

**City of Chicago
Department of Community Development**

**STAFF REPORT
TO THE
COMMUNITY DEVELOPMENT COMMISSION
REGARDING
CUISINE OF THE DIASPORA PROPOSAL**

November 10, 2009

I. PROJECT IDENTIFICATION AND OVERVIEW

Project Name:	Cuisine of the Diaspora (the "Project")
Applicant Name:	Urban Juncture, Inc. (the "Applicant").
Project Address:	300-314 East 51st Street, and 320 East 51st Street, 5044 - 5048 S. Calumet
Ward and Alderman:	3 rd Ward, Ald. Dowell
Community Area:	Grand Boulevard
Redevelopment Project Area:	47th/King Drive TIF
Requested Action:	TIF assistance and negotiated sale of unimproved land.
Proposed Project:	This transit-oriented development will establish a culinary incubator as a platform for community revitalization. It will create four restaurants and one fresh produce store in a 100-year-old retail building adjacent to the 51st Street CTA Green Line. The development also includes office space to support the culinary venues and 16,000 square feet of patron parking.
Appraised Market Value:	\$76,000 for one City-owned parcel that is required to extend the parking area, or \$8.00 per square foot.
Sale Price:	\$10,000
Acquisition Assistance:	\$66,000
TIF Assistance:	\$3,000,000

II. PROPERTY DESCRIPTION

Address:	300-314 East 51st Street, 320 East 51st Street and 5044-5048 S. Calumet Avenue.
Location:	The north side of 51st Street between Prairie Avenue and Calumet Avenue
Tax Parcel Numbers:	City owned property to be conveyed to the developer: 20-10-122-017, 20-10-122-018
Land Area:	9,538 square feet
Current Use:	The 300-314 East 51st Street property is the site of a vacant building owned by the Developer. The adjacent Developer-owned (320 East 51st Street) and City-owned properties (5044-5048 S. Calumet Avenue) are currently unimproved.
Current Zoning:	RT-4
Proposed Zoning:	B3-3
Environmental Condition:	The land will be sold as-is with no warranties or representations as to its environmental condition, and it will be the responsibility of the Applicants to complete any remediation that may be required by the City or the Illinois EPA. The redevelopment agreement with the selected respondent will include release and indemnification language protecting the City from liability.
Inventory Profile:	The city parcels (20-10-122-017, 018) were acquired through demo lien in 1994

III. BACKGROUND

The Project is intended to be the first phase of a broader initiative targeted at addressing two key issues in the Bronzeville community: the lack of quality food and the scarcity of jobs. In addition, the Project will help to address community health issues, provide forums for positive interaction, and significantly extend the sales and property tax bases.

Bronzeville residents' lack of access to quality food is well documented. For example, a 2006 study identified three Chicago areas - termed "Food Deserts" - in which residents had far better access to unhealthy fast food than to grocery stores and healthier restaurant options and quantified the resulting negative impact on resident health. The project site falls within one of those deserts.

The scarcity of employment opportunities is a second, long-standing, serious problem in the Bronzeville community. The lack of jobs puts at risk neighborhood revitalization efforts such as the Chicago Housing Authority's Plan for Transformation, which requires residents to be on

track for employment. In addition, the lack of attractive commercial infrastructure in the community contributes to a lack of positive community interaction and low levels of social capital.

The “Cuisine of the Diaspora” is a unique concept that will utilize a celebration of the cuisines and cultures of peoples of African descent to create important business and community development platforms in Bronzeville and an attractive dining destination for Chicagoland. Four distinctive, locally-owned and operated restaurants will be created in the heart of the historic Bronzeville community. Each of these venues will highlight a different aspect of black cuisine, one of the world’s richest and most diverse cuisines. In addition, the development will include a fresh produce market designed to provide high quality produce and improved health to local residents. The venues will bring the community together and introduce residents of other communities to some of the most positive aspects of black culture and community.

The Cuisine of the Diaspora venues will share a turn-of-the-20th-century building located immediately adjacent to the CTA Green Line at 51st Street. This area was once a burgeoning food and retail district, but has suffered from blight and disinvestment for decades. Rehabilitation of the facility will create high-quality food-service space for the culinary venues as well as office space for a shared services group that will provide finance, marketing, and human resource support for all of the venues. Rehabilitation of this building will also introduce “green” technologies to the community and showcase local contractors and design professionals.

IV. PROPOSED DEVELOPMENT TEAM

Development Entity: Urban Juncture, Inc., a Bronzeville-based corporation with Bernard Loyd as its sole owner, is the Developer.

Bernard Loyd is a long-time resident, civic leader, and one of the pioneering developers of the Bronzeville community. He is a former partner of the management consulting firm of McKinsey & Company where he co-founded the firm’s Agriculture and Food Chains initiative and helped clients around the world create businesses, develop strategies for growth, and improve operational performance. He was also the leader of a McKinsey effort that grew its worldwide corps of black consultants from 20 to 125 within ten years.

Urban Juncture is partnering with five teams of restaurateurs, chefs, and other cuisine and culture-related experts to develop five culinary venues. This aggregate Development Team incorporates more than 120 years of food service industry experience, over 30 successful restaurant start-ups, two James Beard Award nominations, and one participant in the “Iron Chef America” competition.

The Development Team has received extensive input into the design of the project through a series of community meetings and benefits from the ongoing guidance of its Community and Culinary Advisory committees. The team has received formal letters of support from Alderman Dowell, from the federal and state elected officials representing this community, including Congressman Davis and State Senator Hunter, and from a cross section of community residents and leaders.

The Developer has engaged Johnson & Lee Architects | Planners as the architect for the rehabilitation of the core and shell of the facility and Warren Architects Ltd., a specialist design firm serving the food service industry, as the interior designer of the culinary venues.

V. PROPOSED PROJECT

Project Overview: The project incorporates full rehabilitation of a distinctive, white terra cotta-clad retail building (which will house the culinary venues) and development of an adjacent parking area for patrons. Cuisine of the Diaspora consists of five culinary venues along with supporting professional and utility spaces housed in a 17,000 sq. ft. 100-year-old building, as well as adjacent parking. The venues include *Cecelia's Southern Breakfast*, which will offer traditional southern and southern-inspired breakfast and light lunch meals in the warmth of a home atmosphere with southern hospitality service; *Majani310*, a vegan restaurant celebrating the journey of "green" cuisine from Africa to the Americas; *Bronzeville Fresh Produce*, supplying the delicious produce utilized in the modern black kitchen; *The Jerk Shack*, providing Jamaica's most famous culinary invention; and, *Bronzeville Smokehouse & Grill*, which will celebrate the cuisine and culture of the Bronzeville of the 1920s and 30s.

Each of these venues will be owned and operated by a small team of professionals that bring a full culinary and business skill set to the enterprise. In all cases, this includes a proprietor who brings culinary expertise and serves as the managing partner of the facility and Urban Juncture, which will provide oversight of financial matters and community outreach activities. In several cases, additional partners will bring key skills to the team. For example, Richard Mott, the founder and owner of North Pond (a three-star restaurant in Lincoln Park) and the founder, owner, and operator of a South Side-based catering company and chain of institutional coffee shops is a third partner of *Cecelia's*.

The produce store and each of the restaurants will present unique "faces" to their patrons, with a "look and feel" and facade tailored to the concept, concept-specific dining room and patron restroom facilities, and dedicated kitchen/cook line facilities. At the same time, all of the venues will share staff restroom facilities, a bicycle parking and refuse recycling area, and, most important, a complete suite of professional support services, including accounting and bookkeeping, marketing and public relations, human resources, and information technology.

These shared services, which will be housed on the second floor of the Cuisine of the Diaspora facility, are critical to the business success of food service establishments but are not central to the mindset or skill set of most classically-trained chefs. Consequently, failure in managing "peripheral" activities (such as marketing a venue and accounting for and paying taxes) is a primary cause of the failure of restaurants. Consolidation of these support activities also facilitates the attraction of first-class professionals and allows the individual restaurants to benefit from the economies of scale of the overall concept.

The building is located in a high-intensity transit area, directly adjacent to (just west of) the 51st Street CTA Green Line, on the busy 51st Street transit corridor, and within a quarter mile of several high-throughput arteries, including Martin Luther King Jr. Drive, Indiana Avenue, Michigan Avenue, and State Street. These arteries provide excellent public transit and private vehicular access to the Cuisine of the Diaspora venues. The vehicular access will be complemented by a 16,000 sq. ft. parking area located directly adjacent to (and just east of) the 51st Street Green Line and which will also contain extensive opportunities for bicycle parking. A site plan, "as-is" photograph, and "to-be" renderings are provided as exhibits to this report.

Environmental Features: The project has been registered with the United States Green

Building Council with a target of LEED “Gold” certification and has been submitted to the City’s Green Permit program. Specific environmental features include reuse of an existing building, proximity to public transit, enhanced envelope, partial green roof, daylighting, shared recycling and bicycle parking area, and use of solar thermal technology for domestic hot water.

Venue Profile: The following table provides an overview of the culinary venues that will be developed by the proposed project.

Profiles of Culinary Venues

Culinary venue	Sq. Ft.	Seating	Positioning	Cuisine
<i>Cecelia's Southern Breakfast</i>	2400	75	Affordable*	Southern & southern-inspired
<i>Majani310</i>	1200	35	Affordable	Pan African vegan/vegetarian
<i>Bronzeville Fresh Produce</i>	1200	n/a	Affordable	Fresh produce, herbs, and nuts, particularly as used in the black kitchen
<i>Jerk Shack</i>	830	n/a (take-out only)	Affordable	Jamaican/jerk
<i>Bronzeville Smokehouse & Grill</i>	7400	250	Upscale**	Barbecued & grilled foods

* Typically \$5-\$15 for full meal, without beverage.

** Typically \$10-\$30 for full meal, without beverage.

The number and diversity of the Cuisine of the Diaspora culinary venues mitigates the risk inherent in the food service category, while providing opportunities to exploit cross-venue synergies in marketing, procurement, and operations. For example, in addition to venue-specific outreach efforts, the venues will be marketed jointly under the “Bronzeville Cookin’” banner. This name celebrates the facility’s unique culinary nature as well as the Bronzeville community’s catalytic role within Black America.

Managing Risks & Securing Benefits: Full service restaurants hold a number of distinctions within the universe of retail offerings. Restaurants are tremendously important: neighborhoods without decent “sit-down” restaurants are hardly neighborhoods at all. Restaurants are the most labor intensive of major retail outlets; and, the Project will create over 130 full time equivalents (FTEs) of permanent jobs. Eating out is important to most of us, and restaurants have become uniquely powerful attractors of consumers. “Foodies” will venture into most neighborhoods if the food is good and access is secure, and neighborhoods known for good food can act as regional magnets for visitors and investments. Restaurants are capital intensive, and,

consequently, highly underrepresented in most poor urban neighborhoods. And, restaurants are often viewed as being one of the more risky investment vehicles available.

The Development Team has devised an approach to mitigating the inherent risks of the food service category, while securing many of the benefits for Bronzeville residents. Risk management efforts include diversifying concepts, requiring venue partners to make significant capital investments, minimizing costs by utilizing a shared support infrastructure, and utilizing a team approach to venue management. Benefits will accrue to Bronzeville for several reasons: the location of the Project at the heart of the community; the intensive involvement of community residents in Project development, operation, and ownership; and, the Project's expected role as a visitor destination, which will attract additional spending to the community.

VI. FINANCIAL STRUCTURE

The Project site is located in the 47th/King Drive TIF District and, once complete, will provide five unique culinary venues to the Bronzeville community, as well as supporting professional space and 16,000 square feet of parking. The Project will receive up to \$3,000,000 in TIF assistance plus a land write-down of \$66,000, for a total of \$3,066,000 or 35.6% of project cost.

The funds will be paid out in the following manner: a lump sum payment of \$1,000,000 upon the completion of Phase 1 and a Note in the amount of \$1,000,000 which will be issued upon Phase 1 completion. When Phase 2 is completed a lump sum payment in the amount of \$500,000 will be made and another note will be issued in the amount of \$500,000.

The Developer must maintain 75 full time equivalent jobs and 75% of the space must be leased to a restaurant or other food related business in order to continue receiving payments for the City Notes.

The relatively high level of TIF assistance for the Project is justified by the need to underwrite investments in culinary facilities and provide secure access to patrons (via an extensive, adjacent parking area) in a "transitional" neighborhood. But for the TIF investment, the Development Team would not be able to achieve a rational debt level and cash flow break-even point and would be unable to access the additional private financing required for the Project.

The Developer is working with several financial institutions and has secured the following term sheets:

- Community Reinvestment Fund has provided a Term Sheet to provide preferred equity to support the Project.
- J.P. Morgan Chase has provided a Term Sheet that indicates its intent to provide construction financing for the Project.
- SomerCor504 has provided a Term Sheet to provide SBA 504 funds to the Project.
- MB Financial has provided a Term Sheet indicating its intent to monetize a portion of the Project's TIF commitment.
- Chicago Community Loan Fund and Chicago Community Ventures have provided Term Sheets to provide loans to the Project venues for Working Capital and Fixtures, Furniture, and Equipment (FF&E).

Project venues will be assessed a rental fee of \$21 per square foot for their retail space and \$12 and \$20 per square foot, respectively, for their allocation of shared utility and professional space. In addition, the Developer will build out the venue spaces and provide approximately 60% of the capital required for venue FF&E (which will cover the portions of the FF&E that are attached to the building, such as the "black iron") totaling approximately \$1,650,000, in return for an tenant reimbursement fee of approximately 6% annually. These terms - or any terms at all - are generally unavailable from private financial institutions for investments in culinary enterprises in this community.

Project venues will receive the remainder of their FF&E capital requirements (as well as required working capital) in loans from Chicago Community Loan Fund and Chicago Community Ventures.

The following table identifies the sources and uses of funds.

Sources and Uses of Funds

<u>Sources</u>	<u>Amount</u>	<u>% of total</u>
TIF Assistance	\$3,000,000	34.8%
City Land Write Down	\$66,000	0.8%
Development Team Equity	\$1,024,648	11.9%
Comm. Re-investment Pref. Equity	\$800,000	9.3%
SomerCorp 504 Loan	\$2,600,000	30.2%
Working Capital & FF&E Loans	\$1,125,000	13.1%
Total Sources	\$8,615,648	100.0%
<u>Uses</u>		
Acquisition cost	\$1,086,000	12.6%
Hard cost	\$2,856,325	33.2%
Tenant Improvements	\$803,000	9.3%
Architectural & Engineering	\$150,000	1.7%
Professional and Permits	\$100,000	1.2%
Legal & Closing	\$60,000	0.7%
FF&E	\$1,320,000	15.3%
Working Capital	\$928,989	10.8%
Contingency	\$443,449	5.1%
Loan Fees & Interest	\$867,886	10.1%
Total uses	\$8,615,648	100.0%

VII. PUBLIC BENEFITS

The Project will provide the following public benefits.

Creation of Retail Choices in an Under-Served Neighborhood: The Project will create five culinary venues: a fresh produce market, three sit-down restaurants and a carry-out restaurant. Each of the venues will celebrate a unique element of Black Cuisine, one of the world's richest and most diverse cuisines. The venues will be tailored to meet the needs of local residents desiring high quality, price-accessible dining options; of "foodies," culinary tourists seeking a unique culinary and cultural experience; and of nearby institutions, such as University of Chicago Hospitals, Illinois Institute of Technology, and Chicago Police Department headquarters, whose staff have few good dining and produce options. In addition, the Cuisine of

the Diaspora team will partner with local schools, health care organizations, and businesses to provide healthy eating counseling and facilitate access to good food.

Job Creation: Over 130 FTEs of permanent retail, management, and professional support jobs are expected to be created as a result of the Project. Rehabilitation of the Cuisine of the Diaspora Facility and construction of the adjacent parking areas will also create approximately 9 person years of construction jobs.

Improved Health: Good food is essential to good health. Bronzeville currently has an abundance of fast food outlets offering unhealthy, grease-rich, fried foods. It has no produce store and only a handful of full-service restaurants. The Project will greatly expand the community's healthy food options.

Creation of Social Capital: Restaurants are important community gathering points where informal interaction helps to create the social "capital", the "glue" that is the foundation of all vibrant neighborhoods and that help communities make it through difficult times.

Re-occupancy of Vacant Building and Reduction of Blight: This building was vacated under substantial community pressure to get rid of a liquor store. The requested TIF support allows a rational debt level and cash flow break-even point, thus enabling this redevelopment.

Increased Sales Taxes: The retail tenants are projected to generate \$7.3MM in annual sales and \$670,000 in incremental sales taxes after 4 years.

Increased Property Taxes: The property value of the Cuisine of the Diaspora facility is expected to increase by no less than \$4,000,000 over 3 years, generating a proportional increase in property taxes. In addition, the Project is expected to contribute to increases in the property values of neighboring commercial and residential properties.

Broad Exposure to Environmental Features: The project has been registered with the United States Green Building Council with a target of LEED "Gold" certification and has been submitted to the City's Green Permit program. Specific environmental features include reuse of an existing building, proximity to public transit, enhanced envelope, partial green roof, daylighting, shared recycling and bicycle parking area, and use of solar thermal technology for domestic hot water.

The high visibility and high accessibility of the Project create a unique opportunity to communicate the importance of sustainability to a wide range of community residents and visitors. Project venues are committed to developing programming and marketing materials that take advantage of this opportunity.

Catalyst for Additional Private Investment: This will be the first significant retail development on this and neighboring blocks in over two decades and will serve to continue the redevelopment sparked on the adjoining State Street and King Drive corridors in Bronzeville. It will transform a critical section of the 51st Street retail corridor. Moreover, the Cuisine of the Diaspora concept can be extended beyond the current properties and can serve as a much needed anchor for further retail development on the 51st Street Corridor.

Affirmative Action: The current composition of the Development Team is evidence of the Developer's commitment to including minority and women-owned enterprises and community residents. The Developer will comply with the requirements of Chicago's affirmative action ordinance, which requires contract participation of 24% by minority-owned business enterprises (MBEs) and 4% by woman-owned business enterprises (WBEs). The Developer provided notification of the proposed project, by certified mail, to seven associations of minority and woman contractors. A copy of the certified letters and the post office receipts are presented as exhibits to this report.

VIII. COMMUNITY SUPPORT

Alderman Pat Dowell endorses the Project and has provided a letter of support. The other elected federal and state leaders representing the neighborhood also endorse the project. In addition, a broad cross section of community residents and leaders have provided formal letters of support. Letters of support are provided in the appendix.

A bottom-up, Bronzeville-based process created the Cuisine of the Diaspora concept, and the community has articulated strong support for the Project. The Developer is a Bronzeville-based business that is deeply rooted in the community and has taken extensive measures to recruit outstanding local professionals and businesses to the Development Team, while engaging experts from outside the community to fill key gaps. As a result, over 75% (22 of 29) of the core team members have a strong Bronzeville affiliation.

The Development Team has conducted extensive community outreach and secured enthusiastic support. The outreach effort includes establishment of advisory committees at the Project level (Cuisine of the Diaspora Community Advisory Committee and Culinary Advisory Committee) and at the venue level (e.g., Jerk Shack Advisory Committee, Majani310 Advisory Committee). Each of these committees has met two or more times to provide feedback. In addition, the Developer has organized four neighborhood focus groups and has obtained input and secured written survey feedback from approximately 50 stakeholders. Suggestions from these and other groups have substantially shaped the development of the Project. A statistical summary of the feedback is provided in the table below.

The stakeholder ratings - a score of 9.5 (out of 10) on "Community Impact" and the 9.1 overall rating - are one indication of the great community enthusiasm for the Project.

The Development Team has also travelled extensively to review potential concepts and seek input and support from a variety of stakeholders and culinary traditions. This includes journeys to Kansas City & Memphis (black barbecue/smoked food traditions), Atlanta (southern), New Orleans (Cajun/Creole), New York City (various), Charleston (Gullah, southern), Michigan and South East Illinois (local African-American farming traditions), Washington D.C. (various), Jamaica (jerk and other Caribbean cuisines), and other Chicago communities, dining destinations, and ethnic districts.

IX. CONFORMANCE WITH REDEVELOPMENT AREA PLAN

The Project is located in the 47th/King Drive Tax Increment Financing Redevelopment Project Area. The Project will satisfy the following 8 of the 9 goals of the Area's Redevelopment Plan:

- "Create a world-class cultural district that showcases African-American culture, entertainment, retail goods and food."

- “Cultivate a successful and vibrant community in the Redevelopment Project Area, reminiscent of the area’s cultural heyday in the 1920s ad 1930s.”
- “Strengthen the economic well-being of the Redevelopment Project Area and the City by enhancing the properties and local tax base.”
- “Encourage the participation of minorities and women in the redevelopment process of the Redevelopment Project Area.”
- “Create an environment within the Redevelopment Project Area that will contribute to the health, safety and general welfare of the City.”
- “Renovate the viable structures that do remain and create new residential opportunities in the Redevelopment Project Area.”
- “Create construction job opportunities in the Redevelopment Project Area.”
- “Reduce or eliminate those conditions that qualify the Redevelopment Project Area as a Conservation Area.”

The Project also is consistent with the implementation strategy and land use map of the Redevelopment Plan. The implementation strategy for achieving the Plan’s goals envisions the need to provide TIF financial assistance for property assembly, the rehabilitation of existing structures, and professional services. The Project also conforms to the Plan’s land use map, which calls for a mixed use development at the site.

X. CONDITIONS OF SALE

If the proposed resolution is approved by the CDC, DCD will release a public notice announcing the proposed sale and seeking alternative development proposals. The public notice will be published in one of Chicago’s metropolitan newspapers at least once for each of three consecutive weeks. If no responsive alternative proposals are received within 30 days of the publishing of the first notice, the department will accept a good faith deposit from the proposed developer, and a redevelopment agreement will be negotiated. The redevelopment agreement will incorporate the parameters of the proposed project as described in this staff report.

It is DCD policy that no business will be conducted with a development entity whose any principal has outstanding municipal debts (such as unpaid parking tickets, unpaid water bills, unpaid business licenses, and others), is in arrears of child support payments, or who is a debtor in bankruptcy, a defendant in a legal action for deficient performance, a respondent in an administrative action for deficient performance, or a defendant in any criminal action.

Closing of the sale of the property will not occur before the City Council has approved the redevelopment agreement, the developer has obtained all necessary City approvals including zoning and building permits, and the developer has presented proof of financing. The redevelopment agreement will include a development timetable.

XI. RECOMMENDATION

The Department of Planning and Development has thoroughly reviewed the proposed project, the qualifications of the development team, the financial structure of the project, its need for public assistance, its public benefits, and the project’s conformance with the redevelopment area

plan, and DCD recommends that the CDC recommend to the City Council the designation of Urban Juncture, Inc. as Developer for the development of the Cuisine of the Diaspora.

EXHIBITS

Redevelopment Area Map
Neighborhood Map or Aerial
Survey or Plat
Site Plan
Renderings
Sample M/WBE Letter
Copies of M/WBE Certified Letter Receipts
Term Sheets from Lenders
Alderman's Letter of Support
Community Letters of Support

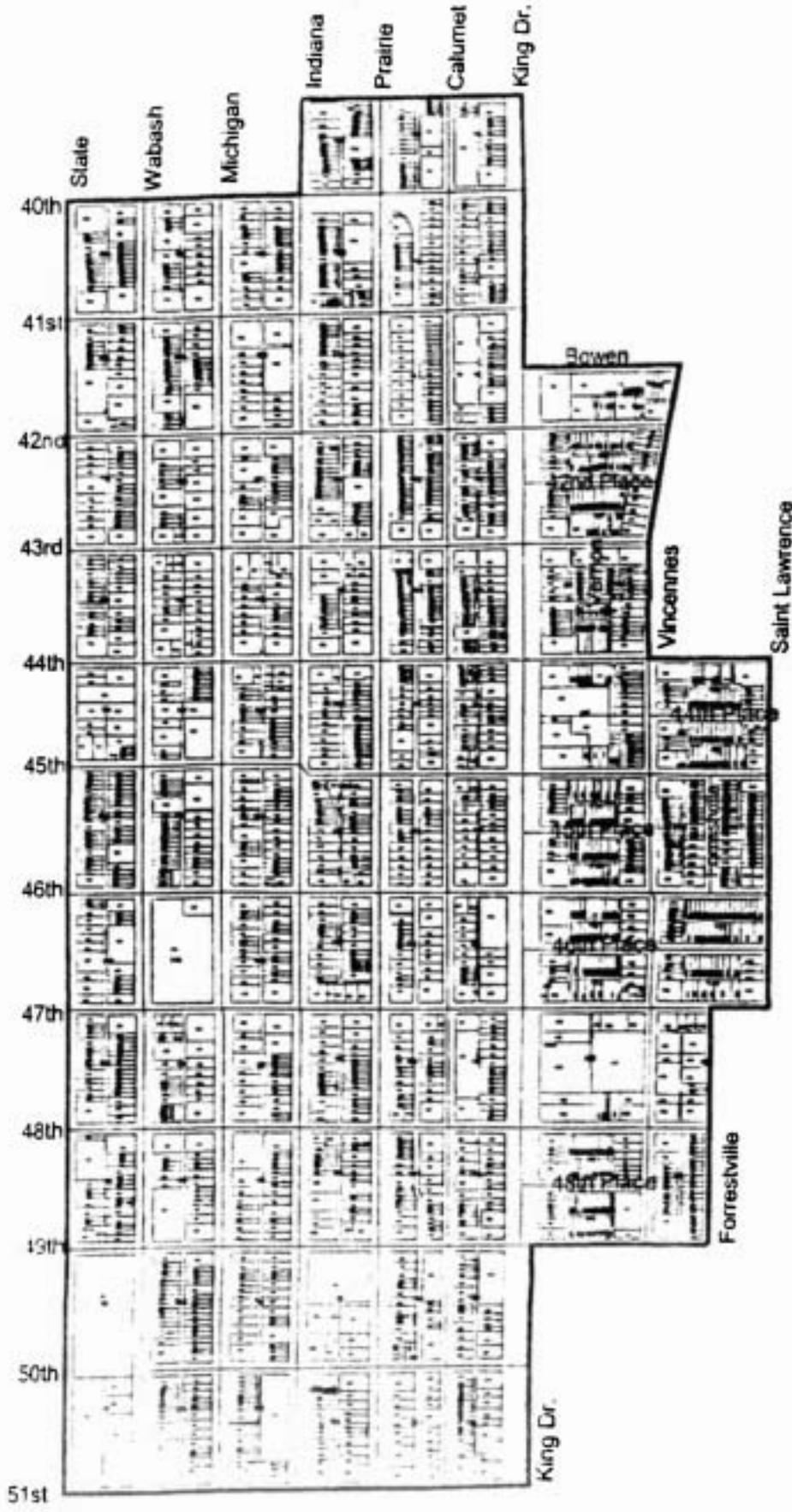
October 30, 2001

City of Chicago

**47th Street
King Drive T**

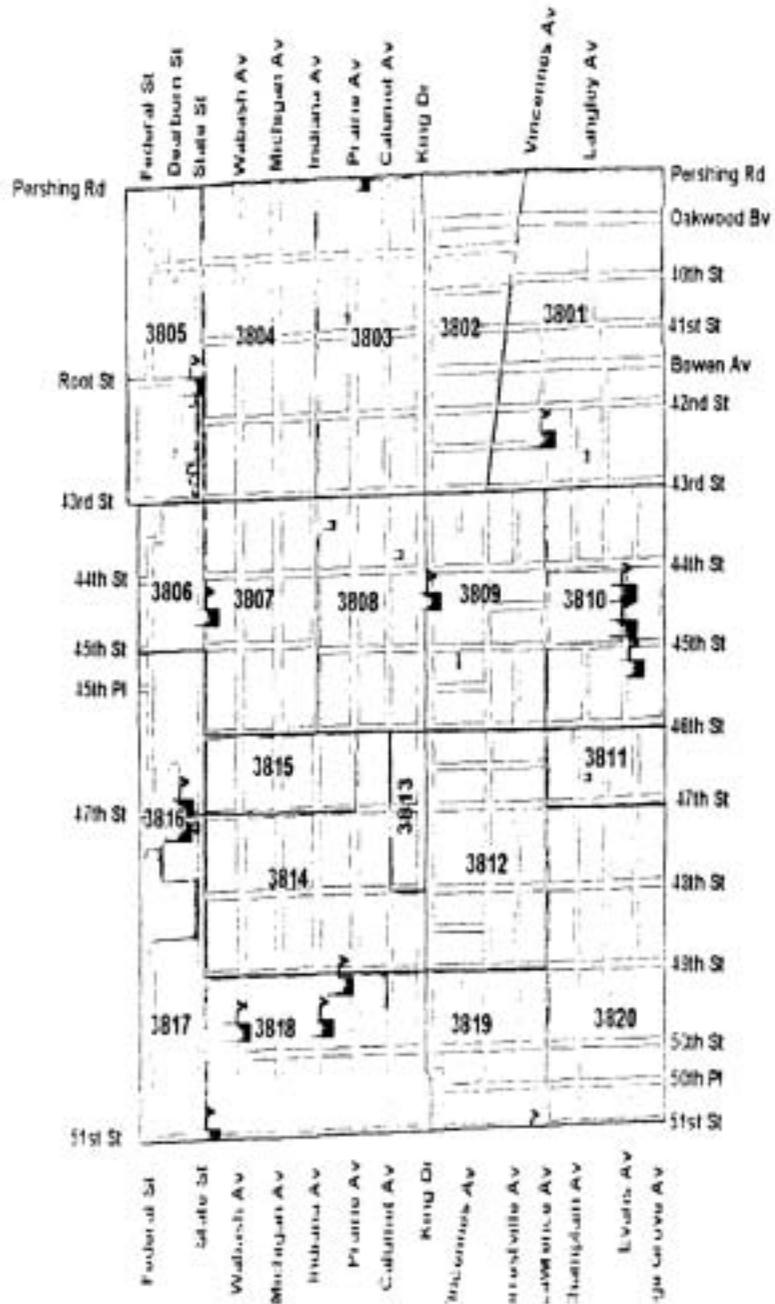
Map 1

Project Bound



— Streets
— TIF Bound

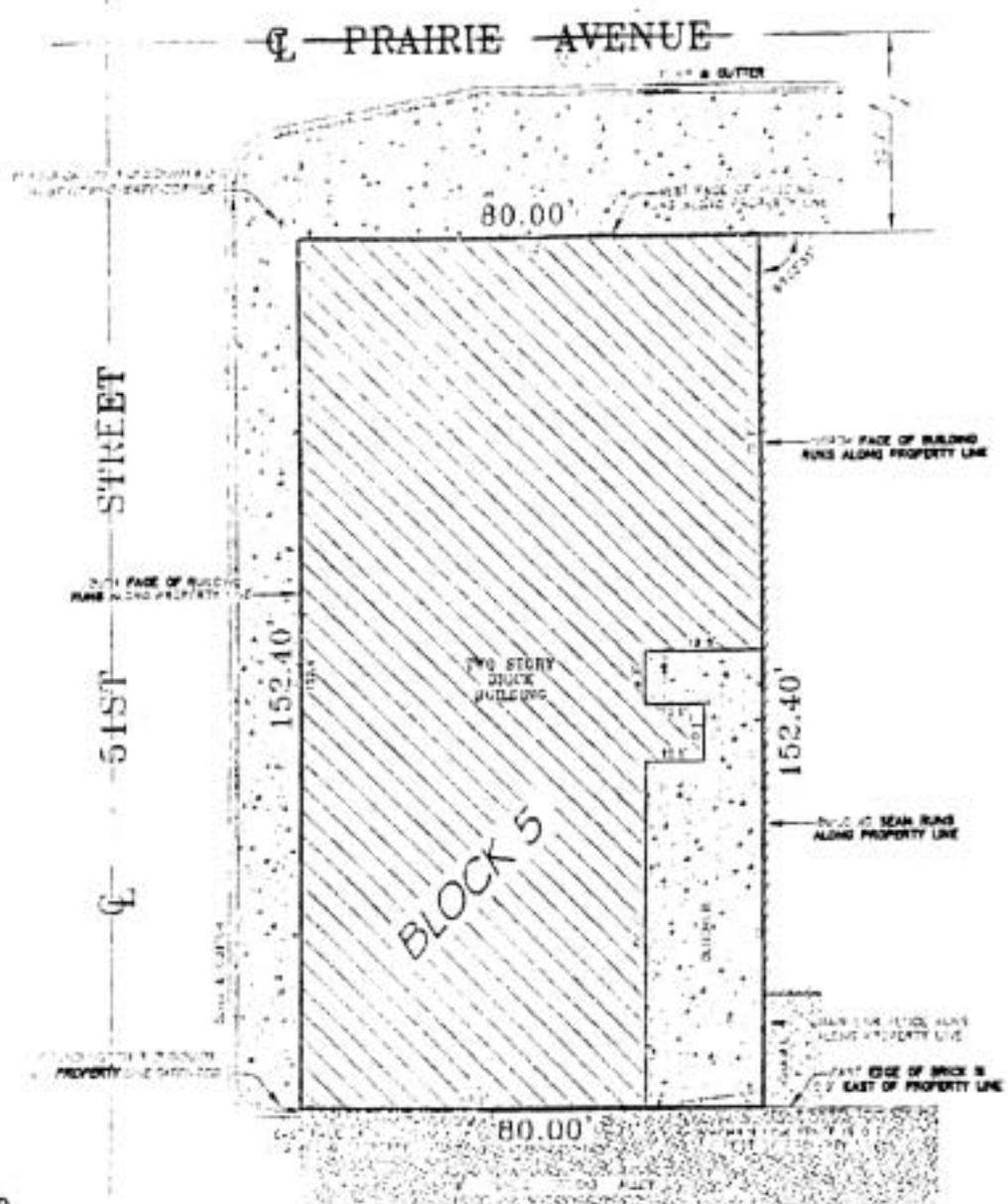
COMMUNITY AREA 38 - GRAND BOULEVAR



PLAT OF SURVEY

OF

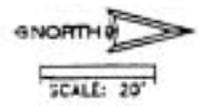
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LEGEND

- - IRON STAKE SET
- - IRON STAKE FOUND
- ▭ - CONCRETE
- ▭ - ASPHALT

AREA = 12,192 SQ. FT.
MORE OR LESS



PREPARED FOR: ADVANCED SURVEY, INC.
JOB ADDRESS: 200 E. 51ST ST., CHICAGO, IL
SELLER/BUYER: LIT / LIT
JOB NO.: 08-18-0247

NEKOLA

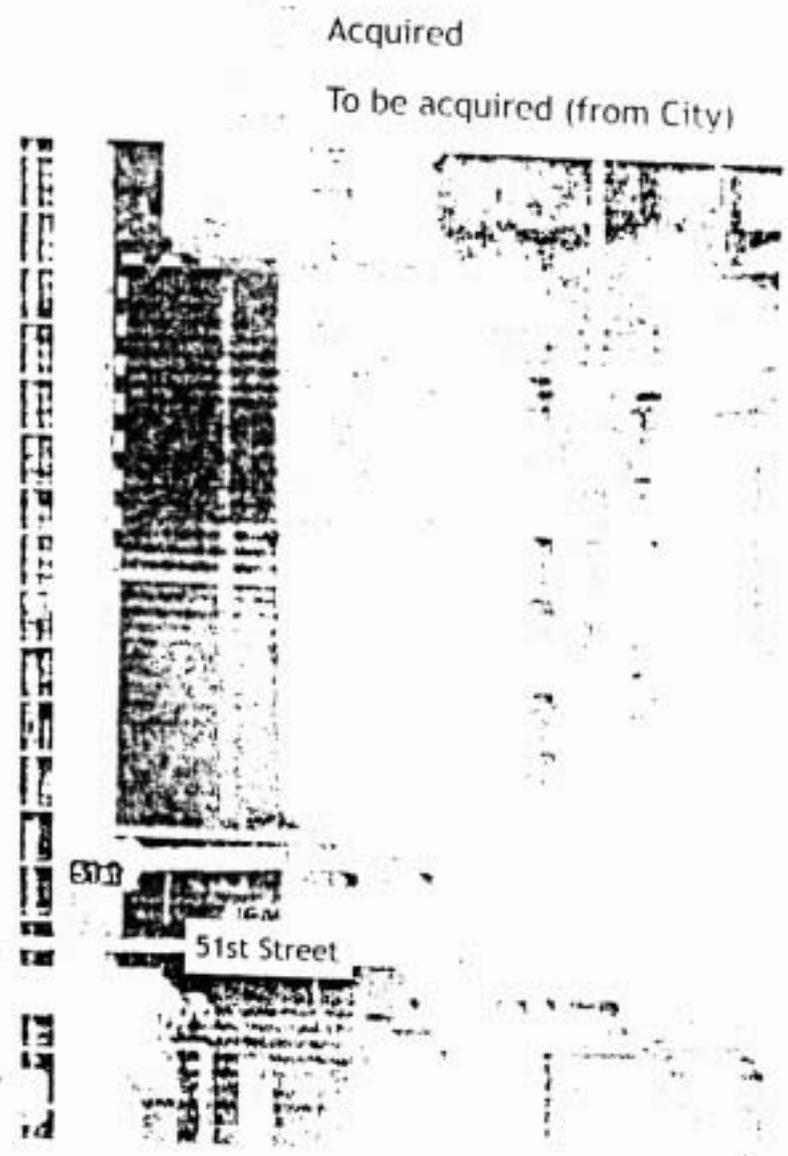
MEMBERSHIP FIRM
DIVISION OF MCHS ENGINEERING

FIELD WORK COMPLETED ON THE 11TH DAY OF NOVEMBER, 2008.
(STATE OF ILLINOIS)
(COUNTY OF WILL) 58

NEKOLA SIGNATURE SURVEY 2008 HONORARY CERTIFY THAT IT HAS SURVEYED THE TRACT OF LAND ABOVE DESCRIBED, AND THAT THIS PROFESSIONAL SERVICE CONFORMS TO THE CURRENT ILLINOIS MINIMUM STANDARDS FOR A BOUNDARY SURVEY.

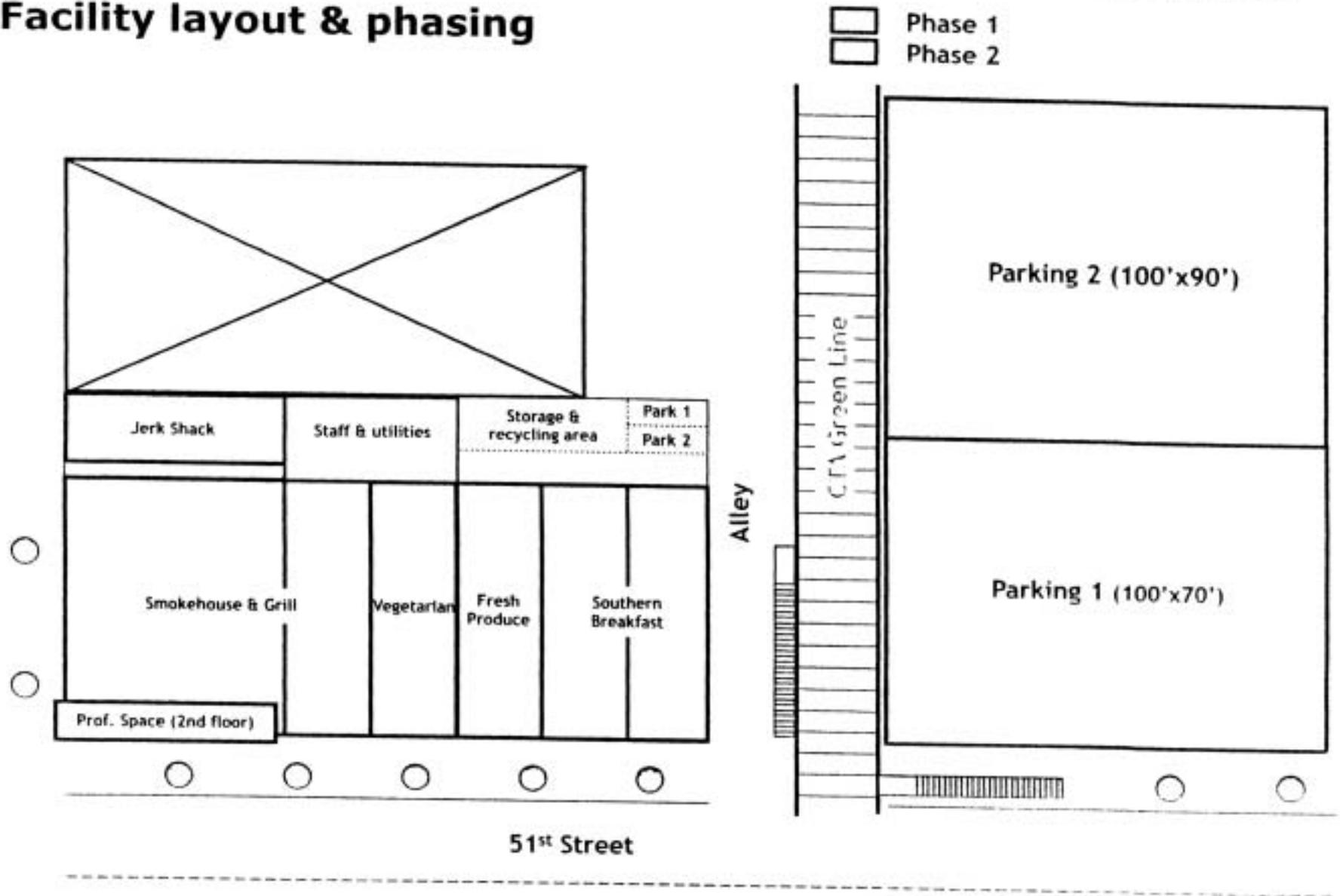
DATED THIS 22ND DAY OF NOVEMBER, 2008.
Wayne W. Nekola
NOV 24 2013
LICENSE RENEWAL DATE: 30 NOVEMBER 2008.

Site Map



Juncture
"Where Commerce meets Community"

Facility layout & phasing



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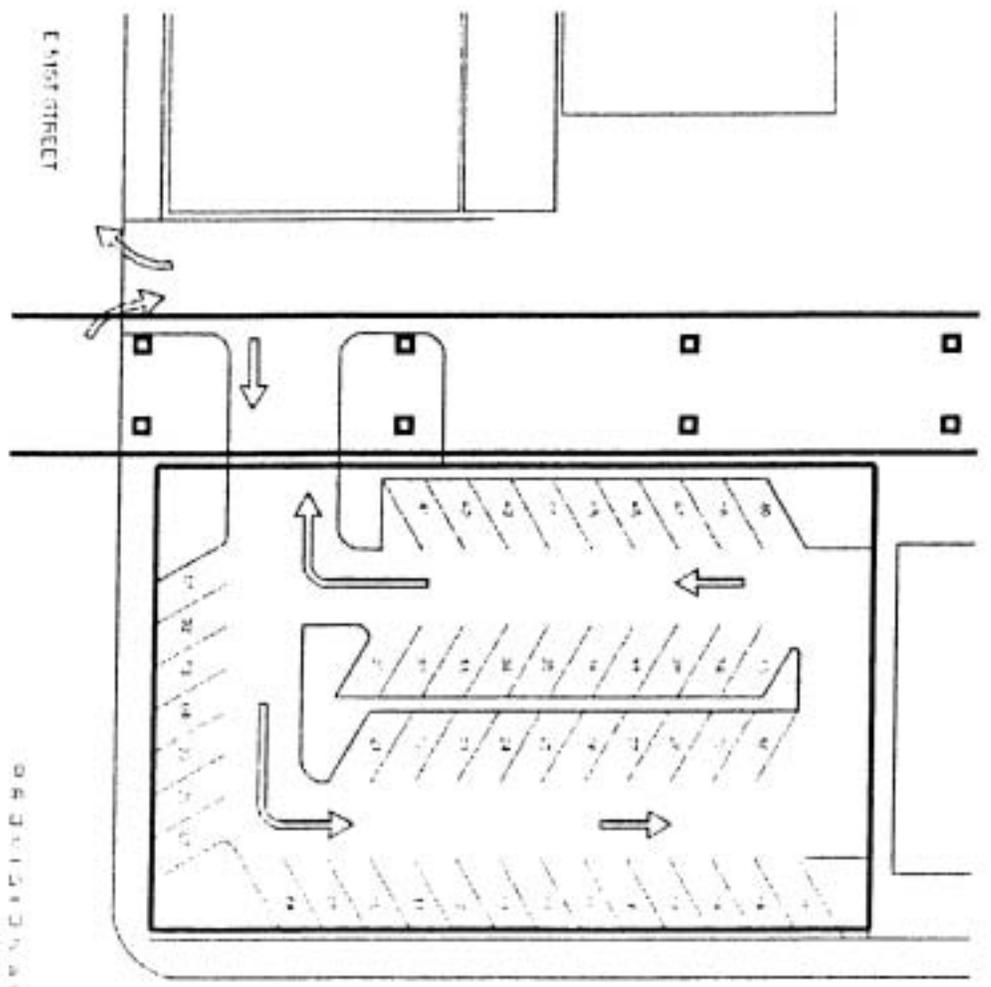
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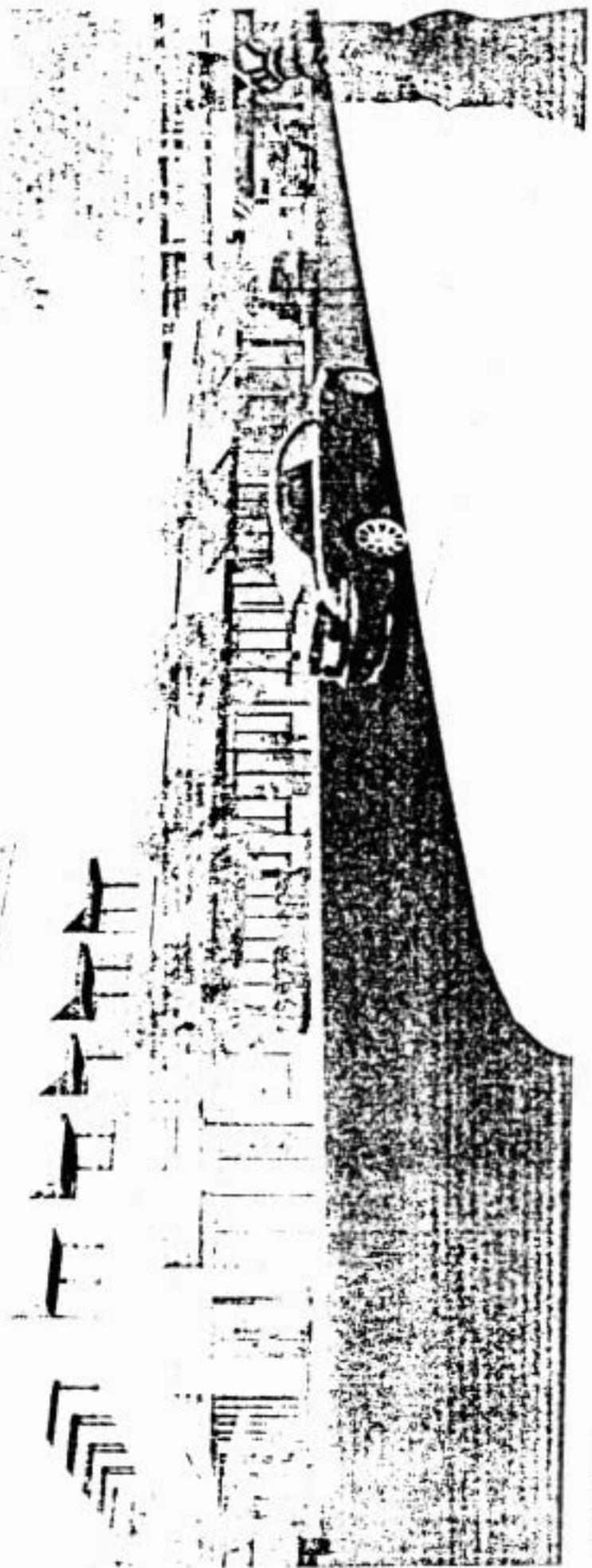
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Illustrative parking layout



Juncture
"Where Commerce meets Community"

320 East 51st Street
983015302344.plp20090727040000



Urban Juncture
Cuisine of The Diaspora

Street Perspective

June 18, 2008

Johnson & Lee

ARCHITECTS

773.335.3003
773.335.3004
www.urbanjuncture.com
1245 S. King Dr.
Chicago, IL 60653

October 26, 2009

Request for Proposals:
\$8.5M Construction Project
17,000 s.f. Commercial Building + 16,000 s.f. parking
Bronzeville Community, Chicago, Illinois

African American Contractors Association
3901 S. State Street
Chicago, IL 60653

Dear Community Partner:

Urban Juncture is pleased to announce that it is soliciting bids for the rehabilitation of a 17,000 square foot, two-story, commercial building in the Bronzeville community along with the development of an adjacent 16,000 s.f. parking area. Minority Business Enterprises and Women Business Enterprises are encouraged to bid. All contractors must be licensed, bonded, and insured.

The project will create several culinary spaces to serve the residents of and visitors to Bronzeville as well as supporting utility and professional space. It will have a green roof and several other "green" features and will target LEED "Gold" certification.

Construction is currently scheduled to commence in Spring 2010 with a December 2010 completion.

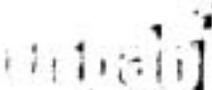
For more information, please contact our Construction Manager:

Lee Fantroy, LeLan Enterprises
312-404-7192

Sincerely,

Bernard Loyd
President

cc: Lee Fantroy

 **Urban Juncture**
"Where Commerce meets Community"

594E 54E4 T000 00ET 9002

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IL Assoc. of Min. Contractors
1643 East 71st St
Chicago, IL 60649

264E 54E4 T000 00ET 9002

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Federation of Women Conts
5650 S. Archer Ave
Chicago, IL 60661

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Chicago Urban League
220 S. State St., 11th Fl
Chicago, IL 60604

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12.00	01
10.00	
12.00	
10.24	10/23/2009

Rainbow / Push
930 E. 50th St
Chicago, IL 60615

7000 4544 7000 0000 3447

10.44	0101
12.00	01
10.00	
12.00	
10.24	10/23/2009

BCU
700 W. 76th St
Chicago, IL 60620

7009 1410 0000 0119 9467

10.44	0101
12.00	01
10.00	
12.00	
10.24	10/23/2009

AACA
3701 S State St
Chicago, IL 60653



CITY COUNCIL
CITY HALL, ROOM 200
121 NORTH LA SALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE 312-744-8734

PAT DOWELL ALDERMAN—3RD WARD

3RD WARD SERVICE CENTER
5046 SOUTH STATE STREET
CHICAGO, ILLINOIS 60609
TELEPHONE 773-373-9273
FAX: 773-373-8862
E-MAIL: pat.dowell@cityofchicago.org

COMMITTEE MEMBERSHIPS

—
COMMITTEES, RULES AND ETHICS
—
HEALTH
—
HOUSING AND REAL ESTATE
—
LANDMARKS
—
TRANSPORTATION AND PUBLIC WAY

November 3, 2009

Chris Raguso
Commissioner Department of Community Development
121 N. LaSalle Street, Room 1000
Chicago, Illinois 60602

Re: Urban Juncture

Dear Ms. Raguso:

I am writing to express my support for Urban Juncture's plan to open the Cuisine of the Diaspora on 51st Street near the Green Line. The new culinary venues that celebrate the unique aspects of African-American cuisine will undoubtedly be a welcome addition to Bronzeville and the rest of the 3rd Ward as it will benefit from them in many ways.

First, this initiative will help stimulate the local economy by potentially providing close to 140 jobs and a source of revenue that will likely stay in the neighborhood. Second, having healthier eating options will certainly be welcomed by the residents and visitors alike. Consequently, it will also provide a place where neighbors and friends can meet and develop social networks as well as help educate patrons about African-American culture. Finally, the fact that Cuisine of the Diaspora will be an eco-friendly project and will be located near mass transit means that it will serve as an example to other projects that may be interested in sustainable development and will provide awareness about environmental initiatives.

I know that Cuisine of the Diaspora will help revitalize a commercial district that is in need of responsible development. As the Alderman of the 3rd Ward, I welcome this development to the community. Please do not hesitate to contact my office at (773) 373.9273 with any questions or concerns.

Sincerely,

Pat Dowell
Pat Dowell
Alderman, 3rd Ward

cc: Judy Jackson -Minor



COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO

RESOLUTION NO. 09 - CDC 58

**AUTHORIZATION TO ENTER INTO A NEGOTIATED SALE WITH URBAN
JUNCTURE, INC. FOR DISPOSITION OF THE PROPERTY LOCATED AT 5044 - 5048
SOUTH CALUMET AVENUE WITHIN THE 47TH / KING DRIVE TAX INCREMENT
FINANCING REDEVELOPMENT PROJECT AREA**

AND

**AUTHORIZATION TO NEGOTIATE A REDEVELOPMENT AGREEMENT WITH
URBAN JUNCTURE, INC.**

AND

**RECOMMENDATION TO THE CITY COUNCIL OF THE CITY OF CHICAGO
FOR THE DESIGNATION OF URBAN JUNCTURE, INC.
AS 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 02-CDC-03 and pursuant to the Act, enacted three ordinances on March 27, 2002 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the 47th/King Drive Tax Increment 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, the City owns the property located at 5044 - 5048 South Calumet Avenue, having the Property Identification Number(s) (PINs 20-10-122-017 and 20-10-122-018 (the "Property") and desires that it be redeveloped as a parking lot; and

WHEREAS, the Urban Juncture, Inc. owns property located at 300-314 East 51st Street and 320 East 51st Street, having the Property Identification number (20-10-122-019 site of the proposed parking lot and 20-10-122-021 site of the building) and desires that a portion of the property be redeveloped for a two (2) story commercial building and a portion of the property as a parking lot; and

WHEREAS, staff of the Department of Community Development of the City of Chicago (the "Department") have entered into discussions with Urban Juncture, Inc. (the "Developers") concerning the sale of the Property for the development of a parking lot; and

WHEREAS, the Developer has submitted a project budget and evidence of having the financial capacity to complete the project, and the staff of the Department have reviewed these and found them to be satisfactory; and

WHEREAS, the Developer has proposed to pay \$10,000.00 as consideration for the purchase of the Property, \$66,000 less than the appraised fair market value of \$76,000; and

WHEREAS, staff of the Department have determined that the Developer's proposal conforms to the Plan; and

WHEREAS, pursuant to Section 5/11-74.4-4(c) of the Act, the City may not enter into any agreement relating to the development of City-owned property within the Area without first making public disclosure of the terms of such agreement and all bids and proposals related thereto and providing reasonable opportunity for any person to submit an alternative proposal or bid; and

WHEREAS, DCD requests the authority of the Commission to make the required disclosure by publishing a public notice substantially in the form set forth as **Exhibit B** hereto (the "Notice") be published at least once for three consecutive weeks in at least one Chicago metropolitan newspaper, inviting alternative proposals from other developers who will have a period of not less than thirty (30) days after the first publication of the public notice in which to submit a responsive proposal; and

WHEREAS, DCD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DCD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project, if no responsive alternative proposals are received by DCD within thirty (30) days after publication of the first Notice or, if alternative proposals are received and DCD in its sole discretion determines that the Developer's Project is the best proposal; 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 authorizes DCD to publish the Notice.

Section 3. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DCD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project, so long as no responsive alternative proposals are received by DCD within the time recited above or, if alternative proposals are received and DCD in its sole discretion determines that the Developer's Project is the best proposal.

- Section 4. DCD is hereby authorized to advertise the City's intent to negotiate the sale and redevelopment of the Disposition Parcels and to request responsive alternative proposals.
- Section 5. Said proposals must be submitted in writing to Christine Raguso, Acting Commissioner, Department of Community Development, Attn: James Wilson, City Hall- Room 1003, 121 North LaSalle Street, Chicago, Illinois 60602 within 30 days of the date of the first publication of the Notice and shall contain names of parties, offer prices for the Disposition Parcels, evidence of financial qualifications, and a timetable for redevelopment before said proposal will be considered.
- Section 6. In the event that no responsive proposals are received at the conclusion of the advertising period, or if alternative proposals are received and DCD in its sole discretion determines that the Developer's Project is the best proposal, then the sale of the land described in Exhibit A shall be recommended to the City Council without further Commission action.
- Section 7. 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 8. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 9. This resolution shall be effective as of the date of its adoption.
- Section 10. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: November 10th, 2009

Attachments: Exhibit A, PINs and Street Addresses of Disposition Parcels and TIF Area Street Boundary Description

Exhibit B, Form of Notice Requesting Alternative Proposal

EXHIBIT A

Street Addresses and P.I.N.s of Disposition Parcels
And
Street Boundaries of the
47th/King Drive Tax Increment Financing
Redevelopment Project Area

Address	P.I.N.
5044 S. Calumet	20-10-122-017
5048 S. Calumet	20-10-122-018

EXHIBIT B

PUBLIC NOTICE is hereby given by the Community Development Commission of the City of Chicago (the "City") pursuant to section 5/11-74.4-4 (c) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"), that the City's Department of Community Development ("DCD") intends to negotiate a redevelopment agreement with Urban Juncture, Inc.. (the "Developer") pursuant to which the City intends to provide financial assistance to the Developer in the amount of \$3,000,000 or 35% of the total project budget from 47th/King Drive tax increment financing bond proceeds and/or incremental tax revenues pursuant to the Act for eligible costs associated with Cuisine of the Diaspora development project (the "Project") to be located at 300-314 and 320 E. 51st Street and 5044 - 5048 S. Calumet Avenue (the "Property"), located in the 47th / King Drive TIF Redevelopment Project Area (the "Area"). The Project will consist of the rehabilitation of a two (2) story, 16,000 square feet commercial building with parking. The City also intends to negotiate a redevelopment agreement with the Developer for the sale of 17-34-421-096, 17-34-421-099, 17-34-421-100, 17-34-421-093 individual tax parcels, described in Schedule 1 attached hereto (the "Disposition Parcels"), for \$10,000. The Property and Disposition Parcels are located within the Area established pursuant to the Act, and the Project is in compliance with the 47th/King Drive TIF Redevelopment Plan. The Area is generally bounded as follows:

THE CITY HEREBY INVITES ALTERNATIVE PROPOSALS FOR THE REDEVELOPMENT OF THE DISPOSITION PARCELS FOR CONSIDERATION BY THE CITY.

The documents listed below related to the Area, the Project and the Disposition Parcels are available for public inspection before December 11, 2009 at the offices of DCD, Room 1003, 121 N. LaSalle, Chicago, Illinois between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday:

- (i) "47th / King Drive Tax Increment Financing Redevelopment Project and Plan," which constitutes the City's redevelopment plan for the Area;
- (ii) a terms sheet showing all proposed material terms of the redevelopment agreements as of the date hereof, including but not limited to an estimated Project budget setting forth the amount of financial assistance the City intends to provide to the Developer for the Project; and
- (iii) the terms of all bids and proposals received, if any, by the City related to the Project and the redevelopment agreements

Please contact James Wilson at DCD at (312) 744-2379 to review these materials and for information regarding the form required, if any, for proposals submitted to the City. Proposals shall include the general plan for the redevelopment of the Disposition Parcels, the names of the party or parties making the proposal, the price offered, evidence of financial qualifications and capacity to complete said redevelopment, and the timetable for implementation. The City reserves the right to reject any and all proposals. Proposals will be received by the City at DCD's offices, Room 1000, City Hall, 121 N. LaSalle, Chicago, Illinois 60602, until December 11, 2009 at 5:00 p.m., at which time all alternative proposals will be opened and reviewed.

Mary Richardson-Lowry, Chairman
COMMUNITY DEVELOPMENT COMMISSION