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Established in 1936, the Institute has a presence in the Americas, Europe, and the Asia Pacific region, with members in 80 countries. ULI Chicago, one of the largest District Councils of the Urban Land Institute, has over 1,500 members in the Chicago area. Learn more at <u>chicago.uli.org</u>. Follow ULI Chicago on Twitter and LinkedIn.

ULI MISSION

Shape the future of the built environment for transformative impact in communities worldwide.

The State Street TAP took place on June 28-29, 2023 in Chicago, Illinois.

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ON THE COVER: State Street South View PHOTO CREDIT: CHICAGO LOOP ALLIANCE

ULI Advisory Services: National and Global Programs

For more than 75 years, ULI members have delivered change in our cities through ULI's Advisory Services. Whether it be the devastation of disaster, food access and healthy design, or a shortage of housing choices, Advisory Services panels have offered unbiased and independent solutions to the most complex problems facing communities.

Through this program, ULI members integrate into communities dealing with a wide array of real estate and land use challenges to provide unbiased, expert advice and specific recommendations for improvement. Members link together with local leaders to draft a plan to revive, rethink, and restore communities around the globe to ultimately enact change and improve the lives of the people who live there.

Panels bring together the best and brightest from ULI's diverse membership – developers, planners, financiers, market analysts, economists, architects, designers, and public officials – to provide practical solutions and objective advice not available from any other source.

We thank all who volunteered their skills, time, and energy to create a more authentic blueprint for change, identified communities facing urban development and land use challenges, and supported panels through philanthropic giving. Your commitment and dedication have delivered the holistic, creative solutions cities need today. Thank you for being a part of this transformative journey. Together, we shape the future of our cities.

Learn more at <u>americas.uli.org/programs/</u> advisory-services/.

ULI Advisory Services: Chicago District Council Programs

ULI Chicago's technical assistance program draws from its local membership base to offer objective and responsible advice to local decision-makers. Our technical assistance program is intentionally flexible to provide a customized approach to address a wide variety of land use and real estate issues ranging from site-specific projects to public policy questions.

The two-day Technical Assistance Panel (TAP) is the most popular format for employing ULI member expertise. An additional local offering is the Development Dialogue, which offers a shorter, half-day format suitable for more specific, targeted development problems.

ULI Chicago panelists are land use professionals, selected carefully for their knowledge and skills so that the panel is uniquely positioned to address the challenges at hand and provide in-depth, projectspecific, and pragmatic recommendations. The intimate, focused, and collaborative format of ULI panels encourages creative thinking and problem solving.

Learn more at chicago.uli.org.

Distinct from an Advisory Services panel, a TAP leverages local expertise through a half-day to two-day process.

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State Street Technical Assistance Panel Members

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INTRODUCTION

Ctate Street, in the heart of downtown, is one of \mathbf{O} Chicago's most iconic streets. With a wide mix of uses ranging from world-class theaters to popular retail stores, offices, and higher educational institutions, State Street is truly a street for everyone. In addition to work and school, Chicagoans frequent the street for their everyday shopping needs and for its arts and entertainment venues. Visitors are also drawn by the renowned theater district and State Street's many architectural treasures. The Chicago Theatre is one of the most popular spots for taking photos in the city, and the landmarked Sullivan Center, with its dark green cast iron ornamentation, has gained recent TikTok fame as the "Goth Target." Additionally, State Street is well-connected via bus and rail transit, providing easy access from different parts of the city and the region.

But State Street, and downtown Chicago as a whole, like urban downtowns throughout the country, are struggling as demand for retail and office space continues to shift. Even before the pandemic, the demand for brick-and-mortar retail stores, especially the larger format stores on State Street was shrinking. The shift to work-from-home during the pandemic exacerbated these challenges. Now, over three years later, compared to other metro areas, Chicago has amongst the highest percentage of workers returning to downtown offices. Most of them, however, are coming downtown only a few days a week resulting in a weekly office occupancy of less than 60% of the pre-pandemic level¹. Fewer workers downtown mean empty office spaces, less pedestrian activity, and less business for shops and restaurants. Not surprisingly, office and retail

1. Data by Kastle Systems; <u>https://www.kastle.com/safety-well-ness/getting-america-back-to-work/</u>



vacancies are at a record high. According to an analysis by Stone Real Estate, retail vacancies in the Chicago Loop have nearly doubled since the onset of the pandemic in early 2020, with a vacancy rate of 28.3% at the end of 2022. Office vacancy in the central business district was 22.6% in June 2023, compared to 13.8% before the start of the pandemic².

On State Street, which traditionally has been the center of retail in the Loop, the number of vacant storefronts, especially towards the south end of the street is striking. Empty offices and storefronts can create a downward spiral. Darkened storefronts and fewer pedestrians, as many downtown office workers continue to work remotely, make the area feel less safe, further deterring workers and shoppers from coming to State Street, and new businesses from setting up shop. In the words of one of the community stakeholders interviewed by the ULI Chicago Panel, State Street is in danger of losing its purpose.

2. Ecker, Danny. "Downtown's office vacancy surge hits new record high." Crain's Chicago Business, July 7, 2023, <u>https://www.chicago-business.com/commercial-real-estate/downtown-office-vacancy-surge-new-record-high</u>.

This time of transition is, however, an opportunity to leverage State Street's tremendous assets to catalyze its transformation from a fast-moving commercial corridor to a unique destination—a place for shopping, business, dining, arts, culture, and learning, that is quintessential Chicago.

The transformation of State Street is also an opportunity to mitigate the harmful impacts of climate change by reusing existing buildings, promoting the use of active transportation modes, and incorporating sustainble practices in new streetscape design. More details are included in the recommendations section of the report.

Elevating State Street to reclaim its place as Chicago's "Great Street," reflective and inclusive of all of Chicago, demands new, creative thinking and bold leadership from public and private sector partners, and an elevated role for Chicago Loop Alliance.

CHICAGO LOOP ALLIANCE

Chicago Loop Alliance (CLA)'s mission is to lead the community by creating and supporting inclusive programs that attract people and investment to the Loop. The Loop's boundaries are the Chicago River to the north and west, Ida B. Wells Drive on the south and Lake Michigan on the east (Figure 1).

CLA is a non-profit, membership organization with over 300 members representing the Loop's business, civic, and cultural institutions. CLA is also the sole service provider for State Street Special Service Area (SSA) #1-2015, and the Chicago Loop Alliance Foundation produces public art projects and events to enrich the Loop's public spaces and create an inclusive, vibrant downtown.



Figure 1. The TAP study area location within the Loop

THE TECHNICAL ASSISTANCE PANEL

Recognizing the need to re-energize State Street and create a compelling, implementable plan for its vibrant future, the Chicago Department of Planning and Development (DPD) and Chicago Loop Alliance (CLA) invited the Urban Land Institute's Chicago District Council (ULI Chicago) to conduct a Technical Assistance Panel (TAP).

Convened on June 28-29, 2023, the ULI Chicago TAP brought together 12 industry professionals with expertise in various aspects of city and corridor planning, including developers, architects, planners, market analysts, and cultural leaders. The panel was charged with developing recommendations for the future of State Street from Wacker Drive to Ida B. Wells Drive. To prepare for the TAP, panelists took a walking tour of State Street led by DPD, CLA, and Chicago's Cultural Historian Emeritus, Tim Samuelson. Panelists also reviewed extensive briefing materials and interviewed nearly 70 stakeholders including business and property owners, residents, civic leaders, and representatives of various city departments to gather their insights on opportunities and challenges for the State Street corridor. The panelists worked collaboratively over the two TAP days to develop the recommendations presented in this report.

The State Street TAP is the third in a series of 2-day TAPs conducted by ULI Chicago for the three priority corridors identified in the City of Chicago's 2021 Central City Recovery Roadmap plan. TAP recommendations for the other two downtown corridors, North Michigan Avenue, and LaSalle Street, are available on the ULI Chicago website.

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-State Street, North Michigan Avenue, and LaSalle Street-has been identified as a key priority in the Recovery Roadmap. ULI Chicago TAP reports for North Michigan Avenue and LaSalle Street corridors are available at: https://chicago.uli.org/programs/uliin-the-community/city-of-chicago



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



The panel was charged with answering the following questions for the State Street corridor from Wacker Drive to Ida B. Wells Drive posed by the Chicago Department of Planning and Development and Chicago Loop Alliance.

1. What is the future vision for State Street?

- What are opportunities to update and enhance its identity as a destination for retail, entertainment, tourism, and higher education?
- How can Chicago's diverse communities be recognized and contribute to this process?
- How can mixed-use best fit the physical landscape of State Street? What is the role of affordable housing?
- What will be the impact of current/ planned projects, including:
 - The new CTA station at State & Lake with viewing platforms
 - The proposed affordable housing development near Pritzker Park (C-40 site)
 - The recent Chicago Landmarks preliminary designation for the historic buildings at 202 and 220 S. State, owned by the federal government. What are recommendations for adaptive reuse per the General Service Administration (GSA)'s published criteria?
- 2. How can State Street adapt to the changing retail trends which have created numerous vacancies along the corridor?
 - What retail and non-retail uses would serve residents of the area and greater Chicago region? Can these uses also draw out-of-town visitors?
 - Which sites along the corridor should be prioritized for reactivation or repurposing?
 - What kind of strategies can be implemented to help achieve these goals?
 - Socio-economic data collection to inform decision-making
 - Branding through programming and marketing
 - How are other cities reimagining their historic downtown retail corridors?
- 3. How can design and planning play a part in State Street's reimagination?
 - What type of streetscape improvements can make State Street more inviting, safe, and dynamic, drawing more people to the corridor?
 - What are opportunities to strengthen the corridor's connection to the Central Area and greater Chicago region?
 - What strategies can help activate current and planned park and other open spaces?
- 4. How can regulatory land use mechanisms promote the reimagination of State Street?
 - Are there any specific regulations, such as the State Street/Wabash Avenue Corridor Special Sign District, that should be studied and revised?
- 5. Is there a need for financial incentives to support existing uses and attract desired future improvements and uses?

ASSETS & CHALLENGES

The ULI Chicago panel started their work with an analysis of State Street's assets and challenges. State Street has many advantages and remarkable assets that can be strengthened to create a vibrant, exciting, and inclusive destination for Chicagoans and visitors in the heart of the city. There are challenges however that will have to be overcome to achieve this future vision for State Street.

State Street's Remarkable Assets

History and Legacy. State Street is lined with landmark buildings infused with Chicago's history and reflective of its excellence in design and architecture. The Chicago Theatre, and its iconic sign, has become an emblem of the city often appearing in print and digital media. The Marshall Field and Company building, currently home to Macy's flagship Chicago store, has been a favorite destination for generations of Chicagoans and visitors attracted by its spectacular Tiffany mosaic ceiling, great clocks, and famed holiday window displays. The former Carson Pirie & Scott Co. department store at the corner of State and Madison, now repurposed into a Target store and offices, creates visual delight at the street level with intricate cast iron ornamentation on its facade. The Palmer House, Chicago's oldest operating hotel, with its grand, gilded lobby and ornate ballrooms is another landmark. More recently, in 1991, Chicago's central public library was built at the south end of the corridor and named after Chicago's first Black mayor, Mayor Harold Washington, a champion of education.

Even with its stately and ornate buildings, State Street has always been a street for everyday Chicagoans. Use of design elements, such as large street-level windows, decorative entryways, and a mix of convenience shopping, service, and public uses, have helped create a welcoming environment on State Street. Its legacy as Chicago's "democratic space" is reflected in the wide cross-section of people who frequent the street to work, learn, shop, and play.



Visiting the Marshall Field and Company building between Washington and Randolph Streets, now home to Macy's Chicago flagship store, for its elaborate window displays and decorations has been a holiday tradition for generations of Chicagoans (left). The landmark Sullivan Building, with its unique cast iron ornamentation, is popularly known as the "Goth Target."

Central Location and Accessibility. The

State Street corridor is the center of the city and the downtown. Its centrality is reflected in Chicago's current address system implemented in the early 1900s—the intersection of State and Madison Streets is "zero-zero," and address numbers across the city increase from here in each direction.

State Street is easily accessible from all parts of downtown and within walking distance of some of its biggest attractions. The Chicago Riverwalk, the 1.25 mile long urban park with stunning views of the skyline, is located at the northern end of the study corridor. Chicago's biggest tourist destination, Millennium Park, which draws an average of 25 million visitors every year, is a block to the east on Michigan Avenue. The Chicago Cultural Center, the Art Institute of Chicago, and the Lake Michigan waterfront are also only a short stroll away. Adjoining neighborhoods, including the South Loop, West Loop, River North and Streeterville, are thriving places with growing populations and many shopping and dining options.

State Street is at the center of Chicago Transit Authority (CTA)'s L train system and bus network, making it easily accessible by public transportation from neighborhoods across the city. The Red Line runs underneath State



DePaul University's Loop campus and University of Illinois Chicago (UIC)'s John Marshall Law School, centered on State Street and Jackson Boulevard, bring thousands of students every day to the State Street corridor.

Street with three stations within the study corridor. Five other L lines stop at the State & Lake CTA station and at Wabash Avenue, within half a block of State Street. The Blue Line on Dearborn Street is also a half-block away. Several key bus routes that connect neighborhoods to downtown run through State Street, making it one of the most important corridors for bus transit in the city. According to WalkScore, the State Street corridor has perfect Transit Score and Walk Score ratings of 100/100, making it a rider's and walker's paradise³.

During interviews with area employers and workers, we heard repeatedly that to entice workers back to the office instead of continuing to work from home, companies are discovering that they need to offer higher level amenities—both within the building and in the surrounding neighborhood. Workers are more likely to make the commute downtown when they feel safe and can enjoy unique experiences such as lunch at a local chef's restaurant, after-work drinks with friends, or catch a show. To enhance its competitiveness, State Street will need to do more than simply fill vacant storefronts, it will need to reinvent itself as a vibrant destination for office workers, residents, shoppers, and after-hours visitors.

Mix of Uses. State Street has a wide mix of uses, including entertainment, office, and higher education which add to its vibrancy and resilience. Different uses are largely clustered into three distinct zones along the street, reflecting the planning efforts in the late 80s/ early 90s to reinvigorate State Street and complement its retail core with a mix of uses. Broadly, the north end of State Street is part of Chicago's theater district, the center is the corridor's retail core, and the south end is anchored by universities and the Harold Washington Library.

Office space occupies the upper floors of many buildings in the central retail core and throughout the study corridor. There are residential buildings on and near State Street as well, including the 690-unit Marquee at Block 37 apartment building completed in 2016, and the renovated Metropolis condominium

3. <u>https://www.walkscore.com/score/1-n-state-st-chicago-il-60602</u>

building near Monroe and State Streets. The Loop overall is experiencing significant population growth—it is the fastest growing residential downtown in the country and the fastest growing neighborhood in Chicago. As of 2023, the Loop had an estimated 46,000 residents.

Public Realm. State Street has a distinctive streetscape with coordinated banners, planters, and sidewalks with colored pavers installed in the 1990s. More recent investments include repurposing the median between Wacker Drive and Lake Street to create the "Gateway," a raised people plaza with flexible



The colorful mural of the Blues legend, Muddy Waters, in the heart of State Street, celebrates Chicago's rich artistic and cultural heritage.

seating, and the 9-story, brightly colored mural of the blues legend Muddy Waters, installed in 2016 on the 17 N. State Street building.

Planned future investments include the rebuilding of the State and Lake L station. The new station will feature an elegant glass canopy and an observation deck with spectacular views of State Street, the Riverwalk, and the Chicago skyline.

Organizational Structure. State Street within the study area, is a designated Special Service Area (SSA), which allows an additional property tax levy to fund expanded services such as streetscape enhancements, activations, and business support beyond what is already provided through the City. Chicago Loop Alliance (CLA) is the sole service provider for State Street SSA. Under the guidance of the SSA Commission, which is made up of public and private officials, CLA is responsible for implementing SSA funded services and improvements along State Street. These include the highly successful Ambassadors Program and the Sundays on State event series.

State Street Ambassadors. Launched in 2014, this program deploys a team of ambassadors that provide services ranging from greeting visitors, connecting individuals in need to social services, and graffiti removal, to conducting business check-ins.

Sundays on State. Organized by Chicago Loop Alliance since 2021, Sundays on State closes the street to traffic for performances and vendors on select Sundays every



Rendering of the proposed redesign of the State and Lake CTA station, which will include a viewing platform and streetscape improvements such as pedestrian bump-outs and new lighting.

summer. The two events in summer 2023 posted a record turnout with a total of 270,000 visitors from every city zip code. CLA has also hosted successful events that activated alleyways off State Street with art shows, live music, dancers, and colorful lighting, demonstrating the allure of State Street.

State Street's Challenges

Even with all its assets, State Street faces many challenges. Some of them are due to changing trends and lifestyles brought on or accelerated by the pandemic and are impacting downtowns and retail corridors around the country.

High Office Vacancy. The pandemic has reshaped the traditional five day office work week, with many professionals commuting to their downtown offices only three days a week. According to Kastle data tracking access control swipes in office buildings, office occupancy in the Chicago metro area has been the highest outside of Texas, but still only about 55% of the pre-pandemic level⁴. With fewer workers downtown, some companies have scaled back their office spaces, and have been slow to sign new leases, resulting in high vacancy rates. In June 2023, the office vacancy rate in downtown Chicago was nearly 23% compared to slightly less than 14% before the onset of the pandemic. Vacancies are often even higher in older office buildings, which make up most of the office space on State Street. This is because companies are increasingly choosing newer, Class A office buildings with well-lit, open floor plans in new-amenity environments like the West Loop, Fulton Market and along the Chicago River.

Changing Retail Trends. Online shopping, which has been on the rise for more than a decade, accelerated during the pandemic. Combined with a significant drop in foot traffic from the decreased percentage of downtown office workers, it has resulted in a challenging retail environment for State Street. Some of its biggest retailers, including DSW and Old Navy, closed their stores leaving behind large, multilevel spaces that have been slow to lease. While retail is still mostly vibrant north of Madison Street, the number of vacant store fronts increases steadily to the south, reducing State Street's appeal as a major shopping destination.

Declining Student Enrollment. The higher education institutions at the south end of the study corridor, like many universities elsewhere, are experiencing a significant drop in student enrollment. According to a residential study by CLA, enrollment in Chicago area colleges has declined by 18% since 2010. Students are integral to the vitality and diversity of the State Street corridor; declining enrollments pose a challenge to the health of these institutions as well as the corridor.

Depressed Transit Ridership. Excellent transit access is one of State Street's greatest assets. The current state of transit however, plagued by inconsistent service, disrepair, lack of cleanliness, and safety concerns, is continuing to negatively impact ridership. Even with a recent upward trend, transit ridership remains below pre-pandemic levels.

Lack of Affordable Housing. State Street has always aspired to be a street for everyone, and access to housing should be an integral component of that. Yet there is barely any affordable housing on or near State Street. There are only 239 designated affordable units in the entire Loop, accounting for less than one percent of the total number of housing units.

Crime and Safety. Residents, business and property owners, and other stakeholders repeatedly named lack of safety or the perception of it as a challenge, especially for the southern end of the corridor. The crises of untreated mental illness and growing unhoused population are evident on State Street, as they are throughout the city, and likely contribute to the perception that the corridor is unsafe. Establishing more community support to tackle these social crises, along with other safety measures, such as the Illinois Attorney General's public private partnership to prevent organized retail crime, is essential to improving safety, and creating a thriving State Street and downtown.

^{4.} Data by Kastle Systems; <u>https://www.kastle.com/safety-wellness/</u> getting-america-back-to-work/

For a weekend evening in October, State Street is transformed by "Arts in the Dark," a free, family-friendly event filled with music, dance, spectacle puppets, and creative floats to celebrate Halloween. PHOTO CREDIT: LAURI FANELLI FOR LUMA8

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PANEL RECOMMENDATIONS

State Street, with all its challenges, is an iconic Chicago corridor with tremendous assets and immense potential to reclaim its title of Chicago's Great Street. The ULI Chicago Panel's vision for the future of State Street, and key recommendations to help realize that vision are presented in this section.

Vision for the Future of State Street State Street will be reclaimed as Chicago's Great Street. Tied to the rhythm of the city and its neighborhoods, State Street will become a playful, engaging, and welcoming space, framed by a world-class cultural district, compelling public art and streetscape, historic architecture, distinctive retail, community care and support, and collegiate ferment.



1. Create a Festival Space to Host Special Events on State Street

State Street can and should be more than a thoroughfare for moving vehicles and people, it should be a destination for unique cultural, educational, and entertainment experiences reflective of Chicago's rich history and diversity, and a place for building community.

To support that, the panel recommends redesigning the physical layout of State Street with features such as curbless streets and retractable bollards so it can easily transform into a festival space with programming linked to events across the city. Whether it's the Chicago Marathon, season kickoff event for a major sport, the Blues Festival, or a neighborhood celebration, the reimagined State Street will be an ideal location for hosting preview performances or staging collaborations with local artists and students. Recent concerts by Beyoncé and Taylor Swift in Chicago attracted hundreds of thousands of fans to downtown Chicago. State Street could tap into that energy by hosting "Swifties" and "BeyHives" as Taylor Swift and Beyoncé fans are popularly known, for DIY fashion strolls down State Street leading up to each concert. Additionally, Chicago Loop Alliance in partnership with the city departments, should collaborate with neighborhood organizations to bring programming to State Street that integrates local artists and vendors and appeals to people of all ages and backgrounds. For example, a skateboarding show and clinic organized in partnership with State Street retailers and a local skateboarding school, could draw more young people to the corridor.

Establishing State Street as a gathering place for residents and visitors is also good for business. As evidenced by Sundays on State, businesses saw up to 20% increase in retail sales during the two event days in summer of 2023. Additionally, zero reports of negative activity, even with nearly 270,000 people in attendance, help dispel safety concerns.

By providing the infrastructure for hosting special events and festivals, whether within the format of a flexible streetscape that can be easily transformed on evenings or weekends, or as a more permanent public plaza, State Street can start to reclaim its place as the "town center" of Chicago.





Herto credit: criticado Loodo ALLIANCE

The Sundays on State events, hosted by CLA, illustrate the tremendous draw of thoughtfully programmed festivals on State Street in the heart of the city. In summer 2023, on two Sundays, vendors and performers from across the city, 88% of which were underrepresented businesses, filled State Street between Lake and Adams Street for a day-long block party. Nearly 270,000 people attended the two events, representing every zip code in Chicago and beyond. There was zero incidence of reported criminal activity and major State Street retailers reported up to 30% increase in traffic and up to 20% increase in sales.



To reduce air pollution and move towards a more sustainable future, Paris, France has converted nearly a hundred streets across the city entirely for pedestrian use. Champs de Elysees, one of its most iconic streets, is closed to vehicular traffic on the first Sunday of every month. Instead of cars, the street is taken over by throngs of pedestrians, children playing, and families picnicking on the cobblestones.



The Quartier des Spectacles, covering an area of one square kilometer in downtown Montreal, is the cultural heart of the city with artistic offerings throughout the year for all ages. It includes public spaces that can host festivals and large gatherings such as the Place des Festivals (left), and pedestrianized areas such as Sainte Catherine Street (right).



Herald Square Plaza, located on Broadway between 34th and 35th Streets in New York City, provides a public space for everyday use and special events at one of the busiest intersections in the city.

2. Strengthen Existing Assets as Anchors

As outlined earlier, State Street has many remarkable assets that can be leveraged to create a vibrant, worldclass downtown district. The panel recommends enhancing and elevating the three zones that already exist on State Street, to create a series of distinctive yet interconnected districts that encourage visitors to linger and explore (Figure 2). Increasing the time visitors spend on and near State Street helps boost area businesses, which are essential to the vibrancy of the street.

North Anchor: Arts District

The north end of State Street forms the core of Chicago's theater and entertainment district. It is anchored by arts and performance venues including the iconic Chicago Theatre, the Gene Siskel Film Center, the Joffrey Ballet Academy, and ESPN and ABC studios. The Renaissance and theWit hotels include meeting and event spaces and dining options with stunning views of State Street and the Chicago skyline. More recently, niche immersive experiences, such as the Torture Museum and the Museum of Illusions, have added to the draw of the area. According to a study by Chicago Loop Alliance, the Chicago Loop, with more than 34,500 seats to view arts and culture performances, is second only to New York City's Times Square/Broadway in terms of size, depth of offerings, and participation. Between April and June 2023, over one million visitors attended arts and culture programming in the Loop representing over \$271 million in economic impact.

Despite the popularity of the Loop's arts and culture destinations, there is little reason for visitors to arrive early or linger after a show. To help change that, the panel recommends the following strategies:

Create a consortium of downtown arts

organizations. A consortium will provide a structure for higher levels of collaboration amongst institutions making it easier to identify synergies in programming, marketing, and other activities, boosting their individual and collective success.

Create a new Downtown Chicago Arts District.

A new brand with stronger programmatic and visual connections between arts venues across the Loop, and other complementary businesses, including restaurants and hotels, can help create the environment that entices visitors to stay longer. For instance, restaurants and hotels might offer themed menus or partner discounts, a building lobby or gallery space may host a related exhibit, creating the potential for a multiple destination visit instead of simply attending a show and leaving. The consortium should play a key role in crafting the brand identity of the Downtown Chicago Arts District.

Connect to the new festival space. The new festival space on State Street can serve as an open-air stage for these world-class institutions, providing a great opportunity for programming to spill out on to the street. Mini performances that provide a preview of the season's highlights, open-air practice sessions, author/ artist conversations, etc. could help generate greater enthusiasm and support for the Arts, while adding to the draw of State Street.



Establishing stronger physical, visual, and programmatic connections between arts and culture venues on and near State Street will help create a stronger Downtown Chicago Arts District.



Figure 2. Strengthen and elevate existing assets within three anchor zones on State Street.

Center Anchor: Retail District

The central segment, between Randolph and Jackson, is the traditional retail core of State Street. Its mix of affordable fashion and convenience shopping attracts everyday Chicagoans as well as tourists. It is anchored by the Macy's department store, a Target store with general merchandise and selected grocery offerings, and Block 37, a lifestyle center with retail and experiential uses including a dine-in movie theater, indoor golf, and a bouldering gym. Several chain retailers, including two Walgreens drugstores, add to the diversity of shopping options on State Street. As discussed earlier, consistent with nationwide trends, retail vacancies on State Street are rising; the number of vacant storefronts is especially high south of Madison. To reinvigorate the retail core of State Street, the panel recommends creating an environment that provides other experiences beyond shopping that cannot be replicated online. Strategies include:

Create themed retail zones. Work with property owners and brokers to establish themed retail areas such as youth and fashion, or food and culinary. Hosting complementary events such as cooking demonstrations and fashion shows could generate excitement, drawing potential customers to the district. Additionally, encourage chain retailers to feature some merchandise in their State Street location that is distinct from what shoppers can find in their stores elsewhere, such as a wider range of sizes or couture, to create a unique shopping experience.

Dramatically increase lighting and window displays.

Build on the cherished tradition of elaborate holiday window displays at Macy's, encourage all State Street retailers to install creative seasonal window displays to create a dynamic environment and a festive air to the street. Explore incentives such as grant programs and creative assistance to encourage retailers to participate.

Expand space for retail and dining. Encourage street-level retail and restaurants to expand beyond



Window displays at Macy's flagship Chicago store attract Chicagoans and visitors alike to State Street.



Creating themed retail zones, such as youth and fashion (left and center), or unique experiences that cannot be replicated online (right), can help bring a distinctive character to State Street retail.

their storefronts onto the sidewalk to create a dynamic street environment. This can include displaying merchandise and installing seating for outdoor dining. To make space for these activations and to create a slower pedestrian environment with more opportunities to pause and engage, the panel recommends redesigning State Street to reallocate some of the roadway space from cars to pedestrians and bikes. Removing planters from strategic locations on the street would also free up space for outdoor cafes, public art, and seating for pedestrians. To incentivize property owners to invest in improving the outdoor space in front of their buildings, the City of Chicago could provide them with long-term licensing of the newly created space. The ornate entranceways or "headhouses" to the CTA Red Line on State Street.

in addition to taking up sidewalk space, currently block views of storefronts. Modifying some of the existing headhouses to create more streamlined entryways would clear sightlines, helping attract shoppers.

Streamline regulatory approvals, improve flexibility.

Making it easier, faster, and cheaper to obtain regulatory approvals for improvements like outdoor dining or merchandise displays can be a significant incentive, especially for smaller businesses with limited resources. The existing signage ordinance can also be limiting, the City of Chicago should review it in consultation with business and property owners to meet modern trends while maintaining the corridor's aesthetics.



Dramatically increasing the number of seasonal window displays and lighting will add to the allure of State Street.



Creating opportunities for retail and dining to spill out on the street, as in Newbury Street in Boston (left) and in Paris (right) will add to the vibrancy of State Street.

South Anchor: Civic and Educational District

The south end of the study corridor is anchored by educational institutions including the Loop campus of DePaul University and the University of Illinois Chicago (UIC) John Marshall Law School. Other nearby higher educational institutions include Roosevelt University, Columbia College of Chicago, and the School of the Art Institute. According to a 2023 Residential Impact Study by Chicago Loop Alliance, more than 47,000 students were enrolled at a higher educational institution in the Loop in 2020. The Harold Washington Library Center, the main branch of the Chicago Public Library system, is another major anchor drawing an average of 1.4 million visitors every year. While the south end of State Street has strong assets, there are also significant vacancies impacting the vitality of the area. The panel's recommendations focus on activating vacant spaces and buildings to meet community needs and infuse new energy in the area.

Reinvent Harold Washington Library Center as a Dynamic Civic & Cultural Center. Built in 1991 at the northwest corner of State Street and Ida B. Wells Drive, the Harold Washington Library anchors the southern end of the study corridor. It is the largest municipal public library building in the country with over 1.4 million annual visitors, but in today's digital era, much of its space lies underutilized. The Chicago Public Library (CPL), in collaboration with DPD, will launch a capital strategy in 2024 to reimagine and reshape physical library spaces. This strategy will include consideration of potentially expanding and strengthening the scope of services available at the Harold Washington Library Center. The reimagined library, in addition to providing higher education and entrepreneurship support, will integrate a range of social services including healthcare, mental healthcare, support for families and unhoused populations. This repositioning of the library as a dynamic civic center will have a transformative impact on State Street and the South Loop, and the panel enthusiastically supports the plan.

Encourage Adaptive Reuse of the Century and Consumers Buildings. Century and Consumers buildings, located at the southwest corner of Adams and State Streets, are historic buildings, listed on the National Register. The General Services Administration (GSA), a branch of the federal government, acquired them in 2005 to minimize security threats to the federal courthouse located immediately to the west. The buildings have sat empty since then and are now in a state of considerable disrepair. The GSA is currently undertaking an evaluation of alternatives





PHOTO CREDIT: RELATED MIDWEST (ALL 3 PHOTOS

Taylor Street Apartments and Little Italy Branch Library in Chicago is a great example of collaboration across different City departments and sister agencies to deliver a comprehensive suite of services to serve area residents. This branch library effectively serves as a neighborhood hub with spaces dedicated to workforce development, early childhood development, technology labs and mentorship for teens, and co-located affordable housing units.

with one option being demolition and the other option to determine if there are viable adaptive reuse scenarios. Demolition of these architecturally significant buildings would not only permanently erase a piece of Chicago history, but it would also add to carbon emissions and leave a gaping hole on a stretch of State Street that is already struggling. The panel recommends taking the more sustainable approach of exploring adaptive reuse options for the buildings that can meet GSA's restrictive security criteria for the site. Potential future uses could include archival storage for Chicago's cultural institutions and religious orders, government offices, or university related programming. The ground level should be dedicated to retail, service, or food businesses that can generate pedestrian activity.

The City of Chicago, even though it doesn't have jurisdiction over federal property to prevent demolition, has approved preliminary landmark designation for the buildings. Additionally, the draft environmental impact report prepared by GSA as part of the process, has found that demolition of these historic buildings would have a negative effect on Chicago's Loop. The panel recommends continuing to work towards finding a viable pathway for adaptive reuse of the buildings, and in the meantime, utilize the funds earmarked for potential demolition to stabilize and repair the buildings for future use.

Support development of the underutilized C40 Site.

A new mixed-use affordable housing project has been proposed for the underutilized site on the corner of Plymouth Court and Van Buren Street, right across from the Harold Washington Library. The Assemble Chicago Team, the selected team of the City of Chicago's C40 Reinventing Cities competition, has recently revised their proposal to include over one hundred affordable apartments, a health clinic, and a YMCA. The proposal also includes improvements to the adjacent Pritzker Park, such as providing active programming. The project team is currently working to secure financing for the project.

Affordable housing and community services are both critical gaps downtown. The panel recommends prioritizing the redevelopment of the C40 site with these uses because it will provide a dual benefit-to help fill an important gap in uses and to bring new, positive activity to an underutilized part of State Street.

Repurpose 401 S. State Street. 401 S. State, another historic landmark, that stretches an entire city block between Van Buren Street and Ida B. Wells Drive has been vacant since March 2020. The panel recommends exploring a mixed-use redevelopment to include office and/or educational space focused on growing sectors. For example, a vocational school that concentrates on the thriving service industry may be a possible use, training all aspects of hospitality and food preparation.



The proposed redevelopment of the vacant and underutilized site at the corner of Plymouth Court and Van Buren Street by the Assemble Chicago Team will bring much needed affordable housing and services, including healthcare and wellness, to the south end of Chicago's Loop. Additionally, activating Pritzker Park with landscape improvements and programming will enhance vibrancy and safety in the neighborhood.

3. Encourage Adaptive Reuse, Including New Residential

State Street is filled with architecturally significant buildings that give the corridor its unique character but changing trends and preferences have rendered spaces inside many of these buildings obsolete. Revitalizing State Street for a new era will require redesigning outdated spaces for new uses. State Street buildings with older office space on their upper floors are struggling with high levels of vacancies. Attracting new office tenants will likely require extensive retrofitting to meet modern needs, like the newly converted office spaces on the top six floors of the Macy's building.

There is also an opportunity to remodel obsolete office space into residential units to meet the growing demand for downtown living. Downtown Chicago, as noted earlier, is the fastest growing downtown in the country in terms of population growth. Some apartments could be specifically marketed to recent college graduates, a prime demographic to target for downtown living. More than 47,000 students attend



college in the Loop, but few can afford to remain after graduation. Providing affordable live-work spaces for artists and creatives could help strengthen the Arts in the Loop. Adding greater residential density will also expand the customer base and potentially boost sales for area businesses.

Reusing existing buildings, and bringing greater intensity of uses such as new residential, to State Street can also help reduce carbon emissions. Supporting more living, working, and recreational activities within short distances of each other encourages more pedestrian and bicycle trips, which have no carbon emissions. Additionally, State Street has numerous transit options that make it easy for current and future residents to efficiently access amenities in other neighborhoods while limiting autorelated carbon emissions.

Residential conversions can however be extremely expensive and difficult to execute. The panel recommends that the City undertake an analysis of State Street buildings to identify residential conversion opportunities and partner with developers to bring more housing, including affordable and family-sized units to the Loop.



Brookfield Properties transformed the underutilized top six stories of the Macy's department store in the landmark Marshall Field & Company building on State Street into modern office space (left) with tenant amenities such as the rooftop terrace (top) with sweeping views of downtown Chicago.

4. Reimagine the Streetscape to Enhance Safety and Shape Visitor Experience

State Street's current streetscape was designed in the '90s with the goal of moving traffic and people as quickly as possible, and the street does exactly that. There are few opportunities to pause and enjoy the sights or rest for a moment. The flow of traffic and people, and the lack of street furniture or other engagement opportunities, encourages one to keep moving.

State Street, however, is at an inflection point. Not only is the 30-year-old streetscape wearing out, but its identity as the Loop's retail district is also shifting. There is a tremendous opportunity to reimagine the streetscape to support the new vision for State Street as an inclusive, safe, and exciting destination instead of simply a thoroughfare.

Creative design strategies and thoughtful programming can foster a sense of ownership and belonging, helping State Street live up to its legacy as everyone's street. An equitable and reflective approach to physical planning and programming can create space for everyone, including families and youth, and promote a sense of safety. The panel recommends the following strategies:

Focus on pedestrians, allow for slower movement.

Widen sidewalks. Consider repurposing median space in certain sections of State Street to create wider sidewalks for outdoor cafes, flexible seating, public art, and other opportunities to engage with the street, while allowing pedestrians to move easily. **Bring playfulness.** Add whimsical "play spaces" for children and adults to create a fun, playful environment on State Street and encourage people to engage with the street. For instance, colorful play structures for children can create a welcoming environment for families, chess tables can bring strangers together over a game of chess, and a piano can lead to an impromptu concert.



Interactive installations, such as the 21 Balancoires or 21 Swings, in Montreal's Quartier des Spectacles (left) or a jumbo-sized game of Connect Four on the 75th Street Boardwalk in Chicago's Chatham neighborhood (right), can add playfulness to a street and create a sense of safety by welcoming people of all ages and backgrounds.

Improve transit experience, enhance wayfinding.

Improve L stations. The redesign of State Street should be extended to the entrances and platforms of L stations, especially the Red Line, which has multiple access points along the study corridor. Better maintenance, lighting, and art installations such as murals, can improve the transit arrival and departure experience and perception of safety.

Enhance wayfinding. Clear signage in Loop train stations and on the street can help direct visitors to various State Street attractions. QR codes can be incorporated in the wayfinding system to provide information on current State Street happenings as well as its historic landmarks.

Create an art and design-filled experience.

Illuminate buildings. Walking down State Street should become a visually exciting journey. The street's stunning buildings should be artistically illuminated to highlight their architectural splendor. Or like "Art on the Mart," serve as vertical canvasses for projecting art created by Chicago's talented designers and artists.

Add public art. State Street should be infused with art, whether it's strategically placed murals, sculptures, or high-tech, 3D video installations, to create a sense of playfulness and draw visitors along from one discovery to the next. The intersection of State Street and Madison Street, where Chicago's street numbering system begins, should be celebrated with a special art installation celebrating its "zerozero" location.



Better lighting and creative design elements, as employed in stations in Singapore (top) and Munich, Germany (bottom), will extend the enhanced State Street experience into the Red Line subway stations, greatly improving the transit experience.



Illuminating buildings with artwork, such as the "Art on the Mart" projections on Chicago's Merchandise Mart building (top), or lighting to highlight architectural features such as the Martin Place in Sydney, Australia (bottom) will create an exciting experience along State Street.

Create visual connections from high-rises to the

street. Incorporating design elements such as painted crosswalks and sidewalks can create a striking visual when viewed from above. Since State Street is clearly visible from many surrounding buildings and many L trains, the panel recommends including public art elements that can create visual connections and excitement for State Street, not just at the street level, but also from up above.

Create a sustainable streetscape.

The new streetscape for State Street should be designed to be long-lasting and environmentally sustainable. For instance, incorporating materials with lower carbon intensity and greater permeability in the new pavement can reduce the urban heat island effect and stormwater runoff. Additionally, changes to the curb, whether to create new plazas or bump outs, could include small rain gardens and bioswales to capture and infiltrate water runoff to delay entry into the already overloaded stormwater system.



Colorful murals painted on street surfaces, such as the "Ripples of Peace and Calm" on 14th Street between Broadway and Union Square West in New York City, can help create excitement at the street level and a visual connection from up above.



The intersection of State Street and Madison Street, where Chicago's street numbering system begins, should be celebrated with a special art installation celebrating its "zero-zero" location, such as the potential example in this rendering created by Chicago Loop Alliance.

IMPLEMENTATION ACTIONS

Leadership

Reclaiming State Street in the Loop as Chicago's "Great Street," intimately tied to the rhythm of its neighborhoods, is a worthy, yet bold idea. Executing it will require a coordinated effort by public and private sector partners:

- All State Street stakeholders, including residents, business and property owners, and cultural and higher-education institution leaders.
- City departments and sister agencies including the Chicago Transit Authority.
- Chicago Loop Alliance (CLA). The panel recommends an elevated leadership role for CLA. The new CLA will have an expanded mission,

supported by an increased budget, to work in partnership with the City to create and maintain active consortiums of Loop's arts and educational organizations. These consortiums are essential to creating a coordinated cultural and educational experience along State Street and the larger downtown.

Funding Sources

Explore Tax Increment Financing (TIF) Funding.

The panel recommends exploring the possibility of expanding the geographic boundaries of the existing LaSalle Central Area TIF in the downtown to include State Street. TIF funds could help fund streetscape improvements, preservation and retrofits of historic



PHOTO CREDIT: CHICAGO LOOP ALLIANCE

Mayor Brandon Johnson participated in the Sundays on State festivities in summer 2023 along with thousands of Chicagoans from across the city.

Hosting such tremendously successful and inclusive events is only possible because of the leadership of organizations such as Chicago Loop Alliance, partnership and collaboration of multiple City of Chicago departments and agencies, and the support of private and non-profit organizations. Clearly, the rebirth of State Street as Chicago's Great Street will require coordinated effort and commitment of all public and private sector partners.

buildings, and advance other public goals such as creating more affordable housing on State Street.

Business Improvement District (BID). Once enabling State legislation is passed, the panel recommends creating a new Business Improvement District that encompasses a greater area of the Loop beyond State Street in lieu of the current SSA. In addition to generating higher revenue that will allow CLA to plan and implement more comprehensive improvements on State Street and the Loop, the BID will allow property owners greater flexibility and control over BID spending.

Philanthropy and Private Corporations. Chicago is home to many impactful philanthropic organizations and civic-minded private corporations that through their collective investments over the years have helped create a vibrant, world-class, arts and cultural scene in Chicago. A renewed commitment from these organizations can help inject a much-needed jolt of financial energy into Chicago's cultural institutions as they emerge from the impacts of the pandemic.

Next Steps

The panel recommends taking a tactical approach to implement the needed change on State Street, starting with immediate actions while building momentum for other longer-term actions. These include:

Connect State Street to the rhythm of the

City. Chicago's major athletic events, cultural performances, civic moments, and ethnic celebrations should connect to State Street. CLA should begin to animate and activate the street, inviting other organizations to collaborate. They should partner with the City to encourage property owners to leverage these activations, bringing life to their vacant storefronts with short-term installations including relevant public art and pop-ups to bring new shopping,

dining, or cultural experiences to the street. Grants to defray costs and fast-track permitting can incentivize property owners to participate.

Test street closures. Closing sections of State Street for different types of special events on different days, from a few hours on a weeknight to an entire day on a weekend, will help identify opportunities and challenges for hosting regular special events on State Street.

Implement the Plan to Reposition the Harold Washington Library as a Civic and Cultural Center.

The execution of Chicago Public Library's Capital Plan envisions an aspirational future for the Harold Washington Library Center. By leveraging the library's existing resources, the capital strategy will inspire the city to rethink our physical spaces, exploring how the future of the central library can breathe new life into the south end of State Street and the Loop, while maintaining the role of a vital civic and cultural center.

Continue to Advocate for Adaptive Reuse of GSA Buildings. City officials and civic leaders should continue to advocate for adaptive reuse of the historic

GSA buildings, including reallocation of the demolition budget for stabilization and reuse efforts.

Develop C40 Site for Affordable Housing and Community Services. Work with developers to help bring new affordable housing to the underutilized C40 site and activate Pritzker Park.

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