

Speed Learning: Millennium Park 10 Years Later: A Case Study on the Value of Public-Private Investment

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But the northern section of the lakefront
remained rail yards UNTIL
ILLINOIS CENTER in the 1960's and
MILLENNIUM PARK in 2001







Cloudgate



Crown Fountain



Lurie Garden



Lurie Garden

GREEN SPACE

- 24.5 acres, the world's largest green roof.
- Green landscaped space-528,740 square feet.
- The park is truly a green oasis in a big city.

SAFETY

- January to June, 2010:
 - Total Violent Crimes: 15
 - Total Property Crimes: 140, total 155.
- Total property crimes all Chicago in 2009: 78,444 (.2%)
- The park is very safe.

TRANSPORTATION

- Elevated tracks carry the Green, Orange, Brown, Purple and Pink lines.
- There are 13 bus lines with 11 different stops.
- The Metra Commuter line with two stops and the South Shore Line with one stop.
- There are 8,000 underground parking spots
- The park is very convenient to all users.

EXHIBITS/EVENTS

- 525 events in 2009.
- Family Fun Festival all summer sponsored by Target.
- Grant Park Musical Festival - 30 free concerts.
- Guided tours – 100+ offered in five languages.
- Morning workouts, Yoga and Pilates.
- 14 art exhibits lasting 6 months to 18 months each.
- The park is a busy place.

WALKS and TRAILS

- 450,471 square feet of hard surface.
- Includes 15,225 linear feet of walkways.
- Connected to 18 miles of lake front bike paths.
- McDonald's cycling facility provides 300 bike parking spots and has 250 rental bikes.
- Also has 300 lockers and the 200 memberships sold out in the first two weeks.
- The park is a healthy place.

NUMBER OF VISITORS

- 5,000,000 projected for 2013.
- The park attracts a lot of people.

RESIDENTIAL GROWTH

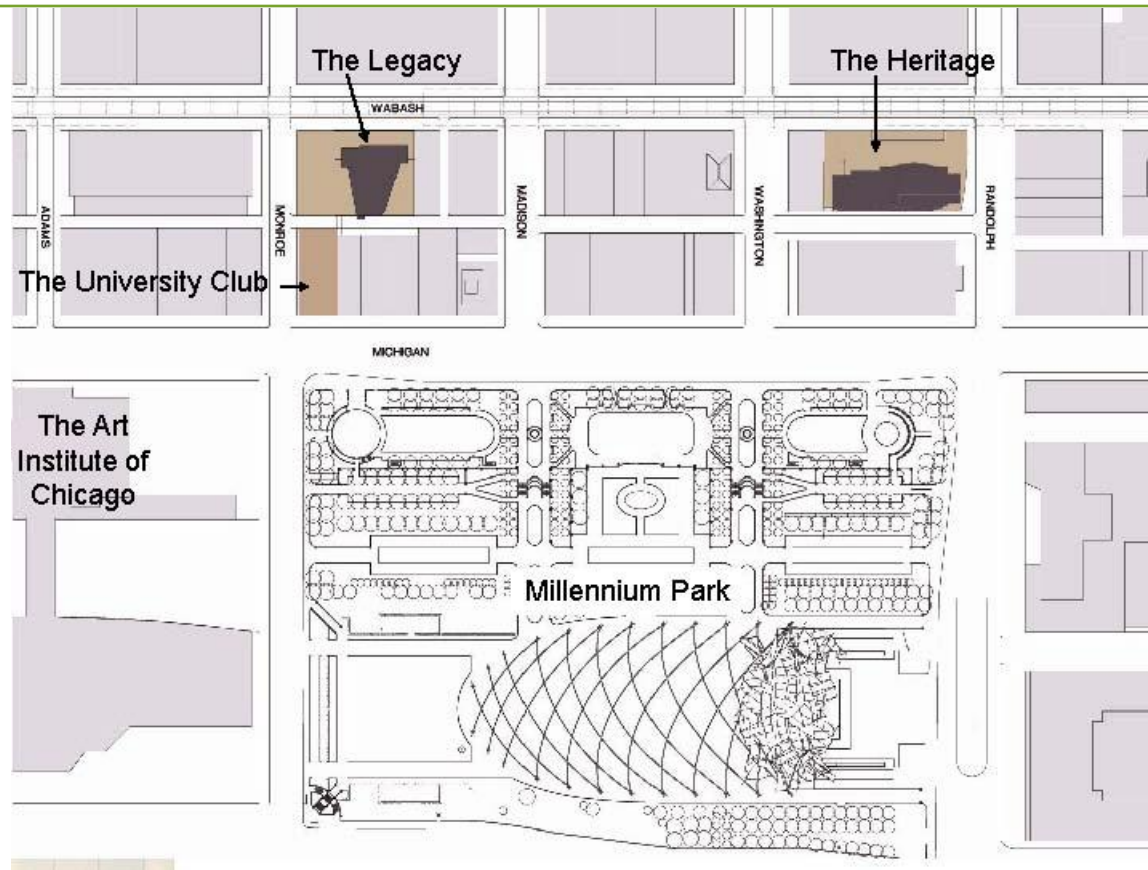
- Since the Park opened 4,800 new condos and apartments built, an increase of 71% dwelling units.
- The total Loop population grew from 7,056 to 20,280, an increase of 187% .
- The Chicago Central Area grew from 111,742 to 185,844, a 66% increase.
- The park created a neighborhood.

TOURISM

- In 2010 there were 39.2 million domestic and overseas visitors in Chicago:
 - 28.0 domestic leisure,
 - 10.1 domestic business, and
 - 1.1 million foreign.
- Tourists spent \$11.1 billion dollars.
- Jobs created: 124,000 jobs.
- The park is vital to the city economy.

COST

- Total cost \$490 million.
- City: \$270 million
 - \$175 million of construction bonds paid off through sale of the underground parking
 - \$95 million was TIF dollars.
- Private Sources: \$220 million
 - \$160 million was from 105 individuals, foundations and corporations
 - \$60 million was from a separate campaign for Harris Theater.
- The park is not the burden that many say it is.



The Legacy and The Heritage



Heritage at Millennium Park Real Estate Tax Generation

Tax Growth Rate	3.00%
City Borrowing Rate	4.50%
Total Residential SF	585,000
Value/SF	\$500
Residential Tax as % of Value	1.50%
Total Retail SF	110,000
Retail Tax \$/SF	\$9.09

\$174,839,911

Year #	Year Payable	Unit Taxes	Retail Taxes	Total Taxes	Discounted Taxes
1	2007	\$4,387,500	\$1,000,000	\$5,387,500	\$5,155,502
2	2008	\$4,519,125	\$1,030,000	\$5,549,125	\$5,081,500
3	2009	\$4,654,899	\$1,060,900	\$5,715,599	\$5,008,560
4	2010	\$4,794,340	\$1,092,727	\$5,887,067	\$4,936,667
5	2011	\$4,938,170	\$1,125,509	\$6,063,679	\$4,865,805
6	2012	\$5,086,315	\$1,159,274	\$6,245,589	\$4,795,961
7	2013	\$5,238,904	\$1,194,052	\$6,432,957	\$4,727,120
8	2014	\$5,396,072	\$1,229,874	\$6,625,945	\$4,659,266
9	2015	\$5,557,954	\$1,266,770	\$6,824,724	\$4,592,387
10	2016	\$5,724,692	\$1,304,773	\$7,029,466	\$4,526,467
11	2017	\$5,896,433	\$1,343,916	\$7,240,349	\$4,461,494
12	2018	\$6,073,326	\$1,384,234	\$7,457,560	\$4,397,454
13	2019	\$6,255,526	\$1,425,761	\$7,681,287	\$4,334,332
14	2020	\$6,443,192	\$1,468,534	\$7,911,725	\$4,272,117
15	2021	\$6,636,487	\$1,512,590	\$8,149,077	\$4,210,795
16	2022	\$6,835,582	\$1,557,967	\$8,393,549	\$4,150,353
17	2023	\$7,040,650	\$1,604,706	\$8,645,356	\$4,090,778
18	2024	\$7,251,869	\$1,652,848	\$8,904,717	\$4,032,059
19	2025	\$7,469,425	\$1,702,433	\$9,171,858	\$3,974,183
20	2026	\$7,693,508	\$1,753,506	\$9,447,014	\$3,917,137
21	2027	\$7,924,313	\$1,806,111	\$9,730,424	\$3,860,910
22	2028	\$8,162,042	\$1,860,295	\$10,022,337	\$3,805,490
23	2029	\$8,406,904	\$1,916,103	\$10,323,007	\$3,750,866
		\$142,387,027	\$32,452,884	\$174,839,911	\$101,607,203

Legacy at Millennium Park Real Estate Tax Generation

Tax Growth Rate	3.00 %
City Borrowing Rate	4.50 %
Total Residential SF	589,000
Value/SF	\$600
Residential Tax as % of Value	1.50 %
Total Retail SF	7,500
Retail Tax \$/SF	\$9.09

\$174,245,433

Year #	Year Payable	Unit Taxes	Retail Taxes	Total Taxes	Discounted Taxes
1	2010	\$5,301,000	\$68,182	\$5,369,182	\$5,137,973
2	2011	\$5,460,030	\$70,227	\$5,530,257	\$5,064,222
3	2012	\$5,623,831	\$72,334	\$5,696,165	\$4,991,530
4	2013	\$5,792,546	\$74,504	\$5,867,050	\$4,919,881
5	2014	\$5,966,322	\$76,739	\$6,043,061	\$4,849,261
6	2015	\$6,145,312	\$79,041	\$6,224,353	\$4,779,654
7	2016	\$6,329,671	\$81,413	\$6,411,084	\$4,711,047
8	2017	\$6,519,561	\$83,855	\$6,603,416	\$4,643,424
9	2018	\$6,715,148	\$86,371	\$6,801,519	\$4,576,772
10	2019	\$6,916,603	\$88,962	\$7,005,564	\$4,511,077
11	2020	\$7,124,101	\$91,631	\$7,215,731	\$4,446,325
12	2021	\$7,337,824	\$94,380	\$7,432,203	\$4,382,502
13	2022	\$7,557,958	\$97,211	\$7,655,169	\$4,319,595
14	2023	\$7,784,697	\$100,127	\$7,884,825	\$4,257,591
15	2024	\$8,018,238	\$103,131	\$8,121,369	\$4,196,478
16	2025	\$8,258,785	\$106,225	\$8,365,010	\$4,136,241
17	2026	\$8,506,549	\$109,412	\$8,615,961	\$4,076,869
18	2027	\$8,761,745	\$112,694	\$8,874,439	\$4,018,349
19	2028	\$9,024,598	\$116,075	\$9,140,673	\$3,960,670
20	2029	\$9,295,336	\$119,557	\$9,414,893	\$3,903,818
21	2030	\$9,574,196	\$123,144	\$9,697,340	\$3,847,782
22	2031	\$9,861,422	\$126,838	\$9,988,260	\$3,792,551
23	2032	\$10,157,264	\$130,643	\$10,287,908	\$3,738,113
		\$172,032,737	\$2,212,697	\$174,245,433	\$101,261,726

Just Two Projects Real Estate Tax Generation

<u>Year #</u>	<u>Year Payable</u>	<u>Total Heritage & Legacy</u>	<u>Total Discounted Heritage & Legacy</u>
1	2007	\$5,387,500	\$5,155,502
2	2008	\$5,549,125	\$5,081,500
3	2009	\$5,715,599	\$5,008,560
4	2010	\$11,256,249	\$10,074,640
5	2011	\$11,593,936	\$9,930,028
6	2012	\$11,941,754	\$9,787,491
7	2013	\$12,300,007	\$9,647,001
8	2014	\$12,669,007	\$9,508,527
9	2015	\$13,049,077	\$9,372,041
10	2016	\$13,440,549	\$9,237,514
11	2017	\$13,843,766	\$9,104,918
12	2018	\$14,259,079	\$8,974,226
13	2019	\$14,686,851	\$8,845,409
14	2020	\$15,127,457	\$8,718,442
15	2021	\$15,581,280	\$8,593,296
16	2022	\$16,048,719	\$8,469,948
17	2023	\$16,530,180	\$8,348,370
18	2024	\$17,026,086	\$8,228,536
19	2025	\$17,536,868	\$8,110,424
20	2026	\$18,062,974	\$7,994,006
21	2027	\$18,604,864	\$7,879,259
22	2028	\$19,163,010	\$7,766,160
23	2029	\$19,737,900	\$7,654,684
24	2030	\$9,697,340	\$3,847,782
25	2031	\$9,988,260	\$3,792,551
26	2032	\$10,287,908	\$3,738,113
		\$349,085,344	\$202,868,929

\$349,085,344



Just Two Projects

Annual Household Incomes

very conservative

	Heritage	Legacy
Average Selling Price	\$ 500	\$ 610
Average SF/Unit	1,600	1,660
Average Chunk Price	\$ 800,000	\$ 1,012,600
80% Monthly Payment	\$3,837.12	\$4,856.84
Monthly Condo Assessment	\$ 1,000.00	\$ 1,265.75
Imputed Household Income	\$ 207,305.29	\$ 262,396.67
Annual Income of Owners	\$ 74,215,292.71	\$ 93,150,816.75
Number of Units	358	355

\$167,366,109



The Legacy from Pritzker Pavilion



The Legacy from Buckingham Fountain