



**ULI Chicago’s “Front Stoop Series”
Renovation & Development in Entertainment Districts
October 8, 2020**

A Conversation With:
Eric Nordness, *Managing Principal*, Marquee Development LLC
Blake Milburn, *Director of Design & Construction*, Marquee Development LLC
Drew Johnson, *Assistant Director, Investments*, Marquee Development LLC

On October 8th, ULI Chicago members convened virtually for the Front Stoop Series to discuss “Renovation and Development in Entertainment Districts”. The discussion was led by Eric Nordness, *Managing Principal*, Blake Milburn, *Director of Design and Construction*, and Drew Johnson, *Assistant Director*, Investments from Marquee Development LLC. Highlights from the conversation are presented below:

Creating a Heart of Wrigleyville Through Public Space

Key to the project’s success was the team’s ability to garner neighborhood support and create a space that gave back to the community. Early on the goal was created to extend the fan experience beyond the stadium, maximize revenue capture, and make the area a year-round destination. A well-designed green space/open space is key to these goals. Through dedicated programming and events, such as a farmer’s market, movie nights, festivals, etc. Gallagher Way was branded in a way that created long-term equity and embraced the tradition of the Cubs and Wrigley Field. Based on this ethos and the idea that public spaces need to be aesthetically appealing and emotionally engaging to facilitate communal interaction Gallagher Way was able to finally create a heart of Wrigleyville that honored the historic ballpark stadium and the numerous neighborhoods that surround it.

Elements Required for a Dynamic Entertainment District

The intentional development structure for a long-term hold by ownership gave the design team added flexibility to create a high-quality built environment that has set the tenure for ancillary development throughout the neighborhood. This generational investment is key to project’s success and allowed the team to better listen to neighborhood demands and create a space that the community could embrace over generations. Part of the process was to create a separate entity from the Cubs simply because managing and implementing an entertainment district is very nuanced and requires someone who is familiar with the sports industry. This presented Marquee Development with the opportunity to cross-collateralize beyond Gallagher Way and Wrigleyville to look to opportunities across the country with other major league teams.

Replication in Entertainment Districts Across the Country

Wrigleyville was the first sports district that accidentally happened because it filled in as a natural extension of the environment that was already there. This is not the case in many other districts. There are some districts throughout the country that are close to the urban core that they might have some things already going on and those are where successes from Gallagher Way could be used to create similar nuances in those entertainment districts. A good example is the Deer District in Milwaukee. The path forward, and a true key to successful replication, is to find private ways to fund things, which requires traditional real estate economics. This requires an understanding of the current ownership’s long-term vision as a franchise and their value versus the real estate value. If the value is more limited, value-engineering decisions are more likely to be made and success much more difficult to come by. Franchise values are significant to the economics of entertainment districts as they respond well to the built environment and the fan experience.

Summary written by Kelsey Berry, *Senior Marketing Specialist*, Cushman & Wakefield