

Retail rehab gets started on Cottage Grove



Tim Schau has coffee and works on his laptop at the Bronzeville Coffee House, 528 E. 43rd St. He plans to open a specialty foods market nearby.

Pockets of success give hope to Bronzeville residents trying to restore commerce to once-bustling district

By Susan Chandler
Tribune staff reporter

It was the heart of Chicago's "Black Metropolis," a commercial swath of black-owned businesses that thrived on the South Side between World War I and World War II. To some, Cottage Grove Avenue's mix of black insurance brokers, butchers and shop owners represented a viable separatist model for black urban development.

Today, the Cottage Grove corridor looks like a war zone.

Yet optimists like Bernita Johnson-Gabriel envision Cottage Grove's string of decrepit board-ups and vacant lots being transformed into the next Andersonville, a walkable stretch of eclectic boutiques, shops and eateries that will draw shoppers and fun-seekers from around the city and suburbs.

"That's what we would like to create, a mix of small businesses and restaurants so you can go there and spend the day," says Johnson-Gabriel, executive director of the Quad Communities Development Corp., a nonprofit group working to recruit retailers.

It sounds more like a dream than a plan, reminiscent of former Ald. Dorothy Tillman's hopes to create a "Blues District" surrounding the Harold Washington Cultural Center at 47th Street and King Drive. Plans for a fancy jazz-themed wine bar and restaurant and a Second City comedy club there fizzled. And now some wonder whether the current redevelopment plans are too ambitious and whether a recession could dash Cottage Grove's retail comeback as well.

Still, there are encouraging signs that Cottage Grove's rebirth is more than a pipe dream. It doesn't hurt that the street would be a focal point for out-of-town visitors if Chicago gets the nod in 2009 to host the 2016



A delivery crew unloads mattresses Dec. 4 at Chicago Furniture Co., 4238 S. Cottage Grove Ave. The store is one of several businesses targeted for facade improvements in the Bronzeville area.

RETAIL: Wish list full of shops, restaurants

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Olympic Games because of its strategic location midway between the proposed Olympic Village and Washington Park, where opening ceremonies would be held.

Ald. Pat Dowell, who unseated Tillman in the Third Ward, isn't counting on it. "My community needs retail now. We will not wait until 2016."

At the Bronzeville Coffee House at 528 E. 43rd St. on a recent December morning, several tables are full and a man in a fedora and dress coat is sitting at the coffee bar. The door opens and in strides Tim Schau, a former partner in Hyde Park's Isτρια Cafe, laptop in hand.

He greets Johnson-Gabriel and settles in at a table next to the wall to work on thumbnail descriptions of the products he will carry in a specialty food market he plans to open four blocks to the south.

The Zaleski & Horvath Market/Cafe is scheduled to open at 1126 E. 47th St. in April in a storefront formerly occupied by business called Prosperous Realty. The market will bring artisanal cheeses, smoked meats and wine to the neighborhood sorely lacking in grocery stores. Just a few blocks closer to the lake, a former 42,000-square-foot grocery store has been empty for more than two years.

A former manager at Starbucks, Schau borrows from the coffee chain's lingo, saying he wants to create a "third place" for neighborhood residents to relax and hang out. In terms of food, Schau is modeling himself after Zingerman's, a specialty food purveyor from Ann Arbor, Mich. But mostly he wants to give his customers what they ask for: "Stocking your store by referral is a great way to do it," he says.

His enthusiasm is obvious but bankers didn't feel the same

Comeback attempt

Many of the South Side's commercial/retail streets are in disrepair, including the Cottage Grove Avenue corridor in Bronzeville. Now, politicians, urban development specialists and some landlords are working to change that. The first part of this occasional series chronicled the challenges facing Nicole Jones, owner of Sensual Steps, a shoe boutique on Cottage Grove. This story focuses on the broader efforts to redevelop the one-time heart of Chicago's "Black Metropolis."



Tribune photos by Chris Walker

Bernita Johnson-Gabriel, executive director of Quad Communities Development Corp., is recruiting retailers to Cottage Grove.

way. "They're either willing to give you a micro-loan or a giant loan. We are very much of a 'tweener' business," he says. Schau wasn't deterred and is self-financing the market because he loves the South Side where he moved five years ago.

Johnson-Gabriel, the community development specialist, sips a soy latte as Schau talks about his store and then she adds, "We want to make sure we have a good mix of restaurants with all kinds of ethnic cuisines. We now have one full-service restaurant in the area—Blu 47. We need more. We need a lot more."

The fact that the Bronzeville Coffee House is thriving is encouraging in itself. Opened two years ago in a desolate patch of empty storefronts, the cafe's mix of pastries, coffee drinks and free Wi-Fi access has attracted a loyal clientele that continues to grow.

"We started turning a profit right away. We didn't ever get a loan, so that was success in itself," said co-owner Trez Pugh, who also owns the building. "It's not a commercial strip. We're like an island. As they build up around here, it will get better. I'm not taking a salary yet. I'm in it for the long haul."

He remembers customers' reaction when the doors opened in 2005. "I put in exquisite art and nice hardwood floors. It was like people had stepped into the North Side. People freaked out because it was so nice."

Plans for vacant lots

Looking at Cottage Grove Avenue today is like looking at an iceberg, economic development experts say. What is visible is only a fraction of what is going on underneath the surface.

"Within the next 12 months, you're going to see some pretty phenomenal things happening on that corridor," promises Chinwe Onyeagoro, a former McKinsey consultant working with Johnson-Gabriel's group on recruitment of retailers.

Almost every vacant lot on Cottage Grove is slated for development, with numerous projects breaking ground in the spring or summer of 2008 (see box). A high-end sports bar has committed to opening at 43rd Street and Cottage Grove, Onyeagoro says. A start-up bak-

ery is looking to purchase a building.

At 47th and Cottage Grove, the city has approved a project that includes 130 residential units and 50,000 square feet of ground-floor retail space. Developer Mahogany Ventures is already recruiting retail tenants. Other residential/retail projects have been approved for the 4500 block of Cottage Grove, and Ald. Toni Preckwinkle (4th) is about to issue a request for proposals to develop the 4400 block.

Dozens of entrepreneurs have approached Johnson-Gabriel about opening stores in the Bronzeville area. But her group isn't prepared to take a risk on start-ups, instead hoping to entice existing retailers on the North and South Sides to open Bronzeville outlets. Their wish list has 90 restaurants and shops.

Some are a bit unexpected, such as Lush, a British purveyor of handmade soaps and bath products that has a boutique on Armitage Avenue and in Macy's two downtown Chicago stores. A \$6 lemon-grass bath "bomb" may be a luxury for some, but it also is an indulgence that most people can afford. Lush is a good candidate for Cottage Grove, Onyeagoro says, because it doesn't require a lot of space and it has one of the retail industry's highest sales-per-square-foot numbers.

Pressure to improve

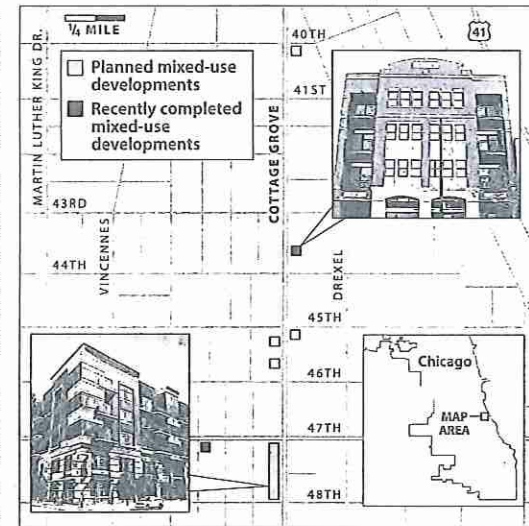
But right now, there aren't enough buildings to accommodate even a fraction of the retailers that Johnson-Gabriel and Onyeagoro want to bring in. So they are cajoling landlords into rehabbing their buildings to house new retailers. They already have identified 12 storefronts that could do with some upgrading and are putting the final touches on a loan program that will allow landlords special credit terms if they upgrade their facades.

"So far, everyone has been interested," Johnson-Gabriel says. "They can lease to nice tenants, and the value of their property will go up."

Phil Kaplan, owner of Chicago Furniture Co. at 4238 S. Cottage Grove, is one of those on the list, but he admits to having mixed feelings about what's



Limo driver Jean Celestin (left), of Crystal Lake, and James Roberts, a plumbing supply contractor on the South Side, share coffee and conversation at the Bronzeville Coffee House on 43d Street.



Source: Quad Communities Development Corp.

Chicago Tribune

happening to the neighborhood. For 70 years, his store has financed furniture and electronics purchases for cash-strapped consumers who care more about their monthly payment than double-digit interest rates.

"There's an old saying, 'If it ain't broke, don't fix it,'" Kaplan says.

Kaplan worries that the neighborhood may have come too far, too fast, especially given the number of \$400,000 condos that have been built. "A lot of people don't have a choice of staying because they can't afford it," Kaplan says. "When we leave in the evenings, there are no lights on in 50 percent of the buildings."

He also is concerned that Chicago Furniture may not fit into the new vision for Cottage Grove, but he is willing to consider making improvements. When was the last time he remodeled? "I can't tell you, it's been so long," he says perched on one of the showroom's overstuffed chairs amid photographs of Martin Luther King

Jr. and Malcolm X that have faded to orange and gold.

To make Cottage Grove look better sooner, Chicago public school students from the Little Black Pearl Art and Design Center are creating giant murals that will cover five empty parcels by spring next year. Already, banners on light poles welcome people to "The Grove: A Place to Grow."

Mining no words

Preckwinkle, who represents Hyde Park, Kenwood and part of Bronzeville, is attacking the dearth of retail in a systematic way.

She commissioned an economic analysis that determined the Cottage Grove trade area ranked 18th in buying power among the city's 77 community

areas. Yet more than \$450 million of spending leaves the neighborhood annually because of the lack of retailers, and that is roughly two out of every three dollars of local purchasing power.

The alderman wants to decrease this "retail leakage," and she isn't afraid of a little name-calling.

"Retailers look at rooftops, how many houses there are. They look at median income instead of aggregate disposable income. And they're bigots. Where in the city is retail non-existent? Hispanic and black communities. They're scared of poor people of color."

Since Preckwinkle was elected to represent the Kenwood and Hyde Park neighborhoods on Chicago's South Side in the early 1990s, hundreds of new condos and single-family homes have sprouted on formerly vacant lots.

But retail and commercial development has lagged, and Preckwinkle fears that the influx of retail along Roosevelt Road—a new Home Depot, Target and Whole Foods among others—may convince those chains they already have a sufficient South Side presence.

"They're more comfortable on the periphery of the Loop than in actual black and Latino neighborhoods, bless them," she said during an interview at her ward office at 47th and Cottage Grove.

"As mad as I am about that, I hope they will be encouraged to move further south."

Preckwinkle is just as clear about what she doesn't want—no more nail salons, barber shops, hair salons or beauty stores.

"We want density and shopping opportunity."

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In the Web edition

For the Tribune's video gallery featuring the neighborhood flavor and the progress in Bronzeville, please visit www.chicagotribune.com/bronzeville.