



August 04, 2016

Could Obama library lift Woodlawn's housing market?



By DENNIS RODKIN |



Photo by Dennis Rodkin

Workers were creating a mural July 29 on a Marquette Road underpass in Woodlawn.

President Barack Obama isn't the only one who picked the Woodlawn neighborhood for his next construction project.

In recent months, three developers have launched homebuilding projects in the South Side neighborhood, staking their claims not only because they knew the Obama Presidential Center might go there but because Woodlawn has an air of inevitability. In a neighborhood of 12,000 housing units, it's just a trickle for now, but real estate developers and investors hope it's the beginning of something bigger.

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'OUR MOMENT' IN WOODLAWN



er is counting on that. In June, Chicago-based KMW disclosed plans **to build 25 homes**—a mix of houses, You can live in the penthouse of the Loop's tallest condo building
houses and condos—on a site about six blocks west of the Obama library location. They'll be priced from \$300,000 for condos to \$600,000 for houses.

Also rolling out is a group of **eight eco-homes on Marquette Road**, six blocks from the library site. The developer, Greenline Homes, which will hold its first open house this weekend, will announce two more groups totaling nine houses later this year, said principal Benjamin Van Horne. And last month, a group called Preservation of Affordable Housing unveiled plans for **Trianon Lofts**, a 24-unit project that it says is the first market-rate rental housing built in the neighborhood in recent memory.

Into that residential mix, add **a \$27 million charter school** that the University of Chicago is building on 63rd Street, six blocks from the library site.

"We're having our moment with all this construction," said Lyletta Robinson, who lives in a Woodlawn condo she bought in 2001 and, **as the Woodlawn Wonder**, tweets news about the neighborhood. "It's about time."

Robinson and Spencer—who also lives in the neighborhood—both said Woodlawn is benefiting from spillover out of northern neighbor Hyde Park, quick commute times to the Loop and something that drew the Obamas: woody, historic **Jackson Park**, one of the city's first great parks.

Woodlawn's for-sale housing is inexpensive: The median sale price of a home sold in the neighborhood in the first six months of the year was slightly more than \$74,000, compared with \$215,000 citywide and \$223,000 in adjacent Hyde Park. About three-quarters of the households in the neighborhood are renters.

Most of the new construction is concentrated in north and east Woodlawn, near the park and the University of Chicago in an area where **the incidence of crime** is lower than on the west side of the neighborhood.

"When you look at a map of Chicago objectively, which I can do because I'm an outsider, Woodlawn is an ideal location," said David Pezzola, CEO of Icarus Investment Group, a New York-based investor that owns about 300 apartments in Chicago. Since 2013, Icarus has bought, rehabbed and rented out 70 units in Woodlawn.

The library "is the icing on the cake that's already here, the thing that really shows it's not just hype out here in Woodlawn," Pezzola said. "This is real."

Since the housing bust, investors have been attracted to Woodlawn and to the other contender for the library site, **Washington Park**, by the potential for healthy profits in turning around distressed properties.

Steve Konstantopoulos, a co-owner of Northfield-based Axonas Realty, said units in multiflat buildings that need rehab go for about \$50,000 and that, after fixing them up, developers have been selling the units for as much as

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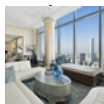


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The figure fell back down to 1.7 last year, the fifth-highest rate in the city.

Robinson, who moved in during the last building boom, the years leading up to 2006, sees a difference between then and now: "The institutions are coming in."



She means both the Obama library and the University of Chicago's turn south into Woodlawn. Since 2009, the city has opened a 787-bed dorm on 61st Street as well as its Ray & David Logan Center for the Arts on the northern rim of Woodlawn. Both have southward orientations into Woodlawn, a neighborhood that's buildings used to turn their backs on. The charter school building on 63rd extends the university presence a few blocks farther south.

Greenline's Van Horne was part of the earlier Woodlawn boom. In 2003, he converted 24 apartments on Maryland Avenue into condos. But as housing went bust, he struggled to sell the last few units and **shifted his operation to North Side homebuilding.**

With the Marquette Road project, Van Horn is back in the neighborhood. In light of all the residential and presidential projects going on, he said, "I'm much more confident about Woodlawn than I've ever been."

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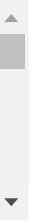


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mike621 • 2 months ago

I will be addressing CTA's Board of Directors this coming Wednesday August 10th (10:30am), Metra's Board on Wednesday August 24th (10:30am), and the RTA Board the next day Thursday August (8:30am) -- about upgrading the in-city Metra Electric District to be an integral part of CTA's 'L' System, to serve the South Side, Jackson Park -- and the new Obama Library and Museum.

Hopefully Crain's Chicago Business will cover this!

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dImstl • 2 months ago

Got to love the usual generic happy talk about 'foot traffic', restaurants and retail. Think of the Obama Library and Mausoleum more in terms of an 'island' as opposed to some miraculous regenerative

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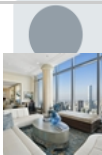
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ending service east of Cottage Grove was a giant mistake. Jackson Park is an excellent location for the Presidential Library but having EL service up to the front door would have made it even better.

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Former Phoenix • 2 months ago

I agree with the developer's comments that "outsiders" have a great view of the potential for this area. I challenge key decision-makers to think BIG! There is no reason to limit the economic opportunity spurred by the Obama Presidential Library to a few block near Jackson Park. It should surround the University of Chicago and all areas between/around both Jackson and Washington Parks. Two great attractions (Smithsonian Museum and Obama Presidential Library) and a world class university (U of C) will occupy this area. What do the Aldermen and Mayor have to say about development of this area? Alderman Hairston (5th ward), Alderman King (4th ward), and Alderman Dowell (3rd ward) are hopefully leading the push for comprehensive improvements. Let's hear from them. Humboldt Park is the recent beneficiary of a large community service project and upgrade. How about Washington Park? The CTA Green Line station at 55th and Prairie has a Park & Ride lot but looks horrible. The 51st St Green Line station floods when it rains. This is a great opportunity to do much better. THINK BIG!

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Bucktown • 2 months ago

Here's how the housing development will work in Woodlawn and surrounding areas:

- 1) Builder's and developers will get intrigued by the potential
- 2) They'll look for land and find most is controlled by politically connected speculators and local not for profits that want too much for the land.
- 3) Some will negotiate deals anyway to buy land
- 4) They'll start to plan to build and may need minor zoning changes
- 5) Activists, politicians and the same not for profits that own the land will say they can build if they hire the 'right' people.
- 6) Builder's will see costs skyrocket
- 7) No worries! because the City and other government programs like TIFs and low income tax credits will be offered to subsidize the projects.
- 8) The costs of the projects will balloon to be higher than what it costs to build luxury housing in Lincoln Park and the Gold Coast, and the rest of us will end up footing the bill with our taxes.

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jesuisletat • 2 months ago

Just watch Bronzeville.

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tgrossman → mike621 • 2 months ago
You can live in the penthouse of the Loop's tallest condo building. The O'Hare and 16th Connector has always been interesting opportunities to better connect the transit system.

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