IF YOU BUILD IT, THEY WILL COME?

A STUDY OF ECONOMIC DEVELOPMENT AND BALLPARKS IN CHICAGO

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Senior Thesis for the Urban Studies Program

Barnard College, Columbia University

April 18, 2018

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Abstract

There is more to ballparks than the hot dogs sold or the games played inside of them. Scholars argue that although local governments invest in new stadiums as tools of economic revitalization, the intended benefits often fall short. These scholars, however, analyze ballparks at a regional level. By taking a wide scope they overlook smaller scale results and impacts at the neighborhood level.

Wrigleyville, the Chicago neighborhood surrounding Wrigley Field home of the Chicago Cubs, contrasts sharply with Armour Square, the neighborhood surrounding Guaranteed Rate Field (formerly US Cellular and Comiskey Park) home of the Chicago White Sox. While both neighborhoods contain a Major League Baseball field, Wrigleyville is a thriving community and commercial center, whereas Armour Square, is still struggling from its industrial past and is divided across racial and ethnic lines. Using Wrigleyville and Armour Square as case studies for the relationship between economic development and ballparks, this paper considers the extent to which these ballparks stimulate economic development and affect city initiatives. For ballparks to have a net-positive impact on neighborhood economic development, the community must view the ballpark as an asset. Further, private investment by the ballpark owners is the key to creating a thriving neighborhood surrounding the ballpark.
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Acknowledgements

I would like to thank Professor Mary Rocco for her guidance throughout the writing of my thesis from the initial idea stage to the final draft. I would like to acknowledge my classmates in my senior seminar class led by Professor Rocco—each of them has assisted me greatly by contributing feedback on my project and sharing their projects and experiences with me.

I also want to thank my previous professors at Barnard College, Columbia University and the Jewish Theological Seminary for nurturing my growth as a researcher and writer. Without their feedback and advice, I would not have been as successful throughout this process. Specifically, I want to acknowledge Professor Kathryn Yatrakis who allowed our junior colloquium class to use part of our thesis topics as case studies for the final project in her class. I chose to focus on the Chicago Cubs, which provided me with an opportunity to delve deep into the history of the franchise, their ballpark, and its recent renovations.

Additionally, I want to thank Tim Jeffries, the Deputy Commissioner of the Economic Development Bureau at the City of Chicago Department of Planning and Development for his suggestions when I felt lost while trying to find certain documents about city programs. I also want to thank a family friend for connecting me with senior management at the Chicago Cubs. These sources were extremely helpful for my thesis.

Lastly, I am so appreciative of my family and friends for their unwavering support. Thank you for sharing in my excitement and the stresses throughout the process of writing my thesis. Specifically, I want to thank my parents and siblings; without our family’s love for baseball and the Chicago Cubs, this topic would have never been born.
**Introduction**

Throughout the 1990s, 60 major league sports facilities were constructed in the United States. During this time, $18 billion was spent on major league facilities, 55% of which came from public sources and funds (Chapin 2004, 194). By 2006, “89 of the 120 major league teams in the “Big Four” North American sports, football, baseball, basketball, and hockey, played in facilities built or significantly refurbished since 1990” (Matheson et al. 2006, 2).

Studies have shown that construction and redevelopment of stadiums do not always have positive economic development benefits (Baade and Dye 1990, 13; Chapin 2004). While city officials often claim that ballparks are tools for economic development and can improve the neighborhoods or their city in order to justify support for the major projects, the evidence indicates otherwise. As such, the debate surrounding the economic development outcomes of ballparks in cities continues.

Cross-town rivalry, such as that between the Chicago Cubs and the Chicago White Sox in the Windy City, is a way of life. Beyond the team loyalty, the ballparks and surrounding neighborhoods are very different. However, Wrigleyville did not always look this way; over the past few decades Wrigley Field ignited the creation of Wrigleyville. The neighborhood has grown into its role as the home of one of America’s most beloved teams, and the ballpark has grown to meet the demands and expectations of fans. On the south side of Chicago, by contrast, the White Sox followed a different track. Instead of renovating the old ballpark, Comiskey Park, the Chicago White Sox ballpark, was reconstructed across the street from its original site in 1991 using state funds.
City officials support economic development in a variety of ways. Since the 1980s, Chicago has had more than a dozen different tax incentive or tax break programs. For example, Tax Increment Financing (TIF), a public financing method, is one of the most widely used taxing programs around the city and across the nation. The program came to Chicago in the 1980s and the TIF districts were established in neighborhoods near Comiskey Park since 1999 (City of Chicago: Department of Planning and Development 2018). Despite the proximity and opportunity for tax breaks, additional economic development interventions have not partnered with the neighboring ballpark.

There lacks sufficient scholarship to examine the neighborhood-level impact on ballparks on economic development; rather it is often studied at a regional scale. Lacking such knowledge, team ownership and other partners of stadium development, such as city or state governments, cannot determine the best ways to build, redevelop, or manage ballparks. Nor can cities, teams, or development companies understand where ballparks should be constructed or how they should interact with their surroundings and other economic development intervention methods to maximize economic impact. Prevailing research questions the economic development outcomes of stadiums and ballparks. With insight into the impact of ballparks on neighborhood economic development, cities could use ballparks intentionally to drive neighborhood economic development.

From this context, this paper explores the relationship between economic development and ballparks. Specifically, the comparative analysis compares the various economic development interventions near Wrigley Field and Comiskey Park in Chicago, Illinois, and examines the characteristics of the ballparks themselves. Using historic research, open source media, and policy analysis, this paper seeks to understand the
economic development in the two neighborhoods surrounding the two ballparks in Chicago. The thesis focuses on city economic development interventions: mainly those focused on physical development, ballparks’ expansions and upgrades led by team owners, and neighborhood development. Chapters One and Two provide in depth case study analysis of the two neighborhoods with ballparks. Chapter Three compares these two case studies and presents policy recommendations for positive economic development outcomes of ballparks.
Literature Review

Scholarship surrounding contemporary economic development policies centers on the impact of those policies on overall economic outcomes for the city and region. Betz, et. al (2012), pioneering theorists in the field of economic development, have asserted that such policies often do not have a positive impact on economic outcomes. Yet this approach oversimplifies the connection between overall economic development and intervention at the neighborhood-level. A thorough analysis of the success of economic development policies necessitates an understanding of the nuances of local policies. Aside from the issue of quantifying economic development and the success of various tools, there is a gap in sociological, economic, and physical development literature in regard to the impact of interventions and incentives at a neighborhood level.

Sociologists and economists have studied the impact of large economic development projects, such as professional sports team revenues and stadiums, at a regional level. Scholars, such as Andrew Zimbalist, a leading sports economist, conclude that while cities justify using public money to build stadiums with the claim that stadiums stimulate economic development, in reality, the intended benefits such as increased business activity, tax revenues, greater employment, and civic pride often go unrealized (Noll and Zimbalist 1997; Sanderson 2000, 176.). However, this conclusion has two major blind spots: there is no neighborhood-level analysis on the impact of stadiums and the analysis does not focus on ballparks specifically.

This literature review will explore the relationship between economic development and ballparks to the neighborhood. First, it will highlight the importance of the neighborhood perspective when thinking about economic development. Specifically, this
section will note the role of small businesses, physical neighborhood development, and the political economy. Then, this literature review will explore scholarship on ballparks and stadiums in regard to economic development.

**The Neighborhood Perspective**

The literature does not provide a neighborhood level analysis of the benefits ballparks provide. Neighborhoods are often a matter of perspective and may not be formally delineated. Citizens may disagree with formal geographic or political boundaries, which often oversimplify nuanced cultural and historical characteristics. Throughout history, the term “neighborhood” has been defined differently—as a social entity, physical entity, or political entity (Rohe and Gates 1985, 17, 26, 41). In addition, a good neighborhood has a magnetizing point that attracts and creates community life (Greenberg 1995, 131). Scholars agree that the neighborhood center should attract visitors without it interrupting the neighborhood (131). The neighborhood experience matters and residents, who share an experience due to their shared geographic space, are a key component.

While the respective ballparks define Wrigleyville and Armour Square as neighborhoods, their impact spans beyond the neighborhood. Scholars explain that while neighborhoods have informal and formal boundaries, communities have an “official identity” that is “a larger area, geographically defined but composed of several neighborhoods” (Chaskin 1997, 528). This explains why measuring economic development can be difficult at a neighborhood-level.

Regardless of the boundaries of a neighborhood, physical features impact social activity on commercial streets (Mehta 2002). Sidewalks, seating, shade, and other street landscapes become “much more useful and meaningful for people when there are
community gathering places and a variety of activity-supporting stores and other land uses at the street and vice versa” (Mehta 2002, 181-2).

Neighborhood plans and nearby infrastructure impact each ballpark and its opportunity for growth. The new urban ballparks of the 1990s, like the new Comiskey, are often bigger and thus built on land that is not part of the grid system (Bess 1996, 28). This reduces their pedestrian traffic and the access to nearby businesses (Bess 1996, 27). When ballparks are built in isolation from the grid system, it is harder for ballparks to integrate into their surrounding communities.

Local business development cultivates inviting neighborhood corridors. While previous scholarship indicates that businesses respond to broader economic factors such as unemployment and firm dynamics, when performed at a regional scale, scholars find “no evidence of influence attributable to population or income dynamics, unemployment level, or local government spending” (Sutaria and Hicks 2004, 241). However, when examining indicators besides business development, neighborhood level analysis provides a different picture.

Galster, Hayes, and Johnson (2005) suggest that both residential and business data indicators are necessary to track neighborhood change (Galster, Hayes, and Johnson 2005). Howsley-Glover’s (2013) provides an example of how to study neighborhood change from a commercial perspective. She rejects much of the earlier research on invasion and claims that change relies on residents. Rather she suggests that “the succession of pre-existing business appears to be related more to broader economic factors” (Howsley-Glover 2013, 5). As such, the continuation of businesses is a condition of broader economic factors, while the formation of new businesses in a neighborhood cannot necessarily be attributed
to broader economic factors. Neighborhood economic development is led by various forces—city initiatives, community groups, and businesses.

Since city government often sponsors local initiatives, it is important to analyze neighborhood economic development through a municipal, rather than a state, lens. While neighborhood level analysis is important, it cannot take place without consideration of city-led initiatives.

Neighborhood development literature often debates growth coalitions. A growth coalition is a group of actors with various interests that motivates changes to a neighborhood. Scholars suggest that growth coalitions are strong forces in the construction and initiatives of stadiums, often overpowering community opposition (Delaney and Eckstein 2006, 84). There are several forces exerting themselves on the neighborhood: the city where the neighborhood exists via city planning and economic development, the residents and civic organizations, and business interests from team owners and local businesses.

Ballparks are a concern of the owners, the city, the state, and the local residents. Owners of the ballpark have a business interest and thus want their property to succeed. Often the city or state also has a financial stake in the ballpark deal; besides any direct ownership, the government also collects tax revenue from commercial activity that is generated in the space. The residents care about the ballpark as fans and as neighbors living in the same geographic space. Day (1997) complicates the balance of interests by addressing the problematic nature of citizen involvement in the planning process. To understand how the different interests of a neighborhood factor into planning decisions, the San Francisco Department of Public Health worked with other city agencies, businesses,
nonprofits, and residents to determine a list of factors to influence policy made by the Department of City Planning (Rajiv 2014, 1914). The project in San Francisco is unique; other cities have not adopted this method. Specifically, San Francisco aimed to encourage healthy urban development and the comprehensive input contributed to developing a large list of indicators “to identify disparities in environmental and social conditions” (Rajiv 2014, 1914). The widespread input contributed to more exhaustive efforts of urban development.

Although scholars, community members, and city planners might disagree about the specific goals of development, most development initiatives are about “stimulating or expanding the economic base of the community and enhancing the city’s fiscal resources, namely the land it owns” (Pelissero, Henschen, and Sidlow 1993, 171). Applying this theory to sports-led development in Chicago, Pelissero et. al assert that the goal is solely economic, and the community social development is often overlooked. However, more progressive governments do indeed worry about social concerns (Pelissero, Henschen, and Sidlow 1993, 171). In fact, some scholars suggest that the Chicago political machine is more important than the State of Illinois (Pelissero, Henschen, and Sidlow 1991). Indeed, Mayor Washington, not the Governor of Illinois, allowed the Chicago Cubs to play night games and incited the conversation for a new stadium (Pelissero, Henschen, and Sidlow 1993, 166-7). There are various forces behind neighborhood development, and the decisions by the actors are often for economic interests.

By recognizing the multitude of actors involved in neighborhood development, scholars advocate for pluralistic planning so that more voices are heard in the planning process (Davidoff 1965). Scholars assert that planning should not be copies of previous
plans nor prescriptions; rather, planners should consider the values of the community (Davidoff 1965, 423). Communities and community groups impact the development of the neighborhoods and their economy; in fact, scholars argue that "local neighborhood groups are at the core of neighborhood planning programs" (Rohe and Gates 1985, 70). Interestingly, Robin (1990) in her how-to guide for saving a neighborhood, notes that most people do not enjoy living next to big institutions, because residents often feel undervalued when cities prioritize the institution’s well-being over their own (Robin 1990, 318).

For community groups, "the dependence of various actors—capitalistic firms, politicians, people—on the reproduction of certain social relations within a particular territory" impacts the neighborhood (Cox and Meir 1988, 307). Scholars suggest that various forces try to continue and sustain the social ties already in place. For example, black business owners in Fort Greene, Brooklyn, were successful in restructuring the commercial area by "cultivating political clout, establishing civic alliances, participating in neighborhood planning, and promoting the commercial district as an economic and cultural enclave" (Sutton 2010, 352). Although these business owners successfully created a thriving business area, “merchants failed to develop mechanisms to sustain their vision and advance commercial revitalization" (Sutton 2010, 352). This example illustrates that it takes not only business owners, but also the actual residents, or buyers, to influence commercial success, because the businesses need customers. Likewise, economic development initiatives are only successful when residents and business owners take advantage of the initiative and invest in the area.

Furthermore, communities engage in urban development through community benefit agreements (CBA). CBAs are tools of compromise between residents and
developers (Musil 2012). CBAs are “private agreements between a developer and NGOs” (Marantz 2015, 263). Although the parties involved in the LA Sports Entertainment District (LASED) CBA, have followed many, but not all of the provisions of the CBA, "the LASED experience demonstrates how community groups can use a CBA to influence the expenditure of public funds" (Marantz 2015, 263).

It is difficult to draw a causal relationship between the CBA (and not what would normally happen through government programs or other agreements) and economic development outcomes: jobs, affordable housing units, parks and recreational facilities (Marantz 2015). In LA, community groups won a settlement to stop the construction of a professional football stadium downtown (Saito 2018). Lower-income Latinos organized and gained strength at the electoral level in order to promote development that would actually benefit residents (Saito 2018, 24-25). Community organizing is at times a stronger force than monetary support.

In addition to community interests, business interests are also a factor in constructing sports facilities. When the Marlins organization was looking to build a new stadium, businesses and corporations in Fort Lauderdale and Miami fought to have the Marlins move to their city (Chabot and Muellner 1999). The fact that businesses and corporations wanted the baseball team in their respective cities lends support to the conventional wisdom that stadiums stimulate economic growth and have an overall positive impact. However, politicians in these two Florida cities stated that they did not endorse a stadium in their city, emphasizing the tension between stakeholders and the variety of competing interests.
City governments where the neighborhoods exist also exert force through economic development policies such as taxes and incentives. Betz, Partridge, Kraybill, and Lobao (2012), leading scholars in local economic development, claim that contemporary economic development policies often do not have a positive impact on economic outcomes (Betz, Partridge, Kraybill, and Lobao 2012, 362). In fact, contrary to conventional wisdom, Betz, et. al (2012) found that “the use of incentives is inversely related to local economic conditions” (361). However, cities, especially those with larger governments, continue to provide and even initiate economic development programs because the public is seemingly unaware of the ineffectiveness and Republican politicians claim it is a way to support the private sector (Betz, et. al 2012, 385-385).

There are three distinct schools of thought for economic development policy. First, the traditional approach focused on job growth through exports (Bartik 1990, 361). Second, the “new wave” approach is widely embraced by local governments, Chicago included, as it targets the region through emphasis on “economic innovation” to encourage small business mostly in the technology sector (Bartik 1990, 361). Finally, the “market failure” approach tailors intervention to correct private market inefficiencies in supply and demand. While the approach “allows a wise use of limited government resources” and can easily be measured through currency indicators, it often results in negative spillover effects (Bartik 1990, 367). These lead to policy outcomes beyond the tangible dollar benefits. These approaches occur at the local level.

A few years later, Bartik provided an analysis and recommendation for local and federal economic development policy which extends his prior work (1995). Bartik supports the traditional market approach and suggests that at a local/state level, incentives should
be rewarded to businesses that create more jobs at higher pay and states should focus on areas with high unemployment rates (Bartik 1995). This ideology explains the concentration of economic development initiatives targeted for certain geographic areas.

Tax breaks and incentives are economic development tools often offered to a specific geographic area (Bartik 2016). Property-led urban economic development is a public-sector strategy toward revitalizing an area, often one that formerly had heavy industry (Wolf-Powers 2005, 380). Fiscal policy as “a redistributive tool and as an instrument to promote economic growth… in the short run, increased public investment could stimulate growth and, in turn, reduce income inequality" can work in collaboration with property-led development (Muinelo-Gallo and Sagales 2012, 63). This logic, of concentrated fiscal policies and property-led development, is often used to defend the use of public funds to build ballparks because some scholars suggest the intended benefits of neighborhood revitalization (Roger and Zimbalist 1997).

**Ballparks vs. Stadiums**

Scholars analyze stadium development through the lens of both regional and local economic development. Federal, state, and municipal governments work, often via fiscal policy or other incentive programs, to spur economic development. There is controversy in the scholarship about whether or not ballparks and stadiums are tools of economic development.

In the case of large projects, like stadiums, public subsidies start at the federal level “which allows state and local governments to issue tax-exempt bonds to help finance sports facilities” (Roger and Zimbalist 1997, 35-36). However, most politicians’ arguments for the economic benefit of stadiums are an exaggeration; and in fact, “building a stadium is
good for the local economy only if a stadium is the most productive way to make capital investments and use its workers” (36). Measuring the success of a stadium in this way is quite orthodox and simplistic. Rather, the team creates a “public good” that one cannot measure, and indeed this is an intangible benefit (Roger and Zimbalist 1997, 37).

The two case study neighborhoods, Wrigleyville and Armour Square, are quite different from each other on measurable and intangible standards. One method to evaluate an area is through its community capacity. Scholars agreed that “participation and leadership, skills, resources, social and interorganizational networks, sense of community, understanding of community history, community power, community values, and critical reflection” are characteristics to assess community capacity (Goodman et. al 1998, 258). Knowing the various components that contribute to community capacity, some scholars suggest targeting those assets first and then implementing larger projects (Goodman et. al 1998, 259-260). Ballparks may contribute to community capacity as they help foster a sense of community, but they also can come in tension with community power and values.

Ballparks are “urban anchors—geographically rooted entities that offer the jobs, services, entertainment options, social centers, and other necessities and amenities that make urban life attractive” (Birch, Griffin, and Lam 2013, 1). Birch, Griffin, and Lam (2013) discuss three case studies: Progressive Field, home of the Cleveland Indians, Citizens Bank Park, home of the Philadelphia Phillies, and Nationals Park, home of the Washington Nationals. All three ballparks were built with public monies (Birch, Griffin, and Lam 2013). Birch et. al’s from the Urban Institute of Research, illustrates how each ballpark deal is complicated and how the neighborhoods in which they are built have developed in different ways (Birch, Griffin, and Lam 2013).
Similar to when ballparks enter neighborhoods, universities are a good example for considering the impact of anchor institutions on neighborhoods. In the 1980’s and 1990’s universities acted as anchor institutions “often designed to stabilize the neighborhood’s conditions, induce improvement, and/or catalyze broad revitalization via private investment” (Ehlenz 2016, 716). Like universities, ballparks can improve a neighborhood through investment, specifically privately if the ballpark is owned by the team. In addition to the physical neighborhood development, Seifried and Clopton suggest considering sports facilities through the lens of the Social Anchor Theory. According to this theory “organizations and/or institutions can contribute to the development of the overall community through two components: social capital and collective identity” (Seifried and Clopton 2013, 49). This reflects the two different goals of urban development: stimulating the community and social objectives like “the quality of life for area residents” (Pelissero, Henschen and Sidlow 1993, 171).

Ballparks are mega projects that are often justified as a tool for economic development (Roger and Zimbalist 1997). However, construction and redevelopment of stadiums bring "uncertain levels of impact on economic development activity and possibly a negative impact on local development relative to the region" (Baade and Dye 1990, 13). Roger and Zimbalist (1997) suggest that economic studies often conclude that “stadiums do not serve as catalysts for economic development, nor do they constitute good public investments” (Sanderson 2000, 173).

However, Allen Sanderson suggests “microeconomic theory can lead to a justification of ballparks and stadiums and explains why local residents vote in favor of them” (Sanderson 2000, 173). Further, Santo (2005) redid Baade and Dye’s study (1990),
using new data. His findings contradict Baade's and Dye's conclusions that ballparks have a negative impact on regional development. Instead, Santo (2005) argues that "sports-related variables" and new baseball stadiums have a significant positive impact on regional income (Santo 2005, 177, 185). Furthermore, he argued that stadiums are more successful when they are located downtown in a more central location (Santo 2005). Indeed, a proper site is necessary for sports facilities to cause further development in the area (Bess 1996, 30). Ballparks can positively impact an area when an appropriate site is chosen.

Indicators for the economic impact of ballparks rarely include neighborhood specific indicators. Nola Agha and Daniel Rascher, sports economists from the University of San Francisco, conclude that the nine conditions that have economic impact for Major and Minor League Baseball are: new visitors, geographic isolation, locals change spending, locals stay locally, leakages, government spending, new stadium, venue utilization, and crowding out (Agha and Rascher 2016). Agha and Rascher (2016) complicate their research and claim "it is entirely reasonable that major league teams do not generate economic impacts because of their large leakages and crowding out effects" (Agha and Rascher 2016, 200). Leakages refer to money spent outside of the local economy and crowding out effects is when locals avoid being in the area during games (Agha and Rascher 2016, 189, 197). Again, the location is important and can impact the ballpark’s economic impact.

Just as there is no unified research determinations on the economic impact of stadiums, scholars remain divided on the best ways to finance and operate them. Specifically, looking at stadiums and venues, Sapotichne and Smith (2012) find that as to Comiskey Park in Chicago and Safeco Field in Seattle, "policy-making authority shifted
from city government to extrarban venues." (Sapotichne and Smith 2012, 86). After opposition from local actors, both teams looked to state-level politicians and were successful in their efforts for new ballparks. In the case of the White Sox, the state owns the land and the ballpark.

Most case studies analyze the impacts of public-private partnerships (P3s) as financing arrangements (Birch et al 2013; Propheter and Hatch 2015). While P3s are the most commonly used method for funding sports facilities, they vary significantly in structure (Propheter and Hatch 2015, 909). For example, Seattle used a unique lease purchase financing agreement to avoid voter approval and protect franchise interests (913). Additionally, the structure lessened public investment in stadium construction in return for rights to facility revenue by involving an outside investment group in addition to the city and franchise (913).

However, another commonly used method for the establishment of a new stadium is the creation of a public stadium authority that owns and operates the facility for the team (Pelissero, Henschen, and Sidlow 1993, 163). Often these deals are favorable to the team and are used in order to entice the team to remain in the current city (Pelissero, Henschen, and Sidlow 1993, 163). This management designation puts the responsibility of the stadium on the public agency.

Current literature on economic development ultimately concludes that sports stadiums have little direct economic returns (Chapin 2004). Yet public entities continue to invest in stadiums as economic development tools. This paradox needs to be investigated further in order to understand why places like Chicago continue this investment.
Indeed, the Chicago White Sox threatened to move to Florida in 1988 and the threat caused the city and state to act, ending with the state building a new stadium for the White Sox (Chanayil 2002, 885). City officials can cite Chapin (2004) as the reason to invest in ballparks. Chapin (2004), a leading scholar on the role of sports facilities in the promotion of urban redevelopment, concludes sports facilities, such as Camden Yards in Baltimore or Cleveland Stadium, will continue to serve as local economic development tools despite their small successes (Chapin 2004). While the stadium in Cleveland revitalized the neighborhood as an entertainment area downtown, in New York, the Yankees Stadium in the Bronx has yet to produce the neighborhood benefits people desired (Chapin 2004, Chanayil 2002). In fact, there was a discussion to move the stadium to Manhattan. However, the Bronx site is more advantageous for New York as the city partakes in too much Manhattan-centric planning, especially since past experiences show stadiums do not benefit municipal investments (Chanayil 2002). "The debate on where the Yankees ought to be located so far revolved around political interests" (Chanayil 2002, 885). However, perhaps the ballpark would have spurred economic development if it were in downtown Manhattan like Santo (2005) suggests.

Mathson, Baade, and Nikolova (2006) were first to compare the economic impact of the two ballparks in Chicago. They conclude that "the economic development induced by stadiums may not be in the best economic interests of the neighborhoods" (14). Yet their approach is myopic and underdeveloped, and at this point outdated. Furthermore, the research does not consider the relationship that the owners and teams have with the city and other initiatives in the area.
The literature does not provide a neighborhood level analysis of the benefits ballparks provide. The neighborhood matters. Local economic development is achieved through thriving commercial corridors and urban development initiatives and incentives. Furthermore, the literature while focusing at the regional level is also primarily concerned with stadiums and sports facilities. These often have a larger physical footprint and host a wider variety of events. Ballparks, as the home to only one sport for only part of the year are different; the neighborhood is influenced by the ballpark and its team year-round, and vice versa, the neighbors are impacted by ballpark and often have an affinity to the team.
Methods

Using case study methodology, this study explores economic development interventions from the early 1990s through the present in the two neighborhoods where Chicago’s ballparks are located. This project focuses on the history of the ballparks and the economic development interventions in the two neighborhoods. I analyzed archival materials, media reporting and policy documents to explore the relationship between economic development and the ballparks.

The City of Chicago Department of Planning and Development Data Portal and website publicize their economic development programs and have information about the programs. I developed a data matrix to note which programs were present in each neighborhood, as this project includes a comparison and policy analysis of the various programs in each neighborhood. To analyze the Tax Increment Financing (TIF) program I used Cook County Financial data.

Through semi-structured interviews with key informants, I triangulated the data sources and filled in gaps. I interviewed Brian Parker, Principal/National Director of Sports Economics, AECOM; and Senior Management, the Chicago Cubs. Tim Jeffries, City of Chicago Department of Planning and Development was a great resource as well. I reached out to Alderman Tunny and Alderman Thompson, representing the two wards where Wrigley Field and Comiskey Park are located, respectively; and they both declined to be interviewed.

This project uses two specific ballparks and their neighborhoods as case studies and cannot be generalized to all ballparks in the US. Nonetheless, this research reveals the different outcomes in neighborhoods and explores the relationship between economic
development and ballparks in Chicago. Some of these findings might inform similar studies in other cities.
Background

The City of Chicago 1980-2010, A Brief Economic History

At the end of the 20th century Chicago had grapple with the after effects of industrial decline. In the 21st century, it emerged as an economically diverse metropolitan economy. Post-industrialization in Chicago began in the 1980s. Once a huge industrial city with its famous slaughter houses and stockyards, by the early 2000s, scholars applauded Chicago for its transition from “brawns to brains” and the its creation of a new role for itself (Doussard et al. 2009, 186). In the late 1980s factory workers lost their jobs, in the early 2000s it was the executives and managers who lost their jobs during the 2001 recession (Doussard et al. 2009, 193-195). Coming out of deindustrialization, Chicago can boast that it is now one of the most diverse metropolitan economies in the United States (Doussard et al. 2009, 198). The economic make-up of Chicago is also diverse with many, different markets, and downturns that have impacted various people throughout the years.

Chicago’s transition occurred with some unique challenges. Throughout the years, there has been a steady increase in income inequality (Doussard et. al. 2009, 200). However, this inequality is nothing new. Indeed, gentrification, a process of neighborhood change defined as “the process by which central urban neighborhoods that have undergone disinvestments and economic decline experience a reversal, reinvestment, and the immigration of a relatively well-off middle- and upper middle-class population”, in Chicago from 2007-2009 was negatively correlated with “with the concentration of blacks and Latinos in neighborhoods that either showed signs of gentrification or were adjacent and still disinvested in 1995” (Hwang and Sampson 2014, 727, 726). Chicago’s inequality is persistent.
Briefly, it is worth noting the different mayors throughout this time period. Harold Washington, Chicago’s first black mayor, served from 1983-87. He died in office and David Orr served in 1987 as an interim. Eugene Sawyer was elected and served from 1987-89. From 1989-2011, Mayor Richard M. Daley was in office. Daley did not run for re-election in 2011 and Rahm Emanuel (2011-present) followed him. Under Washington, Chicago began using Tax Increment Financing and Daley added many more economic development programs.

Chicago has been and continues to be a city of baseball. Chicago is "home to a combination of league builders, sports entrepreneurs, and Hall of Famers with no equals" (Pernot 2015, 1). In fact, Chicago has been the only city to continue to be the home for more than one team since 1901 when the American League was established (Sherony and Knowles 2009, 107). Two professional baseball teams have been in Chicago for over a century, so the competition runs deep, and the civic pride is intense for each team.

**Economic Development Initiatives in Chicago**

Since the 1980s, the City of Chicago has created additional economic development initiatives to support business owners, residents, and neighborhoods. Qualifications for the different tools are typically determined by either a resident’s income or the geographic location being served. The City of Chicago offers many incentives, more than the county, state, or federal tax breaks. Specifically, it is important to mention the economic development tools that are geographically bounded and present in either of the two neighborhoods studied as they are analyzed in the chapters of this thesis.
**Tax Increment Financing**

When the stockyards closed in 1980, the City of Chicago needed to find a way to redevelop the area (Healey and McCormick 1999, 27). The State approved and introduced Tax Increment Financing (TIF) in Illinois in 1977 because of a large cut to federal and state economic development funds (Healey and McCormick 1999, 27). Chicago enacted its first district in 1984 (Healey and McCormick 1999, 27). By 1999 there were more than 75 TIF districts and today there are more than 150 districts (Healey and McCormick 1999, 27; City of Chicago: Department of Planning and Development 2018). TIF program funding comes from real estate taxes. A TIF district typically lasts 23 years (City of Chicago: Department of Planning and Development 2018). By attracting investment and city revenues through land value appreciation, the money is recirculated into the neighborhood for improved infrastructure, parks, and housing. TIFWorks¹, TIF-Neighborhood Improvement Program², and Small Business Improvement Fund³ have all spun off of the TIF model.

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¹ “TIFWorks stimulates business success by funding workforce-training costs for companies located in tax increment financing (TIF) districts. With TIFWorks support, businesses can become better equipped to improve performance and productivity, expand product lines and gain new customers” (City of Chicago: Department of Planning and Development 2018).

² “The Tax Increment Financing-Neighborhood Improvement Program (TIF-NIP) provides home repair grants for single-family residences (1-4 units). Grants are primarily for exterior repairs, however, up to 30% of the grant may be used for interior repairs that are health and safety related. An exception is made to the 30% limit for energy conserving measures, including air sealing the home, replacing the boiler or furnace with a high-efficiency model and installing roof insulation below R-49” (City of Chicago: Department of Planning and Development 2018).

³ “The Small Business Improvement Fund (SBIF) program uses Tax Increment Financing (TIF) revenues to help owners of commercial and industrial properties within specific TIF districts to repair or remodel their facilities for their own business or on behalf of tenants” (City of Chicago: Department of Planning and Development 2018).
Special Service Areas

Like Tax Increment Financing, Special Service Areas (SSAs), often called Business Improvement Districts (BIDs) in other cities, are also local tax districts, and in fact many SSA overlap with TIF districts (City of Chicago Office of Inspector General 2012). Area businesses and residents pay an additional tax that funds the SSA they are located in (City of Chicago: Department of Planning and Development 2018). “An SSA is an economic development tool that enables an area’s residents and business owners to raise property taxes to fund services such as sidewalk maintenance, landscaping, security, and local business advertising provided by an appointed Service Provider Agency” (City of Chicago Office of Inspector General 2012).

Enterprise Zone Program

The Enterprise Zone program offers tax incentives, both at the state and city level, to companies relocating or growing within “depressed areas” (City of Chicago: Department of Planning and Development 2018). Like TIF, the Enterprise Zone Program started in 1988 and currently has six zones in Chicago (City of Chicago: Department of Planning and Development 2018).

New Markets Tax Credits

New Markets Tax Credit Program is supported by the federal government, but administered by a local agency. Congress approved the program in 2000 with the hopes of supporting low-income communities by subsidizing projects in the area that will provide jobs and services (Chicago Development Fund 2018). The Chicago Development Fund, “a non-profit affiliate of the City of Chicago” invests in these communities by supplying “below-market financing” (Chicago Development Fund 2018).
**Baseball Parks**

It is important to briefly discuss ballparks and stadiums during this time. In the 1990s, 60 major league facilities for various sports were constructed in the United States. During this time $18 billion was spent on major league facilities, with about 55% of that coming from public sources and funds (Chapin 2004, 194). It is clear that there was a construction boom of sports stadiums in the 1990s. In terms of specific downtown areas, from 1980-2004, 34 cities in North America invested in new sports facilities and by 2006 the majority of major league teams played in facilities that were constructed or underwent large improvements since 1990 (Chapin 2004, 194; Matheson et al. 2006, 2). The ballparks built in the 1990s were different from the ones built from the 1960s-1980s. The late modern ballparks of the 1960s-1980s tended to be multiuse stadiums with little character often built outside of downtown (Ritzer and Stillman 2001, 101). “Fans were disenchanted” and nostalgic for the traditional ballparks, like Fenway in Boston and Wrigley Field in Chicago (Ritzer and Stillman 2001, 101). Therefore, the postmodern ballparks addressed this issue and were built to bring charm to the fans in downtown urban areas (Ritzer and Stillman 2001, 101; 110).

The new construction worked to emulate the enchanting nature of baseball’s oldest ballparks, like Wrigley Field. This was the case made for the New Comiskey Park, “to build an old-fashioned ballpark with modern amenities” (Smith 2012, 115). Now, decades later, we can look back and try to understand the economic impact these stadiums, as one economic development tool, have had on their neighborhoods.
Chapter One: Wrigleyville

For over a century, Wrigley Field has been home to the Chicago Cubs. The Chicago White Stockings, which eventually transformed into the Chicago Cubs, was one of the eight original members of the National League established in 1876 (Chicago Cubs 2017). The Chicago White Stockings at the time were owned by William A. Hulbert and managed by A.G. Spalding, who was also their pitcher. The Chicago White Stockings won the first National League Championships in 1876 and set the standard as one of the top teams of the 1800s. Throughout the end of the 19th century, the team played in five different locations throughout Chicago (Chicago Cubs 2017). In 1902, a local newspaper the Chicago Daily News used the term “Cubs” as a nickname for the team and it prevailed, being officially recognized by the club in 1907. The Cubs also found themselves a ballpark, the West Side Grounds which was their home field from 1893-1915 (Chicago Cubs 2017). The Cubs won the World Series in 1907, something they would not do again until 2016.

Figure 1. Wrigley Field in 1927 (CNN 2017).
The Cubs moved to Wrigley Field, their current home, in 1916. The ballpark, initially named Weegham Park, then Cubs Park in 1920, and Wrigley Field in 1926, was built in 1914 by Charles Weegham for his team in the Federal League. The team later folded, yet the ballpark designed by Zachary Taylor Davis endured (Pacyga and Skerrett 1986, 103). To compensate for his lost team, Weegham purchased the Cubs from Charles Taft in 1916 and moved them to the field (Chicago Cubs 2017). Since 1916, the Cubs, despite changes in ownership (combined ownership of the team and the ballpark), have continued to play at Wrigley Field. Wrigley Field has always been a private entity separate from the government. However, given how the ballpark and the team are part of the fabric of the neighborhood and city, the city still plays a role. The City of Chicago has not aided in economic development initiatives related to Wrigley Field, but has pushed back on the owner’s initiatives. Private initiatives, however, have played a key role in the economic development of the neighborhood.

The neighborhood has formed around the ballpark. Wrigleyville falls in the 60613 and a little of 60657 zip codes and is part of the Lakeview Community Area. Many define Wrigleyville as bounded by Irving Park Road, Southport Avenue, Sheffield Avenue, and Addison Street, and the section of Clark Street south of Addison Street until it hits Sheffield Avenue.

**Brief History of Wrigleyville**

Wrigleyville is a part of the larger Lakeview neighborhood on Chicago’s north side. In 1887, Lakeview incorporated as a city and was annexed as part of Chicago in 1889 (Seligman 2004, 189). Before Wrigley Field, the area we call Wrigleyville had a different attraction: a German Beer Garden (Pacyga and Skerrett 1986, 102).

Wrigleyville has always been a residential neighborhood, although there have been some changes to the population. Primarily working class white people lived in Lakeview, mostly in homes, until the mid-twentieth century when developers built high-rise apartments (Seligman 2004, 189). Although Japanese American and Latino families joined the neighborhood after WWII, the change in housing attracted more single people and
couples without children, who populated the neighborhood, alarming some residents (Seligman 2004, 189-190). These concerned residents formed Lake View Citizens Council in response, and in hopes of avoiding a migration of families to the suburbs.

Puerto Ricans migrated into Lakeview for cheaper rent (Chicago Gang History 2018). This new addition led to the formation of white and Puerto Rican gangs. In Wrigleyville in the 1970s, there were serious gang issues between the “Aristocrats,” “Latin Eagles,” “Simon City Royals” and more. However, by the 1980s young people continued moving into the neighborhood and by the 1990s, there was little gang activity (Chicago Gang History 2018). “The early 1990s saw the last of major gang activity after the Gangster D moved near Wrigleyville, by the later 1990s the property they moved into was renovated, went up in value and yuppies took it all over” (Chicago Gang History 2018). According to Brian Parker, Principal/National Director of Sports Economics at AECOM Chicago, Wrigleyville was different in the 1980s and 1990s in comparison to the 2000s through today. Young drunk people walked throughout the neighborhood (Parker 2018). In fact, when exploring the different census tracts that make up the zip code of Wrigleyville, the 1990 median household income ranged from $13,393 to $38,375 ($27,771-76,703 in 2018 dollars) (US Census Bureau 1990). That being the case, there was a range of residents in the area in 1989. Today, young single people and couples live in Wrigleyville, as well as wealthy families (Parker 2018).

The median household income in Wrigleyville increased from 1990 to 2010 as the neighborhood experienced shifts in racial and economic demographics. By 2000, the median household income was more than $48,000 ($69,000 in 2018 dollars) while the median household income in the county was just over $45,000 (US Census Bureau 2000).
According to senior management at the Chicago Cubs, residents and the city as a whole realized in the 1990s that Wrigley Field could be an asset (Senior Management at the Chicago Cubs 2018). Once people realized this, things changed, and the neighborhood started to flourish.

Wrigleyville falls within the 60613 zip code. According to census data from 1990, Wrigleyville had 50,786 residents when aggregating different census tracts that encompass the zip code (US Census Bureau 1990). The population in Wrigleyville has increased slightly and in 2010 reported over 52,000 residents (US Census Bureau 2010). As mentioned, it is a predominantly a white neighborhood.

Although there was a slight increase in total population between 2000-2010, according to the two censuses, there was also an increase in vacant housing units which entails that there has been more housing developed and it is not being filled. According to many Chicagoans, the neighborhood is desirable on many factors, but unaffordable or objectionable because of the crowds on game days. In 2015 the median household income in Wrigleyville was $72,126 while in Chicago the median household income was around $55,000 (US Census Bureau 2015). Wrigleyville is a wealthy, white neighborhood on Chicago’s north side which has seen development since the 1970s.

Today, Wrigleyville is a mixed-use neighborhood with houses and apartments, restaurants, bars, and shops. Specifically, Clark Street, the diagonal street west of the ballpark, has multiple bars to watch the game or celebrate after. There are multiple souvenir stores, and each window seems to have a Cubs poster on it.
City-Sponsored Economic Development Initiatives

Wrigleyville is eligible for very few city-sponsored economic development initiatives because of its wealthier population. Often the city overlooks neighborhoods like Wrigleyville to focus on areas with greater need. As senior management at the Chicago Cubs noted, while Wrigleyville and the Chicago Cubs would welcome city programs and initiatives, the city has limited resources and needs to support other areas (Senior Management at the Chicago Cubs 2018).

Tax Increment Financing (TIF)

Wrigleyville is part of the recent Transit Tax Increment Financing (TIF) for the Red Purple Modernization Phase One Project. It is too soon to analyze the impact of the Transit
Tax Increment Financing for the Red Purple Modernization Phase One Project. The TIF covers a huge swath of land along the Red and Purple Lines. The Red line stretches from north to south and is one of Chicago’s busiest lines. The Purple line follows the Red line on the north side through downtown. The TIF was designated in 2016, which means it will expire in 2052 (City of Chicago: Department of Planning and Development 2018). Although Wrigleyville is included in the map of the area, it will not be heavily impacted during this phase. The Addison stop, the Redline train stop near Wrigley Field, is not being renovated as part of this phase. Nonetheless, the renovations should help with congestion in the area which will, indeed, impact residents of Wrigleyville who rely on the train for their daily commute as well as the crowds going to Cubs games. According to the redevelopment plan, in 2015 the equalized assessed value (EAV) of the area was $5.8B. The City of Chicago expects that in 2052 the EAV will be $20.5B. This is a huge project estimating to cost $625M (City of Chicago 2016).

Special Service Area #17 Central Lakeview

Wrigleyville is part of Special Service Area #17, known as Business Improvement Districts in other cities. The area was first established in 1997 and has been re-enacted every five years (City of Chicago - Boards and Commissions 2018). The Special Service Area (SSA) is an economic development tool that allows “additional real estate property taxes to be levied to fund added services for a defined area” (Lakeview East Chamber of Commerce 2018). SSA #17 was first under the authority of the Chicago Lakeview Merchants Association, later named the Chicago View until 2017 when the Lakeview East Chamber of Commerce gained control (Cheung 2017). Alderman Tunney led this change in leadership and City Council approved it (Cheung 2017). Chicago View had poor
leadership and was not managing the fund well (Cheung 2017). Lakeview East Chamber of Commerce plans to focus on improving the area near the Belmont train stop to stop crime (Cheung 2017). However, according the SSA #17 page on the Lakeview Chamber of Commerce, the chamber’s primary concern is the image of the neighborhood—facades, cleaning up graffiti, etc. (Lakeview East Chamber of Commerce 2018). The cleanliness of the neighborhood is important, but the role this SSA has had in economic development on a measurable level is questionable. There is skepticism about what additional services are provided by the SSA #17 and if business owners perceive any benefits from any additional services. Given the change in administration of SSA #17, there was a lack of efficiency and productivity under the former management. Under the new management, there is little information or examples of their work on their website (Lakeview East Chamber of Commerce. 2018).

Furthermore, the SSA program is approved by the city but then the city herds the management of the program to an agency to run each area. The SSA is paid for by all property owners. In return, the city contracts a non-profit service provider. The city is quite hands off in this initiative, which is the only economic development tool “sponsored” by the City of Chicago in Wrigleyville.

**Private Investments**

Since 2009, the Chicago Cubs have been owned by the Ricketts family. Joe Ricketts is the founder and former CEO of TD Ameritrade, an online brokerage firm. He owns the Cubs with his four children Thomas, Laura, Pete, and Todd. Thomas Ricketts is the board chairman of the Chicago Cubs (Smith 2013). Although it may seem obvious that owners of a sports team must be engaged with the city in which they are located, the Chicago Cubs
owners are forming a close relationship with the neighborhood by investing in it. In fact, by the end of the renovations, the Ricketts will have invested close to a billion dollars in Wrigley Field and the surrounding area—improving the park, adding a small turf field next to the park, new office buildings, stores, restaurants, and a hotel (Senior Management at the Chicago Cubs 2018).

The baseball team is viewed as more than a sport, but a business endeavor. The team was acquired by the Wrigley family in 1919, who made their wealth from chewing gum. The family owned the club for many years and made some large-scale changes, most notably leaving their legacy in the naming: the field was named after them as well as the neighborhood being coined Wrigleyville. Although a Chicago Tribune article claims that the process of transforming the neighborhood was “passive,” the Wrigleys played an integral role in shaping the neighborhood by starting the process of change (Rosenthal 2017).

In 1981, the Tribune Company, at the time the corporate owners of the Chicago Tribune (one of the two largest newspapers in Chicago), acquired the Cubs and were more aggressive in their business interests than the Wrigleys. When the Chicago Tribune purchased the Cubs franchise, they pushed the lights agenda. Politicians simmered down their opposition because they did not want to be written about poorly in the newspaper (Spirou, Costas and Bennett 2002, 686-7). Under the Tribune’s leadership, the Cubs received approval from Chicago’s City Council to play night games under the lights. The first game was in 1988 (8/8/88 to be exact). Although it was the first night game at Wrigley Field, the game did not count in the record book as it was rained out after 3.5 innings.
(Hagen 2013). The game is not what matters though; it was a historic event. The city had to approve the lights, but they did not actually support it financially.

Adding lights to Wrigley Field involved a dispute amongst a few different parties. Fans questioned the decision, fearing what other renovations would start to occur to their beloved ballpark. Looking back, their concern was valid. Since the lights were added to Wrigley Field in 1988, Wrigley Field has undergone changes, from private boxes to expanded bleachers (Hagen 2013). Adding lights also came after protracted negotiations that resulted in the Cubs being allowed to play a maximum of 18 night games each season (Hagen 2013). Today, the original agreement of 18 games is no longer in effect. Every few years strife erupts between the Chicago Cubs and the city as the ballpark continues to be a staple and impact the neighborhood.

In the late 1990s, local residents started selling tickets to watch the Cubs games from nearby apartment building rooftops. This was part of the process of the neighborhood and the city realizing Wrigley Field as an asset (Senior Management at the Chicago Cubs 2018). The buildings had been there for many years, but not until the 1990s did residents realize that rooftop viewing could be a business endeavor.

In 2001, the Cubs announced a renovation project that included adding more bleachers (Pathy 2014, 289). This project received backlash from the public because the additional bleachers would require sidewalk pillars (Pathy 2014, 290). According to neighbors, it would take away from the character of the neighborhood and obstruct views from rooftop owners. The plan was amended the following year, and the city and the Landmarks Commission approved it, but the neighbors were still unhappy (Pathy 2014, 293). In 2004, the Chicago Cubs and rooftop owners settled on a 20-year-agreement in
which eleven buildings pay the Chicago Cubs 17% of their gross revenue (Meyer 2004). The rooftops are now a $30-million-dollar a year industry (Senior Management at the Chicago Cubs 2018). Interestingly, Alderman Tunney was quoted in the Chicago Tribune article about the deal, yet the city was not actually a player in this negotiation.

According to senior management at the Chicago Cubs, the local alderman is their most vocal opponent (Senior Management at the Chicago Cubs 2018). The alderman has the interest of his residents, but as an asset to the city, senior management at the Chicago Cubs thinks that the local alderman should not have so much power in approving various permits for events (Senior Management at the Chicago Cubs 2018). He thinks the 49 other aldermen tend to be in agreement with the Chicago Cubs, and that it is only the local alderman who opposes because the residents do not like the traffic, congestion, and other hindrances that has accompanied night games, the World Series, and other successes of the Chicago Cubs (Senior Management at the Chicago Cubs 2018).

In 2009, the Tribune Company sold the team and ballpark to the Ricketts. The Ricketts have taken the team and run with it. On the field, the changes resulted in a World Series win in 2016. Off the field the Ricketts have made renovations o not only the ballpark, but also the surrounding neighborhood (Rosenthal 2017). Brian Parker, the Principal/National Director of Sports Economics at AECOM Chicago noted in an interview that the Ricketts have really changed the area (Parker 2018). “As the Ricketts acquire buildings, help build a hotel, carve out a park-like area for year-round business opportunities and assert control over the neighborhood around Wrigley, it's becoming Rickettsville in everything but name” (Rosenthal 2017). Adding a hotel will attract people to stay in this area, and not just come on game days. This affluent family is investing in the
neighborhood; only time will tell if truly impacts economic development in the area. Senior management at the Chicago Cubs is proud because he feels the Chicago Cubs have accomplished everything the Chicago Cubs said they were going to do: restoring the iconic ballpark so that it can function as a modern ballpark, adding a park, new offices, restaurants, hotels, and more (Senior Management at the Chicago Cubs 2018).

After winning the World Series, the President of Baseball Operations for the Chicago Cubs, Crane Kenney, made it clear that he wanted more night games: 54 of them to match most MLB teams (Anderson 2017). To the Chicago Cubs, winning the World Series proved that their investments were working (Senior Management at the Chicago Cubs 2018). Mayor Rahm Emanuel denied the request for more night games.

The Cubs made the choice to trade concerts for night games at Wrigley Field because they don’t have to share the take with other teams — and now, they must “live with the consequences…They could do more night games, but they didn’t want to do it. The reason they don’t want to do it — Crane Kenney himself said — [was] because they could make more money in the same way they decided to spend more money on skyboxes rather than on security and then ask the taxpayers to pay for that choice,” the mayor said.

Spielman 2017

The Mayor and the Cubs do not always see eye to eye. The Mayor is upset by the Cubs business interest, while he is more concerned with the neighbors, whom file noise complaints to their alderman. The neighborhood is a battlefield for the City of Chicago and its citizens versus the Chicago Cubs. However, according to senior management at the Chicago Cubs, the Mayor does indeed support the Chicago Cubs, but never with any actual public assistance (Senior Management of the Chicago Cubs 2018). While many ballparks receive public funding for construction and renovation, Wrigley Field and the Chicago
Cubs do not. However, the Mayor has been supportive of their growth, but the question remains of how far he will let them grow (Senior Management at the Chicago Cubs 2018).

Other issues the team continually negotiates with the city include the right to renovate Wrigley Field which has landmark status, any construction decisions about the space around Wrigley Field, security improvements, and closing Clark Street and Addison Street on game days (Spielman 2017). The Mayor insists that the Cubs be a good neighbor in Wrigleyville. The Cubs claim they are doing their best, by contributing $1 billion to security cameras and “$1 billion stadium renovation/neighborhood development that has created “thousands” of jobs and will generate $30 million in annual tax revenue for the city” (Spielman 2017). The Cubs position themselves strategically by having a page on their website on the 1060 Renovation Project entitled “Benefits to Chicago and Illinois.” The webpage makes clear that the renovations do not use any direct tax dollars from Chicago and Illinois residents. It does, however, mention that “the project may benefit from the federal historic preservation tax credit program and the local "Class L" historic tax credit program” (Chicago Cubs 2017). The Cubs franchise is aware of how the renovations may be perceived by its neighbors and want to make clear that the money is not coming from the residents. City tax breaks and incentives, like the ones they cite, are fair game. The site also claims that “restoring Wrigley Field is an investment in Chicago and Illinois' future– one that will bolster tax revenue for future generations” (Chicago Cubs 2017). Moreover, senior management at the Chicago Cubs noted the role of Cubs Charities, a non-profit organization of the Chicago Cubs that builds parks around Chicago and supports the city (Senior Management at the Chicago Cubs 2018).
Conclusion

Wrigleyville has prospered because of private investment by the team (and ballpark) owners. While the city at times pushes back against the owners, in the end, the city has allowed the neighborhood around Wrigley Field to grow, although they have not directly invested in it. However, the city recognizes it as an economic development tool as evident that they advertise this asset on the trains, and the Chicago Cubs consider themselves as an “economic engine” in the neighborhood, city, and region (Parker 2018; Senior Management at the Chicago Cubs 2018). Wrigley Field can be considered an economic development tool as it has spurred investment in the neighborhood, such as the establishment and growth of businesses.
Chapter Two: Armour Square

Based in Armour Square and the larger neighborhood, the Chicago White Sox have been a staple on the south side of Chicago in Armour Square, in the larger Bridgeport neighborhood, and have been there for over a century. However, the Chicago White Sox were not always a Chicago team. In 1902, a year after the American League was formed, the St. Paul, Minnesota franchise in the Western League moved to Chicago (Chicago White Sox 2018). They were then named the Chicago White Stockings, which explains the need for the National League Chicago White Stockings to have a nickname, The Cubs, which was later officially adopted by the latter franchise.

The American League Chicago White Stockings played at the 39th Street Grounds from their arrival until 1910 when Comiskey Park, also designed by Zachary Taylor Davis, opened (Chicago White Sox 2018; Pacyga and Skerrett 1986, 103). Over time, like Wrigley Field, Comiskey Park underwent renovations while occupying the same footprint until the new Comiskey Park opened in 1991, across the street from the old park. Although the name of the ballpark has changed from Comiskey Park to US Cellular to Guaranteed Rate, the American League White Sox have been in the neighborhood for more than a century.

While the White Sox owners advocated for a new park, the city and state desired to keep the team in the city. In 1991, the new Comiskey Park across the street from the original park opened under the management of the Illinois Sports Facilities Authority (ISFA). The construction of the new ballpark did not improve the economic development of the neighborhood. The ISFA owns the ballpark and land nearby and has not invested in the neighborhood. The Chicago White Sox owners have not invested in the neighborhood either because without control of the ballpark, there is no motivation or incentive to invest.

Caminer 40
in the neighborhood. However, while the area is eligible for and participates in various city economic development programs, they have not successfully transformed the area into a strong mixed-use neighborhood.

The boundaries of Armour Square fall mostly within the 60616 zip code; a small portion sits in the 60609 zip code. It is bounded by the Chicago River, 18th Street, the east side of the I-90 Expressway along Federal and LaSalle Streets to the east, Pershing Road to the south, and the train tracks along Stewart Avenue and Canal Street to the west.


**Brief History of Armour Square**

Armour Square, where the ballpark is located, is an unfamiliar neighborhood to many Chicagoans. Most Chicagoans refer to the geographic space of Armour Square as part of the larger Bridgeport neighborhood. The area populated in 1836 when Irish
immigrants moved nearby to build the canal connecting the Chicago and Mississippi Rivers (Pacygya and Skerrett 1986, 453). When the canal was completed in 1848, slaughterhouses, steel mills, breweries, railroads, and brickyards were built, as was the Union Stockyards just south of the area (Pacygya and Skerrett 1986, 453). In the late 19th and early 20th century, working class immigrants lived in Armour Square and the larger Bridgeport area (Pacygya and Skerrett 1986, 455). Moreover, the neighborhood enjoys a rich political history. In fact, since the 1930s, five Chicago mayors were from Bridgeport (Pacygya and Skerrett 1986, 452).

Today, Armour Square, like much of Chicago, is a neighborhood divided along racial and ethnic lines. Throughout the middle of the 20th century through today, Armour Square underwent major physical development and population changes. During World War II African Americans started moving into the area (Solzman 2004, 94-95). In 1947, the Chicago Housing Authority (CHA) built Wentworth Gardens, a public housing project, which increased the population, especially of African Americans, in the neighborhood (Solzman 2004, 95). In the mid 1960’s, the Dan Ryan and Stevenson Expressways were built, destroying parts of the nearby neighborhoods (Solzman 2004, 95). In the early 2000s due to neighborhood transitions and immigrant influx, Amour Square contained “three distinct neighborhoods…African Americans dominate the population to the south, the middle section holds the recently arrived Hispanics; and along with a few Italian and blacks, Chinatown fills the northern section” (Solzman 2004, 94).

Just as there are multiple groups of races and ethnicities found in Armour Square, there is also a wide range of median household incomes amongst the various census tracts within the 60616 zip code area. In the 1990 census, the median household income ranged
from $4,999 to $62,996 across the various census tracts (US Census Bureau 1990). This is a tremendous range and illustrates the wide disparities between the 45,832 people who lived in the Armour Square community (US Census Bureau 1990). By 2010, the population had grown to over 60,000 people, probably due to the additional and renovated CHA housing (US Census Bureau 2010). Moreover, census tracts change over the years so that can also explain some changes. By 2015, the median household income was $42,594, while the median household income in Chicago was about $55,000 (US Census Bureau 2015). Armour Square continues to be a working-class neighborhood with many different communities.

The Ballpark

Comiskey Park has two locations; the original was built in 1910 and the new one built across the street in 1991. The first Comiskey Park was built in 1910 at 35th Street and Shields Avenue and was considered modern and ahead of its time (Chicago White Sox 2018). The field was named after the first owner of the Chicago White Sox, Charles A. Comiskey. Zachary Davis, the designer of Wrigley Field, also designed Comiskey Park, incorporating themes to match the neighborhood’s various ethnic churches (Chicago White Sox 2018). Over the years, the ownership of the team and ballpark was passed down to new generations of the Comiskey family. The Comiskeys added seating to the park and allowed other events such as Negro League baseball games, NFL games, and church festivals to be hosted there (Chicago White Sox 2018). Comiskey Park was a well-used and popular venue in the neighborhood.

In 1958, William (Bill) Louis Veeck, Jr. purchased the Chicago White Sox from the Comiskey family (Chicago White Sox 2018). In 1960, he had a scoreboard with
capacity to launch fireworks installed (Chicago White Sox 2018). Veeck lost ownership in 1961 to John Allyn and Arthur Allyn, Jr., but reacquired the team in 1975. In 1981, Jerry Reinsdorf, in collaboration with Edward (Eddie) Einhorn, purchased the Chicago White Sox (White Sox 2018). Reinsdorf and Einhorn advocated for a new Comiskey Park; after a long battle and threat to relocate, the White Sox played at a new ballpark in 1991.

Owners of the White Sox and original ballpark, such as the Comiskeys, Bill Veeck, and the Allynss, invested in the ballpark, but they did little to actually invest in the neighborhood. Nonetheless, Bridgeport residents enjoyed going to games on Sunday and felt that moving the park would “take a tradition out of Chicago” (Associated Press 1986). Talks of moving the stadium did not sit well with the community. “Longtime residents credit the original Comiskey with helping ease some of the tensions between the communities, and perhaps the new one will do that, as some might be able to find common ground in their sense that something has been lost” (Johnson and Fountain 1993). The old Comiskey Park provided an informal economy for neighborhood residents; they parked cars on nearby streets, sold food outside the stadium, and if they lingered long enough, were even allowed inside the park (Johnson and Fountain 1993). The original Comiskey Park harnessed the neighborhood.

In May 1984, the Chicago White Sox started thinking about how much longer their old stadium could be utilized (Chicago Tribune 1991, 1). In December of 1985, the White Sox owners, Jerry Reinsdorf and Eddie Einhorn, purchased land in suburban Addison, and continued to acquire more land nearby, with the thought of building a new suburban ballpark (Chicago Tribune 1991, 1). The City of Chicago wanted to keep the team within city limits, likely so that it could benefit from the tax revenue.
In April 1986, Mayor Washington proposed the Chicago Bears (football) and Chicago White Sox (baseball) share a stadium in the South Loop (Fasenfest 1993, 167). Both teams rejected the proposal and the White Sox owners announced that they had chosen Addison for the location of their new ballpark (Fasenfest 1993, 167; Chicago Tribune 1991, 1). However, Governor Jim Thompson did not approve of Addison. In fact, Senate Minority Leader James ‘Pate’ Phillip, from the district in which the ballpark in Addison would have been built, also opposed the construction (Chicago Tribune 1991, 2).

By December 1986, the Chicago White Sox were again in negotiations with Mayor Washington, who supported a ballpark across the street from the original Comiskey Park (Chicago Tribune 1991, 2). With the threat to move to Florida still in the White Sox’s back pocket, the City of Chicago and the State of Illinois were motivated to keep the White Sox on the south side (Fasenfest 1993, 167; Hopkins 2016). Governor Thompson convinced the General Assembly to pass a law establishing the Illinois Sports Facilities Authority (ISFA) (Hopkins 2016). The negotiations were heated, as the White Sox continued to consider the Florida location, and the Illinois House and Senate struggled to meet the demands of the White Sox. Ultimately, the management agreement between the Illinois Sports Facilities Authority and the Chicago White Sox, Ltd. was established on June 29, 1988 (Illinois Sports Facilities Authority 1988). “The Sox deal was couched in economic development terms, and regulatory powers were used to achieve government control over both the public and private interests that were involved” (Pelissero, Henschen, and Sidlow 1993, 168). The ISFA planned, constructed, and still maintains the ballpark (Hopkins 2016). However, this law and agreements expire in 2029.
Even in 1988, the general public was still not convinced that the White Sox organization actually needed a new ballpark (Botts 1988). In fact, in April of 1988, the White Sox’s only support for a new park was a two-page letter from the engineering firm George A. Kennedy & Associates claiming that it needed an update. Unsurprisingly, the White Sox commissioned this report themselves. (Botts 1988). Soon afterwards, someone at the firm leaked that the park did not need many repairs and that it could be renovated. This statement was rescinded shortly after it was publicized (Botts 1988). Given this disagreement, the ISFA hired a different firm to complete a study on the ballpark (Botts 1988).

Just as the feasibility studies and process were called into question, so too was the design process. Architect Philip Bess claimed that his urban ballpark design was the right ballpark to build (Botts 1988). “The urban model, Bess and others argue, makes more sense economically: it is cheaper to build, can be much more attractive for fans, and can be the spark and focus of economic activity for an entire neighborhood” (Botts 1988). Part of the design included row houses to be built near the park. Botts acutely points out that there was uncertainty if private developers would invest in this area (Botts 1988). Bess mailed the plan to the ISFA, the White Sox, and others, but it never gained support. In the end, the ISFA approved Hellmuth, Obata, and Kassabaum (HOK) as the architects for the ballpark (Management Agreement 1988, 16).

Ultimately, the new ballpark has two main downfalls; it upset residents and the actual park was expensive and unpopular. The construction of the new ballpark required 19 families to move out of their homes and relocate northeast into a new neighborhood (Siegel and Karwath 1988). Area residents were upset about how the ballpark changed their
neighborhood. “The once neighborly ballpark—where poor children lingered outside, and an assortment of hot dog stands and taverns catered to fans season after season—has turned a cold, corporate shoulder to them” (Johnson and Fountain 1993). Indeed, just a few years after the ballpark was built, ticket sales rose. Residents felt like the team was still theirs and stayed loyal, even if the ticket prices were now even less affordable than before. Furthermore, the ballpark truly set the boundary for the different ethnic groups in the area: “White and Hispanic communities to the north and west and Black communities to the south and east” (Johnson and Fountain 1993). The ballpark was constructed and bounded by parking lots, seen in the image below, leaving the neighbors feeling left out and nostalgic for the old park.


Secondly, the ballpark never actually delivered its intended benefits. In Crain’s Chicago Business, three years after the ballpark was built, Jeff Borden exposed that the ballpark was not working as an economic engine. To begin with, the deal had unclear expectations of economic development in the area (Borden 1993). Joseph Levato, the
owner of Jimbo’s Lounge two blocks from the stadium was quoted in the article that "there's a ballpark here. Millions of people go there…You'd think there'd be a lot of new businesses around here. They talked about economic development, but it never happened…Since the new park has come in, more places have shut down than opened" (Borden 1993). Shown in the aerial view, the ballpark is surrounded by parking lots, railroad tracks, and an expressway. Attendees watch the game and then often leave without spending time in the neighborhood. Additionally, attendance for many years was very low, which meant there were less vending and ushering jobs available and that the city and state were not collecting much from the amusement tax (Smith 2000).

Furthermore, the ballpark needed improvements soon after it was built. Merely seven years after the new ballpark opened, the White Sox wanted to make improvements, which required ISFA approval. According to the CEO of ISFA, Jerry D. Blakemore, quoted in a Crain’s article in 1998, “they know very well we are not spending one dollar of taxpayer money on Comiskey Park renovations…this is the park they wanted. This is the park they got. We believe it's a great park” (Borden and Cahill 1998).

In fact, Chicago White Sox owner Reinsdorf often had to uphold his support for the upper deck seating (Pathy 2014, 295). And yet, in 2003 when the park was named “U.S. Cellular Field” for $68 million dollars, Reinsdorf indicated that this revenue would be spent on park improvements, such as demolishing the highest seats in the upper deck (Pathy 2014, 295). In 2003, Reinsdorf “called his own bluff, spending tens of millions to dismantle a good portion of his twelve-year-old ballpark. It was a sad case of shortsightedness and a waste of public money” (Pathy 2003). Unfortunately, that is the general thought on the new
Comiskey Park. Despite the overwhelmingly negative attitude, the ISFA, funded by public tax dollars, has continued to invest in the park.

The ISFA spent over $3 million constructing ChiSox Bar & Grill in 2011 and still agreed that the White Sox would reap the profits (Hopkins 2011). Interestingly, the White Sox supplied the cash upfront for the construction of the restaurant, but the Chicago White Sox were paid back by the agency (Hopkins 2011). Although it is technically not within the ballpark, it is directly across the street, where the old Comiskey used to be, and is managed as if it is a concession within the park, meaning the White Sox collect the profit and the state only receives sales tax (Hopkins 2011).

Under the agreement, the White Sox pay the agency for rent and maintenance based off attendance numbers (Hopkins 2011). As noted, numbers have been low and, from 2003-2010, the White Sox only paid $2.7 million to the agency (Hopkins 2011). The agreement between ISFA and the Chicago White Sox boded well for the White Sox. They escaped by paying very little, while public money funded the multi-million-dollar stadium as well as for additions such as the restaurant. Yet, given that the Chicago White Sox initially paid for the construction of the new restaurant, it is evident that Reinsdorf, who made his money developing land, seemingly has the skill and capital to invest in the neighborhood. However, he is held back by the ISFA owning the land, although Reinsdorf has made little public outcry over this. The ISFA has invested in the park itself, but all within the walled fortress of the ballpark and parking lots.

City-Sponsored Economic Development Initiatives

In the absence of team investment, the city intervened through a series of economic development programs in an effort to spark change in the neighborhood. Areas near the
ballpark are eligible for various city-sponsored tax breaks and incentives including Tax Increment Financing (TIF), Small Business Improvement Fund (SBIF), Special Service Area (SSA), Local Industrial Retention Initiative, Enterprise Zone, and New Markets Tax Credits.

**Tax Increment Financing**

The City of Chicago has designated two TIFs encompassing the southern, eastern, and western areas near the ballpark. Additionally, the Archer Courts TIF is more than a mile north of the ballpark, it is still considered part of the Armour Square community. The gray areas in the map below represent various TIFs.

![Map 5. TIF District Boundaries (City of Chicago 2018)](image)

In 1999 the City of Chicago approved two TIFS near the ballpark, both along 35th Street. The 35th & Wallace TIF’s goals included transforming vacant industrial land to mixed-use land along 35th Street and Pershing Road, improving CHA’s Wentworth
Gardens, and updating the streets that lead to the stockyards (City of Chicago: Planning and Development 2018). According to the 1998 Redevelopment Plan, the equalized assessed value (EAV) was $9,047,402 for the properties within the TIF (City of Chicago, Louik/Schneider & Associates, Ernest R. Sawyer Enterprises, Macondo Corp, and Noitan Inc. 1999, 38). By 2006, the plan estimated the EAV to be worth $25-30,000 (City of Chicago, Louik/Schneider & Associates, Ernest R. Sawyer Enterprises, Macondo Corp, and Noitan Inc. 1999, 29). By 2016, close to when the TIF expires, the EAV was about $23.25 million (Cook County Office of the Clerk 2016). The TIF has not been successful in terms of increasing the property value, however, some of the goals were achieved, such as transforming vacant industrial land to mixed-use land.

The 35th & Wallace TIF is also eligible for the Small Business Improvement Fund, which uses TIF money to assist small business owners with improving their commercial or industrial properties (City of Chicago: Planning and Development 2018). Grandstand, a sports souvenir and memorabilia store, utilized SBIF to repair the façade and doors of their store, as shown in the photos below (SomerCor 2018).
Figure 2. Before the SBIF Repairs (SomerCor 2018).

Figure 3. After SBIF Renovations (SomerCor 2018)
Interestingly, in the “before” photo, one can see the signs supporting Daley, which provides evidence for the political nature of Bridgeport. In the “after” photo it becomes clear that the store takes up most of the block. According to Google Maps, the store is more than a half mile away from the ballpark. It is unclear whether White Sox fans flock to this sports souvenir and memorabilia store on game days due to its distance from the ballpark.

In 2004, the City of Chicago designated the 35th & State TIF, which is located just east of Armour Square on the east side of the Dan Ryan expressway. The city wanted to redevelop the land formerly occupied by CHA’s Stateway Gardens, as well as generally approve the appearance of the neighborhood (City of Chicago: Planning and Development 2018). In the few years since the TIF designation, the EAV of the area has already increased vastly, from just over $3 million in 2002 to more than $39 million in 2016 (Stateway Associates, City of Chicago, and Ernest R. Sawyer Enterprises 2003, 32; Cook County Office of the Clerk 2016). Clearly, even though it is only halfway or so through its designation, this TIF is close to achieving its goal EAV (Stateway Associates, City of Chicago, and Ernest R. Sawyer Enterprises 2003, 33). This being said, one can assume the TIF has assisted the economic situation in the area.

The Archer Courts TIF located in Armour Square, just north of the expressways, was designated in 1999. Interestingly, like the 35th & Wallace TIF, the objective of the Archer Courts TIF was to improve public housing as well as commercial development. This TIF included the addition of more CHA property (City of Chicago: Planning and Development 2018). In 1997, the EAV was about $85,000 (City of Chicago 1998, 37). The city hoped the area would have an EAV of about $5 million by 2022 (City of Chicago 1998, 38). By 2016, the EAV was already estimated at more than $6 million (Cook County...
Office of the Clerk 2016). Given that the property values in the area have significantly increased above their projected amount, this TIF is successful. In theory, these increased property values in two of the TIFs can attract developers and business owners to continue to invest in the neighborhood.

*Special Service Area #13 Stockyards*

Special Service Area #13 was established in 1991 and is managed by the Back of the Yards Neighborhood Council (BYNC). The ballpark was never actually within the designated area, but it is very close, just south and west of the ballpark. The map below shows the many different city-sponsored initiatives in the area.
Unlike the managers of SSA #17 of Central Lakeview, Back of the Yards Neighborhood Council (BYNC) is very active in the neighborhood. Craig Chico has lead the council and has become a strong political leader in Chicago (Pacyga 2015, 193). BYNC runs four different special service areas for the City of Chicago (Back of the Yards Neighborhood Council 2018). BYNC supports local small businesses by providing and supporting maintenance work, beautification, advertising, and more that small businesses often cannot afford individually (Pacyga 2015, 193). BYNC is impacting the neighborhood by repairing the streets, but also improving the economy with job creation. They added security patrols and clean-up crews to improve the safety of the neighborhood by residents and business owners (Pacyga 2015, 193). These efforts can help attract people to the area.

Additionally, SSA #13 was expanded in 2011 to include areas surrounding the industrial business park around the stockyards, which includes portions just south of the ballpark (Back of the Yards Neighborhood Council 2018).

According to the website, SSA #13’s mission is to: “retain existing industrial businesses while attracting new companies to operate within the designated boundaries of the Area; this mission will be accomplished by providing various authorized Special Services, including, but not limited to: private security, landscaping and beautification, advertising and promotion and maintenance” (Back of the Yards Neighborhood Council 2018). Improvements along the eastern most portion of Pershing Road should ideally attract baseball fans to stay in the area. However, it seems that this SSA is primarily concerned with the industrial park, rather than utilizing the ballpark as an engine of economic development. In fact, the BYNC receives funding through the Local Industrial Retention Initiative (LIRI). This program provides financial support to “not-for-profit organizations that provide economic development services to companies located in and around designated industrial corridors” (City of Chicago: Department of Planning and Development 2018). The BYNC is concerned with the industrial and mixed-use developments in the area. The focus is not on the ballpark, but rather the industrial areas.

*Enterprise Zone 2*

The ballpark is located within Enterprise Zone 2 of the City of Chicago. The zone has existed for a few decades, with the most recent re-designation in 2016 (Illinois Enterprise Zone Program 2018). There is little data available on the success of enterprise zones. This enterprise zone is located here because Armour Square is an industrial area and the city wants to encourage companies to expand or relocate to this area. The data that is available does indicate growth in the area. In 2012, the unemployment rate in Enterprise Zone 2 was more than 9%; as of the 2016 report, it is down to around 6% (Illinois Department of Commerce & Economic Opportunity 2013; Illinois Department of
Commerce & Economic Opportunity 2016). This decrease in unemployment in the zone illustrates that the objectives of the program are being met. A decrease in the unemployment rate can be attributed to the creation of jobs for residents in the area, as well as job training for residents to find jobs.

**Enterprise Zone 2**

Map 8. Enterprise Zone 2 Map (City of Chicago 2018).

*New Markets Tax Credit*

Based on federal guidelines, the Chicago Development Fund, a separate entity controlled by the City of Chicago, executes the New Markets Tax Credit program (Chicago Development Fund 2018). Like TIFs, the non-profit, and not the city, is charged with the day to day functions and promotions of the initiatives. “Areas of Greater Economic
“Distress” (as defined by the U.S. Treasury) may qualify for this program. Armour Square is one of these areas. The Chicago Development Fund works on “industrial/business expansion, grocery-anchored retail, and nonprofit-sponsored community facilities” (Chicago Development Fund 2018). In 2010, Testa Produce, located southwest of the ballpark, received $7.1 million dollars in New Market Tax Credits to build a new food distribution center (Chicago Development Fund 2018). The new LEED facility created more than 100 new full-time jobs for Testa (Chicago Development Fund 2018). This facility serves as an anchor in the neighborhood, supplying jobs and fresh produce.

**Conclusion**

Comiskey Park, a neighborhood staple even though it was rebuilt across the street, did not become an engine for economic development. The Chicago White Sox structured a deal with the Illinois Sports Facilities Authority (ISFA), a state agency that owns and manages the ballpark. The state has invested in the ballpark, but not the actual neighborhood. The White Sox organization is not engaged or incentivized in the economic development of the neighborhood because the State of Illinois under this agreement is the property owner.

There is hope, however, for the once industrial neighborhood. A few different city-sponsored economic development initiatives are located in the area and have been successful. As the area improves, private developers and business owners can hopefully realize the community’s potential and utilize the ballpark indirectly as an engine of economic development, and place businesses, restaurants, and nicer housing nearby, despite the obstacles of parking lots, railroads, and expressways.
Chapter Three: Comparison & Policy Recommendation

Comparing Wrigley Field and Comiskey Park

In many ways, Wrigley Field and Comiskey Park are polar opposites to each other. Although they are both ballparks located in Chicago that are just over 8 miles apart in distance, everything else about the two facilities seem like inverses. Wrigley Field is located on the north side of Chicago; Comiskey Park is on the south side. Wrigley Field is one of the oldest ballparks in all of baseball, the new Comiskey Park is less than three decades old. By looking at the Google Satellite images of both ballparks, one can notice obvious differences.


The image on the left is Comiskey Park, now Guaranteed Rate Field, in the Armour Square neighborhood. The satellite image on the right is Wrigley Field in the Wrigleyville neighborhood. As evident in these images, Wrigley Field is surrounded by homes and shops, whereas Comiskey Park is in a sea of gray—parking lots, railroad tracks, and an expressway.
The neighborhood around Wrigley Field was not purposely planned this way. The ballpark is more than a century old and the neighborhood built around the ballpark. However, Comiskey Park was planned in the late 1980s as a suburban ballpark with parking surrounding it. Both ballparks are accessible by the Red line train, so it raises the question for the massive parking lots around Comiskey Park.

Furthermore, the placement of Comiskey Park is a huge issue; it isolates the field from the neighborhood. White Sox fans are blocked off from the rest of the neighborhood by the parking lots, railroad tracks, and expressway. These barriers perpetuate the conventional opinion that the neighborhood is unsafe. As opposed to Cubs fans who leave the ballpark and are confronted with souvenir shops, bars, and restaurants, Sox fans exit the ballpark to a cement parking lot.

The Chicago Cubs team owners are protecting and enhancing their equity of the team, the property, and the ballpark by investing in the neighborhood. Most recently, the Ricketts invested in the neighborhood by building a small park outside Wrigley Field, adding more bars and restaurants, constructing a hotel, and erecting an office building for their corporate administration. They are creating a mixed-use neighborhood. Although the ballpark has been there for more than a century, the neighborhood started thriving as Wrigleyville in the 1990s. During the same time, the new Comiskey Park was built across the street from the old Comiskey Park.

Armour Square has not developed in the same fashion as Wrigleyville, even though a ballpark has been located in the neighborhood for just as long. The new ballpark could have been an ignition to invest in the neighborhood had there been an interest from team ownership, local residents, the city, and the state. The Chicago White Sox threatened to
leave the area, but ultimately the best option was to stay in the neighborhood. Public monies often contribute to the construction of ballparks, and this was the case for the Chicago White Sox. However, the Chicago White Sox owners gave up their rights to the ballpark, which is under the jurisdiction of the Illinois Sports Facilities Authority (ISFA). The ISFA also owns the land surrounding the ballpark, where they constructed the parking lots and generate revenue from it.

This difference in ownership explains the disparity in private investment by the team owners in their neighborhoods. By investing in Wrigleyville, the Chicago Cubs owners are protecting their investment in Wrigley Field. The Chicago Cubs, therefore, bought the land surrounding the ballpark, which at times was not easy. In terms of renovations to the actual ballpark, the Chicago Cubs must receive approval because it is a landmark. Moreover, any construction in the city requires city-approved permits. Despite the struggles for Chicago Cubs owners, it is worth investing in the neighborhood. Frankly, because the Chicago White Sox owners do not own the ballpark, there is little motivation for the White Sox owners to invest in the neighborhood. Once the management deal expires, the White Sox owners could relocate the team without any major loss as they do not own the ballpark.

**Community Capacity**

Chicago is not a melting pot, but rather a mosaic. The different neighborhoods are unique and have their own characteristics. Moreover, like Armour Square, often communities in Chicago are separated across race, ethnic, and socioeconomic lines.
Map 10.

Data Sources: City of Chicago Open Data Portal, US Census
Projection: GCS_North_American_1983
Date Created: December 2017
Created By: Elena Caminer
As seen in the map above, Chicago is separated across socioeconomic status. As illustrated in the map, most zip codes on the south side of Chicago are in the bottom third of median household incomes for the city, this includes 60616 where Comiskey Park is located. There are also few business establishments in this zip code. On the contrary, Wrigley Field located in the 60613 zip code on Chicago’s north side is in the middle median household incomes for the City of Chicago and has many business establishments in the zip code. Residents in Armour Square generally take less time to travel to work than those living in Wrigleyville. This could be due to the fact that historically many of the residents in Armour Square worked in the industrial area just west of the ballpark. On the contrary, many Wrigleyville residents probably commute downtown for work.

Despite their differences, both Wrigleyville and Armour Square have community capacity (Goodman et. al 1998). Wrigleyville has a stronger sense of community, part of which is due to the sense of Cubs’ identity. Further, Wrigleyville is more homogenous than Armour Square. Armour Square is still separated across ethnic and racial lines. However, Armour Square has strong institutions, like the Back of the Yards Neighborhood Council. Furthermore, Illinois Institute of Technology is on the other side of the highway and is working to anchor the community. In opposition, Wrigleyville does not have a strong organization, except the Cubs organization, nor does it have a university in direct vicinity.

Thus, it seems the different outcomes in Wrigleyville and Armour Square is due to the recognition of the ballpark as an asset. Private investors, such as the Chicago Cubs team owners, supported the neighborhood by investing in it and used Wrigley Field as the engine for economic growth. This investment was for themselves, but the neighborhood benefitted from it.
The city supports both ballparks and advertises them as tourist attractions. However, the city has not done enough to grow the neighborhoods. Currently, there is no strong pull to go visit Armour Square unless one is going to the ballpark. That is not the case in Wrigleyville. Private investments have led to the development of bars, restaurants, and shops.

**Urban Ballparks & Recommendations**

In a city like Chicago, which has a plethora of diverse neighborhoods, urban ballparks are a logical addition. Downtown is booming with office buildings, tourism, and shopping along the Magnificent Mile. However, the city is greater than just downtown, and a ballpark can attract locals and tourists alike to different areas of the city. First, the placement of urban ballparks matters, and they should be integrated into the neighborhood. Second, the neighborhood surrounding the ballpark should be of mixed use. Third, private and public entities should recognize the ballpark as an engine for economic growth and invest in the neighborhood.

Firstly, urban ballparks are successful when they are integrated, which happens when they are part of city blocks, and not built on large swaths of land like Comiskey Park (Bess 1996). Wrigley Field is often hailed as a great example. The charm of Wrigley Field extends beyond the ballpark. Walking around the neighborhood one feels the energy in Cubbie territory. On the contrary, Comiskey Park is isolated from the neighborhood because of the parking lots, railroad tracks, and expressway. Further, urban ballparks are successful when they consider their placement. Part of this consideration should also be the history. The industrial past of Armour Square impacts the development in the neighborhood and has lasting effects. Wrigleyville was always residential, and primarily a
white middle- and upper-class neighborhood. The socioeconomic status of residents in Wrigleyville and Armour Square impacts the neighborhoods—how money is spent, who is investing, and more.

Secondly, neighborhoods are successful when they are mixed use. The neighborhood should address the needs of the local residents. An area like Wrigleyville does this and more. Armour Square still is in the process of becoming a mixed-use neighborhood, as evident by the city programs in the area to improve housing, industry, and commercial properties. The parking lots do not have to be the reason that Comiskey Park fails to be an economic engine in the neighborhood. Nor does the public ownership by the agency need to prohibit the field from becoming an asset. Rather, local residents need to be open to the idea of economic development. It seems that perhaps residents are still upset by the process of constructing the new park and have separated into their various ethnic enclaves that are blind to the bigger picture of what their neighborhood could become.

Wrigleyville has other strong neighborhoods surrounding it, such as the greater Lakeview neighborhood, North Center, Roscoe Village, and Lincoln Park. As Chinatown, Pilsen, Douglas, and the South Loop continue to improve, the south side of Chicago will become an attraction to more people. If this is the case, hopefully the state, city, and local residents will recognize the ballpark as an asset in Armour Square and invest in local businesses in the area.

Thirdly, both private and public investment should occur in the neighborhood surrounding the ballpark. One method of public investment is through city-sponsored economic development initiatives. Scholars suggest local economic development strategies
ought to be sustainable and consider the environment and equity goals (Zhang, Warner, and Homsy 2017). The socioeconomic status of residents in Wrigleyville and Armour Square influences the economic outcomes. In the case of Chicago generally, the city has not been equally developed, and it is an issue of racial and social justice. The Map 10 illustrated the geographic divide, but it did not show the racial divide that correlates with it.

Many of the city’s programs target some of the poorest and most crime-ridden areas, which leaves areas like Armour Square left out, despite the rich political history of the neighborhood. The City of Chicago has programs like the Neighborhood Opportunity Fund or Retail Thrive Zones which are meant to stimulate commercial corridors. The city should designate 35th or Pershing Streets in the Armour Square neighborhood. This would help small business owners there, and also provide incentives for new businesses to establish themselves. These incentives benefit the city because if business is stronger in the neighborhood, the city and state would collect more taxes.

The ownership structure of the ballpark seems to favor the Chicago White Sox and allow them to play there with little economic burden. The best example is the Illinois Sports Facilities Authority (ISFA) reimbursed the Chicago White Sox for the construction costs of the new restaurant. The Chicago White Sox collect all the revenue, just as they collect all the revenue from the concessions inside the ballpark. The Chicago White Sox owners are absent investors from the neighborhood. However, the owners often collect revenue from the improvements, yet they themselves do not have to fully invest. Given the ISFA owns the ballpark, there is little motivation for the White Sox to invest in the surrounding
neighborhood. They are able to relocate their team without losing any investment in the ballpark.

Wrigley Field and Comiskey Park are part of the dinner table conversation across generations in north and south side homes in Chicago. However, as to the neighborhood, only Wrigleyville is a topic of conversation, not Armour Square. The disparity in acknowledgement and knowledge is due to the different outcomes of the neighborhoods. “If you build it they will come,” but only if local residents, the city, the state, and the team owners recognize the asset and jointly invest in the neighborhood, otherwise the ballpark is just built for the 9 innings of baseball, 90 games a season.
Conclusion

The outcome of the new Comiskey Park is a common trope in ballpark economic development literature. The intended benefits fell short. The ballpark failed to ignite economic development in the surrounding neighborhood; furthermore, it actually further divided it across race and class lines. The issues and controversy present from the start of the negotiation of the construction of the new ballpark continue to stymie the ballpark’s success. The struggles in Armour Square arise partially from the fact that a state-run agency, not the team owners, manages the ballpark. Further, neither the state that runs the agency, the city in which it resides, nor local residents have recognized the ballpark as an asset to the community. There are a few city-sponsored economic development programs in the neighborhood, but it is not enough to change the direct vicinity of Armour Square into a commercial corridor.

The outcome of Wrigley Field runs afoul to the common ballpark economic development literature. Wrigleyville is a bustling neighborhood, which has formed as a Cubs themed neighborhood, equipped with restaurants, bars and sports memorabilia stores. For years, the neighborhood was primarily white middle-class. Since the 1980s the neighborhood residents, business owners, and the Chicago Cubs owners have started to capitalize on the benefits of Wrigley Field as a center for the neighborhood.

It is difficult for the White Sox owners to invest in Armour Square like the Cubs owners have invested in Wrigleyville. The residents nearby and the owners of Wrigley Field have recognized the ballpark as an engine for economic development and have created a thriving commercial center in the neighborhood. While the city has provided little to no public money, it did permit the Cubs organization to improve the ballpark and restore
and construct new buildings, a park and other businesses, thereby indirectly supporting the economic development.

Tim Kornegay, a consultant for Coopers and Lybrand, studied spending patterns created by sports facilities and found that “it's difficult to have economic development where there isn't enough money to support it. That appears to be the case in the immediate vicinity of Comiskey” (Borden 1993). Both the Chicago White Sox and the Chicago Cubs play in urban ballparks, yet Comiskey Park functions much more as a suburban one—isolated and seemingly out of place.

This case study is location specific; however, lessons can be applied broadly under the right conditions. Urban ballparks should be integrated into their neighborhoods, and thus location matters. Further, they should help create mixed-use neighborhoods. Lastly, economic development benefits from a ballpark only can be achieved by both public and private investment in the surrounding neighborhood.

Wrigley Field spurred the creation of Wrigleyville by providing a reason for private investment in the neighborhood by the team owners. By rebuilding a new Comiskey Park, even across the street from the old one, the White Sox lost a defining piece of their landscape, and perhaps more importantly ownership of the ballpark. With the next wave of construction of ballparks in the near future, city officials and team owners will try to mimic the Cubs organization’s efforts for community and economic development. In reality, the success of Wrigleyville is an example of smart team ownership and investment in an area that is able prosper because of the socioeconomic makeup. “If you build it, they will come” does not refer to the ballpark itself, but the building of the neighborhood through various private and public investment.
Appendices

Appendix A: Interview Protocol

Questions for Senior Management at the Chicago Cubs:
1. Can you briefly tell me about the work you do at the Chicago Cubs?
2. How do stadiums impact their city at the regional scale? Specifically, Chicago? And how do they measure the impact?
3. Can you describe the relationship between the city and City of Chicago officials and the ballpark?
4. How has Wrigleyville changed overtime? From the 1990s to now or so.
5. How does the relationship between city officials and the stadiums play out at the neighborhood level? How did it play out in Wrigleyville?
6. What, if any, are the neighborhood concerns? How did the city officials and stadium officials consider the neighborhood? Can you discuss the rooftop issue of the early 2000s?
7. To what extent are Wrigley Field and its additions economic development tools?
8. To what extent, if at all, does Wrigley interact with other economic development tools?
9. Is there anything else I should know?
10. Is there anyone else you think I should talk to? Do you know a counterpart at the White Sox organization?

Question for Brian Parker (Principal Sport Economist at AECOM):
1. Can you briefly tell me about the work you do at AECOM?
2. How do stadiums impact their city at the regional scale? Specifically, Chicago? And how do they measure the impact?
3. How are you involved in Chicago with the ballparks?
4. Can you describe the relationship between the city and City of Chicago officials and the two ballparks?
5. How does the relationship between city officials and the stadiums play out at the neighborhood level? How did it play out in Wrigleyville versus Armour Square?
6. What, if any, were the neighborhood concerns? How did the city officials and stadium officials consider the neighborhood?
7. To what extent were the stadiums in Chicago economic development tools?
8. To what extent, if at all, do the ballparks in Chicago interact with other economic development interventions?
9. Is there anyone else I should know?
10. Is there anyone else you think I should talk to?
Appendix B: Brian Parker Interview Transcript

Elena Caminer: Thank you so much for agreeing to talk with me.

Brian Parker: Sure, I’m not sure how much I can provide but I’m always happy to talk at least.

Elena Caminer: Well I appreciate it. Everything helps. I’m really just trying to understand the area and the economic development interventions. So, as I said, I’m recording this conversation; is that still ok with you?

Brian: Yeah.

Elena: Great. Um, and also if you wouldn't mind just that I have it like on record just because it's a thesis and I want to have it for the transcript if you would identify yourself and, you know, your institution, or the company. I'll do the same. I’m Elena Caminer coming from Barnard College and doing this for my thesis. So, if you would not mind doing that.

Brian: Sure, Brian Parker director of sport economic for AECOM, out of Chicago.

Elena: Awesome, thank you. And I do not need to use your name in my thesis, but I'll have to at least use your title. Do you mind?

Brian: Sure.

Elena: Okay great, and I also happy to send you a summary of the findings either after the interview, or kind of let you know, we can stay in touch about my thesis if you want just so you know how this interview, if it's used it all.

Brian: Yeah.

Elena: And of course, there's no risk or anything and like talking to me. In the end it's just a thesis, it's not published. So just want to lay that ground work.

Brian: I’d love to see the findings. Are you just looking at these properties in Chicago or are you looking at other markets as well?

Elena: So, I just chose Chicago as my case study and specifically those two ball parks. I'm looking primarily from 1990 through 2010, but a little bit into the present, but ideally stopping more at 2010. 1990 being a time before the new stadium the new Comiskey Park was built and like right in the beginning of the deals. Opened in ‘91 as you know and then trying to avoid a lot of the big renovations past 2010 that the Ricketts have put in. And also, that way keeps it under one mayor for the most part or entirely so that’s kind of the thought process. However, I plan to somewhat address 2010 onwards, but I’m using the
1990 census and the 2010 census in order to get a little bit of a snapshot of the area in terms of hard data and demographic numbers. So that's why I also wanted to focus within those time period.

Brian: Yeah, I think what you'll find is, you know, prior to 2010, I don't remember when the Ricketts took over the Cubs probably right around 2010. You know, there's been so much that’s changed since then that before that, anecdotally at least, and just having been there, there was a lot of new development redevelopment around Wrigley. It's really all taken place since, other than the rooftops, I should say and I don't know if those were incentivized or just private developers other than the incentives the Cubs gave them, or they had to pay to the Cubs really for the use of the of the sight lines. I guess if you want to put it basically so yeah anyway. It’ll be interesting. I look forward to seeing what you're finding.

Elena: Awesome. Well I’ll be sure to stay in touch. So just I wrote out a few questions and let me know whenever you have to leave or whatever I don't want to take up too much of your time today. But I wrote out a few questions and but happy to you know just hear kind of your general thoughts, but if you could just tell me briefly the kind of work that you do at AECOM and if you're involved at all in Chicago with the ballparks. (4 minutes)

Brian: Sure. So, I just joined AECOM in October. After I’ve been in the industry of sports facility for just over 19 years now really focusing on and what I’m doing at AECOM and continuing on is really focusing on the feasibility of sports facility developments and obviously that rolls over and translates into ancillary development as well. So really anything to do with market, market demand, financial viability, economic impact, funding, anything to do with the business side of facility development, anything to do with sports other than the actual sport itself. I guess that would be my elevator speech.

Elena: Nice. And so, given this information, how do you think that stadiums impact the cities that they are in at a regional scale? And specifically, if you can talk about Chicago. And how do they measure this impact that they have?

Brian: Yeah, I think it’s, they impact their communities in different ways. And what you saw, you can look at Comiskey, well what was Comiskey, then US Cellular and now whatever it’s call Guaranteed Rate.

Elena: Yeah, I probably will often refer to it just as Sox Park just to make things easier, feel free to do the same.

Brian: Yeah, Sox Park, Comiskey whatever you want to call it. It was an interesting time when they built that. And it was kind of at the end of the 70s and 80s when almost every stadium being built was built in maybe an urban area, but in a less developed urban area or more suburban areas, it was built in a parking lot with nothing surrounding it but parking. Which is what Comiskey is. I mean it’s got parking to the North and South, I think a rail line to the West and an interstate to the East. There’s not a lot of room, well there is a lot of room there, it’s just parking right now. There is not a lot of infrastructures for traditional
parking. So, they were kind of the last of that generation. And then I think if I remember right the next ballpark built after that in the majors was Camden Yards in Baltimore which started this whole urban feel ballpark nestled into the neighborhood much like what Wrigley has been for the last 100 plus years. So, it’s a very interesting selection of markets, and I don’t know if you intentionally did it that way to have two ballparks that are completely opposite in the sense that how they impact their communities depends on how the community views the ballpark. I look at Minneapolis a lot of times as an example when they built the metrodome they actually moved from suburban where Mall of America is now out in Bloomington to the edge of downtown Minneapolis but the building was there for maybe thirty years but there was no real development, maybe after 25 years there was more of a push for redevelopment in that area. So, they kind of just built it, and I don’t know the intent when they initially built it if it was to initiate development, but they certainly didn’t. They did not have success there. So, what you find is if there is a new ballpark being built, you need to have a plan for the development around it. You can’t just build the ballpark and assume, or any kind of facility, and assume that the development is going to take place. There has to be a more comprehensive plan. And again, you know, you are in a market like Chicago where the ballpark has been there for one hundred years. You know certainly when they built the ballpark then they were not thinking and considering the economic impact, but you can see the transformation from the 90s and you know that was probably my first exposure to Wrigley, in the 90s coming over from college and attending games there and it was great. It was a bunch of bars it was a fun place to be. And it still is that but now it’s different. Now there is actually a little bit of class. It’s not just the drunk young 20/25 year olds, like I was, walking around the neighborhood, it’s actually business people going there and an actual destination outside of just baseball games. I think that has been an interesting process and if you are looking at Boston Fenway is doing the same thing. Ballpark has been there forever but now they are actually redeveloping around it and it’s a desirable place to be not just for that young 20, 25, 30 year olds, but for people of all ages to go to on a regular basis as opposed to just the 81 games a year that they play.

Elena: Awesome (9:20 minutes). And were you involved at all, so far in your 19 years, have you had a close relationship in any way with these ballparks or are you more doing the research and kind of from an outsider’s perspective?

Brian: Not much with Wrigley or Comiskey. I haven’t had any direct exposure to them with what I did. We worked very closely with the Twins when they built their new ballpark, their metrodome in downtown and Target Field on the other side of downtown. But like that was a pretty large economic development effort. So, I’ve been there and dealt with those. And I’ve dealt with sports and other venues in similar manners.

Elena: Very cool. And if possible, can you describe the relationship that a city has, like city officials, have with a ballpark? Like from your experience in Minneapolis and if you have any anecdotal specifically of either of the ballparks in Chicago?

Brian: I think it’s probably a love-hate, to be honest with you. I think in every community it’s very different. I think what we have seen in Chicago is there just has been more activity
around Wrigley. I haven’t seen the Reinsdorf really make a push to develop around Comiskey. So, I do not know what their relationship is with the City. I just know with Wrigley they have had to go through a lot of wrangling to make the changes that they have made to the ballpark and even before that, looking back before 2010 when they built all the rooftop decks that was pretty contentious for a number of years. You know the Cubs looked at putting netting up basically on the outfield to block the site lines of the rooftops. I want to say that after all the wrangling it came down to the rooftop owners combined to pay 2-3 million dollars a year to the Cubs for the rights to sell tickets to the rooftops to watch the Cubs games. But you know every market is going to be different. It’s not just major leagues, there are a lot of minor league communities as well where the mayor sold the response to the legacy. They are very active and not just going to roll over and give the team owners whatever they want. But they are very progressive in looking at the options that they have to try to find solutions. Whereas many cases its: we the city will not give you anything you have to pay for it all and we are just here to reap the benefits. There is always a question when you look at the benefits if the stadium accrues or doesn’t accrue to a community and whether there is true economic impact. I’m sure you have come across Andrew Zimbalist, he is one of the big academic students of the economics and I don’t remember where he is now, but he holds, and many academic economists will tell you that there is actually a negative economic impact to professional sports teams. That does not touch on the intangible benefit of it and I think that’s where we need to think about it differently, it’s not just about the numbers. You have to look at what a team, what a stadium, brings to you and the community. If you are building a new stadium, where you are putting it to help with the larger goals and objectives of your administration, the political side of things if you will. (13:35).

Elena: Can you talk a little bit more about how you see and what kind of questions you are asking at the neighborhood level that stadiums have and the relationship they have with the community? What are the type of questions and research that goes into the neighborhood level, as opposed to the regional number-based impact? (14:00)

Brian: From a neighborhood level you really need to look at the impact on the neighbors—so the light pollution from the stadium if you are having night games. In the case of Wrigleyville one of the biggest issues is the case of drunkenness, quite frankly. And how you control and manage that. Traffic congestion is always going to be an issue. As a team owner you have to be sensitive to those issues. Wrigley, again, is unique because it has been there for so long. It’s just part of everything in the neighborhood. You know if you choose to live in Wrigleyville you are choosing to live in that environment. But you want to make sure as a team and the City that you aren’t just letting it be the 80s and 90s, a bunch of stupid drunks walking around. That is what Wrigleyville was. And there is still some of that, certainly, but it’s just a different environment now then it was.

Elena: And why? No, no, go ahead.

Brian: I think with Comiskey it’s different because you don’t have as much immediate neighbors you have to deal with. The South Side of Chicago is the South Side of Chicago. There is lower income, higher crime down there in general. So, it’s a neighborhood safety
issue. And it goes both ways. It’s the neighborhood and the stadium and the patrons and the patrons and the stadium and the neighborhood. It honestly cuts both ways. And the traffic and the congestion. There, again, you are right off the interstate. Unless you take mass transit. So, I think those are the main concerns a neighborhood is going to have about a ballpark, but there’s less overlooking Comiskey Park.

Elena: And do you think that these neighborhood concerns are being addressed by the owners in both situations? Do you think that it has actually played a role in the different development outcomes of these two areas? (16:25)

Brian: Yeah, in Wrigley they have certainly had heavy involvement. The aldermen have been very involved representing the neighborhood. And they have certainly had direct contact with the neighborhood groups. And historical groups, dealing with Wrigley as a historical building. Whether they all are getting listened to and getting what they want out of the discussion is another. I think they probably all are very happy and very unhappy throughout the various points in their situations. In that case, they are intertwined in the neighborhood and the neighborhood is able to voice their concerns and the Cubs have tried to address those concerns. I don’t know with Comiskey if there has ever been any discussions with the neighborhood. If there is a neighborhood that really associates itself—the first time I heard of Armour Square was when you mentioned it. Yeah, I had never heard of that area being called anything other than Comiskey Park. (17:35).

Elena: Great. And then, to what extent would you say are these stadiums, from your perspective, not from the academic negative impact, talking about some of the intangible and the combination of both the intangible parts and the true numbers, to what extent do you think the stadiums in Chicago are economic development, help economic development and how are they economic development interventions?

Brian: How are they interventions?

Elena: Yes, if at all.

Brian: How do you mean interventions? Are they inhibiting economic development? Is that the perspective you are looking at?

Elena: No, I’m actually saying the opposite—that these are tools for economic development.

Brian: Yes, absolutely. Wrigley has been a tool now. But I don’t know when Wrigleyville became Wrigleyville in terms of the bars and everything that popped up along there. Was it that way in the 50s, I don’t know. Honestly, I wasn’t here then and can’t go back that far. From where Wrigleyville was in the 90s and even the rooftops in the 90s when bleachers were put on the roof, now they are operated as businesses. So, in Wrigleyville’s case, absolutely the Cubs, the success of the Cubs in recent years, and the willingness of the neighborhood to look at Wrigley as an asset has played a role in changing what Wrigleyville was. So, in that case absolutely it has been. And I think it probably took a
long time to get there. Because it was very simplistic to say “I’m just going to build a bar here because that’s where a bar belongs” than to say “young people are here so that’s great.” You know it’s like hanging fruit. Now that there are so many other neighborhoods that have gone through their redevelopment in Chicago that young people want to live in. You know, in the 90s Wrigleyville was the place to be, now there are 15 different neighborhoods that people want to live in. So, I think it has helped reposition Wrigleyville for future success with maybe somewhat of a different demographic. Comiskey is just kind of there. I don’t there it has had any economic benefits, development benefits. There is just nothing there outside of the restaurants that are at the ballpark itself. If I remember right, there is some fast food joints to the West, maybe some fast food joints to the East. There is really no shopping. I don’t think you could say that Comiskey has been an economic driver for that neighborhood ever in the hundred plus years Comiskey has been in that neighborhood (20:47).

Elena: And last question, and then I want to leave it open to you to add anything, but to what extent, if at all, do these ballparks interact with other economic development tools? I’m more saying that the City puts in place like programs. Do you see an interaction at all or do you think it’s a separate entity and a separate thought process?

Brian: I think the City incorporates the ballparks into its assets and its many attractions. Just walking around the pedway here, the underground walkway through Chicago, most of the signs, at least near the larger hotels that are connected to it, have some indication that Wrigley is the Redline and you take the Redline up and Comiskey is the Brown line or whatever it is, and take it down a few stops or however many it is. To incorporate it, which is purely anecdotal, in very large convention-type hotels so they are going to have a lot of people that are looking for those types of activities. So, from a City’s perspective, to use that as an asset, much like Navy Pier or the museum campus, it’s another tool in their shed in terms of the amenities that they make available. I don’t know if they have specific incentives for development in Wrigleyville or if there is anything available in Comiskey or Armour Square. I don’t know if that answers your question or if that is what you were trying to get at (22:45).

Elena: No, that’s perfect. And is there anything else you think I should know about the ballparks and these areas?

Brian: No, I think that’s it. I would be curious about, I don’t know how you plan to or how long, but do you look back to lay the ground work for the 1990-2010 range. Do you look back to see what is was like from 1910s to 1990s to see Wrigley and Comiskey before the years. I don’t know if that is something that is helpful for you. I think it would be interesting because they have been there for so long that the impact is difficult to quantify, I think. But they are so different. There has got to be a reason behind it and why they are so different. I think anyone could look, Zimbalist or any academic, could look at Wrigley as absolutely having economic impact on that neighborhood. And housing values are up because Wrigley is there and the elevated and it’s an attractive place to be. You can’t say the same thing about Comiskey, so why is that? Why are the housing values and rental rates lower in Comiskey than they are in Wrigleyville? I think you cannot objectively look at those two
and see if there is not some economic impact derived from Wrigley being in Wrigleyville. But why is that?
Elena: Right.

Brian: And maybe that is what you are trying to answer.

Elena: That is hopefully the million-dollar question and I am realizing I was planning on briefly addressing the history and a little bit of a background section or briefly. But I think you bring a very good point that I am looking, if there are any, key pivotal moments in terms of change in ownership is something I’ve been looking at. I am looking at the planning of the city a little bit in terms of the interstate and the use of the “El” and everything else. So, I definitely think that’s a good point. Is there anyone else you think I should talk to?

Brian: I think Chris Brewer, who sits right behind me, I don’t think he is in right now. I can’t see him from my conference room here. He’d be a good guy to talk to because he is more, he lives in the City. I’m a suburban guy so I don’t know the ins and outs of the City. He also focuses on more commercial economics and development, more commercial real estate as opposed to the sports facility side of things. So, the same general area of economics background, but he focuses on different things. I think he would be an interesting person to talk to get his perspective. I don’t know if he has been involved in Comiskey at all or know anything out there. He may. You might want to reach out to the Reinsdorfs. Michael is, I’m not sure how active Michael is, Jerry is the father. Michael has a development company which is interesting given they have a development company and development background, yet they haven’t developed around their biggest asset. I just don’t know what the thought process is there, so you may want to reach out to them and try to see if they are willing to speak with you about it what their thought process is because I think right now they look that they have a lot of revenue coming in from the park and parking, it’s all service lots. If there is an apartment there, but it might be too far out of the downtown market range. But is there a market for some sort of mixed-use development that has structured parking where they can still generate those revenues as well as generate revenues from other components. And make Comiskeyville. Why not? I’m sure there is reasons behind it, I just don’t know what they are or why they have not pushed it further.

Elena: Yeah. I’ll do some digging if I can reach out to them.

Brian: Yeah. Give it a shot. Michael, if not through the Bulls or Sox, you might reach him at IFG, International Facilities Group is the company that he runs for the Reinsdorf. They are kind of a consulting group that does, in some regards. You might be able to reach him there or at least reach out to him there. I’d tell you I’ve met him before and worked on a couple of projects with him, but it has been so long ago I don’t think he would remember my name. I’d say use my name, but I don’t think it would do you any good.

Elena: I appreciate it.
Brian: Yeah. It might be interesting to get his perspective on it on why they aren’t looking at developing around there.

Elena: Right. Awesome. Well Brian, I really appreciate your time and if anything else comes up now you have my contact information if you think of anything. And if I have any questions I hope I can reach back out to you, if that’s ok.

Brian: Yeah. Absolutely. 100%. And I will shoot you Chris’ information if you want to reach out to him too and see if he has, he may have a totally different perspective than what I have.

Elena: Awesome. Thank you so much. I appreciate it.

Brian: Alright. Good luck.

Elena: Thank you. Bye.

Brian: Bye.
Appendix C: Notes on Interview with Senior Management at the Chicago Cubs

- Professor Allen Sanderson at University of Chicago writes about baseball and economic development
  - His opinion is that cities always lose, but the exception is Wrigley because of the neighborhood. It brings in tourism and boosts civic pride.
- Wrigley Field is an “economic engine for the city, county, and region.”
- 3 million people visit the Cubs annually; it was 2.5 million even during the bad years.
  - Many out-of-towners who come to Chicago and want to see the Cubs.
    - Few ballparks left that are like Wrigley; Yankees and Tigers stadiums were torn down.
- Wrigley Field is “iconic and trying to function as a modern ballpark.”
- Various cities, suburbs, and towns have tried to woo the Cubs into moving, but the Chicago Cubs decided to restore and renovate.
- By the end of all the renovations, the Ricketts will have spent close to a billion dollars on Wrigley Field and the surrounding area.
  - They want it to be alive for another generation.
- Video boards
  - Fight with alderman—who was trying to protect the rooftops
  - Fans expect to see statistics on a board like they do at many ballparks
    - The Cubs want to constantly improve the fan experience.
- When asked to describe the relationship between the Cubs and the City/City Officials:
  - There are different groups within the City.
    - Most vocal opponent is the local alderman.
      - He is representing the residents who view night games and world series as mixed blessing because of the traffic it causes.
      - Cubs believe should not have a City’s asset, like Wrigley Field, controlled by a local alderman. Rather the whole city should control because the 49 other aldermen would agree with the Cubs for many things that a local alderman might not.
    - The Mayor
      - Rahm Emanuel has been very supportive, but not providing economic help—no “public assistance.”
        - Unfair because many places such as Atlanta, the NY Yankees, and the NY Mets received public assistance.
      - For the most part, the Cubs have given permission to build in most instances, although the fight has not always been easy.
      - The question remains of how far the Chicago Cubs can go, and how far will the City allow them to go.
- When asked about why Wrigleyville has changed over the years:
o People started to realize in the 90s that Wrigley Field is an asset
o Rooftops
  ▪ Earnest in late 90s even though that buildings had been there for years
  ▪ Now it’s a $30 million industry
• “neighborhood needed a refresh and upgrade”
• Wrigleyville and the Chicago Cubs would welcome city programs and initiatives, but the City has limited resources and needs to support other areas.
• Through Cubs Charities the Chicago Cubs give back to the City.
• When asked about a counterpart at the Chicago White Sox
  o Senior Management person does not work much with the White Sox
• The Chicago White Sox do not own the ballpark, tax payers do.
  o Likewise, the White Sox do not own the land.
• All in all, people for the most part appreciate the development led by the Chicago Cubs, although some do not.
• Winning the World Series proves the investing has worked.
• He is proud because they accomplished what they said they were going to do: park, restaurant, hotel, etc.
## Table 1: TIF Matrix

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<tr>
<th>Designation</th>
<th>35th &amp; State</th>
<th>35th &amp; Wallace</th>
<th>Archer Courts</th>
<th>Transit</th>
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<td>1999</td>
<td>1999</td>
<td>2016</td>
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<tr>
<td>Neighborhood</td>
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<td>Armour Square</td>
<td>Armour Square</td>
<td>Wrigleyville</td>
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<tr>
<td>Acres</td>
<td>51</td>
<td>114</td>
<td>80</td>
<td>3126</td>
</tr>
</tbody>
</table>

### Objective 1
- "activate vacant and obsolete land, especially involving sites formerly occupied by the CHA’s Stateway Gardens public housing complex"
- "assist the conversion of outdated industrial land uses for new residential and commercial development"
- "help finance the rehabilitation of the CTA’s Red and Purple rail lines on Chicago's North Side"
- "create a mixed-income area, rehabilitate affordable housing units, and construct new residential structures on CHA property"

### Objective 2
- "rekindle the streetscape vitality that characterized the area in its 1920s heyday by fostering streetscape improvements and other pedestrian-friendly amenities"
- "improved appearance of transportation corridors"
- "four station reconstructions, reconstruction of track structure and viaducts, and the construction of a rail bypass north of Belmont to increase rail capacity and alleviate train congestion"
- "foster small-scale commercial development, replace infrastructure at select locations, increase off-street parking"

### Population Served
- Public housing residents, pedestrians
- Public housing residents, commercial
- Public housing/affordable housing residents, commercial
- Transit riders, transit oriented development

### History of Area
- African American concentration, IIT, public housing demolished
- Immigrants who worked on canal, stockyards, industrial
- Residential, CHA low income housing
- Transportation started in the 20th century

### Current Conditions at Time of Designation
- IIT buildings, CHA that is set to be demolished
- Vacant/underutilized land for mixed use development, industrial areas
- Need updating, lots of riders

### EAV when started
- 2002: $3,722,416
- 1998: $9,407,402
- 1997: $85,326
- 2015: $5,810,175,335

### Projected EAV
- 2026: $40,428M
- By 2006: $25-30,000,000
- By 2022: $5,023,943
- By 2051: $20.5B

### TIF Total EAV in 2016
- $39,066,497.00
- $23,269,402.00
- $6,102,483.00
- $6,069,115,498.00

### TIF Total Revenue in 2016
- $2,506,576.18
- $1,018,319.69
- $429,925.87
- $18,096,030.64

### Number of Years
- 13
- 18
- 18
- 1

### Estimated Redevelopment Costs
- $50,000,000.00
- $30,000,000.00
- $6,400,000.00
- $6,250,000,000.00

### Success
- Yes. About half way and close to hitting projected EAV
- Yes. Reached projected EAV a few years ahead
- Too early to know

### Sources
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