

Chicago's South Loop Rising

The Riverside District development looks ahead to the future.

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When it comes to development, the why and the what are sometimes more important than the where. While location is still a factor, it is also important to consider the big picture. Why should a development be built? What is the impact of a new development project on the neighborhood? And what can be learned from it? The old adage “location, location, location” is still in effect, but now with an addendum: “impact, impact, impact.”

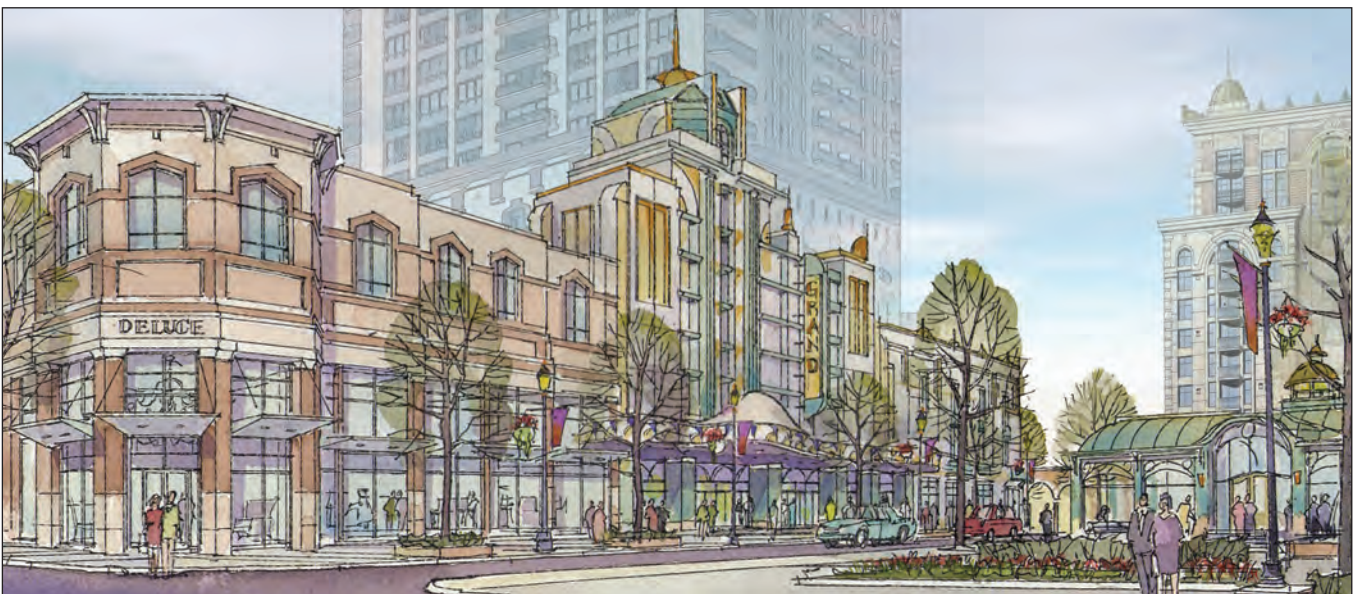
Riverside District, a mixed-use development project located in Chicago, joins multifamily living with high-end retail, restaurants and entertainment to create a unique and convenient destination area. The Riverside project will provide much-needed commercial amenities to the currently underserved South Side. The project will be built on 62 acres

along the south branch of the Chicago River in the city's South Loop neighborhood, within blocks of the downtown and central business districts. Exclusive retail leasing consultant The McGarey Group has joined Roosevelt/Clark Development, the developer of the site, architect Antunovich Associates and development consultant BMAC Real Estate, to create a retail platform that will anchor the South Loop.

“This is where [development] needs to happen,” says F. Denver McGarey, president of The McGarey Group, likening the project to “the big boulder that gets dropped in the lake and the rings radiate out.”

“The South Loop has transformed from an area that hadn't yet earned its gentrification stripes into a must-buy market bigger than the greater whole,”

says McGarey. The combination of residence and consumer necessities such as movie theaters, gourmet grocery stores, and favorite retail stores will make the South Loop an urban hotspot. Lower rent also helps attract businesses. The Riverside District will have 75,000 to 100,000 square feet of what McGarey calls “just because” space, or space that becomes occupied simply through word on the street. Tenants come in during the development cycle and show interest in the space, mainly people who like street-scale rather than high-rise. “At the end of the day,” he says, “we'll end up with more prospects than we can accommodate.” And with less than 100,000 square feet of office potential, Riverside won't be flooding an already competitive market. “Our consumer of this space,” McGarey says, “is not pick-



A rendering of Riverside District, a new mixed-use project in Chicago.



The location for Riverside District sits at the forefront of this aerial photo of Chicago.

ing an office; they are choosing a way of life.”

Riverside District will have 670,000 square feet of retail, restaurant and entertainment space spread out over 15 buildings. There are 4,277 condominium and loft units; 337 townhomes; and 7,500 parking spaces, 3,000 of which are devoted to retail. Aside from the townhomes, the residential component will also include both mid-rises and luxury high-rises. The dramatic growth in empty-nester and younger households (ages 25 to 34) will drive demand for high-end primary and secondary housing, and thus, give Riverside the appeal it needs to attract residents.

Neighborhood response has been positive as people begin to realize what kind of property Riverside will be. “These are sophisticated people moving in,” McGarey says. “They want permanence, they want all the things they want, and they want it right there. Well, there isn’t a ‘there’ right now, so you can imagine the acceptance of [River-

side Park]. It’s overwhelming.”

Comprised of multiple retail and residential buildings, the focus is to create a community that is pedestrian oriented. With more than 1.6 million people living within a 15-minute drive and more than 80,000 students within walking distance of Riverside, the district is in a prime location. The development is 5 blocks from Grant Park and Chicago’s Museum Campus. Riverside is also in close proximity to the downtown Chicago central business district as well as parks, universities, and McCormick Place, the nation’s largest convention center. Dual access to the Dan Ryan Expressway is provided. Recent improvement of Clark Street, a major artery, has made access even easier due to a \$24 million project by the city of Chicago. There is now a Clark Street underpass below Roosevelt Road with a ramp leading into Riverside in what McGarey Group leasing director Katie Steiner calls “an invisible entrance.”

Riverside also hopes to attract com-

muters with trolley and water taxi service, as well as the Metra commuter rail line and all three subway and El lines. “We’re for the commuter,” McGarey says. “With our collection of restaurants and things that we’re putting together, we’re going to stage a platform of daytime and post-work relief.” With the Loop’s current reputation as a high-powered office district, Riverside looks to be a place where people can park, relax and spend the day. The half-mile sprawl running along the east bank of the Chicago River will boast a river walk, along with parks and vegetation, as required by the city, adding to the communal feel of the district, as well as making residents truly feel at home.

McGarey says he was sold the moment his team saw the aerial site for the project a couple years ago. “We jumped on it like a fumble in the end zone,” he says. “While it’s one thing to build it big, it’s another thing to build it right, and the Riverside District site is going to be gorgeous,” he says. With the site

presently below grade and being built to grade, McGarey likens the project to the proverbial Phoenix rising up to meet the needs of South Loop. He credits the top-tier, top-flight ownership, development and architectural teams for bringing the project all together, adding, "It's a phenomenal piece of property and we're thrilled."

Architecture is a key component of a successful development project. Permanent and authentic style is the most comfortable. "It really needs to be built in a way that feels like it's been there," McGarey says. "Chicago is steeped in history and to not honor that is a mistake." Anything too fundamentally different from the surrounding buildings can sometimes be a disadvantage. Loyal residents want their architecture to blend in with existing structures. Perhaps the most loyal of all residents, Chicago's mayor Richard Daley, a major architecture aficionado, took a personal interest in the design. Antunovich Associates, the architect and planner, was challenged to create something that had drama and elegance blended with local, national and international style that will end up as first class high street and not a hybrid of elements. Riverside District will have a wonderful blend of Chicago-themed buildings with a European freshness, with gardens and balconies influenced by London's Covent Garden. "I think it will be outstanding," says McGarey.

The grid pattern is a unique feature of Riverside. High ceilings, decorative painting and well-lit pathways make the grid easy to maneuver. McGarey refers to it as a "glass bottom boat," adding, "It will be more of a building envelope

grid." The shopper will always know where he is and how to get to where he is going. Additionally, shoppers will also be able to easily identify their locations from the below-ground parking lot and plan their routes accordingly. Major elevator and escalator systems, as well as stair elements, ensure that no one is ever going to be more than 250 feet from where they want to be.

The concealed parking plan, made possible by grade changes, will be advantageous to the project's success. "You have multiple options to go down and into the parking," explains McGarey. "Levels 1 and 2 are dedicated to retail, so it never interferes with residential. The third level is dedicated to residential, so it's all nested but very macro." Separate retail and residential parking levels ensure a smooth and orderly parking system, without hassle over lack of parking spaces or the unnecessary traffic of combined shoppers and residents. McGarey credits development director Bruce Macleod and Joe Antunovich with the creation and organization of "the most brilliant superstructure."

What was once a vacant 62 acres will soon be a hip urban sprawl with opportunities for successful residential and commercial development. In an area where businessmen, residents and students converge, Riverside District will be an exciting new community with the retail and residential services to suit everyone's needs. Retail companies might want to consider Riverside District as an extension of their brand and a revitalization of their product. Moving stores into Riverside would allow other branches to change their concepts and have different choices in different places.

The potential for job expansion is high, especially for companies relying on younger, well educated workers.

As for the future development of South Loop, McGarey predicts the area will be "the new North Side." With cultural elements and a progressive, energetic and influential community, McGarey believes Riverside District will become "the platform capable of hosting the grand party." The vibrancy of the student community together with those entering their transitional stages will create a rich mixture. Students are a great source of employment for the retail, restaurant and entertainment segments, while the waterway provides excellent tourist potential. Riverside District is surrounded by the professional sports franchises, with the Chicago Bulls, White Sox and Bears literally flanking the property. McGarey also foresees vertical development for future projects in the South Loop. Riverside District has four major towers that will be developed with the opening as well as staggered a few years behind. The towers can be transitional and can be built as hotels or as continued residential space, depending on the needs of the market.

McGarey hopes for a pre-spring convention 2008 opening of Riverside District, adding that the foundation permit has been submitted and construction should begin within 5 months. Things are moving along in a way that Chris McGarey, chief operating officer of The McGarey Group, calls "beyond compare." She adds, "I think it's the most powerful property available for development in America today."

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