

Cicero Developer Panel Report

Regional Transportation Authority
September 10, 2022



INTRODUCTION

Since 1998, the RTA's Community Planning program has provided funding and technical assistance for transit-oriented planning and implementation initiatives with local partners throughout the six-county service area. The goal is to foster the growth of sustainable, equitable, walkable, and transit-friendly communities around transit assets by encouraging transit-supportive land uses and infrastructure. The program aids local economic development by increasing equitable access to employment centers and amenities to serve the constantly evolving needs of our diverse population.

The Community Planning program continues to be an important tool in the region for implementing transit-oriented development (TOD). Throughout the 24-year history of the program, the RTA has collaborated on 225 projects and invested over \$23 million in federal, local, and RTA funds. Collaborating partners include the RTA Service Boards (CTA, Metra, and Pace), all six county governments within the service area, several councils of mayors, and over 175 local governments.

Through its support for transit-oriented planning throughout the region, the Community Planning program builds on the strength of our transit network to promote more sustainable and livable communities that deliver value on our transit investments for both local partners and the Service Boards.

DEVELOPER DISCUSSION PANELS

One important element of the Community Planning program is the focus on projects and activities that implement completed planning studies, including Developer Discussion Panels. The RTA partners with the Urban Land Institute (ULI) Chicago, a professional organization of real estate and land use experts, to connect local governments with development professionals in order to facilitate practical discussions on the market potential of opportunity sites. These half-day events are intended for those municipalities that have completed a TOD or similar plan but need additional assistance in drawing transit-supportive projects within their study areas. The panels involve local government staff engaging with development experts to discuss potential strategies to effectively revitalize key parcels of land. The Town of Cicero (the Town)

was selected to participate in a panel after applying to the Community Planning program in 2021.

The panel was held on Tuesday, July 19, 2022, at the Cicero Town Hall. Following a presentation by Town staff regarding recent planning and development activities, panel attendees took part in a site visit to the opportunity site that the Town had identified for potential redevelopment. The following people were in attendance:

Town of Cicero

Jose Alvarez – Grants Administrator

Craig Pesek – Town Projects Manager

Tom Tomschin, MPA – Executive Director, Housing Department

Robert White – Project Manager

Urban Land Institute-Chicago (ULI) and the Regional Transportation Authority (RTA)

Chad Broderick – Managing Partner; LCI Development Partners

Terri Haymaker – Program Manager; ULI-Chicago

Robert Morris – Senior Planner; RTA

Janet Protas – Senior Vice President – Multi-Family; Conor Commercial Real Estate

Paul B. Robertson – Senior Director, Real Estate Development; Opus Development Company, LLC

Jacques Sandberg – Vice President, Affordable Housing; Related Midwest

Alex Waltz – Senior Planner; RTA



Developer Discussion Panel at the Cicero Town Hall, July 19, 2022

BACKGROUND

Demographics and Housing Characteristics

The Town of Cicero is located in Cook County and has a population of 85,268 people. The Town has grown slightly since the 2010 Census; the number of Town residents increased 1.6% between 2010 and 2020. With regard to race and ethnicity, Cicero has a large Latino population with nearly 90% of Cicero residents identifying as Hispanic or Latino. Town staff noted that many of the households in Cicero are multi-generational and that Census population figures are likely lower than the actual population of the Town.

The largest age cohorts in the Town are ages 5-19 (25.8% of residents) and ages 20-34 (24.1% of residents), suggesting that a large share of residents are younger families with school-age children. Roughly 95% of Cicero residents in the labor force are employed. The Town's largest income cohort is \$25,000 - \$49,999 (31.7% of residents) and 15% of Town residents have an Associate's, Bachelor's, or Graduate Degree.

The overwhelming majority of Cicero's housing stock was built prior to 1940 (66.4% of housing units) and less than 1% of housing units were built since 2000. The Town's vacancy rate is 9.3% and housing units are split roughly equally between owner-occupied and renter-occupied. Just over 81% of all housing units are either single family-detached homes (37.9%), 2 units (31.5%), or 3 to 4 units (16.7%). This suggests that Cicero has a large supply of post-war single family and

duplex units with limited diversity of housing types, particularly with regard to attached single family townhomes and low-to-mid-rise apartment buildings with 5 or more units.

Transit Service

Cicero has unique access to transit in the Chicago region with CTA rail, CTA bus, Metra commuter rail, and Pace bus each providing service to residents and visitors. Cicero is served by the following CTA, Pace, and Metra lines/routes:

Agency/Line	Stations/Routes
Metra BNSF Line	Cicero
CTA Pink Line	Cicero-Douglas 54 th /Cermak
CTA Bus	12 (Roosevelt) 18 (18 th /16 th) 21 (Cermak) 35 (35 th) 54B (South Cicero) 54 (Cicero) 60 (Blue Island/26 th) 91 (Austin)
Pace Bus	302 (Ogden – Stanley) 305 (East Roosevelt Road) 314 (Ridgeland Avenue) 315 (Austin Boulevard) 316 (Laramie Avenue) 322 (Cermak Road – 22 nd Street) 392 (Green Line Cicero CTA – UPS Hodgkins Limited)

The Cicero Metra station is located along Metra’s BNSF Line, which runs daily between Chicago’s Union Station and Aurora in both directions during peak and off-peak hours. Since 2002, weekday ridership at the Cicero station has been declining from a high of 280-300 boardings and alightings, respectively, to close to 140 and 180 boardings and alightings in 2018 (the last year in which Metra ridership data was collected at the station level). Although Metra lacks ridership data for the Cicero station for 2019-2022, ridership on the BNSF line overall has declined over this time period, falling to 107,139 riders on average in March 2021 (compared to 1,258,543 riders in March 2019). In 2022, however, ridership has increased and the BNSF line averaged 354,940 riders in March 2022.

The subject site is served by CTA bus routes 35 (35th), 54 (Cicero), and 60 (Blue Island/26th), which use the terminal/turnaround located at the intersection of Cicero Avenue and W 24th Place. The table below shows average ridership for March on each of the CTA routes that

service the Cicero Avenue/W 24th Place turnaround. Ridership on these routes has been declining consistently since 2012.

Route	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
35 (35th)	1,648	3,015	4,667	4,848	5,268	5,630	5,622	5,625	5,438	5,454
54 (Cicero)	4,936	7,290	9,606	9,945	10,364	11,267	11,412	11,451	11,649	13,440
60 (Blue Island/26th)	3,687	6,868	11,191	10,813	10,603	10,588	11,171	10,745	12,038	12,108

Ridership on CTA bus routes that access the Cicero Avenue/W 24th Place turnaround near the Cicero Metra station

Planning & Development Projects

Since 2014, the Town has completed a variety of planning efforts that seek to enable more mixed-use development and residential infill development close to the Town’s CTA and Metra stations. The plans adopted since 2014 include the [Cicero Connections Transit Area Implementation Plan \(2014\)](#) and the [Cicero Comprehensive Plan \(2017\)](#).

The Cicero Connections plan focused on the “Transit Areas” in Cicero, located near the CTA and Metra stations within the Town. The plan established methods to “attract land use and development more compatible with the goals, needs, infrastructure, and ‘character’ of the community and build a critical mass of energy and activity to spur surrounding businesses and encourage future mixed-use redevelopment in the Transit Area.” The plan included a series of recommendations for redevelopment and reuse of 15.4 acres of land near the Metra station, which encompassed the former Town Hall site. The Town is still actively pursuing redevelopment of these sites.

The Town’s Comprehensive Plan reiterated the goals and strategies for encouraging Transit-Oriented Development that were incorporated into the Cicero Connections plan. The Comprehensive Plan included site development concepts for the former Town Hall site and the Metra station area that were first developed during the Cicero Connections planning process. The Comprehensive Plan, however, also proposed an alternative development concept for this area that removed any residential uses and instead proposed only a mix of commercial and industrial land uses.

Building on recent comprehensive and transportation planning efforts, the Town began working on transit-supportive changes to its zoning code in 2021. Supported by funding through the RTA’s Community Planning program, the Town is modifying their zoning code such that it aligns with the Cicero Connections plan and the Comprehensive Plan. The new code is a Unified Development Code (UDC), which combines zoning, subdivision, design guidelines, and other land use development regulations into a single regulatory framework, thereby making it easier for developers, the public, and public entities to understand the requirements. The code updates incorporate form-based elements and seek to unify and streamline the process for permitting and approving development projects by eliminating outdated policies and removing

inconsistencies. In addition, the updates are focused on increasing density in commercial neighborhoods, enacting sustainable development principles, and reducing off-street parking requirements for new developments. At the time of writing this report, the Town is in the process of adopting the updated code.

STUDY AREA

The study area for the panel discussion is a collection of parcels totaling roughly 13 acres in an area located near the Cicero Metra BNSF line station, as depicted in the image below. The subject site includes the former Cicero Town Hall and Public Works buildings and contains parcels that are currently zoned R-3 (Residential – Commercial), C-2 (Central Commercial), and M-1 (Wholesale and Warehouse). The proposed UDC includes some changes to the zoning of these parcels but in general, the new zoning districts allow for much of the same type of development as the current code. One notable change, however, is that some parcels in the study area currently zoned M-1 are proposed to be zoned as Institutional/Open Space. The Town owns approximately 6.5 acres of property in this collection of parcels. The group of parcels bounded by Cicero Ave, 25th St, 49th Ave, and 25th Pl are owned either by individuals or the State of Illinois; the lots with existing homes are owned by individuals, and the State of Illinois owns the vacant parcels of green space.

Transit Oriented Mixed-use Development

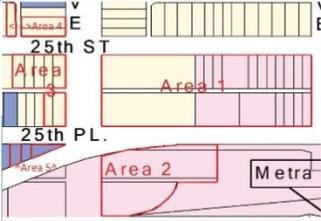


The main parcel, including the former Town Hall & Public Works buildings, salt dome, & canopy is directly across from the Cicero Avenue Metra Station. It includes approximately 3.5 acres of developable land over 16 individual PINs and a vacated alleyway.



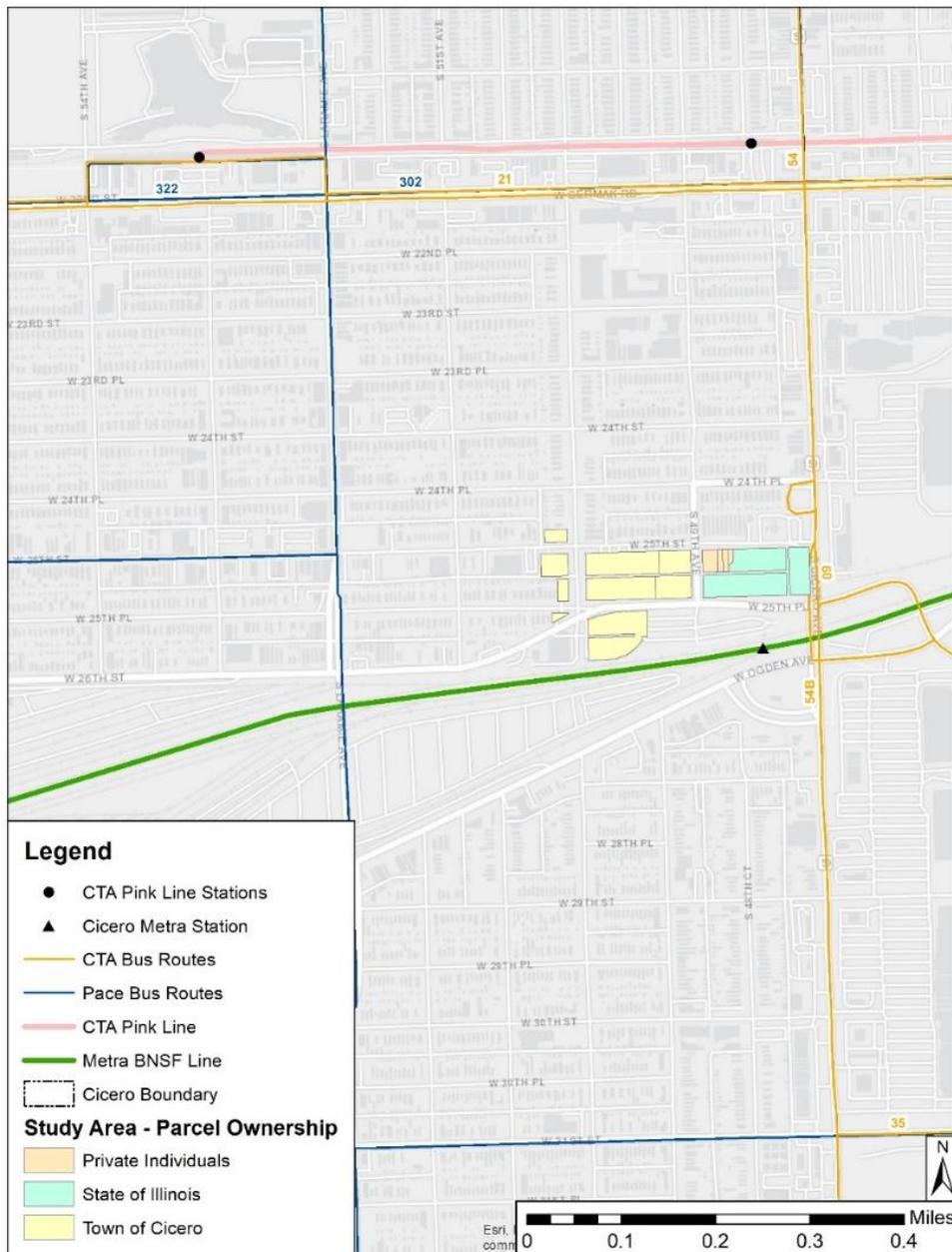
All parcels are located within a Tax Increment Financing (TIF) District and the Cicero Enterprise Zone.



<p>Area 1 Approximately 3.5 acres Includes former Town facilities as detailed on the previous page to be razed.</p> <p>Area 2 Approximately 1.25 acres These 2 parcels & former alleyway are currently a paved parking facility.</p> <p>Area 3 Approximately 1.2 acres These 7 parcels are currently a paved parking facility.</p> <p>Area 4 Approximately .25 acres Razed grass lots.</p>	 <p>The main development will be focused on area 1 with areas 2 & 3 as additional development parcels and areas 4 & 5 for auxiliary uses or small site developments. A State owned parcel of land is also pictured as possible green space.</p> <p>Area 5 Approximately .25 acres Razed grass lots.</p>
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Graphic from a mixed-use development brochure created by Town staff depicting the subject site

The Cicero Connections plan proposed that this site would have a combination of three-story townhome units and a 4-8-story mixed-use building with ground floor retail and multi-family residential units. In the Town’s Comprehensive Plan, however, this site’s proposed land use did not include any residential use. Instead, the Comprehensive Plan proposed adaptive reuse of the former Town Hall building and preservation of the existing commercial buildings directly adjacent to the former Town Hall building. The Comprehensive Plan also proposed a two-story commercial infill building and a new 2-3-story commercial/industrial building. The map below shows the location and context of the study area in Cicero.



RECOMMENDATIONS

Town staff had expressed interest in gauging the potential to develop the subject site as a high-density mixed-use transit-oriented development that would appeal to working professionals. The panelists reached consensus, however, that the type and scale of development sought by the Town in the study area would likely not materialize in the near future at this location.

The panelists noted the subject site's proximity to trucking routes and freight rail lines would limit its appeal as a mixed-use site that includes high density residential units and that the site is removed from existing activity areas (such as Laramie Avenue) that attract residential investment. The site should be an enjoyable, walkable distance from grocery stores, restaurants, retail, and other commercial and entertainment destinations for it to be successfully developed for working professionals, as the Town desired. Although the subject site is roughly ½ mile from the closest grocery store and other commercial uses, the site's residential potential is degraded by the presence of high traffic volumes and trucks accessing the nearby BNSF Intermodal Station via 26th Street. Despite the site's close location to the Cicero Metra station, the panelists opined that the challenging pedestrian access via a tunnel under the rail line would decrease the subject site's appeal to prospective residents. Instead, the panelists saw opportunities for new residential development, as envisioned by the Town, located closer to the CTA Pink Line and within the Laramie corridor. The Pink Line offers connections to local destinations and nearby job centers, such as the Illinois Medical District, that are not served by Metra, while the Laramie corridor has existing, pedestrian-scale commercial buildings which would be more likely to attract residential investment compared to the subject site.

The developer panel discussion generated a variety of recommendations that can generally be organized into two groups: (1) build on the strengths of the community by targeting new residential development near existing commercial activity areas and (2) incentivize future development on the subject site by making investments in site preparation activities.



Left image: Developer Discussion Panel participants during site visit to Study Area, July 19, 2022



Right image: Developer Discussion Panel participants at intersection of Laramie Ave and 25th Street, looking west

Build on the Strengths of the Community

Instead of aiming to attract a large-scale mixed-use development at the subject site, the panelists’ primary recommendation was for the Town to focus its efforts to attract new residential development on smaller, scattered sites throughout the Town that are closer to existing activity centers. By actively promoting the development potential of currently vacant, Town-owned lots that could support townhome or apartment units, the Town could thereby encourage organic residential growth located near existing commercial areas such as Laramie Ave and the CTA Pink Line corridor.

The panelists believed that a smaller scale approach to attracting new housing for working professionals in other, infill locations around the Town may be more successful than soliciting bids to produce a large mixed-use development, especially because major developers would not likely be interested in developing the subject site for residential use considering its location and lack of safe pedestrian access to the Metra station. Successful infill development will then later attract the larger scale developments as envisioned. The panelists also noted, however, that large developers would pass over opportunities to develop smaller sites. The panelists therefore recommended that the Town approach smaller, local developers about the development opportunity at such sites. Because local developers generally have lower overhead costs, the panelists opined that such firms could have greater interest in developing these lots than large firms which typically must construct larger buildings for projects to be financially feasible.

Furthermore, the panelists stated that the Town should aim to build on the transit access provided by the CTA Pink Line as a means of generating new investment in housing. Because

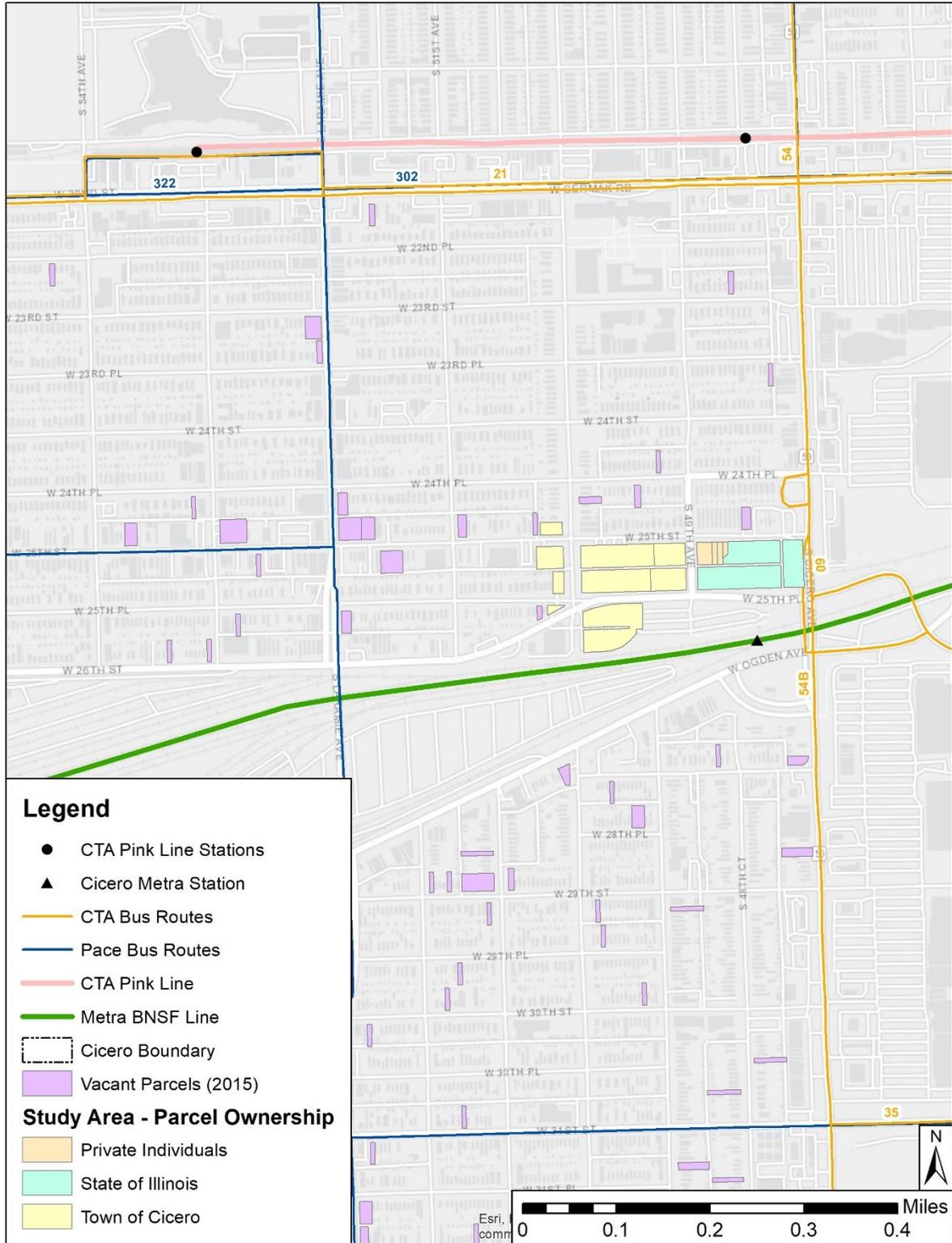
FIGURE 1.9. PINK LINE CICERO AVENUE SITES



- A** NEW COMMERCIAL BUILDING (1 STY)
- 3,000 square foot building
- 12 landscaped parking spaces (4/1,000 sq. ft)
- B** NEW COMMERCIAL BUILDING (1 STY)
- 3,000 square foot building
- 12 landscaped parking spaces (4/1,000 sq. ft)
- C** NEW COMMERCIAL BUILDING (1 STY)
- 6,750 square foot building
- 26 landscaped parking spaces (4/1,000 sq. ft)
- D** NEW COMMERCIAL BUILDING (1 STY)
- 6,750 square foot building
- 26 landscaped parking spaces (4/1,000 sq. ft)

the Pink Line offers connections to major job centers (such as the Illinois Medical District) that aren’t accessed by Metra, the panelists believed that sites located closer to the Pink Line would be viewed more favorably by prospective developers and, in turn, residents. The map on the following page shows vacant parcels that the Town could target for residential development.

Conceptual Rendering of Redevelopment Sites identified in Cicero Connections Plan (2014)



Map showing Study Area and vacant parcels based on CMAP Land Use Inventory (2015). Source: RTA, CMAP

Incentivize Development at the Subject Site

Although the panelists believed that the type of mixed-use development desired by the Town would not be the right fit for the subject site, there was consensus that the Town would be able to attract a commercial or small industrial use to the site. The panelists noted that the site is not large enough to support logistics or shipping operations but commercial and industrial entities that require less space may be a good fit. The site's location near arterials and truck routes, which the panelists believed was a limiting factor on its potential as a residential site, could instead help to elevate its appeal as a commercial or small industrial site. Town staff shared that the Illinois State Police had expressed interest in establishing a new headquarters on the portion of the subject site that includes the former Town Hall building, which the panelists suggested may be an appropriate use for the site.

To attract prospective developers, the panelists believed that the Town could perform the due diligence and some of the initial site preparation work so that the site would be ready for construction. By conducting environmental and historical surveys of the opportunity site and identifying any existing environmental concerns or historically significant structures, the Town could help to reduce the delay involved in the sale process and more easily find a developer interested in the site. In addition, the panelists suggested that the Town could convey the land to developers at no cost, which would provide added incentives for commercial developers looking to invest. Furthermore, the panelists recommended listing the lots with a broker to help advertise the development opportunity.



Developer Panel Discussion participants during site visit to Study Area, July 19, 2022

CONCLUSION

Cicero's proximity to Chicago, convenient transit access to downtown and nearby job centers, and wealth of local food establishments are amenities that heighten its appeal to prospective residents. Town staff have noted that they are seeking to encourage high-density transit-oriented development that would attract working professionals but have not recently been able to find developers to invest in the community at that scale. Although the panelists believed that developers would be unlikely to pursue a large mixed-use development on the subject site, they nonetheless offered a handful of recommendations that could help generate investment in new housing stock in other locations and attract commercial or small industrial businesses to the subject site.

To address the Town's desire for new, high-end apartments and townhomes, the panelists recommended that the Town leverage its assets by advertising the development opportunities provided by the various scattered lots throughout the Town that are located near existing activity corridors, such as Laramie Avenue and the CTA Pink Line. By soliciting interest from smaller, local developers about constructing apartments or townhomes on lots close to these areas, the Town may be able to organically grow their housing stock in a manner that builds on the strength of the Town's commercial areas. In addition, by focusing their efforts to construct new housing close to the CTA Pink Line, the Town may be able to attract people who work at the job centers along the line that are not accessed by the Town's Metra service.

To encourage commercial development at the subject site, the Town could perform environmental and historical surveys to decrease the delay and cost of the purchasing process, which would appeal to developers who might be wary of purchasing lots on the subject site without knowing the scope of necessary remediation or presence of historic structures that could lengthen the development process and increase the cost of the project. The Town could also convey the land to prospective developers at no cost, which would be an added incentive for developers that could attract more widespread interest.

Although the panelists reached consensus that a large, mixed-use development would not be the right fit for the subject site, their recommendations nonetheless provide Town officials and staff with a new perspective on how the Town can grow its housing stock and attract working professionals.



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