

STATE OF ILLINOIS)  
  )SS  
COUNTY OF COOK )

**CERTIFICATE**

I, Jennifer Rampke, the duly authorized, qualified and Executive Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Special Meeting Held on the 27<sup>th</sup> Day of January 2004 with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

**Dated this 27<sup>th</sup> Day of January 2004**

  
**EXECUTIVE SECRETARY**  
**Jennifer Rampke**

**04-CDC-09**

**COMMUNITY DEVELOPMENT COMMISSION  
OF THE  
CITY OF CHICAGO**

**RESOLUTION NO. 04 - CDC - 09**

**AUTHORITY TO NEGOTIATE A  
REDEVELOPMENT AGREEMENT WITH  
950 WEST MONROE, LLC  
WITHIN THE  
CENTRAL WEST REDEVELOPMENT PROJECT AREA,**

**AND**

**TO RECOMMEND TO  
THE CITY COUNCIL OF THE CITY OF CHICAGO  
THE DESIGNATION OF  
950 WEST MONROE, LLC  
AS THE DEVELOPER**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 *et seq.*), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 00-CDC-64 and pursuant to the Act, enacted three ordinances on 8/30/2000 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Central West Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, 950 W. Monroe, LLC, an Illinois limited liability company, (the "Developer"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan. The proposed consists of the development of the a 9-story condominium building with 99 units and

105 parking spaces plus 35 tandem parking spaces. The building lobby would front Monroe Street and there will be 3,050 square feet of retail located in each corner. The 24,042 square foot (0.55 acre) site is located on the north side of Monroe Street between Morgan Street on the west and Sangamon Street on the east.

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

**BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:**

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: January 27, 2004

Attachment: Exhibit A, Street Boundary Description

## Staff Report

### MR. CHAIRMAN AND MEMBERS OF THE COMMISSION:

The resolution before the Commission requests the following actions:

- 1) Grant authority to the City of Chicago to negotiate a Redevelopment Agreement with the 950 W. Monroe, LLC, and/or a related entity to be formed (the "Developer"), for the use of incremental tax revenues and/or tax increment revenue bond proceeds for the development of the Residences at 950 W. Monroe (the "Property"), within the Central West Redevelopment Project Area (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago the designation of 950 W. Monroe, LLC as the developer of the Project located within the boundaries of the Area.

### **Background:**

The site is located on the north side of Monroe Street between Morgan Street on the west and Sangamon Street on the east. This proposed development was processed as an elective Planned Development by the Applicant. The Site is currently vacant and surrounded by a chain link fence. The Site has been vacant since the first quarter of 2000. To the north of the site is a one-story commercial building with a surface parking lot and to the south is a surface parking lot. Over the past several years, the area surrounding the site has experienced significant redevelopment including elevator condominium buildings and townhouses as well as commercial and retail space.

### **Development Team**

General Partners:

"950 W. Monroe, LLC"

\*Limited Partner - Philip I. Mappa (50%)

\*Limited Partner - Colin A. Regan (50%)

950 W. Monroe, LLC has been formed by its two principals, Philip Mappa and Colin A. Regan, specifically for this project. Philip Mappa and Colin Regan are partners in the development company MR Properties, LLC. Together these two partners have developed over one million square feet of commercial properties with market values in excess of \$200 million in addition to over 200 residential units with market values in excess of \$60 million. Some recent development completed by MR Properties are Montclare Senior Residences, Phase I & II which offered an affordable housing opportunity on the Northwest side. Most recently MR has purchased a Site at Madison / Desplaines for purposes of mixed use development. All of these projects have been approved by the CDC.

### **Architect**

FitzGerald Associates Architects is the fourth generation firm founded in 1919 as Rissman & Hinchfield. This award winning firm located in Chicago, currently employs 30 architects and designers and provide services including architecture, design, planning, zoning and research. Some of their residential projects include, 1000 West Adams, The Common Wealth on Prairie Avenue and Humboldt Ridge.

## **Financing**

Indymac Bank is primarily a construction lender with approximately \$36 billion in loans. The bank is headquartered in California and there is a regional bank in Chicago.

## **Proposed Project:**

The Applicant, 950 W. Monroe, LLC, proposes to construct a nine-story residential building in the West Loop neighborhood. The 24,042 square foot (0.55 acre) site is located on the north side of Monroe Street between Morgan Street on the west and Sangamon Street on the east. The land is under contract for \$3,600,000 is scheduled to close at the end of this month. This site is vacant and has been since March of 2000.

As proposed, the development would include a 9-story condominium building with 99 units and 105 parking spaces plus 35 tandem parking spaces. The building lobby would front Monroe Street and retail spaces with a total of 3,050 square feet would be located at both corners of the building also fronting Monroe Street. Options for the retail space may be a dry cleaner, convenient store, coffee shop or office space for the developer.

Access to the garage would be provided by driveways on Sangamon Street. Thirty-one parking spaces would be located on the ground floor and the remainder of the spaces would be located on floors 2 and 3. A loading dock would be located along Morgan Street.

The primary material on all four sides of the building would be face brick with cast stone accents. All units would be provided with a balcony or terrace which would include an integral planterbox. In addition, parkway areas would be landscaped in accordance with the Landscape Ordinance.

The Developer proposes to make 22 of these 99 units affordable at 100% AMI priced as follows. (22%)

- \*10 1 bedroom units at 125,000 (CPAN units)
- \* 6 1 bedroom units at 125,000
- \* 6 2 bedroom units at 150,000

Originally the project consisted of 89 market rate units and 10 affordable units to be offered under DOH's Chicago Partnership for Affordable Neighborhoods (CPAN) program. However, because the pace of project pre-sales was slow, the Developer offered to increase the number of affordable units in return for TIF assistance. This would increase the pace of pre-sales and permit the project to get underway in 2004. The Developer, DPD, and DOH agreed to 22 affordable units as shown above, which exceeds the 20% requirement but still preserves significant project increment for the remainder of the TIF. CPAN units are typically priced at \$155,000 per unit. For participating in the program, the portion of certain City fees related to the affordable units are waived; no other subsidy is provided to the Developer. Based on procedures developed by DOH and DPD, the price of the additional 6 one-bedroom units would be \$125,000. Consequently, it was agreed that the price of the CPAN units for this project would be reduced to \$125,000.

The Planned Development was approved for this project 12/13/2001 and all permits are in place for construction.

**Deal Structure:**

The City proposes \$2,890,000 in TIF assistance which is approximately 8% of the total projects costs for this development. The Department of Housing has agreed to subsidize 10, 1 bedroom units through the CPAN program and the developer has received permit fee waivers as a result.

TIF assistance is needed to compensate the developer for reducing the price of CPAN units, subsidizing 12 additional affordable units and increases in the development cost which include the addition of a green roof to the project. The 10 CPAN units which are approximately 800 square feet have been reduced from \$155,000 to \$125,000. The 6 one bedroom affordable units which are approximately 850-950 square feet, have been reduced to \$125,000 and the 6 two bedroom units which are approximately 1300-1400 square feet, have been reduced to \$150,000. Without TIF the Project is not feasible. The developer fee plus profit is a modest 6% with TIF. The City's assistance will help provide 22 affordable units in the Central Area that might not otherwise be provided. In the event sales proceeds are significantly higher or costs are significantly lower than projected, the City will share in any excess profits.

The Project's PINs will be generating approximately \$7,200,000 over the life of the TIF. They will only be using approximately 50-60% of the increment that the project will generate. The rest will be available for future projects within the Central West TIF.

## Sources and Uses

### SOURCES

Sales Proceeds(Residential & Retail	32,636,100
TIF Proceeds	2,890,000
Total Sources	\$35,526,100

### USES

#### Hard Costs:

Building & Parking	\$22,018,800
Construction Contingency (5%)	1,101,000
Architectural & Engineering fees	<u>625,000</u>
Subtotal	\$23,744,800

#### Soft Costs:

Land	\$ 3,600,000
Misc. Pre-Development Costs	250,000
Sales & Marketing (3%)	1,092,700
Insurance	75,000
Legal & Accounting	200,000
R/E Taxes During Construction	100,000
Association Dues (450/u)	125,000
Loan Fees (1.25%)	250,000
Other Loan Costs	50,000
Interest During Construction-Const. Lender	980,700
Interest During Construction-Equity/Mezzanine (Equity/Mezzanine Lender)	3,124,700
Developer Net Profit	<u>1,933,900</u>
	\$11,566,300

Total Uses	\$35,526,100
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**Conformance with the Plan:**

The Project site is located in the Central West Tax Increment Financing district designated in April, 2000.

The Project conforms with the Plan and reaches objectives such as :

- \* Facilitating the assembly, preparation and marketing of vacant and underutilized sites for new retail, commercial, and residential development.

- \* Supporting development of a variety of housing types to meet the needs of households with a wide range of income levels;

- \* Supporting and complimenting the goals and objectives of other underlying redevelopment plans;

- \* Providing opportunities for women-owned, minority-owned, and locally-owned businesses to share in the job and construction opportunities associated with the redevelopment of the Central West RPA;

**Community Outreach:**

A Residential Planned Development was approved December, 2001. Prior to this approval the Developer met with the Department of Planning and Development and Alderman's office. A public meeting was held on July, 2001 and all concerns were addressed before Plan Commission approval.

Alderman Haithcock is in full support of this project and there is a letter of support provided in this package.

**Public Benefits:**

The public benefits of this development are:

- \* 22 affordable units in the West Loop. The developer proposes to create 22% Affordable units in an area that greatly needs affordable housing opportunities.

- \* Development of an underutilized site. This site is currently vacant.

- \* Creation of Increment. The Developer will only use approximately 50-60% of their increment that the site will generate over time. The remaining increment will be available for other projects in the Central West TIF.

- \* Green Roof. This Green Roof will contribute to the City's efforts to improve the environment.

**M/MBE:**

The developer will adhere to the City of Chicago requirements for both the Minority Business Enterprises and Women Business Enterprises. MR Properties has sent certified letters to the MBE/WBE Contractor's Associations announcing the project.

**RECOMMENDATION:**

The resolution before the Commission requests the following actions:

- 1) Grant authority to negotiate a Redevelopment Agreement with 950 W. Monroe, LLC and/or a related entity to be formed (the "Developer"), for the use of incremental tax revenues and/or tax increment revenue bond proceeds for the redevelopment of 950 W. Monroe (the "Property"), located within the Central West Redevelopment Project Area (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago the designation of 950 W. Monroe, LLC as the developer of the Project located within the boundaries of the Area. .

## TERM SHEET

### Project Description:

As proposed, the development would include a 9-story condominium building with 99 units and 105 parking spaces plus 35 tandem parking spaces. Of these units 22 will be affordable. The Developer has requested \$2,890,000 in TIF assistance. This is approximately 8% of the total project cost of \$35,526,100.

### Sources and Uses

#### SOURCES

Sales Proceeds(Residential & Retail	32,636,100
TIF Proceeds	2,890,000
<b>Total Sources</b>	<b>\$35,526,100</b>

#### USES

##### Hard Costs:

Building & Parking	\$22,018,800
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<b>Subtotal</b>	<b>\$23,744,800</b>

##### Soft Costs:

Land	\$ 3,600,000
Misc. Pre-Development Costs	250,000
Sales & Marketing (3%)	1,092,700
Insurance	75,000
Legal & Accounting	200,000
R/E Taxes During Construction	100,000
Association Dues (450/u)	125,000
Loan Fees (1.25%)	250,000
Other Loan Costs	50,000
Interest During Construction-Const. Lender	980,700
Interest During Construction-Equity/Mezzanine (Equity/Mezzanine Lender)	3,124,700
Developer Net Profit	<u>1,933,900</u>
	<b>\$11,566,300</b>

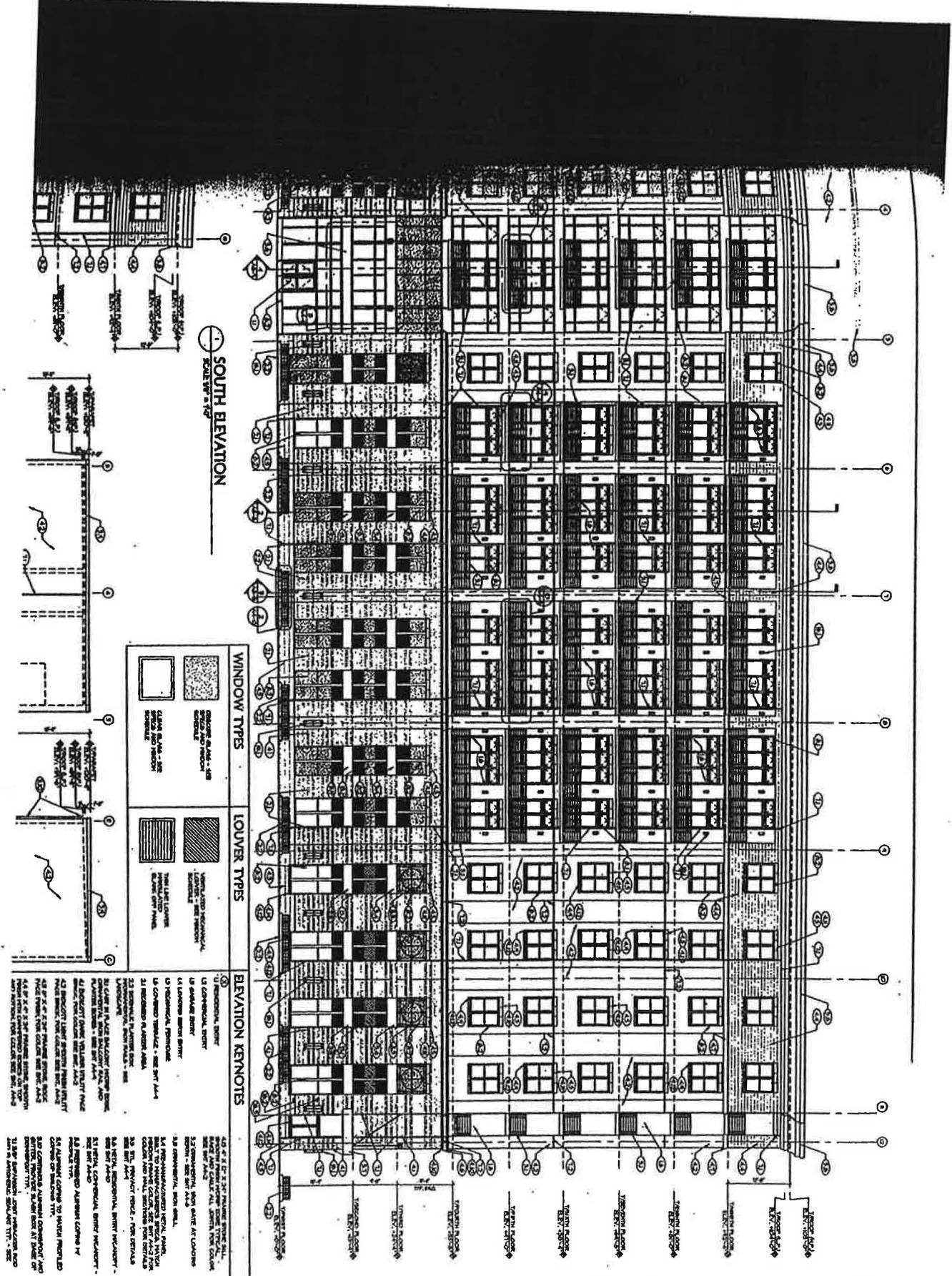
<b>Total Uses</b>	<b>\$35,526,100</b>
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Provide 2,890,000 Tax Increment Financing in the form of a Developer Note from increment generated from the site's own PINs. The City, through the Department of Planning and Development (DPD), is planning to reimburse the Developer for the TIF-eligible costs up to the lesser of \$2,890,000 or 8% of the total actual project costs, whichever is less. The financial assistance will be provided in the form of a Developer Note.









**SOUTH ELEVATION**  
SCALE 1/8" = 1'-0"

WINDOW TYPES	DOOR TYPES

- ELEVATION KEYNOTES**
- 10. RECESSED ENTRY
  - 11. RECESSED ENTRY
  - 12. CORNER ENTRY
  - 13. CORNER ENTRY
  - 14. CORNER ENTRY
  - 15. CORNER ENTRY
  - 16. CORNER ENTRY
  - 17. CORNER ENTRY
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  - 30. CORNER ENTRY
  - 31. CORNER ENTRY
  - 32. CORNER ENTRY





TRUCKER PLATE DETAILS

Refer to Section 11  
for details of  
the trucker plate.

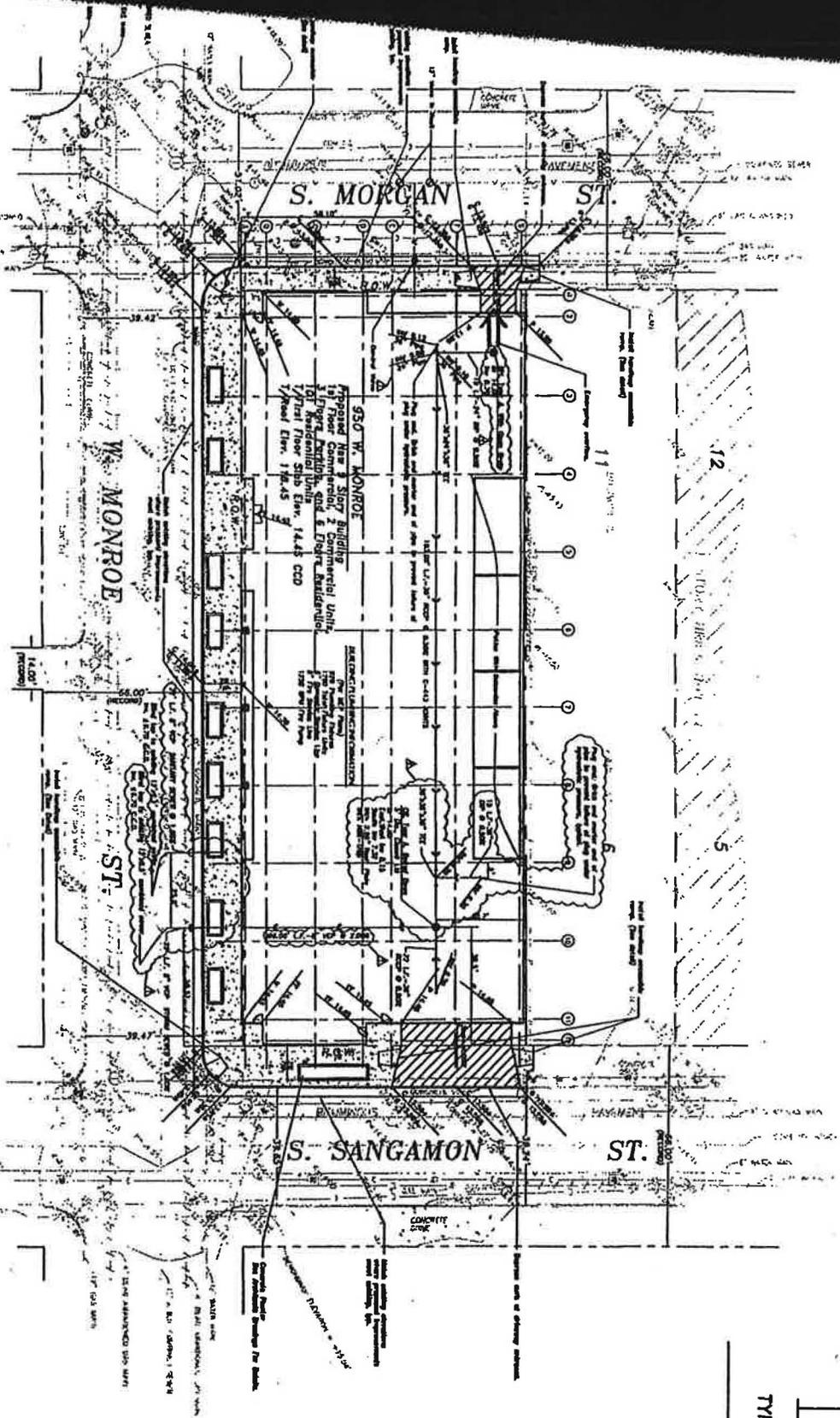
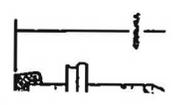
TYPICAL CROSS-SECTION OF DRIVEWAY



PORTLAND CEMENT CONC. SIDEWALK



TYPICAL



TRICOR PLATE DETAILS

Refer to Section 05100 for details of this section.

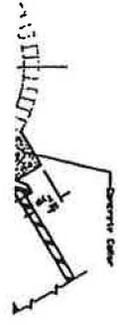
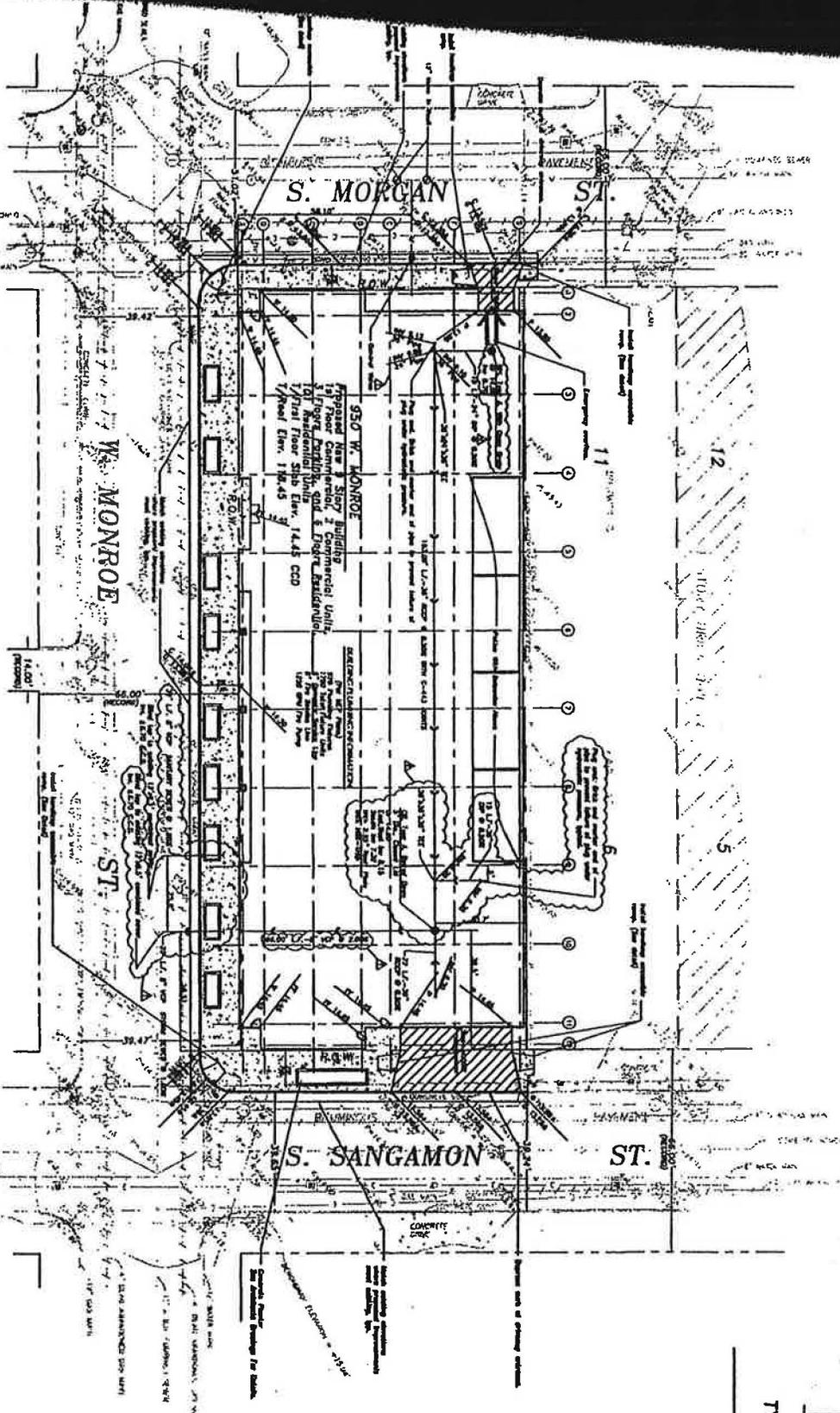
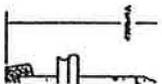
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TYPICAL



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