

Always Growing, Auburn Gresham

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The Greater Auburn Gresham Development Corporation (GAGDC), Green Era, and Urban Growers Collective have long envisioned repurposing community land to support healthy living in Chicago’s Auburn Gresham neighborhood. The Pritzker Traubert Foundation’s inaugural Chicago Prize, a \$10 million award, is helping make that a reality. The grant provided timely, flexible capital to jump-start the Always Growing, Auburn Gresham (AGAG) team to build two projects: a health hub that will house a health clinic, a pharmacy, and retail space along a major commercial corridor, and a renewable energy campus with an urban farm and a for-profit anaerobic digestion operation. These projects increase access to health care and healthy living, generate renewable energy, and build community assets. In AGAG, the Pritzker Traubert Foundation found a promising example of a creative, transformative real-estate investment. In accordance with its “always growing” model, the plan continues to spur interest and investment.

The Auburn Gresham Neighborhood

A middle-market community in South Chicago, Auburn Gresham boomed in the 1920s, but redlining, white flight, racism, the exit of industry, and limited public sector commitments drove a steady decline of capital and residents starting in the 1960s. The community has since faced inequities in access to resources and opportunities, and by the 1990s was plagued by high unemployment and declining housing values. According to American Community Survey 2015–19 data, it is roughly 96 percent Black, and around 26 percent of residents live below the federal poverty level. Its median income is \$34,396, down from \$40,794 in 2006–10. Decades of disinvestment are observable in numerous abandoned industrial sites. Yet its charming bungalow housing stock, affordability, transit connectivity, and sense of community, along with new public and private investment, make it economically inclusive and vibrant.

A Complementary Partnership of Mission-Driven Organizations

Five years before the Chicago Prize competition was announced, the GAGDC, Green Era, and Urban Growers Collective began collaborating on their two synergistic projects. Now, the GAGDC is converting a vacant 60,000-square-foot 1920s warehouse into a health hub. Green Era and Urban Growers Collective are turning a vacant nine-acre brownfield into a renewable energy campus and urban farm with an anaerobic digester that turns food waste into renewable natural gas and compost. Linked by the neighborhood’s Quality of Life Plan, this team is pursuing a shared mission to support healthy lifestyles, a healthy environment, and community-driven sustainable growth.

A Confluence of Community Benefits

The partners came together with complementary ideas in three key areas. The first is healthy lifestyle, to improve neighborhood access to medical care, healthy food, and physical and mental activity and support.

- **Health care access.** The health hub, the cornerstone of AGAG, will have a federally qualified health center and pharmacy that will provide health care in one of Chicago’s most medically underserved areas. Urgent care will be open from 8:00 a.m. to 8:00 p.m. seven days a week.

- **Nutrition.** An urban farm and a farmers' market will provide fresh produce for healthy meals. These will be complemented by a high-tech teaching kitchen in the health hub, where a green roof is also planned.
- **Active living.** Community members will be able to access educational programming in the health hub's training center and farm at the renewable energy campus.

The second is healthy environment, to support a cleaner and more sustainable living space.

- **Brownfield remediation.** The digester operation cleaned a toxic site and is repurposing it for green growth.
- **Waste to energy.** The anaerobic digester will use organic waste from Chicago to produce methane gas, providing renewable energy to the grid, diverting organic waste from landfills (a major source of methane emissions), and reducing carbon emissions from transporting such waste to faraway landfills.
- **Nutrient-rich compost.** Compost that can be used in urban farms and shared with community members is a byproduct of the anaerobic digestion operation.
- **A new, green economy.** The industry-disrupting anaerobic digester and the health hub show how green, inclusive approaches to growth can improve racial equity and economic, environmental, and social justice.

The third is community-driven sustainable growth to address long-term economic needs and create opportunities.

- **Local jobs.** The project will create jobs suited to a range of skills in the growing energy and health sectors.
- **Retail.** New retail ventures including a coffee shop, restaurant, and bank will invite foot traffic.
- **A GAGDC equity stake.** The GAGDC is the largest investor in the for-profit anaerobic digester. In time, the investment will generate revenue streams to sustain the GAGDC's community development efforts.
- **Catalyzed investment.** AGAG is spurring investment. A mixed-use development is planned across the street, and a Metra station has broken ground two blocks away. As one interviewee said, the effort is "a big old bonfire that should warm up the community, stimulate activity, and bring traffic."

A Creative Long-Term Financing Solution

Once the Chicago Prize was announced in 2020, the three organizations worked with funding partners to fill financing gaps. Of the grant's resources, \$3.9 million supported the health hub, \$2 million went into the energy campus's educational facility, \$3 million went to the GAGDC to invest in the anaerobic digester, giving it a 30 percent stake, and the remaining \$1.1 million is going into operating costs and evaluation. Importantly, the prize helped leverage investment from public sector programs like the Community Development Block Grant, the New Markets Tax Credit, state grants, and additional philanthropy. Community development financial institutions provided debt financing, and the digester attracted several equity investors. Stakeholder collaboration yielded a capital stack of \$20 million for the health hub and \$35 million for the renewable energy campus.

AGAG is a notable advancement, but to achieve local goals it will need to catalyze additional development, which is already beginning to emerge: the mayor's INVEST South/West program is investing, and observers consider the coming Metra station a major step. The momentum created by AGAG could bring investment to the area for many years, and evaluation will monitor progress. With a local anchor like the GAGDC and its ownership stake in the digester, the Auburn Gresham community will help drive future development.