI has provided me with not only quality business connections but great friendships as well.

We wish Anthony good luck during his Fellowship year and will check back with him in the coming months.

The ULI Jeffrey Kahan Full Member Fellowship honors Jeffrey Kahan, a principal and director of the Investment Services group of Colliers International in Chicago, who passed away in June, 2012. He was an active member of ULI and a member of the National Industrial and Office Park (IOPC)-Blue Council. The Fellowship provides opportunities for promising ULI Chicago Young Leaders to participate as a Full Member in ULI for one year. The Fellowship includes attendance at the Spring and Fall Meetings as well as access to IOPC-Blue Council functions as well as IOPC and ULI Chicago Mentors.

WEB EXCLUSIVE: ULI Chicago Delivers Winnetka TAP Recommendations Focused on Downtown Retail

In the age of the convenience of e-commerce, retail is required to adapt in order to remain not only competitive, but also a relevant form of land use. The Village of Winnetka’s three commercial districts: Hubbard Woods, East/West Elm and Indian Hill face this very issue and are struggling to attract and

sustain successful retailers. The Village turned to ULI Chicago for assistance in adapting these districts in order to promote the success of these suburban commercial corridors. Drawing from the expertise of its diverse membership, ULI Chicago formed a team of industry leaders in real estate through its Technical Assistance Panel program for the Village of Winnetka.

The first review panel, chaired by John Bucksbaum, CEO of Bucksbaum Retail Properties, LLC, identified the key issues that Winnetka faces: competition from large retailers, e-commerce, rapidly changing shopping habits, shifting demographics and increasing demand for an enhanced shopping experience. The Winnetka TAP participants studied the issues through interviews with local residents, affected retailers, city officials and representatives from four similar communities. The panel also physically toured the study areas and researched the Village's demographics in order to provide an appropriate recommendation.

Ultimately, the TAP made the following recommendations to the Village of Winnetka:

- Adopt a streamlined and transparent permitting and approval process for new business, and create one point of contact to guide business owners through the process.
- Eliminate burdensome code requirements such as liquor licensing, restrictions on outdoor seating, and zoning overlay that prevents service businesses at street level.
- Increase marketing and outreach for community activities and events to draw people to shopping districts.
- Institute streetscape improvements through matching grants and other means, including sidewalks and façade improvements.
- Assess the parking needs and repurpose existing parking to better serve retail needs.

A second panel, chaired by Michael Tobin, Vice President of U.S. Equities Realty LLC, convened in June and made more long-term recommendations for the study areas including a range of modest to more aggressive redevelopment options for Winnetka officials to consider. The more ambitious recommendations would require increased involvement and funding support from the Village itself, which would have the highest likelihood of success and producing the desired outcome for the Village.

Winnetka's Village Manager, Rob Bahan, was a key person for the village's initiative and worked closely with ULI Chicago in forming a solution to their challenges in the commercial districts. According to Mr. Bahan, "The Village's Plan Commission wanted to follow a process similar to ULI Chicago's Wilmette TAP model," and the Village Council ultimately decided to seek the advice of ULI based on the Plan Commission's recommendation. Currently, Winnetka is implementing and holding its staff accountable to seventy-three recommendations that were initiated from ULI Chicago's TAP recommendations. Mr. Bahan commended ULI's efforts saying, "ULI Chicago's TAP proposal was well received by the Village Council. The presentations given by ULI were professional and high quality." Mr. Bahan also described the TAP recommendations as "substantial" that allowed the Village to begin implementing the recommendations immediately and not require additional independent consultations for a comprehensive plan.

The overall recommendations point to creating a special place for residents and shoppers to enjoy and access the businesses and amenities available at the suburban downtown corridors. The big retailers and e-commerce cannot take the place of small and personable businesses, which are still in demand given the right environment. The key is to create an environment that nurtures small businesses by attracting their customers to those locations and hosting an appropriate mix of retail that has synergy with the other area businesses and its surroundings. The rest of the shopping experience and ultimate success of a sale lies in the hands of the small proprietor, who will be perpetually challenged to meet the demands of the consumer.

Review the [Winnetka Commercial Districts TAP Report](#)
Read [additional coverage of the Winnetka TAP process](#)

COMMITTEE UPDATES

Our committee update section highlights some of the most recent committee activities. Contact [ULI Chicago](#) to get involved with a committee or initiative.

Communications

Urban Inspiration Contest

Coming off a very successful 2013 Fall Meeting in Chicago, this quarter's topic is: **Who would you like to see as a keynote speaker for the 2014 Fall Meeting?** 2013's key note speakers included Dan Pelino of IBM, Sam Zell, Founder of Equity Group Investments and Chairman of Equity International and former Governor of Florida, Jeb Bush.

Please post your response to [ULI Chicago's LinkedIn Group](#) by February 28, 2014 naming who you think should keynote the 2014 ULI Fall Meeting and why you think that person would enrich the meeting experience.

While there is no right answer, the person who makes the best case for their candidate will win a complimentary ticket to a ULI Chicago Breakfast Meeting. Good luck and we appreciate your participation!

Programs

Upcoming Events

February 28, 2014

Vision Awards Nominations Due

[Download Nomination Packet](#)

February 27, 2014

Back to the Future – Chicago Hotel Market Update

Union League Club of Chicago

7:45 am – 9:15 am

[Register Now](#)

March 11, 2014

Is Suburban Real Estate a Value Proposition Today?

The Westin O'Hare

4:00 pm – 6:30 pm

[More Information](#)

April 9-11, 2014

ULI Spring Meeting

Vancouver, British Columbia

[Register Now](#)

June 4, 2014

3rd Annual Vision Awards

Redmoon Theater

6:00 pm – 8:00 pm

[Learn More](#)

2013 by the Numbers

As we begin planning and coordinating for a new year, we wanted to take a moment to reflect on the impact that ULI Chicago has had on its members, sponsors, real estate professionals, the City, and communities around the region.

New Members: 135

Total Members: 1,201

ULI Chicago Events: 24

Attendees at ULI Chicago Events: 2,813

Members Serving on Committees: 118

Committee Meetings: 64

Sponsors: 23

Awards Presented: 15

Website Visits: 30,060

ULI Chicago in the Community

Technical Assistance Panels: 4

RTA Developer Discussions: 8

Thank you to all those who helped make 2013 a success! We could not have done it without you.

This tenth issue of Urban Light

has been edited and designed by the ULI Chicago Communications Committee, including:

Mark Hahn (co-chair), Adam Simon (co-chair), Mike Anguiano, Eric Turrin and John Mays (committee liaison) with invaluable assistance from Chris Lambert and the ULI Chicago staff.