# Table of Contents

1. BACKGROUND AND CONTEXT ................................................................................. 1  
   IKE DISASTER RECOVERY PROGRAM BACKGROUND .................................................. 1  
   PURPOSE OF THIS PLAN AND SUSTAINABLE PLANNING PRINCIPLES .............................. 1  
   STRUCTURE OF THE PLAN ......................................................................................... 2

2. EXISTING CONDITIONS ............................................................................................ 4  
   PHYSICAL CONDITIONS ............................................................................................. 4  
   MARKET CONDITIONS ............................................................................................... 6

3. PUBLIC WAY IMPROVEMENTS ............................................................................... 11  
   GATEWAYS AND WAYFINDING SIGNAGE .................................................................. 11  
   STREETScape ENHANCEMENTS .............................................................................. 14  
   SELECTION AND DESCRIPTION OF PRIORITY SITES ............................................... 19

4. PRIORITY ECONOMIC DEVELOPMENT SITES ........................................................... 19  
   PROPOSED REDEVELOPMENT PLANS AND PREFERRED CONCEPTS .......................... 24

5. FINANCIAL TOOLS ................................................................................................. 33  
   TAX INCREMENT FINANCING DISTRICTS .................................................................. 33  
   BUSINESS DISTRICTS .............................................................................................. 34  
   OTHER FINANCIAL TOOLS ..................................................................................... 36

6. RECOMMENDATIONS AND IMPLEMENTATION PLAN ............................................. 37  
   MARKETING ............................................................................................................... 37  
   DESIGN IMPROVEMENTS ......................................................................................... 38  
   STORMWATER MANAGEMENT ................................................................................ 38  
   IMPROVEMENT OF PRIORITY SITES .................................................................... 39  
   IMPLEMENTATION PLAN .......................................................................................... 41

APPENDIX: COMMUNITY FEEDBACK .......................................................................... 49

APPENDIX: ALTERNATIVE REDEVELOPMENT CONCEPTS ............................................. 54  
   PRIORITY SITE 1: LINCOLN MALL ............................................................................. 54  
   PRIORITY SITE 2: MATTESON PLAZA ..................................................................... 56
Ike Disaster Recovery Program Background

In September 2008, Hurricane Ike produced storms and caused severe flooding in the state of Illinois. The Illinois “Ike” Disaster Recovery Program (“IDRP”), funded in part through federal Community Development Block Grant (“CDBG”) funds, is designed to help eligible Illinois communities identify and address recovery needs due to the flooding. IDRP prioritizes investment in economic development, housing and public infrastructure planning to address long-term recovery from the 2008 flooding and promote sustainable planning principles.

The Village of Matteson (the “Village”) has been awarded IDRP funds to develop an implementable Economic Development and Land Use Master Plan to assure the economic competitiveness and sustainability of the Village’s commercial corridors, and to invest in infrastructure improvements to improve stormwater management and environmental sustainability in the Village. The area for which IDRP funds were granted (the “Project Area”) spans two primary commercial corridors in the Village of Matteson that were affected by flooding in 2008: the commercial areas along the north and south sides of Lincoln Highway from Governors Highway to the east and Central Avenue to the west; and the commercial areas along the east and west sides of Cicero Avenue extending south to the CN Railroad line and north to the Village Commons (see Figure 1).

Purpose of This Plan and Planning Process

The Village engaged a Consultant Team led by SB Friedman Development Advisors (“SB Friedman”), with subconsultants The Lakota Group and Robinson Engineering, to develop an Economic Development and Land Use Master Plan (the “Plan”) through a public planning process. This Plan aims to address the recovery needs of the Project Area caused by the 2008 flooding, provide a framework for economic development within the Project Area, and promote sustainable planning principles.

It is anticipated that the Plan will help the Village to enhance its economic competitiveness and support its community by providing a focused strategy to revitalize the retail corridors that make up the Project Area. The Plan analyzes the impact of the 2008 flooding on the Project Area, and the Village as a whole, and puts forth policies to address the Village’s recovery needs and minimize its vulnerability.

1. Background and Context

Figure 1. IDRP Project Area

![IDRP Project Area Map](Source: Village of Matteson, Esri Business Analyst, SB Friedman Development Advisors)
to future disasters. Specifically, the Plan outlines land use and economic development principles that:

- Promote the rehabilitation of existing development to better serve the needs of the community;
- Enhance economic competitiveness in order to attract business investment, build employment and ensure long-term economic health;
- Preserve and create open areas to accommodate stormwater;
- Develop design principles to improve the overall character, safety and walkability of the Project Area while improving stormwater management and other infrastructure; and
- Encourage collaboration between the public and private sectors and leverage existing funding tools to attract development.

Economic development recovery needs within the Village form barriers to private investment and future growth, and pose a serious and immediate threat to the ongoing economic competitiveness and health of the Village community. This Plan outlines steps for overcoming these barriers, including strategies for implementing redevelopment projects, encouraging collaboration between the Village and the private sector, and leveraging IDRP funding and other Village resources and policies to attract investment and development.

Not only does the Plan promote opportunities for private investment and redevelopment, but it also encourages the protection of vacant green space by promoting infill redevelopment and reducing impervious surfaces to manage stormwater and mitigate flooding. The Plan sets forth priorities and policies to guide public works investments while enhancing the unique characteristics of the Matteson community by investing in streetscape improvements designed to improve walkability, safety and stormwater management.

To ensure public participation in the planning process, the Village convened a Steering Committee composed of local stakeholders, including local business representatives, residents, community leaders and economic development professionals from the Village and Cook County. Throughout the planning process, the Consultant Team has presented its findings to and sought input from the Steering Committee, and worked closely with Village Staff and the Steering Committee to ensure that the disaster recovery, economic development and land use planning needs of the community were met. In addition, two public community meetings provided opportunities for the entire Village to provide input and take part in the planning process.

Structure of the Plan

This Economic Development and Land Use Master Plan for the Village of Matteson was developed in accordance with the requirements of the “Ike” Disaster Recovery Program. This report, or Volume I of the Plan, is structured as follows:

- Chapter 1 - Outlines the background and purpose of the Plan and the process by which it was developed.
- Chapter 2 - Summarizes the existing physical and market conditions of the Project Area.
- Chapter 3 - Outlines recommended improvements to the public rights-of-way in the Village, including examples of gateway signage and streetscaping improvements to create a more consistent visual brand in the Village.
- Chapter 4 - Presents the two priority economic development sites within the Project Area and preferred redevelopment concepts for the priority sites.
- Chapter 5 - Outlines the public sector-controlled financial tools available to aid in the implementation of this Plan.
• **Chapter 6** - Outlines recommendations for physical improvements throughout the Project Area, policy changes, including recommendations for marketing and redevelopment within the Project Area, and other strategies to guide future economic development and land use planning and public investments. It also presents a matrix of implementation steps for the priority site redevelopment concepts.

The Existing Conditions report (**Volume II**), provides a more detailed analysis of the existing physical and market conditions outlined in **Chapter 2**, which guided the development of this Plan. **Volume II** also includes a technical memo regarding the impacts of the 2008 flooding and recommendations to improve stormwater management within the Village.
This chapter presents a summary of existing physical and market conditions within the Project Area and the Village of Matteson as a whole. A more detailed analysis of existing conditions is included in Volume II.

Physical Conditions

LAND USE

Land use patterns within the Village, as shown in Figure 2, are fairly consistent with that of a typical outer-ring suburban Chicago municipality. Key characteristics of the land use intensities found in Matteson include the following:

- The majority of land within the Village falls under a “Low Intensity” land use designation, primarily consisting of single-family housing and some multifamily housing.
- These residential areas are complemented with a network of “Conservation and Recreation Areas” that provide for trails, active and passive recreation use, and natural scenery.
- A large concentration of “Regional High Intensity” commercial uses, including retail, office and hotel, is located near the Interstate-57 (“I-57”) and Lincoln Highway interchange.
- “Community High Intensity” areas are typically small- to medium-format retail centers, with two community shopping centers anchoring the northwest and southwest corners at the intersection of Lincoln Highway and Pulaski Road.
- There are two significant areas in the Village that are designated as “Production Intensity,” including the 100-acre Manheim Auto Auction facility and the Manheim Business Park. These areas are designated primarily for industrial uses.

VISUAL CHARACTER

The physical appearance of buildings, property and roadways is important to maintaining a distinct character and property values. Good physical conditions can foster an active pedestrian environment and promote civic pride. Key findings related to the visual character of the Village are listed below:

- **Housing stock** appears well maintained and landscaped, and a number of new civic buildings represent a high quality of life.
- **Commercial buildings** throughout the Project Area range in condition from good to poor, which may misrepresent the overall character and quality of Matteson. The lack of distinguishing architectural detail in many commercial centers diminishes the “sense of place.” The physical character and front setbacks of buildings along major commercial corridors vary greatly, and many shopping centers appear outdated.
- **Lincoln Mall** is in particular need of physical improvements; large expanses of the Mall’s façade are vacant, and portions of its structural frame are exposed due to partial demolition of two former anchor stores. South of the Mall along Lincoln Mall Drive, there are two new large-format retail stores, Target and JCPenney, in excellent condition. However, there is considerable vacant building space within the Mall and in outlots along this section of Cicero Avenue, contributing to the perception of retail decline in the Project Area.
Figure 2. Land Use Intensity Map

Source: The Lakota Group
TRANSPORTATION

Though Matteson is predominantly auto-oriented, the Village is relatively well-served by public transportation. Below is a summary of transportation amenities in the Village by type:

- **Roadway Access:** Matteson is located along several major throughways, including I-57, which brings Average Daily Traffic ("ADT") of 81,000 through the area. ADT on Lincoln Highway in front of Lincoln Mall is approximately 35,500, and ADT along Cicero Avenue through central Matteson is 17,000.

- **Bus Access:** Regional Transit Authority Bus Route 357 connects Matteson’s commercial center to nearby Ford Heights along Lincoln Highway, with bus stops located at Lincoln Mall and a nearby Metra Station in Olympia Fields. Annual Average Weekday Ridership on this bus route was around 1,050 passengers in 2012 and 2013.

- **Rail Access:** The Metra Electric District line provides regional rail service connecting Matteson’s commercial center to Chicago and the rest of the region. The Metra station is located in a predominantly residential area in the southeast corner of the Village.

- **Bicycle and Pedestrian Access:** Matteson’s commercial corridors are primarily auto-oriented. While sidewalks are in place through much of the area, it appears that few residents walk to local destinations. Streetscape improvements, such as those outlined in Chapter 3, might improve the safety of pedestrians and bicyclists, and increase connectivity between Matteson’s neighborhoods and its commercial areas. Increased connectivity to the Old Plank Road Trail has also been cited as a priority for residents.

STORMWATER MANAGEMENT

As reported by Robinson Engineering, there is substantial water and sewer utility infrastructure present in Matteson. However, the 2008 flooding that occurred along the west side of Cicero Avenue to the south of Lincoln Highway indicates that large storm events may exceed the Village’s designed storm system capacity. Existing surface stormwater management measures including swales, ditches and ponds may not be sufficient to handle large quantities of surface water. In addition, the commercial areas along Lincoln Highway and Cicero Avenue are largely covered by impervious surfaces. A majority of these commercial centers appear to have been built before on-site stormwater management requirements were in place, contributing to stormwater runoff throughout the Project Area. Additional detail and technical information regarding stormwater management is included in the Appendix of Volume II.

Market Conditions

The Village faces challenges related to economic development created in part by the 2008 flooding. The strength of local market conditions and economic development planning will be crucial to ensure Matteson’s ongoing economic competitiveness and resilience to future disasters. In order to identify market-driven opportunities for economic development, SB Friedman evaluated the competitive market for retail, office and industrial development. For all of these land uses, the Village faces a highly competitive local and regional market for development.

Historically, Matteson has been a major retail center in the south suburbs. Lincoln Mall, a regional mall built in the 1970s, served as a significant activity generator and primary shopping destination in the south suburbs through most of the 1980s and 1990s. However, in recent years, development of new retail shopping centers has shifted
west to communities such as Tinley Park and Orland Park. These new concentrations of modern retail development are attractive to both consumers and retail tenants seeking space, which poses a challenge to redeveloping retail centers within the Project Area. Redeveloping some primarily retail areas with alternative and mixed uses, including entertainment venues or possibly rental housing, might provide opportunities to support Matteson’s existing retail centers while diversifying the Village’s tax base.

RETAIL

Matteson has over three million square feet of retail, of which approximately 26.9 percent was vacant at the end of 2013 according to CoStar data, compared to retail vacancy of 9.2 percent in the south suburbs overall. **Figure 3** shows some of Matteson’s existing inventory of retail space. Key findings for retail development in Matteson are outlined below.

**Competitive Context**

Competitive factors within the Village and at the regional level may pose challenges to retail development in Matteson. These include:

- **Significant Existing Retail Supply.** The Village’s substantial inventory of aging retail space may pose a challenge to retail development in Matteson. Higher vacancy rates and deferred maintenance in some of the older shopping centers may limit appeal to tenants and investment by owners.

- **Blighting Effects of Lincoln Mall.** According to real estate consultants at Jones Lang LaSalle (“JLL”) working with the Village and other brokers, the current condition of Lincoln Mall poses a significant barrier to attracting new retail development in the Project Area. Developers and retailers appear unwilling to invest in the area due to uncertainty regarding the Mall, which has been in decline for years, has transitioned through multiple owners in the past decade, and is currently in receivership.

- **Center of Retail Shifting West.** The Village faces a highly competitive south suburban market. **SB Friedman**’s research, confirmed in conversations with retail property owners and brokers familiar with the market area, indicates that the center of the sub-regional retail market has shifted away from Matteson as fashion retailers and higher-end anchors have moved to wealthier suburbs, such as Frankfort and Tinley Park to the west.
These areas have concentrations of newer retail and restaurant development and have become shopping destinations for south suburban residents.

- **Perception.** A May 2012 report titled *South Suburban Retail Investment Study* investigated the causes of declining retail investment in the south suburbs to determine whether or not “retail redlining” is occurring in primarily African American suburbs. Though the complexity of locational decision-making makes “retail redlining” difficult to prove, the study determined that problems of image and perception may be a key factor in the retail disinvestment in Matteson and similar communities.

**Figure 4. Sub-Regional Retail Competition**

![Sub-Regional Retail Competition Map](source)

*Source: Esri Business Analyst, SB Friedman Development Advisors*

---

**Market Opportunities**

Despite these competitive challenges, Matteson has a number of strengths that may help attract and retain retail development. These include:

- **Community Assets.** Matteson has a stable and relatively affluent population. The Village’s median household income is higher than that of the Chicago region, overall, and many residents have expressed a desire to spend their retail dollars within their community.

- **Existing Healthy Retail Centers.** Despite strong retail competition in the sub-regional retail market, the newer shopping centers in the Village appear to be performing well, with high occupancy and national chain tenants.

- **Variety of Retail Tenants.** As demonstrated in the Presence/Absence analysis presented in full in Volume II, Matteson has a broad mix of retail and restaurant businesses. New convenience retail shopping centers developed in the past three years have attracted tenants including Chipotle, Verizon Wireless, Dunkin’ Donuts, and Wing Stop. Another new convenience center is under construction at the corner of Lincoln Highway and Cicero Avenue, indicating that there is a demand for new space among small retail and restaurant tenants.

- **Retailers in Growth Mode.** The Presence/Absence analysis also reveals a number of potential retail tenants that are expanding in Illinois in markets with similar demographics as those in Matteson. These retailers are not currently present within Matteson or the surrounding suburbs, indicating that they may be willing to consider locating in the Village in the future.

- **Demand for Community Retail.** Brokers expressed optimism about the Village’s ability to attract a new grocery tenant to the former Dominick’s space in the Matteson Plaza shopping center,
which will be an important step in stabilizing retail occupancy and providing core services to the community.

- **Engaged Village Staff.** Brokers working in Matteson cited the Village staff’s engagement in the development process and commitment to revitalizing Matteson’s retail base. This engagement is key in revitalizing aging shopping centers and providing services and amenities to Matteson’s local population.

Strategic retail redevelopment will be necessary to stabilize the Village’s retail base and ensure the long-term economic competitiveness of the Village’s commercial corridors.

**OFFICE**

Matteson has approximately 640,000 square feet of office space, of which about 30 percent was vacant in the fourth quarter of 2013, according to CoStar data. Office properties in Matteson are somewhat older than those in the sub-region overall, and are mostly characterized as Class B office space. Primarily due to intraregional location factors that favor the north and northwest suburbs and major interstate corridors, Matteson is not currently a highly attractive location regionally for large Class A corporate office development. It may be possible for the Village to attract “wild-card” office development, such as the headquarters for a local business, but the Village is unlikely to become a major center for office development in the near term.

While there may be some opportunity for distribution facilities or other industrial uses within the Village, adjacent Will County communities appear to have the locational advantage. Therefore, industrial development is not suitable for the two priority redevelopment sites in the Project Area.

**INDUSTRIAL**

Regionally, large-scale industrial development is concentrated along major interstates, with new development in the south and southwest suburbs primarily occurring in Will County. This may be in large part due to lower effective property tax rates in Will County and Cook County assessment practices. Lower property taxes make Will County locations more attractive for industrial development than Cook County sites. At the site level, industrial development is often located in areas with easy access to highways and arterial streets, as well as other transportation facilities.

Matteson has nine industrial buildings totaling approximately 950,000 square feet, according to CoStar data. These properties have a relatively high vacancy of 26 percent, compared with 9.2 percent vacancy in the south suburbs around Matteson. There appears to be ample developable land available in and near existing business parks to accommodate new development in Matteson in the near term. While there may be some opportunity for distribution facilities or other industrial uses within the Village, adjacent Will County communities appear to have the locational advantage. Therefore, industrial development is not suitable for the two priority redevelopment sites in the Project Area.

**OTHER USES**

Attracting non-retail anchors to supplement retail space may be one way to attract more visitors to Matteson’s commercial corridors and diversify the Village’s tax base. Though a detailed analysis of the potential for these uses was not within the scope of the market assessment included in Volume II, such uses may provide opportunities to promote mixed-use redevelopment at key commercial sites in the Village.
**Entertainment**

Professionals at JLL working with the Village have recommended focusing on entertainment uses to diversify the Village’s local economic base, redevelop or re-tenant existing retail space, and draw a larger volume of visitors to Matteson. Matteson has an existing concentration of recreational amenities, which can be leveraged to support Matteson’s commercial corridors. Potential new entertainment uses include movie theaters, indoor athletic facilities, and game facilities with bowling, bocce and rentable event space. In addition, there may be an opportunity to locate public open space near retail centers. Such public space could include trails, sports fields and picnic areas, as well as more programmed space like a plaza that could be used for community events and performances.

**Housing**

There may be opportunities to develop multifamily housing, or senior housing in particular, as part of a mixed-use development within the Project Area. The population aged 65 and older is growing both locally and nationally, and demand for senior housing, including age-restricted communities, assisted living, nursing facilities, and Continuous Care Retirement Communities (“CCRCs”), is expected to grow. Senior or multifamily housing in a walkable, mixed-use neighborhood could bring activity back to areas now characterized by largely vacant retail space, providing additional demand for remaining retail and connecting residents without cars to retail and service amenities. Senior or multifamily tenants located in the Project Area would benefit from proximity to Matteson’s shopping and dining amenities.
Through its assessment of existing conditions within the Study Area and the Village’s competitive market position, the Consultant Team has identified a range of public way improvements that could be implemented to enhance the commercial corridors running through central Matteson. Improving the physical appearance of the Project Area comprehensively, from streetscape and sidewalks to open space and private buildings, is critically important to promoting a visually appealing environment that attracts shoppers, visitors, diners, residents and investors. This chapter proposes urban design enhancement strategies that can help unify the Village’s commercial corridors as well as create a unique Matteson identity with the aim of revitalizing the Project Area. These proposed improvements were developed through a public planning process. Details and results of this process and community input are outlined in the Appendix.

Gateways and Wayfinding Signage

The Village of Matteson should consider implementing a well-designed wayfinding signage system that incorporates a recognizable graphic image or “community brand” and facilitates travel for motorists, pedestrians and bicyclists. A comprehensive and coordinated wayfinding signage system might include gateway signs, identity signs, directional signs and banners.

The design of a gateway and wayfinding signage system can range from a traditional appearance incorporating classic lettering, muted colors and materials, such as stone for gateway/monument signage, to less conventional designs, which often use bright colors, metal and unique material arrangements, and graphic logos.

GATEWAY SIGNS OR MONUMENTS

Typically, gateway or monument signs serve to mark an entry and arrival point into a community, commercial district or residential area. Such signs or monuments can play important roles in shaping the first impressions of visitors to Matteson. Gateway signs should typically be constructed of high-quality materials, such as stone, masonry or metal, and match the size and scale of the roadway or intersection along which they are located. Where space permits, landscaping and lighting may be incorporated to enhance gateway features. Potential gateway signage locations in Matteson, identified based on field work and community input, include the following (also, see Figure 5):

- The southeast corner of Vollmer Road and Harlem Avenue;
- The northeast and southeast corners of Lincoln Highway and Harlem Avenue;
- The northeast corner of Harlem Avenue and the CN Railroad Line;
- The southwest and southeast corners of Ridgeland Avenue and Vollmer Road;
- The northwest and northeast corners of Ridgeland Avenue and the CN Railroad Line;
- The southwest and southeast corners or Vollmer Road and Interstate-57;
- All four corners of Lincoln Highway and I-57;
- The southeast and southwest corners of Cicero Avenue and Vollmer Road;
- The northwest and northeast corners of Cicero Avenue and the CN Railroad Line;
- The southwest corner of Pulaski and Vollmer Roads;
- The northwest and southwest corners of Lincoln and Governors Highways; and
- The southwest corner of Governor’s Highway and the CN Railroad Line.

Examples of potential gateway signs for Matteson are shown in Figure 6.

3. Public Way Improvements
Figure 5. Potential Gateway and Wayfinding Signage Locations

Source: The Lakota Group
IDENTITY SIGNS OR MARKERS

Identity signage reinforces a community or commercial district’s brand identity and design character. Identity signs or markers, like those shown in Figure 7, are typically installed along a roadway, parkway or right-of-way to be clearly visible to passing travelers and motorists.

Figure 7. Examples of Identity Signage and Markers

Source: The Lakota Group
DIRECTIONAL SIGNS

In addition to identity and gateway signs, directional signs that facilitate “wayfinding” to and within the Village will be important elements of the system (Figure 8). Signage placed at key locations serves to guide shoppers and visitors to important destinations, including Village Hall and government offices, retail centers, community centers, schools, public parking, parks, and other institutions.

Figure 8. Examples of Directional Signage

BANNERS

Banners are used to enliven the parkway and public realm space of a roadway through colorful graphics and images (Figure 9). Municipalities incorporating banners in public way improvements often equip new light fixtures with banner hardware, and establish a maintenance fund to help cover the cost of installing new seasonal banners.

Figure 9. Examples of Banners

Source: The Lakota Group

Streetscape Enhancements

The goal of streetscaping is to improve the Village’s physical character, image and visibility, as well as to improve safety for motorists, pedestrians and bicyclists. Streetscape improvements are recommended along Lincoln Highway and Cicero Avenue to improve the visual appeal of the area and increase safety for non-motorized
travel. A streetscape enhancement plan will be needed to determine what streetscaping elements should be considered and incorporated. The plan should also consider potential improvements to intersections, such as sidewalk and crosswalk treatments, lighting and other streetscape elements (as shown in Figure 10), as a way to connect adjacent neighborhoods to retail destinations. Specific streetscape elements to consider include:

- Continuous sidewalks along Lincoln Highway and Cicero Avenue and into the adjacent neighborhoods and retail centers;
- Street lights having a decorative or a more modern appearance;
- Large street trees where feasible;
- Trash cans, planters, benches and public art at key corners and open spaces;
- Bus stops and shelters designed to fit within the overall streetscaping scheme;
- Identity signage with the Village “brand;” and
- Bio-swales, rain gardens and permeable pavers for stormwater management.

Figure 11 indicates potential locations for intersection and streetscape enhancements in Matteson. Figure 12 shows sample streetscapes that illustrate some of the elements listed above.
Figure 11. Potential Intersection and Streetscape Enhancement Locations

Source: The Lakota Group
Figure 12. Example Streetscapes

Source: The Lakota Group
In addition to the public improvements listed above, the following public and private sector actions would enhance the overall Village streetscape environment:

- Consolidating and sharing curb cuts along Lincoln Highway and Cicero Avenue to help traffic flow and provide more space along properties for landscaping treatments. This may also include reducing the width of driveways, where needed and appropriate.
- Relocating parking lots from the front of a building to its rear or side, as well as sharing parking lots between properties, where feasible. This would create additional space for landscape and streetscape improvements in the front of buildings, increasing the visual appeal of the Project Area. Shared parking lots would also promote a more efficient parking system, which could improve traffic flow, access and safety along Village roadways. Pursuing this approach in certain retail areas would help reserve the sidewalk area for shoppers and pedestrians.
Large-scale redevelopment is generally driven by larger catalytic sites and/or projects. The SB Friedman team has worked with the Village and the Steering Committee to identify priority sites within the Project Area for catalytic projects and to develop plans for these sites that 1) revitalize and address the economic development needs of the Project Area, and 2) mitigate or minimize future disaster damage by providing enhanced stormwater management on the priority sites.

Selection and Description of Priority Sites

The Steering Committee selected two priority redevelopment sites within the Project Area from a list of seven potential redevelopment sites identified by the Consultant Team. These sites were selected for further consideration and planning based on their potential for catalytic development and their importance to promoting community revitalization and enhancing the economic competitiveness of the Village. Promoting infill redevelopment on the priority sites rather than new development on greenfield sites will help preserve open space within the Village for stormwater management and reduce sprawl.

PRIORITY SITE 1: LINCOLN MALL

Lincoln Mall History and Current Context

Lincoln Mall and its adjacent outlots along Cicero Avenue are located on approximately 110 acres at the southeast corner of Lincoln Highway and Cicero Avenue (Figure 14). The Mall has been the economic and geographic core of Matteson’s retail district since it was constructed in 1973. Lincoln Mall was a major retail destination in the south suburbs in the 1980s and 1990s, and was important in attracting the development of other shopping centers to the Village. In the past 10 to 15 years, the popularity of malls nationwide has declined, as retail purchases have shifted to big-box retailers, open-air shopping malls and online stores. In addition, recent retail development locally has tended to occur increasingly in the suburbs west of Matteson, leading to increasing disinvestment and marketability challenges for Lincoln Mall.

The Mall itself, which was renovated in 1995, has about 700,000 square feet of leasable space, of which 41 percent was vacant as of the end of 2013, according to CoStar data. Other sources indicate that the vacancy rate is closer to 50 percent. A Carson Pirie Scott is the only remaining anchor tenant in the Mall itself. A former Sears anchor space remains vacant, and the two former anchor buildings on the south and east sides of the Mall have been demolished in recent years. Exposed rebar and construction materials following the incomplete demolition of the two anchor spaces have resulted in unsightly conditions on the site. Village Staff and Steering Committee members familiar with Lincoln Mall suggest that there is substantial deferred maintenance within the building, and visits to the site confirm that the Mall appears to be in need of substantial interior and exterior investment. Images of Lincoln Mall are shown in Figure 13.

In recent years, the previous owner of Lincoln Mall faced financial and legal challenges, stalling the effort to renovate and revitalize the Mall. These challenges have continued since 2012, with the current mall owner failing to address safety violations at the site. These challenges further underscore the importance of finding a workable strategy for revitalizing this priority site.

Development around Lincoln Mall

The Lincoln Mall priority site includes a mix of occupied and vacant retail space. Occupied retail space includes: a 129,000-square-foot Target and 91,000-square-foot JCPenney, both of which are
freestanding to the south of the Mall in “The Promenade at Lincoln” development; a Pizza Hut; and a newly opened XSport fitness center in a formerly vacant building shell. A large amount of vacant land remains following demolition of the two mall anchors, and includes a 148,000-square-foot outlot formerly located in the northeast section of the priority site. Several currently vacant buildings also surround Lincoln Mall, including a former Best Buy and a former Baker’s Square restaurant.

Importance of Redevelopment

Village staff and brokers familiar with the area indicate that developers unfamiliar with the area have voiced concerns about the condition of the Mall and its environs, and have implied that these conditions make them less willing to invest in other projects in the Village. Generally speaking, it can be challenging to attract investment into an area with such a large blighting influence in its center. As a result, formulating and executing a strategy to improve the condition of the Lincoln Mall area is crucial to enhancing the economic competitiveness of the Village and catalyzing development in the Project Area.

Figure 13. Lincoln Mall Conditions

Source: SB Friedman Development Advisors
Figure 14. Existing Conditions for Priority Site 1: Lincoln Mall

Site Data

1. Carson Pirie Scott
   - Approximately 145,000 square feet

2. Lincoln Mall
   - Approximately 513,000 square feet

3. Target
   - Approximately 129,000 square feet

4. JCPenney
   - Approximately 91,000 square feet

Outlet Buildings
- Approximately 70,000 square feet
- Tenants include Pizza Hut, K-Stop Fitness and Fifth Third Bank.
- Vacancies include former Bakers Square building and former Best Buy building.

Summary Table

- Site Area: 110 Acres
- Total Retail: 1,502,000 sq. ft. (approximately)
PRIORITY SITE 2: MATTESON PLAZA

Matteson Plaza (the “Plaza”) is a 275,000-square-foot shopping center built in 1988 that was until December 2013 anchored by a 77,500-square-foot Dominick’s grocery store. In December 2013, the Dominick’s store closed when the grocer halted operations in the Chicago market. The Plaza is located along Lincoln Highway east of Cicero Avenue, at the southwest corner of Lincoln Highway and Governor’s Highway (Figure 15). Matteson Plaza was selected by the Steering Committee as a priority site primarily due to concerns over the loss of the grocery anchor. This loss was particularly problematic because the center already had an 85,000-square-foot vacant anchor box, a former Value City store.

Many of the current inline tenants at Matteson Plaza are service businesses, including H & R Block, a beauty salon, a nail salon, and Springleaf Financial Services. Two developed outlots are located along Lincoln Highway within the Plaza: a Taco Bell and a strip retail building that includes a bank and vacant retail space. The closing of the Dominick’s grocery store brought the center’s vacancy rate to 67 percent at the end of 2013.

The loss of the Dominick’s here and throughout the Chicago region puts Matteson in competition with other suburbs to attract one of several other regional grocery chains looking to move into former Dominick’s store spaces. Bigger chains such as Jewel-Osco, Mariano’s and Whole Foods have already indicated their intent to move into some of Dominick’s former 72 stores throughout the Chicago region. However, several stores, including the one in Matteson, have not yet been purchased or leased by a grocery tenant.

Grocery anchors, in particular, are important to bringing traffic into a shopping center to help support inline retail tenants. Without any anchor tenants, Matteson Plaza is at risk of further vacancy and distress. Furthermore, grocery stores are often essential to the overall health and desirability of a residential community. Matteson has an ALDI discount grocery store, and the Target store at Lincoln Mall recently added a limited amount of fresh produce. However, neither of these is a traditional full-service grocery store. In addition, there are several value grocery stores located just east of Matteson in Chicago Heights. The Steering Committee, Village Staff and residents all noted the importance to the Village of securing a replacement full-service grocery store anchor in the Plaza. Therefore, a redevelopment strategy for Matteson Plaza was deemed important to seek to improve the shopping center and secure a new anchor grocery store.
Figure 15. Existing Conditions for Priority Site 2: Matteson Plaza

<table>
<thead>
<tr>
<th>SUMMARY TABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITE AREA</td>
</tr>
<tr>
<td>TOTAL RETAIL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SITE DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. VACANT DOMINICK'S GROCERY ANCHOR</td>
</tr>
<tr>
<td>- Approximately 80,000 square foot former Dominick's grocery anchor, now vacant.</td>
</tr>
<tr>
<td>2. EXISTING IN-LINE RETAIL</td>
</tr>
<tr>
<td>- Approximately 105,000 square foot of in-line retail space, predominately occupied.</td>
</tr>
<tr>
<td>3. VACANT ANCHOR (SALOON PROPERTY)</td>
</tr>
<tr>
<td>- Approximately 80,000 square foot retail anchor space, now vacant.</td>
</tr>
<tr>
<td>4. EXISTING TACO BELL RESTAURANT</td>
</tr>
<tr>
<td>- Approximately 3,000 square foot restaurant with drive-thru.</td>
</tr>
<tr>
<td>5. EXISTING RETAIL BUILDING</td>
</tr>
<tr>
<td>- Approximately 6,000 square foot retail building</td>
</tr>
<tr>
<td>- Tenants include Questar Bank and Supervisors</td>
</tr>
</tbody>
</table>
Preferred Redevelopment Concepts

The preferred redevelopment concepts presented in this section were developed by the Consultant Team using input from the Steering Committee, Village Staff and the community, as well as the existing conditions analysis. After the selection of the priority sites, the Consultant Team evaluated the conditions of each site and the market potential for redevelopment. Input was solicited from the Steering Committee and the public, via a community meeting, regarding potential opportunities for the sites. The Lakota Group then developed multiple redevelopment concepts for each priority site with participation from SB Friedman. The Consultant Team worked together with Village staff and the Village’s marketing consultant JLL to further refine the concepts and presented initial redevelopment concepts to the Steering Committee. Another round of revisions was conducted before presenting the concepts to the public at a second community meeting, where residents provided feedback about the potential redevelopment concepts. Preferred redevelopment concepts were chosen with input from the community, the Steering Committee and Village Staff. Alternate concepts developed are included in the Appendix.

PRIORITY SITE 1: LINCOLN MALL

Based on expert input from JLL and other real estate brokers familiar with Matteson, rehabilitating or renovating Lincoln Mall is not likely to be a viable approach to enhancing the site’s marketability. The consolidation of traditional shopping malls, the shift of major retail centers to the west of Matteson, the long-term decline of Lincoln Mall, and its blighting influence on perceptions of the Village suggest that demolition of the Mall to allow for redevelopment of the site may be the best approach to attracting reinvestment. The Mall is currently privately owned; in order to pursue the redevelopment concepts outlined below, the Village will need to gain control of the site, or find a private owner willing to work in coordination with the Village and invest in the property. It is not currently known whether demolition to make the site development-ready will be financially feasible in the short term. Therefore, two “interim steps” were developed to illustrate how the Lincoln Mall site might be positioned to attract development in coming years, as private and public resources are assembled to support full redevelopment.

Interim Step 1 – “Clean and Green”

A number of initial property enhancements as an interim step to full redevelopment of the Lincoln Mall priority site will demonstrate progress in redeveloping the site and indicate the Village’s commitment to halting the decline of the area. These initial improvements are shown in Figure (Fig.) 16. The most critical of these include:

- **Improve Lincoln Mall’s northeast and southeast façades.** Currently, exterior walls have exposed rebar and concrete from the partial demolition of the anchor stores. This current condition creates a significant eyesore not only for the site itself but for the outlot developments along Lincoln Highway and Cicero Avenue.
- **Repair façade walls.** These repairs (letter E, Fig. 16) would improve visual perceptions of the Mall, and improve the value and redevelopment potential of adjacent outlots.
- **Vacant land located northeast of the Lincoln Mall and adjacent to JCPenney (letter H, Fig. 16) could be graded and seeded.** This would remove any mounded topsoil or fill leftover from previous construction activities. Grading and landscaping of these areas may help mitigate flooding and prevent standing water from accumulating. In the interim, these sites should also be planted with lawn and/or a native
prairie grass mix, which would reduce the costs of maintenance associated with mowing.

- **Enhance stormwater retention area located in the northeast portion of the site (letter D, Fig. 16).** This could be achieved with additional landscaping, creating a focal amenity for the site and acting as a physical and visual gateway from the Kostner Avenue entrance.

- **Widen and enhance Kostner Avenue near Lincoln Highway.** Adding a landscaped median would make site entry and access more visually appealing.

- **Enhance interplay with the Old Plank Road Trail.** The trail is seen as having significant value as a community-wide amenity that may not be fully taken advantage of by local residents, in part due to limited points of access. Two trail connections within the Lincoln Mall site (letter G, Fig. 16) should be created to increase connectivity to the site and provide new recreational opportunities. This site, with its access and parking, can function as a new trailhead for Old Plank Road Trail, providing an opportunity for residents to park their cars and gain immediate access to the trail.

Once these improvements and enhancements are complete, it is envisioned that a limited amount of future private investment may occur along Cicero Avenue and Lincoln Highway. The vacant property west of Target and south of Fifth Third Bank (letter A, Fig. 16) is envisioned as a 10,000-square-foot retail building. Parking should be located east of the building in order to create a visually appealing “front door” along Cicero Avenue. North of this property, the former Best Buy (letter B, Fig. 16) and Baker’s Square buildings could be renovated and re-used by new retail tenants. Along Lincoln Highway just west of Chase Bank (letter C, Fig. 16), a new 5,000-square-foot retail building is suggested in the concept. This site lends itself to a retail use with a drive-thru, largely due to the well-connected vehicular circulation network linking the Lincoln Mall entry drive and Chase Bank site.

For the Lincoln Mall site, these initial interim steps set the stage for future investment in the area by “cleaning and greening” the site. These key recommended enhancements will begin to tell a new story for Lincoln Mall and the Village of Matteson.

**Interim Step 2 – Lincoln Mall Demolition**

The second interim step to full redevelopment of the Lincoln Mall priority site is the demolition of the Lincoln Mall building (letter E, Figure 17), with the exception of the Carson Pirie Scott anchor, which is currently occupied and has 10 years remaining on its lease. Some improvements to the Carson Pirie Scott building will be required, such as renovation of the exterior and interior portions of the building that are currently connected to the Lincoln Mall (letter I, Figure 17). The installation of an independent HVAC system, along with any other necessary utilities, will also be required. Once the remainder of the Mall is razed, the property that is located within Lincoln Mall Drive (letter H, Figure 17) should be properly graded to mitigate flooding and prevent standing water from accumulating. The site should be planted with lawn and/or a native prairie grass mix to reduce the costs of maintenance and stabilize the soil. Consideration should also be given to the location of temporary picnic areas and elements that can be relocated and reused elsewhere following redevelopment.

In conjunction, these two interim steps set the stage for future redevelopment of the Lincoln Mall site, by “cleaning and greening” the site and preparing the site for overall redevelopment. Taking these initial steps will signal to developers that the Village of Matteson is committed to supporting new development at the Mall site and in the broader Project Area.
Figure 16. Lincoln Mall Interim Step 1 – “Clean and Green”

Source: The Lakota Group

Preliminary Plan Data:

1. New Frontage Retail
   - 10,000 square feet retail building
   - 40 landscaped parking spaces (4,150 sq. ft.)

2. Retail Renovation
   - 30,000 square feet renovated retail building
   - 120 landscaped parking spaces (47,000 sq. ft.)

3. New Retail with Drive-Thru
   - 3,000 square feet retail with drive-thru
   - 60 landscaped parking spaces (161,000 sq. ft.)

4. Enhance Stormwater Management
   - Landscape and enhance existing stormwater management area.

5. Lincoln Mall Facade Improvement
   - Paint and renovation of northwest and southwest facades of Lincoln Mall.

6. New Entry Boulevard
   - New landscaped boulevard entry at Kostner Avenue.

7. Connections to Old Plank Road Trail
   - Create side connections to Old Plank Road Trail.

8. Grading and Landscaping
   - Reroute soil mounds, grade, and landscape vacant land area with lawn and/or prairie grass mix.
   - Consider installation of temporary parking areas which can be relocated at a later date.

Summary Table:
- Site Area: 110 Acres
- Total Retail: 1,037,000 sq. ft.
Figure 17. Lincoln Mall Interim Step 2 – Lincoln Mall Demolition

SUMMARY TABLE

SITE AREA: 110 ACRES
TOTAL RETAIL: 462,000 sq. ft.

PRELIMINARY PLAN DATA

A. NEW FRONTAGE RETAIL
   - 10,000 square feet retail building
   - 40 landscaped parking spaces (4,100 sq. ft.)

B. RETAIL RENOVATION
   - 30,000 square feet renovated retail building
   - 120 landscaped parking spaces (61,000 sq. ft.)

C. NEW RETAIL WITH DRIVE-THRU
   - 3,000 square feet retail with drive-thru
   - 80 landscaped parking spaces (16,100 sq. ft.)

D. ENHANCE STORMWATER MANAGEMENT
   - Landscape and enhance existing stormwater management area.

E. LINCOLN MALL DEMOLITION
   - Demolition of Lincoln Mall and seeding of property
   - Prepare site for development

F. NEW ENTRY BOULEVARD
   - New landscaped boulevard entry at Kostner Avenue

G. CONNECTIONS TO OLD PLANK ROAD TRAIL
   - Create site connections to Old Plank Road Trail

H. GRADING AND LANDSCAPING
   - Remove soil mounds, grass and landscape vacant land area with lawn and/or plastic grass mix
   - Consider installation of temporary picnic areas which can be relocated at a later date.

I. IMPROVEMENTS TO CARSON PRICE SCOTT
   - Renovation of existing portion of building previously connected to Lincoln Mall
   - Installation of sprinkler H/W/G system and any other necessary utilities.

Source: The Lakota Group
Preferred Redevelopment Concept – Retail/Entertainment “Main Street”

The preferred redevelopment concept for Lincoln Mall includes a mix of retail and entertainment uses oriented in a pedestrian-friendly “Main Street” type development (Figure (Fig.) 18). Once the Lincoln Mall site has been prepared for redevelopment, a number of access and circulation improvements are recommended to create a unique and high-quality retail environment. While Lincoln Mall Drive currently functions as an internal access loop throughout the site, its current alignment creates difficult outlot access along the site’s northwest portion near the Pizza Hut and former Baker’s Square buildings. If realigned, Lincoln Mall Drive could provide a more efficient access and circulation route in this area, creating the opportunity to relocate the parking for these two restaurants east of the buildings (letter F, Fig. 18). This increase in parking efficiency creates the opportunity to develop an additional approximately 8,000-square-foot restaurant building with 80 additional parking spaces. This new restaurant cluster with its associated parking located east of the buildings would create a new “front door” and visually enhance entry to the site from Cicero Avenue. The Cicero Avenue frontage along these buildings could be landscaped and enhanced, potentially with outdoor dining.

Two additional circulation and access recommendations include the extension of Lincolnwood Drive south to Lincoln Mall Drive, and the extension of Southwick Drive east to Lincolnwood Drive. These two roadway extensions become the primary access routes into the redeveloped site. These roadways are suggested as retail- and entertainment-oriented “Main Streets” that are pedestrian-friendly and encourage patrons to park once and visit multiple destinations on foot. These roads should include streetscape amenities such as trees, planters, pedestrian lighting, on-street parking, specialty paving, traditional storefronts and outdoor café space.

As part of the redevelopment of the Lincoln Mall site, it is likely that additional stormwater management capacity will be needed to meet current stormwater regulations. The plan proposes two primary stormwater management ponds that not only meet regulations but also act as visually appealing gateway elements from the Kostner Avenue entrance (letter I, Fig. 18). The ponds should be designed and landscaped to appear natural, rather than engineered, and incorporate a path or trail system that connects to the north branch of the Old Plank Road Trail east of the site.

Retail uses should be focused north of Southwick Drive as the Plan envisions a new 150,000-square-foot retail anchor (letter J, Fig. 18) located east of the Lincolnwood Drive “Main Street.” The primary entrance of this anchor should align with the northeast entrance to the Carson Pirie Scott building, creating a pedestrian circulation route between the two (see Figure 19). Approximately 100,000 square feet of in-line retail space connects these two anchor entrances while also extending south along Lincolnwood Drive (letter K, Fig. 18). This new retail space works in conjunction with the Carson Pirie Scott building to frame a new three-acre public open space or “town square” plaza (letter E, Fig. 18). The square is envisioned as an active and programmable public space, which would include a gazebo, an open lawn and performance stage from the southeast façade of the Caron Pirie Scott building.

The introduction of entertainment uses into the site is a major theme of the preferred redevelopment concept. The plan envisions three entertainment-focused buildings located south of Southwick Drive. The largest proposed entertainment facility is an 85,000-square-foot indoor sports facility (letter D, Fig. 18), which could accommodate up to five turf fields, one multi-surface court, two volleyball courts and batting cages. The indoor sports facility should front Southwick Drive to create a pedestrian-friendly streetscape and to reinforce and frame the town square.
Figure 18. Lincoln Mall Preferred Redevelopment Concept – Retail/Entertainment “Main Street”

Source: The Lakota Group
A pedestrian circulation route could also be created along the western edge of the indoor sports facility to create a strong connection between the Carson Pirie Scott southwest building entrance and the Target (Figure 19).

**Figure 19. Lincoln Mall Preferred Concept Pedestrian Circulation Diagram**

![Diagram of pedestrian circulation route](source: The Lakota Group)

While the near-term market potential, especially for retail appears limited, it seems possible that once the major blighting influence of the Mall has been removed, additional retail and/or entertainment market opportunities for the site may present themselves.

Two additional entertainment uses are envisioned east of Lincolnwood Drive, including a 70,000-square-foot movie theater, which could accommodate 10 to 15 screens, and a 30,000-square-foot entertainment venue (letter H, Fig. 18). The entertainment venue would be programmed with bowling alleys, bocce ball courts, billiard tables, event spaces and party rooms. A large outdoor dining area is proposed between these two buildings with the entrances aligned with the southern entrance of the indoor sports facility in order to create a strong pedestrian connection along the south-facing façades of these three entertainment uses (Figure 19).

Additional retail opportunities exist between Target and JCPenney. The plan envisions 35,000 square feet of in-line retail with 175 parking spaces (letter B, Fig. 18). The parking lot should provide landscaped islands with shade trees and a pedestrian circulation route connecting the retail development with Lincolnwood Drive (Figure 19). Landscaped stormwater management ponds should be created in this area, along with a new connection to Old Plank Road Trail.

Overall, the preferred redevelopment concept for the Lincoln Mall priority site envisions a mix of entertainment uses to create new destinations and reasons to visit the area (Figure 20). The development of pedestrian-friendly “Main Streets” within the site will encourage patrons to park once and visit multiple destinations on foot. The Plan envisions the redeveloped Lincoln Mall site as a new “town center” for Matteson, where visitors, residents and patrons can come for a variety of reasons and be enticed to stay, window shop, have lunch or dinner, and discover the new retail and entertainment options in Matteson.
PRIORITIY SITE 2: MATTESON PLAZA

Preferred Concept – “Clean and Green”

The preferred concept for the Matteson Plaza site focuses on revitalizing the Plaza through a number of property enhancements (Figure (Fig.) 21). The Plaza is currently somewhat worn and dated in appearance, but the shopping center is relatively new and can be modified to meet current tenant needs. Full demolition and redevelopment is not expected to be needed to revitalize this site. Securing a new, up to 80,000-square-foot grocery tenant to occupy the former Dominick’s space (letter A, Fig. 21), in conjunction with façade improvements to the entire plaza, may be sufficient to spur re-tenanting of other currently vacant in-line retail spaces (letter B, Fig. 21).

Shopping centers of similar scale to Matteson Plaza rarely have two large anchor tenants. Therefore, it appears unlikely that a new, single retail tenant would seek to lease the entire 85,000-square-foot eastern anchor space. With this in mind, the preferred concept includes a subdivision of the former Value City anchor space. The building’s northern portion would become 25,000 square feet of in-line retail (letter C, Fig. 21). The southern portion is proposed as 60,000 square feet of non-traditional commercial space, such as a back office space, warehouse/storage space or possibly medical office space.

Other proposed improvements to the site include enhancements to appearance and circulation on the site. New landscaped islands and shade trees should be installed in the existing parking lot to enhance the visual quality of the plaza, making it a more inviting place to shop (letter D, Fig. 21). The parking lot should be re-surfaced and re-striped to improve its appearance. In addition, a new landscaped entry boulevard at the Lincoln Highway entrance would change the look and feel of the plaza, making it feel new (letter F, Fig. 21). New signage should also be considered as an opportunity to re-brand the plaza.

With these improvements, the site might also support development of a new outlot along Lincoln Highway. The plan envisions a 7,500-square-foot retail building that fronts Lincoln Highway (letter E, Fig. 21). An outdoor dining area should be considered for the southeast corner of the Lincoln Highway and Keeler Avenue entrance. Parking should be located behind or to the side of the building in order to provide space for landscaping. The parking lot should also connect with the existing lot of the Taco Bell restaurant (letter G, Fig. 21).

Implementation of the proposed property enhancements for the Matteson Plaza site could re-position the shopping center, making it one of the more viable centers within the Village and reducing vacancy. Other retail centers throughout Matteson may face similar challenges as Matteson Plaza and this “clean and green” concept could be considered as a template for retail revitalization and redevelopment elsewhere in the Village.
Figure 21. Matteson Plaza Preferred Concept – “Clean and Green”
To implement the recommendations in this Plan, the Village will need to deploy public funds effectively to finance public improvements and attract private investment to the priority sites and the Project Area overall. In addition to general revenues, the Village has in place a number of special taxing districts that can be used as tools to finance public improvements and redevelopment projects, including those outlined in this Plan. This chapter summarizes the public financing tools available to the Village and presents preliminary projections of the capacity of these resources to support public-private partnerships and public improvements for the priority sites and the Project Area overall.

**Tax Increment Financing Districts**

Tax Increment Financing (TIF) districts collect incremental property taxes generated from growth in property value above an established base value for a specific district. TIF funding can be used to pay for a range of costs, including:

- Studies and professional services;
- Marketing of sites;
- Acquisition of property;
- Demolition;
- Site preparation, including environmental remediation;
- Construction of public works and improvements;
- Financing costs; and
- Tenant relocation.

The Village has five active TIF districts, as shown in Figure 22. The financial advisory firm Public Funding Group, LLC (“PFG”), as a consultant to the Village, recently preliminarily assessed the existing capacity of these TIF districts, including the districts’ ability to generate incremental property taxes to support additional projects beyond outstanding TIF fund obligations.

5. Financial Tools

These preliminary projections make no assumptions about new vertical development. Should new development occur, additional incremental property taxes could be available to reimburse developers and/or tenants, or to pay for additional public improvements.

A summary of PFG’s high-level findings related to redevelopment within the Project Area is presented below:

- **Sears/Lincoln Mall TIF District & Lincoln Highway/Cicero Avenue TIF District:** These two TIF districts together, which cover the majority of the Lincoln Mall priority site, are anticipated to generate incremental tax revenue, assuming property value and tax rates remain constant and Cook County grants the Village’s request to create new tax codes to isolate parcels that have experienced significant property value declines. The income from incremental taxes in these districts net of planned expenditures could potentially support a bond issuance totaling between $5 and $10 million. Because TIF funds can be ported from adjacent districts sharing a boundary, TIF funds generated in these districts can effectively be shared for projects within either district.

- **Lincoln Highway/Governor’s Highway TIF District:** This TIF district, which encompasses the Matteson Plaza priority site, as well as other commercial property along Lincoln Highway, currently has no capacity to generate incremental taxes. According to PFG, the assessed value of the properties within this district is substantially below the 2010 base assessed value of the TIF district, and it appears that improved occupancy alone would be insufficient to raise property values above their 2010 base and generate incremental taxes.

- **Matteson Commons TIF District:** This TIF district is located outside the Project Area and is not adjacent to the other TIF districts in the Village. Therefore, funds from this TIF district
cannot be ported into other TIF districts for use within the Project Area.

- **Auto Mall TIF District:** This TIF district is not currently generating incremental taxes.

**Figure 22. Map of Matteson TIF Districts**

The two TIF districts that cover Lincoln Mall appear to be generating sufficient incremental property taxes to support selected redevelopment efforts. Further analysis, including more detailed TIF revenue projections and budgeting for priority redevelopment projects, should be conducted to determine how TIF funding can best be used to support the redevelopment goals outlined in this Plan.

The Lincoln Highway/Governor’s Highway TIF District is not projected to generate incremental property taxes, given the relatively high base value and low current property values. The capacity of this TIF district has been limited by the decline of property values that occurred following the economic downturn. The Village may consider dissolving the Lincoln Highway/Governor’s Highway TIF District, and either reforming it with a new base year and base value, or using other financing tools to support redevelopment in and around Matteson Plaza.

**Business Districts**

Business Districts (“BDs”) are special taxing districts that levy an additional sales tax within the district to support redevelopment and enhancement of public and private property within the BD. Unlike TIF funds, BD funds cannot be ported or transferred between adjacent districts. Business District funding can support a number of eligible redevelopment cost categories, including:

- Professional services;
- Marketing;
- Property assembly and site preparation;
- Construction of public works and improvements;
- Rehabilitation and renovation of existing buildings, including interior improvements;
- Site improvements;
- Tenant relocation; and
• Construction costs.

The Village has three Business Districts that cover a majority of the commercial properties in the Project Area (Figure 24). SB Friedman conducted preliminary Business District tax revenue projections based on information from the Village staff regarding past Business District revenue and expenses, a preliminary budget for Fiscal Year 2015, and information about outstanding tax rebate agreements. To estimate the cash flow available to support redevelopment projects, annual revenues and expenses were assumed to remain at their currently budgeted level, with no new BD sales tax rebate agreements made. Based on projected cash flows, current estimated BD fund balances, and the remaining term of each BD, SB Friedman estimated the BD revenue that could be available to support development projects within each Business District, net of existing obligations. A summary of these estimates is presented in Figure 23 below:

<table>
<thead>
<tr>
<th>Business District Capacity to Support Redevelopment [1]</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 - Lincoln Hwy/Governor's Hwy</td>
</tr>
<tr>
<td>$2 million - $4 million</td>
</tr>
<tr>
<td>#2 - Gateway Business District</td>
</tr>
<tr>
<td>$1 million - $3 million</td>
</tr>
<tr>
<td>#3 - Lincoln/Cicero</td>
</tr>
<tr>
<td>$11 million - $19 million</td>
</tr>
</tbody>
</table>

Source: SB Friedman Development Advisors


If retail sales remain constant, it appears likely that BD funds would be available within the Village to support redevelopment efforts within the Project Area, incentivize renovations and building improvements, and fund improvements to public rights-of-way. Further analysis, including more detailed BD revenue projections and budgeting for priority redevelopment projects, should be conducted to determine how BD funding can best be used, in addition to other available funding sources, to support the redevelopment recommendations outlined in this Plan.

Figure 24. Map of Matteson Business Districts

Source: Village of Matteson, SB Friedman Development Advisors
Other Financial Tools

BOND ISSUANCE

Often, large public improvements financed by TIF, Business District or other funding sources are financed with municipally-backed bonds. In the near term, the Village may be constrained in its ability to issue general obligation debt, due to its existing number of bonds with outstanding debt. An analysis of the feasibility of the Village issuing bonds to finance selected redevelopment projects recommended in this Plan has not been conducted. Smaller-scale improvements that can be financed with existing fund balances or “pay-as-you-go” reimbursements to developers can be used in situations where bond financing is not feasible, though such options are likely only available for smaller-scale projects.

GRANT FUNDING

The Village may be able to secure grant funding from state, federal and/or regional sources, e.g., the Illinois Transportation Enhancements Program, which can be used for streetscaping and other community transportation projects. The Village should research additional available funding sources to finance capital improvements and economic development.
This chapter provides an implementation framework to assist the Village in enhancing its economic competitiveness and mitigating stormwater hazards. The recommendations fall into four sections, followed by a matrix of implementation steps:

- **Marketing**: Key initiatives and practices to coordinate the Village’s branding and marketing efforts with other economic development and land use planning practices;
- **Design Improvements**: Recommendations to ensure that privately- and publicly-funded capital improvements enhance the visual character of the Village and reinforce the Village’s branding and marketing efforts;
- **Stormwater Management**: Recommendations to address the disaster recovery needs of the Project Area and best practices to mitigate future flooding;
- **Improvement of Priority Sites**: Recommendations for the Village to leverage prior efforts, demonstrate its involvement in and commitment to redevelopment, and facilitate redevelopment of the priority sites.

### Marketing

The Village’s ongoing marketing efforts provide an opportunity to promote its strengths and successes in supporting development projects and in other economic development approaches. Marketing alone is not likely to enhance the Village’s economic competitiveness, but in conjunction with the other implementation strategies outlined in this chapter, a coordinated outreach and recruitment strategy may help promote the Village and improve its ability to attract larger redevelopment projects and retail tenants.

### 6. Recommendations and Implementation Plan

#### Branding

Branding is a marketing tool used to build and reinforce a common sense of place and identity within the Village that can also help frame development goals and discussions with developers and other private businesses. In addition to creating a visual brand, as described in the “Design Improvements” section below, the Village could tie its marketing message to future goals for economic development and land use. Renaming Lincoln Mall and re-branding the site in coordination with planned redevelopment, will help “change the story” about Lincoln Mall. The Village may look for opportunities to involve local educational and religious institutions in crafting and communicating its brand. Principles outlined in this Plan that could become part of the Village’s branding message include:

- Bringing “Main Street” design into Matteson’s commercial center and creating an inviting, pedestrian-friendly retail environment;
- Enhancing the Village’s existing strengths in entertainment and recreation; and
- Promoting Matteson as a residential community that demands high-quality services and amenities, and wants to spend its retail dollars locally.

#### Conference Attendance

Village representatives attend the International Council of Shopping Centers Global Retail Real Estate Convention and other similar events annually to recruit retail tenants. These are marketing venues that may be used to enhance and highlight other economic development efforts outlined in this Plan. The Village should emphasize the long-term planning the Village has undertaken, as well as specific steps taken to enhance the climate for investment.
Design Improvements

The improvements outlined in Chapter 3 of this report may support efforts to market and revitalize the Village’s commercial center. The physical appearance of buildings, property, and public roads and rights-of-way is important to maintaining a distinct character and enhancing property values. To enhance its visual character, the Village may pursue policy and programmatic changes in coordination with capital improvements.

POLICY AND PROGRAMMATIC CHANGES

Coordinated planning of public improvements and private development may be a powerful tool to establish and maintain a unique visual character in Matteson. The Village should consider aligning its policies with design and development goals by:

- **Visual Branding.** Developing a distinct visual brand for the Village of Matteson by advancing the preliminary recommendations in this Plan. The visual brand should emphasize Matteson’s unique character and lend a distinct “sense of place” to the Village and its commercial corridors.

- **Priority Investments.** Identifying strategic priorities for capital improvements, including those outlined in this Plan, and make investments as public funding is available. Public improvement projects should enhance the physical environment and reflect the Village’s visual brand.

- **Design Standards.** Adjusting standards for design and development within the Village may help reinforce its visual brand. These standards can include strategic zoning and code regulations, including parking requirements, setbacks, materials standards and signage requirements. Clear communication of existing and new design standards to developers may improve compliance with these standards.

CAPITAL IMPROVEMENTS

Capital improvement projects that improve the public right-of-way and enhance the visual character of the Village may improve perceptions about the Village and attract investment. Sources of financing for these improvements are outlined in the “Financial Tools” section below. Recommended capital improvements, outlined in Chapter 3, include:

- **Signage and Gateways.** A well-designed wayfinding signage system, which incorporates a recognizable graphic image or “community brand” and facilitates travel for motorists, pedestrians and bicyclists, should be a part of the overall urban design program for the Village of Matteson. Gateway identity signs at key entrances and intersections can create a sense of arrival in the Village. Identity signage reinforces a community’s or a commercial district’s brand identity. Building and business signage throughout the area should be improved according to design and placement standards set by the Village.

- **Streetscape Enhancements.** The goal of streetscaping is to improve the Village’s physical character, image and visibility, as well as to improve safety for motorists, pedestrians and bicyclists. Intersection improvements can connect adjacent neighborhoods to retail destinations with sidewalk and crosswalk treatments and other streetscape elements.

Stormwater Management

Repetitive flooding and the associated impacts can eventually lead to blighted conditions if left perpetually unmitigated, reducing the economic competitiveness of a commercial area. Addressing surface stormwater reduction and detention needs within the Project Area will therefore be important to ensuring the long-term economic competitiveness and vitality of Matteson’s commercial corridors.
recommended stormwater management plans and practices outlined in the Appendix to Volume II include:

- **Roadway Improvements.** There are two Illinois Department of Transportation (“IDOT”) roadway improvements currently planned within the Project Area. These improvements are expected to be made between 2014 and 2020. Matteson may consider identifying ways to make additional roadway and stormwater system improvements in coordination with these planned upgrades.

- **Watershed Management and New Development.** The Cook County Watershed Management Ordinance (“WMO”) takes effect May 1, 2014. The WMO establishes regulations for new vertical development to mitigate flooding through erosion control, runoff volume control and stormwater storage. The Village will have the responsibility to enforce these regulations, require more intensive stormwater management, as necessary, and maintain public stormwater facilities.

- **Green Infrastructure.** Stormwater reduction is an important part of stormwater management. The Village may identify opportunities to require or incentivize “green” stormwater management measures such as those outlined in the Appendix to Volume II. These measures primarily focus on reducing runoff through water storage, increased permeable surfaces and vegetation.

**Improvement of Priority Sites**

This section outlines recommendations for the Village to promote its economic competitiveness in two ways. First, by increasing its involvement in redevelopment projects like those outlined in Chapter 4, the Village can create tangible opportunities for private investment and development. Representatives of JLL working with the Village have indicated that the removal of a distressed asset like the Lincoln Mall may be a necessary precondition to allow for the creation of major opportunities to increase the level of private investment in the Village’s commercial corridors.

Second, the redevelopment of the two priority sites will allow the Village to demonstrate its ability to set and deliver on economic development goals. Early successes may indicate to tenants and the development market that the Village is serious about promoting change and creating opportunities for redevelopment. They will also provide opportunities for the Village to capitalize on its initial investments by forming public-private partnerships to realize long-term goals for economic competitiveness and redevelopment.

Key implementation steps for Priority Site 1, Lincoln Mall, enumerated in the Implementation Matrix below, include;

- Gaining control over the Mall site, or working with a private owner who will cooperate with the Village;
- Developing a plan for financing and implementing demolition of the Lincoln Mall building and making other changes, as necessary, to prepare the site for redevelopment;
- Conducting ongoing marketing and developer outreach, and demonstrating progress made toward redevelopment;
- Recruiting and hiring a developer for the site, a process for which is outlined below; and
- Executing a Redevelopment Agreement and overseeing redevelopment.

Key implementation steps for Priority Site 2, Matteson Plaza, enumerated in the Implementation Matrix below, include;

- Continuing to work with property owners to market the site and re-tenant vacant spaces;
Exploring opportunities for alternative tenant types including back-office space;
Determining the Village’s financial capacity to support improvements to public and private spaces; and
Identifying and implementing priority capital improvements.

DEVELOPER RECRUITMENT PROCESSES

A clearly defined and well-managed process for recruiting and selecting developers for Village-controlled sites will be key to the success of priority site redevelopment and other future development in the Village of Matteson. The Village is currently working through legal channels to potentially gain control of the Lincoln Mall site. Once the Village, or a private owner willing to work with the Village, gains control of the Mall, the Village or the new private owners may need to solicit developers to execute on the redevelopment project.

Assuming that the Village ultimately gets site control, a process for soliciting proposals is outlined below:

- **Request for Qualifications (“RFQ”).** The RFQ should include information related to the site, development opportunities, and the overall process, as well as a request for specific information from the developer teams. Key elements include:
  - A development plan with site parameters, market studies, conceptual plans, etc.;
  - Development guidelines;
  - Specific roles and responsibilities of a development team;
  - Expected project timeline;
  - Specific qualifications solicited from developer teams, including team capacity and structure, past work, financial capacity, etc.

- **Short List.** The Village conducts site tours and other marketing of the site, evaluates qualifications, and short-lists potential developers.

- **Request for Proposals (“RFP”).** An RFP is sent to selected developer teams requesting a detailed site proposal, including physical plans and proposed financing.

- **Negotiation.** After selecting a preferred proposal, the Village negotiates with the developer regarding design requirements, stormwater and other improvements to the site, the level of public financing, and any public benefits that may be required of the developer.

- **Redevelopment Agreement (“RDA”).** The Village and developer execute an RDA to outline the parameters of the Village’s and the developer’s obligations regarding the redevelopment project. Enforcement of this agreement ensures that the developer delivers the public benefits they have promised.

There are several key benefits to an RFQ/P Process:

- Village staff is engaged in the process early, resulting in additional control over development outcomes, including ensuring the selected developer is qualified and has sufficient resources to complete the project.
- The developer has additional assurances of Village buy-in to the development concept.
- The Village can ensure that the chosen development plans will benefit the Village and support redevelopment goals.

PUBLIC-PRIVATE PARTNERSHIP BEST PRACTICES

To enhance its economic development capacity, the Village should consider reviewing its policies regarding RDAs and other public-private partnerships. This review might consider the following:
The Village’s process of determining appropriate financial support for projects;
Whether the current policies produce desired results;
The types of activities being supported with incentive dollars; and
The Village’s capacity for oversight and compliance of executed RDAs.

In general, incentive deals and public-private partnerships provide opportunities to ensure that public spending produces public benefits. Principles to guide incentive policy are listed below:

- Private businesses receiving public funding may also provide public benefits, by enhancing the local tax base or economy, supporting the development goals of the Village, or by providing public improvements.
- Developments that are the primary recipients of the benefits from certain public improvements and/or the contribution of publicly-owned land may be required to contribute financially to their construction and/or maintenance.
- To attract development, the Village may consider non-rebate incentive policies, such as land transfers, expedited permitting and review, and density or parking bonuses, as appropriate.

**Implementation Plan**

The implementation matrix below outlines specific steps to implement area-wide improvements and site-specific development concepts outlined in this chapter. It is organized by area-wide improvements and site-specific improvements for Priority Sites 1 and 2.

The implementation steps for area-wide improvements include action steps for both capital improvements, such as the signage and public way improvements outlined in **Chapter 3**, and for enhancing the policies and processes the Village has in place to guide economic development strategy, mitigate future flooding, and improve the Village’s long-term economic competitiveness.

The implementation steps for Priority Site 1, Lincoln Mall, outline a process for demolition and redevelopment of the Mall site through coordinated public and private efforts. This process could be replicated for future redevelopment projects within the village.

The implementation steps for Priority Site 2, Matteson Plaza, outline the steps that the Village could take to identify strategic public investments and incentivize private investment in the Matteson Plaza shopping center. This process could be replicated to support basic improvements to other commercial properties within the Village.
## IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AREA-WIDE STRATEGIES AND IMPROVEMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Branding and Marketing</td>
<td></td>
<td>Short Term</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| A. Continue and expand existing outreach efforts | E.g., social media presence, promotions, marketing, long- and short-form videos, and special events | Ongoing | Village | • TIF  
• Business District  
• Other Village funding  
• Grants |
| B. Develop consistent signage and create a sense of arrival and sense of place throughout the Village | | | | |
| C. Explore opportunities to "change the story" in Matteson, including developing overall brand | | | | |
| D. Create and circulate additional marketing materials | E.g., for the Village overall, existing commercial space, development opportunities | | | |
| 2. Review Economic Development Toolkit | | Short Term | Village, Consultant | • TIF  
• Business District  
• Other Village funding |
| A. Review special taxing districts | • Review TIF district and Business District performance and rationalize boundaries as necessary  
• Refine estimates of TIF and Business District financing capacity | | | |
| B. Determine other financing sources to support economic development | E.g., budgeting for capital improvements, review of grants and other publicly-available sources of funding | | | |
| C. Review and strengthen incentive policies | • Assess incentive policies by reviewing past incentive deals  
• Identify best practices | E.g., the process of determining appropriate funding for projects, whether policy produces desired results, areas where Redevelopment Agreements could be structured differently, activities being supported with incentive dollars  
E.g., best practices in analyzing need for assistance, deal structuring, uses of funds | | |
### IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3. Refine Design and Development Standards</strong></td>
<td>E.g., zoning regulations including setbacks and parking requirements; materials and signage requirements</td>
<td>Short Term</td>
<td>Village</td>
<td>• TIF</td>
</tr>
<tr>
<td>A. Refine design standards for private development based on case studies and best practices</td>
<td>Consider incentivizing private funding for public improvements through density or parking bonuses, expedited review, etc.</td>
<td>Short Term</td>
<td>Village</td>
<td>• Business District</td>
</tr>
<tr>
<td>B. Require new private development to meet these standards</td>
<td></td>
<td></td>
<td></td>
<td>• Other Village funding</td>
</tr>
<tr>
<td><strong>4. Develop a Land Use Plan</strong></td>
<td>Clearly indicating to developers what uses are allowed and in what parts of the Village may help attract investment</td>
<td>Short Term</td>
<td>Village, Consultant</td>
<td>• TIF</td>
</tr>
<tr>
<td>A. Determine appropriate and desired uses and development intensity, and future land use needs</td>
<td></td>
<td></td>
<td></td>
<td>• Business District</td>
</tr>
<tr>
<td>B. Develop and adopt a land use plan that indicates allowed uses</td>
<td></td>
<td></td>
<td></td>
<td>• Other Village funding</td>
</tr>
<tr>
<td><strong>5. Plan for Public Way Improvements</strong></td>
<td>E.g., lighting, median/boulevard construction, landscaping, pedestrian and bicycle amenities, pavers, striping, and other road treatments E.g., curb and gutter improvements in coordination with stormwater management standards outlined in Step 6 below</td>
<td>Short Term</td>
<td>Village, Consultant</td>
<td>• TIF</td>
</tr>
<tr>
<td>A. Develop improvement concepts</td>
<td></td>
<td></td>
<td></td>
<td>• Business District</td>
</tr>
<tr>
<td>• Advance preliminary recommendations in this Economic Development and Land Use Master Plan into more fully-developed improvement concepts and public way design standards including:</td>
<td></td>
<td></td>
<td></td>
<td>• Other Village funding</td>
</tr>
<tr>
<td>• Streetscape</td>
<td></td>
<td></td>
<td></td>
<td>• State and federal funds including grants</td>
</tr>
<tr>
<td>• Gateways</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Roadway improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Identify strategic priority improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Determine financial feasibility</td>
<td>• Identify potential funding sources and capacity</td>
<td>Short Term</td>
<td>Village, Consultant</td>
<td>• TIF</td>
</tr>
<tr>
<td>C. Implement plan</td>
<td>• Develop engineering plans from design concepts • Invest in construction of priority public way improvements as funding is available</td>
<td>Short Term</td>
<td>Village, Consultant</td>
<td>• Business District</td>
</tr>
<tr>
<td>6. Improve Stormwater Management</td>
<td>E.g., dual-purpose open space and stormwater detention improvements, permeable surfaces, curb extension rain gardens and stormwater planters</td>
<td>Ongoing</td>
<td>Village, Consultant</td>
<td>• Other Village funding</td>
</tr>
<tr>
<td>A. Advance preliminary stormwater management recommendations outlined in this Plan</td>
<td></td>
<td>Ongoing</td>
<td>Village, Consultant</td>
<td>• State and federal funds including grants</td>
</tr>
<tr>
<td>B. Engage in strategic district-wide stormwater management planning, when appropriate</td>
<td></td>
<td>Ongoing</td>
<td>Village, Consultant</td>
<td></td>
</tr>
<tr>
<td>C. Incorporate best practices and stormwater improvements in right-of-way improvements</td>
<td></td>
<td>Ongoing</td>
<td>Village, Consultant</td>
<td></td>
</tr>
<tr>
<td>D. Support enhanced stormwater improvements on private property</td>
<td></td>
<td>Ongoing</td>
<td>Village, Consultant</td>
<td></td>
</tr>
</tbody>
</table>

### SITE 1: LINCOLN MALL

1. Publicize Redevelopment Strategy
   A. Continue ongoing marketing efforts | Including at the International Council of Shopping Centers Global Retail Real Estate Convention | Ongoing | Village, Consultant | • TIF |
   B. Discuss steps currently underway and planned to "change the story" of the site | Particularly once site control has been obtained (Step 2 below) | Ongoing | Village, Consultant | • Business District |

2. Obtain Control of Site
   A. Either the Village or a private owner willing to invest in the site gains control | Immediate/ Ongoing | Village or Private owner | • Private funding |

| | | | | • TIF |
## IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3. Develop Plan for Demolition</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| **A. Refine estimates of financial capacity to support redevelopment** | Includes Phase I environmental remediation study and assessment of required improvements to Carson Pirie Scott building including exterior renovations and HVAC improvements | Short Term | Village, Consultant | • TIF  
• Business District  
• Other Village funding  
• State and federal funds including grants |
| **B. Secure Village Board approval/decision regarding demolition** | If special taxing district funding sources are insufficient, consider using other local funding. In parallel, pursue grants and other external funding sources | | Village | |
| **4. Marketing and Branding** | | | |
| **A. Rename Lincoln Mall** | To emphasize the new “brand” for the site | Short Term | Village, Consultant | • TIF  
• Business District  
• Other Village funding |
| **B. Ongoing tenant outreach (public side)** | The developer is ultimately responsible for tenanting, but ongoing public efforts will complement private activities | | | |
| **C. Preliminary developer outreach** | | | | |
| **D. Demonstrate progress made toward site redevelopment** | | | | |
| **5. Demolition and Initial Site Preparation** | | Intermed. Term | Village or Private owner | • TIF  
• Business District  
• Other Village funding |
| **A. Relocate current tenants** | | | | |
| **B. Solicit bids for demolition, finalize cost estimate** | | | | |
| **C. Provide HVAC and necessary finishing construction to Carson Pirie Scott building** | | | | |
## IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>D. Demolish Lincoln Mall Building and associated improvements</strong></td>
<td>Including parking lots</td>
<td></td>
<td></td>
<td>• State and federal funds including grants</td>
</tr>
<tr>
<td><strong>6. Developer Solicitation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Prepare detailed Request for Qualifications/Proposals (&quot;RFQ/P&quot;) document for site and conduct outreach to developers</td>
<td>The RFQ should include information related to the site, development opportunities, and the overall process, as well as a request for specific information from the developer teams. The RFP then requests a detailed proposal, including physical plans and proposed financing.</td>
<td>Intermed. Term</td>
<td>Village, Consultant</td>
<td>• TIF • Business District • Other Village funding</td>
</tr>
<tr>
<td>B. Distribute RFQ/P, conduct site tours, evaluate qualifications, and short-list potential developers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Request proposals from short-listed developers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Review proposals, select preferred proposal, and negotiate with preferred developer(s)</td>
<td>If needed, make regulatory changes. Negotiations potentially include design requirements, stormwater improvements, other public and private space improvements, financing, etc.</td>
<td>Intermed. Term</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E. Structure and execute final Redevelopment Agreement</td>
<td>Subject to standards established in Step 2.C under &quot;Area-Wide Strategies and Improvements,&quot; above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7. Redevelopment of Mall Site</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Site improvements</td>
<td>Phased construction by a master developer or multiple individual developers</td>
<td>Intermed. Term</td>
<td>Developer, Village</td>
<td>• Private funding, supported by; • TIF • Business District • Other local funding for public site improvements,</td>
</tr>
<tr>
<td>• Grade Site</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Reroute Lincoln Mall Drive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Relocate water and sewer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Construct stormwater management facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Construct public space improvements</td>
<td>Including public plaza, parking, and landscaping</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Short Term: 1 - 2 years; Intermediate (Intermed.) Term: 3 - 5 years
## IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SITE 2: MATTESON PLAZA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1. Continue Outreach and Marketing Efforts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Attend International Council of Shopping Centers Global Retail Real Estate Convention and other events, meet with potential tenants</td>
<td></td>
<td>Short Term</td>
<td>Village, Property owners, Consultant</td>
<td>• Business District • Other Village funding</td>
</tr>
<tr>
<td>B. Support property owners’ efforts to market and re-tenant vacant spaces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Prepare marketing materials highlighting strengths and opportunities at Matteson Plaza</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Explore Alternative Tenant Types</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Work with property owners to explore opportunities for demising or re-purposing existing retail space as back-office or other non-retail uses</td>
<td></td>
<td>Short Term</td>
<td>Village, Property owners</td>
<td>• Business District • Other Village funding</td>
</tr>
<tr>
<td><strong>3. Determine Financial Capacity to Support Redevelopment</strong></td>
<td>In conjunction with Step 2.1 under “Area-Wide Strategies and Improvements” above, review available financing to fund high-priority improvements</td>
<td>Short Term</td>
<td>Village, Consultant</td>
<td>• Business District • Other Village funding</td>
</tr>
<tr>
<td>A. Reconsider Lincoln Highway/Governor’s Highway TIF district</td>
<td>• Consider dissolving and/or re-forming Lincoln Highway/Governor’s Highway TIF District</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Review and refine available Business District funding and projections</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### IMPLEMENTATION MATRIX

<table>
<thead>
<tr>
<th>Action Item</th>
<th>Details</th>
<th>Timeframe</th>
<th>Initial Lead</th>
<th>Potential Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Determine Appropriate Capital Improvements to Matteson Plaza</td>
<td>Work with property owners to identify priority improvements</td>
<td>Short Term</td>
<td>Village, Property owners</td>
<td>• Private funding • Business District • Other Village funding</td>
</tr>
<tr>
<td>A. Buildings</td>
<td>E.g., improved façades and signage, renovations to anchor boxes, demising, tenant improvements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Parking and landscaping</td>
<td>E.g., bring parking to established design standards, including through landscaping and medians</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Stormwater management</td>
<td>Based on area-wide policies established in Step 6 under &quot;Area-Wide Strategies and Improvements&quot;, above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Review Regulatory Environment</td>
<td></td>
<td>Intermed. Term</td>
<td>Village</td>
<td>• Village funding</td>
</tr>
<tr>
<td>A. Review existing regulations including zoning, parking and landscaping requirements</td>
<td>In conjunction with Step 3 under &quot;Area-Wide Strategies and Improvements&quot; above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Revise existing regulations as necessary to support tenant needs, redevelopment goals and community design standards</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Finance Identified Improvements</td>
<td></td>
<td>Intermed. Term</td>
<td>Village, Property owners, Consultant</td>
<td>• Business District • Private funding</td>
</tr>
<tr>
<td>A. Determine appropriate public participation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Structure deals with property owners or developers</td>
<td>Subject to standards established in Step 2 under &quot;Area-Wide Strategies and Improvements&quot; above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Enforce development agreements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
A key element in any successful planning project is the community engagement process. Employing a multi-layered public process helps to identify a common set of planning issues. Furthermore, a multi-phased public process also plays an important role in developing a shared vision for Matteson’s commercial corridors and a realistic implementation strategy. Direct participation in the planning process – when community members are able to be seen and heard – fosters trust between neighbors with elected officials responsible for enacting policy and of the project itself.

To achieve these goals, the public process for the Economic Development and Land Use Master Plan utilized a series of two open houses for community members to meet the Consultant Team, share their thoughts, and listen to others. The results of these open houses allow for an understanding of common themes and ideas, which fed directly into the recommendations presented throughout this report. Key visual elements used in the public process are presented in Figures 1 through 4 on the following pages. These elements are included to provide a high-level overview of the public feedback on design and public improvement ideas. A summary of community feedback related to the Study Area overall and the two priority sites is included in the Appendix of Volume II.

On February 15th and March 26th 2014, two public open house meetings were held at the Village of Matteson Community Center. Roughly 80 community members were in attendance at each event. Each open house was comprised of various stations in which participants could provide their thoughts on certain topics, including:

**February 15th, 2014**
*Station 1: Gateways and Wayfinding*
*Station 2: Streetscape Enhancements*

**March 26th, 2014**
*Station 1: Lincoln Mall Priority Site*
*Station 2: Matteson Plaza Priority Site*

The results of the exercises presented at each station have been directly incorporated into the recommendations described throughout this report. An overview of the exercise results are presented on the following pages.

In addition, a Visual Preference Survey was designed to gauge the Community’s stance on various Public Way Improvement character issues by having participants indicate their preferences on a series of photographs. The images used for the survey help to establish preferences and desired aesthetic character.
Figure 1. Gateway and Wayfinding Interactive Map Exercise Results

Source: The Lakota Group
Figure 2. Preferred Gateway and Wayfinding Images

Source: The Lakota Group
Figure 3. Streetscape Enhancements Interactive Map Exercise Results

Source: The Lakota Group
Figure 4. Preferred Streetscape Enhancements Images

Source: The Lakota Group
The concepts presented below were considered in addition to the preferred redevelopment concepts outlined in Chapter 4. Feedback from Village staff and the community on these redevelopment concepts was generally positive. They are presented here as alternative redevelopment concepts.

**Priority Site 1: Lincoln Mall**

**ALTERNATE REDEVELOPMENT CONCEPT – “PEDESTRIAN PLAZA” / SENIOR CAMPUS**

As an alternate to the preferred “Main Street” redevelopment concept, which consists primarily of retail and entertainment uses, a “Pedestrian Plaza” / Senior Campus concept was also developed (Figure 1). This concept envisions a more diverse mix of land uses on the Lincoln Mall site, dedicating a significant portion of the site to senior housing rather than entertainment uses. In this concept, 16.5 acres of the eastern portion of the site are set aside as a senior housing campus or CCRC (letter E, Figure 1). The facility consists of 250 multi-story, independent living apartments, in addition to an adjacent 150-bed assisted health care facility. This type of development gives seniors the ability to move onto the campus while still independent, but relocate to the health care portion of the building when additional assistance is needed. All residents could share site amenities such as fitness rooms, cafeterias, outdoor dining spaces and recreation rooms. The facility could also take advantage of the naturalized stormwater management areas and walking paths incorporated into the landscaped ponds, offering scenic outdoor spaces for residents, employees, and visitors (letters H, Figure 1). The path system should tie into the north branch of Old Plank Road Trail, offering access to the regional trail system for senior residents interested in recreational cycling.

**Appendix: Alternate Redevelopment Concepts**

While this concept also suggests new retail and entertainment development, these components are envisioned at a smaller scale than in the “Main Street” concept. In this concept, a 65,000-square-foot retail anchor is envisioned between the Carson Pirie Scott building and Target. The main entrance of this anchor should be aligned with the southwest entrance to Carson Pirie Scott and Target, creating a pedestrian circulation path between the two (see Figure 2). Approximately 150,000 square feet of inline retail development is also proposed, both along this pedestrian circulation route and along new pedestrian-only promenades aligned with Southwick Drive and Lincolnwood Drive (letter J, Figure 1). The pedestrian-only promenade aligned with Southwick Drive is terminated by a new 50,000-square-foot movie theater that could accommodate approximately 10 screens (letter I, Figure 1). The theater acts as a focal point for the development framing the plaza, which incorporates lighting, landscaping, seating, special paving and an interactive fountain. An additional pedestrian-only promenade extends from this plaza to the southeast entrance of the Carson Pirie Scott building. All three promenades will be lined with retail storefronts, outdoor cafes, landscaping and Tivoli or suspended lighting in order to create a unique and special sense of place.

With a smaller retail and entertainment program overall, the site located south of The Promenade roadway and in between Target and JCPenney is envisioned as a small 4.5 acre outdoor sports facility (letter B, Figure 1). This area could accommodate three full-size soccer fields and incorporate trails and walking paths along with stormwater management treatments (letter H, Figure 1). The trail system could connect with Old Plank Road Trail in order to increase connectivity and access to the site. A new trailhead could be created at the new parking area, an element that was frequently requested throughout the public input process.
**Figure 1. Lincoln Mall Alternate Redevelopment Concept – “Pedestrian Plaza”/Senior Campus**

<table>
<thead>
<tr>
<th>SUMMARY TABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITE AREA:</td>
</tr>
<tr>
<td>TOTAL RETAIL:</td>
</tr>
<tr>
<td>SENIOR APARTMENTS:</td>
</tr>
<tr>
<td>SENIOR CARE FACILITY:</td>
</tr>
<tr>
<td>MOVIE THEATER:</td>
</tr>
<tr>
<td>SPORTS FIELDS:</td>
</tr>
<tr>
<td>STORMWATER MANAGEMENT:</td>
</tr>
</tbody>
</table>

---

**Preliminary Plan Data**

**A. NEW FRONTAGE RETAIL**
- 10,000 square foot retail building
- 40 landscaped parking spaces (41,000 sq. ft.)

**B. NEW OUTDOOR SPORTS FIELDS**
- 4.5 acres for outdoor sports fields
- Area can accommodate three full-size soccer fields
- 75 landscaped parking spaces (25 per field)

**C. NEW OUTLOT RETAIL**
- 22,500 square foot retail building
- 90 landscaped parking spaces (41,000 sq. ft.)

**D. NEW “MID-BOX” FORMAT RETAIL ANCHOR**
- 45,000 square foot retail building
- 260 landscaped parking spaces (41,000 sq. ft.)

**E. SENIOR LIVING COMMUNITY AND CIRC**
- 250 multi-story independent apartments in 5-story wings
- 150 bed health care facility in 2-story building
- 400 landscaped parking spaces (11,000 sq. ft.)
- Amenities include walking trail, pond, gazebo, and connection to Old Park Road Trail

**F. NEW RESTAURANT CLUSTER**
- New 4,000 square foot restaurant
- 8,000 square foot of existing restaurant space
- 175 landscaped parking spaces (18,000 sq. ft.)

**G. NEW RETAIL WITH DRIVE-THRU**
- 5,000 square foot retail with drive thru
- 90 landscaped parking spaces (12,000 sq. ft.)

**H. ENHANCED STORMWATER MANAGEMENT**
- 14 acres of enhanced stormwater management with landscaping, detention ponds, and fountains
- Trail system with connection to Old Park Trail

**I. NEW MOVIE THEATER**
- 50,000 square foot movie theater (10 screens)
- 200 landscaped parking spaces (41,000 sq. ft.)

**J. NEW “PEDESTRIAN PLAZA” RETAIL**
- 105,000 square foot “Pedestrian Plaza” retail
- 300 landscaped parking spaces (41,000 sq. ft.)
- Pedestrian entry place with lighting, landscaping, seating, special paving and interactive fountains

**K. LINCOLN MALL DRIVE ENHANCEMENTS**
- Realignment and landscaping of Lincoln Mall Drive
- New landscaped boulevard entry at Riverfront Avenue

Source: The Lakota Group
It is envisioned that this alternate redevelopment scenario would spur outlot redevelopment along Cicero Avenue and Lincoln Highway, similar to the preferred concept. In the case of redevelopment, new buildings should front public streets and entryways in order to create a “front door” and sense of arrival into the site (letter C, Figure 1). Parking should be located behind or to the side of new buildings in order to accommodate space for landscaping along roadways.

The alternate redevelopment concept for the Lincoln Mall site follows the same primary objective of the preferred concept, which is to diversify land uses on the site and provide opportunities for activities other than retail in this area (Figure 3). Rather than devoting a significant portion of the site to entertainment uses, this concept plans for nearly 16.5 acres of land for residential use. While a senior housing campus may be the most feasible use of land at this location, other market-rate residential redevelopment options may be appropriate as well.

**Priority Site 2: Matteson Plaza**

**ALTERNATE CONCEPT A – “PARTIAL DEMOLITION”**

As an alternate to the preferred “clean and green” concept for Matteson Plaza, this concept proposes partial demolition of the Matteson Plaza retail building (Figure 4). The eastern anchor is viewed as the most challenging space to re-tenant. Therefore, this concept explores the demolition of this 85,000-square-foot building, creating an opportunity to redevelop the eastern portion of the site with two new buildings. The use of these new buildings could vary; a mix of restaurant and non-traditional retail space is shown in the concept below.
Figure 4. Matteson Plaza Alternate Concept A – Partial Demolition

Source: The Lakota Group
A 5,000-square-foot restaurant building (letter D, Figure 4) with outdoor dining is envisioned north of the entry drive from Governor’s Highway. Since redevelopment of this site will likely require increased stormwater management capacity, two stormwater management ponds are included in the concept. It is recommended that these ponds be installed with adequate landscaping to ensure they appear naturalistic and attractive, possibly including features such as fountains or landscaped banks (letter C, Figure 4). The outdoor dining for the restaurant could be aligned with the northern pond to create a unique setting for patrons. South of the Governor’s Highway entry drive, a 10,000-square-foot office or medical building is envisioned (letter E, Figure 4). This new building should front Governor’s Highway in order to create a “front door” and parking should be located west of the building to provide space for streetscaping and landscaping.

**ALTERNATE CONCEPT B – “RETAIL REDEVELOPMENT”**

In the event that a development team or retailer prefers new construction on the Matteson Plaza site, a more intensive alternative concept was developed. The “retail redevelopment” concept (Figure 5) assumes full demolition of the Matteson Plaza building. In its place, a new 70,000-square-foot grocery anchor (letter A, Figure 5) with 50,000 square feet of in-line retail (letter B, Figure 5) is envisioned. The entry drive for the new retail center should align with the existing traffic signal on Governor’s Highway to maximize access.

In a full redevelopment scenario, it is likely that the developer will be required to increase the site’s stormwater management capacity. The concept includes five stormwater ponds (letter C, Figure 5) installed and integrated throughout the site’s parking lot. These ponds should have naturalistic design and include features such as fountains and landscaped banks.

The new retail building configuration creates an opportunity to extend Keeler Avenue from Lincoln Highway south to St. Lawrence Avenue (letter D, Figure 5). This connection would increase the site’s access and also ease the traffic burden that exits along Lincoln and Governor’s Highway by providing an alternate route. The Keeler Avenue extension also creates an opportunity for new single-family housing development. A number of single-family homes exist along Keeler Avenue, south of St. Lawrence Avenue, and such development could be extended north along the new roadway. Another important circulation improvement recommendation is the extension of the entry boulevard that exists at Lincoln Highway (letter F, Figure 5). This landscaped boulevard should be extended south to the new retail building in order to create a primary circulation route for the development and also to create a unique and special sense of arrival to the site.

Since this concept reduces the overall retail square footage, it requires less parking. This creates the opportunity to introduce landscape elements such as parking lot islands with shade trees. There is also an opportunity for additional outlot development. The plan envisions a new 7,500-square-foot retail building located at the southeast corner of Lincoln Highway and Keller Avenue (letter E, Figure 5). The plan also envisions a new 6,000-square-foot restaurant located along the boulevard entry drive (letter I, Figure 5). This new restaurant space could include an outdoor dining patio adjacent to the stormwater pond, offering a scenic outdoor dining venue.

Although the “retail redevelopment” concept may be more challenging to implement from a market and financial perspective, it offers the greatest potential to re-define the retail experience offered at Matteson Plaza. In addition, this concept creates the greatest amount of landscaping and green space and improves the site’s overall circulation and accessibility.
Figure 5. Matteson Plaza Alternate Concept B – Retail Redevelopment

Summary Table

<table>
<thead>
<tr>
<th>Site Area</th>
<th>25 Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Retail</td>
<td>143,000 sq. ft.</td>
</tr>
<tr>
<td>Total Parking</td>
<td>699 spaces (15,000 sq. ft.)</td>
</tr>
<tr>
<td>Stormwater Management</td>
<td>5.5 acres</td>
</tr>
</tbody>
</table>

Preliminary Plan Data

A. New Grocery Anchor
   - 76,000 square foot grocery anchor
   - 315 landscaped parking spaces (4,571 sq. ft.)

B. New Retail Center
   - 56,000 square foot retail center with 225 landscaped parking spaces (6,000 square feet)

C. Stormwater Management Spaces
   - 5.5 acres of open greenspace with stormwater management features and fountains

D. Keeler Avenue Extension/Enhancement
   - Extension and enhancement of Keeler Avenue
   - Opportunity for seven new single-family homes

E. New Retail with Outdoor Dining
   - 7,000 square foot retail development
   - 36 landscaped parking spaces (41,000 sq. ft.)
   - Potential for outdoor dining/patio area

F. New Entry Boulevard
   - New landscaped boulevard entry drive

G. Existing Taco Bell Restaurant
   - Approximately 3,000 square foot restaurant
   - Approximately 36 parking spaces (121,000 sq. ft.)

H. Existing Retail Building
   - Approximately 5,000 square foot retail building
   - Tenants include Guarantee Bank and Supercuts
   - Approximately 35 parking spaces (61,000 sq. ft.)

I. New Restaurant with Outdoor Dining
   - 6,000 square foot restaurant
   - 46 landscaped parking spaces (101,000 sq. ft.)
   - Outdoor patio integrated into walkway feature

Source: The Lakota Group
# Table of Contents

1. **BACKGROUND AND CONTEXT** ........................................................................................................... 1  
   IKE DISASTER RECOVERY PROGRAM BACKGROUND ........................................................................... 1  
   PURPOSE OF THIS REPORT ......................................................................................................................... 1  
   PRIOR PLANS AND EXISTING POLICIES ........................................................................................................ 2  

2. **EXISTING CONDITIONS** ......................................................................................................................... 3  
   LAND USE OVERVIEW .................................................................................................................................. 4  
   PHYSICAL CONDITIONS .................................................................................................................................. 6  
   ZONING OVERVIEW ....................................................................................................................................... 8  
   2008 FLOODING AND STORMWATER REGULATIONS ..................................................................................... 11  
   MARKET CONTEXT ....................................................................................................................................... 13  

3. **PRIORITY ECONOMIC DEVELOPMENT SITES** ......................................................................................... 23  
   PRELIMINARY RESEARCH AND POTENTIAL PRIORITY SITES ..................................................................... 23  
   SELECTION OF PRIORITY SITES ..................................................................................................................... 23  
   DESCRIPTION OF PRIORITY SITES .................................................................................................................. 25  

4. **RETAIL ANALYSIS** ..................................................................................................................................... 29  
   MARKET CONTEXT ....................................................................................................................................... 29  
   PRESENCE/ABSENCE ANALYSIS ..................................................................................................................... 32  
   MARKET OPPORTUNITIES ............................................................................................................................... 34  

5. **OFFICE ANALYSIS** ..................................................................................................................................... 36  
   MARKET CONTEXT ....................................................................................................................................... 36  
   MARKET OPPORTUNITIES ............................................................................................................................... 39  

6. **INDUSTRIAL ANALYSIS** ............................................................................................................................. 40  
   MARKET CONTEXT ....................................................................................................................................... 40  
   MARKET OPPORTUNITIES ............................................................................................................................... 42  

7. **SUMMARY** .................................................................................................................................................. 43  

APPENDIX ......................................................................................................................................................... 45  
   AGENDAS OF MEETINGS HELD  
   SUMMARY OF COMMUNITY MEETING I  
   ROBINSON ENGINEERING MEMO
1. Background and Context

Ike Disaster Recovery Program Background

In September 2008, Hurricane Ike produced storms and caused severe flooding in the state of Illinois. The Illinois “Ike” Disaster Recovery Program (“IDRP”), funded in part through federal Community Development Block Grant (“CDBG”) funds, is designed to help eligible Illinois communities identify and address recovery needs due to the flooding. IDRP prioritizes investment in economic development, housing and public infrastructure planning to address long-term recovery from the 2008 flooding and promote sustainable planning principles.

The Village of Matteson (the “Village”) has been awarded IDRP funds to develop an implementable Economic Development and Land Use Master Plan to assure the economic competitiveness and sustainability of the Village’s commercial corridors, and to invest in infrastructure improvements to improve stormwater management and environmental sustainability in the Village. The area for which IDRP funds were granted (the “Project Area”) spans two primary commercial corridors in the Village of Matteson that were affected by flooding in 2008: the commercial areas along the north and south sides of Lincoln Highway from Governors Highway to the east and Central Avenue to the west; and the commercial areas along the east and west sides of Cicero Avenue extending south to the EJ&E Railroad line and north to Matteson Commons (shown in Figure 1 on page 3).

Purpose of this Report

The Village has engaged a Consultant Team led by SB Friedman Development Advisors (“SB Friedman”), with subconsultants The Lakota Group and Robinson Engineering, to develop an Economic Development and Land Use Master Plan (the “Plan”) through a public planning process. This Existing Conditions report, “Volume II” of the full report, accompanies “Volume I”, the Economic and Land Use Master Plan.

This report serves as a summary of existing conditions within the Project Area and the Village of Matteson overall, an investigation of the Village’s economic and physical recovery needs due to the 2008 flooding, and a preliminary analysis of market trends and opportunities for development to address the recovery needs created by the disaster, in accordance with the requirements of the “Ike” Disaster Recovery Program. It serves as a supplement to the Land Use and Economic Development Master Plan.

- The following chapter, Chapter 2, outlines the existing conditions of the Project Area, including stormwater management regulations, land use, physical and zoning conditions, market context, and current performance.
- Chapter 3 details the process by which priority sites for site planning were selected, and presents initial analysis of the condition and planning needs of the selected sites.
- Chapters 4 through 6 provide deeper market analysis and identify the challenges and opportunities of promoting economic growth, disaster recovery and long-term disaster resilience in the Village of Matteson.
- Chapter 7 summarizes the findings of these initial analyses, and presents conclusions that guided further planning work.
• The Appendix to this report includes agendas from all Steering Committee meetings and Community Meetings held as a part of the planning process, a summary of the first Community Meeting, which presented the findings of this report, and a memo from Robinson Engineering regarding the extent and impact of the 2008 flooding, an assessment of Matteson’s stormwater management system and recommendations to improve the Village’s stormwater management capacity.

Prior Plans and Existing Policies

To understand the planning and development context, the Consultant Team reviewed existing plans and available information about the Village of Matteson, including the following:

• The Village’s CDBG Disaster Recovery “Ike” Program grant application materials
• The Village of Matteson Comprehensive Development Plan, adopted in 1987
• The Village of Matteson, Illinois Lincoln Highway/Cicero Avenue Business District Amended Business District Plan, adopted in 2013
• The Village of Matteson, Illinois Matteson Gateway Business District Development and Redevelopment Plan, adopted in 2009
• Other information about Tax Increment Financing Districts and Business Districts within the Village
• Village documents and other materials related to existing design guidelines, streetscape, land use and zoning policy
• The Village’s existing economic development materials, including their Financial Incentive Policy and available marketing materials
• The South Suburban Retail Investment Study, completed in 2012 by a consultant team led by Teska Associates
2. Existing Conditions

This chapter presents a summary of Cook County stormwater management regulations, and existing conditions within the Project Area and the Village of Matteson as a whole. As described in Chapter 1, the Project Area includes the Village of Matteson’s major commercial corridors along Lincoln Highway and Cicero Avenue (Figure 1). An analysis of the existing physical, economic and market conditions in the Village and within the Project Area is important to assess the impacts of the 2008 flooding, and to identify and prioritize disaster recovery needs within the Project Area. The following assessment of current physical and market conditions guided the development of strategies to address the disaster recovery needs and minimize future disaster damage.

Figure 1. IDRP Project Area

Source: Village of Matteson, Esri Business Analyst, SB Friedman Development Advisors
Land Use Overview

OVERALL LAND USE

Land use patterns within the Village are fairly consistent with that of a typical outer-ring suburban municipality. The majority of land within the Village falls under what may be termed a “Low Intensity” land use designation, primarily consisting of single-family housing and some multifamily housing. These residential areas are complemented with a network of conservation and recreation areas that provide for trails, active and passive recreation use, and natural scenery. Figure 2 shows the existing land use intensity in Matteson.

Figure 2. Land Use Intensity Map

Source: Village of Matteson, The Lakota Group
Regional High Intensity

A large concentration of regional commercial uses is located near the Interstate 57 and Lincoln Highway interchange. These properties included in the “Regional High Intensity” land use designation indicated in Figure 2 range in size and scale. To the south and west of the interchange is the Matteson Auto Mall, which consists of five auto dealers and occupies nearly 3.5 acres of land. To the south and east of the interchange, over 250 acres of land are occupied by a mix of land uses designated as “Regional High Intensity”. The western half of this area is occupied most notably by the Holiday Inn Chicago Matteson and Conference Center along with the Matteson Town Center large-format retail center.

A number of office buildings and hotels are located throughout this general area, as well as a Sam’s Club and Walmart development. Additionally, there is a small amount of residential development located along Interstate-57 (“I-57”) just west of the Walmart. The eastern half of this area is occupied by the Lincoln Mall. The mall and adjacent freestanding developments contain almost one million square feet of rentable space and includes anchor tenants Carson Pirie Scott, Target, and JCPenney. The Carson Pirie Scott store is attached to the main body of the mall, while the Target and JCPenney are freestanding stores south of the mall ring road.

To the north and east of the interchange, over 300 acres of land located between I-57 and Cicero Avenue is designated as “Regional High Intensity.” The southern portion of this area along Lincoln Highway consists of a number of hotels, along with large-format and outlet retail. North of 207th Street, however, the character changes significantly and although small retail uses are located along the Cicero Avenue frontage, a majority of this area is occupied by civic land uses such as the Matteson Village Hall and Community Center. This area is referred to as “Village Commons.”

Community High Intensity

There are generally two areas within the Village that are designated as “Community High Intensity,” as shown in Figure 2. One area is undeveloped land just west of the Matteson Auto Mall along Lincoln Highway, and the other is the commercial frontage along Lincoln Highway and Cicero Avenue to the east and north of the Lincoln/Cicero intersection. While a majority of this commercial frontage is small- to medium-format retail, two large retail centers (Marketplace at Matteson and Matteson Plaza) anchor the northwest and southwest corners of the Lincoln Highway and Pulaski Road intersection.

Production Intensity

For the purposes of this study, there are generally two significant areas in the Village that have been designated as “Production Intensity” (see Figure 2). The first is the area located south of the Old Plank Road Trail fronting I-57 to the east and west. Two large facilities, Warehouse Specialists and Valspar, occupy much of this land, along with the Old Plank Road Prairie Nature Preserve. The other area, in the westernmost portion of the Village, is located to the north and east of the Harlem Avenue and Lincoln Highway intersection. This area is predominantly undeveloped with the exception of the Manheim Auto Auction facility. This facility is significant in size, and at over 100 acres, is one of the largest developed properties in the region.
Physical Conditions

For any area, the physical appearance of buildings, property and roads is important to maintaining a distinct character and property values. Good physical conditions foster an active pedestrian environment and promote civic pride. Overall, buildings throughout the Village appear to be in good condition. Housing stock appears well maintained and landscaped, and a number of new civic buildings represent a high quality of life in Matteson as well.

Commercial buildings throughout the Project Area, however, range from good to poor, and a number of commercial properties may potentially misrepresent the overall character and quality of Matteson. Select commercial structures are shown in Figure 3.

For many, the front door to Matteson is Lincoln Highway at Interstate-57. If traveling west, the Matteson Auto Mall acts as a gateway. While a number of successful businesses still exist within the Auto Mall, two major vacancies exist with high visibility from I-57. The former CarMart and Chevrolet dealerships along Miller Circle Drive are two significant vacant properties, which portray a less than ideal image of Matteson. While these properties and buildings appear structurally sound, the remnants of old signage and large expanse of empty parking lots portray the area negatively. Once west of Central Avenue, the building character is predominately residential and generally inviting. A number of undeveloped properties add a scenic and rural character to this area that complements that residential aesthetic well.

Traveling east on Lincoln Highway, the general sense of arrival occurs first at the Matteson Avenue intersection. To the south, the Matteson Town Center defines the character of the area with large-format, single-story attached retail buildings oriented around a large surface parking lot that lacks internal landscaping. These buildings are generally in fair condition; however, they appear somewhat outdated and lack any distinguishing architectural detail. Three newer single-story outlot developments constructed of brick with landscaping help to bring a sense of character to the Town Center.

Figure 3. Matteson Physical Conditions

Source: The Lakota Group
To the north, a number of single-story outlot retail developments front Lincoln Highway. These buildings incorporate “corporate architecture” and although they are in good condition, their character and style varies greatly, weakening the sense of an overall character for the area. A large-format strip retail center is located just north of these outlots. The center is well maintained and in good condition, however the large parking lot has a minimal amount of landscaping.

Continuing east through the Cicero Avenue and Pulaski Road intersection, the commercial character of Lincoln Highway is reinforced with a number of retail and office buildings. These buildings are generally small to medium size in footprint and range in height from one to six stories. The architectural character varies greatly from modern to neotraditional and front setbacks are inconsistent from one property to the next. Near the Pulaski Road intersection, two large-format strip retail centers, Marketplace at Matteson and Matteson Plaza, appear to be with a number of vacancies. Similar to the Matteson Town Center, these retail centers appear outdated and lack any distinguishing architectural detail.

Aside from Lincoln Highway, Cicero Avenue is another important commercial corridor for Matteson where the quality and character of the Village is portrayed. North of Lincoln Highway, the character of Cicero Avenue is decidedly retail-oriented. Nearly the entire frontage of Cicero Avenue from Lincoln Highway to 207th Street is occupied by single-story retail buildings. These buildings vary in style and size, from large format to small scale. Additionally, front setbacks vary greatly.

North of 207th Street to Vollmer Road, the character of Cicero Avenue changes. The east side of the roadway is occupied by single-family residential housing. The west side of the roadway is fronted with small-scale commercial and service uses. Despite being commercial in land use, these properties serve as a local or neighborhood destination, rather than a regional one. The uses vary from a car wash to post office and other civic uses, such as the Matteson Police Department.

Cicero Avenue south of Lincoln Highway functions very much as a regional commercial destination. Buildings along this stretch of Cicero vary significantly. Three six-story office buildings are located in this area. These buildings are generally in good condition, however their size and architectural style contrast greatly with their surroundings. Most buildings in this area are one-story and range in size from small-scale fast food restaurants to large-format retail. The Lincoln Mall is the largest structure in this area and is in need of physical improvements.

Not only are large expanses of the Mall’s facade blank and vacant, but portions of its structural frame are exposed. Due to the Mall’s size and poor physical condition, adjacent properties are likely suffering. While there are two new large-format retailers, Target and JCPenney, in excellent condition, the large amount of vacant building space and properties along this section of Cicero Avenue is a concern. These vacant buildings and properties are beginning to show signs of abandonment and are in need of improvements.
Zoning Overview

EXISTING ZONING DISTRICTS

Residential Districts

As shown in Figure 4. Zoning Map, the majority of the Village is zoned as R-2: Low-to-Moderate Density Residential, which is intended to provide for low-to-moderate density residential and normal accessory uses. While it is not intended to permit commercial or industrial uses, certain facilities required to serve governmental, educational, religious, recreational and other needs may be permitted within the district as special uses subject to restrictions. Six other residential zoning districts exist within the Village. While the allowed density of these zones varies, they all generally serve the same purpose, which is to preserve and protect the residential character of their respective areas.

Figure 4. Zoning Map

Source: Village of Matteson, The Lakota Group
Commercial Districts

Commercial zoning designations found along the Village’s major thoroughfares include MXD: Mixed Use District and C-4: Highway Commercial. The Mixed Use District is intended to provide for development where commercial, office, research, service and residential uses, which generate higher than usual levels of traffic, parking and daily activity, are appropriate due to the high visibility of the area, freeway proximity, and superior roadway accessibility. This type of development is expected to include major retail shopping centers, service accessory uses and community recreational uses.

While the Mixed Use District regulates the density and intensity of development, the character of development within this district varies greatly. In some cases, residential development abuts large-format retail. Architectural style and building form varies from one property to the next resulting in a general lack of consistent building character and an undefined “sense of place.”

The Highway Commercial District is intended to provide for commercial development suitable and appropriate to locations along roadways designated as arterials in the Comprehensive Plan of Matteson. This type of development includes facilities related to the traveler or highway user, as well as commercial activities that require large land areas and do not depend upon adjoining uses for reasons of comparison shopping and pedestrian trade. While this zoning district results in a consistent land use development pattern, the size and scale of building in this district vary greatly.

Industrial Districts

There are three industrial zoning districts within the Village. The I-1: Service District is intended to provide sites for heavy commercial, light manufacturing and light industrial uses under controls that minimize adverse effects upon nearby property. The I-2: Light Industrial District is intended to provide for manufacturing, fabricating, processing, cleaning, servicing, testing, storage, wholesaling and distribution operations, and the I-3: Planned Industrial District is intended to provide for large-tract planned industrial development.

CHARACTER ZONES

Overview

Every place has a unique character. Factors such as land use, density and physical conditions all contribute to a distinct “sense of place.” Municipalities use building and zoning codes to regulate and guide development, often to protect or enhance the desired character defined by the community.

In Matteson, the adopted Land Use Intensity and Zoning maps address the appropriate density and intensity of future development based on a sites relationship to major transportation thoroughfares, such as Interstate 57 and Lincoln Highway. This has resulted in some portions of the Village looking and feeling different than others. As Matteson continues to grow and develop, it will be important for the Village to guide and regulate new development to its best and most appropriate location. It will also be important for the Village to require high-quality developments that contribute to the overall character and image of the community. In order to better understand the existing character of the Village today, a Character Zones Map has been developed (Figure 5). This map is intended only to communicate the existing character of portions of the Village today in order to guide and facilitate discussions regarding future land use and development decisions.
Commercial/Retail Center Character

The commercial core and heart of the Village is centered around the Lincoln Highway and Cicero Avenue intersection. This general area is home to a number of large-format, regional retailers along with hotels, office buildings, a conference center and the Lincoln Mall. While the architectural style and physical character of this area is undefined, it would benefit the Village greatly to establish a consistent and uniform streetscape treatment in order to signify this important regional commercial center.

This treatment should extend north on Cicero Avenue to 207th Street and south to the Old Plank Road Trail. Along Lincoln Highway, the treatment should extend from Interstate 57 on the west to Pulaski Road on the east. While there are many successful businesses in this area, the presence of a number of vacant properties along with outdated and worn retail centers may be limiting the potential for new development and investment. By enhancing the public realm and adding a strong and consistent visual character to the area, the importance of this regional commercial center can be marketed and communicated.

The Consultant Team recommends that the Village strive to concentrate retail development and redevelopment within Commercial/ Retail Center Character areas.

Figure 5. Character Zones Map

Residential/Neighborhood Character

The Village has a number of strong and well maintained neighborhoods. The quality and strength of these neighborhoods can contribute to the success of the Commercial/Retail Center and ultimately contribute to the overall image of the Village. The Village should strive to protect these neighborhoods
and limit the amount of non-residential development in the areas denoted as Residential/Neighborhood Character.

**Business Park Character**

There are three areas within the Village that have a distinct Business Park Character. The first is the Matteson Auto Mall located at Lincoln Highway and Interstate 57. This area provides a strong development opportunity for non-retail commercial uses seeking close proximity to Interstate 57. It would be beneficial for uses within the area to avoid competing with the Commercial/Retail Center. This area should be used as a less intensive commercial zone that buffers and transitions the Commercial/Retail Center to Residential/Neighborhood areas. Another Business Park Character area is located south of Old Plank Road Trail on the west side of Cicero Avenue. This area is home to Warehouse Specialists and has land available for similar types of development. The area can also be used as a less intensive commercial zone that buffers and transitions the Commercial/Retail Center to Residential/Neighborhood areas to the south. The third Business Park Character area is located on the east side of Harlem Avenue, north of Lincoln Highway. This area is home to Manheim Auto Auction; it may benefit the Village to capitalize on the success of Manheim by providing development opportunities for similar type uses near Manheim.

**Scenic/Rural Character**

A number of areas throughout the Village have yet to be developed or contain a limited amount of development. These areas have been denoted as Scenic/Rural Character areas. In their current state, these areas bring much value to the Village by offering scenic views and open space, as well as environmental and recreational benefits.

Moving forward, the Village should be especially mindful of these areas and make clear decisions on the most appropriate type and amount of development desired in these areas.

**2008 Flooding and Stormwater Regulations**

In 2008, the Project Area experienced substantial flooding due to the storms related to Hurricane Ike, including flooding along Lincoln Highway, the primary east-west route through the Village. Because the Project Area contains the primary commercial corridors of the Village, flooding events, such as those that occurred in 2008, have the potential to significantly impact the success of commercial development in the Study Area, and therefore the economic wellbeing of the Village overall. As development/redevelopment occurs, the Village’s existing ordinances and the recently approved Cook County Watershed Management Ordinance (“WMO”), which will provide uniform standards across the county, will help reduce the impacts of flooding such as the 2008 storm event, potentially helping to stabilize the Study Area and improve its economic competitiveness.

On October 3, 2013, the Metropolitan Water Reclamation District (the “MWRD”) unanimously approved the Cook County WMO, which will be effective May 1, 2014. According to the MWRD website (www.mwrd.org), “The purpose of the WMO is to establish uniform stormwater management regulations for Cook County in order to prevent future commercial, municipal, and residential development and redevelopment projects from exacerbating flooding. Paved roads, parking lots, walkways, and buildings make cities livable, but they also reduce the amount of land on which water can
be absorbed and can lead to increased flooding without sufficient regulation.” Beginning May 1st, the WMO will regulate all applicable new development and redevelopment within the Village of Matteson.

The MWRD’s WMO will require Watershed Management Permits for developments located in or encompassing resource protection areas or for any disturbance above half an acre. Article 2 of the WMO includes a complete list of development types that require a permit. To receive a permit from the MWRD or an authorized municipality, developers must submit a variety of design and engineering documents indicating compliance with the provisions of the WMO. One of the new components contained in Article 9 of the WMO is the requirement that all developments have a maintenance plan. However, the ultimate maintenance responsibility rests with the municipality. Regular maintenance is important to any development because it helps to ensure that detention basins, storm sewers and other stormwater facilities function as designed in perpetuity.

The WMO will replace the MWRD’s Sewer Permit Ordinance and Manual of Procedures. Those ordinances currently regulate, permit and enforce sanitary sewer, storm sewer and detention basin construction for developments and redevelopments. Additionally, Matteson has had its own ordinances regulating these development activities for many years. Those familiar with the process in Matteson realize that developments not only require Village approval, but often require approvals from other agencies, including the MWRD.

Current Matteson ordinance requirements, in many cases, exceed current WMRD requirements. The Village established these ordinances in years past to provide additional levels of protection for developments and its residents and businesses to a level appropriate for the circumstances within the Village. Besides adding some new requirements such as volume control, wetland and riparian regulations, portions of the WMO will “raise the bar” of some MWRD requirements to now be similar to some longstanding Village requirements for stormwater management. To become an authorized municipality and have the authority to issue Watershed Management Permits for MWRD, Matteson would have to agree to conform to the requirements of the WMO and adopt the WMO.

Attention to stormwater management, through adoption of the Cook County Watershed Maintenance Ordinance, or stricter stormwater management policies, will ensure that future development or redevelopment will not contribute to existing flooding problems, and will help reduce runoff from existing development. Further detail about Matteson’s current stormwater management practices, the impacts of the 2008 flooding and recommended stormwater management improvements is included in the memo from Robinson Engineering in the Appendix. Figure 6 on the following page shows Table 2 from the WMO, and provides a summary of the site stormwater management requirements for future developments.
Market Context

The Village faces challenges related to economic development created in part by the 2008 flooding. The strength of local market conditions and economic development planning will be crucial to ensure Matteson’s ongoing economic competitiveness and resilience to future disasters. In order to identify market-driven opportunities for economic development, SB Friedman evaluated the competitive market for retail, office and industrial development; residential development was not determined to be a disaster recovery need within the Project Area, so was only considered at a high level. We evaluated demographic trends using data from the United States Census and Esri Business Analyst and reviewed development and leasing activity within the region using CoStar records. The competitive opportunities
and challenges to encouraging revitalization and leveraging public investments to bring economic growth to the Village are outlined below.

DEMOGRAPHIC CONTEXT

The Village of Matteson has a population of approximately 19,158, and moderate median household income, as of 2013 (Figure 7). Population grew from 12,928 in 2000 to 19,009 in 2010, at an annual rate of 3.9 percent, significantly faster than the overall population growth rate of 0.4 percent for the Chicago Metropolitan Statistical Area (“MSA”) over that period. Matteson’s population is currently stabilizing, with a projected annual growth rate of 0.3 percent from 2013 to 2018. This is comparable to the growth rate in the surrounding suburbs, as shown in Figure 7. The selected suburbs, shown for comparison purposes, are located near Matteson (Figure 8), and have a diverse range of economic and demographic characteristics.

**Figure 7. Demographic Comparison Profile, 2013**

<table>
<thead>
<tr>
<th></th>
<th>Matteson</th>
<th>Tinley Park</th>
<th>Country Club Hills</th>
<th>Mokena</th>
<th>Frankfort</th>
<th>Olympia Fields</th>
<th>Richton Park</th>
<th>Park Forest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>19,158</td>
<td>56,717</td>
<td>16,489</td>
<td>19,087</td>
<td>18,423</td>
<td>5,059</td>
<td>56,717</td>
<td>21,707</td>
</tr>
<tr>
<td>Population Density</td>
<td>2,056</td>
<td>3,540</td>
<td>3,421</td>
<td>2,147</td>
<td>1,230</td>
<td>1,721</td>
<td>14,251</td>
<td>4,376</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$63,923</td>
<td>$75,618</td>
<td>$54,926</td>
<td>$89,219</td>
<td>$111,390</td>
<td>$82,163</td>
<td>$58,029</td>
<td>$45,790</td>
</tr>
<tr>
<td>Projected Annual</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population Growth Rate</td>
<td>0.3%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.5%</td>
<td>0.9%</td>
<td>0.4%</td>
<td>-0.3%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Owner-Owned Housing</td>
<td>77.6%</td>
<td>81.8%</td>
<td>74.1%</td>
<td>83.8%</td>
<td>89.5%</td>
<td>74.2%</td>
<td>54.8%</td>
<td>59.7%</td>
</tr>
<tr>
<td>Housing Vacancy Rate</td>
<td>5.0%</td>
<td>4.2%</td>
<td>7.8%</td>
<td>3.9%</td>
<td>4.1%</td>
<td>5.8%</td>
<td>8.8%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Median Age 2013</td>
<td>39.5</td>
<td>40.3</td>
<td>38.7</td>
<td>40.5</td>
<td>42.2</td>
<td>49.5</td>
<td>35.9</td>
<td>38.5</td>
</tr>
<tr>
<td>Percent White</td>
<td>17.6%</td>
<td>87.4%</td>
<td>13.6%</td>
<td>94.5%</td>
<td>89.0%</td>
<td>25.3%</td>
<td>14.7%</td>
<td>33.4%</td>
</tr>
<tr>
<td>Percent Black</td>
<td>77.0%</td>
<td>4.7%</td>
<td>81.6%</td>
<td>1.3%</td>
<td>5.5%</td>
<td>69.5%</td>
<td>79.8%</td>
<td>59.8%</td>
</tr>
<tr>
<td>Percent Hispanic</td>
<td>4.5%</td>
<td>7.3%</td>
<td>3.3%</td>
<td>4.8%</td>
<td>5.6%</td>
<td>2.5%</td>
<td>4.1%</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

Source: Esri Business Analyst, SB Friedman Development Advisors

Matteson is a stable and relatively prosperous residential community. The Village has relatively low (5.0 percent) housing vacancy, and a high proportion of households (77.6 percent) living in owner-occupied housing. The median household income in Matteson in 2013 was about $64,000, 10.8 percent higher than the $57,703 median income of the Chicago MSA. Within the south suburbs, median income is generally lower to the east, in suburbs such as Chicago Heights and Park Forest, and higher to the west, in suburbs including Frankfort, Tinley Park and Orland Park (Figure 8, below). Several of the surrounding
communities have substantially higher median incomes than Matteson, including Tinley Park ($75,618; 18.3 percent higher) and Frankfort ($111,390; 74.3 percent higher).

Matteson has a majority (77.0 percent) Black or African American population, with 17.6 percent of the population identifying as white and 4.5 percent identifying as Hispanic regardless of race. Housing vacancy is low in Matteson, particularly in comparison to suburbs to the north and east, including Park Forest and County Club Hills. The majority of housing units in Matteson are owner-occupied, but there is about 22.4 percent rental housing.

**Figure 8. Median Household Income in Matteson and Surrounding Suburbs**

Households in Matteson are primarily middle income, with mostly middle-aged householders, as shown in **Figure 9**. Median age is comparable to but slightly lower than surrounding suburbs. Households with householders aged 55 to 64 make up 23.4 percent of households, and those with householders aged 45
to 54 make up 22.8 percent. Another 23.0 percent of households have householders aged 65 or older. About 21.6 percent of households have incomes ranging from $50,000 to $74,999, 17.1 percent have incomes between $75,000 and $99,999, and 25.4 percent of households have incomes of $100,000 or higher. These proportions are expected to remain relatively stable through 2018, with slight growth in the number of senior-headed households from 23.0 percent to 26.8 percent, and an increase in the number of households making between $75,000 and $99,999 from 17.1 percent to 19.8 percent, and households with incomes above $100,000 increasing from 25.4 percent to 26.7 percent, adjusted for inflation.

Figure 9. Matteson Households by Age and Income, 2013

Source: Esri Business Analyst, SB Friedman Development Advisors

RESIDENTIAL MARKET CONTEXT

Based on input from Village staff and the Steering Committee, SB Friedman determined that residential development should not be a primary focus of the Plan due to the following primary factors:

- Housing availability and affordability was determined not to be a recovery need for the Project Area or the Village overall. The primary non-infrastructure recovery needs include economic competitiveness, spurring private business investment and supporting the local community by providing commercial services.
- According to the Village, there are several platted residential subdivisions on which residential development is planned but not ongoing.
- Matteson’s projected population growth rate of 0.3 percent annually over the next five years suggests that the growth in demand for housing is unlikely to outpace existing supply.
Therefore, a brief consideration of Matteson’s existing housing stock and market performance is sufficient to provide additional market context that informs smart growth and sustainable planning decisions.

Matteson’s housing stock is primarily composed of single-family housing. Over 80 percent of the approximately 7,100 housing units in Matteson are single-family homes, mostly in detached units. Figure 10 shows selected characteristics of the existing housing stock in Matteson. The majority of houses has three or four bedrooms, and is owner-occupied. The existing housing stock appears to be relatively uniform; future housing development needs may include additional multifamily units, smaller units and/or more rental units, depending on population characteristics in coming years.

Figure 10. Matteson Housing Characteristics

<table>
<thead>
<tr>
<th>Total Housing Units</th>
<th>7,093</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Home Value</td>
<td>$183,200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Units by Type</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>72.5%</td>
</tr>
<tr>
<td>Single-Family Attached</td>
<td>7.7%</td>
</tr>
<tr>
<td>Multifamily, 2 - 4 units</td>
<td>2.5%</td>
</tr>
<tr>
<td>Multifamily, 5 - 9 units</td>
<td>6.3%</td>
</tr>
<tr>
<td>Multifamily, 10+ units</td>
<td>6.1%</td>
</tr>
<tr>
<td>Mobile home</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Units by Number of Bedrooms</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No bedroom</td>
<td>0.3%</td>
</tr>
<tr>
<td>1 bedroom</td>
<td>3.4%</td>
</tr>
<tr>
<td>2 bedrooms</td>
<td>17.1%</td>
</tr>
<tr>
<td>3 bedrooms</td>
<td>40.2%</td>
</tr>
<tr>
<td>4 bedrooms</td>
<td>33.2%</td>
</tr>
<tr>
<td>5 or more bedrooms</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau American Community Survey 2012 five-year estimates, SB Friedman Development Advisors

Housing market performance in Matteson was challenged by the recession; housing sales prices have fallen for both attached and detached single-family homes, and time on market has increased. In 2013, median time on the market fell substantially, an increased number of houses sold for over $300,000, and the sales volume of detached homes increased, indicating some level of recovery from the effects of the recession. Figure 11 summarizes these trends for attached and detached housing in Matteson. The majority of Matteson’s housing is concentrated in single-family home residential neighborhoods, with fewer units available in multifamily rental structures. Despite a less than robust housing market in recent years, there are signs of stability and improving health for housing values and sales in Matteson.
Figure 11. Single-Family Housing Market Trends in Matteson

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Sales Price</td>
<td>Detached</td>
<td>$193,000</td>
<td>$170,400</td>
<td>$150,000</td>
<td>$147,000</td>
<td>$121,500</td>
<td>$125,000</td>
</tr>
<tr>
<td></td>
<td>Attached</td>
<td>$175,000</td>
<td>$148,550</td>
<td>$150,000</td>
<td>$131,900</td>
<td>$92,900</td>
<td>$73,538</td>
</tr>
<tr>
<td>Median Days on Market</td>
<td>Detached</td>
<td>85</td>
<td>107</td>
<td>110</td>
<td>87</td>
<td>96</td>
<td>80.5</td>
</tr>
<tr>
<td></td>
<td>Attached</td>
<td>59</td>
<td>148</td>
<td>117.5</td>
<td>118.5</td>
<td>108.5</td>
<td>122</td>
</tr>
<tr>
<td>Sales Volume</td>
<td>Detached</td>
<td>205</td>
<td>153</td>
<td>186</td>
<td>185</td>
<td>167</td>
<td>170</td>
</tr>
<tr>
<td></td>
<td>Attached</td>
<td>34</td>
<td>43</td>
<td>52</td>
<td>42</td>
<td>38</td>
<td>45</td>
</tr>
</tbody>
</table>

Source: Midwest Real Estate Data, LLC, SB Friedman Development Advisors

DEVELOPMENT CLIMATE AND ECONOMIC CONTEXT

Development Climate

Historically, Matteson has been a major retail center in the south suburbs. Lincoln Mall, a large regional mall built in the 1970s, served as a significant activity generator and primary shopping destination in the south suburbs through most of the 1980s and 1990s. Complementary retail uses, including a Walmart on Cicero Avenue and the Matteson Auto Mall at the intersection of Lincoln Highway and Interstate-57, further supported the Lincoln Mall retail concentration and drew outside visitors. Matteson has over 3.1 million square feet of existing retail of which approximately 26.9 percent was vacant, at the end of 2013.

A substantial amount of this retail inventory consists of older retail space, and faces strong competition for retail tenants from newer development in wealthier suburbs to the west. New commercial development in Matteson has been somewhat limited in the past 10 years, with only one new office development of about 8,000 square feet, and renovations to 170,000 square feet of office space. Approximately 303,000 square feet of new retail space was developed in the past 10 years, from 2004 through 2013. This level of retail development is primarily attributable to the construction of the Target and JCPenney, which were built near Lincoln Mall in 2007 and together account for over 220,000 square feet of retail. Both tenants had been previously located in Matteson, but developed new freestanding space adjacent to the mall. In addition, about 110,000 square feet of retail space was built in 2003 in a reconfiguration and expansion of the Matteson Center shopping center.

Net absorption of retail space, a measure of space leased minus space made available, has averaged negative 100,000 square feet annually over the past five years, with approximately 500,000 square feet of retail space made available over the period, net of new tenants. While some portion of this retail loss may be attributable to the economic downturn, total net absorption was also negative over the past eight years, from 2006 to 2013, with 45,000 square feet of negative absorption, or negative 5,600 square feet annually, as shown in Figure 12. By comparison, over the 2006 to 2013 period, retail absorption was positive in several competing communities to the west of Matteson. Net absorption in Tinley Park was over 88,000 square feet annually, and in Mokena and Orland Park, absorption was over 45,000 square feet per year. In the past five years, one small strip center of about 10,000 square feet and a 4,000-square-foot freestanding structure with a Dunkin' Donuts and Wing Stop, both located on Lincoln Highway were the only new retail development in Matteson. The negative net absorption over the period has been primarily due to increasing vacancy in existing buildings and not new construction adding new space to the inventory and remaining vacant.
Chapters 4 through 6 of this report provide further analysis of the market for retail and other uses in Matteson and the surrounding area.

Figure 12. Annual Net Absorption of Retail Space in Matteson

![Graph showing annual net absorption of retail space in Matteson.](image)

Source: CoStar, SB Friedman Development Advisors

Employment Context

Matteson’s economy is heavily dependent on the Retail, Health Care and Service sectors, with retail alone providing close to one third of total employment in the Village. Figure 13 on the following page summarizes the jobs located within Matteson and other south suburban communities by industry for 2011. This summary was generated using OnTheMap, an online tool published by the United States Census Bureau that provides data on the geographic distribution of jobs and workers. The ratio of jobs to workers provides a measure of the level of economic activity within each suburb; a ratio of less than one indicates that there are fewer jobs located within that place than employed workers who live within that place, meaning more workers commute out than in. Matteson has a jobs-to-workers ratio of 1.19, indicating a relatively high number of jobs located within Matteson, compared with surrounding suburbs.

Approximately 30 percent of the jobs in Matteson are in the Retail sector, and an additional 14.7 percent are in Accommodation and Food Service. These two sectors accounted for 3,746 jobs in Matteson in 2011, and made up a larger percentage of jobs in Matteson than in other surrounding suburbs. Health Care and Social Services jobs accounted for 17.8 percent of jobs; communities including Country Club Hills, Mokena and Frankfort had much lower employment in this sector. According to Esri Business Analyst, businesses in this sector with high employment in Matteson include physicians’ offices, ambulatory care services, individual and family services, and child day care services. Professional Services, Information Management and other business and service-industry sectors accounted for 13.4 percent of jobs in Matteson. Industrial employment is less important in Matteson, with manufacturing jobs accounting for only 2.5 percent of jobs, or 210 jobs, compared with 15.9 percent or 3,237 jobs in Tinley Park.
Figure 13. Economic Comparison Profile, 2011

<table>
<thead>
<tr>
<th></th>
<th>Matteson</th>
<th>Tinley Park</th>
<th>Country Club Hills</th>
<th>Mokena</th>
<th>Frankfort</th>
<th>Olympia Fields</th>
<th>Richton Park</th>
<th>Park Forest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Jobs</td>
<td>8,398</td>
<td>20,358</td>
<td>1,967</td>
<td>8,152</td>
<td>8,081</td>
<td>2,246</td>
<td>2,078</td>
<td>4,695</td>
</tr>
<tr>
<td>Ratio of Jobs to Workers</td>
<td>1.19</td>
<td>0.73</td>
<td>0.42</td>
<td>0.83</td>
<td>0.85</td>
<td>1.22</td>
<td>0.34</td>
<td>0.47</td>
</tr>
</tbody>
</table>

**Jobs by Sector (selected)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Matteson</th>
<th>Tinley Park</th>
<th>Country Club Hills</th>
<th>Mokena</th>
<th>Frankfort</th>
<th>Olympia Fields</th>
<th>Richton Park</th>
<th>Park Forest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>29.9%</td>
<td>15.9%</td>
<td>24.7%</td>
<td>7.1%</td>
<td>16.0%</td>
<td>8.1%</td>
<td>4.8%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Health Care and Social Services</td>
<td>17.8%</td>
<td>16.2%</td>
<td>7.2%</td>
<td>8.5%</td>
<td>11.2%</td>
<td>20.5%</td>
<td>16.9%</td>
<td>58.1%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>14.7%</td>
<td>11.7%</td>
<td>7.4%</td>
<td>11.0%</td>
<td>12.1%</td>
<td>1.0%</td>
<td>9.1%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Professional Services, Information, Management</td>
<td>13.4%</td>
<td>18.3%</td>
<td>5.1%</td>
<td>18.9%</td>
<td>13.9%</td>
<td>34.2%</td>
<td>21.3%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2.5%</td>
<td>15.9%</td>
<td>0.2%</td>
<td>10.8%</td>
<td>11.0%</td>
<td>0.0%</td>
<td>9.8%</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

Source: OnTheMap (U.S. Census Bureau), SB Friedman Development Advisors

To assess the strength of the existing economy and the potential for job creation through economic development activities, **SB Friedman** evaluated existing employment by industry within Matteson and the region, and reviewed projected national employment growth rates from 2010 to 2020 by industry, prepared by the Bureau of Labor Statistics. Based on this employment analysis, several patterns become apparent:

**Retail.** Matteson’s economy is heavily focused on retail, but retail employment is expected to grow only modestly nationally, with average annual growth of 1.2 percent through 2020.

**Health Care and Social Services.** Matteson is relatively specialized in Health Care and Social Service, such as ambulatory care services. These are high-growth industries that primarily serve residential communities. Annual employment growth in these industries nationally is projected to range from 2.4 percent to 4.1 percent.

**Professional Services and Business Services.** Professional services, including engineering, management services, employment services, security and support services, and other professional and technical services, all have relatively high employment concentrations in Matteson, and are expected to grow nationwide by between 2.2 percent and 4.7 percent annually.

While growth in particular sectors nationally does not necessarily indicate growth in the Chicago region, the Village may be able to leverage existing concentrations of employment in these industries to attract additional businesses in the future. In addition, the composition and relative strengths of Matteson’s employment base will be important to identify potential economic development strategies and to highlight Matteson’s economic strengths when marketing Matteson to businesses and potential developers.
TAX AND INCENTIVE POLICY CONTEXT

The relative property tax rates of Cook County and Will County are an important factor influencing locational decisions for some types of commercial and industrial development within the south suburbs. Matteson is located in Cook County, where property tax rates are often significantly higher than those in adjacent Will County. The South Suburban Retail Investment Study prepared by Teska Associates in 2012, among other sources, found that this difference in property taxes can lead some tenants and/or developers to make investments in Will County rather than Cook County suburbs. Matteson has been actively using financial incentives tools to help offset the higher property taxes in Cook County, and Cook County provides property tax incentives for commercial and industrial development as well. To overcome this property tax imbalance, the Village of Matteson will likely need to continue to utilize tools to lower the cost of doing business in the Village for certain projects.

Cook County has several property tax incentive programs designed to encourage commercial and industrial development within Cook County boundaries by reducing property assessments to similar levels in adjacent collar counties. One such program, the Class 6B incentive, encourages industrial development by providing up to 50 percent property tax reduction for 12 years for new development or substantial building rehabilitation for users engaged in manufacturing, warehousing or distribution. The Class 8 incentive provides a similar tax reduction to incentivize substantial revitalization of industrial or commercial development.

In addition to county-level incentives, Matteson has designated six Tax Increment Financing (TIF) Districts and three Business Districts that can provide funding for public-private partnerships to encourage private investment and provide necessary public investments within those districts. Figure 14 shows a map of existing TIF and Business Districts within the village. These districts are primarily located along major commercial corridors, and are valuable implementation tools to attract investment to the Project Area, the majority of which is located within a TIF District and/or Business District.
Figure 14. Matteson TIF Districts and Business Districts

Source: Village of Matteson, Esri Business Analyst, SB Friedman Development Advisors
3. Priority Economic Development Sites

Large-scale redevelopment is generally driven by larger catalytic sites and/or projects. SB Friedman has worked with the Village and the Steering Committee to identify priority sites within the Project Area for catalytic projects. Starting with these key sites, we are working to develop plans and policies that will increase community revitalization, address the economic development needs of the Project Area, and mitigate or minimize future disaster damage through sustainable planning. Below, we outline work completed to select and determine redevelopment potential for two priority planning sites within the Project Area.

Preliminary Research and Potential Priority Sites

SB Friedman conducted preliminary research to assess the Project Area and identify potential catalytic sites for more detailed site planning. Preliminary research included:

- Conducting meetings and interviews with Village staff to discuss major challenges and concerns regarding the redevelopment needs of the Village and barriers to economic competitiveness;
- Field reconnaissance of the Project Area;
- Conversations with local brokers and developers; and
- Analysis of leasing and development activity in the Village and within a competitive regional market area.

Based on these research tasks, SB Friedman identified seven potential priority sites for area planning and development strategy formulation by considering the following factors:

- Current use and location relative to existing development and major thoroughfares;
- Potential for land recycling and community revitalization;
- Initial high-level physical and market feasibility of commercial or industrial development on the site;
- Availability of financial tools available to promote public-private partnerships and leverage funding for development or redevelopment; and
- Potential to improve economic competitiveness of the Village.

Four of the potential sites have existing development and would be targeted for “land recycling” and revitalization efforts, and the other three sites are currently vacant land available for new development. Figure 15 on the following page shows the location of these seven potential priority sites, and Figure 16 presents a summary of the characteristics of each site. These potential priority sites were presented to the Steering Committee for review and consideration.

Selection of Priority Sites

At a meeting of the Steering Committee on December 18, 2013, SB Friedman presented its research to date, including information about development activity for retail, office and industrial property in Matteson and the surrounding area. With SB Friedman and Village staff, the Steering Committee reviewed the potential priority sites, discussed concerns and priorities for economic development in the Village, and provided feedback on initial findings and the proposed sites. After some discussion, the
Committee selected two priority sites for further consideration and planning. The Committee unanimously concluded that Lincoln Mall and Matteson Plaza both had the greatest potential for catalytic development and were of the greatest import to promote economic growth and community revitalization within the Village.

**Figure 15. Map of Potential Opportunity Sites**

Source: Village of Matteson, Esri Business Analyst, *SB Friedman Development Advisors*
Figure 16. Summary of Potential Opportunity Sites

Potential Infill Sites

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Location</th>
<th>Land Area (acres)</th>
<th>Current Use and Tenants</th>
<th>Rentable Building Area (square feet)</th>
<th>Vacancy Rate (Nov. 2013)</th>
<th>TIF District</th>
<th>Business District</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Lincoln Mall Study Area</td>
<td>Lincoln Highway and Cicero Avenue</td>
<td>134.0 Regional Mall with outlots. Anchor tenants include Carson Pirie Scott, Target, JCPenney</td>
<td>976,768</td>
<td>31.2%</td>
<td>Sears/Lincoln Mall TIF, Lincoln HWY/Cicero TIF (excludes former Sears)</td>
<td>Lincoln Highway/Cicero Avenue Business District</td>
<td></td>
</tr>
<tr>
<td>B Matteson Plaza</td>
<td>4233 211th St (Lincoln Highway west of Pulaski)</td>
<td>35.0 Former Dominick’s Retail Shopping Center; other tenants include Furniture and Mattress Depot, Citi Trends value apparel, Verizon Wireless</td>
<td>274,718</td>
<td>67.0%</td>
<td>The Lincoln Highway/Governor's Highway TIF District</td>
<td>Lincoln &amp; Governors Highway Business District</td>
<td></td>
</tr>
<tr>
<td>C Matteson Auto Mall</td>
<td>I-57 and Lincoln Highway</td>
<td>3.5 Five auto dealers</td>
<td>96,045</td>
<td>25.5%</td>
<td>none</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>D Current Walmart Site</td>
<td>South Cicero Avenue</td>
<td>29.1 Walmart and Sam’s Club</td>
<td>253,613</td>
<td>0.0%</td>
<td>none</td>
<td>Lincoln Highway/Cicero Avenue Business District</td>
<td></td>
</tr>
</tbody>
</table>

Potential Greenfield Sites

<table>
<thead>
<tr>
<th>Site Description</th>
<th>Land Area (acres)</th>
<th>Current Use</th>
<th>Rentable Building Area (square feet)</th>
<th>Vacancy Rate (Nov. 2013)</th>
<th>TIF District</th>
<th>Business District</th>
</tr>
</thead>
<tbody>
<tr>
<td>E Area west of the Auto Mall</td>
<td>89.8 vacant</td>
<td>n/a</td>
<td>n/a</td>
<td>none</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>F West side of Cicero Avenue near Village Hall</td>
<td>124.9 vacant</td>
<td>n/a</td>
<td>n/a</td>
<td>Commons TIF District</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>G East side of Harlem Avenue north and south of Lincoln (approx.)</td>
<td>151.7 vacant</td>
<td>n/a</td>
<td>n/a</td>
<td>none</td>
<td>none</td>
<td>none</td>
</tr>
</tbody>
</table>

Source: CoStar, Village of Matteson, SB Friedman Development Advisors

Description of Priority Sites

PRIORITY SITE 1: LINCOLN MALL

Lincoln Mall History and Current Context

Lincoln Mall and its adjacent outlots are located on 134 acres at the southeast corner of Lincoln Highway and Cicero Avenue (Figure 17). The Mall has been the economic and geographic core of Matteson’s retail district since it was constructed in 1973. Lincoln Mall was a major retail destination in the south suburbs in the 1980s and 1990s, and was an important factor in attracting the development of other shopping centers in the Village. In the past 10 to 15 years, the popularity of malls nationwide has declined, as retail purchases have shifted to big-box retailers, open-air shopping malls and online stores. In addition, recent retail development locally has tended to occur increasingly in the suburbs west of Matteson, leading to increasing disinvestment and marketability challenges for Lincoln Mall.

The mall itself, which was renovated in 1995, has almost one million square feet of leasable space, of which 41.0 percent is currently vacant, according to CoStar data, although other sources indicate that the vacancy rate is closer to 50 percent. A Carson Pirie Scott is the only remaining anchor in the mall itself; a former Sears anchor space remains vacant, and the two other anchors have been demolished. Visits to the site confirm that the mall is in need of substantial investment, particularly as an incomplete demolition of one anchor space has resulted in potentially hazardous conditions on the site.
In recent years, the previous owner of Lincoln Mall faced financial and legal challenges, stalling the effort to renovate and revitalize the mall. These challenges have continued since 2012, with the failure of the current mall owner to address safety violations at the site. These challenges further underscore the importance of finding a workable strategy for revitalizing this priority site.

Development around Lincoln Mall

Outside the primary Lincoln Mall building, the priority planning site includes a mix of occupied and vacant retail space, as well as two office buildings. Occupied retail space includes: a 129,000-square-foot Target and 91,000-square-foot JCPenney, both of which are freestanding to the south of the mall in “The Promenade at Lincoln” development; a Pizza Hut; and a newly opened fitness center in a formerly vacant building shell. Additional buildings located within Lincoln Mall Drive, including a former anchor space and a 148,000-square-foot outlot building have been demolished.¹ A large amount of vacant land and several currently vacant buildings also surround the periphery of the mall, including a former Best Buy, and a former Baker’s Square restaurant.

Figure 17. Map of Priority Site 1

![Map of Priority Site 1](image)

Source: Village of Matteson, SB Friedman Development Advisors

Conversations with Village staff indicate that developers unfamiliar with the area have voiced concerns about the condition of the mall and its environs, and have implied that these conditions make them less willing to invest in other projects in the Village. Generally speaking, it can be challenging to attract

¹ One property located at 500 Lincoln Mall Drive is listed in CoStar as an existing building with 148,000 square feet of fully occupied leasable space and as a part of the Lincoln Mall development. However, visits to the site and additional research indicate that this building has been demolished. Therefore, this building has been excluded from calculations of the mall’s square footage and vacancy rate.
investment into an area with such a large blighting influence in its center. As a result, formulating and executing on a strategy to improve the condition of the Lincoln Mall area is crucial to catalyzing redevelopment in the Project Area.

**Redevelopment Financing Tools**

The Lincoln Mall area is located within the Matteson Gateway Business District. Two TIF Districts also overlap the priority site:

- The larger Lincoln Highway/Cicero Avenue TIF District encompasses most of the main mall building, as well as the Target building and several other outlots around Lincoln Mall Road.
- The Sears/Lincoln Mall TIF District includes only the former Sears anchor site (currently vacant) in the main mall building.

The Village has entered into Redevelopment Agreements, which encumber some of the incremental property taxes in these two TIF Districts. We understand that the Village has engaged Public Funding Group, LLC to evaluate the financial potential of all of its existing TIF Districts. **SB Friedman** has met with Public Funding Group, LLC to review the expected capacity of the Village’s TIF districts. **Volume I** contains information about TIF capacity and other financing tools.

**PRIORITY SITE 2: MATTESON PLAZA**

**Existing Conditions**

Matteson Plaza (the “Plaza”) is a 275,000-square-foot shopping center that was until December 2013 anchored by a 77,500-square-foot Dominick’s grocery store. The Plaza is located along Lincoln Highway east of Cicero Avenue, at the southwest corner of Lincoln Highway and Governor’s Highway (Figure 18). Matteson Plaza was selected by the Steering Committee as a priority site primarily due to concerns over the loss of the grocery anchor. This loss was particularly problematic because the center already had a vacant anchor box, a former Value City store.

Matteson Plaza was built in 1988, and many of the current inline tenants are service businesses, including H & R Block, a beauty salon, a nail salon, and Springleaf Financial Services. Two developed outlots are located along Lincoln Highway within Matteson Plaza: a Taco Bell and a strip retail building that includes a bank and vacant retail space. Following the closing of the Dominick’s grocery store, the shopping center has a vacancy rate of 67.0 percent.

The loss of the Dominick’s here and throughout the Chicago region puts Matteson in competition with other suburbs to attract one of several other regional grocery chains. Jewel-Osco, Mariano’s and Whole Foods have already indicated their intent to move into some of Dominick’s former 72 stores throughout the Chicago region. However, several stores, including the one in Matteson, have not yet been purchased or leased by a grocery tenant. Grocery anchors, in particular, are important to bringing traffic into a shopping center to help support inline retail tenants. Without any anchor tenants, Matteson Plaza is at risk of further vacancy and distress. Furthermore, grocery stores are often essential to the overall health and desirability of a residential community. Matteson has an ALDI discount grocery store, and the Target store at Lincoln Mall recently added a limited amount of fresh produce. In addition, there are several value grocery stores located just east of Matteson in Chicago Heights. However, the Steering Committee and Village staff both made it clear how important it was for the community to secure a...
replacement full-service grocery store anchor in the Plaza. Therefore, a study of the Matteson Plaza site, the regional grocery market, and site planning to address potential threats to the site will be essential to developing a strategy and targeting resources to seek to improve the shopping center and secure a new anchor.

Redevelopment Financing Tools

Matteson Plaza is located in two special taxing districts:

- The Lincoln and Governors Highway Business District; and
- The Lincoln Highway/Governor’s Highway TIF District.

As with the Lincoln Mall, meetings with Public Funding Group, LLC provided information about the capacity of the TIF District to help support redevelopment strategies developed for the site. This information is presented in Volume I.

Figure 18. Map of Priority Site 2

Source: Village of Matteson, SB Friedman Development Advisors
4. Retail Analysis

Following the preliminary review of sub-regional market competition for retail, industrial and office development (presented in Chapter 2) and the selection of priority planning sites (presented in Chapter 3), SB Friedman began conducting more in-depth analyses of the potential for market-driven development in the Project Area. In addition to analysis of data from Esri Business Analyst and CoStar, SB Friedman held conversations with Village staff, the Steering Committee, and real estate owners and brokers familiar with Matteson properties and the south suburban market more generally. The following chapters summarize these findings.

As discussed in Chapter 2 of this report, Matteson emerged as a primary retail center in the south suburbs in the 1980s and 1990s, but the Village currently faces a highly competitive local market, as regional malls have declined in popularity and the majority of recent retail development has taken place in wealthier suburbs to the west. The goals of this retail analysis, therefore, include the following:

- Identifying potential opportunities for retail development, redevelopment or repositioning in the Village, with particular attention to the two priority sites;
- Using a presence/absence analysis to identify specific tenants or types of tenants that may be appropriate for currently vacant space; and
- Determining potential strategies to support, rehabilitate or redevelop existing shopping centers with persistent vacancy to ensure long-term economic competitiveness.

Market Context

LOCAL SUPPLY OF RETAIL SPACE

Much of Matteson’s existing stock of 3.1 million square feet of retail building space is about 34 years old on average, and much of it is in need of façade improvements or significant renovations. In addition to Lincoln Mall and Matteson Plaza, the two priority sites discussed in Chapter 3 of this report, three other shopping centers within the Project Area make up the bulk of retail space in Matteson, as described below:

- **Matteson Center** is one of the highest-occupancy shopping centers in the Village. Matteson Center is a 164,000-square-foot shopping center located at the northwest corner of Lincoln Highway and Cicero Avenue. Matteson Center was originally built in 1983, but a majority of the shopping center, about 133,000 square feet, was built adjacent to the existing Marshalls in 2003 following the demolition of a former Kmart. The center is close to 100 percent occupied. Tenants include Sports Authority, PetSmart with a pet hospital and grooming service, Marshalls, Ross Dress for Less, and smaller tenants such as Panera Bread and BMO Harris Bank. The center is adjacent to a Home Depot, and a new development on the corner will replace a closed restaurant with additional retail and restaurant space.

- **The Matteson Town Center** retail plaza located at the southwest corner of Lincoln Highway and Cicero Avenue, directly west of Lincoln Mall and south of Matteson Center, has about 240,000 square feet of rentable building area and was built in the mid-1980s. The center had 19.9 percent vacancy, as of the fourth quarter of 2013, and includes tenants such as Chuck E. Cheese’s, Toys ‘R’ Us, and Famous Footwear. One outlot strip center at the corner of Lincoln
Highway and Cicero Avenue was developed in 2011 and contains about 10,000 square feet of fully-occupied retail space, with tenants including Chipotle and Verizon Wireless.

- **Marketplace at Matteson**, located opposite Matteson Plaza on the north side of Lincoln Highway, contains over 300,000 square feet of retail anchored by Burlington Coat Factory. This shopping center, which was built in 1965 and renovated in 2000, suffers from high vacancy (35.7 percent vacancy, as of fourth quarter, 2013).

In addition, smaller, older convenience and neighborhood retail centers are located throughout the Village along Lincoln Highway and Cicero Avenue. Matteson also has a Walmart and Sam’s Club on Cicero Avenue south of Lincoln Highway. Some retail centers in Matteson have high occupancy, and the Village has attracted some new retail development in recent years. However, several older retail centers are under-occupied. Many of these same centers also appear to be under-maintained. This substantial inventory of struggling retail space poses a major challenge to retail development in Matteson.

**COMPETITIVE CONTEXT**

In recent years, a large percentage of new retail development in the area has tended to occur in competitive nearby suburbs such as Tinley Park and Orland Park (as shown in Figure 19 on page 33). The reduced popularity of Lincoln Mall has likely lowered Matteson’s prominence in the sub-regional retail market, and contributed to higher vacancy and apparent disinvestment in several shopping centers along Lincoln Highway in the Village.

Two major retail developments have been built in the past 10 years that are primary competitive clusters for retail development in Matteson:

- **Frankfort Cluster**. This new development in Frankfort, approximately 10 minutes west of Matteson along LaGrange Road, includes a new, recently opened Mariano’s grocery store, Walgreens, and adjacent development including financial advisors and insurance offices. To the north along LaGrange Road is another new development called Crowne Center, with retail, including Buffalo Wild Wings, and medical office space. Additional development is planned for this retail cluster.

- **Brookside Marketplace**. The Brookside Marketplace shopping center in Tinley Park has over 600,000 square feet of retail anchored by a SuperTarget, Kohl’s, Best Buy, and Dick’s Sporting Goods, along with several junior-box tenants. This shopping center opened in 2006 and was expanded from 2009 to 2011. Occupancy is approximately 96.8 percent, and there is farmland adjacent to the shopping center that may be available for further development.

These two new retail developments are located in areas with higher incomes, and Brookside Marketplace benefits from visibility from Interstate 80. Two other shopping centers that are older, but still newer than most retail development in Matteson, are located in competing commercial corridors. These shopping centers attract consumers from Matteson and provide further competition for Matteson’s retail tenants:

- **Mokena Cluster**. This area was largely built out in the 1990s and early 2000s, with tenants including Staples, Ashley Furniture and Home Depot.

- **Tinley Park Cluster**. This area was primarily developed in the 1980s and 1990s, with tenants including Aldi, Sam’s Club, Sears and Super K Mart.
An additional retail cluster located in Chicago Heights along Lincoln Highway east of Matteson is primarily occupied by discount retailers including Food 4 Less, Ultra Foods, Dollar Tree, and Rent-A-Center. Beyond Tinley Park, Orland Park, which is about 12 to 15 miles from Matteson, contains a large regional retail cluster with over 280,000 square feet of rentable retail space with 96.3 percent occupancy along Harlem Avenue. In addition, Country Club Plaza is a shopping center with over 400,000 square feet of retail located to the north of Matteson in Country Club Hills. The majority of the shopping center was built in the early 2000s, but supplementary outlots were built from 2005 to 2008. Primary anchors include a Loews Movie Theater and a Walmart Supercenter. A new 230,000-square-foot outlet mall is also under construction in Country Club Hills.

OTHER CONSIDERATIONS

A May 2012 report titled South Suburban Retail Investment Study reviews retail presence and absence, and relative levels of retail development in the Villages of Matteson, Olympia Fields, Park Forest and Richton Park, compared with neighboring suburbs. The study, prepared by a consultant team led by Teska Associates, Inc., attempts to determine whether or not “retail redlining” is occurring in these primarily African American suburbs. That is, one purpose of the study was to investigate whether retailers are not serving these Villages based on their ethnic-minority composition, rather than on economic criteria.

The report found evidence that the development community does not differentiate these selected suburbs, which have a population that is both high income and majority African American, from other less affluent primarily African American south suburban communities. Though the complexity of locational decision-making makes “retail redlining” very difficult to prove, the study determined that in addition to relatively high commercial property tax rates within Cook County, problems of image and perception may be at the heart of the retail disinvestment in Matteson and similar communities. The study also confirmed that the Lincoln Mall in the Village of Matteson is underperforming, and does not create the regional draw that was expected.
Presence/Absence Analysis

*SB Friedman* conducted a presence/absence analysis to identify major retail and restaurant tenants in Matteson and the surrounding market area (a ten-mile radius for all tenant types except grocery, for which a five-mile radius was used), and to identify whether certain anchors or types of retailers might be under-represented. Selected results of this analysis are shown in Figure 20.

Matteson has a substantial inventory of existing retail tenants, including Target, numerous discount department and apparel stores such as Burlington Coat Factory and Marshalls, apparel and shoe stores including Dots Fashions, Lane Bryant and Foot Locker, and various other mid-range big box and junior box retail tenants such as Home Depot, Walgreens and PetSmart. There are some categories, including electronics, movie theaters and craft supply, that are not represented in Matteson. More notably, Matteson lacks a large general merchandise anchor; the Target and Walmart in Matteson are smaller formats than the Super Target and Walmart Supercenter located outside of Matteson within the market area. This may pose a threat to Matteson’s retail competitiveness, as these large-format superstores have a greater power to draw retail traffic and therefore are more attractive to retailers looking to locate near high-traffic co-tenants.

Most major retail chains that are not located within Matteson are located within a ten-mile radius of the Village, or just beyond a ten-mile radius at the large retail center in Orland Park; this poses a challenge in

Source: CoStar, Esri Business Analyst, SB Friedman Development Advisors
identifying potential tenants to target to seek to increase retail occupancy in Matteson’s shopping centers. Retail tenants present within the market area were compared with a list of retailers, identified through Retail Lease Trac, who have a stated interest in opening new stores in Illinois, with demographic and income requirements that generally fit the market area around Matteson. Based on these criteria, there are a number of “absent” retailers that may be suitable tenants in Matteson.

Opportunity tenants identified through this presence/absence analysis include:

- Several smaller fashion-oriented retailers that do not require high-income markets, such as Charlotte Russe and Footaction;
- Larger retailers looking for expansion opportunities in Illinois that do not have major competitors located in Matteson, such as Anna’s Linens and HH Gregg; and
- A number of fast-casual and family dining brands, including Panchero’s Mexican Grill, Sweet Tomatoes, Jason’s Deli and Noah’s Bagels.

In **Figure 20** below, we present more detailed results of our analysis. There are challenges to attracting some of the “absent” tenants identified below. A large traffic generator like Costco may not want to locate a second store close to its store in Orland Park. Cheesecake Factory primarily locates near major regional malls with high traffic volumes. This analysis serves as a starting point from which to identify potentially appropriate tenants for Matteson’s retail centers.

**Figure 20. Selected Presence/Absence Analysis Results**

<table>
<thead>
<tr>
<th>Present in Matteson</th>
<th>Present within First Competitive Ring</th>
<th>Absent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Merchandise/Department Stores</strong></td>
<td>Carson Pirie Scott JCPenney*</td>
<td>Kohl’s Super Target</td>
</tr>
<tr>
<td></td>
<td>Shoppers World Target Walmart*/Sam’s Club*</td>
<td></td>
</tr>
<tr>
<td><strong>Apparel and Shoes</strong></td>
<td>Burlington Coat Factory Dots Fashions*</td>
<td>Old Navy*</td>
</tr>
<tr>
<td></td>
<td>Famous Footwear Foot Locker*</td>
<td>TJ Maxx</td>
</tr>
<tr>
<td></td>
<td>Lane Bryant*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Marshalls Payless Shoes*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rainbow*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ross Dress for Less</td>
<td></td>
</tr>
<tr>
<td><strong>Home Improvement</strong></td>
<td>Home Depot*</td>
<td>Lowes*†</td>
</tr>
<tr>
<td></td>
<td>Menards</td>
<td></td>
</tr>
<tr>
<td><strong>Pets</strong></td>
<td>PetSmart</td>
<td>PetSense*</td>
</tr>
<tr>
<td><strong>Home Decoration and Furniture</strong></td>
<td>Furniture &amp; Mattress Depot</td>
<td>Ashley Furniture Bed Bath &amp; Beyond* HomeGoods</td>
</tr>
<tr>
<td></td>
<td>Walgreens</td>
<td></td>
</tr>
<tr>
<td><strong>Drug Store</strong></td>
<td>CVS*</td>
<td></td>
</tr>
<tr>
<td><strong>Office Supply</strong></td>
<td>OfficeMax</td>
<td>Staples*</td>
</tr>
<tr>
<td><strong>Sporting</strong></td>
<td>Sports Authority*</td>
<td>Dick’s Sporting Goods* Dunham’s Sports*</td>
</tr>
<tr>
<td><strong>Crafts</strong></td>
<td>JoAnn Fabric and Craft*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Michael’s</td>
<td></td>
</tr>
</tbody>
</table>
### Figure 20. Selected Presence/Absence Analysis Results (Continued)

<table>
<thead>
<tr>
<th>Present in Matteson</th>
<th>Present within First Competitive Ring</th>
<th>Absent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electronics &amp; Appliances</strong></td>
<td>Best Buy*</td>
<td>HH Gregg†</td>
</tr>
<tr>
<td><strong>Eyeglasses</strong></td>
<td>JCPenney Optical Lens Crafters</td>
<td>Pearle Vision*</td>
</tr>
<tr>
<td><strong>Auto Parts</strong></td>
<td>Advance Auto Parts*</td>
<td>AutoZone*</td>
</tr>
<tr>
<td><strong>Toys and Baby</strong></td>
<td>Toys R Us*</td>
<td>Buy Buy Baby<em>T Babies R Us</em>†</td>
</tr>
<tr>
<td><strong>Books</strong></td>
<td>Azizi Books</td>
<td>Barnes and Noble<em>T Half Price Books</em>T</td>
</tr>
<tr>
<td><strong>Discount</strong></td>
<td>Dollar Tree Deal$</td>
<td>Dollar General* Five Below*</td>
</tr>
<tr>
<td><strong>Entertainment</strong></td>
<td>Chuck E. Cheese’s*</td>
<td>AMC Loews Theater Marcus Theaters Regal Cinemas/Edwards Theaters*</td>
</tr>
<tr>
<td><strong>Restaurants</strong></td>
<td>Bar Louie</td>
<td>Al’s Italian Beef* Bonefish Grill†</td>
</tr>
<tr>
<td></td>
<td>Burger King</td>
<td>Applebee’s Bruegger’s Baked Fresh*</td>
</tr>
<tr>
<td></td>
<td>Chipotle</td>
<td>Arby’s Carrabba’s</td>
</tr>
<tr>
<td></td>
<td>Cracker Barrel</td>
<td>Baskin Robbins* Cheesecake Factory†</td>
</tr>
<tr>
<td></td>
<td>Dunkin Donuts*</td>
<td>Boston’s The Gourmet Pizza* Granite City Food &amp; Brewery*T</td>
</tr>
<tr>
<td></td>
<td>Five Guys</td>
<td>Chili’s Jason’s Deli*</td>
</tr>
<tr>
<td></td>
<td>Fuddruckers’s</td>
<td>Cici’s Pizza* Longhorn Steakhouse*</td>
</tr>
<tr>
<td></td>
<td>Long John Silver’s/A&amp;W</td>
<td>Denny’s* McAlister’s Deli*</td>
</tr>
<tr>
<td></td>
<td>McDonald’s*, Olive Garden</td>
<td>Golden Corral* Noah’s Bagels*</td>
</tr>
<tr>
<td></td>
<td>Panda Express</td>
<td>Papa John’s Pizza* Panchero’s Mexican Grill*</td>
</tr>
<tr>
<td></td>
<td>Panera Bread</td>
<td>TGI Fridays Qdoba Mexican Grill*</td>
</tr>
<tr>
<td></td>
<td>Pizza Hut, Quiznos</td>
<td>Red Robin Gourmet Burgers<em>T Sweet Tomatoes</em></td>
</tr>
<tr>
<td></td>
<td>Red Lobster, Starbucks</td>
<td>Red Robin Gourmet Burgers<em>T Uncle Julio’s</em></td>
</tr>
<tr>
<td></td>
<td>Taco Bell, Wendy’s*</td>
<td>White Castle</td>
</tr>
<tr>
<td><strong>Grocery</strong></td>
<td>Aldi*</td>
<td>Food 4 Less Jewel-Osco, Trader Joe’s,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mariano’s Fresh Market Whole Foods,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Meijer Brookhaven Marketplace,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Save-a-Lot Pete’s Fresh Market,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ultra Foods and other local independent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wal’s Food Center stores</td>
</tr>
</tbody>
</table>

Source: Retail Lease Trac, SB Friedman Development Advisors

* Identified using Retail Lease Trac as a retailer interested in opening new locations in Illinois, and with demographic and locational criteria that generally apply to Matteson.

† Retailer has a location in Orland Park, a major retail center about 12 to 15 miles from Matteson.

### Market Opportunities

Based on the above analysis, it appears that the primary challenges to retail success in Matteson stem from a substantial supply of aging retail centers in a landscape of retail shifting to areas populated by more affluent consumers to the west of the Village. Matteson has a broad mix of retail and restaurant businesses, and newer retail developments have successfully attracted tenants, achieving high
occupancy rates. High vacancy in some of the older shopping centers, in addition to deferred maintenance, has left certain shopping centers visually unappealing, dampening tenant and investment prospects. The healthier shopping centers in the Village appear to be performing well, but Matteson’s position in the sub-regional retail market has weakened in recent years. In addition, Walmart has recently indicated its intent to close its Matteson store.

Conversations with retail property owners and brokers familiar with the market area confirm that the center of the regional retail market has shifted away from Matteson as fashion retailers and higher-end anchors have moved to Frankfort, Tinley Park and Orland Park. Interviews indicate that Matteson is not currently a competitive location for retail development at the regional level, and strategic retail redevelopment will be necessary to stabilize and ensure the long-term economic competitiveness of the Village’s commercial corridors. Brokers expressed optimism about the Village’s ability to attract a new grocery tenant to the Matteson Plaza grocery center, which will be an important step in stabilizing retail occupancy and providing core retail services to the local population.

Coordination between the Village and shopping center owners will be important to strengthening and growing Matteson’s retail base. Brokers working in Matteson cited the Village staff’s engagement in the development process and commitment to revitalizing Matteson’s retail base. This engagement is a strength from which to stabilize, improve and revitalize aging shopping centers and to focus on providing services and amenities to Matteson’s local population.
5. Office Analysis

Market Context

CLASS A GENERAL OFFICE

Within the suburban Chicago region, Class A office development clusters primarily along major interstates. These Class A office clusters are located on the west, northwest and north sides of the Chicago region (Figure 21). In the south suburbs, new office development has taken place primarily in Tinley Park and along I-80 to the west of Matteson (Figure 22), though the office development in this area is at a much smaller scale than in the major regional clusters.

Figure 21. Chicago Regional Office Centers

Source: Esri Business Analyst, SB Friedman Development Advisors
Matteson has approximately 640,000 square feet of office space, of which about 30 percent is vacant, compared with a vacancy rate of 19 percent within a radius of about eight miles of Matteson. Office properties in Matteson are typically somewhat older than those in the sub-region overall, averaging 38 years old compared to 34 years old for the region, and are primarily Class B office space. There is one Class A office building in Matteson; it was built in 1989 and has over 70,000 square feet of space, 97 percent of which is vacant. Over the past five years, office vacancy in Matteson has increased from an average of 20.3 percent in 2009 to 32.3 percent in 2013, while average triple net rents have fallen from $17.00 per square foot in 2009 to $13.60 per square foot in 2013. Typical office rents in Matteson are somewhat lower than those in the sub-region, but the increasing vacancy rates in the Village suggest that lower rents have not been sufficient to draw new office tenants to the Village.

Seven new office development projects totaling almost 250,000 square feet are currently proposed or under construction in the south suburbs. Throughout the south suburbs, new office development has been limited in the past 15 years. In Mokena and Tinley Park near Interstate 80, there is a concentration of office and flex space, but much of this was built prior to 2000. Some new office construction has been taking place along this I-80 corridor, and in Frankfort, where a mixed-use development including 8,700 square feet of medical office is under development.

Primarily due to intraregional location factors of desirability and accessibility that favor the north and northwest suburbs and major interstate corridors, generally speaking, Matteson is not competitive regionally for large corporate office development or office users. The potential always exists for a “wild card” office user to choose to locate in Matteson either in existing space or in new construction space. However, for tenants and developers behaving in ways that are consistent with historic patterns, the likelihood of attracting new office development appears relatively low.
MEDICAL OFFICE

The implementation of the Affordable Care Act, trends in hospital and medical network consolidation, and other changes in medical services are driving changes in the demand for healthcare development, including new types of medical office and new patterns of location. Health services are becoming bifurcated; on the one side, the need for efficiency and reduced costs at large hospitals is bringing doctors’ offices increasingly under hospital administration and reducing the average length of patient stays. Outpatient surgery and diagnostic imaging centers where doctors can see patients and perform basic procedures are becoming increasingly common. On the other side, an increasing focus on affordable patient care and prevention is leading to a growth in small health clinics located within population centers and providing basic medical services.

Matteson may be well positioned to capture growth in one or both of these new health care facility types; it has an existing concentration of medical office and diagnostic facilities, including MRI imaging and dialysis centers, and is a residential community accessible both to lower-income suburbs to the east and higher-income suburbs to the west. It may be possible to reposition some of Matteson’s existing office or retail space into medical clinics, and to collocate general patient care with patient treatment facilities (e.g., dialysis centers) that provide necessary medical services to the community. However, the financial feasibility of such redevelopment has not yet been verified.
Market Opportunities

Matteson faces challenges to attracting large-scale corporate office development. However, there may be some opportunities to improve tenancy in existing office structures, and to pursue specialty office types like health clinics. Repositioning Matteson’s existing office space with health care or other local service providers has the potential to improve office market performance and provide services to the local population.
6. Industrial Analysis

Market Context

As with office, industrial development follows certain locational patterns. At the site level, industrial development is often located in areas with easy access to highways and major arterial streets, as well as intermodal and rail facilities, ports, and other transportation facilities. Regionally, large-scale industrial development is concentrated along major interstates, with new development in the south and southwest suburbs primarily occurring in Will County (Figure 23). While there are a number of established industrial parks in the south suburban area (Figure 24), overall there is not a large volume of new or proposed industrial space within this sub-region; newer industrial development in this area tends to locate in Will County, where property taxes are lower on average, and/or sites are available very close to major highways. The primary industrial cluster in the south suburbs is in University Park, south of Matteson in Will County, where several large industrial parks with trucking and distribution facilities and some manufacturing uses benefit from proximity to highway and rail transportation systems.

Matteson contains nine industrial buildings totaling approximately 950,000 square feet, but these properties have a relatively high vacancy of 26.0 percent, compared with 9.2 percent vacancy in the south suburbs around Matteson. The industrial buildings in Matteson are also older, on average, than those in the rest of the sub-region; the average industrial building in Matteson was built in 1973, compared with 1980 for the south suburban area overall. Likely due to these factors and other locational disadvantages, industrial rents in Matteson are relatively low, averaging only about $3.10 gross rent per square foot, compared with $7.42 for the south suburban area as a whole. In the general area, there appears to be ample available developable land in and near existing industrial and business parks to accommodate new development in the near term. Matteson will need to compete with areas with existing industrial infrastructure and amenities to capture new development.
Figure 23. Chicago Regional Industrial Centers

Source: Esri Business Analyst, SB Friedman Development Advisors
Figure 24. Sub-Regional Industrial Competition

Source: CoStar, Esri Business Analyst, SB Friedman Development Advisors

Market Opportunities

Industrial development is not a suitable use for the two priority development sites, but because of the importance of industrial uses in job creation and tax base diversification, limited additional research will be conducted to determine how Matteson might position itself to try to capture industrial development. As discussed in Chapter 2, Matteson currently contains relatively low industrial employment, compared to other suburbs in the area. While there may be some opportunity for distribution facilities, the location of Matteson in Cook County is a disadvantage, compared to adjacent communities in Will County.
7. Summary

The commercial corridors that make up the Project Area in the Village of Matteson were affected by the flooding related to Hurricane Ike in 2008. The rights-of-way of important local and regional streets were flooded, impacting the retail tenants that formed the economic backbone of the Village. Because Matteson’s economy relies heavily on the commercial corridors along Lincoln Highway and Cicero Avenue, the impact of floods, such as the 2008 event, can have potentially significant impacts on residents and local businesses. This existing conditions report provides a summary of the Village’s recovery needs and current physical and market conditions that will impact development opportunities. This report informed the planning process, redevelopment concepts and recommendations presented in Volume I by framing redevelopment needs within market realities.

The selected priority sites underscore the importance of recycling developed land and revitalizing existing retail centers to ensuring the long-term economic competitiveness of the Village of Matteson. The Lincoln Mall and Matteson Plaza are locally-important retail centers experiencing high vacancy and, particularly in the case of the mall, challenges resulting from a lack of investment. Stabilizing the priority sites so that they continue to provide communitywide retail options and services will ensure Matteson maintains its stability and attractiveness to residents. Design and stormwater management recommendations will increase the attractiveness and functionality of the priority sites and the Project Area, and protect the environment and local businesses from stormwater runoff.

Future economic competitiveness and growth in Matteson will depend on revitalizing its retail corridors through design improvements and targeted redevelopment of catalytic sites, and repositioning the Village to highlight its strengths. Multiple brokers and other stakeholders within the Village have cited the dedication of Village staff; the Village’s engagement in the development process and commitment to growing the Village’s economic competitiveness will be crucial assets in the development and implementation of this Plan.
8. Appendix
Agenda

Steering Committee Meeting
Matteson Economic Development Master Plan

December 18, 2013

• Introductions
• Review Scope of Work and Committee Role
• Preliminary Market Research
  o Demographic Context
  o Competitive Environment
    ▪ Retail
    ▪ Office
    ▪ Industrial/Flex
• Potential Priority Sites
• Committee Discussion of Potential Priority Sites
• Selection of Two Priority Sites
• Next Steps
Agenda

Steering Committee Meeting
Matteson Economic Development Master Plan

January 28, 2014

- (Re)Introductions
- Progress Update
  - Existing Conditions
  - Stormwater Analysis
  - Market Analysis Update
    - Retail
    - Office
    - Industrial
- Discuss Potential Priority Site Strategies
- First Community Meeting (2/19)
  - Purpose
    - Preliminary Review of Modern Design Prototypes
      - Gateways
      - Streetscapes
- Discussion/Feedback
Agenda

First Community Meeting
Matteson Economic Development and Land Use Master Plan

February 15, 2014
10:30 AM – 12:00 PM
Matteson Community Center

- Introduction: Village Board President André Ashmore

- Economic Development Update: LaVern Murphy, Deputy Director of Economic Development

- Presentation of Work to Date and Priority Sites:
  - Geoff Dickinson, SB Friedman Development Advisors
  - Fran Lefor Rood, SB Friedman Development Advisors
  - Nick Kalogeresis, The Lakota Group
  - Justin Weidl, The Lakota Group
  - Jonathan Dykstra, Robinson Engineering
  - Val Williams, Robinson Engineering

- General Question & Answer Session

- Short Break

- Community Input/Visual Preference Survey (6 stations around room)

- Return to Seats

- Report Out with Summaries of Community Input
Agenda

Steering Committee Meeting #3
Matteson Economic Development and Land Use Master Plan

March 11, 2014
2:00 PM
Matteson Community Center

- Summary of February 15th Community Meeting
- Presentation of Draft Concepts for Priority Sites
  - Matteson Plaza
  - Lincoln Mall
- Discussion & Steering Committee Feedback
- Next Steps
  - Second Community Meeting (expected March 26th)
    - Presentation of Draft Concepts
    - Community Feedback
  - Steering Committee Meeting #4 (April 8th)
    - Discuss Implementation Strategies and Steps
  - Draft Full Economic Development and Land Use Master Plan for Village Board Review and Adoption
Agenda

Second Community Meeting
Matteson Economic Development and Land Use Master Plan

March 26, 2014
7:00 PM
Matteson Community Center

• Welcome: Village Board President Andrè Ashmore

• Village Staff Introduction: LaVern Murphy, Deputy Director of Economic Development

• Introduction of Team and Purpose of Project

• Summary of Work and Meetings to Date
  o Steering Committee Meetings
  o First Community Meeting
  o Site Prioritization
  o Market Analysis
  o Concept Development and Revision
  o Stormwater Analysis

• Presentation of Preliminary Concept Plans

• General Question & Answer Session

• Breakout Session – Community Feedback on Concepts Displayed on Boards

• Close & Steps to Completion
Agenda

Steering Committee Meeting #4
Matteson Economic Development Master Plan

April 8, 2014
2:00 PM
Matteson Community Center

- Revised Priority Site Concepts
  - Matteson Plaza
  - Lincoln Mall
    - Interim Steps
    - Long-Term Concepts

- Preferred Concepts Discussion

- Preliminary Implementation Matrix
  - Area-wide Strategies and Improvements
  - Lincoln Mall
  - Matteson Plaza

- Next Steps and Timeframe for Completion
MEMORANDUM

TO: LaVern Murphy, Village of Matteson

FROM: Geoff Dickinson, S. B. Friedman Development Advisors
Direct: (312) 384-2404 Email: gdickinson@sbfriedman.com

DATE: April 22, 2014

RE: DRAFT First Community Meeting Summary

Meeting Overview

MEETING DETAILS

The First Community Meeting for the Matteson Economic Development and Land Use Master Plan planning process (the “Meeting”) was held at the Matteson Community Center on February 15, 2014. The Meeting began at 10:30 AM and ended at approximately 12:45 PM.

AGENDA

The agenda of the Meeting was as follows:

- Introduction: Village Board President Andrè Ashmore
- Economic Development Update: LaVern Murphy, Deputy Director of Economic Development;
- Presentation of Work to Date and Priority Sites: Consultant Team, including SB Friedman Development Advisors, The Lakota Group, and Robinson engineering
- General Question & Answer Session
- Short Break
- Community Input/Visual Preference Survey

Speakers and Consultant Team members at the Meeting included:

- Andrè Ashmore, Village Board President, Village of Matteson;
- LaVern Murphy, Deputy Director of Economic Development, Village of Matteson;
- Geoff Dickinson, SB Friedman Development Advisors;
- Fran Lefor Rood, SB Friedman Development Advisors;
- Nick Kalogeresis, The Lakota Group;
- Justin Weidl, The Lakota Group;
ATTENDANCE

The Meeting was attended by Village Staff, Village Trustees, members of the Steering Committee for the Matteson Economic Development and Land Use Master Plan project, and members of the community. A sign-in sheet at the door collected the names of 71 community member attendees.

Community Comments and Input

QUESTION & ANSWER SESSION

Questions and comments raised by community members during the Question and Answer session following the presentation included:

- **Highway Visibility.** One community member raised the issue of the visibility of Matteson’s restaurants and shopping centers immediately surrounding the exit at Interstate 57. This community member pointed out that Matteson is one of the first clusters of restaurants and retail for travelers coming north on the interstate, and that the Village might consider how to use signage and marketing to draw more traffic off of the highway.

- **Grocery Visibility.** A second community member brought up the problem of visibility vis-à-vis the grocery stores, specifically the Dominick’s space in Matteson Plaza. The majority of retail-related traffic seems to occur to the west side of Cicero Avenue, and the perception is that most traffic to Matteson Plaza comes from the west. This community member pointed out that the configuration and orientation of the Matteson Plaza shopping center is such that the center does not have high visibility for eastbound traffic. The façade of the grocery store could face Lincoln Highway, rather than Governor’s Highway to maximize visibility, with signage drawing shoppers driving east on Lincoln Highway into the site. This community member suggested that the village also consider locating a grocery store closer to the interstate. This community member stressed the importance of having attractive façades and shopping centers, and in thinking outside the box when considering redevelopment strategies.

- **Trends Influencing Indoor Shopping Malls.** One community member pointed out that, in general, shopper preferences and developer preferences appear to be de-emphasizing indoor shopping malls, and that the current trend instead has been to build “outdoor malls”, like one currently proposed in Country Club Hills. He voiced support for any redevelopment scenario that included the teardown of Lincoln Mall. This community member also mentioned that he felt that improved Public Transportation would be important to bring shoppers to Matteson from Chicago Heights and Ford Heights.

- **Desire to Shop Locally.** One community member voiced the opinion, and several supported the opinion, that in general residents would like to be able to shop in Matteson. However, they are aware of the high cost of restoring the physical conditions of the mall. This community member wanted to know if there was a possible scenario in which the mall could be rebuilt, or if renovation was a waste of the Village’s time and money.

- **Concern Over Lack of Grocery.** There was a question from a community member about what the Village has been doing to attract a new grocery tenant, and why Matteson has so far been
less successful than other neighboring suburbs at filling its Dominick’s space. This community member perceived a lack of action on the part of the Village. LaVern Murphy addressed this comment and restated the Village’s recent activities in pursuit of a grocery tenant.

- **Tax Incentives.** One community member asked about what tax incentives the Village offers, and specifically whether the Village is still offering a ten-year tax abatement it once offered.
- **Role of Race in Retail Location.** One community member raised the issue of race, as addressed in the Retail Redlining Study, and asked to what extent race poses a challenge to attracting retailers to the Village.
- **Mall Teardown Scenario.** Overall there was general support for suggestions that the mall be torn down.

**COMMUNITY INPUT REGARDING ECONOMIC DEVELOPMENT**

During the Community Input session, SB Friedman discussed market opportunities and strategies for redeveloping the priority sites with community members, and collected input. SB Friedman also collected feedback from residents via written feedback forms. The input received is summarized below. A plus sign (“+”) indicates agreement with this feedback by one or more additional commenters.

**General Comments about Economic Development**

- Invest in and incubate business locally +
- Need for more daytime traffic and high-paying jobs
- Need for a unique venue (convention center/casino/indoor waterpark) (Note: one commenter was strongly opposed to a casino)
- Recreational programming in the Village is fast-growing and in high demand: expand this
- Need for mixed-use development including community services like community health center
- Need for additional bike trails and other open space amenities for health and kids’ recreation
- Concern about the vacant Cub Foods: can the village support two grocers?
- Can a SuperTarget or Walmart Supercenter provide grocery services?
- Kid-oriented uses (including recreation, entertainment, daycare) ++++
- Ruby Tuesday, or more non-fast food, family-oriented restaurants ++

**Matteson’s Strengths**

- Community center
- Safety
- Access and transportation (including I-57, rail interchange and historic Lincoln Highway)
- Truck traffic ++

**Lincoln Mall Area Ideas**

- Indoor sports arena (tournaments, field house) +++
- Open space
- Ikea
- Convention Center (reuse mall space)
- Distribution facility, such as for Amazon or QVC

**Matteson Plaza Ideas**

- Problematic visibility at this site; grocery store faces the wrong way, signage may be appropriate on the other side of the building +
• Has the village approached Cermak foods?
• Need for fresh produce providers, including fresh fish +
• Entertainment use at Value City box: like Dave and Busters or a climbing wall
• Community health center

COMMUNITY INPUT REGARDING PUBLIC IMPROVEMENTS

A summary of public input regarding gateway signage, streetscape enhancements, and other public improvements can be found in the Appendix of Volume I of the Matteson Economic Development and Land Use Master Plan. The visuals used for the Visual Preference Survey and other feedback regarding public improvements are presented below.
Public Enhancements – Visuals Used at the Meeting
Village of Matteson

First Community Meeting Summary

STREETSCAPE ENHANCEMENTS

SE-09
Banners

SE-10
Parking lot screening with fencing and landscaping

SE-11
Special traffic light and lighting poles, crosswalks, planted medians, ledges and sidewalks with street trees

SE-12
Planted median, buffer, street trees, special lighting and traffic poles, corner parks

SE-13
Shaped medians with special lighting

SE-14
Use current light pole banners

SE-15
Parking lot landscaping

SE-16
Special traffic light poles with braced arm signs

SE-17
Special traffic light and lighting poles with matching business identification signage

STREETSCAPE ENHANCEMENTS

TELL US WHAT YOU THINK!

PLACE A RED DOT
WHERE YOU WOULD LIKE TO SEE SAFETY IMPROVEMENTS

PLACE A GREEN DOT
WHERE YOU WOULD LIKE TO SEE LANDSCAPE ENHANCEMENTS
Photos from the Meeting
Memo

To: Geoff Dickinson, AICP – SB Friedman
    Fran Lefor Rood, AICP – SB Friedman
    Ernest R. Roberts III, PE – REL
    Project Files

From: Jonathan J. Dykstra, CFM

Date: April 14, 2014

RE: Matteson DCEO Grant
    REL Project #13-685

Introduction

As requested, Robinson Engineering has completed its investigation for the Matteson DCEO Grant as it pertains to the study area identified by SB Friedman Development Advisors. This memorandum addresses the 2008 flood impacts, existing conditions, and mitigation planning.

2008 IKE Flood

As reported by the Village of Matteson Public Works Department, the 2008 Ike storm resulted in flooding along the west side of Cicero Avenue south of Lincoln Highway (U.S. Route 30), extending to approximately Southwick Drive. There is an open ditch located on the west side of Cicero Avenue that runs much of this same distance. The Ike storm, which generated between 6” to 8” of rainfall, exceeded the capacities of existing ditches and storm sewer systems. This led to ponding that extended across various entrances to commercial establishments along Cicero Avenue. It is likely that ponding within parking lots can also be attributed to the 2008 Ike storm. Repetitive flooding and the impacts associated with it have been known to eventually lead to a blighted condition if left perpetually unmitigated.

Butterfield Creek East Branch flows in a generally north/northeasterly direction within the Project Area. A significant floodplain/floodway boundary is associated with this watercourse, as shown on the current Federal Emergency Management Agency (“FEMA”) Flood Insurance Rate Map (“FIRM”) number 17031C0738J dated August 19, 2008. The figure below shows the floodplain and floodway boundaries from the FIRM superimposed on an aerial map of the Project Area. While the creek levels rose during the 2008 storm, Public Works did not report any significant flooding of areas
adjacent to the creek or overtopping of the US Route 30 bridge crossing near Matteson Plaza (the former Dominick’s site).

![Village of Matteson Flood Map Boundaries](image)

**Existing Conditions**

As shown in the figure below, the existing utilities infrastructure within the study area is substantial. However, this figure does not demonstrate whether the overall capacity of the system is adequate. The occurrence of flooding or ponding typically reveals that the existing storm sewer system and conveyance ditches are inadequate to handle either a storm’s rainfall intensity or quantity. It is also possible that the storm sewer system responded approximately as it was designed to respond. For example, typical storm sewer systems are designed to accommodate approximately a 10-year (10% chance) storm event. Therefore, a 1% chance storm (formerly called a 100-year storm) would exceed the storm sewer’s capacity by design. When storm sewer system capacities are exceeded, surface water management measures including overland flood route swales, ditches, and ponds are supposed to handle the excess runoff. When these secondary systems are inadequate, then flooding occurs, as it did along Cicero Avenue.
Mitigation Planning

Since the time of the 2008 Ike flood, several mitigation strategies have been identified to address current and future stormwater needs. These include:

- Illinois Department of Transportation ("IDOT") roadway improvements
- Cook County Watershed Management Ordinance ("WMO") implementation
- Green Infrastructure incorporation

IDOT Improvements

After the 2008 Ike flood, it was determined that the flooding along Cicero Avenue associated with existing ditch and storm sewer capacities was primarily located within the existing IDOT right-of-way. Therefore, IDOT has incorporated proposed improvements into their Highway Safety Improvement Program ("HSIP"). IDOT has identified two potential projects related to the Cicero Avenue and US Route 30 corridors within the Village of Matteson:

1) Intersection of US Route 30 and Cicero Avenue – This project is currently on the HSIP and is tentatively scheduled for award in June of 2018. The scope of the work will include dual left turn lanes added to all legs (directions) of the intersection and possible addition of exclusive
right turn lanes from all directions. The improvements will also consider the existing drainage system, sidewalk links, Americans with Disabilities Act (“ADA”) sidewalk corner ramps and full traffic signal modernization.

2) **Resurfacing along US Route 30 from Cicero Avenue to Hilltop Avenue in the Villages of Matteson, Olympia Fields and Chicago Heights** – This project is in the current Multi-Year Program for Fiscal Year 2014–2019. The project will consist of approximately 3.29 miles of resurfacing, drainage structure adjustments, ADA sidewalk corner ramps, curb and gutter improvements, and pavement markings. The target letting for this project is tentatively scheduled for June of 2016.

**New Development, Redevelopment and the WMO**

On October 3, 2013, the Metropolitan Water Reclamation District of Greater Chicago (“MWRD”) Board of Commissioners unanimously approved the Cook County Watershed Management Ordinance (“WMO”). The WMO will have an effective date of May 1, 2014. Quoting from the MWRD website (www.mwrd.org), “The purpose of the WMO is to establish uniform stormwater management regulations for Cook County in order to prevent future commercial, municipal, and residential development and redevelopment projects from exacerbating flooding. Paved roads, parking lots, walkways, and buildings make cities livable, but they also reduce the amount of land on which water can be absorbed and can lead to increased flooding without sufficient regulation.” Beginning on the May 1st effective date, the WMO will regulate all applicable new development and redevelopment within the Village of Matteson. The WMO can be viewed or downloaded from the MWRD website.

Per an MWRD summary on the WMO (from which much of this section is quoted), the MWRD began developing the ordinance in 2007 “pursuant to its stormwater management authority granted by the Illinois General Assembly. The regulatory scope of the ordinance includes all of Cook County excluding the City of Chicago. The purpose of the WMO is to abate the negative impacts of stormwater runoff (e.g. flooding, erosion, water quality impairments, etc.) from new upstream developments or redevelopments.”

**Erosion and Sediment Control**

“All developments must meet the WMO erosion and sediment control requirements [contained in Article 4 of the WMO]. Erosion control includes measures to prevent soil from being removed from the earth’s surface – planting vegetation, mulching, hydro-mulching, and installing geotextile fabrics. Sediment control measures [such as] silt fences, fiber rolls, sediment traps, and wattles, [help] prevent the transport of soil once it has been removed. The WMO requires that erosion and sediment control practices be included in the initial site plan of a development. Design guidelines are expected to be taken from the Illinois Urban Manual or the WMO Technical Guidance Manual.” A Technical Guidance Manual (“TGM”) is a corollary document that is often issued with county-level stormwater or watershed ordinances for the
purpose of providing background, detail and intent of the minimum technical requirements in
the ordinance. The WMO TGM is in the process of being written and is expected to be released
later in 2014 or 2015.

**Stormwater Management Requirements**

Besides erosion and sediment control requirements, Article 5 of the WMO includes the
requirements for stormwater management. To quote again from the MWRD summary on the
WMO, “Stormwater runoff is rainwater or melting snow that flows off a property. Stormwater
runoff can be controlled by managing that water on site. Controlling stormwater runoff from
development sites minimizes the potential for negative impacts on adjacent and downstream
properties.”

“The WMO restricts developments from:
1. Increasing flood elevations or decrease flood conveyance capacity upstream or
downstream
2. Causing any increase in flood velocity or impairment of the hydrologic and hydraulic
functions of streams
3. Degrading surface or ground water quality

“The WMO includes several site development and stormwater management standards to meet
the above requirements. These include runoff control, volume control, and storage
requirements. The runoff requirements contain design standards and other restrictions on
where runoff is allowed to flow. For example, structures that drain water (e.g. channels,
ditches, wetlands) cannot increase flood and erosion damages downstream.”

“Volume control requirements compel developments to capture the first inch of runoff from
an impervious [or hard] surface area [such as pavement, sidewalks or rooftops]. The first inch
of runoff contains the most pollutants (e.g. oils, dust, particulates, fertilizer, [and] organic
matter). Capturing the “first flush” of contaminants helps protect the health of local
waterways.”

“Storage requirements determine how fast the water can be discharged from a development
site, called the allowable release rate. Site runoff storage facilities – such as a detention pond –
control the rate at which water is released from the site under developed conditions. The
release rates will be phased in over a five year period. For the first five years after the WMO
effective date, developments will be allowed a release rate of 0.30 cubic feet per second per
acre (cfs/acre) for the 100-year storm event (a storm that has a one percent chance of
occurring [in a given] year). That means for a site of one acre in size, the release rate would be
0.30 cfs (about 8,000 gallons in an hour). For a site 15 acres in size, the release rate would be
15 times that number or 4.5 cfs (about 121,000 gallons in an hour). The allowable release rate
will become 0.15 cfs/acre five years after the effective date of the WMO.”
“The release rates determine the size of the detention needed on each site. The more impervious surface on the site, the more detention is required to meet the prescribed release rates. Where onsite detention is not practical, the WMO does permit offsite detention within the same [sub-watershed]. The storage requirement provision of the WMO helps prevent flooding and erosion in downstream communities.”

“Runoff, volume control, and storage requirements are only applicable to properties of certain sizes and types. These are summarized in the table at the end of this [section].”

Requirements for Resource Protection Areas

Additionally, Article 6 of the WMO includes the requirements for resource protection areas that include floodplains, wetlands, wetland buffers, and riparian environments. Per MWRD, “The WMO requires that development in the floodplain cannot increase flood elevations or decrease conveyance capacity on other property. Developments also cannot increase flood velocity, impair hydrologic function, or degrade water quality.”

“All new buildings, manufactured homes, and substantial improvements in the floodplain must be elevated two feet above the 100-year flood (i.e. a flood that has a one percent chance of occurring [in a given] year). Compensatory storage is required for any fill, structure, or other material [placed in] the regulatory [floodplain].” For proposed activities that involve floodplain fill or structures within the floodplain, the WMO and the current Village ordinance require a corresponding excavation volume (known as compensatory storage) at least equal to one and one-tenth (1.1) times the volume of floodplain storage lost due to the fill or structure. This provides a safety factor for these activities and also serves as a partial deterrent to unnecessary filling of the floodplain.

“The WMO has a variety of requirements that protect wetland and riparian areas, both of which attenuate [lessen] the impacts of flooding and erosion. The WMO requires that developers must provide the [MWRD] with the boundaries, extent, function, value, and quality of all wetlands on site. Development that impacts wetlands is discouraged by the WMO, but mitigation is allowed in some cases. The [MWRD’s] preferred method for wetland mitigation, as written in the WMO, is payment to a wetland mitigation bank. The WMO encourages existing riparian functions to be protected. Mitigation practices such as streambank stabilization and native vegetation planting are required.”

Permitting

The MWRD’s WMO will require Watershed Management Permits for developments located in or encompassing resource protection areas or for any disturbance above 0.5 acre. Article 2 of the WMO includes a complete list of developments that require a permit. To receive a permit from the MWRD or an authorized municipality, developers must submit a variety of design and engineering documents indicating compliance with the provisions of the WMO.
One of the new components contained in Article 9 of the WMO is the requirement that all developments have a maintenance plan. However, the ultimate maintenance responsibility rests with the Village of Matteson. Regular maintenance is important to any development because it helps to ensure that detention basins, storm sewers and other stormwater facilities function as designed in perpetuity.

The WMO will replace the MWRD’s Sewer Permit Ordinance and Manual of Procedures. Those ordinances currently regulate, permit, and enforce sanitary sewer, storm sewer, and detention basin construction for developments and redevelopments. Additionally, Matteson has had its own ordinances regulating these development activities for many years. Those familiar with the process in Matteson realize that developments not only require Village approval, but often require approvals from other agencies, including the MWRD. Current Matteson ordinance requirements, in many cases, exceed current MWRD requirements. The Village previously established these ordinances to provide additional levels of protection for developments, its residents, and businesses. In addition to adding some new requirements such as volume control, wetland and riparian regulations, portions of the WMO will “raise the bar” of some MWRD requirements to resemble some longstanding Village requirements for stormwater management. It is foreseeable that Matteson will ultimately adopt the WMO and enforce it as part of its own ordinances. To become an authorized municipality and have the authority to issue Watershed Management Permits for MWRD, Matteson would have to agree to conform to the requirements of the WMO and adopt the WMO.

The WMO will give the MWRD the authority to inspect developments to ensure compliance with the WMO. If an inspection reveals a violation or if a development otherwise does not comply with other provisions of the ordinance, the MWRD can enact enforcement measures. MWRD can assess fines, place a stop-work order, or revoke a Watershed Management Permit for any development in violation of the WMO.

In some instances, unique site constraints result in an inability to comply with a certain aspect or technical requirement of an ordinance. In such cases, the MWRD Board of Commissioners can grants variances to the requirements of the WMO; however, the variance must honor the general purpose and intent of the ordinance.

To borrow from MWRD’s conclusion about the WMO, “A strong Watershed Management Ordinance will help prevent future developments and redevelopments from adding to flooding problems for downstream communities and from degrading water quality. In its current form, the WMO brings Cook County in step with all surrounding counties – Lake, DuPage, Will, McHenry, and Kane.”

Below is Table 2 from the WMO which provides a summary of the site stormwater management requirements for developments:
Green Infrastructure

Stormwater pollutants are negatively affecting the creeks and preserves in many communities, including Matteson. Green infrastructure provides low energy stormwater management tools to reduce the presence of pathogens, nutrients, sediment, oil, grease, toxic chemicals, road salts, and heavy metals in the stormwater runoff reaching habitats and drinking water sources. Green infrastructure uses vegetation, soils, and natural processes to manage rainwater where it falls.

Several examples and brief descriptions of green infrastructure include the following:

- **Downspout Disconnection**: Rerouting rooftop drainage to rain barrels, cisterns, or permeable areas rather than, or prior to, the storm sewer.
- **Rainwater Harvesting**: Collection and storage of rainfall for future lawn irrigation.
- **Rain Gardens**: Small, shallow vegetated basins that serve in the collection, infiltration, and evapotranspiration of rainfall.
- **Planter Boxes**: Urban rain gardens adjacent to sidewalks, streets, and parking lots.
• Preservation of Floodplain, Wetlands, and Buffers: Policy measures to eliminate or minimize disturbance of existing green infrastructure when sites are developed. These areas capture and slow runoff, improve water quality, and provide natural habitats.

• Constructed Wetlands or Wetland Detention Facilities: Facilities that provide increased filtering, infiltration, and evapotranspiration compared to traditional detention facilities.

• Bioswales: Vegetated swales that provide infiltration and evapotranspiration of rainfall.

• Porous/Permeable Pavements: Permeable surfaces or modular systems that infiltrate, treat, and store rainfall.

• Native Landscaping: Deep-rooted plants that intercept runoff; reduced watering and fertilizers, herbicides, and pesticides compared to traditional landscaping.

• Trees, Tree Boxes, and Tree Canopies: Trees that intercept precipitation in leaves and branches.

It is recommended that the Village pursue funding to start incorporating green infrastructure into their stormwater management toolbox. The Village understands that green infrastructure is currently not the traditional stormwater management technique, that it requires specific management, and that it also often has higher upfront costs, but the costs can be outweighed by the stormwater quality and environmental benefits.

Since some green infrastructure provides the secondary benefit of flood mitigation, it is especially important to the Village. In contrast to grey infrastructure, green infrastructure further reduces peak runoff flows and volumes that ultimately reach streams and rivers.

In order to restore, preserve, mimic, or enhance hydrologic function of the natural environment from the pre-developed region, new developments are encouraged to use green infrastructure as part of their site plans. Similarly, projects by existing businesses, including those by the Village, are also encouraged to incorporate green infrastructure into previously developed sites. Many studies and sources are available to guide green infrastructure efforts (USEPA, FEMA, IEPA, CMAP, CWP, CNT, AICS, etc.).