THE LAKESHORE
INDUSTRIAL HERITAGE
CORRIDOR Reclaiming
Lake Michigan’s Southern
Shoreline

A whitepaper of the ULI Chicago
Infrastructure Committee

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**Overview**

This whitepaper is a case statement for the need to reinvest in a key sub-region of the Chicago metropolitan area – the communities of the southeast side of Chicago and Northwest Indiana – as well as the alignment of this fundamental objective with newly announced federal priorities for enhancing urban communities around the country. It is the result of the work of the Urban Land Institute (“ULI”) and the Urban Land Institute Chicago District Council (“ULI Chicago”).

**Urban Land Institute: National Context**

The Urban Land Institute, an international non-profit and research organization founded in 1936, is dedicated to research, advocacy and leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. Its work is enhanced by active engagement of ULI members in local district councils established in major metropolitan areas.

Supported by ULI Trustee James J. Curtis, ULI launched a new infrastructure program in August 2008 with the goal of enhancing the leadership position of the organization at both the national and local level in seeking effective investments in our nation’s infrastructure. The ULI/Curtis Regional Infrastructure Project emphasizes the relationship between infrastructure and land use, including sustainability and housing, and develops models for better infrastructure decision-making.

The Curtis Project is evaluating selected techniques and processes for their potential as national models. Specifically, ULI’s Infrastructure Initiative is examining tools and mechanisms that other regions can replicate or that inform national-level discussions. These models range from substantive tools that inform public decision-making to process engagement models that develop ULI’s leadership, including at the District Council level.

Through the efforts of the first year, the Curtis Project has developed three principles that organize and guide the work of integrating infrastructure and land use:

1. Convene the resources of the private, public and non-profit sectors.
2. Take advocacy into the implementation stage.
3. Advance technical innovations.

This part of the Curtis Project is in its initial phase, and all four of the Curtis District Councils, including ULI Chicago, have projects with the potential to turn into national models. These potential models are identified in the Curtis District Council summaries as models under evaluation (see Appendix F).
**ULI Chicago District Council: Regional Context**

As one of the four Curtis District Councils, ULI Chicago has organized a large Infrastructure Committee made up of over 45 members from the real estate development community and the non-profit sector. The work to date has also involved contact with numerous elected and public sector officials.

ULI Chicago began with taking the broad view to understanding infrastructure investments in the greater Chicago metropolitan region. The effort encompasses transportation; water, sewer, and stormwater; parks, trails and open space; and energy-related infrastructure.

**The “Lakeshore Industrial Heritage Corridor” Subcommittee**

To provide greater focus and depth of analysis, the ULI Chicago Infrastructure Committee (the “Committee”) split into two subcommittees each spotlighting two distinct but regionally significant infrastructure needs:

a) The Lakeshore Industrial Heritage Corridor Subcommittee: to delineate investments to reclaim disinvested industrial properties for new, viable uses of benefit to the broader Chicago metropolitan area;

b) The Suburban Infrastructure Subcommittee: to detail investments that create synergies between arterial road, transit and land planning and reduce congestion, green house gas emissions and improve the region’s competitiveness.

This whitepaper is intended as a case statement for public and private investments along the Lakeshore Industrial Heritage Corridor(the “Corridor”), defined as the neighborhoods and communities in Illinois and Indiana running from Chicago’s vacant US Steel Southworks site to the active US Steel plant in Gary, Indiana (shown in Maps 1 and 2 below), necessary to:

- restore the Lake Michigan shoreline and adjacent;
- connect gaps in existing road and rail networks; and
- engender economically sustainable community development.

As further detailed below, the Corridor has been the focus of intensive studies on both sides of the Illinois/Indiana border, undertaken by the City of Chicago, as well as the Indiana municipalities of E. Chicago, Gary and the Northwest Indiana Redevelopment Authority. These studies provide a wealth of information detailing not only the needs of
the Corridor communities, but also the opportunity and benefits arising from reinvesting in them and better linking their human, business and environmental resources to the broader Chicago metro region.

In addition, the Committee sought to correlate existing plans with the critical infrastructure projects required to bring the plans to reality and to make the case for additional sources of financial support to match local funding commitments.

Map 1. The southern Lake Michigan shoreline of northeast Illinois and northwest Indiana

After intensive deliberations by Committee members over a twelve month period (and with the assistance of three summer interns) culminating in a two-day workshop on July 16-17,2009, the Infrastructure Committee has developed a list of priority planned infrastructure projects in the Corridor.

To analyze the project list, the committee established criteria including the following:

- Economic competitiveness;
- Opportunity;
- Sustainability;
- Political/financial support; and
- Project cost.

ULI’s Infrastructure 2009 operated with a holistic approach to infrastructure, and ULI’s
core priority areas link infrastructure, housing, and sustainability of land use.

ULI Chicago’s multi-faceted regional infrastructure analysis is grounded in and intended to support a holistic approach that could be adopted by other ULI District councils. Also, by focusing on planned infrastructure projects for a sub-region, the effort defines a manageable task and a useful product, while building relationships among the private, public and non-profit sectors across the communities involved.

The ULI Chicago Infrastructure Committee is continuing with the regional infrastructure analysis, adapting it to different segments of the lakefront region and various suburban models of development. Once completed, the next step will be to disseminate the work and use it to build relationships with private, public and non-profit sector “champions.”

The Regional Impact of the Lakeshore Industrial Heritage Corridor

The Corridor has suffered from massive disinvestment for many decades, is no longer a readily accessible lakefront asset, and is not currently considered a desirable sub-region for substantial private investment.

This whitepaper focuses principally on the reasons for this decline and the opportunity now present to reverse the disinvestment of the past 50 years in order to establish a vibrant mixed-use corridor comprising industrial, transportation, residential and recreational uses --- enabling the full integration of a core sub-region into the Chicago metropolitan area.

Success in effectively weaving the Corridor together into the broader metro Chicago region will dramatically benefit the communities of Northwest Indiana and the south side of Chicago, as well as enable the reclamation of a major regional and national asset, the southern shore of Lake Michigan.

Implementation of the vision described herein will serve as a model of how to repurpose underutilized and abandoned urban property to meet the new industrial and transportation needs of a major metropolitan area while reclaiming the natural beauty of and providing broad access to a premier ecosystem scarred by late 19th and early 20th century industrialization.

In addition, implementation of this vision will also show how multiple municipal jurisdictions that cross two state boundaries but are nevertheless bound together as part of one metropolitan area can leverage their own resources with bi-state and federal support to achieve economically and environmentally sustainable development.

The physical, economic, and social challenges that face this stretch of land across
southern Lake Michigan – and the investments necessary to overcome them – are not that dissimilar to challenges that confront other disinvested waterfront communities throughout the United States.

The obstacles to and potential for the economic rebirth of the Corridor have been well documented and analyzed in recent years on both sides of the state border between the southeast side of Chicago and the communities of Northwest Indiana. Key findings of this whitepaper are consistent with the following studies:

**Economic Studies**

- Calumet Area Implementation/Action Plan
- The Calumet Area Industrial Corridor/Ford Supplier Park
- Heavy Truck Weight Corridor: Economic Impact Study of the Northwest Indiana/Southeast Chicago Steel Industry
- South Suburban (Chicago) I-80 Freight Study
- Northwest Indiana Economic Future Study

**Planning Studies**

- City of East Chicago Comprehensive Plan Update
- City of Gary, Indiana Comprehensive Plan
- Indiana Harbor Master Development Plan

**Green Corridor Development Studies**

- The Calumet River Corridor/Green River Pattern Book
- The Marquette Plan

In addition, commitments from the private sector have also been made to begin implementing projects consistent with these plans and studies:

**Private Development commitments**

- Chicago Lakeside (redevelopment of former US Steel Chicago, IL Southworks facility)
- Whiting Harbor, Whiting, Indiana
- 134th and Torrence Avenue, Chicago, IL
- North Harbor Neighborhood Revitalization (East Chicago, Indiana)
The overarching goal of the lakefront revitalization envisioned in this document is to revitalize the Chicago and Northwest Indiana south shore lakefront area in a manner consistent with the existing planning studies.

Specifically, the framework outlined and guidelines noted in the Calumet Area plans, the Marquette Plan and the other studies noted above seek to link economic benefits and physical improvements from the waterfront asset of southern Lake Michigan to the adjacent Southside neighborhoods of Chicago and the communities of Northwest Indiana.

The combined impact of the projects identified in this whitepaper will be, as stated in the Marquette Plan, the build-out of a “comprehensive land use vision intended to create a lasting legacy that is community-based, action-oriented and geared to achieving tangible quality of life improvements along the Lake Michigan shoreline and beyond” that will create a “Livable Lakefront” by:

- Increasing shoreline public access;
- Establishing physical, social, and economic connections (along the lakefront);
- Changing perceptions of the lakefront and the lakefront communities as a destination and a place that attracts new residents and new investment;
- Leveraging available resources including political resources that span City, County and State boundaries to broaden the pool for funds and support needed to achieve the vision; and
- Continuing and expanding the partnerships that are necessary to achieve this vision, including an effective management and funding structure to ensure long-term success and preservation of the vision.

The broad framework, guidelines and fundamental recommendations of this whitepaper identify priority areas for investments necessary to remove the obstacles to economically sustainable development in the communities within the Corridor.

The project-specific recommendations included in this study provide specific tactics to facilitate the redevelopment process in the sub-region noted in the maps below; similar project-based recommendations can be derived for other communities included within the Southeast Chicago/Lake Calumet area and Marquette Plan study areas.

In addition, the approach advocated in this whitepaper is replicable and can serve as a model for the reclamation of de-industrialized shoreline property in communities across the United States.
Local and Regional Infrastructure Needs/Lake Michigan South Shoreline

A key outcome of our study is that investments to both consolidate existing and develop new needed infrastructure and to improve community facilities will be a major component in redeveloping the Industrial Heritage Corridor. Previous studies have also recognized the importance of redesigning roads to improve aesthetics and environmental sustainability as well as function. Additionally, the Marquette Plan notes the need to “promote rail consolidation as it is critical to transportation and development projects proposed in the corridor.”

It is important to acknowledge the need to redesign and reconstruct various arterial roadways and to consolidate rail beds that no longer meeting changing transportation needs and are currently impenetrable barriers to shoreline access. Current physical hindrances – including lack of transportation to and from – as well as the current economic conditions of the lakefront communities will need to be altered in order to promote lakefront communities as viable destinations and locations able to attract private investment.

Therefore, the redevelopment of the lakefront consistent with the vision expressed by the communities across the Corridor will likely go through three phases. Initial phases of redevelopment will require significant public assistance while later phases will likely rely solely on private investment. These three phases can be directly correlated to the priority projects presented in this document:

**Phase 1.** This will require the greatest amount of public investment and facilitated leadership. This phase will include engaging in various efforts to make the Corridor a compelling place for private investment, primarily by enhancing and reconfiguring its road, transit and utility infrastructure. This phase of redevelopment is linked to the priority projects in this whitepaper. The most critical component of this phase is the development of long-term partnerships with federal, state and local public sector entities.

**Phase 2.** The second phase will be driven by public-private partnerships and includes projects identified in this report. This includes catalytic real estate development and the arrival of the first investor “pioneers” seeking to profit from the longer term revitalization of the south Lake Michigan shoreline. This phase will likely continue to require additional significant public assistance.

**Phase 3.** This phase of redevelopment will occur in the final stages of the overall build-out of the various communities and will require reduced or no public subsidies to either developers or residents/commercial end-users. The buyers and business owners investing in this phase will be comfortable purchasing a
new home at market rates or starting a business/retail service because the Corridor will be re-established as an attractive place to live. It is at this stage that the community has achieved economic self-sufficiency and sustainability.

The following list in the Priority Lakefront Projects section identifies the priority investments needed to bring the south Lake Michigan south shoreline sub-region back into full integration with the Chicago Metropolitan area and restore economically and environmentally sustainable life to this long-distressed area.

The projects are categorized as either “Transportation Projects”, “Catalytic Projects” or “Green Infrastructure”.

The matrix detailing key features of the priority projects (see Appendix A) provides comprehensive information for each of the Priority Lakefront Projects, including:

- Project description;
- Competitive attributes of the project:
  a. Capacity to attract capital;
  b. Capacity to create jobs;
- Opportunity presented by the project
  a. Ability to leverage additional investment
  b. Ability to economically enhance the local community;
- Sustainable/green features of the project;
- Level of local and broader political support;
- Preliminary cost estimates; and
- GIS mapping and relevant demographic data for project site.

**Conclusion – seizing the opportunity at hand**

The Corridor communities now have the opportunity to leverage additional project funding to implement existing plans that strongly align with the objectives of a major new federal initiative: *Sustainable Communities Partnership* (the “Partnership”). Recently announced by the White House Office of Urban Affairs, the Partnership is a joint commitment of the federal Department of Housing and Urban Development (“HUD”), the federal Department of Transportation (“DOT”) and the Environmental Protection Agency (“EPA”) to help improve access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities nationwide.
The Partnership will coordinate federal housing, transportation, and other infrastructure investments to protect the environment, promote equitable development, and help to address the challenges of climate change for those communities ascribing to certain principles:

- Provide more transportation choices;
- Promote equitable, affordable housing;
- Enhance economic competitiveness;
- Support existing communities;
- Coordinate policies and leverage investment; and
- Value communities and neighborhoods.

The Committee finds and recommends that the existing plans and commitments from the Corridor communities, the City of Chicago and the Northwest Indiana Redevelopment Authority can and should be integrated into the Sustainable Communities Partnership as they meet the Partnership objectives to enhance integrated planning and investment, provide a vision for sustainable growth, redevelop underutilized sites and would reestablish a physical and economic link between the Corridor and the broader Chicago metro region — to the significant betterment of both.

In addition, the objectives of the federal *Sustainable Community’s Partnership* are well-aligned with other federal, local and state initiatives impacting southeast Chicago and northwest Indiana.

The Northwest Indiana Redevelopment Authority (RDA), created in 2006, is vested with both authority and tax dollars to invest in transportation and economic development in Northwest Indiana; it has begun funding various green infrastructure and economic development projects in partnership with local communities. The RDA is committed to catalyzing redevelopment by utilizing its bonding and tax capacity to leverage local and federal support for well-planned and soundly underwritten developments that enhance both the economic and environmental quality of life for the municipalities and communities of northwest Indiana.

In addition, a coalition of stakeholders is emerging working to establish, as a joint partnership between the States of Illinois and Indiana, the “Illiana Development Authority” — a financially self-supporting public agency to construct and manage major infrastructure projects within the Lakeshore Industrial Heritage Corridor.

Similarly, on the Illinois side of this bi-state sub-region, the State of Illinois has various public-private partnership programs such as Tax Increment Financing Districts that can be leveraged in support of the Priority Projects identified in this whitepaper. Also, the City of Chicago established the Calumet Industrial Corridor (CIC) to engender economic
development within 3500 acres of property located on the far southeast side of Chicago and within the Lakeshore Industrial Heritage Corridor. The CIC has successfully worked to retain, expand and attract industrial businesses by providing comprehensive business services and support, as well as by utilizing public/private structures such as Tax Increment Financing districts.

The Chicago Region Environmental and Transportation Efficiency Program (CREATE) presents another opportunity to further leverage local, state and private resources with federal freight and high speed rail initiatives that will soon be coming on-line. It is a project of national significance: a first-of-its-kind partnership between the U.S. Department of Transportation, the State of Illinois, City of Chicago, Metra (the suburban rail agency for metro-Chicago), Amtrak, and the nation's freight railroads. CREATE, funded by public and private sources, will invest billions in critically needed rail infrastructure improvements and will enhance the quality of life of Chicago-area residents by increase the efficiency of freight and passenger rail service throughout the region.

In summary, an unprecedented opportunity exists to implement a comprehensive plan and cohesive vision to reclaim and rebuild the Industrial Heritage Corridor Lake Michigan shoreline and communities -- a positive impact across a metropolitan corridor of 30 miles, cutting across the state lines of Illinois and Indiana.

The planning has been completed, local priorities have been established, state and local funding has been committed – and there is now alignment with key federal funding priorities. The final phase, of course, is implementation – for which completing the projects listed below is the next critical step.
**Priority List of Projects**

Transportation Projects

1. **CTA Red Line Extension** (from current 95th Street terminus to 130th Street)
   a. New station area / extended platform at 130th Street station

2. **Arterial Connecting Roads**
   a. S. Brainard Avenue from 130th Street to State Line Road, including:
      i. 130th and Torrence three-level grade separation
      ii. Hammond bypass linking Brainard to Indiana heavy truck route
   b. Route 41 from Lakeside Development to Indianapolis Boulevard

3. **South Shore Expansions**
   a. Kensington and 115th Street station capacity enhancement
   b. New 130th Street Red Line station connection
   c. More frequent service
   d. Proposed NICTD and West Lake Corridor extensions to Lowell and Valparaiso, IN

4. **High Speed Rail Corridors**
   a. Chicago – Detroit / Pontiac line (following Amtrak’s current “Wolverine” service route)
   b. Chicago – East Coast line (using NS rail through Fort Wayne & Indianapolis)

5. **Gary Chicago International Airport**
   a. Capacity enhancement
   b. Potential high speed rail station
   c. Potential industrial / business park

6. **Cline Avenue Repurposing**

Catalytic Projects

1. **Lakeside Development / Southworks**
2. **East 134th Street Redevelopment**
3. **Whiting Lakefront Project**
4. **North Harbor Redevelopment Initiative**
5. **South Shore Lakefront Revitalization**
Green Infrastructure / Open Space / Parks

1. **Calumet Open Space Reserve Plan** – Trails, nature center, etc.

2. **Hammond Lakes Area Project**