### CHICAGO AR CHITECTURE CENTER

### **EXPLORING THE ISSUE:**

# Megadevelopment for All

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PLEASE NOTE: Information within pertaining to the Lincoln Yards, The 78, and One Central sites does not reflect recent developments around anchor tenants, stadium proposals, or changes in ownership.

### INTRODUCTION

Megadevelopments are a global phenomenon of local consequence. As a method of developing large swaths of urban land, they arose as heavy industry began to migrate out of city centers in the 1960s and 1970s. The trends of decentralized industry and consolidated capital have continued to fuel both the abandonment of prime land and its reclamation for new mixed-use development. Corporations have shown an unquenchable thirst for new office space in and around large downtowns, catering to the lifestyles of the young and upwardly mobile. And developers are eager to meet the demand. Megadevelopments are the result of this perfect storm, and Chicago has more than its share of them. It's essential that we get them right, as they can have great bearing (positive or negative) on our city's character, its underlying infrastructure and economic vitality.

Although no two sites are the same, the international record of built projects makes clear some common pitfalls and triumphs. In this paper, we attempt to unpack a complex development process with challenges delivering on a vision, balancing stakeholder interests, securing financing and, generally, sustaining momentum over a decades-long timeframe. We filter all of this through the Chicago context and assert a "recipe" for successful megadevelopment.





Proposed view of the phase one Steelyards (south) section of Lincoln Yards by Sterling Bay, juxtaposed with a view of site conditions in early 2024. The new 1229 W. Concord office building is in the lower left.

#### **The Chicago Context**

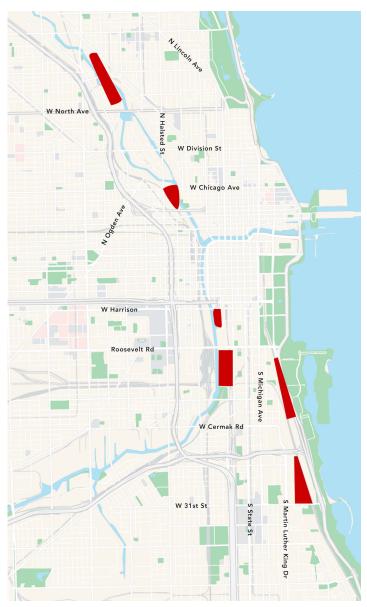
The restructuring of Chicago's post-industrial economy has played out over the past 50 years. While job and population loss and a weakened middle class has been the chief legacy of this era, the tech and financial services sectors have ushered in some good paying jobs, helping stabilize the local economy. Radiating out from downtown, the North and South branches of the Chicago River reveal the scars of uprooted industry. These areas are now a breeding ground for megadevelopments: Lincoln Yards, The 78, Riverline/Southbank and the Chicago Tribune publishing center are the biggies, each clocking in at 15 acres or more. Add to this the former Michael Reese hospital plot in Bronzeville, and you get a class of well-connected sites adjacent to established communities. They warrant reinvention, to be sure, and there's a lot that goes into getting them right.

As a precursor to development of former industrial sites, painstaking environmental remediation and new road and utility infrastructure is often needed. In Chicago, these upfront costs tend to be at least partially borne by the public through the allocation of tax increment financing (TIF) to developers. Otherwise, many projects might fail to launch.

Some counter that developers can summon the private capital required to get it done, particularly at the best-located sites. But there's a strong precedent of public-private partnership on urban development projects, creating an expectation among developers.

Or perhaps there should be no megadevelopments. Would pressing needs for housing, green spaces and services be better served if large sites were parceled up and bid out to several developers? It's a fair question, but one point is certain: megadevelopments are our present reality, and project leaders and public servants must work with community members to ensure outcomes beneficial to as many Chicagoans as possible.

Former mayor Lori Lightfoot's administration keyed in on a few of these sites during a much-publicized quest for a downtown casino and entertainment complex in 2021-22. Bally's was ultimately chosen to develop the Tribune site on the North Branch at Chicago Avenue in phases over the next several years. The 78, the former Michael Reese site, and the so-called One Central—a pie-in-the-sky pitch for new towers and transit near Soldier Field—were also in contention. Assuming the casino comes to fruition, that resolves one megadevelopment. So, what's the outlook for the others?



Map showing the location of six megadevelopments within the orbit of downtown Chicago. The areas targeted for redevelopment total roughly 250 acres, with some \$40 billion in proposed investment.

#### Lincoln Yards

A 2017 land use plan that rezoned hundreds of acres of land along the North Branch of the Chicago River for non-industrial uses paved the way for an ambitious quest to transform the 53-acre former Finkl Steel site and adjacents plots. Developer Sterling Bay envisions a 21st Century office and residential hub sprouting alongside a cleaned-up and greened-up river.

Sterling Bay successfully lobbied City Hall for \$1.3 billion in TIF public infrastructure funding levied over 20 years, primarily to build and improve roads and bridges, shore up the riverwall, extend the 606 recreation trail and bring utilities to the site, while prepping land for redevelopment. Construction has progressed slowly, with one office building complete plus a soccer complex. A new Dominick Street bridge is planned for connecting the north and south halves of the site.

Unfortunately, the megadevelopment is effectively stalled while new rounds of private financing are being sought. By now, the 606 extension, bridge, and several office and residential buildings were meant to have been completed.

#### The 78

Like Lincoln Yards, The 78 is approved for several million square feet of new office and residential construction over the next 20 years. This 62-acre site, the largest swath of centrally located vacant land, illustrates the need for public-private cooperation to make ambitious things happen in an age where visionary civic investment is in retreat.



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**Boundary of Lincoln Yards** 

Boundary of The 78

This challenging site, an accident of the river's 1929 straightening, has never been built on. Sustained interest in its redevelopment didn't occur until the 1990s—entangled as it was in a prior developer's corrupt dealings, cut off from the South Loop by the low-rise Dearborn Park, and with the city unable to secure it for public use. Enter Related Midwest, a developer with deep pockets and expertise, who acquired the site in 2017. They succeeded in getting a Skidmore, Owings & Merrill-designed master plan approved and in securing an all-important anchor in the University of Illinois-helmed tech innovation hub Discovery Partners Institute (DPI). The facility is designed by renowned Dutch architecture firm OMA and architect-of-record KOO. Most recently, the Chicago White Sox pitched a stadium and entertainment complex proposal for the northern part of the site. The initial design by Gensler suggests considerable thought being paid to the user experience and the public interface. But with taxpayer subsidy being pursued, the devil is in the details.

Related has began running roads through the site in advance of the DPI's late 2024 groundbreaking. In particular, the Wells-Wentworth Connector opens the site to through-traffic for a more direct route between downtown and Chinatown. And an extended 15th Street will improve access from the east where a new Red Line station is planned at Clark Street. Expect a gradual infill of buildings and landscaped open space including a new half-mile riverwalk.

#### Riverline/Southbank

The megadevelopment furthest along is also the simplest. This 15-acre site on the South Branch between Congress and Roosevelt is being built up by two developers: Lendlease and CMK, using a master plan by architectural firm Perkins&Will. It emphasizes residential high-rises and a public riverwalk extension running the length of the site. This outgrowth of Printers Row should do a fine job patching a hole in downtown's urban fabric and coaxing people to the water's edge.

#### One Central

This is the most speculative of the downtown-adjacent megadevelopments. Hatched in 2019 by Wisconsin-based Landmark Development, the proposal for a forest of skyscrapers containing up to 22 million square feet of office, residential, hotel and entertainment space purportedly hinges on the developer getting the State's sign-off on a \$6.5 billion public subsidy toward a \$20 billion total cost. This money would be used for infrastructure work including decking over train tracks roughly from Cermak to Roosevelt, adding a "CHI-Line" circulator—a shuttle service—whisking people to the Museum Campus and up and down the central lakefront and building a new transit hub of dubious value for Metra and CTA, which the State would then inherit 20 years later.

Unclear to most is the relationship between this scheme and a newer proposal by the Chicago Bears ownership for a glitzy new stadium complex on the lake. The Bears' proposal has its own \$5-6 billion price tag, and they are also seeking a large subsidy. Questions around transit enhancements, connectivity, public benefits and funding for both projects need answers, and we hope the Bears and the City initiate an authentic public engagement process to find them.

#### Bronzeville Lakefront

Clocking in at 48 acres, the vacated Michael Reese hospital complex is mostly cleared land with a remnant of midcentury modern architecture by Walter Gropius. In summer 2021, City Council approved Farpoint Development's mixed-use redevelopment plan dubbed Bronzeville Lakefront and designed by Skidmore, Owings & Merrill, the same firm involved in The 78 and Lincoln Yards. The project is expected to take 20 years to compete at a ballpark cost of \$3.8 billion. The booming bio-med sector may get another foothold here, along with a Bronzeville welcome center, up to 7,000 mixed-income housing units, 10 acres of park and a variable amount of office and retail space. Gropius's Singer Pavilion would be repurposed, new roads built and the 27th Street Metra station potentially moved to 31st Street to better serve the heart of the development. As with other megadevelopments, the timetable, design and final blend of uses is very much contingent on market conditions and community input.

#### **Key Ingredients**

Megadevelopments present massive opportunities to rebuild the local job and population base, invest in vibrant placemaking and improve transit and neighborhood connectivity. So, it's well worth asking: what ingredients do the most successful redevelopment projects share? And how can megadevelopments complement rather than compete with the central business district during a challenging time for downtown recovery?

Developers must play the long game to bring these projects to fruition in a way that satisfies vested interests—affected communities, city government, private investors and end users. Put simply, the project timeline consists of repeating cycles of iterative site planning and design, fundraising, branding and re-branding, community engagement, courtship of elected officials and prospective anchor tenants and phased infrastructure and construction work. It's up to an engaged and educated citizenry to keep the focus on best practices throughout this most extreme of endurance challenges.

#### Contextual

Contextual design isn't about copying surroundings but rather respecting what came before. Any master planned community cut whole cloth runs the risk of looking and feeling out of step with the local built environment. Building height, massing and materials are the first things to consider for seamless integration with the existing urban fabric. Generally speaking, planners and architects have learned from blunders of the past where large, self-contained projects turned a blind eye to the character and scale of their surroundings. Dearborn Park and portions of Central Station are examples of this sort of development model derived from gated suburban enclaves. It pays to consider porosity as well. How easy or not can one access a site on foot or bicycle? Multiple safe entry points can remove barriers to casual exploration like wide roads, rail yards or waterways.

#### Connected

Infrastructure is the biggest hurdle for many megadevelopments targeting degraded land. Despite the high price tag, we should insist on only the best modern infrastructure—including roadway designs that are safe and attractive for cycling and walking, multimodal transit connections and low-carbon sustainable design. London's King's Cross redevelopment earns high marks for connectivity in the way it stitches together neglected bits of industrial land as newly dense mixed-use development surrounding a busting transit hub. It also features beautified canal frontage, softening a barrier long associated with crime and decay. Lakeshore East as well replaced a golf course that replaced Illinois Central Railroad yards, and we now benefit from an infinitely more urban and connected experience.

#### Exalted Public Space

Soft infrastructure—parks, street furniture, public art, outdoor amenities, etc.—differs from essential hard infrastructure but still deserves higher priority than it often gets. These are the quality-of-life enhancements that activate new locations, create public access and entice people to visit (and spend). So why aren't more developers leading with placemaking? If new green space was supplied early in the standard 10-20 year development cycle, as it was at Lakeshore East, it would meet at least three primary goals of developers: 1) to get people excited about living and working in a new district; 2) help warm people to the prospect of a huge public spend; 3) and build good will and tolerance for the lengthy period of construction to come.

Here we'll present Midtown Manhattan's Hudson Yards as a cautionary tale. In the plan approval process, developer Related Cos was not required to complete a riverside public park or High Line extension in the early going. Rather, they erected several office towers, a luxury shopping center, a performing arts space and paid tourist experiences. Opening just in time for the pandemic, office tenants and mall goers were slow to arrive and the lack of inviting green space meant there wasn't much to entice a wider public to visit and linger. The promised park remains contentious and still some years from delivery.

#### Heterogenous in Use and User

play, cities are beginning to move away from single-use zoning that imposes a rigid, unnatural separation of uses.

Megadevelopments, as city building, should advance this trend by employing urban planning best practices where everything one might need is within a 15-minute walk. No single use—residential, commercial, cultural or institutional—should be wildly out of whack with the others. And these megadevelopments should strive to look something like Chicago—in its wonderfully diverse makeup. In this way, downtown-adjacent sites can also avoid being in direct competition with the Loop's office monoculture and may even help its Covid-accelerated transition to a live-work environment.

Recognizing that people want to live near where they work and

#### Built to Adapt

Whether a district is old or new, socioeconomic diversity and a high degree of flexibility in the use of buildings--with architecture and open space that stimulates the senses--is what characterizes resilient urban communities. It's too soon to know how most megadevelopments will adapt and evolve through economic ups and downs, demographic shifts, workplace transitions and changing tastes in city living. What we can say with certainty is that these projects should provide meaningful amounts of affordable housing, human-scaled streets and structures, access and opportunity for small local retailers and public spaces that lend themselves to creative expression and reinvention.



At London's King Cross, old coal storage and industrial facilities converted to shopping and artist spaces mingle with new mixed-use construction and rebuilt canal walkways, all adjacent to a transit hub. Photo via CC/wikipedia

# **CONCLUSION**

If you take away one message from this paper, we hope it's that the devil's in the details with megadevelopments. Approved plans are just the beginning; the real work to steer a plan to success as forward-thinking city building—connected and with a strong sense of community—requires the ongoing involvement of local citizens in the design process, the right anchor tenant(s) and a commitment to building something meaningful for generations to come. We should imbue these places with enough character and dynamism that anyone would want to be there. We have the benefit of time to slow down and study our approach to these sites. Individual buildings come and go, but the patterning of the urban landscape is here to stay.



View of The 78 showing building heights that step down from high-to-low-rise at the water's edge. The spherical building is the Discovery Partners Institute (DPI) breaking ground in 2024 as the anchor of phase one development.