

September 16, 2020

VIA EMAIL TO <u>CPC@cityofchicago.org</u> Chicago Plan Commission Attn: Teresa Cordova, Chair 121 N. LaSalle Street, 2nd Floor Chicago, Illinois 60602

On August 24, 2020, the Copernicus Foundation submitted a proposal in connection with the City of Chicago's negotiated sale of the property located at 4841 N. Lipps, Chicago. On September 15, 2020, the Foundation received a letter of denial from Project Manager James Wheaton. The reasons for denial were unfounded.

Since 1979, the Copernicus Foundation has been a boost to the vitality of the Jefferson Park neighborhood as well as the other Northwest Chicago neighborhoods. By acquiring the property, the Copernicus Foundation would undoubtedly strengthen its roots as a cultural community center in the neighborhood which will further enable its desire to serve the residents of Chicago for generations to come.

The proposal submitted by the Copernicus Foundation clearly represented the best interests of the community as it did not require any additional stories to be added to the existing building, it commits to restore the original historical "firehouse façade", and will feature a similar brewpub concept that all residents will enjoy for years to come. Furthermore, the city's decision to sell the Property to 4841 N. Lipps, LLC for merely \$1.00 meant the city was turning down \$299,999 during a time when every penny is crucial. In addition, the property would be returned to the property tax rolls.

When the city is in a budget crisis, an extra \$300,000 might not seem like a lot of money in the face of a billion-dollar deficit, but we researched the city salary database and discovered that \$300,000 would pay the salaries for a year of a board of elections clerk, \$30K; library clerk, \$34K; finance clerk, \$42K; traffic enforcement technician, \$40K; data entry operator, \$36K; department of health clerk, \$35K; animal control aide \$42K and communications operator at OEMC \$42K. Eight City of Chicago employees could have their salary covered by our \$300,000 payment.



The full letter, which is attached, gave the following reasons for denial:

The proposal from the Copernicus Foundation was evaluated based on the information submitted and the completeness of the submission.

The Copernicus Foundation's proposal was found to be incomplete insofar as it did not include a timetable for completion of the redevelopment of the property nor did the submission include any evidence of financial qualifications other than stating that the project would be 'self-financed.'

The submission referred to a 'Sources and Uses' budget, but none was provided. What was provided was a Project Budget that did not include the proposed purchase price and which did include a projected cost for remediation of lead-based paint and asbestos that is approximately 40% of the actual cost of the remediation.

We thank you again for your interest in the property and your commitment to improving the Jefferson Park neighborhood. Regretfully, we are not accepting your proposal for the redevelopment of 4841 North Lipps Avenue.

The Copernicus Foundation disputes the charges of an incomplete application with the following answers.

- 1. The application did not explicitly ask for a timetable. Further it was not possible to create a timetable because Copernicus was denied access to the property numerous times. See note 4 and corresponding e-mails below.
- 2. The application included the 990 tax filings of the Copernicus Center as evidence of the Foundation's ability to self-fund.
- 3. The submission did provide a "Sources and Uses" budget which listed the rents to be paid by the ground floor restaurant and the apartments on the second and third level.
- 4. The denial letter is correct in saying that the projected cost did not include the actual cost of the remediation. The reason for that is that the Copernicus Foundation was denied access to the property and thus were denied the opportunity to have a remediation study done. The signator of the denial letter, James Wheaton, sent an e-mail on July 31st stating he did not have access to the property so he could not arrange an inspection. He suggested contacting other city departments.

E-MAIL: INFO@COPERNICUSCENTER.ORG















More -



Re: Project Manager for 4837-41 N. Lipps Avenue







James Wheaton (James.Wheaton@cityofchicago.org) To: you + 1 more

Details ~

Fri, Jul 31, 2020 4:32 pm

I do not have access to the property at 4841 N. Lipps Ave. so I cannot arrange an inspection for your friend. Since the property is secured, I believe that access to the property is controlled by the City's Department of Planning and Development, which is the department that is responsible for the inventory of City-owned property. I do not know who at the Department of Planning and Development would be the appropriate person to contact regarding a visit/inspection to the property. I suggest that you contact the Department of Planning & Development or that you check the City of Chicago webpage for the Department of Planning and Development for specific information regarding Cityowned property.

Jim Wheaton Executive Director Chicago Community Land Trust c/o Department of Housing 121 N. LaSalle Street, Suite 1006, Chicago, IL 60602 (312) 744-0874 (direct) james.wheaton@cityofchicago.org

PHONE: (773) 777-8898 E-MAIL: INFO@COPERNICUSCENTER.ORG



On August 3rd, the Copernicus Foundation requested an inspection of the property in an email to Maurice Cox, Commissioner of Planning and Development; 45th Ward Alderman Gardiner; Jorge Perez, Chairman Community Development Commission; Anthony Simpkins, Managing deputy commissioner department of housing. James Wheaton was copied on the e-mail. No immediate reply was received.



E-MAIL: INFO@COPERNICUSCENTER.ORG



On August 6th, the Copernicus Foundation forwarded that email to all the above listed people asking why nobody had responded.

To, you (Bcc) + 4 more Details V

Gentlemen.

As my email below shows, I emailed all of you on Monday, August 3rd asking how to get access to inspect the city owned lot #65754, 4837-4841 N. Lipps.

I have not heard back from anyone. When may I expect an answer?

Thank you, Kathy Posner 312-933-9094

----Original Message----

From: Kathy Posner < krp01@aol.com>

To: Maurice.cox@cityofchicago.org < Maurice.cox@cityofchicago.org>; Jorge.perez@cityofchicago.org

<<u>Jorge.perez@cityofchicago.org</u>>; <u>Anthony.simpkins2@cityofchicago.org</u>

<Anthony.simpkins2@cityofchicago.org>; james_gardiner@cityofchicago.org <james_gardiner@cityofchicago.org>

Cc: James.Wheaton@cityofchicago.org <James.Wheaton@cityofchicago.org>

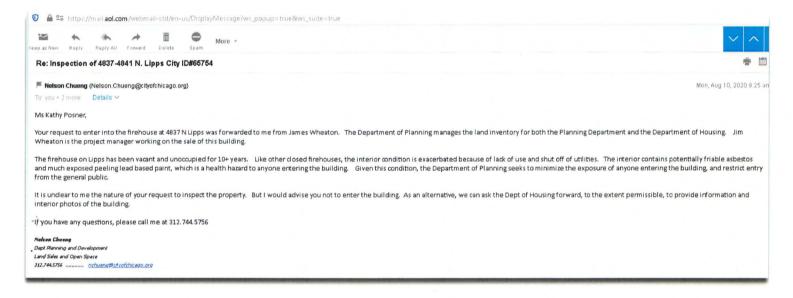
Sent: Mon, Aug 3, 2020 11:41 am

Subject: Inspection of 4837-4841 N. Lipps City ID#65754

E-MAIL: INFO@COPERNICUSCENTER.ORG

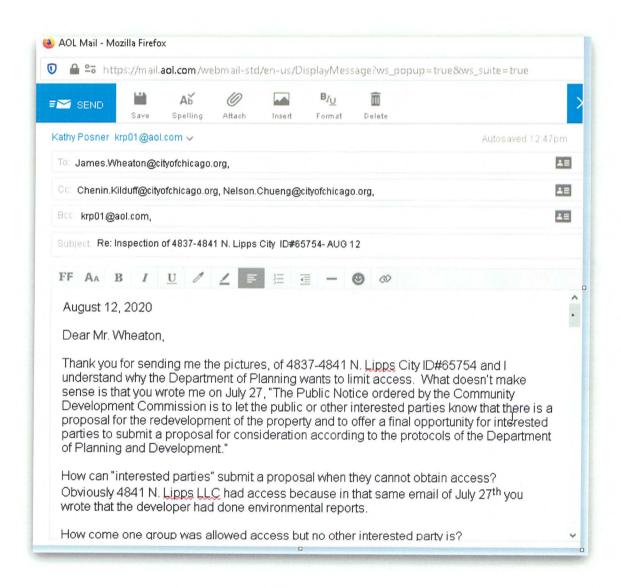


On August 10th, Nelson Cheung of the Chicago Department of Planning and Development sent an email denying access and offering to send photos.



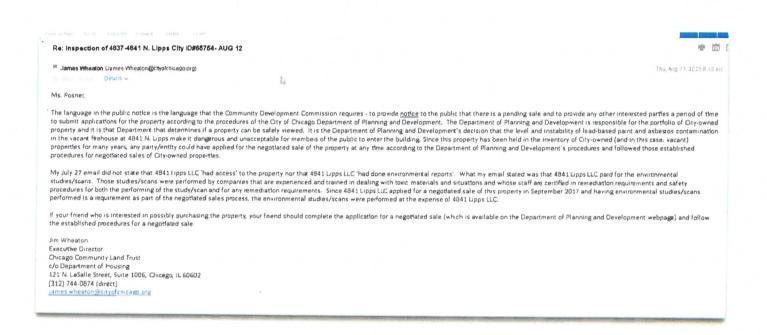


On August 12, after receiving photos of the property, the Copernicus Foundation wrote Mr. Wheaton asking how can interested parties submit a proposal when they are not allowed access to the property.





On August 13th, James Wheaton replied that the language in the public notice was to provide notice that there is a pending sale and that the department of Planning and Development has decided that the property is dangerous and unacceptable for members of the public to enter the building.



We ask that The Chicago Plan Commission should reconsider our bid.

Sincerely,

Mario Mikoda, President



DEPARTMENT OF HOUSING CITY OF CHICAGO

Kamila Sumelka
Executive Director
The Copernicus Foundation
5216 West Lawrence Ave.
Chicago, IL 60630

September 15, 2020

Ms. Sumelka,

Thank you to the Copernicus Foundation for submitting a proposal for a negotiated sale of the former Chicago Firehouse located at 4841 N. Lipps Avenue, Chicago, IL 60630.

Your application was received in response to a Public Notice which was published in the Chicago Sun-Times on July 24, 2020; July 31, 2020; and August 7, 2020. The Public Notice stated "Proposals shall include the general plan for the redevelopment of the Property, the names of the party or parties making the proposal, the price offered, evidence of financial qualifications and capacity to complete the redevelopment, and the timetable for implementation." The Public Notice also stated "The City of Chicago reserves the right to reject all proposals..."

The proposal from the Copernicus Foundation was evaluated based on the information submitted and the completeness of the submission.

The Copernicus Foundation's proposal was found to be incomplete insofar as it did not include a timetable for completion of the redevelopment of the property nor did the submission include any evidence of financial qualifications other than stating that the project would be 'self-financed.'

The submission referred to a 'Sources and Uses' budget, but none was provided. What was provided was a Project Budget that did not include the proposed purchase price and which did include a projected cost for remediation of lead-based paint and asbestos that is approximately 40% of the actual cost of the remediation.

We thank you again for your interest in the property and your commitment to improving the Jefferson Park neighborhood. Regretfully, we are not accepting your proposal for the redevelopment of 4841 North Lipps Avenue.

Sincerely,

James Wheaton Project Manager

Cc: Commissioner Marisa Novara

Managing Deputy Commissioner Anthony Simpkins

United Brotherhood of Carpenters and Joiners of America Local Union No. 58

JEFFREY ISAACSON, President
IAN MAIN, Fin. Sec'y. - Treas.
WILLIAM J. CLOSE, Recording Secretary



3545 W. Peterson Chicago, Illinois 60659 (773) 267-5858 Fax (773) 267-8805

James Wheaton, Project Manager

Department of Housing, City of Chicago

September 15, 2020

Mr. Wheaton,

I write in response to your letter dated September 15, 2020, 8:15 a.m. addressed to myself rejecting Carpenters Local Union 58's proposal for the disposal of the property located at 4841 N Lipps Avenue.

Your letter cites three reasons for the rejection;

- That it was incomplete because it didn't include a timetable.
- That our organization chartered in 1896 and a membership of 2500 didn't include financials other than stating the project would be "self-financed".
- That we indicated that public funds would be needed to complete the project.

Of course these are fictions created to justify your rejection.

Point one, you say we were unable to compose a timetable. You sir were unwilling to allow us or other interested parties access to the property for a walk-thru to assess the condition of the building. In fact you would not even allow us to communicate with your department regarding the development process.

The second point regarding finances. Sir, our finances are not secret and are in fact published in the public domain. Again we are ready to begin the process seeking very little if any outside financing.

As to your third point you have taken liberty with the truth. We stated that we would see if we could seek credit for the lead and asbestos clean-up under the C-PACE program. The same as any responsible party would.

Finally, our intention is to create a space that invites creativity and commerce. We feel that apartments are inappropriate and will create on-going conflicts with the neighboring businesses. Our financial independence will allow us to responsibly develop this property seeking likeminded organizations as a part of our development. Finally may I point out that our organization contributes hundreds of thousands of dollars towards apprenticeship and training for residents of Jefferson Park and the City of Chicago. We are not proposing to build a high-rise on this spot, we propose building a bridge to the community.

lan Main, Financial Secretary-Treasurer

Carpenters Local Union No. 58

Cc; Commissioner Marisa Novara, Managing Director Anthony Simpkins Attached; James Wheaton letter of September 15, 2020

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DEPARTMENT OF HOUSING CITY OF CHICAGO

Financial Secretary and Treasurer
United Brotherhood of Carpenters and Joiners of America,
Local Union No. 58
3545 West Peterson
Chicago, IL 60659

September 15, 2020

Mr. Main,

Thank you to the Carpenters Union Local # 58 for submitting a proposal for a negotiated sale of the former Chicago Firehouse located at 4841 N. Lipps Avenue, Chicago, IL 60630.

Your application was received in response to a Public Notice which was published in the Chicago Sun-Times on July 24, 2020; July 31, 2020; and August 7, 2020. The Public Notice stated "Proposals shall include the general plan for the redevelopment of the Property, the names of the party or parties making the proposal, the price offered, evidence of financial qualifications and capacity to complete the redevelopment, and the timetable for implementation." The Public Notice also stated "The City of Chicago reserves the right to reject all proposals..."

The proposal from the Carpenters Union Local #58 was evaluated based on the information submitted and the completeness of the submission.

The Carpenters Union Local #58 proposal was found to be incomplete insofar as it did not include a timetable for completion of the redevelopment of the property nor did the submission include any evidence of financial qualifications other than stating that the project would be 'self-financed.' The proposal also indicated that public funds from one or more sources would be needed to complete the project, which competing applicants did not include.

We thank you again for your interest in the property and in improving the Jefferson Park neighborhood. Regretfully, we are not accepting your proposal for the redevelopment of 4841 North Lipps Avenue.

Sincerely,

James Wheaton
Project Manager

Cc: Commissioner Marisa Novara

Managing Deputy Commissioner Anthony Simpkins