



December 20, 2017

606-style trail could speed gentrification in Pilsen



By DENNIS RODKIN |



Photo by City of Chicago

The route of the Paseo will run from 16th and Sangamon streets to 32nd Street and Central Park Avenue.

Some of the Chicago households most likely to be displaced by spikes in housing costs live along or near the route of the Paseo, a planned 606-style recreational trail in Pilsen and Little Village, according to a new study.

Along the 4-mile route, concentrations of low- to moderate-income people who are living in areas where the cost of housing has already been rising fast "would become more vulnerable to displacement if the Paseo makes the neighborhood even more appealing," said Geoff Smith, executive director of DePaul University's Institute for Housing Studies.



the hot spots are in Logan Square and Humboldt Park, where gentrification pressure is already strong from neighborhoods to the east.

The difference in Pilsen and Little Village is that there's a public works project on the boards, the Paseo trail that will occupy an abandoned ground-level rail line and redesigned street-side green space. The project, already underway, "has the potential to impact housing values the way **the 606 did on its western end,**" Smith said.

In 2016, Smith's group **reported** that in three years following groundbreaking on the 606, home prices rose 48 percent along the trails' western part, which were less affluent than the eastern part. In the east, home values rose less than 14 percent in the same time period.

The new study, Smith said, is an attempt to help neighborhood and city officials put data behind a concern that has been voiced since Mayor Rahm Emanuel **announced plans to develop the Paseo in March 2016:** that while it will be a healthy neighborhood amenity, it could spark further displacement of longtime Pilsen residents.

The data "can be used to avoid some of what happened on the 606," including clashes over gentrification, Smith said. The city could use its leverage while developing the Paseo to ensure affordable housing remains in the area.

"I think what public investment needs to do is create safeguards around the Paseo so that existing residents are not displaced by market forces," said Raul Raymundo, CEO of the Resurrection Project, a Pilsen civic development group. He said the Paseo is a welcome project, but that "we need to be very proactive to avoid the pitfalls of a public investment like the 606 that potentially creates accelerated (home) prices."

The IHS report also found areas around another big public works project, the planned Obama Presidential Center in Woodlawn, that could see displacement, but the risk is less severe. That's in part because the Paseo, like the 606, would be something people want to live near so they can use it on a regular basis for their recreation, while visitors to the Obama project will come on a one-time or sometime basis, often from outside the neighborhood.

The Obama project, Smith said, "will help the neighborhood around it and potentially attract other businesses to be near it." Pressure on the neighborhood's housing values, already strong, may not speed up as much in the wake of the project as they will in Pilsen because of the Paseo, the report suggests.

Putting some protections on existing affordable housing before the Paseo adds heat to the market could prevent clashes after the fact, **as happened along the 606 after prices spiked.**

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