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Recession dining

Prairie District event spotlights South Loop establishments

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Residents sampled fare from area restaurants last Friday at the Prairie District Neighborhood Alliance's Toast of the South Loop.
FRANK PINC/Staff Photographer

If you ask Sara Navarro Elias how the recession has hit Cuatro, the restaurant she co-owns near 21st and Wabash, the answer comes back that there has been a decline in customers and sales. When did that happen?

"All of '08," she said. "I'd say at the end of '07 it really started dipping and it didn't get any better in '08." The restaurant's sales were off around 40 percent last year versus 2007, and it has only been after Valentine's Day this year that business started picking back up.

Up the street at the Weathermark Tavern, at 15th and Michigan, owner Mark Stern said despite a tough November and December, sales increased in 2008 over 2007.

He noted, however, that many residential buildings in the South Loop and the potential customers

they'd bring haven't established themselves. And Stern hoped those buildings would steadily fill up when he opened the tavern nearly three years ago.

"When the economy fell apart, the buildings stopped filling, people were pulling out of their contracts. Buildings went from 80 percent sold down to 60 percent sold to 50 percent sold," he said. "And now they're rentals.

"You can look at the buildings and can see they're not doing well."

Elias and Stern were two of the restaurants that participated in the Toast of the South Loop, an event sponsored by the Prairie District Neighborhood Alliance last Friday as a way to connect residents and restaurants, according to group president Tina Feldstein.

Feldstein said she wants the South Loop to gain a reputation as a neighborhood that supports local businesses, something she said would encourage restaurants and other retail shops to open.

Restaurateurs tried to strengthen those ties with menus, cards and food samples from their respective kitchens.

In between handing out the snacks, owners and managers at the event said the economic recession has had its affect, but customers seem to be going out to eat again.

Changes to restaurant operations have helped as well.

Elias said Cuatro has seen increased interest in their bar, which has driven up food sales.

Stern said he's listened to customers' desires for the Weathermark, removing what he called aggressive items from the menu, like nachos with duck and a veal meatloaf.

Mark Robinson, director of operations at Gioco and Opera, which are located near 13th and Wabash, said the decision to introduce prix fixe options at both restaurants two years ago is playing well now.

"People remember that when they have \$20 in their pocket. They still are going to go out to eat. Is it going to be McDonald's, Subway? No I can get a really good meal for that price. I think that worked well for us," he said.

The economic downturn hasn't been all bad either — at least for some of the food-based firms established before credit disappeared, unemployment rose and the housing market crashed.

“The downturn, from a competitive standpoint, kept a lot of competitors from opening up in the last year. Things really quieted down as far as new businesses opening,” said Mike Panozzo, who opened Panozzo’s Italian Deli at 13th and Michigan in February 2007. “I think it’s given us longer to kind of dig in our roots and establish ourselves in the neighborhood.”

But additional residential growth is ultimately what many of the restaurateurs are hoping for.

“As the South Loop grows, it’s just a matter of time before people do make it over to us. We’re at 21st and Wabash, the south end of the South Loop,” said Elias, from Cuatro. “Even folks on 18th Street tend to go a little further north within the area because there’s a little bit more to walk around” in that area.

“I would have loved to see all the buildings flush with people,” said Panozzo.

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