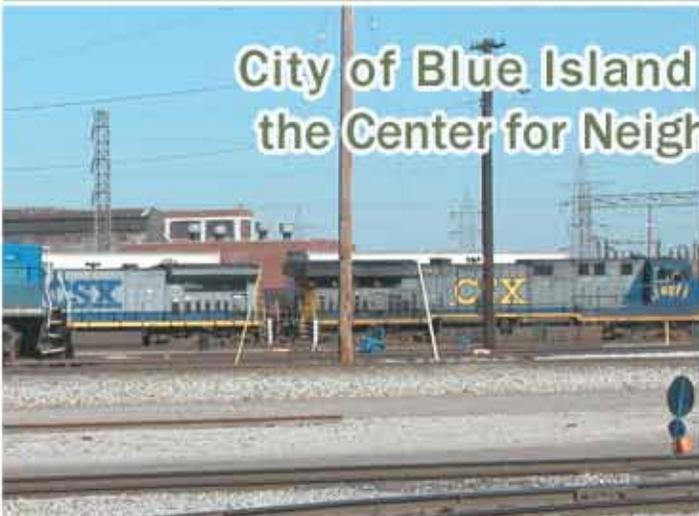




Blue Island Plan For Economic Development (Executive Summary)



City of Blue Island With Support From
the Center for Neighborhood Technology



DRAFT

TABLE OF CONTENTS

THE CITY AND ITS PATTERNS	2
GOALS, PRINCIPLES, STRATEGIES, TERMS & DEVELOPMENT AREAS	3
Goal	3
Principles.....	3
Objectives.....	4
Development Areas.....	4
MARKET CONDITIONS AND OPPORTUNITIES	6
COMMUNITY PLANNING INPUT.....	8
AREA & PROGRAM DEVELOPMENT PROPOSALS	9
Transit-Oriented Development (TOD) Proposals.....	9
Cargo-Oriented Development (COD) Proposals.....	11
City-wide Program Proposals	13
Resources for Development.....	14
Cumulative Costs and Benefits of Proposed Development	14
IMPLEMENTATION	17
Development Functions and Roles	17
Evaluation and Revision of the Blue Island Plan.....	19
NEXT STEPS.....	19

TABLE OF FIGURES

Figure 1. COD and TOD Areas in Blue Island	5
Figure 2. Education Level of Blue Island's Workforce	7
Figure 3: TOD Area Redevelopment Parcels.....	10
Figure 4: Proposed Cargo Oriented Development in Northeast Industrial Area	12
Figure 5. Total Project Costs and Benefits: Low Capital Investment	15
Figure 6. Total Project Costs and Benefits: High Capital Investment	16
Figure 7: Blue Island Plan and Development Organization Chart	18
Figure 8. Blue Island Development Time Frame	20

EXECUTIVE SUMMARY

THE CITY AND ITS PATTERNS

Blue Island is a 4.5 square mile, 170-year-old city of 23,500 people that touches the southwest corner of Chicago. Blue Island grew up as a transportation and industrial center with a main street that met local commercial needs. The present land use and infrastructure of Blue Island reflects this legacy:

Industrial Pattern: The northeast, west, and south edges of Blue Island are industrial areas, home to 98 industrial businesses that employ approximately 3,400 workers. These areas are served by several arterial highways, two expressways, five freight railroads, an intermodal freight terminal, and the Calumet Sag Channel that runs through the middle of town. While Blue Island retains a strong industrial base, plant closures over the last three decades have weakened it. Some 220 acres of vacant industrial land currently sit idle.

Main Street Pattern: Blue Island's central business district (locally called "uptown") follows a traditional pattern of businesses lined along a main street (Western Avenue) and serving the convenience retail and professional service needs of local residents and visitors. Uptown contains institutions that draw people to Blue Island, most notably St. Francis Hospital. The Pronger Smith Clinic, a branch of Moraine Valley Community College, quality restaurants and shops (especially a set of regionally well-know antique stores) also attract visitors. A pair of Metra commuter stations on Vermont Street just east of uptown, from which passengers may access three rail lines and different Chicago Loop destinations, also brings hundreds of commuters to the Uptown area daily. An active Chamber of Commerce and a dedicated Main Street Association have worked to preserve historic buildings and foster a value-added traditional atmosphere in uptown. But Blue Island has no department stores; these have been replaced by large shopping centers in nearby towns, and the main street district is not as busy as it once was or as its buying power and anchoring institutions suggest it should be today.

Blue Island is creating this economic development plan to revitalize the city's economy by building on its strengths. The core strategy of this plan applies two economic development concepts to Blue Island's situation:

- *Transit-Oriented Development (TOD)* involves the integrated development of homes, retail and service businesses, a pleasant walking environment and other public amenities within a half-mile radius of a public transit station. (This radius around the Vermont Street stations encompasses the entire main street/uptown district.)
- *Cargo-Oriented Development (COD)* entails the development of manufacturing and distribution businesses in select locations that benefit from access to multiple types of freight transportation, proximity to complimentary businesses, and a large local industrial workforce. (Each of Blue Island's three industrial areas possesses the basic assets for a COD.)

GOALS, PRINCIPLES, STRATEGIES, TERMS & DEVELOPMENT AREAS

Goal

The goal of this plan is to foster development that will create jobs and raise local tax revenues in Blue Island while improving the environment and the quality of life of its citizens.



Principles

In addition to this plan's goal there are several principles that have guided its development:

- **Affirm Blue Island's identity.** Blue Island is a city with 170 years of history, valued commercial and industrial businesses, a distinctive natural environment that figures strongly in every day life, and communities whose families represent a unique blend of economic, ethnic, and cultural backgrounds. Blue Island is a special place cherished by its residents, and the city's economic development plan should preserve and enhance its identity.
- **Plan to Capture Blue Island's real development potential.** Blue Island residents have a strong sense, confirmed by outside analysis, that their city has far more potential to create new jobs, businesses, and desirable homes than it currently displays. While remaining stolidly realistic, make the city's plan bold enough to capture its actual potential for economic development.
- **Make development inclusive.** Be sure that development benefits current residents and businesses as much as it attracts newcomers, and lower income residents as much more prosperous households. If there are situations where existing homes or businesses need to be replaced with new development, be sure that residents or business owners are adequately compensated and assisted in their relocation. Follow a "build first" principle by which homes or businesses are not removed until desirable replacements are available.
- **Make development work for business and the environment:** Development should not sacrifice the quality of life in neighborhoods to achieve business growth. In fact, business development in Blue Island should attract more investment and be more successful because environmental concerns are basic to the economic development plan.
- **Direct development planning and oversight from the community.** To ensure that the other principles are followed, be sure that all community residents have opportunities to participate in the planning process and that the proposals of the plan are formed and approved by legitimate representatives of the community. Build procedures for ongoing community input and review into the implementation plan.

- **Make a practical development plan.** At all costs be sure that the economic development plan does not just sit on a shelf. Make plans that the City can implement by leveraging investments from other levels of government and the private sector. Recognizing that a substantive plan will take years to implement, lay out a clear path for the plan's implementation.

Objectives

Objectives of the plan are specific are stated in Section IV, in the context of each of the plan's nine basic proposals for sustainable economic development.

Development Areas

TOD Area: Blue Island's TOD opportunities are centered around its Vermont Street Metra stations. The TOD area encompasses Blue Island's main street or central business district. So in Blue Island a TOD plan is also a plan to optimize the development of main street. Information about the city-wide population that uses the main street district is relevant to the plan, and the success of the TOD project will impact the entire city.

COD Area: All three of Blue Island's industrially zoned areas (on the northeast, western, and southern edges of the city) have layered freight transportation assets and strong potential for COD.

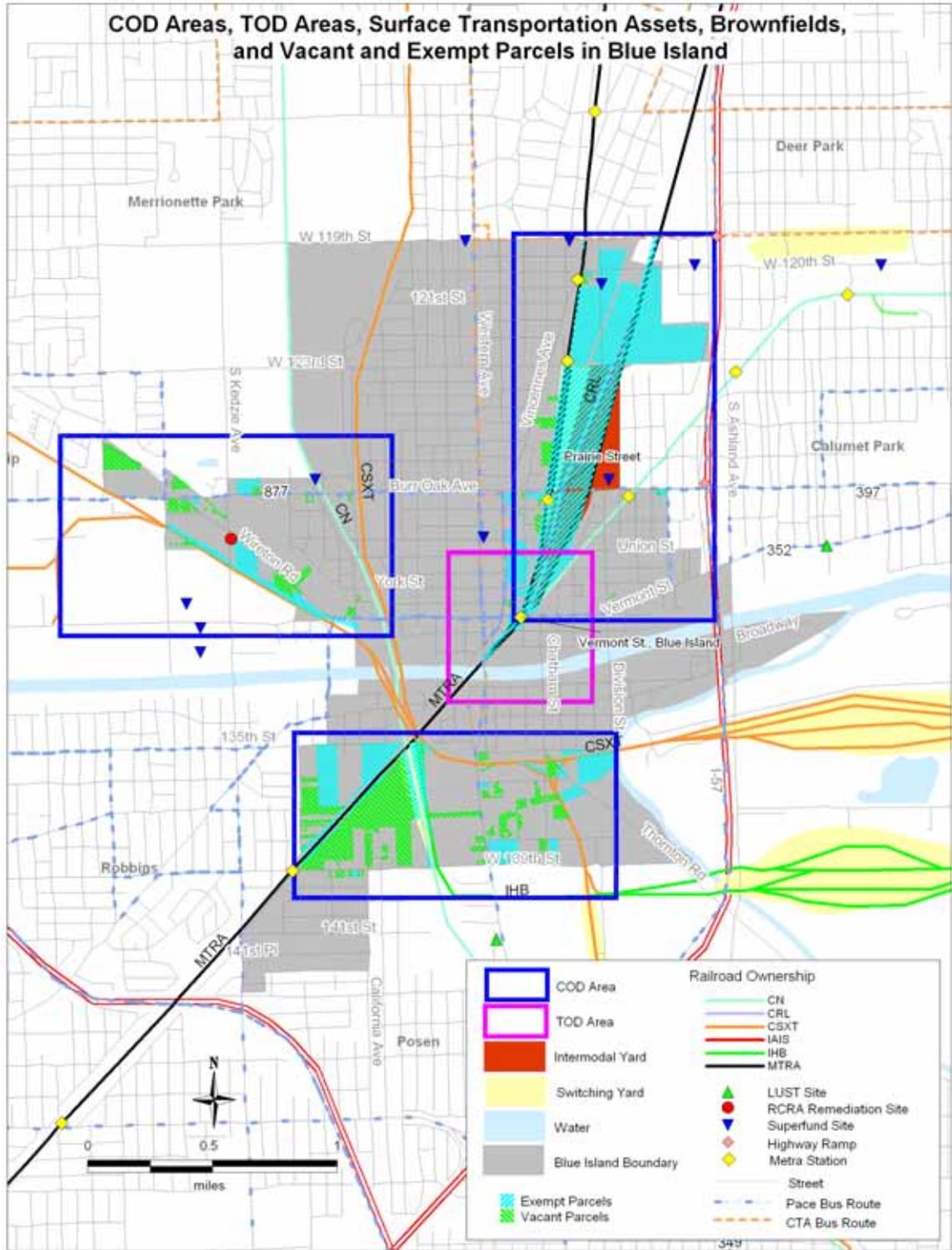


Figure 1. COD and TOD Areas in Blue Island

MARKET CONDITIONS AND OPPORTUNITIES

Blue Island's market opportunity for TOD is determined by these facts:

- The city's population and property values are growing rapidly. (e.g., the average home price rose by 39% and equalized assessed value grew by 17% since 2000.)
- Blue Island has more buying power per square mile (and so more capacity to support local businesses) than most south suburbs because its population is somewhat more dense. Workers and visitors drawn to Blue Island increase this buying power.
- None of the 25 large shopping centers within a five-mile radius of Blue Island are located in the city. The established position of nearby towns would make competition in the large shopping center arena difficult for Blue Island.
- Blue Island's main street district, with its historic preservation, anchoring institutions, and quality businesses gives the city a market identity in a niche that is difficult to replicate and has few competitors in the south suburbs.
- The dual Metra stations on Vermont Street should provide an important asset to Blue Island's main street district, but the actual contribution of these stations is less than it might be for two reasons: (1) The allocation of surrounding land for industrial uses or surface parking prevents hundreds of households from living in and contributing to this desirable area. (2) Conditions for walking in the station area and to the main street district are unpleasant and perceived as dangerous because of poor street and rail crossing design.
- The center of the main street district also presents uncomfortable situations for walking customers, e.g., crossing shopping streets that are fast one-way highways, finding little greenery or inviting public space.

Blue Island needs to overcome these problems of land use, residential density, and street design in order to prosper with a main street market identity and valuable transit resource.



Blue Island's market opportunity for COD is determined by these facts:

- Large economic trends associated with long-distance sourcing of products and just-in-time manufacturing and stocking, are making access to freight infrastructure more important than it has been for two generations, especially in the Chicago region, which is the hub of the North American freight transportation system.
- Despite decades of contraction, concentrations of businesses in several industrial fields occur in the Blue Island area. Their presence can help to attract similar businesses.

- Relative to other Chicago area communities, Blue Island workers are appropriately educated and prepared for industrial work. They are more likely to have a high school or community college education and industrial work experience.
- Despite Blue Island’s assets for COD, any industrial project in Blue Island must overcome three serious obstacles:
 - Brownfields conditions real and perceived;
 - Cook County tax rates that are higher than those of any other Illinois county;
 - The perception that Cook County industrial property values will not appreciate.

As a result of these impediments, approximately 223 acres of land in Blue Island are now vacant. Approximately 150 of these acres are in contiguous blocks. In some cases additional vacant acres are adjacent in neighboring towns.

In Blue Island the industrial development opportunity is to use the advantages of access to freight infrastructure, existing business concentrations, and a ready industrial workforce (the elements of a COD), with a careful application of incentives from the public sector, to overcome impediments and restore more than 150 acres of vacant land to productive use.

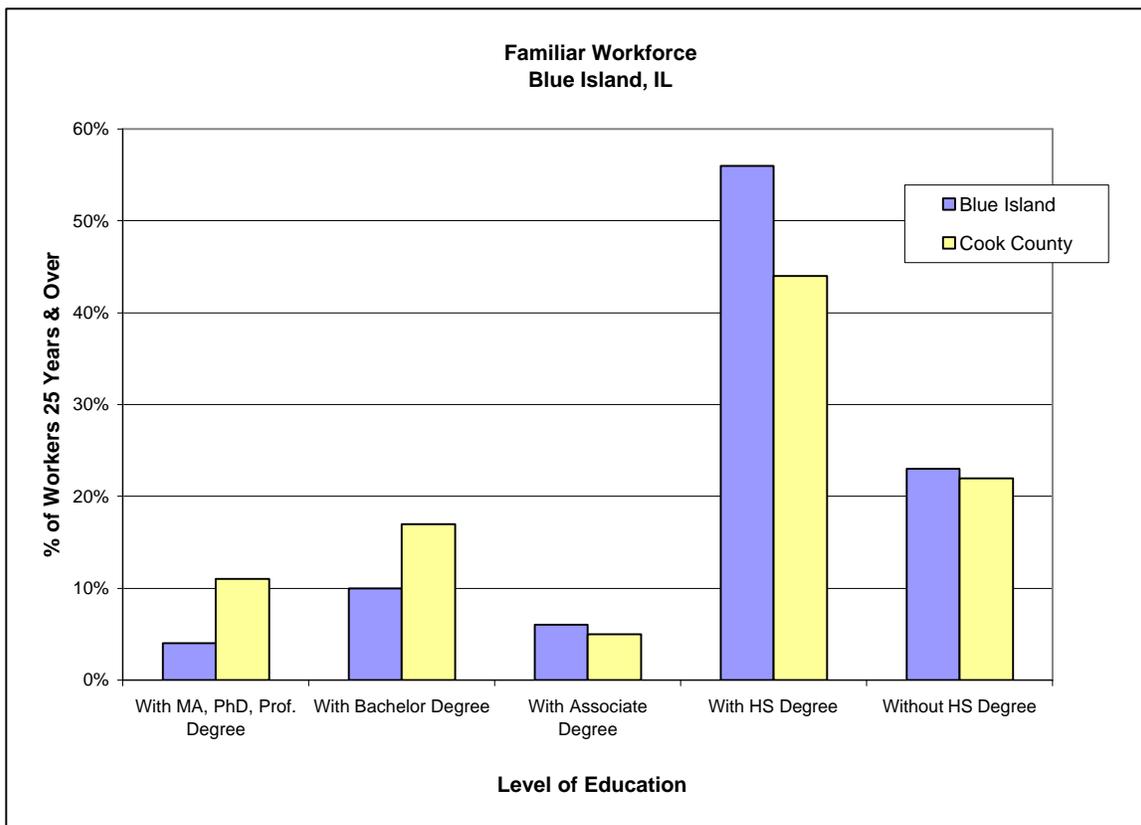


Figure 2. Education Level of Blue Island’s Workforce

COMMUNITY PLANNING INPUT

This economic development plan is being created through a community-based approach in which all Blue Island residents are invited to participate. The planning process involves direction by a group of community leaders, a series of four large community meetings, and other channels. To date, two large and one smaller community meeting have been held in which more than 100 residents provided input for the draft plan proposals.

In the first meeting residents learned about the concepts of TOD and COD and shared information and opinions through a series of exercises. In a structured discussion they expressed their opinions about the strengths, weaknesses, opportunities, and threats (SWOT) facing Blue Island. Then in an Image Preference Survey™, residents responded to photos as means of expressing their preferences for different types of buildings and streetscapes. The second community meeting presented the results of the first session and used them as guidelines for an interactive charette process in which participants, in tables of 4-8 people identified areas they wanted to develop and how to develop them using maps, markers, and tracing paper.

Input from these meetings is incorporated in the preceding information about the city and its markets, and residents' vision for change is reflected in the proposals for TOD and COD outlined on the following pages. After this draft plan has circulated in Blue Island for several weeks, it will be reviewed in a third meeting where residents will say whether or not the draft accurately presents their concerns and aspirations for the community. The plan will be revised in light of this input. Then the corrected plan will be presented for conformation and adoption in a fourth meeting.



AREA & PROGRAM DEVELOPMENT PROPOSALS

The Blue Island Plan presents nine basic proposals for development: proposals for development in three sectors of the TOD area, proposals for COD in all three of the city's industrially zoned areas, proposals for three city-wide programs that will guide and support development in TOD and COD areas.

Transit-Oriented Development (TOD) Proposals

In the south station residential district, within a quarter-mile of the Vermont Street Metra stations, this plan proposes development of more than 400 quality condominiums and town homes overlooking the Calumet Sag waterfront, creation of a nature and recreation trail along the Cal-Sag Channel, establishment of a safe and pleasant pedestrian environment, and 37,000 s.f. of commercial space along a corridor of mixed use development connecting the stations to the main street district. Land for these improvements will be made available primarily by relocating highly valued industrial businesses from this area to land that better serves their needs and from shifting Metra surface parking to the industrial land that will be vacated. Up to 40 private homes would also need to be replaced by denser housing, with their present owners paid fair market value plus relocation costs.

In the hospital district and northern part of uptown this plan would create an improved environment for institutional and commercial development by measures that include: shifting parking lots from Western Avenue to "interior block" parcels, facilitating the development of mixed use buildings (with first floor retail and apartments or offices above) to increase residential density, establishing a town square on expanded park land, changing Western and Gregory Avenues from one-way to two-way streets, and adding greenery, improved lighting and crosswalks to the streetscape. Feasible and desired enterprises would be attracted to this upgraded mixed-use retail district including specialty clothing stores, children's product stores, a book store, a live theater, and additional or expanded quality restaurants.

In the south main street area the primary task will be to rebuild the Gregory and Western intersection to allow two-way traffic flow. This will entail addressing the Gregory overpass, either by retrofitting it as a street friendly to pedestrians and the surrounding landscape or by demolishing it. When this is accomplished, it will be possible to build a significant commercial or mixed use development overlooking the Cal Sag on the east side of Gregory at Vermont. It will also become feasible to stimulate the development of the James Street and Old Western Avenue neighborhoods by measures that include: extending the Cal Sag nature trail, facilitating the development of quality housing, and building a pedestrian and bicycle bridge across the channel.