

# CHICAGO

## POLITICS & CITY LIFE



Rendering of proposed housing on the U.S. Steel site (Rendering: Courtesy of Barcelona Housing Systems)

## The U.S. Steel Site's Enormous Potential Development, Explained

It's been vacant since 1992. But soon one of the city's biggest lakefront projects ever could sprout from its soil.

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**The old U.S. Steel South Works site in South Chicago is just a weedy prairie. Why would anyone want to build there?**

Located at 85th Street and South Lake Shore Drive, it's the largest piece of undeveloped lakeshore property in the city—440 acres. Developers have been trying to make something of the land for more than a decade, but deals for a Solo Cup factory and a “city within a city” containing 13,000 housing units fell through.

**But there's a new plan, right?**

Yep. In August, two European companies—Ireland's Emerald Living and Spain's Barcelona Housing Systems—agreed to buy the land for a reported \$64 million. They're talking about constructing 20,000 housing units, a shopping mall, restaurants, and an onsite factory to produce components for the modular housing. Compared with the first plan to put housing

there, this is “more conducive to what the neighborhood wants to see,” says 10th Ward alderman Susan Sadlowski Garza. “It’s not high-rise, Neiman Marcus. It’s going to keep a working-class feel.” The developers won’t sign a final contract until they’ve made sure the ground is free of industrial toxins. The inspection is expected to be done by the end of January.

### **Why are foreign developers so into it?**

*Tribune* real estate columnist Ryan Ori says the foreign attention is a sign that this property is “big enough and unusual enough to attract interest from afar”—and also an indication of how small the pool of potential developers is for an enormous site that’s a hike from the Loop and has a history of being a difficult sell. But Emerald and Barcelona aren’t the only overseas firms chasing big projects here: China’s Dalian Wanda Group initiated the 94-story Vista Tower, under construction, and Germany’s Deka Immobilien bought the Loop hotel Hyatt Centric for \$110 million in September.

### **How could this change the character of the Southeast Side?**

South Chicago has been mired in Rust Belt dereliction since U.S. Steel closed. A new development could bring back grocery and other stores. Alderman Greg Mitchell, whose 7th Ward contains a piece of South Works, told *Chicago Tonight* he hopes any new housing will be “an extension of the existing neighborhood” that lifts up the surrounding area. Developers will face the challenge, though, of luring middle-income buyers to a low-income area nearly a mile from the 87th Street station of the Metra Electric, the closest rail line. And neighbors are concerned about gentrification. The **Alliance of the Southeast** wants the project to include affordable housing and jobs for South Siders.