Devon Corridor Market Analysis

February 3, 2021

Background

The Elevate Devon Corridor Plan is seeking to define a vision and set of strategies to enhance the vitality of Devon Avenue. The study area, highlighted in blue below, extends from Ravenswood Avenue on the west to Sheridan Road on the east. Sponsored by the Edgewater Chamber of Commerce, Rogers Park Business Alliance, and Loyola University Chicago, the project is engaging local businesses, residents, organizations, and institutions in developing recommendations to support existing merchants, attract new businesses, and enhance the corridor for residents, students and visitors to the area.
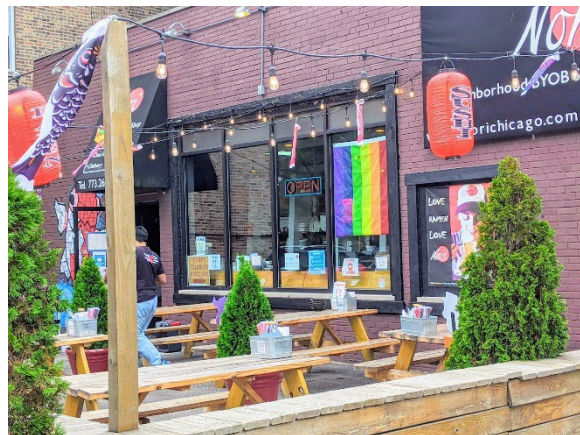
Figure 1: Elevate Devon Study Area

Summary of Key Findings

- One of the greatest strengths of Devon and its surrounding area is the wide range of diverse households, businesses and organizations. Both market areas are approximately half White alone, about 15% Black or African American alone, 15% Asian Alone, 10% Some Other Race Alone and 5% Two or More Races. In the five-minute area, 23% of residents are of Hispanic or Latino origin of any race.
- Forty percent of households speak a language other than English at home.
- Enrollment at Loyola University Chicago is growing, reaching 17,498 in the Fall of 2021. Approximately 5,000 students live in dorms and 4,000 live off campus in zip codes 60626 and 60660.
- There are 90,000 residents within a 5-minute drive and 280,000 residents within a 10-minute drive.
- The five-minute area is about 29% owner-occupied, 60% renter-occupied and 11% vacant.
- Household income is approximately $49,000 within the five-minute area and $59,000 within the ten-minute area, but has a very wide range of incomes, meaning businesses can focus in on certain niches.
- Public transit, pedestrians and bicyclists are very important to Devon businesses. Pedestrians may either live or work nearby, are students or faculty, or have come to the corridor via public transportation, bicycle or car.
- CTA ridership is beginning to recover after steep declines during the pandemic.
- There are approximately 16,000 vehicles along Devon, 26,500 along Sheridan where it meets Devon, 20,000 along Broadway and 15,000 along Clark St. While these high vehicle traffic numbers are important for many businesses, it makes safety for all modes an important issue.
- Services, including education and health care, are the largest share of local employment.
- There is very high spending on goods such as food, entertainment, recreation, apparel and services. The market potential reflects the international make-up of the area with high demand for travel, entertainment, technology and restaurants.
- The top market segments for households including Metro Renters, Trend Setters and Diverse Convergence. These segments reflect highly educated, diverse, high-tech households.


Devon Market and Nori are just two examples of the wide range of businesses along Devon.

Market Facts

Figure 2 shows the Devon Corridor (in grey) and two market areas which encompass the area within a five-minute drive (brown) and within a ten-minute drive (green). These five- and ten-minute drive time market areas were developed to identify demand for goods and services that can be supported along Devon Avenue.

Figure 2: Five and Ten Minute Drive Time Market Areas and Devon Corridor
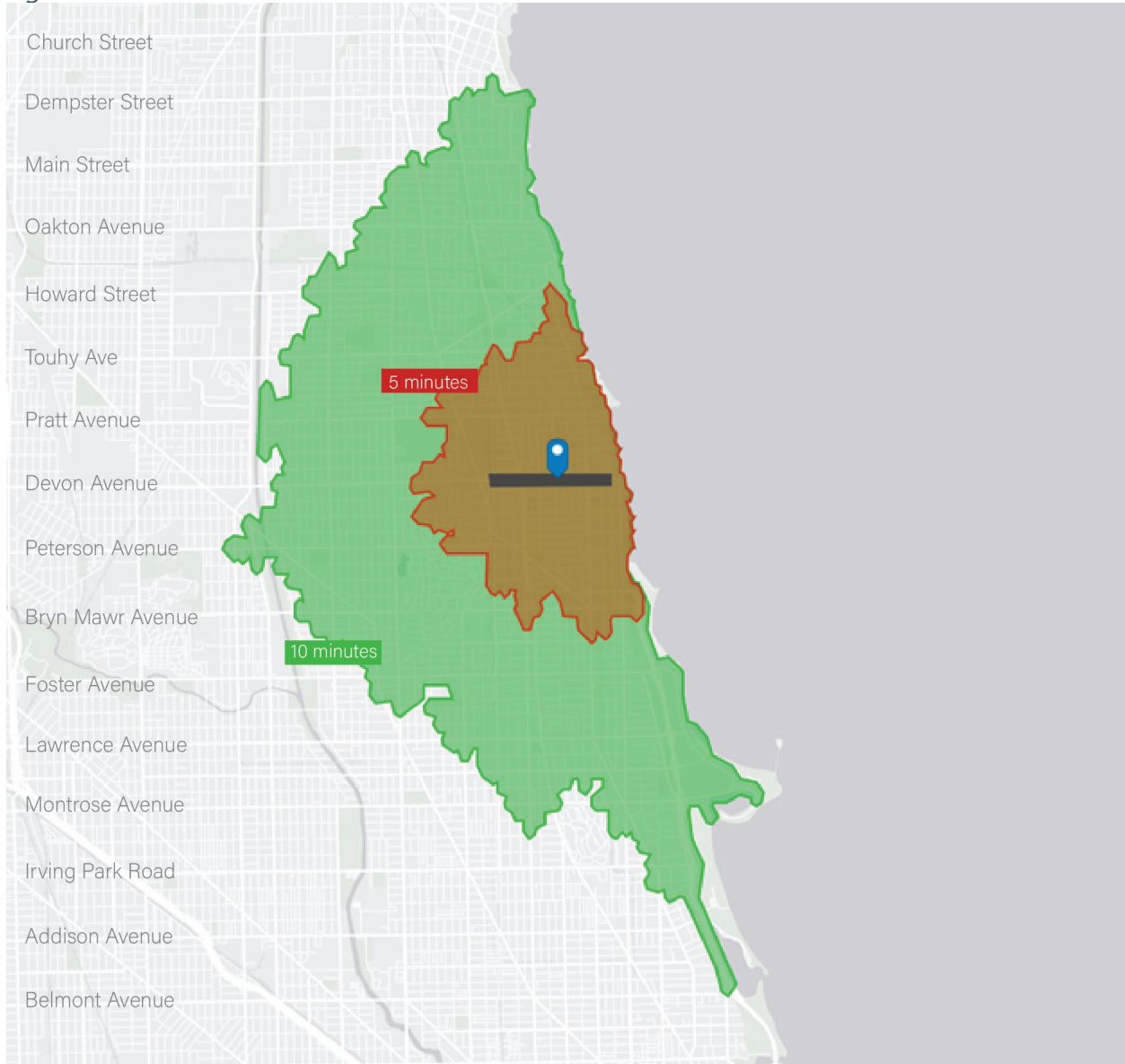
<u>*Diverse Market*</u>

One of the greatest strengths of Devon and its surrounding areas is the wide range of diverse households, businesses and organizations.

Both the five and ten minute market areas are racially and ethnically diverse, and both have similar racial and ethnic makeups. Both areas are slightly more than half White Alone, about 15% Black or African American Alone, 1% American Indian Alone, about 15% Asian Alone, about 10% Some Other Race Alone, and 5% Two or More Races.
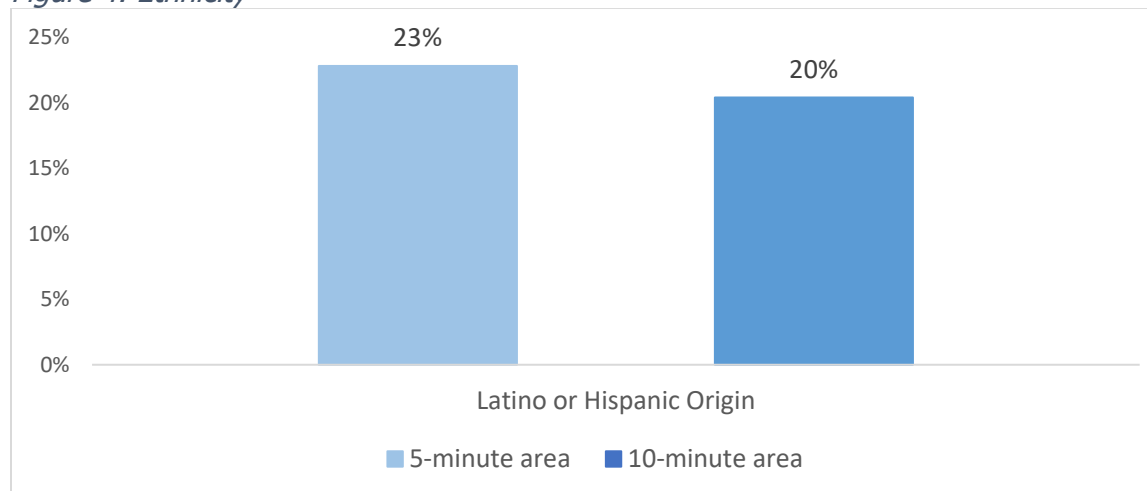
Figure 3: Race
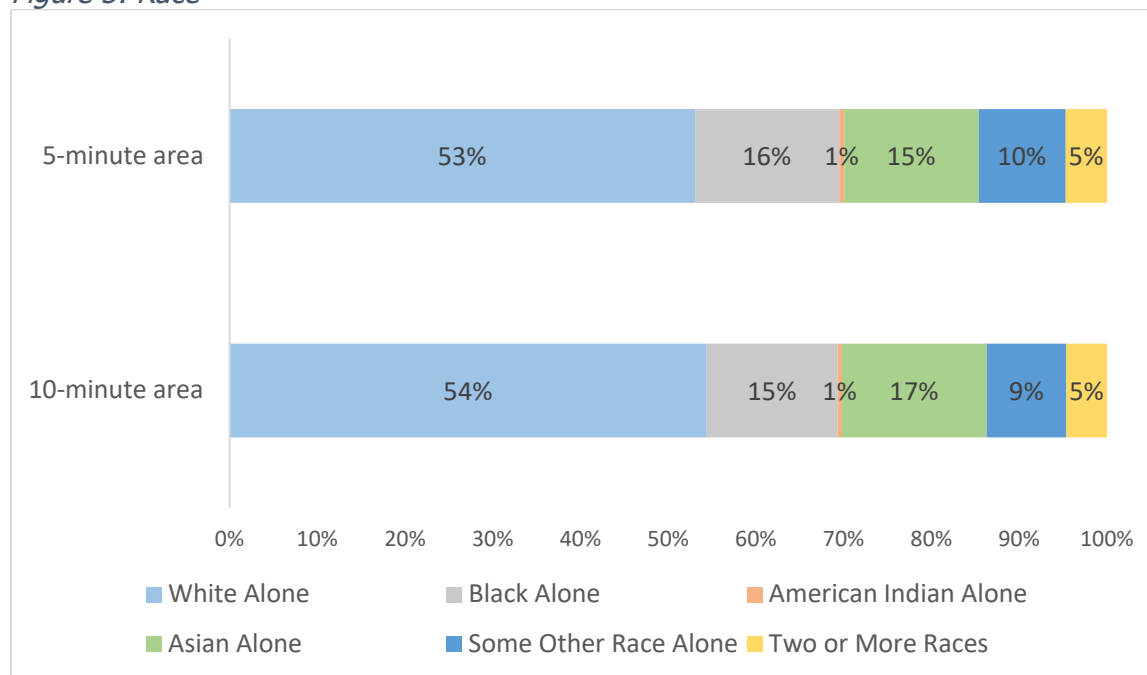
Source: ESRI 2021, US Census Bureau

In the five-minute area, 23% of residents are of Hispanic or Latino Origin, compared to 20% in the ten-minute area.[1]

Figure 4: Ethnicity

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[1] Note that Latino or Hispanic Origin is a different question regarding ethnicity in the U.S. Census and reflects people of any race.

Language

In both market areas, the majority of residents speak only English. However, significant portions of the market areas speak languages other than English; the two most common are Spanish and other Indo-European languages. In the five-minute market area, 53,254 residents speak only English, more than 14,000 residents speak Spanish, and more than 12,000 residents speak other Indo-European languages. More than 165,000 residents speak only English in the ten-minute area, 41,000 speak Spanish, and more than 35,700 speak other Indo-European languages.

Table 5: Languages

	5-Minute Area		10-Minute Area	
	Number	Percent	Number	Percent
Speak only English	53,254	60%	165,185	59%
Speak Spanish	14,129	16%	41,007	15%
Speak other Indo-European languages	12,028	14%	35,719	13%
Speak Asian and Pacific Island languages	4,921	6%	17,698	6%
Speak other languages	4,726	5%	19,659	7%

Source: ESRI 2021, US Census Bureau

Population Change

Both the five-minute and ten-minute market areas decreased in population between 2000 and 2021. Both areas had a greater percentage loss of population from 2000 to 2010; the five-minute area lost 11,700 residents (11% of the population) and the ten-minute area lost 25,875 residents (8% of the population). From 2010 to 2021 the population loss was much lower than the previous decade. The five-minute area saw a decrease of 2,316 residents (3%) and the ten-minute area saw a decrease of 3,147 (1%).

The loss of population correlates with a decrease in average household size (see Table 3). From 2000 to 2021, the average household size has decreased by 10% in the five-minute area and by 6% in the ten-minute area. The causes of this reduction in household size may be due to smaller households occupying homes and rental units, conversion of 2- and 3-flats to single-family homes, and replacement of larger families with children with smaller households.

Table 1: Population Change, 2000-2021

Population Trends	5-minute area	10-minute area
2000	103,736	309,046
2010	92,036	283,171
2021	89,720	280,024
% change, 2000-2010	-11%	-8%
% change, 2010-2021	-3%	-1%

Source: ESRI 2021, US Census Bureau

Figure 5: Population Trends, 2000-2021
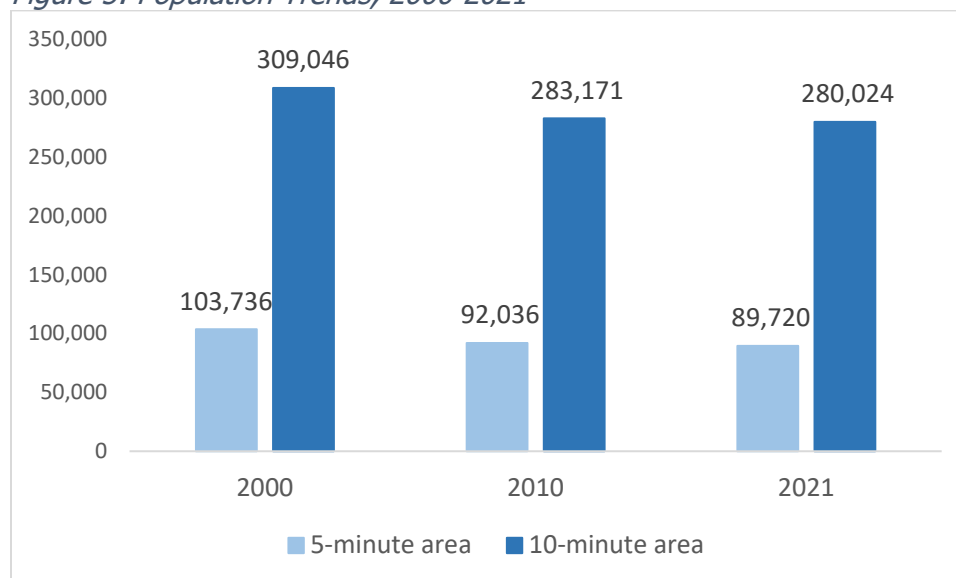
Source: ESRI 2021, US Census Bureau

Household Change

The total number of households also decreased in both market areas between 2000 and 2010 but at a much slower rate. The five-minute market area decreased in household number by 5% (2,306 households) and the ten-minute market area decreased by 4% (4,823 households). The number of households stabilized since 2021, with only a modest decline of 406 households within the five-minute area and a small increase of 141 households in the ten-minute area.

Table 2: Household Trends, 2000-2021

Household Trends	5-minute area	10-minute area
2000	45,235	134,967
2010	42,929	130,144
2021	42,523	130,285
% change, 2000-2010	-5%	-4%
% change, 2010-2021	-1%	0.1%

Source: ESRI 2021, US Census Bureau

Table 4: Average Household Size, 2000-2021

Average Household Size	5-minute area	10-minute area
2000	2.20	2.21
2010	2.01	2.09
2021	1.98	2.06
% Change, 2000-2010	-9%	-5%
% Change, 2010-2021	-1%	-1%

Source: ESRI 2021, US Census Bureau

Loyola University Chicago – an anchor institution

Loyola University Chicago is located on the eastern edge of the Devon Corridor. University students, faculty, and employees are an important and integral part of the Devon Corridor and provide demand for local businesses. Total enrollment has increased by more than 1,500 students from 2010 to 2021. Across its three Chicago campuses, Loyola employs more than 4,000 individuals and has 5,000 students living in dorms. The undergraduate population grew from 9,747 in 2010 to 11,819 in 2021, with the majority of those students enrolled full time. There are an additional 5,679 graduate and professional students on Loyola University Chicago campuses.

Table 10: Loyola University Chicago, Enrollment and Employees

Fall Reporting Term	2010	2021
Fall Term Enrollment	**15,951**	**17,498**
Undergraduate Enrollment	**9,747**	**11,819**
Full-Time	9,042	11,205
Part-Time	705	614
Graduate/Professional Total	**6,204**	**5,679**
Full-Time	4,448	4,172
Part-Time	1,756	1,507
Master's Total	3,872	3,344
Doctoral Total	894	722
The	1,438	1,613

Source: Loyola University Chicago

In the 60626 and 60660 ZIP codes (ZIP codes covering Rogers Park and Edgewater, respectively) had almost **4,000 Loyola University Chicago students living off-campus in the area.**

Table 3: Loyola University Chicago Students

	60626	60660
Student Residents	2,450	1,500

Source: Loyola University Chicago

Housing

Both market areas have had a stable number of housing units over the past two decades. Between 2000 and 2021 the five-minute and ten-minute market areas increased their total number of housing units by 1% (338 units) and 2% (2,257 units). In the following decade, both market areas lost 1% of their total housing units; 668 units for the five-minute area and 1,060 units for the ten-minute area.

Table 6: Housing Units, 2000-2021

Housing Unit Trends	5-minute area	10-minute area
2000	47,921	142,438
2010	48,259	144,695
2021	47,591	143,635
% change 2000-2010	1%	2%
% change 2010-2021	-1%	-1%

Source: ESRI 2021, US Census Bureau

Both market areas are majority-renters, similar to the City of Chicago. Of the 47,591 total housing units in the five-minute area, 29% are owner-occupied and 60% are renter-occupied. In the same market area, 11% of total units are vacant. In the ten-minute area, there is a higher rate of owner-occupied units and a lower rate of vacant units. In this market area, 34% of units are owner-occupied, 57% are renter-occupied, and 9% are vacant.

Table 7: Housing Tenure, 2021

2021 Housing Tenure	5-minute area	10-minute area
Owner-Occupied Housing	29%	34%
Renter-Occupied Housing	60%	57%
Vacant Units	11%	9%
Total Housing Units	47,591	143,635

Source: ESRI 2021, US Census Bureau

Household Income

The median household income is $49,388 in the five-minute area compared with $59,489 in the ten-minute area. There is a higher proportion of residents making less than $25,000 in the five-minute area and a higher proportion of residents making more than $100,000 in the ten-minute area. Both areas show a very diverse range of incomes, indicating that the market needs to respond to households at a wide range of consumer and spending patterns.

Table 8: Household Incomes, 2021

Household Income Base	5-minute area	10-minute area
<$15,000	15%	13%
$15,000 - $24,999	11%	9%
$25,000 - $34,999	10%	10%
$35,000 - $49,999	14%	12%
$50,000 - $74,999	16%	16%
$75,000 - $99,999	11%	12%
$100,000 - $149,999	12%	15%
$150,000 - $199,999	6%	7%
$200,000+	5%	8%
Median household income	$49,388	$59,489

Source: ESRI 2021, US Census Bureau

Transportation

Although public transportation options on and near Devon Avenue were not immune to the drop in public transit ridership that occurred due to the COVID-19 pandemic, ridership is beginning to recover. Average weekday ridership for the 155 Devon bus decreased from almost 6,000 daily riders to 3,363 daily riders in 2020 and began to recover by reaching 3,548 riders by mid-2021 (January to June average). Average Saturday ridership fell from 5,685 riders to 2,642 riders in 2020 and 3,098 in 2021; Sunday ridership fell from 3,617 to 2,131 in 2020 and 2,447 in 2021. These changes range from a 32% decrease (Sunday ridership in 2021 compared to 2019) to a 54% decrease (Saturday ridership in 2020 compared to 2021). Weekday ridership in 2021 increased 6% for the 155 Devon bus route; Saturday ridership increased 17% and Sunday ridership increased 15% in 2021 compared to 2020.

The Loyola Red Line Station has had even greater changes in ridership since the beginning of the pandemic. Weekday ridership at the Loyola stop fell 77% from 2019 to 2020, from more than 5,000 average daily riders to 1,142 riders in 2020. The stop saw a 67% increase from 2020 to 2021, with an average of 1,905 riders on weekdays. Weekend ridership dropped as well from 2019 onwards (61% on Saturdays and 59% on Sundays from 2019 to 2020), but saw increases from 2020 to 2021 (24% on Saturdays and 18% on Sundays).

The Granville Red Line Station experienced a similar proportion of ridership decreases during the pandemic, but saw an improved proportion of riders return, in particular on weekend trips.

In general, there was a less dramatic decrease in ridership across the board for the 155 Devon bus, but it has not rebounded as strongly as the Loyola Red Line stop. For both bus and CTA train, 2021 ridership is beginning to recover.

Transit ridership is central to Devon Avenue's success, for both east west and north south movements. Several businesses in interviews shared the importance of transit riders as customers and employees. In contrast to other market areas, passers by, bikes and transit riders are fundamental to the market.

Table 9: Public Transit Ridership, 2019-2021

	Avg Weekday Ridership	Avg Saturday Ridership	Avg Sunday Ridership
155 Bus - Devon			
2019	5,992	5,685	3,617
2020	3,363	2,642	2,131
2021 (Jan-Jun Avg)	3,548	3,098	2,447
Loyola Red Line Station			
2019	5,072	3,980	2,814
2020	1,142	1,572	1,159
2021 (Jan-Jun Avg)	1,905	1,942	1,365
Granville Red Line Station			
2019	3,688	2,791	2,004
2020	1,292	681	534
2021 (Jan-Jun Avg)	1,354	1,268	927

Source: CTA Monthly Ridership Reports, 2019, 2020 and July 2021

Traffic Counts

Many businesses depend on a combination of customers arriving by car, transit or on foot. A combination of strategies is therefore critical – from having sufficient parking to improving safety for all modes.

There are approximately 16,000 vehicles - Average Daily Traffic (ADT) - along Devon. In addition, there are 26,500 ADT along Sheridan Rd just east of Devon that reaches 31,900 ADT north of Loyola Avenue; 20,000 ADT along Broadway and another 15,000 ADT along N. Clark Street. These are all strong numbers to support local stores, but drivers may not want to stop without knowing what is available on Devon, where they can park, and if they can park once and visit multiple stores and businesses.
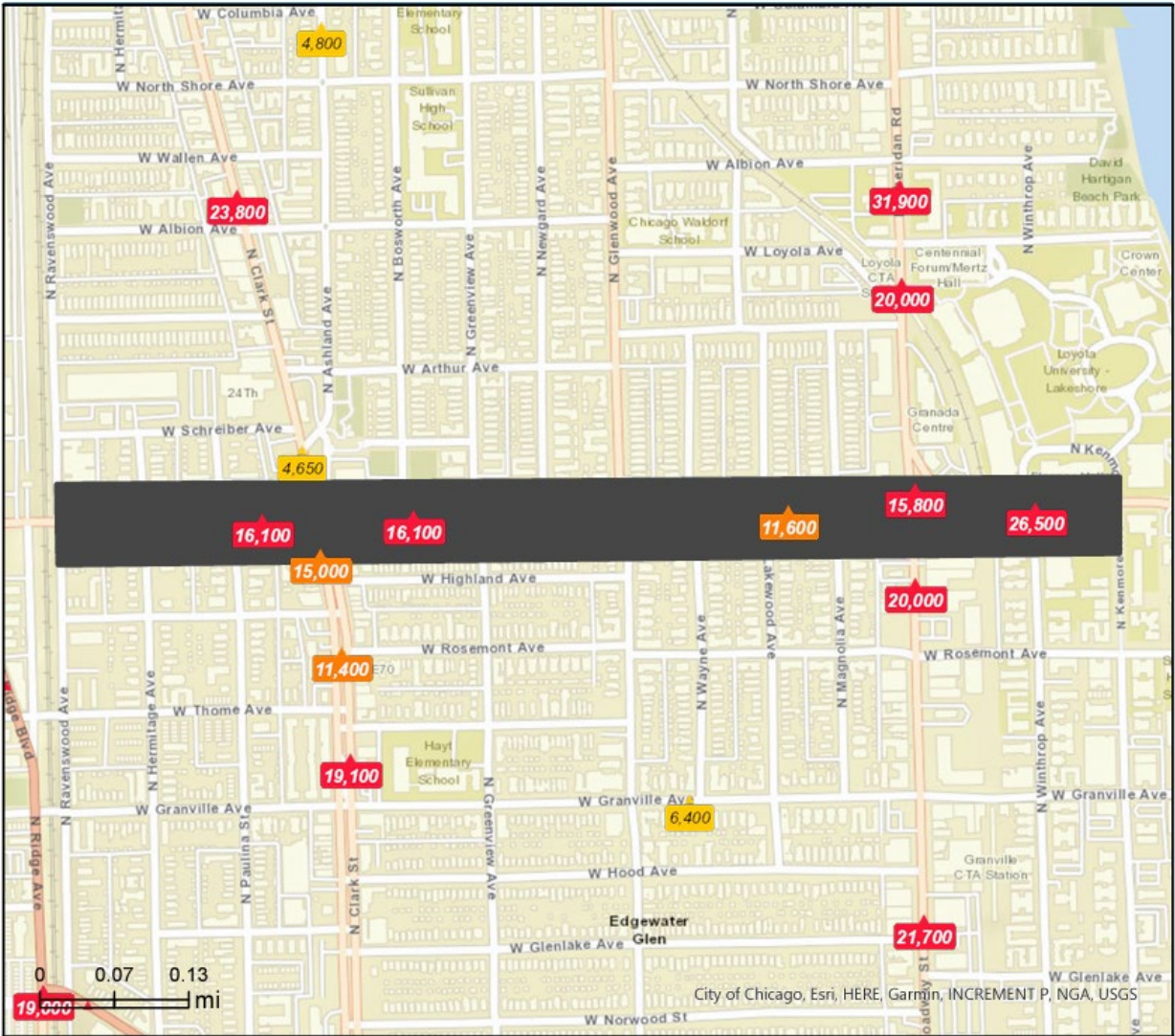
Business Summary

In the five-minute area, almost one in four businesses are in retail trade, and one in five employees work in retail trade. Forty-two percent of businesses and 52% of employees are involved in services. "Services" include education and libraries, health services, hotel and lodging, automotive services, amusements, legal services, and other services.

Table 11: 5-Minute Area Business Summary

Business	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture & Mining	15	0.9%	123	0.7%
Construction	44	2.6%	185	1.0%
Manufacturing	26	1.5%	177	1.0%
Transportation	27	1.6%	129	0.7%
Communication	24	1.4%	91	0.5%
Utility	-	0.0%	-	0.0%
Wholesale Trade	30	1.8%	2,184	11.8%
Retail Trade	413	24.2%	3,725	20.1%
Finance, Insurance, Real Estate	215	12.6%	1,375	7.4%
Services	710	41.6%	9,623	51.9%
Hotels & Lodging	5	0.3%	66	0.4%
Automotive Services	53	3.1%	235	1.3%
Motion Pictures & Amusements	82	4.8%	573	3.1%
Health Services	92	5.4%	1,637	8.8%
Legal Services	14	0.8%	37	0.2%
Education Institutions & Libraries	44	2.6%	2,539	13.7%
Other Services	420	24.6%	4,536	24.5%
Government	7	0.4%	353	1.9%
Unclassified Establishments	196	11.5%	565	3.0%

Source: ESRI 2021, US Census Bureau

The ten-minute area has similar businesses and employees to the five-minute area. 23% of businesses and 19% of employees work in retail trade and 45% of businesses and 56% employees worked in services, a slightly higher rate than the five-minute area.

Table 12:10-Minute Area Business Summary

Business	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture & Mining	54	0.8%	320	0.5%
Construction	199	3.0%	2,605	4.1%
Manufacturing	106	1.6%	1,046	1.7%
Transportation	144	2.2%	923	1.5%
Communication	59	0.9%	232	0.4%
Utility	-	0.0%	-	0.0%
Wholesale Trade	112	1.7%	2,777	4.4%
Retail Trade	1,533	23.2%	12,201	19.3%
Finance, Insurance, Real Estate	742	11.2%	5,267	8.3%
Services	2,950	44.6%	35,415	56.0%
Hotels & Lodging	20	0.3%	156	0.2%
Automotive Services	151	2.3%	807	1.3%
Motion Pictures & Amusements	255	3.9%	1,710	2.7%
Health Services	547	8.3%	10,643	16.8%
Legal Services	84	1.3%	258	0.4%
Education Institutions & Libraries	163	2.5%	7,842	12.4%
Other Services	1,731	26.2%	14,000	22.1%
Government	23	0.3%	889	1.4%
Unclassified Establishments	686	10.4%	1,591	2.5%

Source: ESRI 2021, US Census Bureau

Retail Goods and Expenditures

There is very high spending potential within the five-minute area including:

- Food $323 million
- Entertainment and recreational $103 million
- Apparel and services $76 million

Table 13: Spending Potential Index, 5-Minute Area

	Spending Potential Index	Avg Amount Spent	Total
Apparel and Services	84	$1,785	$75,918,667
Computer			
Computers and Hardware for Home Use	84	$141	$5,984,520
Portable Memory	85	$4	$156,240
Computer Software	98	$9	$400,588
Computer Accessories	74	$13	$569,841
Entertainment & Recreation	75	$2,424	$103,058,289
Food	82	$7,611	$323,623,609
Food at Home	81	$4,387	$186,552,652
Bakery and Cereal Products	80	$559	$23,769,075
Meats, Poultry, Fish, and Eggs	81	$950	$40,383,175
Dairy Products	81	$444	$18,865,753
Fruits and Vegetables	82	$872	$37,075,999
Snacks and Other Food at Home	80	$1,563	$66,458,649
Food Away from Home	85	$3,223	$137,070,958
Alcoholic Beverages	84	$525	$22,342,970
Financial	67	$17,602	$748,494,294
Value of Stocks/Bonds/Mutual Funds	64	$17,601	$748,467,513
Value of Retirement Plans	61	$60,773	$2,584,234,430
Value of Other Financial Assets	63	$5,446	$231,595,344
Value of Credit Card Debt	77	$2,134	$90,764,810
Health			
Nonprescription Drugs	70	$109	$4,637,282
Prescription Drugs	62	$205	$8,734,874
Eyeglasses and Contact Lenses	70	$68	$2,872,397
Home			
Mortgage Payment and Basics	60	$6,445	$274,057,532
Maintenance and Remodeling Services	59	$1,702	$72,377,837
Maintenance and Remodeling Materials	56	$347	$14,746,199
Utilities, Fuel, and Public Services	74	$3,672	$156,151,003
Transportation	74	$1,496	$63,600,518
Travel	77	$374	$15,918,076

Source: ESRI, Bureau of Labor Statistics

Retail Market Potential

The Market Potential Index is a measurement that examines the relative likelihood that adults or households in an area will exhibit certain consumer or purchase behaviors in comparison to the country as a whole. An MPI of 100 is equivalent to the U.S. average.[2] This information can help understand the customer base around Devon Avenue and their consumption patterns, indicating the types of businesses that might be most successful in the Devon corridor.

As three of the top four highest items indicate the international make-up of the market areas. Stores, restaurants and other businesses that can serve this diverse market will have a strong market niche.

There are 25 categories for which consumer or product behavior in the five-minute area is 25 points or higher than the American average. Seven of the 25 are related to travel expenditures, both domestic and foreign, and another seven are related to technology purchases and consumer behaviors.

Table 14: Market Potential Index, >125, 5-Minute Area

Product/Consumer Behavior	Expected Number of Adults or HHs	% of Adults or HHs	MPI
Took 3+ foreign trips by plane in last 3 years	28,124	12.2	183
Spent on foreign vacations in last 12 months: $1,000-$2,999	16,278	7.1	158
HH owns 1 TV	42,478	32.6	154
Foreign travel in last 3 years: used general travel website	21,025	9.1	145
HH owns any Apple/Mac brand computer	12,096	28.4	142
Fast food restaurant last 6 months: home delivery	28,438	12.4	139
Took foreign trip (including Alaska and Hawaii) in last 3 years	98,111	42.6	139
Carry renter's insurance	29,400	12.8	138
HH purchased video game system in last 12 months	14,591	11.2	136
Went to a bar/night club in last 12 months	54,956	23.9	135
HH used organic food in last 6 months	41,810	32.1	134
Am interested in how to help the environment	64,008	27.8	133
Avg monthly credit card expenditures: $701-$1,000	19,298	8.4	132
Used internet to watch a TV program online in last 30 days	63,783	27.7	131
Downloaded a movie over the Internet in last 30 days	28,083	12.2	130
Usually value green products over convenience	34,664	15.1	130
Domestic travel in last 12 months: used general travel website	20,103	8.7	130
HH spent $2,000+ on most recent home computer	2,428	5.7	129
Exercise at club 2+ times per week	42,724	18.6	129
Went to live theater in last 12 months	36,339	15.8	128
Usually pay more for environ safe product	43,122	18.7	125
Read any digital newspaper in last 30 days	128,876	56	125

Source: ESRI 2021, MRI-Simmons

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[2] Source: ESRI Business Analyst

For those categories where the MPI was 75 or lower (lower than the national average), some were related to automobile and gasoline usage. Households in the five-minute area are less likely than the national average to have three or more televisions in the home, or to own to pet.

Table 15: Market Potential Index, <75, 5-Minute Area

Product/Consumer Behavior	Expected Number of Adults or HHs	% of Adults or HHs	MPI
HH owns 4+ TVs	12,103	9.3	53
HH has auto insurance: 3+ vehicles in household covered	16,392	12.6	55
Household owns any dog	32,305	24.8	61
Spent at convenience store in last 30 days: $51-$99	8,592	3.7	67
Bought gas at convenience store in last 30 days	57,115	24.8	68
Household owns any cat	20,381	15.6	68
HH owns 3 TVs	18,973	14.6	69
Household owns any pet	48,290	37.1	70
HH did any home improvement in last 12 months	26,665	20.5	71
Bought cigarettes at convenience store in last 30 days	15,253	6.6	72
Carry homeowner/personal property insurance	82,537	35.9	73
Buying American is important to me	62,462	27.1	75

Source: ESRI 2021, MRI-Simmons

Tapestry Market Segmentation

Tapestry segmentation is a tool to define target markets that can be served by local retailers, restaurants, and businesses. These segments describe household demographics and socioeconomic characteristics of the market area. The top three segments for this area are: 3C: Trend Setters (13,800 households), 13A: Diverse Convergence (6,000 households), and 3B: Metro Renters (3,999 households). Figure 7 maps the dominant segment across the trade areas.

L3 Uptown Individuals Young, single renters make up most members of "Uptown Individuals". They pay with credit or with debit cards instead of cash, live in high-rise apartments or multi-unit buildings, and are dependent on the internet for many day-to-day activities. They tend to be highly educated, have high labor participation rates, and settle down either later in life or not at all.

3B – Metro Renters (11.8% of five-minute area households). This group, as their name indicates, are much more likely to rent than own – about 80% of Metro Renters are renters, and they are most likely to live alone or with roommates in multiunit buildings. The average household size for this group is just 1.67 and the median age is 32.5. They are generally highly educated and earn more than the national average, but much of their wages are spent on higher-than-average rents as well as expensive technology and clothing. They are a social group and are generally conscious shoppers.

3C – Trend Setters (32.5% of five-minute area households). This group is the oldest of the three; the median age is 36.3 and the average household size is 2.12 people. The majority (75%+) of these group members live in upscale, multiunit buildings. They are likely to travel, spend money on their "image", and the latest technology; they are more likely to spend than to save, but they likely have invested some money. Buying organic and eco-conscious purchases are important to this group.

L13: Next Wave Hardworking, multigenerational, renters make up this group. Their spending often reflects the needs of their children, and their media consumption reflects their diverse linguistic backgrounds.

13A – Diverse Convergence (14.1% of five-minute area households). Members of the Diverse Convergence have a high likelihood of being born outside of the United States (40%) and of living in households with children (41%). About 20% of households have a member of the household who does not speak English, and residents often get their news in their native language. Their average household size is 3.07 and the median age is 32.8. Almost 73% of these households rent rather than own their homes, and they tend to have lower median incomes than the other groups in the area.

Figure 7: Tapestry Market Segments can be used to inform consumer behavior

Tapestry LifeMode

🟧	L1: Affluent Estates	🟦	L8: Middle Ground
🟩	L2: Upscale Avenues	🟥	L9: Senior Styles
🟦	L3: Uptown Individuals	🟫	L10: Rustic Outposts
🟪	L4: Family Landscapes	🟩	L11: Midtown Singles
🟨	L5: GenXurban	🟧	L12: Hometown
🟩	L6: Cozy Country	🟪	L13: Next Wave
🟪	L7: Sprouting Explorers	🟫	L14: Scholars and Patriots

Source: ESRI 2021