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Is the Bloomingdale Trail a path to displacement?

Longtime residents of Humboldt Park, Logan Square, and other areas around the highly anticipated 606 project are organizing to make sure they're not priced out of their neighborhoods.

By Julia Thiel @juliathiel



PHOTO ILLUSTRATION: READER STAFF; IMAGE: 606.ORG

Houses have been disappearing lately on my Logan Square street. Last fall, a pile of rubble appeared in the space where a home had stood just a few days before. Soon after that, the building a few doors north of mine was gone. They were frame houses, like most of the others on the street, which lies just north of an area in rapid transition. Since 2013, construction workers have been turning what was once an abandoned rail line nearby into the 2.7-mile-long Bloomingdale Trail and Park, a \$95 million project

modeled after elevated urban parks like New York City's High Line. In place of the razed buildings new ones are growing, modern-looking brick rectangles with big windows that stand in contrast to the older houses that remain on the block, with their sloped roofs and vinyl siding.

The area directly east of my house, in Bucktown, is already full of newly built or remodeled houses and condos. To the west, it's mostly older two-flats and three-flats—and that's changing now too. Delia Ramirez, 31, has lived a block south of Bloomingdale Avenue on Central Park—near what will soon be the western trailhead—for almost 25 years. Her parents bought a two-flat here in 1991, when Ramirez was seven, and now she rents one of two units in a neighboring building they bought in 2005. She's watched buildings here fall and then rise again, redeveloped out of the price range of people who already live in the area. "If an owner has to sell or a property has been foreclosed, it's being bought to create two things: condos or single-family homes," Ramirez says. "And the single-family homes are going at \$400,000 to \$600,000, in an area where just two years ago they were going for \$200,000.

"Three weeks ago my dad got a little postcard in the mail from a really good-looking woman and a man who said, 'Hi, we're developers in your area and interested in buying property. Please contact us if you'd like to sell your house.' It's the first one they got, but I know so many more are coming."

Those seeking an explanation for the sudden interest in property around Bloomingdale Avenue tend to look to the Bloomingdale Trail, which runs west along Bloomingdale from Ashland to Ridgeway, through the neighborhoods of Wicker Park, Bucktown, Logan Square, and Humboldt Park. The centerpiece of the 606, which also includes six neighborhood parks at ground level, the trail has been in the works for about a decade, but gained momentum after Mayor Rahm Emanuel made it the focus of his push to create new parks and recreation areas in Chicago. Construction began in August 2013, and after the harsh winter of 2013-'14 prompted the city to reschedule the original fall 2014 opening, the Bloomingdale Trail will have its coming out June 6.

The construction of the Bloomingdale Trail may be the most conspicuous explanation for the rising housing prices and development boom in the surrounding areas, but it's not the only one. Real estate prices in Chicago overall are going up, still in recovery from the housing market crash of 2008. And Logan Square, and to a lesser extent Humboldt Park, were gentrifying well before plans to create the trail were part of the public consciousness; the media frenzy around the trail began only about three years ago, after the project began to move forward in earnest. Residents have

been worried about being priced out for longer than that, and that concern has intensified recently as a result of the Bloomingdale Trail's construction. Now some of them are organizing to try to make sure they're not displaced.

Ramirez says that the concern she's been hearing is that rather than enhancing her neighborhood with the addition of cycling and running paths, landscaping, art installations, and other planned amenities, the Bloomingdale Trail will transform it. "When I drive down my street I see these big signs on the bridge that will be the trail: 'Building a New Chicago.' I struggle with that, because it makes me wonder, what does that make us? What does that make our neighborhood? Building a new Chicago for who?"

"I think the sentiment that [current residents] have is that this is not for me, [the city] built it for those to come," she says of the trail. "What we've seen in the High Line and other developments across the country is that when you create these kind of amenities, it's almost to recruit a new set of people."



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Bob Safranski, a real estate broker who lives in Logan Square and has owned property near the trailhead at Ridgeway since 2002, recalls efforts to build condos and townhomes between 2005 and 2007, near what's about to become Bloomingdale's western trailhead. "The projects failed, just died," Safranski says. "They sold maybe one out of 20 units. That's not happening anymore."

Now a long-vacant piece of land just south of the trail and east of Central Park is being turned into a "swanky townhome project," and Safranski recently brokered the sale of a house just a few blocks southwest of there for \$15,000 over the asking price. "It blew us away," he says, "people were frenzied to buy it." New construction in the area is at "a new level, catering to a different target market than it was a couple years ago," Safranski says. "[The Bloomingdale Trail] is definitely having an effect, in my opinion."

Whatever the reason, housing prices in Logan Square and Humboldt Park are recovering from the housing collapse faster than in any other area of Chicago. According to a price index recently released by the Institute for Housing Studies at DePaul University, prices of

single-family homes in both Logan Square/Avondale and Humboldt Park/Garfield Park have increased by more than 40 percent from the market's lowest point—compared to a median recovery in Chicago of 21 percent. A major difference between the two areas is that Humboldt Park/Garfield Park also saw a bigger housing bubble before the crash; from the peak, housing prices dropped by more than 70 percent before they finally began climbing again (the highest swing in the city, compared to a median decline citywide of 46.6 percent). Logan Square/Avondale saw a price decline of only 35 percent; housing prices there are now approaching peak level, whereas in Humboldt Park/Garfield Park they're still well below peak level.

Steve Marks, a Chicago realtor, has observed a rise of interest in the area around Bloomingdale Avenue near the trail over the last several years. "Real estate speculation started as the plans for the park were coming out," Marks says. "I saw—still am seeing—a lot of investor interest in multiunit buildings. They want to buy them bank-owned, rehab them, and then charge a premium."

At my request Marks used the MLS, a listings database used by realtors, to get numbers on average sale prices of homes in three areas near the western half of the trail, between Kedzie and the Metra tracks west of the Ridgeway trailhead: a northern segment, from Fullerton to Armitage; a central segment, from Armitage to North (right around the trail); and a southern segment, from North to Division. I compared sale prices from the past year (April 2014–April 2015) for detached single homes, attached singles (condos and town houses), and two- to four-flats to prices from 2010, which was near the bottom of the housing market. Prices in the surrounding area have increased by about 100 percent in the last five years; slightly more than that in the area closest to the trail.

Delia Ramirez doesn't believe that the trail is solely responsible for the changes in her neighborhood—but she does think it's accelerating them. "It's not to say that gentrification would not happen without the trail; there would have been other things. But it's happening really quickly as a result of the 606." Which means that everything's going according to plan for Mayor Emanuel. In a video posted on the city's YouTube page last spring, he touted the fact that real estate agents were already listing properties in terms of their proximity to the Bloomingdale Trail. "So it's doing exactly what we want it to do," the mayor said.



Delia Ramirez took engagement photos on the Bloomingdale Trail before construction began. Now she's helping lead a campaign against displacement of longtime residents near the 606.

BILLY PEREZ

Concerned by the effects the trail's construction might have on long-term residents of the neighborhood, Ramirez is collaborating with the Logan Square Neighborhood Association and other community members on a campaign to promote tax abatement programs and other measures to help people stay in the neighborhood. Ramirez first got involved with LSNA more than ten years ago—when she was the executive director of the Center for Changing Lives, a Humboldt Park-based organization that assists people who are homeless or at risk of becoming homeless—and served as president of the LSNA board of directors from 2005 to 2007. She says that at a recent meeting with parents from local schools—four of them within a couple blocks of Bloomingdale—discussion turned to the trail. "The conversation that initially started with excitement turned to concern," she says. "'What's it going to mean for our schools? Does it mean that less of us are going to be able to afford to live here?' Most of them are renters."

Last month, LSNA's annual congress addressed ongoing concerns among community members about gentrification and rising housing prices. Community resident Jennifer Velasquez, 20, says that the goal of the meeting was to raise awareness of the issues surrounding the 606—both within the community and among elected officials—and try to get officials on board with measures to protect the community. Velasquez, who lives a stone's throw from the trail on Kimball, says that the campaign is still researching the best ways to preserve affordable housing in the community, but organizers have already asked Cook County commissioner Luis Arroyo and Cook County assessor Joe Berrios to support property tax abatement measures, which grant reduction of or exemption from taxes for a specific period of time to ease financial burden for

longtime home owners. Berrios and other elected officials are planning to host workshops to educate residents on how to appeal their property taxes. And this summer, teens from After School Matters and the Logan Square Youth Leadership Institute will knock on doors in Humboldt Park and Logan Square to gather information from residents about whether their rent or property taxes have gone up, as well as passing out information about property tax workshops.

Ramirez points out that while increased property values are a boon for owners who want to sell, higher property taxes—the other side of the coin—can become a burden for those who want to stay. Owners of multiunit buildings, like Ramirez's parents, have the option of raising rents to cushion the blow, but that just passes the problem on to renters—who often can't afford to pay even \$50 more a month. "This is home," she says. "Your neighbors are like family. It's not about the profit margin, or if you can flip the property so you can move to Lincoln Park or Naperville."

In the area around the western half of the Bloomingdale Trail—between Armitage and North, beginning around California and continuing west to the trailhead—60 percent of households earn less than \$50,000 per year, according to data compiled by DePaul's Institute for Housing Studies; less than 3 percent earn more than \$150,000 a year. East of California, 30 percent of households make \$150,000 or more annually, and another 19 percent make between \$100,000 and \$150,000 (the census tract for the area east of California also includes some land that's north of Armitage). Geoff Smith, executive director of the IHS, points out that this data can be affected by factors like the number of rental properties in a neighborhood, since renters generally make less money than home owners. This lower-income area is predominantly Hispanic or Latino; most of the higher-income area is white.

Rising property values in the neighborhood impact not only individuals, but also organizations like the Latin United Community Housing Association, which preserves and creates affordable housing in Humboldt Park, West Town, and Logan Square. LUCHA's Madres Unidas development, 36 affordable units near North and Central Park, saw its property taxes double between 2012 and 2013. LUCHA director Juan Carlos Linares says that because his organization works through the low-income housing tax credit program, it has to budget expenses 15 years out. "We have the reserves in place to be able to meet that [increased tax bill]," he says, "but it really challenges the viability of affordable housing in this area, and the viability of home ownership for people that live along the trail that don't have those resources."


LUCHA is planning to begin construction next year on a scattered-

site affordable housing complex called Tierra Linda, consisting of 12 buildings, all within a couple blocks of the Bloomingdale Trail, between Kedzie and Central Park. "Cost is always an issue," Linares says, and the organization is still in the process of applying for funding. As for the trail itself, he says, "I think it goes without saying that it's going to bring in a lot of folks who aren't from these communities. We think that's a great thing. But at the same time, we want to be very careful with folks who are already here who want to maintain their residence."

New York's High Line, an elevated 1.5-mile park built along an unused rail line, has been transforming the West Chelsea neighborhood where it's located since the first section opened in 2009 (the third and final leg opened last fall). In an area often described as "gritty" or "industrial" before the park's opening, property values increased 103 percent between 2003 and 2011; high-rise condos line the trail.

As more elevated parks are built around the country, developers are becoming more aware of the ways that they can affect real estate prices in surrounding areas. Eleventh Street Bridge Park, in Washington, D.C., is still in the planning stages; construction isn't expected to begin until 2017. Even at this stage, though, the organizers are considering how it will transform the surrounding communities, especially since—like the Bloomingdale Trail—it'll connect economically disparate neighborhoods. And so they've created an equitable-development task force to guide programs and policies in order to avoid displacement, focusing on affordable housing, workforce development, and small business enterprises.

The campaign being developed in Logan Square and Humboldt Park isn't as far ahead of the game as the one in D.C., but its organizers are hoping it's not too late to make a difference. "We have a short window of opportunity," Ramirez says. "Development has begun, and we're not against that. We're about equity in development."

Despite her concerns, Ramirez says she's looking forward to the opening of the 606. She's lived near the tracks all her life; she took her engagement photos on them just before construction began on the trail. "The truth is that I can't wait for June 6," she says. "I walked up there in my cowboy boots for my pictures, and now I want to go in gym shoes. It's a beautiful space. We just want to make sure we're going to be able to stay here to enjoy it." 



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