



NORTH MICHIGAN AVENUE

Strategies for a Vibrant Future
CHICAGO - IL



Chicago

OCTOBER
2021

Technical Assistance Panel
REPORT

ABOUT ULI

About the Urban Land Institute

The Urban Land Institute (ULI) is a global, member-driven organization comprising more than 45,000 real estate and urban development professionals dedicated to advancing the Institute's mission: shape the future of the built environment for transformative impact in communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and the Asia Pacific region, with members in 80 countries.

ULI Chicago, a District Council of the Urban Land Institute, has over 1,400 members in the Chicago area.

More information is available at: www.uli.org.

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The North Michigan Avenue TAP took place on October 27-28, 2021 in Chicago, Illinois.

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ON THE COVER: The Magnificent Mile (South View)

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Since 1947, the ULI Advisory Services program has assembled well over 700 ULI-member teams to help sponsors find creative, practical solutions for complex land use challenges. A wide variety of public, private, and nonprofit organizations have contracted for ULI's advisory services. National and international panelists are specifically recruited to form a panel of independent and objective volunteer ULI member experts with the skills needed to address the identified land use challenge. The program is designed to help break through obstacles, jump-start conversations, and solve tough challenges that need an outside, independent perspective. Three- and five-day engagements are offered to ensure thorough consideration of relevant topics.

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Learn more at www.americas.uli.org/programs/advisory-services/.

Distinct from Advisory Services panels, TAPs leverage local expertise through a half-day to two-day process.

ULI Advisory Services: District Council Programs

The goal of the ULI Advisory Services program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies. Since 2000, the ULI Chicago Technical Assistance Panel (TAP) program has assembled ULI-member teams in service of ULI's mission to shape the future of the built environment for transformative impact in communities worldwide. Drawing from its local membership base, ULI Chicago conducts two-day TAPs offering objective and responsible advice to local decision-makers on a wide variety of land use and real estate issues ranging from site-specific projects to public policy questions. The TAP program is intentionally flexible to provide a customized approach to specific land use and real estate issues. In fulfillment of ULI's mission, this TAP report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

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Learn more at www.chicago.uli.org.

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PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION / JEFF ELLIS

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INTRODUCTION

The time has come to reimagine North Michigan Avenue, known worldwide as The Magnificent Mile in the stretch between Oak Street and the Chicago River.

At its finest, The Magnificent Mile is still a world-class retail district, an avenue of breathtaking architecture, rich with history, and a major economic engine for the City. It is a true mixed-use urban district: a lively neighborhood for its residents, a prime location for office space and healthcare, and a premier tourist destination.

In recent years, North Michigan Avenue has lost some of its luster and power as the City's economic engine. Even before the pandemic, the rise of online shopping had threatened the future of malls and large-scale retail. Now, many stores on North Michigan Avenue's once-bustling retail, including malls, street-level and second-level spaces, stand empty. Along The Mag Mile, nearly a dozen major retailers closed their doors during

the pandemic, including The Gap and Macy's. In 2020, retail vacancy rose to 22% in the 60611 ZIP code that includes North Michigan Avenue, compared to only 3.6% in 2016¹. The demand for office space also plummeted during the pandemic and might not fully recover as companies and individuals increasingly shift toward remote and hybrid work schedules. Foot traffic on The Magnificent Mile remains half of what it was in 2019.

In addition to changing industry trends and the pandemic's impacts, crime, and the perception of crime, have become serious threats to The Mag Mile's economic recovery. Certain categories of crime, including car jackings, have risen dramatically since 2019. Brazen "smash and grab" retail thefts are making headlines, and crimes caught on video cameras are amplified by social media. More than 60 civic and

¹ Singh, Shruti; Holman, Jordyn. "Chicago Must Revive the Not-So-Magnificent Mile to Thrive Again." *Bloomberg*, June 8, 2021. <https://www.bloomberg.com/news/articles/2021-06-08/chicago-s-magnificent-mile-needs-crowds-to-come-back>

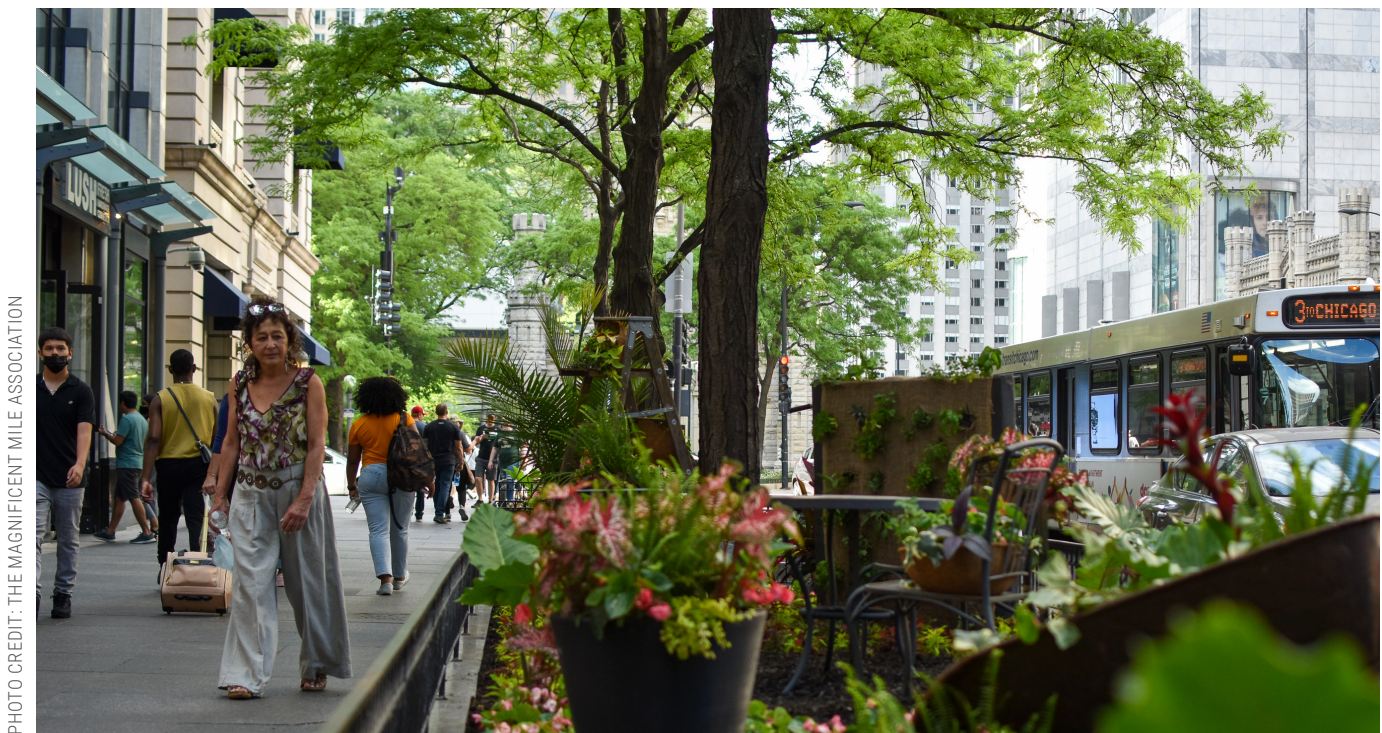


PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION

Lush sidewalk planters add to the beauty of The Magnificent Mile.

business leaders and residents interviewed by the panel, emphasized that increasing public safety is an urgent need and that unless addressed, safety concerns will continue to depress economic activity on The Mag Mile and undermine any revitalization strategies.

The health of North Michigan Avenue is crucial to the economic well-being of Chicago. For one, the area has an outsized impact on the City's revenue stream. In 2020, the decline in sales tax for The Mag Mile's 60611 ZIP code resulted in a 23% loss in the City's total sales tax revenue for the year², significantly impacting the City's already strained budget. North Michigan Avenue businesses and institutions are also a major source of employment for residents citywide. The Magnificent Mile Association reports that one fifth of all jobs in Chicago are located within its district, which includes North Michigan Avenue and extends to North Avenue, south to Randolph Street, east to Lake Michigan and west to the Chicago River (Figure 1). Residents

2 Novak, Tim; FitzPatrick Lauren; Hurley, Caroline. "When the COVID pandemic hit, Illinois sales tax revenues plunged in one place worst of all." *Chicago Sun-Times*, March 5, 2021. <https://chicago.suntimes.com/2021/3/5/22313828/covid-illinois-sales-tax-impact-navy-pier-magnificent-mile-coronavirus>

from every one of Chicago's 77 community areas are employed in this district. Investing in The Mag Mile's economic revitalization clearly would have a ripple effect benefitting businesses and residents citywide.

North Michigan Avenue is not the only urban district confronting these challenges. Incidents of crime and brazen retail theft are up nationwide, and major retail corridors and downtowns across the country are struggling to adapt to the rise of e-commerce and shift to remote work accelerated by the pandemic. Yet challenging times often spur innovation. North Michigan Avenue—with its many assets and strong history—will launch its recovery from a height that other streets can only dream about.

The Magnificent Mile is a true economic engine for the City of Chicago: Nearly 1/5th of all jobs in Chicago are located in the North Michigan Avenue District, attracting workers from **all** 77 community areas within the City.

THE MAGNIFICENT MILE ASSOCIATION

The Magnificent Mile Association (MMA) is a private, non-profit membership organization with a mission of preserving, promoting, and enhancing the North Michigan Avenue District, one of Chicago's most unique, multi-use neighborhoods. The District's boundaries are defined by the Lake on the east, North Avenue on the north, the River on the west and south sides (Figure 1).

In addition to marketing and planning consumer programming, The Association serves its members with district planning, beautification, and networking opportunities. Members include real estate properties, retail shops, hotels, restaurants, entertainment establishments, institutional and residential properties, and various professional services.



Figure 1. TAP Study Area within the larger North Michigan Avenue District.

THE TECHNICAL ASSISTANCE PANEL

Restoring North Michigan Avenue to full health, vibrancy, and economic power will require new strategies and investments. Recognizing the need to address the declining economic conditions on North Michigan Avenue as part of its Central City recovery efforts, the Chicago Department of Planning and Development (DPD) and The Magnificent Mile Association asked the Urban Land Institute Chicago District Council to conduct a Technical Assistance Panel (TAP).

On October 27-28, 2021, ULI Chicago convened a TAP to prepare strategies for reenergizing North Michigan Avenue from Oak Street to the Chicago River as a premier global retail, entertainment, and tourist destination.

The panel brought together 11 industry professionals with expertise in various aspects of real estate development including developers, brokers, architects, planners, attorneys, and business district managers. In advance of the TAP, panelists reviewed extensive briefing materials that included socio-economic data for the corridor, existing plans and initiatives underway,

best practices research, and case studies from cities across the world. During the TAP, panelists also took a walking tour of North Michigan Avenue and interviewed more than 60 stakeholders including business and property owners, residents, civic leaders, and city officials including representatives from Business Affairs and Consumer Protection, Chicago Department of Transportation, Chicago Transit Authority, Chicago Police Department, Cultural Affairs and Special Events, and DPD.

The panelists worked collaboratively over the two TAP days to develop the recommendations presented in this report.

CENTRAL CITY RECOVERY ROADMAP

City of Chicago released the Central City Recovery Roadmap in 2021 to guide the recovery of Chicago's central area, which like other Chicago neighborhoods, was hit hard in 2020 by the pandemic and civil unrest. Recognizing that the socio-economic activity generated in the central area is foundational to the success of the entire city, the Roadmap presents a detailed yet flexible recovery strategy that includes sending a clear message that the central city is safe and open for business, deepening civic and public engagement, and making targeted service, program, and capital investments in the central area. Strengthening key commercial corridors—North Michigan Avenue, LaSalle Street, and State Street—have been identified as a key priority in the Recovery Roadmap.

More information on Central City Recovery is available at: https://www.chicago.gov/city/en/depts/dcd/supp_info/central-city-recovery.html.



SCOPE OF WORK

The panel was charged with answering the following questions posed by the TAP sponsors, the Chicago Department of Planning and Development and The Magnificent Mile Association:

1. What is the future vision for Michigan Avenue?
 - What are opportunities to update the distinct identity of The “Magnificent Mile” and enhance its draw as a premier retail, entertainment, and tourism destination at the local, regional, national, and global level?
 - What are opportunities to draw upon Chicago’s diverse communities, rich cultural and architectural heritage, and natural assets (parks, river, and lake) to create an experience on Michigan Avenue that is reflective of, and unique to Chicago?
 - What are the priority opportunity sites for repositioning/activation?
2. How can Michigan Avenue successfully navigate changing retail trends that have created significant vacancies along the corridor?
 - What mix of retail and non-retail uses would be sustainable and generate renewed excitement drawing visitors, both local and out-of-town, to Michigan Avenue?
 - What are strategies for retaining and attracting the right mix of uses along Michigan Avenue?
 - Are there examples of innovative reuse and repositioning of retail/entertainment corridors from other cities that we can learn from?
3. What development and design strategies can help enhance sense of safety and generate excitement along Michigan Avenue? Are there streetscape improvements such as activated plazas parks, enhanced pedestrian connectivity and amenities that can help make Michigan Avenue more attractive and comfortable for pedestrians and tourists?
4. What land use regulatory mechanisms could help attract desired development/uses for the continued vitality of Michigan Avenue? Are there any specific regulatory processes that should be studied and revised to assist in the revitalization of Michigan Avenue?
5. Is there a need for financial incentives to support existing and attract desired future improvements and uses?

PANEL FINDINGS

Crime and safety on North Michigan Avenue are a major concern.

Every one of the 60 stakeholders interviewed by the panel named crime and safety along North Michigan Avenue as their number one concern. Crime in downtown Chicago is part of an overall rise in violent crime citywide and there is an urgent need for holistic, long-term solutions. But there is also a need for immediate action on the part of the City in cooperation with property and business owners on The Mag Mile to halt the substantial increase of such crimes as motor-vehicle and retail thefts. Without a more concerted effort to reduce actual crime and the perception of it, any revitalization strategies are not likely to have a significant impact.

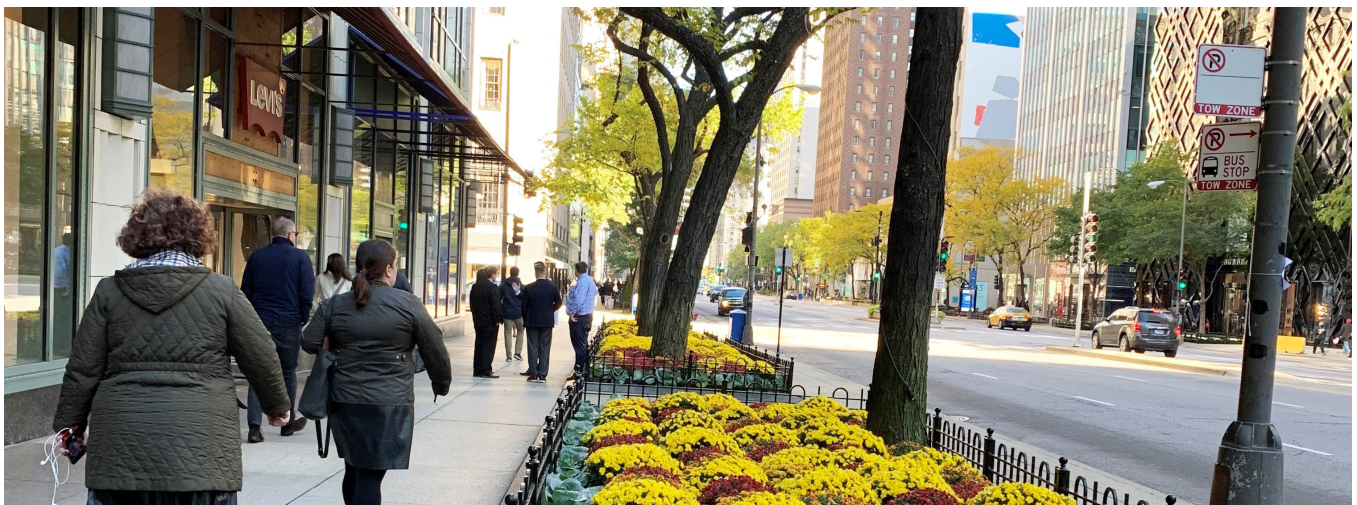
Retail offerings are too homogenous to sustain tourist draw.

Most retailers on North Michigan Avenue can be found in any sizeable suburban mall, and merchandising is largely identical to what shoppers can find elsewhere, including online. Dining and entertainment options are also limited. Overall, there are fewer unique or exciting destinations today along The Mag Mile to attract local

visitors and tourists, and high rents make it difficult, if not impossible, to attract smaller, local tenants. The high vacancy rate on The Magnificent Mile points to a need but also an opportunity to rethink the mix of retail to make it more unique and experiential. There is also a need to repurpose space on upper floors for uses other than retail by encouraging new ideas and different types of uses.

The streetscape discourages extended visits.

North Michigan Avenue today is designed as a thoroughfare for vehicles and for pedestrians. Foot traffic is brisk. There are few places to sit and eat, or simply linger and people-watch. There are also few spaces to accommodate public art installations or programming such as musical performances and pop-up food vendors that would attract people to The Mag Mile. Instead, unused and battered newspaper stands clutter the streetscape and cracked sidewalks and potholes detract from the experience of a world-class street.



Planters with seasonal flowers line North Michigan Avenue create an attractive streetscape, but offer few places to sit or linger.



Grand Avenue at Michigan Avenue (left) offers a beautiful vista east to Navy Pier and the Lakefront, but no direct pathway to get there. Instead, visitors have to go down a poorly lit, uninviting stairway and walk four blocks under the street (right).

Connections to nearby neighborhoods and destinations are poorly designed and therefore under-utilized.

Given the location of The Mag Mile, connections to nearby destinations like Navy Pier and Oak Street Beach should be clearly marked and easily and safely accessible to visitors and residents alike.

The most direct path from the Grand Avenue CTA Red Line Stop, which is only a few blocks west of The Mag Mile, leads underneath Michigan Avenue and up an unmarked staircase, a path that is confusing to pedestrians and feels unsafe. The path from Michigan Avenue to Navy Pier feels similarly unsafe and uninviting because it leads down a crumbling staircase to an unlit underground pathway. At the north end of The Mag Mile, the connection to the lakefront is also through an underpass.

The Water Taxi remains an underutilized resource for transporting both residents and visitors to and from The Mag Mile from Metra stations and other destinations in the Loop. Currently, it is heavily utilized as a tourist attraction as opposed to a 7-day a week, regularly-scheduled mode of transportation.



Branding and marketing strategies to promote North Michigan Avenue are inadequate.

North Michigan Avenue needs a compelling new “brand” based on a unique identity that can be marketed to attract visitors. In addition, The Mag Mile needs a fresher approach to social media marketing and channels such as mobile apps that appeal to a younger and diverse audience. Chicago’s best advertising and marketing firms, many of which are located on Michigan Avenue, should be tapped to help with this effort.

Regulations can inhibit new development.

The City should continue to streamline and simplify its permitting and licensing processes, through initiatives such as the “Chi Biz Strong Initiative” to encourage potential tenants, especially smaller, local businesses to open on North Michigan Avenue. For smaller businesses, pop-ups, and other temporary activations that can generate much-needed excitement along The Mag Mile, timing is often key to success and expedited licensing can help them open their doors faster. City regulations also prohibit some businesses that could generate high revenues on The Mag Mile, such as a high-end casino.



As part of the “Meet Me on The Mile” activation program, North Michigan Avenue was closed to vehicular traffic on certain Sundays in summer and fall 2022. Events, such as open air yoga workshops attracted a large number of visitors from across the region, and generated renewed excitement for The Mag Mile.

PANEL RECOMMENDATIONS

To ensure a strong future for North Michigan Avenue—Chicago’s economic engine—the ULI Chicago panel recommends improving public safety, reimagining the streetscape to elevate the pedestrian experience, and taking a fresh approach to attracting new uses along the corridor. New uses should not merely fill vacant retail spaces but create unique experiences throughout the mile-long corridor for a diverse group of visitors. Implementing this new vision for a vibrant North Michigan Avenue will require a coordinated, collaborative approach from public and private sector partners, and dedicated financial and staffing resources. More detailed recommendations are presented in this section.

1. Address Public Safety

Chicago’s economic prosperity is closely linked to its central area, including North Michigan Avenue, and its reputation as a safe place to work, live, and play. Although public safety is not the panel’s area of expertise, we recognize that crime and safety must be addressed immediately, otherwise none of the redevelopment and branding strategies will be successful. The panel recommends the following:

- The Chicago Police Department (CPD) should increase its tactical enforcement and visible presence on North Michigan Avenue to deter crime. Police presence should include officers on foot or horseback to promote friendly interactions with visitors and residents. Doing so will create a greater sense of safety and more opportunities for the public to share concerns and exchange information with officers.
- CPD should build on the existing collaborative policing agreement with Northwestern to bolster its resources and enhance neighborhood safety. Similar agreements could also be established with other anchor institutions.
- Private building owners on The Magnificent Mile should work in partnership with the City to determine the placement of security cameras and other technology in alignment with the Office of Emergency Management and Communications (OEMC) systems. As detailed in Section 5b, the additional property tax levy that The Mag Mile property owners will be paying into the recently approved Special Service Area (SSA), will help fund

the installation of public safety cameras.

- The City, in partnership with The Magnificent Mile Association, should launch a comprehensive branding campaign for The Magnificent Mile, including an immediate media strategy to dispel the perception that North Michigan Avenue is unsafe for visitors and businesses.
- To pay for increased safety and security measures downtown in the near term, the City should draw on its Local Fiscal Recovery Funds from the American Rescue Plan Act of 2021.

Rising crime, while new to North Michigan Avenue, is not new to Chicago. Also, downtowns and high-end retail streets across the country are facing similar surges in “smash-and-grab” retail thefts and street violence. Therefore, while near-term measures outlined above are necessary to address immediate concerns, a more holistic approach is needed to address safety and well-being of The Mag Mile and all Chicago neighborhoods over the long-term. Solutions that create more welcoming environments for diverse populations in the downtown, create more opportunities for youth in neighborhoods throughout the City, and support direct street outreach by violence interrupters, social workers, and others, should be part of the broader public safety strategy. Additionally, aggressively targeting organized crime through mechanisms such as the Illinois Attorney General’s Organized Retail Crime Task Force, which successfully recovered millions of dollars of stolen goods in early December 2021, should continue to be key components of crime reduction strategies.

2. Reimagine the Streetscape: Create a MORE Magnificent Mile

Revitalizing North Michigan Avenue to succeed in a new era means transitioning it from a fast-paced shopping district to a people-focused center for entertainment, dining, and unique retail – a place for full-day or weekend excursions. The Magnificent Mile needs to be a destination both unto itself and better integrated with surrounding attractions, including the lake and Navy Pier, so that the entire area, from Millennium Park through the Chicago Riverwalk and past the Water Tower to North Michigan Avenue and Oak Street Beach, becomes an easily navigable, visually exciting, and walkable experience. We recommend a series of strategic interventions to support the creation of a More Magnificent Mile. These interventions are illustrated in Figure 2 (Right) and described in this section.



Concept sketch of a pedestrian bridge at the north end of The Magnificent Mile that would offer stunning views of The Avenue and directly link it to the lakefront via Oak Street Beach.



The floating “V-shaped” bridge in Zaryadye Park, Moscow offers spectacular, panoramic views of the City and has become a significant tourist attraction.



2a. Anchor Endpoints

The north end of The Magnificent Mile, near Oak Street and the Drake Hotel, used to be the focal point for the district. In recent years, that focus has shifted southward to the new Chicago Riverwalk and the Apple Store. To anchor the district at its north end and enhance connectivity, the panel proposes building a sculptural pedestrian bridge across Lake Shore Drive to connect North Michigan Avenue directly to the lakefront. A bridge that cantilevered over the top of The Magnificent Mile before turning towards the lake would offer a stunning view of The Avenue and its historic architecture. Sponsoring an international design competition for this bridge would generate renewed excitement and attention to The Magnificent Mile.

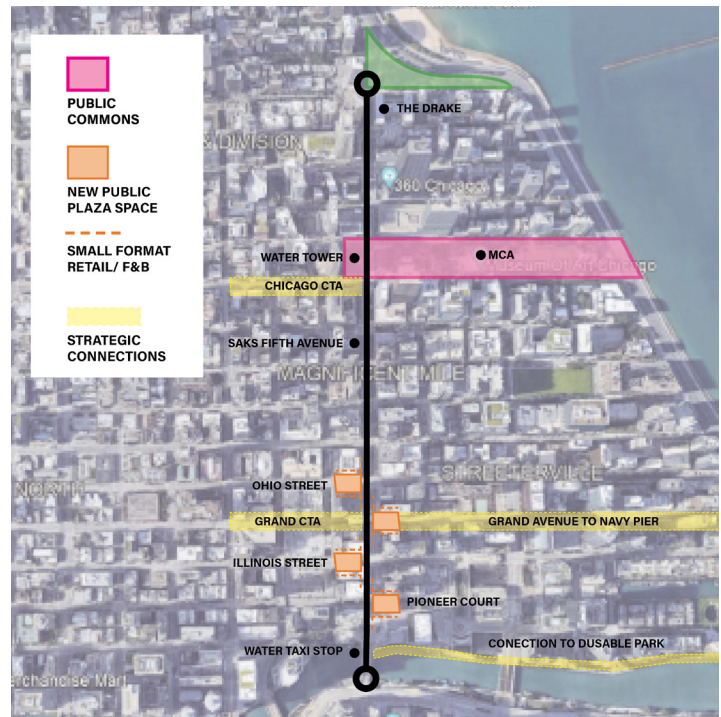
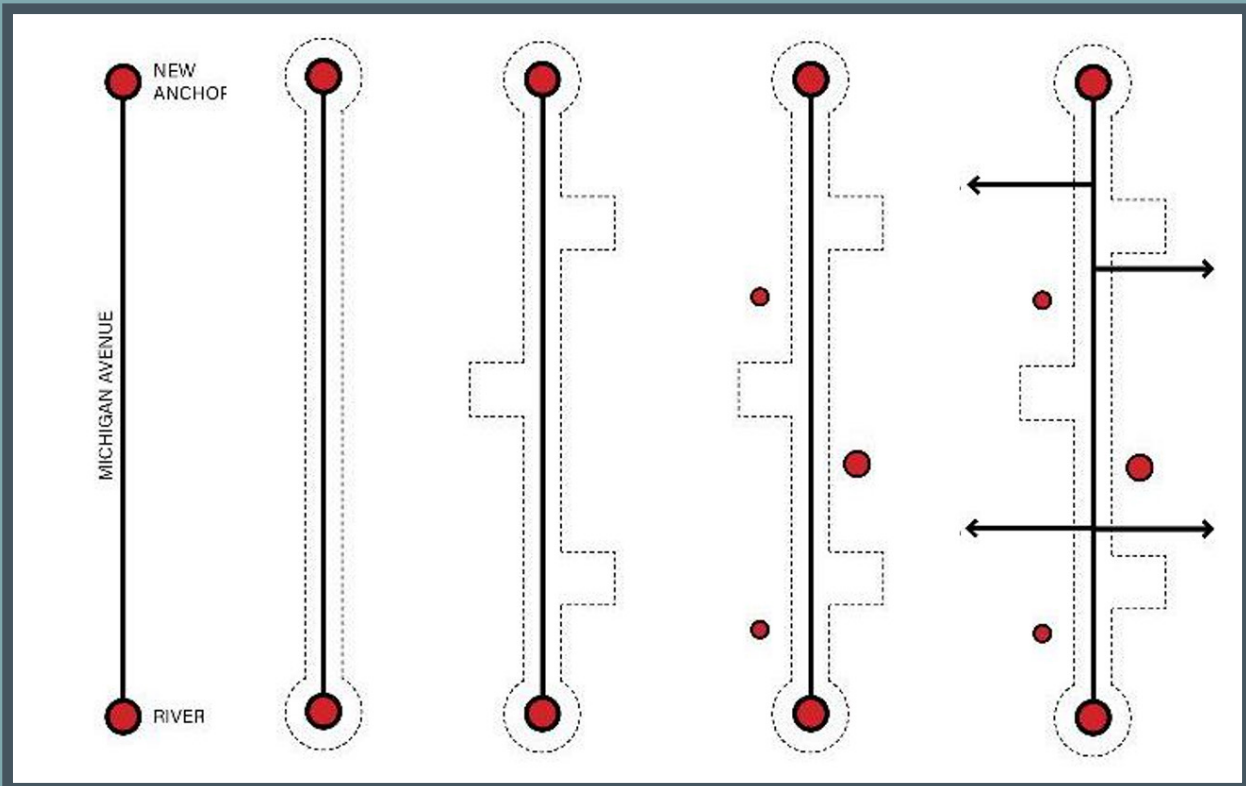


FIGURE 2. Strategic interventions to reimagine the North Michigan Avenue streetscape.



**Anchor
Endpoints**

**Enhance &
Unify the
Streetscape**

**Create
Pocket
Plazas**

**Create
Merchantainment
Zones**

**Strengthen
Neighborhood
Connections**

2b. Enhance and Unify the Streetscape

Adding colorful, mobile benches, tables, and chairs in new and existing plazas and along the sidewalks in place of some planters could create space outside the rush of pedestrian traffic for resting, people-watching, eating, and encourage visitors to linger on the avenue. Arts and design organizations could be invited to design seating and create art installations to enhance the streetscape and advertise their presence.

Colorful, artistic crosswalks, which are a growing international trend, are an inexpensive way to brighten up public spaces. Crosswalk art would also invite pedestrians across the wide avenue and visit attractions on both sides of the street.

2c. Create Pocket Plazas

Enhancing existing and creating new pocket plazas cantilevered off elevated portions of Michigan Avenue, such as at Grand Avenue and Illinois Street, can create additional gathering places and activation opportunities along Michigan Avenue. Grand Avenue provides a beautiful vista of the Ferris Wheel at Navy Pier—the addition of stairs/elevators that connect down to the street level from a cantilevered deck



Colorful, mobile seating in the Old Town Square, Fort Collins, Colorado (top) and outdoor cafes along the Champs de Élysées in Paris (bottom), encourage people to linger, adding to the vibrancy of the street.



The City of Santiago, Chile transformed a busy downtown street, Bandera Street, into a vibrant urban art project titled “*Paseo Bandera*.” Designed by Chilean visual artist, Dasic Fernández, the installation includes four blocks of colorful paint swirls and 3-D illusions depicting Chile’s rich culture and history. Initially designed as a temporary installation, *Paseo Bandera* quickly became a popular destination for locals and tourists alike and was designated as a pedestrian promenade indefinitely.

will have the added benefit of serving as a gracious, above-grade connection to the Pier and its attractions.

Creating a new grand public common that stretches from Jane Byrne Park and the Water Tower to Lake Shore Drive would create a unique space for performances and programs, a relaxing area for visitors and residents, and a place to highlight Chicago history. The panel recommends exploring the feasibility of relocating the Department of Water Management's service yard and the firehouse next to the Museum of Contemporary Art (MCA) Chicago to a different, less primary location. This would allow the firehouse building to be repurposed for an entertainment use, such as dining, and the creation of a continuous public plaza connecting Michigan Avenue to Lake Shore Drive and to Lake Michigan. Programming for the new public plaza should be developed and executed in partnership with MCA Chicago and other local cultural institutions to attract a wide range of residents and visitors.



Bryant Park, nestled amongst skyscrapers in Midtown Manhattan in New York City, is a popular destination for area residents, workers, and visitors alike.



Cantilevered decks at strategic locations along the High Line, an elevated linear park in New York City, provide spaces to rest or gather, as well as great views of the City.



Aerial view, looking east from the historic Chicago Water Tower towards the lakefront: relocating public service facilities can help transform this block into a grand "public commons" for Chicago.

PHOTO CREDIT: MAX MEYERS

2d. Strengthen Neighborhood Connections

An elevated deck stretching from Grand Avenue and Michigan Avenue towards the Grand Avenue Red Line CTA stop would create a clearer, safer, and more scenic path between public transportation and Michigan Avenue. Likewise, a deck extending from Michigan Avenue and Illinois Avenue towards Navy Pier could make that journey easier and more enjoyable while highlighting some of the City's impressive vistas. Better wayfinding and signage would help direct visitors to nearby attractions and transportation. Finally, the Chicago Red Line CTA station, located just west of The Mag Mile, provides a connection to The Panel's recommendation for a new grand public common.

Additionally, expanding the Water Taxi beyond its current recreational and seasonal operations, would significantly enhance access to The Magnificent Mile from the Metra commuter rail stations in the Loop. The City should work with operators to explore opportunities for increasing

service frequency and equipping the boats for year-round use, and identify improvements such as additional docks that might be necessary to support commuter-level Water Taxi service. Installing glass ceilings in the Water Taxis would allow for stunning views of the City. A corporate sponsorship program could help defray the costs of expanded service.

2e. Create “Merchantainment Zones” Integrating Retail with the Streetscape.

Businesses, especially eating establishments, should consider opening up to the street with floor to ceiling windows that visually, and when possible, physically integrate indoor and outdoor seating. Doing so would “erode the wall” at the street level, visually connecting the street to the buildings along it and creating a lively, inviting environment for customers and passers-by. A focus on incorporating some smaller stores and cafes at specific nodes will also add a new dimension to the shopping and dining experience on The Mag Mile.



Servers at a restaurant along London's Regent Street set up the sidewalk patio for outdoor dining: an effective strategy for bridging indoor and outdoor spaces, drawing in customers, and livening up the street.



Expanding the Chicago Water Taxi beyond its current seasonal and recreational use to provide commuter-level service will greatly enhance The Mag Mile's connectivity to surrounding neighborhoods, including the commuter rail stations in the Loop.

3. Coordinate Development Strategy

Retail corridors that thrive in the age of e-commerce will be those that provide unique, memorable, and enjoyable experiences. To achieve that, we recommend a development strategy that builds upon North Michigan Avenue's existing strengths.

3a. Create Distinct Retail Zones

The length of North Michigan Avenue is part of its grandeur and charm and what makes it magnificent. The mile-long stretch, however, also leads to the development challenge of attracting uses and tenants without falling into a pattern of homogeneity. To help create a dynamic corridor that offers opportunities for discovery and unique experiences as one moves along it, we recommend clustering different types of uses to create distinct retail zones (Figure 3), each with their unique identity and sense of place. A description of the distinct retail zones is included in this section.

FIGURE 3.

Fostering distinct retail zones with unique characteristics can help strengthen the overall development environment along North Michigan Avenue.



Small-Format Retail Zone. Oak Street, extending west from the top of The Magnificent Mile, remains a successful business corridor with small-scale, high-end stores that continue to thrive even amidst the pandemic. This unique business district of boutique stores could be extended around the corner to the north end of The Magnificent Mile between the Drake Hotel to 875 N. Michigan Avenue, formerly the John Hancock Center. Small-scale retailers unique to Chicago could be included among the small-format luxury stores and also fill spaces on the ground floor underneath experiential attractions.

Experiential Retail Zone. North Michigan Avenue needs more unique, experiential attractions that draw foot traffic and fill emptied retail space between Delaware Place and Chicago Avenue, especially on the upper floors. Many of these attractions should be family-oriented that draw visitors from outside the Chicago area to hotels, restaurants, and shopping.

Attractions could include virtual reality theme parks, uses such as the Legoland Discovery Center, or rotating immersive exhibits similar to Immersive Van Gogh, the Dr. Seuss Experience, and Meow Wolf, a large-scale immersive and artist-designed experience. The Museum of Ice Cream, another immersive experience with current locations in New York, Austin, and Singapore, recently announced that it will be coming to The Mag Mile, locating in the newly renovated Tribune Tower.

Other entertainment uses could include concert venues, large-scale tap rooms, a high-end casino, or a sportsbook. Many of these experiential uses could be 2-story with a ground-level entrance but occupy a larger space on upper levels that are experiencing significant vacancies along The Mag Mile. These entertainment uses would integrate well with the newly created grand public commons extending from the Water Tower to Lake Michigan (outlined in

Small-Format Retail Zone



Oak Street, located at the north end of The Magnificent Mile, is a thriving retail district of smaller, boutique stores. Encouraging smaller-format retail stores to turn the corner from Oak Street on to Michigan Avenue, and attracting local, uniquely Chicago merchants to fill them, will provide a distinctive character to the north end of the Avenue.

Experiential Retail Zone



The Starbucks Reserve Roastery, the largest roastery in the world, is much more than a place to buy coffee or catch up with friends. According to Starbucks, it is "*a multi-sensory destination of epic proportions; a three-dimensional window into the coffee journey.*" Encouraging other experiential uses, which cater to different demographic segments, to locate within a focused zone, will draw more people to The Mag Mile.

Recommendation 2c).

Large-Format Retail Zone. The area between Chicago Avenue and Illinois Street has a number of successful large-scale retail stores including Burberry and Under Armour. Some large retailers will continue to choose a Michigan Avenue location for its visibility and status and those new to The Mag Mile should be encouraged to locate within this zone. Other improvements to The Magnificent Mile described in this report, including the adjoining experiential zone, would attract shoppers and continue to make some large-scale retail presence viable in the long-term.

The Chicago River Zone. In recent years, the center of activity along The Mag Mile has been shifting south towards the Chicago River. This zone, defined by the Chicago Riverwalk, the Apple store, and the iconic architecture of the DuSable Bridge, the Wrigley Building, and the newly renovated Tribune Tower, is a focal point for visitors to Chicago. Many of Chicago's

history and architectural tours, including the popular boat tours, start and finish here presenting a unique opportunity to connect to North Michigan Avenue. We recommend building upon the vibrancy of the south end and creating stronger linkages to attractions farther north along The Mag Mile through streetscape improvements and plaza activations.



Large-Format Retail Zone



The Chicago River Zone



Many large retailers, such as Burberry, will continue to seek North Michigan Avenue locations for their flagship stores. Clustering larger-format retailers between Chicago Avenue and Illinois Street, where many such stores are already present, will enhance their collective draw and create another distinctive zone within the mile-long corridor.

The south end of The Magnificent Mile, anchored by the Chicago River, is a vibrant center of activity. The Apple store (above), the Riverwalk with its boat tours (top), and the newly redeveloped Tribune Tower that will soon include the Museum of Ice Cream, are major attractions on the south end.

3b. Create a true “15-minute district”

The corridor should embrace and enhance its identity as a true mixed use, “15-minute district” that not only offers world-class shopping and entertainment but is also a great place to work and live. Upper floors in several buildings offer opportunities to attract residential and office uses to strengthen the mixed-use nature of the corridor drawing more residents, businesses, and visitors to the area.

Housing. With a number of educational institutions and hospitals near North Michigan Avenue, some retail space could be repurposed for student housing or workforce housing for medical staff.

Office. Northwestern University and Loyola University both have downtown campuses and substantial

entrepreneurship initiatives which could help launch new start-ups in vacant retail and office space. Coworking innovation hubs are another possible use. Offices that offer cosmetic surgery or other procedures could team up with local hotels and other venues to offer all-inclusive “vanity vacations.”

3c. Strategies for Retaining and Attracting the Right Mix of Uses

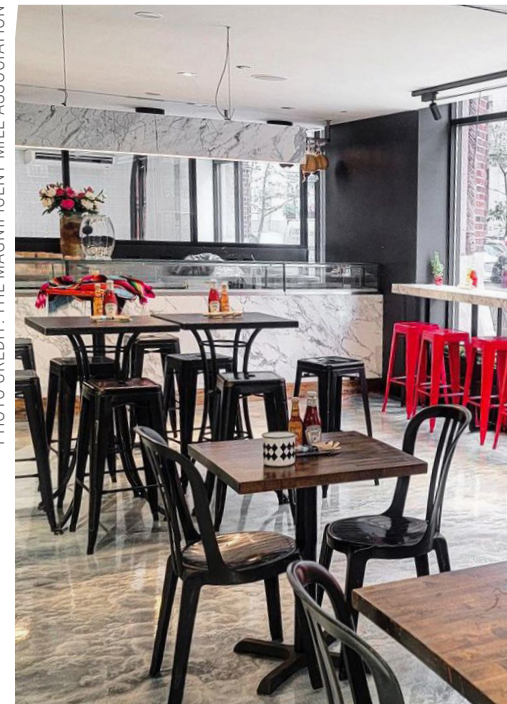
Improving public safety and streetscape enhancements outlined above will make it easier to attract new development opportunities to North Michigan Avenue. Strategies to promote these opportunities include:

Revamp merchandizing. Retailers should feature some merchandise in their North Michigan Avenue locations

PHOTO CREDIT: COLORES MEXICANOS



PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION



During the 2021 holiday season, The Magnificent Mile Association, with support from the Chicago Department of Business Affairs and Consumer Protection (BACP), sponsored two local pop-up shops along North Michigan Avenue. *Colores Mexicanos* gift shop, city funded, (left) and *Beat Kitchen Cantina* (right), activated vacant storefronts and brought fresh shopping and dining options to The Mag Mile. The Magnificent Mile Association and the City should continue to collaborate and build on these experiences to activate vacant storefronts and attract a diverse tenant-mix to North Michigan Avenue.

that is distinct from what shoppers can find online or in their stores elsewhere, such as a wider range of sizes or couture. Merchandizing should also have a "unique-to-Chicago" focus that caters to visitors and locals alike. If The Mag Mile is going to remain a world premier shopping district, it needs to offer shoppers unique opportunities and experiences.

Add food and beverage. To encourage visitors to remain for a long day of shopping or entertainment, North Michigan Avenue needs more casual and fine dining options. The panel advises the City to offer incentives to attract more restaurants and cafes to The Mag Mile and also permit food trucks and kiosks. More fine dining opportunities on the upper floors could also make the area an evening destination and pair well with experiential attractions. Recruitment should focus on large-scale national restaurants and tap rooms, locally

prominent chefs, and cuisines that reflect the City's cultural diversity.

Financial incentives. The City should consider supplementing existing financial incentives, such as Class 7C reductions in real estate tax assessments, that can be passed on to tenants as reduced rents, making it easier for smaller, local businesses to locate on Michigan Avenue. The City should work with the Cook County Assessor's office to define potential criteria for this tax abatement, such as substantial renovations to update existing spaces for smaller, local tenants who've traditionally been priced-out of North Michigan Avenue, and to create a more vibrant street-level environment that connects indoor and outdoor spaces.

PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION



Permitting food trucks and/or food kiosks at strategic locations along North Michigan Avenue will help bring fast casual dining and a wider range of cuisines to The Mag Mile, helping create an exciting food and beverage scene.

4. Branding and Marketing

The City of Chicago’s message to the world should be that The Magnificent Mile is back and ready to provide visitors with a world-class experience. Toward that end, the panel recommends that the City, along with The Magnificent Mile Association, play a lead role in creating a new branding and marketing campaign for The Magnificent Mile. The marketing campaign should have regional, national, and international reach that makes full use of traditional advertising mechanisms such as billboards along highways, as well as newer technologies including social media and mobile apps, and partnerships with businesses to promote attractions. The marketing campaign, especially digital apps should be designed to capture data that can be used to draw new retailers and prepare targeted marketing pitches.

North Michigan Avenue needs a unique identity to

compel visitors from near and far to rediscover a “More Magnificent Mile.” The City should move quickly to launch a marketing campaign to counteract negative images and assure visitors that The Mag Mile is a safe and rewarding place to visit. A marketing campaign should also promote the new vision for North Michigan Avenue as a place to linger, eat, and enjoy. The campaign should include an invitation to sit and relax on newly installed street furniture and a “food experience” that includes food trucks and kiosks where possible. The “Meet Me on The Mile” activation on Sundays in August and September 2021 by The Magnificent Mile Association, with support from the City of Chicago and other sponsors, is a step in the right direction to generate excitement around offerings on North Michigan Avenue. Street performances, The Magnificent Mile Lights Festival, and more vacant storefronts wrapped in murals, like the Rapt on The Mile installation

PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION /



PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION



The “Meet Me on The Mile” activation program, held on four Sundays in Summer 2022, created opportunities for residents and visitors to experience North Michigan Avenue in new, exciting ways—from weddings on the elegant Wrigley Building plaza (left) to candid instagrammable moments (right), delighted visitors of all ages from across the region.

by noted Chicago artists Nick Cave and Bob Faust, could also be incorporated in the campaign. To fund the campaign, the City should draw on the Local Fiscal Recovery Fund under the American Rescue Plan Act of 2021.

4a. Harness Digital Media

The Magnificent Mile needs a stronger presence on social media and an updated strategy that appeals to young people. For instance, The Magnificent Mile Association could engage social media influencers in an advertising campaign for The Mag Mile on TikTok and Instagram.

4b. Create an App and Use QR Codes

A mobile phone app for The Magnificent Mile could provide historic and architectural walking tours of the district, give interesting facts about sites or buildings as users pass, update them on public events, and assist them with locating attractions and parking. QR codes on places of interest could be used similarly. Digital interaction with visitors would encourage them to extend their visits and see the sites.

4c. Collect and Monetize Data

Data harvested from mobile apps and other sources such as pedestrian counters can help create a better understanding of the user experience along Michigan Avenue. This data should be utilized to:

- Evaluate what's working and what needs improvement; this analysis should inform long-term planning for enhancements to The Mag Mile.
- Develop data-based, compelling marketing pitches to attract new retailers and other uses to The Mag Mile.
- Monetize the data to create an on-going revenue source by providing aggregated user information to businesses; use this revenue to fund activations along The Mag Mile.

In 2021, Condé Nast Traveler readers voted Chicago as the "Best Big City in the U.S." for the 5th year in a row. The health and vibrancy of The Magnificent Mile, one of the most visited tourist destinations in the City and the State of Illinois, is key to this continued success.

Using digital technology to enhance the user experience and capture valuable data on how visitors interact with The Mag Mile, will help inform and fund ongoing activation, branding, and marketing activities.



Interactive wayfinding, that uses technology such as a mobile app and/or QR codes, can enhance the user experience while tracking how people are interacting with the corridor and creating greater opportunities for targeted marketing.

5. Getting It Done

Carrying out these recommendations will require a coordinated and collaborative approach from all public and private sector partners—the City, The Magnificent Mile Association, anchor institutions, area businesses, property owners, and residents. It will also require streamlining City regulations and procedures, establishing consistent and adequate funding streams, and dedicated staff resources.

5a. Streamlining City Regulations and Procedures

North Michigan Avenue is well-zoned to allow a true mixed-use district and accommodate a variety of mixed-uses and scale. The City should align its regulations to support a new vision for The Magnificent Mile. The goal should be for the City to bolster its reputation as an easy and profitable place to do business.

- Permitting and licensing processes should be simplified and streamlined to avoid delaying or derailing business occupancies, especially for small, local businesses, which do not have the capacity to navigate complex, lengthy approvals. The "Chi Biz Strong" initiative launched by the City in Summer 2021, (to help carry forward business friendly practices introduced during the COVID-19 pandemic,) is a step in the right direction. Under this initiative, the City has expedited licensing for hospitality and food businesses and eased sidewalk sign regulations.
- The City should build on recent experiences with pop-ups and temporary exhibits such as the Dr. Seuss Experience to fast-track similar uses/ activations for vacant storefronts in the future.
- The City should revisit its Michigan Avenue District specific signage regulations to provide businesses with more marketing opportunities while maintaining the architectural character of the street.

- Certain uses, such as a high-end casino, would require regulatory or zoning changes to locate on Michigan Avenue.

5b. Funding Mechanisms

Reenergizing North Michigan Avenue will only be possible with increased and sustained funding; currently The Magnificent Mile Association's annual budget lags substantially behind similar districts in other parts of the country. Towards that end, The Magnificent Mile Association is working in partnership with the City to establish a Special Service Area (SSA) along North Michigan Avenue. In past years, attempts to form an SSA along The Mag Mile had been unsuccessful partly due to inflexible funding formulas. But there appears to be substantial support now, especially for an SSA focused on public safety priorities, which has been an overwhelming concern for property owners. In December 2021, Chicago City Council approved the SSA for North Michigan Avenue, for a three-year term (normally 10-year term) until a BID can be established. We recommend expanding the scope of the proposed SSA to include some near-term activations and streetscaping, such as mobile, colorful seating and painted crosswalks that are likely to attract visitors and positive activity along The Mag Mile.

A more promising long-term mechanism for raising funds for a variety of revitalization efforts is a Business Improvement District (BID), which allows assessment formulas to be customized locally, but establishing a BID will require State-enabling legislation. The City's Department of Planning and Development has been leading the effort on gaining support and drafting this legislation. There appears to be significant support for BID legislation in Illinois, and it could be passed as early as 2022. Even with that, it will take some time to form and fund a BID on North Michigan Avenue, and the need to fund revitalizing improvements is now. Therefore, the panel supports the newly established SSA as a bridge to potential BID funding.

In the meantime, other funding options include:

- Local Fiscal Recovery Fund under the American Rescue Plan Act of 2021 to meet immediate funding needs and to jump-start bigger infrastructure projects
- Earned revenue from a new Magnificent Mile mobile phone app
- Corporate sponsorships
- State tourism grants to assist with wayfinding and marketing
- Aldermanic menu money for street repairs

Additionally, we also recommend supplementing existing financial incentives, such as Class 7C, for reduction in real estate tax assessments—savings that can be passed on to tenants, making it easier to promote a diverse and more local retail tenancy along North Michigan Avenue.

5c. New Staff Position

Implementing the activation and branding strategies presented above will require dedicated staff time, and we recommend creating and funding a new staff position at The Magnificent Mile Association for that. The Magnificent Mile Association should use funding from its newly formed SSA until a BID can be formed. A key focus area for this new position should be to coordinate activation of vacant storefronts along The Mag Mile, and responsibilities could include, but are not limited to, the following:

- Maintain current retail lease inventory and create a centralized data source that can be used for marketing pitches.
- Develop and implement a merchandise plan aimed at retailers, brokers, property owners and investors.
- Act as liaison between property owners, retailers, and brokers to sponsor such industry functions as brokers' meetings and special tours.

PHOTO CREDIT: THE MAGNIFICENT MILE ASSOCIATION



"*Rapt on The Mile*," a multi-story art installation created by renowned Chicago artists, Nick Cave and Bob Faust, wrapped the vacant, former Apple store with a vibrant mural—transforming a blank wall into a thing of beauty for all to enjoy.



GETTING STARTED

North Michigan Avenue is well-positioned to be one of the most exciting streets in the world—steeped in Chicago’s rich architectural and cultural history, an unparalleled shopping, dining, and entertainment destination—for locals and tourists alike. The panel’s recommendations include a mix of big ideas and small changes, which can have a transformative impact on North Michigan Avenue. We recognize that some recommendations likely need a longer implementation time-horizon, however, there are significant near-term actions that can infuse new energy and jumpstart a new future for Chicago’s Magnificent Mile. These include:

1. Public Safety

- Increase visible, friendly police presence on The Mag Mile.
- Improve coordination between the police department and other public and private sector partners to take proactive, pre-emptive steps to improve safety.
- Implement public-private coordinated cameras, expand upon collaborative policing with Northwestern University.

2. Fund New Mag Mile Association Staff Position

- Use newly created SSA funding until a BID can be formed.

3. Launch Branding Campaign

- Create a campaign for “The More Magnificent Mile” led by the City in partnership with The Magnificent Mile Association.
- Develop a social media campaign and increase your web presence.
- Use recovery money until BID can be formed and consider partnerships with local ad agencies.

4. Launch Activation Programs

- Activate vacant storefronts by fast-tracking pop up permitting, integrating window displays with branding campaign.
- Improve the pedestrian experience by adding colorful, mobile street furniture, colorful crosswalks, and street art.

5. Take First Steps for Implementing Longer-Term Improvements

- Create excitement for new, big ideas: launch international design competitions for cantilevered decks on east-west streets and pedestrian bridge at the north end.
- Explore creating a user-experience app.

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