

Loop Revitalization Initiative: 79 W Monroe

LASALLE CENTRAL REDEVELOPMENT AREA WARD 34

TYPE OF REQUEST: DEVELOPER DESIGNATION

PRESENTED BY Diana Beltran (DOH)

DEPARTMENT OF PLANNING, DEPARTMENT OF HOUSING
COMMISSIONERS BOATSWRIGHT + CASTAÑEDA



Project Location

Loop Revitalization Initiative

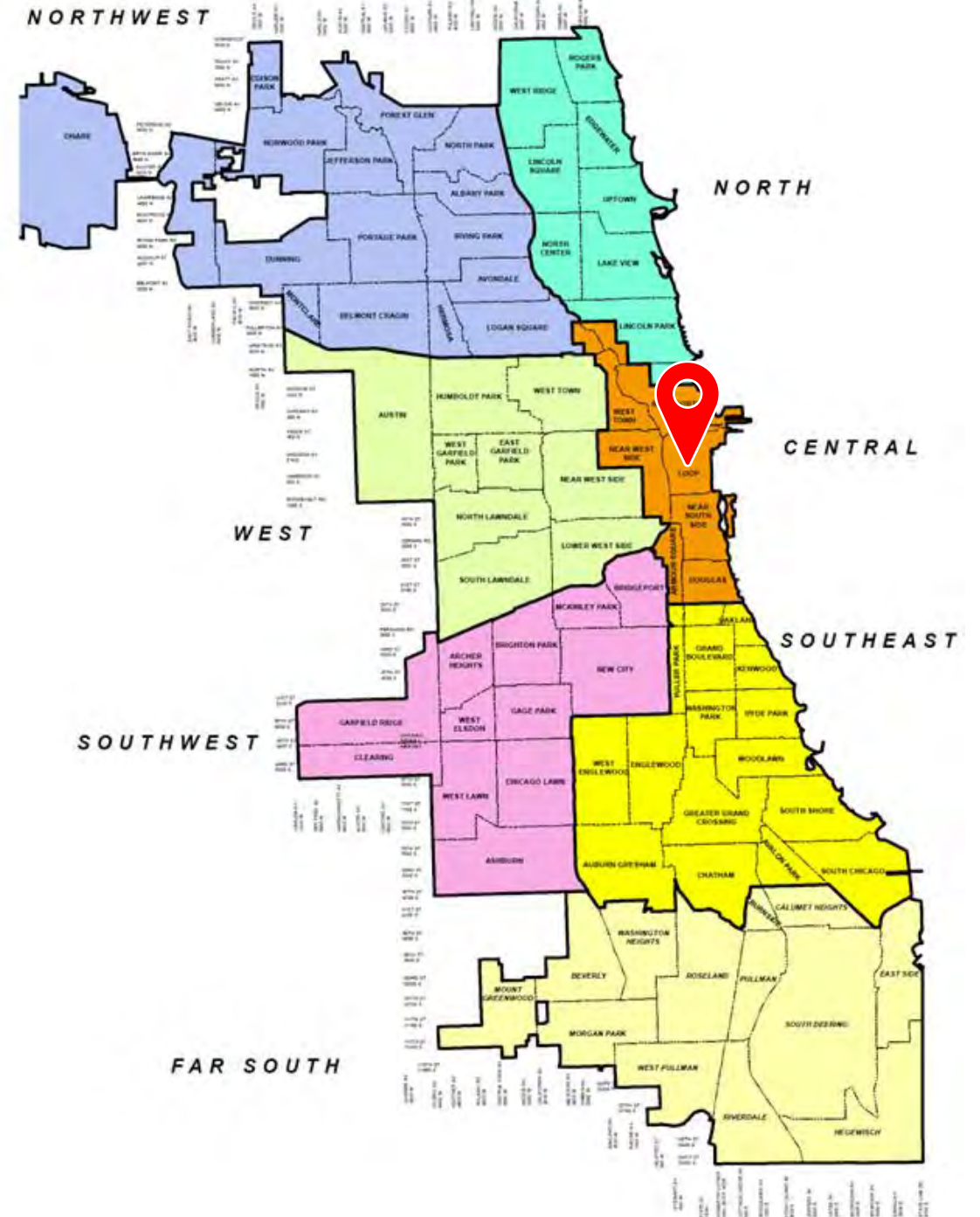
34th Ward – Alderman Conway

42nd Ward – Alderman Reilly

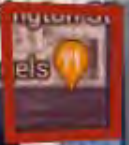
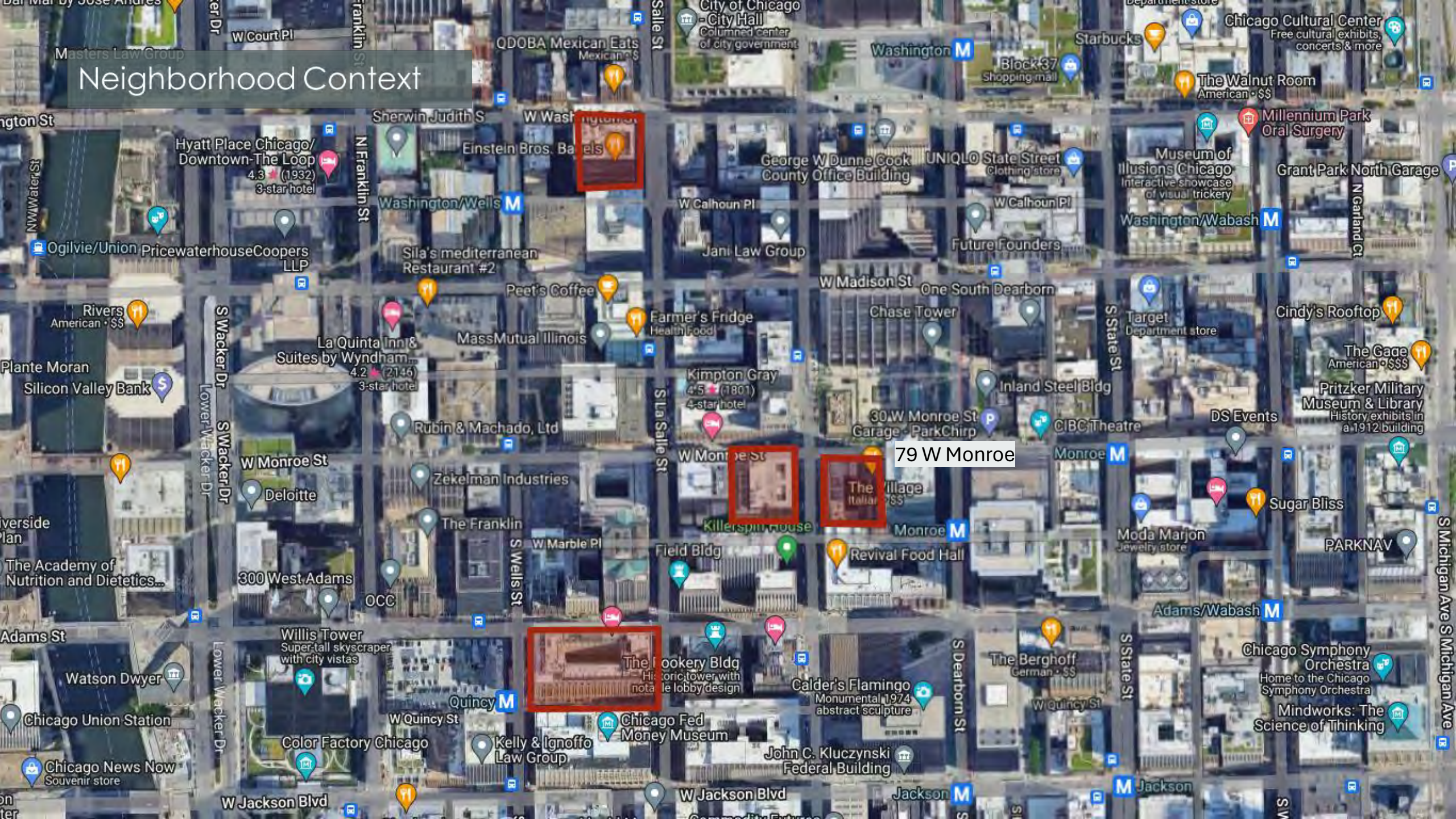
Loop Community Area

LaSalle Central TIF District

Central Planning Area



Neighborhood Context



79 W Monroe

Current Conditions – Exterior



Project Overview

APPLICANT	R2 Development LLC
PROJECT SUMMARY	Adaptive reuse and conversion of approximately 100,000 square feet of the building, located on floors 7-13, will be converted into 117 residential units, of which 41 (35%) will be affordable units for households earning an average 60% of the area median income. To provide full amenities for residents, the project will also include renovation of the basement, ground floor lobby, floor 14, and a small, subsidized retail area on the lower level.
FUNDING REQUEST	\$28,000,000 (239k per unit)
TOTAL PROJECT COST	\$64,194,720 (549k per unit)
PROJECT TIMELINE	Construction Start: Quarter 1 2025 Project Completion: Quarter 1 2026

Current and Proposed Configuration



The Building — Existing

79 WEST MONROE (183,147 SF)



FLOORS 7-14 (88,205 SF)
CURRENT CONFIGURATION:

- 70 OFFICE UNITS
- 38% VACANCY (BUILDING)
- 51% VACANCY (UPPER BUILDING)

PROPOSED CONFIGURATION:

- 117 RESIDENTIAL UNITS
- **41 AFFORDABLE UNITS (35% ARO)**
- 615 SF OF AVG UNIT SIZE

FLOORS 2-6 (75,519 SF)
INTRINSIC SCHOOL:

- CHARTER HIGH SCHOOL (DELIVERED IN 2020)

GROUND FLOOR & LOWER LEVEL (21,760 SF)
WALGREENS (9,996 SF)

- OCCUPIED BY WALGREENS (2020 RENOVATION)

UNIT TWO (2,034 SF)

- SUBSIDIZED PUBLIC POP-UP

LOBBY & LOWER LEVEL (9,730 SF)

- AMENITIES & RESIDENTIAL LOBBY

**School & Retail not included in the City Proposal*



Exterior Rendering



Project Budget

SOURCES	AMOUNT	PERCENT
Equity	\$28,373,150	44.2%
Loans	\$0	0.0%
TIF	\$28,000,000	43.6%
HTC Equity	\$7,821,570	12.2%
TOTAL SOURCES	\$64,194,720	100%

USES	AMOUNT	PERCENT
Acquisition	\$9,867,000	15.4%
Env. Remediation	\$0	0.0%
Site Prep	\$0	0.0%
Hard Costs	\$47,090,864	73.4%
Soft Costs	\$5,548,228	8.6%
Developer Fee	\$1,688,628	2.6%
TOTAL USES	\$64,194,720	100%

Proposed Unit Mix

	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Affordable Total	Affordable %	Market Rate	Market Rate %	Totals
Studio	4	3	6	3	3	19	46.3%	37	48.7%	56
1-BDRM	3	4	6	3	3	19	46.3%	35	46.0%	54
2-BDRM	0	0	1	1	1	3	7.3%	4	5.3%	7
Total	7	7	13	7	7	41	100.0%	240	100.0%	117



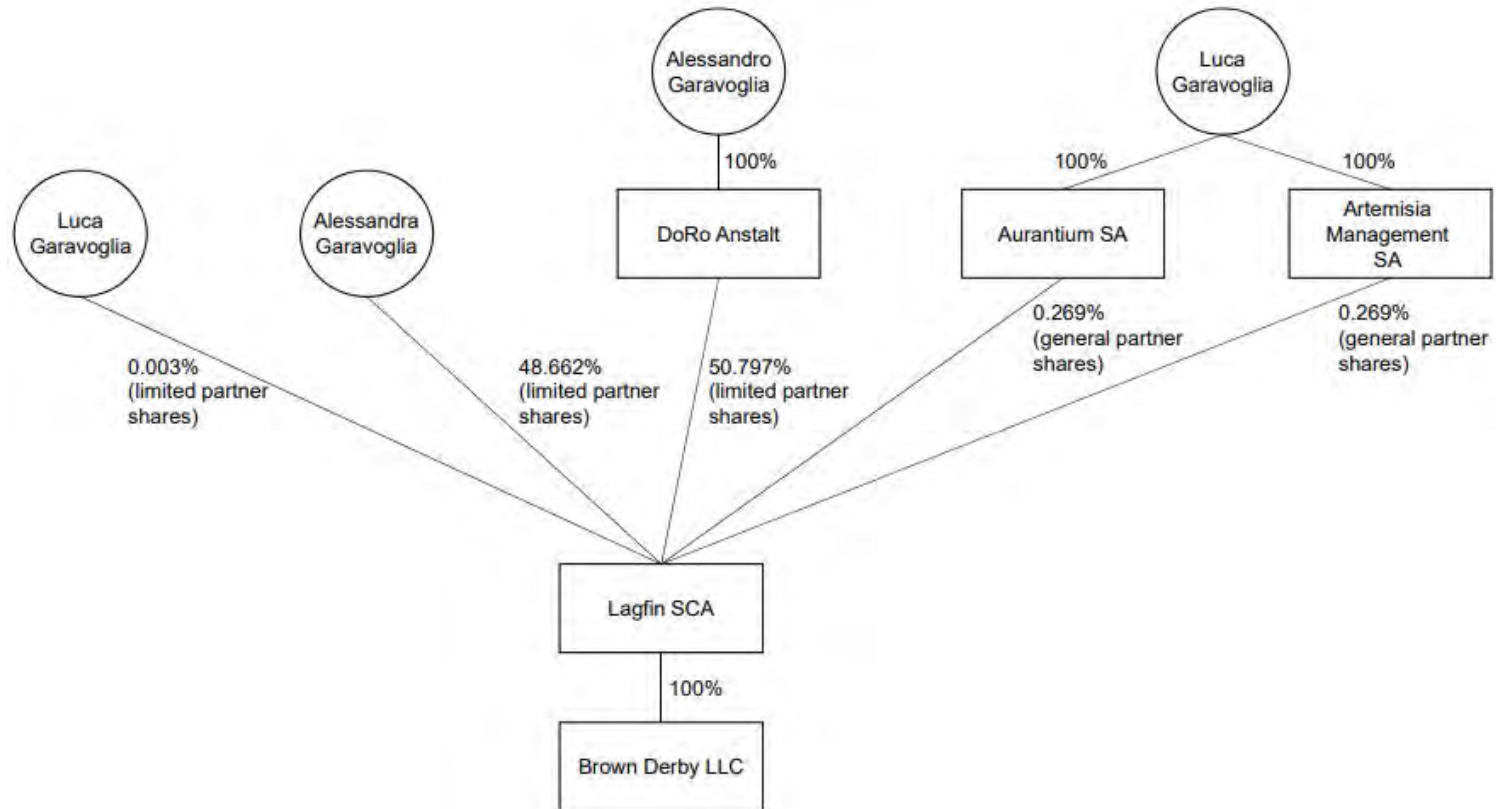
Proposed Unit Rent and Size

UNIT TYPE	STUDIO		1 BED		2 BEDS	
Number	37	19	35	19	4	3
Market/ Affordable	Market	Affordable	Market	Affordable	Market	Affordable
Size (SF)	453 SF	449 SF	622 SF	614 SF	1,049 SF	1,049 SF
Monthly Rent	\$1,362-\$1,747	\$773-\$1,545	\$1,790-\$2,546	\$828-\$1,655	\$3,451	\$993-\$1,986

Development Team

Owner	Brown Derby LLC
Developer	R2 Development LLC
Architect	WARE MALCOMB
Attorney	Taft Law
Property Manager	R2 Companies
Financial Consultant	Johnson Research Group (JRG)
Historic Consultant	Ramsey Historic Consultant, Inc.
General Contractor	Joint Venture - Leopardo and GMA Construction Group

Development Team



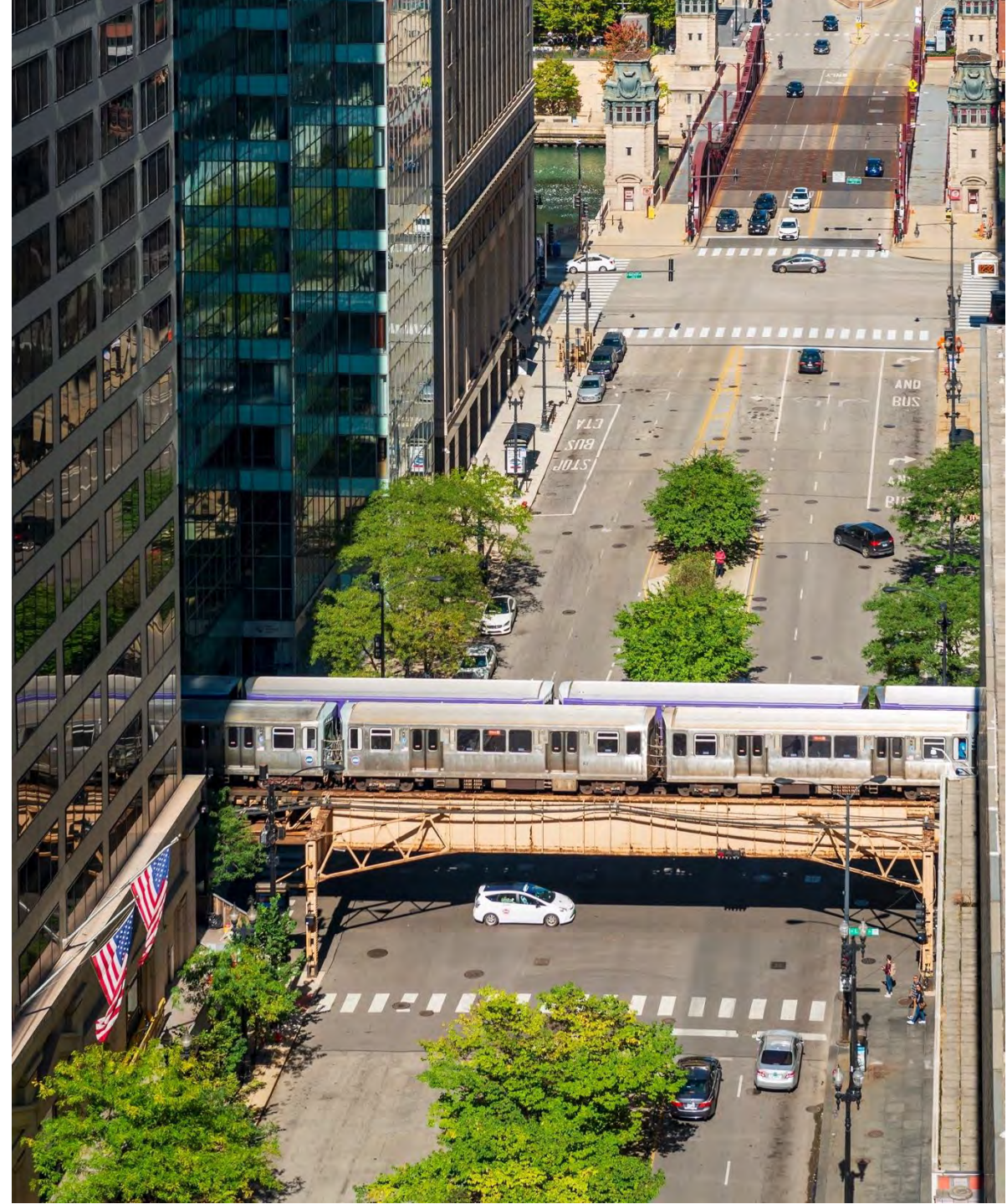
Structure and Requirements of City Funds

- TIF disbursement schedule: Under negotiation
- City's construction compliance requirements including
 - prevailing wages;
 - 26% Minority Owned Business/6% Women Owned Business
 - 50% City resident



Community Benefits

- 117 total housing units
- 41 Affordable Units to the Loop
 - Type A Accessible
- Requesting landmark status
- Energy efficiency upgrades
- 26% MBE and 6% WBE
- 100 construction jobs



Recommendation

- Request authority to negotiate a redevelopment agreement with R2 Development LLC or related entity for the redevelopment of 79 W Monroe;
- and
- Designate R2 Development LLC or related entities as Developer

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