

# Loop Revitalization Initiative: 135 S. LaSalle

## LASALLE CENTRAL REDEVELOPMENT AREA WARD 34

### **TYPE OF REQUEST: DEVELOPER DESIGNATION**

PRESENTED by Ryan Slattery (DOH)

DEPARTMENT OF PLANNING, DEPARTMENT OF HOUSING  
COMMISSIONERS BOATRIGT + CASTAÑEDA



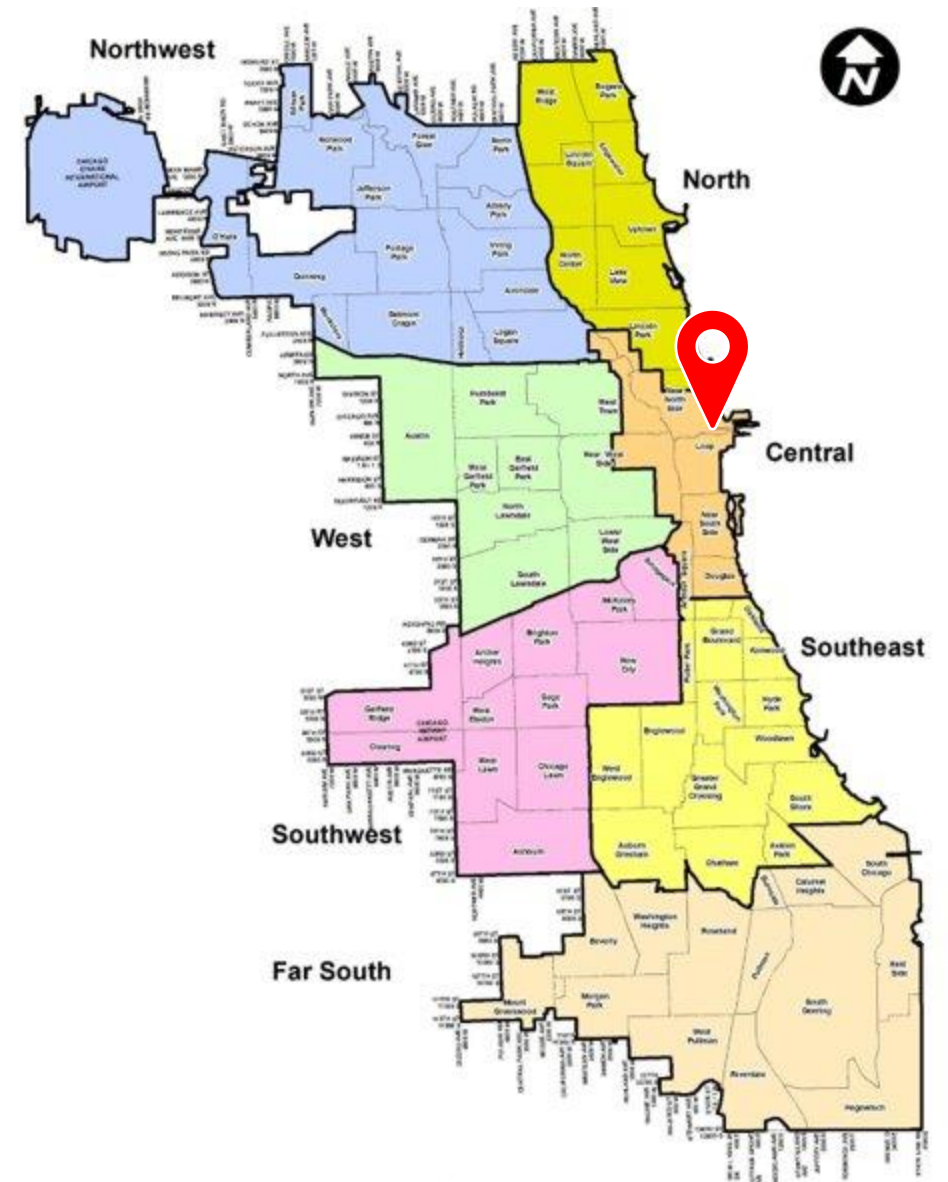
# Project Location

Address: 135 S LaSalle

Ward: 34<sup>th</sup> (Conway)

Community Area: Loop

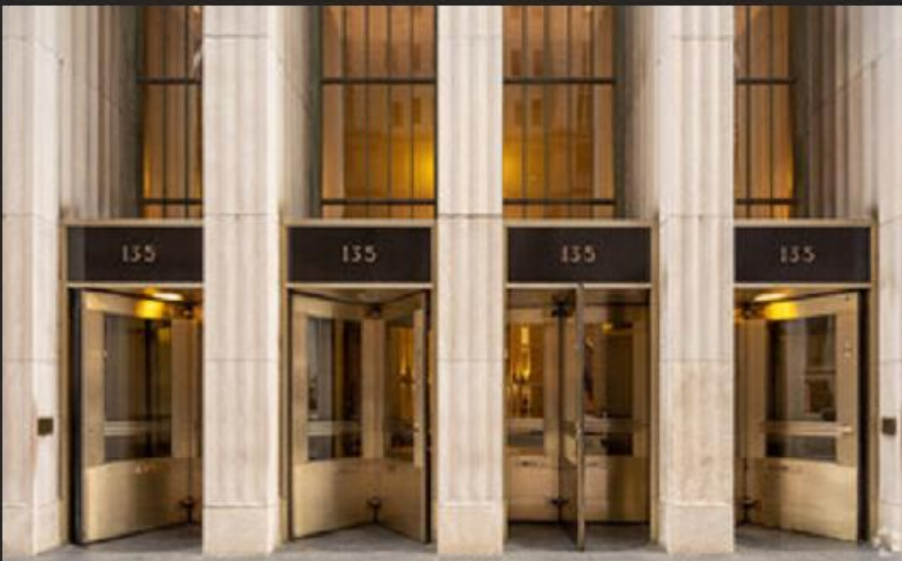
TIF District: LaSalle/Central





# Current Conditions - Exterior

# 135 S LaSalle



# Project Overview

<b>APPLICANT</b>	FIELD BUILDING REVITALIZATION PARTNERS, LLC
<b>PROJECT SUMMARY</b>	Adaptive reuse and conversion of lower level-floor, ground level, floor 2, and floors 5-14 of an existing office building to a 386-unit mixed-use development including 116 (30%) affordable units, and neighborhood commercial uses such as a small format grocer and health/fitness center.
<b>FUNDING REQUEST</b>	\$98M (\$67,300,250 for residential component - \$174,353 in TIF per unit; \$30,699,750 for commercial component)
<b>TOTAL PROJECT COST</b>	\$241M (\$500,140 per unit)
<b>PROJECT TIMELINE</b>	Construction Start: July 2025 Project Completion: April 2027

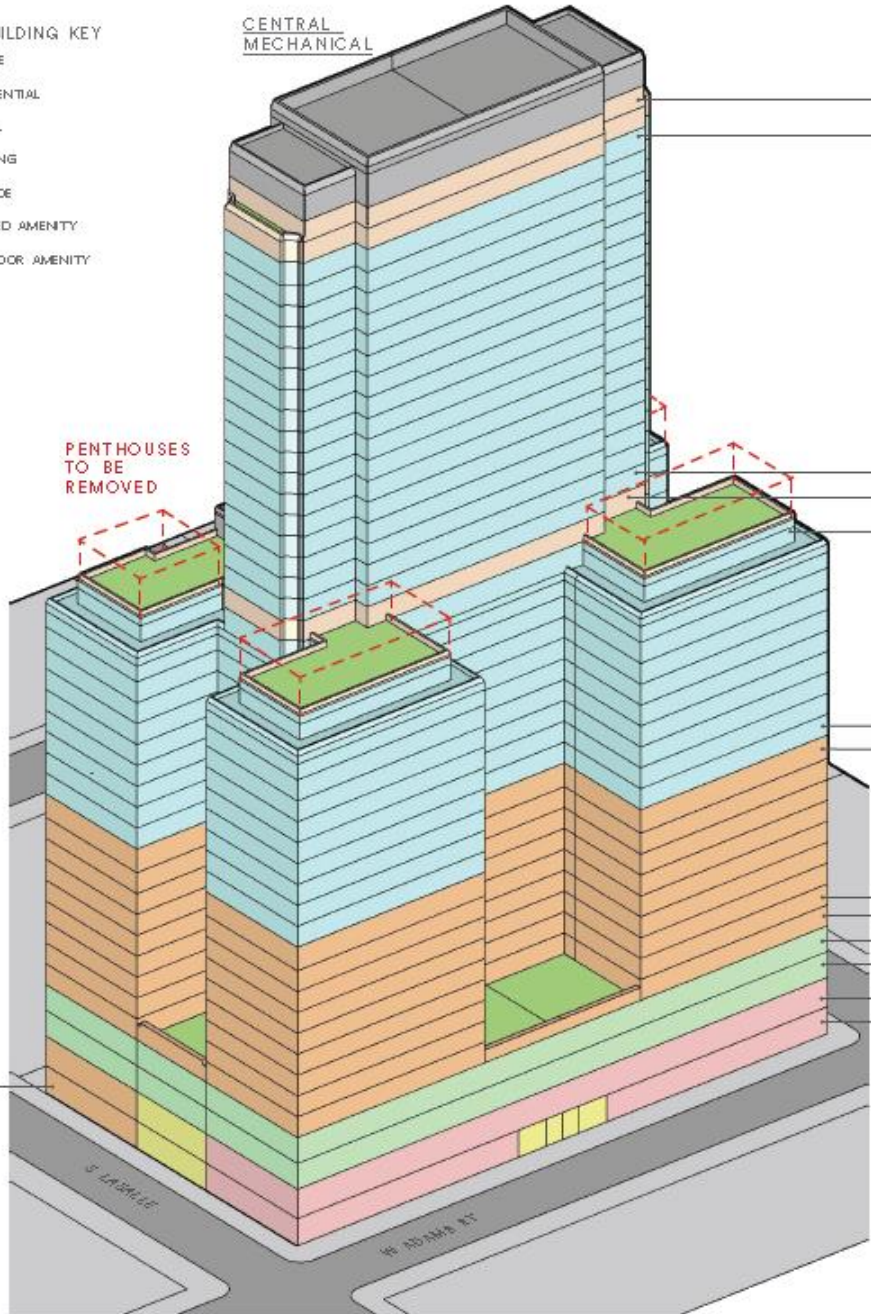


- BUILDING KEY**
- OFFICE
  - RESIDENTIAL
  - RETAIL
  - PARKING
  - ARCADE
  - SHARED AMENITY
  - OUTDOOR AMENITY

CENTRAL MECHANICAL

PENTHOUSES TO BE REMOVED

RESI LOBBY



**SHARED AMENITY**  
- L43-44  
- ATTIC CLUB

**HI ZONE OFFICE**  
- L26 - L42  
- 17 FLOORS

**RESI AMENITY**  
- L25  
- ROOF TERRACES

**MID ZONE OFFICE**  
- L15 -24  
- 10 FLOORS

**APARTMENT**  
- L6 THRU L14  
- 352 UNITS  
- 8 FLOORS

**L5 AMENITY & UNITS**  
- 34 UNITS

**PARKING**  
- L3 & L4  
- 177 SPACES

**RETAIL & EVENT SPACE**  
- L2  
- L1  
- LOWER ARCADE



Program Stacking Diagram

Item \_ - 135 S LaSalle

# Project Budget - Residential

SOURCES	AMOUNT	PERCENT
Equity	\$8,337,091	4%
Loans	\$86,000,000	45%
TIF	\$67,300,250	35%
Deferred Developer Fee	\$5,520,030	3%
Tax Credit Equity	\$25,896,798	13%
<b>TOTAL USES</b>	<b>\$193,054,169</b>	<b>100%</b>

USES	AMOUNT	PERCENT
Acquisition	\$21,330,331	11%
Hard Costs	\$149,375,829	77%
Soft Costs	\$22,348,009	12%
<b>TOTAL USES</b>	<b>\$193,054,169</b>	<b>100%</b>

# Factors Driving Private Funding Gaps



While office-to-residential conversions can accomplish **numerous public goals**, these projects can be **challenging to develop and finance** for a variety of reasons, including some factors that are **common in all conversion projects** and other factors that are **specific to the unique features of the LaSalle Street buildings**:

All Projects



## Conversion Costs

Construction costs for conversion projects are **similar new construction projects** due to extensive MEP, HVAC, & other code-required modifications



## Floorplates

Office buildings have larger, deeper floorplates that are **more inefficient** in terms of rentable vs non-rentable space, which **reduces feasibility**



## Building Size

Office buildings are often **too big to fully convert** to residential, necessitating **costly building modifications** associated with vertical mixed-use programs



## Financing Costs

Interest rates are the **highest they've been in over 20 years**, making financing more expensive and **reducing the feasibility** of all development projects

LaSalle-Specific



## Structural Challenges

Office buildings have **many structural obstacles** to conversion such as inoperable windows, column placement, excess elevators, sprinklers, means of egress, etc.



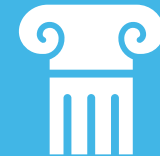
## Acquisition Costs

Land values in the Loop are **still quite high** and current/previous owners are trying to mitigate their losses in the post-pandemic market



## Affordability Requirements

30% affordability requirement **lowers rental income and adds complexity**, but also brings **additional funding sources** like LIHTC & HB2621



## Historic Preservation

Conversion of historic buildings in dense, urban settings requires a **higher standard of care** and **specialized expertise** to be successful



# Proposed Unit Mix

	40% AMI	50% AMI	60% AMI	80% AMI	Affordable Total	Market Rate	Totals
Studio	4	21	33	14	72	156	<b>228</b>
1-BDRM	2	9	17	7	35	71	<b>106</b>
2-BDRM	1	2	4	2	9	43	<b>52</b>
Total	7	32	54	23	116	270	<b>386</b>



# Proposed Unit Rent and Size

UNIT TYPE	STUDIO		1 BED		2 BEDS	
<b>Number</b>	156	72	71	35	43	9
<b>Market/ Affordable</b>	Market	Affordable	Market	Affordable	Market	Affordable
<b>Size (SF)</b>	575 SF	575 SF	800SF	800 SF	1,072 SF	1,072 SF
<b>Monthly Rent</b>	\$2,100	\$716-\$1,488	\$2,600	\$750-\$1,577	\$4,000	\$894-1,887

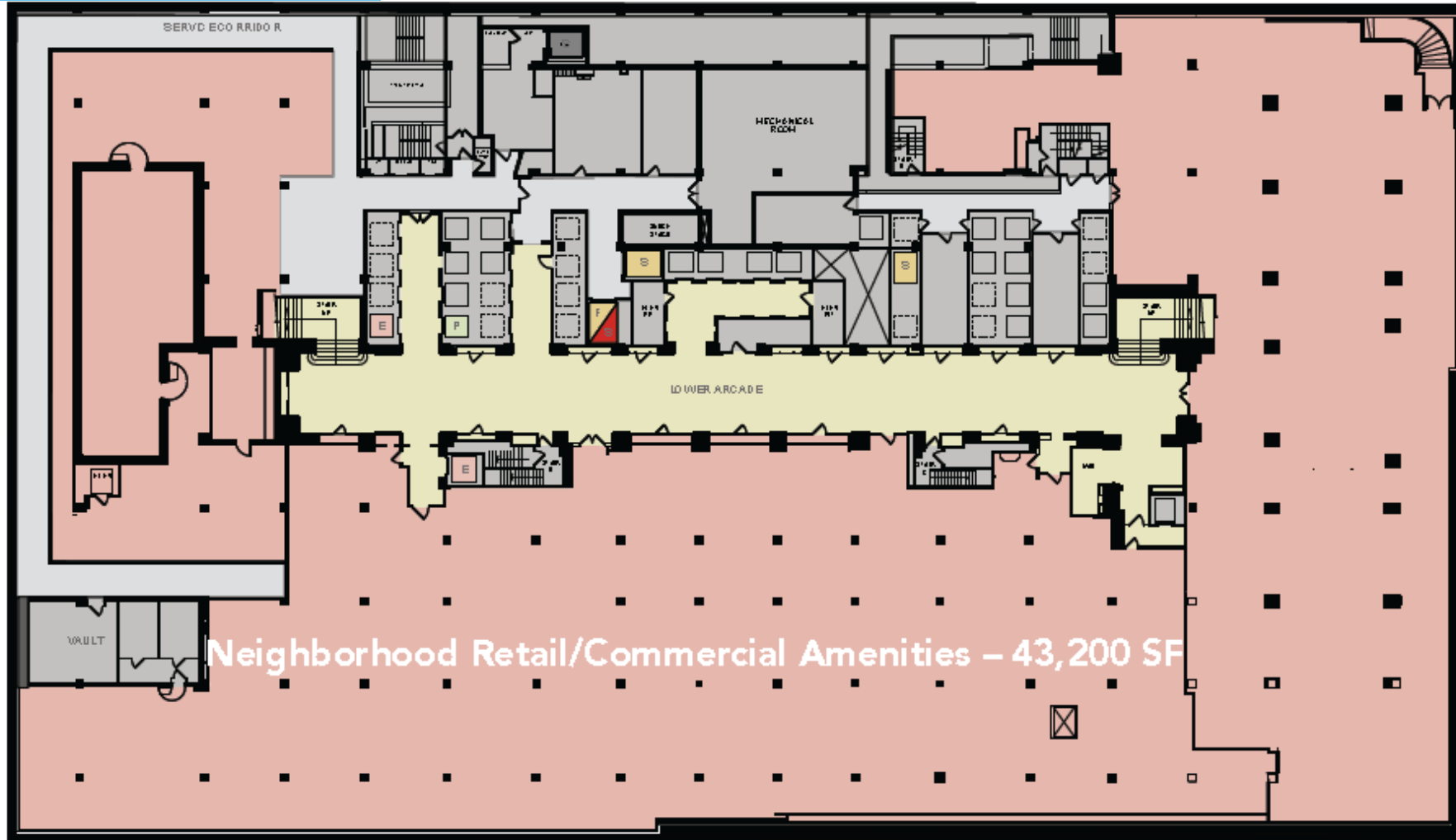


# Project Budget - Commercial

SOURCES	AMOUNT	PERCENT
Equity	\$11,500,685	24%
TIF	\$30,699,750	63%
HTC Equity	\$6,229,615	13%
<b>TOTAL SOURCES</b>	<b>\$48,430,050</b>	<b>100%</b>

USES	AMOUNT	PERCENT
Acquisition	\$5,140,508	0.0%
Hard Costs	\$23,870,201	0.0%
Soft Costs	\$5,379,999	0.0%
Tenant Improvements	\$13,001,000	0.0%
Financing Costs	\$1,039,340	0.0%
<b>TOTAL USES</b>	<b>\$48,430,050</b>	<b>100%</b>



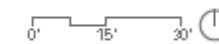


ELEVATOR LEGEND

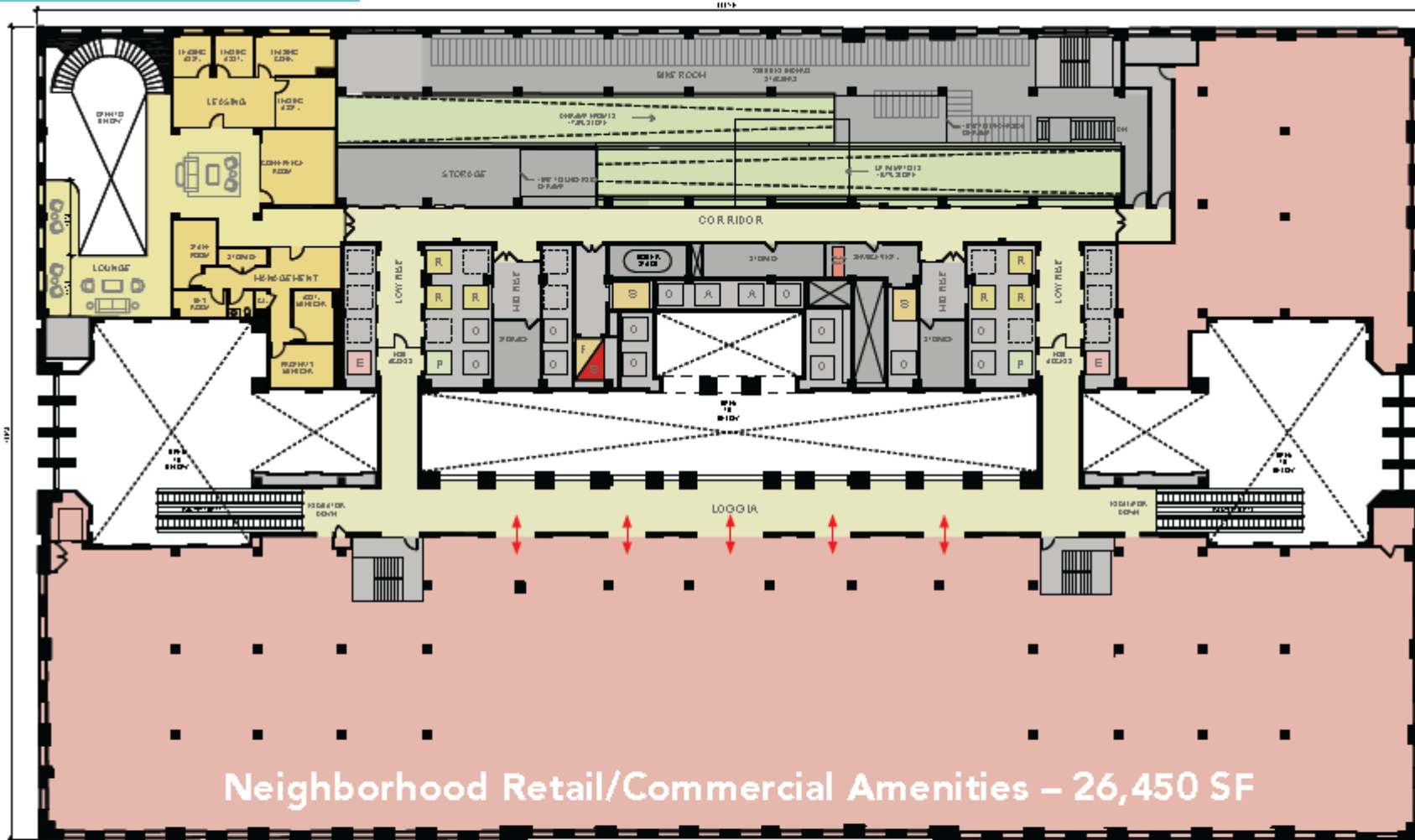
- R RESIDENTIAL
- RT RETAIL
- S SERVICE
- O OFFICE
- E EVENT
- F FIREMAN/SERVICE
- A AMENITY
- P PARKING

PROGRAM LEGEND

- PUBLIC
- RETAIL
- RESIDENTIAL
- BOH
- PARKING
- CIRCULATION EGRESS



# Retail Space Program – Loggia Level



Neighborhood Retail/Commercial Amenities – 26,450 SF

### ELEVATOR LEGEND

- R RESIDENTIAL
- O OFFICE
- A AMENITY
- RT RETAIL
- E EVENT
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### PROGRAM LEGEND

- PUBLIC
- RESIDENTIAL
- BOH
- CIRCULATION EGRESS
- RETAIL

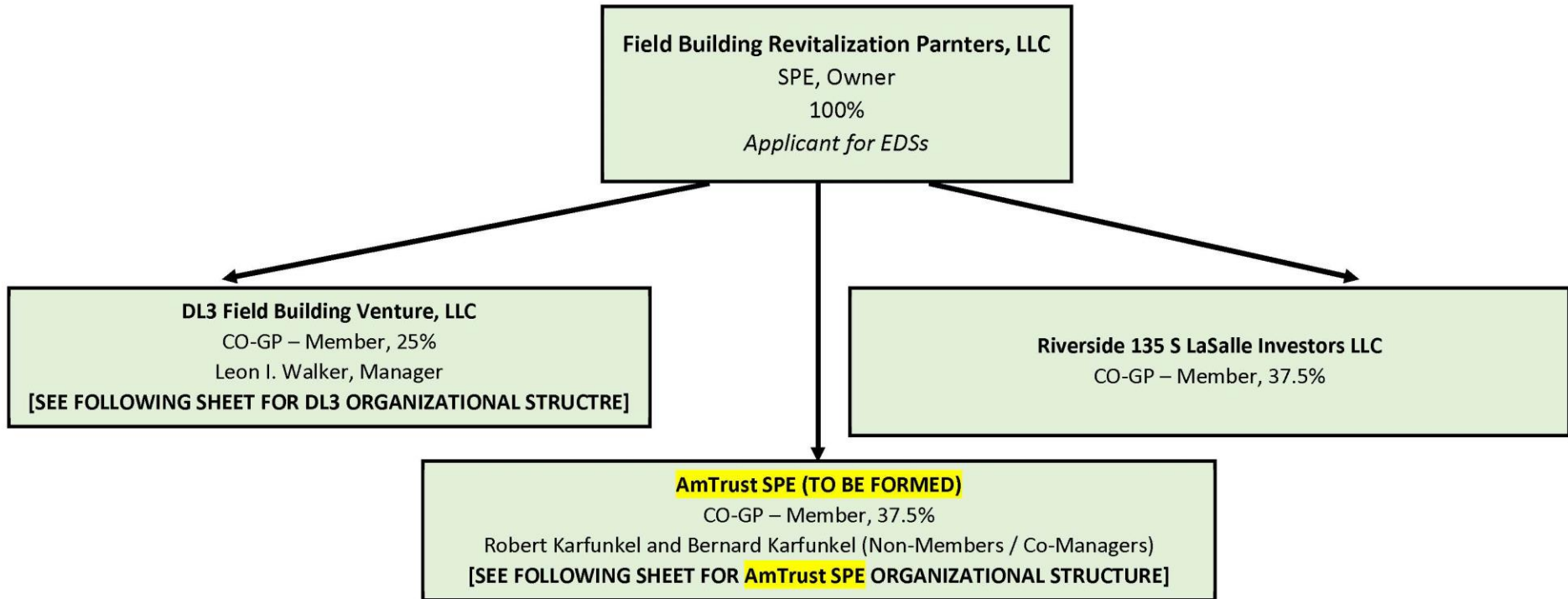
# Development Team

<b>Developer</b>	JV between Riverside Investment, AmTrust Realty Corp., and DL3 Realty
<b>Owner</b>	Field Building Revitalization Partners, LLC
<b>General Contractor</b>	TBD
<b>Architect</b>	Solomon Cordwell Benz
<b>Attorney</b>	DLA Piper
<b>Lender</b>	TBD



**135 S. LaSalle Redevelopment  
Project Organizational Chart  
Key Sheet**

*Updated October 24, 2024*



EDS REQUIRED

NO EDS REQUIRED

# Exterior Rendering



Current

November 12, 2024



Proposed

135 S LaSalle

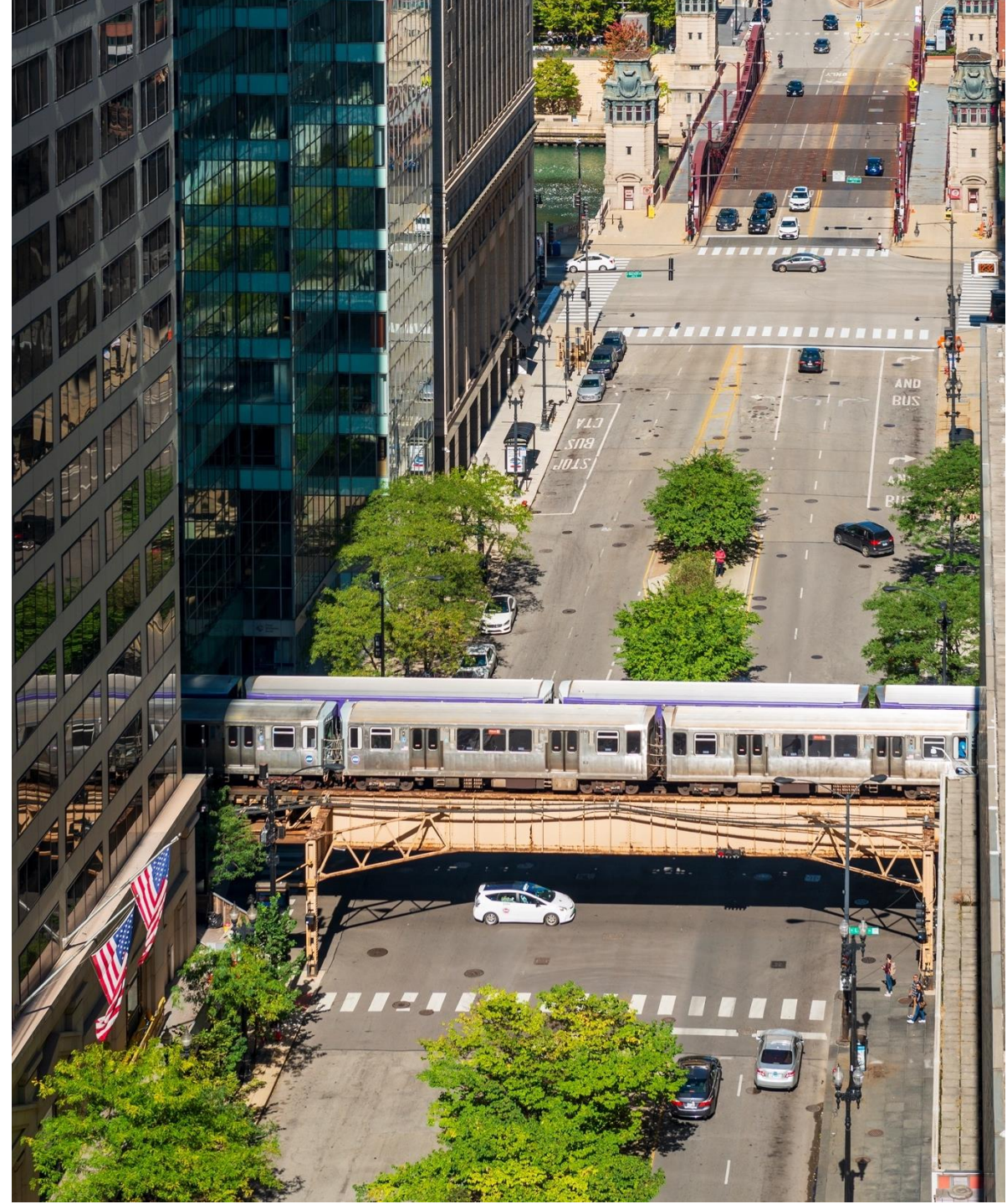
# Structure and Requirements of City Funds

- 30-year affordability covenant through RDA and Inclusionary Housing Agreement (IHA)
- TIF disbursement schedule: To be determined
- Construction compliance requirements:
  - 26% MBE, 6% WBE
  - 50% City residence
  - or prevailing wage



# Community Benefits

- 116 affordable units to the Loop
- 386 total housing units
- All affordable units will be Type A accessible units
- Neighborhood-oriented commercial space
- Energy efficiency upgrades
- Indoor/outdoor tenant amenity space
- 26% MBE and 6% WBE
- 893 construction jobs



## Recommendation

Request authority to negotiate a redevelopment agreement with FIELD BUILDING REVITALIZATION PARTNERS, LLC or related entity(ies) for redevelopment of 135 S LaSalle;

- and

Designate FIELD BUILDING REVITALIZATION PARTNERS, LLC or related entity(ies) as Developer

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PRESENTED by Ryan Slattery (DOH)

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COMMISSIONERS BOATRIGT + CASTAÑEDA

