

Wicker Park's final frontier?

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SEPTEMBER 26, 2014, 5:17 AM

Even as Wicker Park transformed from a tough gangland into one of the hottest neighborhoods in Chicago, a stretch of Milwaukee Avenue just north of the Division Blue Line station remained an outlier.

While the surrounding commercial streets hop with upscale restaurants, trendy bars and all the trappings of yuppiedom, the 1200 and 1300 blocks of Milwaukee are defined more by their vacant storefronts, wig shops and old furniture stores — an abrupt gap in the action that can spur fun-seeking visitors to turn around or take another route.

Developer Josh Mintzer thinks that's about to change. His \$6.2 million acquisition this year of several buildings on the corridor, including \$3.75 million for a 30,000-square-foot storefront where Central Furniture operated for 65 years before moving out in July, is just one of several deals in recent years that suggest Wicker Park's relative dead zone is getting new life.

Though the retail bustle has been pushing south from Wicker Park's busy epicenter at the intersection of Milwaukee, North and Damen avenues for years, Mintzer, principal at Saxony Capital, believes the time is right for the neglected southeastern edge of the neighborhood to flourish.

One of the drivers, he believes, is the passage last year of the transit-oriented development ordinance, which permits developers to cut in half (or more, with city approval) the number of off-street parking spaces they must include in their residential projects as long as the buildings are within 600 feet of a transit station or within 1,200 feet of a street with a pedestrian designation. Normally, developers are required to build a 1-to-1 ratio of parking to housing, which costs them space and money.

The opening last year of the city's first transit-oriented development at 1611 W. Division St., directly across from the Division Blue Line "L" station and boasting 99 apartment units and zero parking, has been a catalyst for some of the recent activity in that section of the neighborhood, said Ald. Proco Joe Moreno, 1st.

"It showed that people want to live there, develop there, and it spurred other developments," Moreno said.

LG Development Group has proposed a transit-oriented development that would replace a stretch at 1239 to 1253 N. Milwaukee — currently home to a Foot Locker, two vacant storefronts and a Bank of America — with a seven-story, 62-unit residential building with ground-floor retail, enlivening the spot with more residents and, as usually follows, more retailers.

Brian Goldberg, a partner at LG Development, which bought the properties from Centrum Partners last year for \$3.35 million, anticipates restaurants or apparel retailers moving into the future storefronts.

"We're seeing a lot of growth and a lot of activity and the upstart of restaurants and a lot of retail," Goldberg said of his

company's decision to buy the buildings.

Investments by other developers also are polishing the area's image.

The recent renovation of a string of storefronts by Centrum Partners at 1275 N. Milwaukee, which this year welcomed a Potbelly, Vitamin Shoppe, Pet Supplies Plus and, coming soon, a Sleepy's mattress store, is helping give the Milwaukee Avenue shopping corridor a southern anchor, Mintzer said. Those stores are part of what Centrum has rebranded Wicker Park Commons, a shopping center that includes Jewel, Kmart and an ample parking lot that Centrum bought in 2011, among several of its acquisitions in the neighborhood.

Though Pet Supplies Plus and Sleepy's may not exude the type of funky retail people like to associate with Wicker Park, such national retailers — and their parking lot — help attract customers who might not otherwise have come to the neighborhood, Mintzer said.

"The nationals bring newer bodies to an already existing corridor, but it's also important to keep an identity to the neighborhood," he said.

What that neighborhood identity looks like is, as with any gentrification story, a sensitive question.

Mintzer said he is close to signing a lease with a local restaurant group, hoping to bring a BYOB restaurant to 1310 N. Milwaukee, which was formerly occupied by Sunny Nails salon, and with a national company that wants to take the entire vacant Central Furniture space at 1348 N. Milwaukee.

Mintzer thinks other furniture stores will soon follow Central out of the neighborhood, making way for businesses that cater to the young hip crowds that have come to exemplify Wicker Park.

"It's just going to take one or two of these furniture stores to go for the others to hop on board," Mintzer said. "The real estate is worth more than the business."

But several furniture store owners who own or rent buildings on the strip said they don't plan on budging.

Majid Shehade, store manager at Hi-Style furniture at 1343 N. Milwaukee, which his father founded more than 40 years ago, said business is not as good as it was in the '80s and '90s, when some 20 furniture stores lined Milwaukee Avenue. But his family's store has adapted to the hipsters and young professionals who dominate the neighborhood, adding items with clean, modern lines to its traditional inventory of ornate and two-toned sofas. Long-standing customers who now live across the city and suburbs still travel to shop there, and his new young neighbors with small budgets like the affordable items, he said.

Several of Shehade's furniture peers have left over the years, replaced by trendier businesses.

The 65-year-old Central Furniture, whose old marquee sign still juts boldly over the sidewalk, was the most recent departure. The owners, who had been trying to sell the building for years when they got connected with Mintzer, moved the business to a new space at 4141 W. North. in Humboldt Park, attracted by the wider streets and better parking.

"Milwaukee street parking killed the business," said owner Ricardo Dasilva, not just because it was tough to find space, but because the surge in parking meter rates had made it prohibitively expensive.

Looking through his shop windows at the shuttered Central Furniture across the street, Shehade said he is optimistic his business can still thrive even as the gentrification pushes south. But if renting his building becomes more profitable than the business itself, he said he would consider it.

Though retail rents on Wicker Park's southern edge are rising, they are significantly lower than rents in the more established corridors of Wicker Park and Bucktown to the north, making it an attractive alternative for retailers that want to be in the neighborhood but are getting priced out as the core gets more upscale.

Retail rents in the 1200 and 1300 blocks of North Milwaukee Avenue are about \$20 to \$35 per square foot, compared with \$30 to \$50 range in the busier 1400 and 1500 blocks, said Ian Feinerman, a senior commercial broker at @properties.

The choice stretch of Damen just north of North Avenue fetches \$55 to \$65 per square foot, Feinerman said.

High rents are one reason Reckless Records, a well-known indie record store that has been at 1532 N. Milwaukee since 1997, is moving a few blocks south to a larger building it bought at 1379 N. Milwaukee, formerly a Dollar Buster discount store that this year moved to Logan Square. Reckless, which had been paying below-market rent, saw its rent double when a new owner bought the building, said general manager Bryan Smith.

Reckless' move, which Smith hopes to complete by the end of the year, is significant because it is a destination store with a strong following, so its customers will likely follow it down, said Steve Lipe, a local developer who manages the current Reckless Records building.

"It'll help that block specifically very well," Lipe said. The block where Reckless is building its new home already is bubbling with other new activity, including the redevelopment of a burned-out former furniture store into a Cheesies Pub & Grub and a Whiskey Business.

"It's tough to say how much it will help the next" blocks, Lipe said.

But the next blocks also have newcomers on the horizon.

A Tijuana taco truck called Kokopelli is in the process of building out its first storefront outside Mexico at 1324 N. Milwaukee.

Shuga Records, a vinyl seller that has been operating out of its online warehouse in the Lawndale neighborhood, is opening its first retail Chicago retail shop in part of a building at 1272 N. Milwaukee formerly occupied by Diana Shoes.

Shuga Records, which signed a 10-year lease and hopes to open by the end of the year, homed in on Wicker Park because of the foot traffic, the convenience to where its employees and customers live and the nearness to other record stores, making it "a little record shopping district," said manager Will Johnston.

It explored setting up shop closer to the North-Damen-Milwaukee epicenter, but rents were too high, and "it's getting a little more commercialized and high-end restauranty," Johnston said. "It's not quite as funky and artsy. Hopefully, some of that will shift our way."

For now, at least, much of the neighborhood's flavor seems set to remain intact.

Jung Hwang, who has co-owned Heads and Threads wig shop at 1254 N. Milwaukee for almost 30 years, said many developers have offered to buy his building, but he has no intention of leaving.

The store, which sells a vast selection of hairpieces spanning the spectrum of the rainbow, is an international destination, especially during Chicago's annual Miss Continental Pageant for female and male impersonators, which draws drag queens from the far corners of the globe.

"Business is more important than selling," Hwang said.

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