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May. 03, :

Sunday April 01 2007

## Campus character

How an area with declining infrastructure and retail finally made the grade

Megan Brody Staff Writer

Up until the last few years, crumbling infrastructure and a lack of retail variety left the University of Illinois' Campustown neighborhood in a depressed state. The few businesses that could remain viable mostly fell into one of three categories: collegiate apparel stores, bookstores and bars—all three safe bets in any college town. As commerce continued dying off, those strong enough to survive formed "Campustown 2000," a partnership set to revive the area.

### On a decline

"[Business owners] were growing increasingly concerned about the appearance and functionality of the street, the nature of some of the businesses. They were interested in upgrading images and improving the tenant quality," says Rick Hitchcock, of Naperville, Illinois-based Hitchcock Design, the company responsible for planning the new streetscape for Green Street, Campustown's main thoroughfare.

The reinvestment couldn't have come soon enough.

"Business owners down there felt they were hanging on by their fingernails," adds Todd Salen, advisor at Sperry Van Ness.

A special service area was created to fund improvements like new curbs and gutters, and merchants picked up the tab for landscaping and light fixtures. The goal was to transform the look and function of Campustown and present a new front door for the university and the community.

"Campus was in desperate need of something like that. We would do deals down there, but then after a period of time it really degraded. I think any time you see the pendulum swing that far in one direction, someone sees that as an opportunity," says Vance Barr, president of Barr Real Estate.

### Making a connection

Not only did Campustown experience a revival, but the result also included the beginning of bridging Campustown with Champaign's downtown. The

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effort to advance “town-gown” relations has been successful so far. Students have started frequenting shops and sampling the downtown nightlife. Although the reverse—attracting those who live and work in the area to Campustown—has been more challenging. Over the years, students began leaving campus to shop since it’s more common for them to have cars and credit cards than in the past. The demise of the campus retail, such as record stores serve as an example of the fallout due, at least partly, to this trend. There is currently not a single place in Campustown to purchase a CD. (Marking a sign of the times, the neighborhood does boast an Apple store.)

Due to atrocious parking and the masses of pedestrian traffic, most Champaign residents avoid Campustown. And experts say getting residents to the campus will be key to securing more retail variety, such as clothing stores.

“I think the apparel market on campus will grow at a slower rate than things like eateries because they can survive on campus fare alone,” predicts.

### Champion chains

But Campustown has attracted several national chains in the form of eateries. Chipotle, Starbucks, Potbelly and Bar Louie have all entered the Champaign market recently. JSM Development rid the area of an old Wendy’s that had been abandoned for around a decade. In its place the company attracted tenants Noodles & Co. and Flattop Grill.

“I called Starbuck’s for years. They wouldn’t come to Champaign because we were too small of a market—for years,” Barr emphasizes. “A lot of those stores have been heavily developed in major markets. You look at them, and they’ve pretty much maxed out their store growth in some of these markets. Now they’re looking at places like Champaign.”

JSM had experienced success in Campustown with its Green Street Tower, a student housing complex right in the heart of the Campustown neighborhood, delivered in 2001.

Farther west on Green Street, Tartan Realty Group razed an abandoned storefront and nearby Victorian house to make way for a new home for Potbelly and Starbucks. Originally, the company had its eyes on the old Wendy’s but talks in earnest of purchasing the site collapsed. Its project containing the eatery and coffee shop opened about two years ago. Tartan wanted to build housing above, but when the city refused to waive parking requirements, those plans were scrapped.

“That Potbelly’s is extremely successful. Originally, when they opened that thing, they were surprised at how successful it has been,” says Doug Reichl of Tartan. “The building we built was the first one that kind of got done. If anyone was hesitating about going [to Campustown], that secured the decision.”

Reichl is rolling out this format on a number of other college campuses

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across the country, including Illinois State University and North Carolina State.

The density on Green Street has created vibrancy, and it's a place where students want to spend their time. In an effort to increase cross traffic between the downtown and Campustown, the city has focused on redeveloping a key piece of property between the two neighborhoods.

"It's challenging because the university is a city within itself," says Bruce Knight, planning director for the city of Champaign.

### **Abandoned no more**

The 5-acre former Burnham City Hospital site ceased operating as a healthcare facility in 1992. The city purchased the site from the state after it fell into disrepair and it became apparent local government would have to step in to entice a developer. The demise of the property stagnated growth in the immediate area, as it became a gathering place for vagrants and criminal activity. The city demolished the blighted building, cleaned up the site and created a TIF district. It then teamed up with Hitchcock Design to come up with a successful use for the property.

"We evaluated first the marketplace—what was going on in the city and region from both a residential and commercial standpoint to understand what the demand was for certain uses. Then overlaid that with stakeholder interest," says Hitchcock.

After careful consideration, the site, renamed Burnham 310, will house an 18-story, 259-unit apartment building, scheduled for delivery in August 2008. The adjoining parking lots associated with the building will serve as the footprint for 69 condominiums. The target market to occupy the housing will be young professionals and graduate students. By constructing owner-occupied units, stakeholders will potentially invest in the area's growth. The majority of the area is comprised of rental structures today.

Coldwell Banker Commercial is charged with leasing the Burnham project and was instrumental in securing a 28,000 square foot anchor for the project. Neimann Foods Inc. will open Campustown's only grocery store of the organic variety.

### **Strengthening the tie**

While the Burnham project and Green Street's revival are perhaps the most visible within the collection of efforts to improve the campus and connect it to the downtown, the Boneyard Creek redevelopment will provide a strong linkage between the two neighborhoods upon completion. The actual creek meanders from the edge of campus, winding behind Green Street to the downtown. The goals for the Boneyard Creek area is to provide a high quality, aesthetic public project that provides 100-year flood protection downstream, further revitalization of the neighborhood, a recreational

amenity, and enhanced circulation between the Campustown and downtown.

“The Boneyard Creek has a quirky history. It was channelized and realigned. The city acquired significant properties near this creek where it could be seen and done very attractively. It would provide a strong pedestrian linkage between downtown and campus. Plans are ambitious, and the city is behind it,” says Hitchcock.

Champaign’s revitalization efforts trickled to the other side of campus, in neighboring Urbana. The University of Illinois actually straddles the two cities, with most of university buildings in Urbana, and the majority of campus retail and restaurants in Champaign. However, JSM Commercial sought to replace old apartments with a mixed-use project. Phase one of Gregory Place is completed, and the project’s second phase across the street is under construction.

“The whole idea of that was to replace retail in the East Campus area that had been displaced by new university buildings. The university expanded and took over some of the commercial district of Urbana,” says Mike Tankersley, architect of the project.

Phase one contains 15,000 to 20,000 square feet of retail, under three floors of one- and two-bedroom apartments. Phase two is more ambitious with about 136,000 square feet of first floor retail, about 18,000 square feet of second floor office and two additional floors of housing. The company has entered into a 99-year lease agreement for the land with the university.

“The university does affect business in a positive way,” says Jay Sikorski, of Coldwell Banker Commercial.

Like most college towns, the university is one of the main drivers of the area’s economy. Finally, the necessary parties have come together to both improve and capitalize on the area.

Commercial real estate companies increased their projects, all while creating a place where students are proud to live.



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