

Loop Revitalization Initiative: 208 S LaSalle

LASALLE CENTRAL REDEVELOPMENT AREA WARD 42

TYPE OF REQUEST: DEVELOPER DESIGNATION

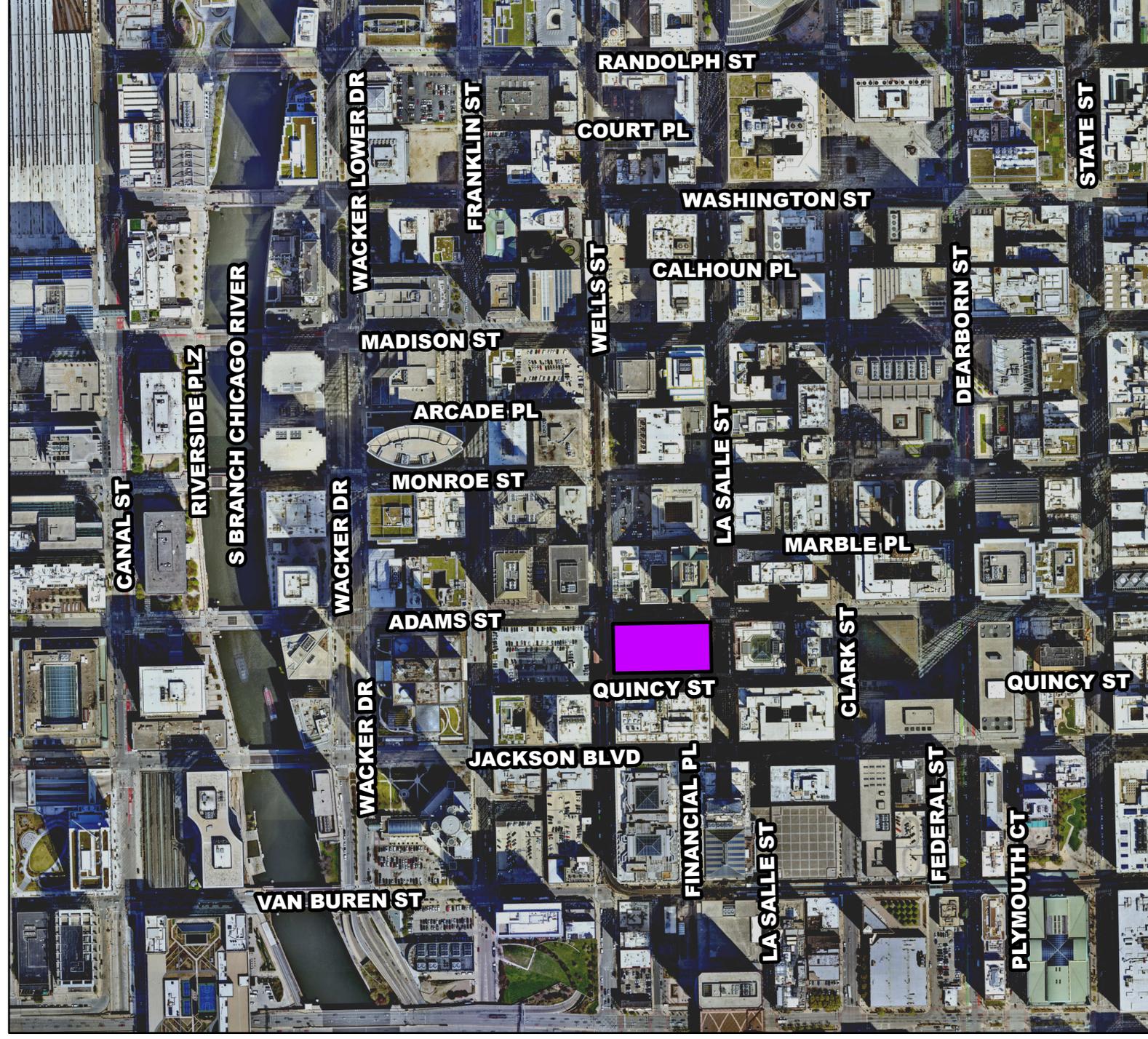
PRESENTED BY Kara Breems (DOH)

DEPARTMENT OF PLANNING, DEPARTMENT OF HOUSING
COMMISSIONERS BOATRIGT + CASTAÑEDA



Project Location

 208 S LaSalle



Current Conditions - Exterior

208 S LaSalle



June 11, 2024

Item_208_SLasalle

Project Overview

APPLICANT

208 S LaSalle Owner, LLC

PROJECT SUMMARY

The project consists of the adaptive reuse of Floors 13-17 of an existing office building to a 226-unit residential development, including 68 (30%) affordable units

FUNDING REQUEST

\$26.2m TIF (116k per unit)

TOTAL PROJECT COST

\$122.7m (543,015 per unit)

PROJECT TIMELINE

Construction Start: January 2025
Project Completion: January 2027



Project Overview

Floors 18-21
The LaSalle Hotel
Completed 2022
232 rooms

Floors 13-17
“The LaSalle
Residences”

Floors 1-12
Marriott Hotel
Completed 2010
610 rooms



Project Budget

| SOURCES | AMOUNT | PERCENT |
|------------------------|----------------------|-------------|
| Equity | \$10,224,609 | 8% |
| Loans | \$70,500,000 | 57% |
| TIF | \$26,200,000 | 21% |
| Deferred Developer Fee | \$4,873,000 | 4% |
| LIHTC Equity | \$10,923,750 | 9% |
| TOTAL SOURCES | \$122,721,359 | 100% |

| USES | AMOUNT | PERCENT |
|-------------------|----------------------|-------------|
| Acquisition | \$40,000,000 | 33% |
| Env. Remediation | \$0 | 0.0% |
| Site Prep | \$0 | 0.0% |
| Hard Costs | \$51,751,150 | 42% |
| Soft Costs | 25,835,094 | 21% |
| TOTAL USES | \$122,721,359 | 100% |



Proposed Unit Mix

| | 40% AMI | 50% AMI | 80% AMI | Affordable Total | Market Rate | Totals |
|--------|---------|---------|---------|------------------|-------------|------------|
| Studio | 3 | 18 | 9 | 30 | 64 | 94 |
| 1-BDRM | 3 | 13 | 9 | 25 | 68 | 93 |
| 2-BDRM | 2 | 6 | 5 | 13 | 26 | 39 |
| Total | 8 | 37 | 23 | 68 | 158 | 226 |



Proposed Unit Rent and Size

| UNIT TYPE | STUDIO | | 1 BED | | 2 BEDS | |
|-------------------------------|---------|---------------|---------|---------------|---------|---------------|
| Number | 64 | 30 | 68 | 25 | 26 | 13 |
| Market/ Affordable | Market | Affordable | Market | Affordable | Market | Affordable |
| Size (SF) | 424 SF | 397 | 608 | 609 | 969 | 945 |
| Monthly Rent | \$2,353 | \$773-\$1,545 | \$2,773 | \$838-\$1,655 | \$3,992 | \$993-\$1,986 |



Development Team

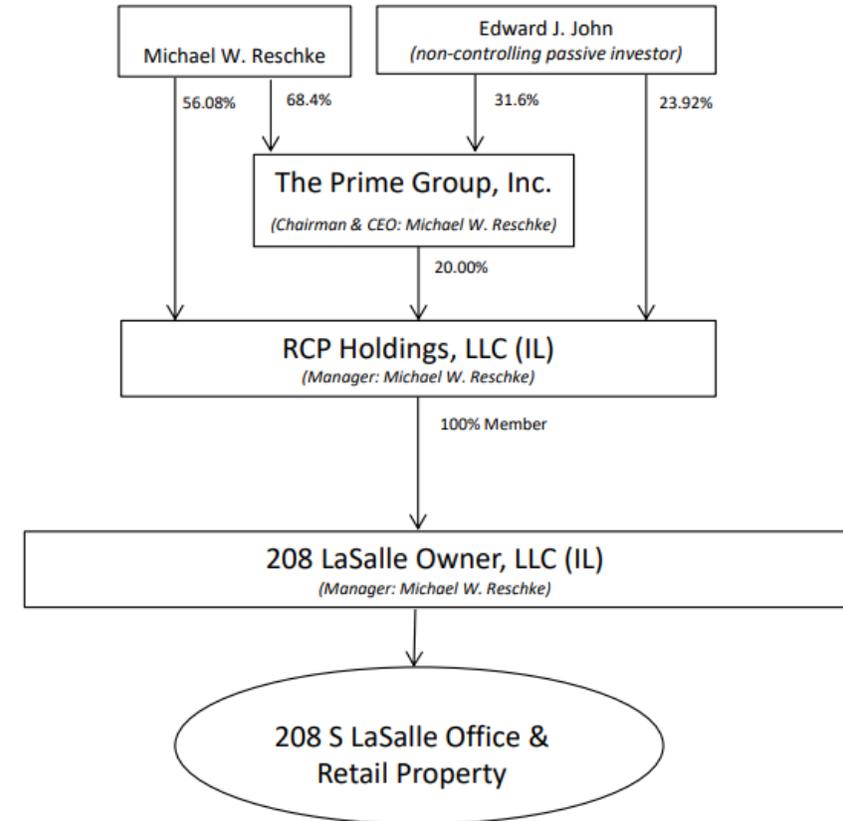
| | |
|---------------------------|---|
| Developer | The Prime Group, Inc |
| Owner | 208 LaSalle Owner, LLC |
| General Contractor | WE O'Neill |
| Architect | Lamar Johnson Collaborative Lucien LaGrange Studio |
| Attorney | Ackerman LLP (Zoning) Applegate Thorne-Thomsen (Tax Credits) |
| Lender | Merchants Bank |



Development Team



208 LaSalle Owner, LLC (as of 3/1/23)



This organizational chart does not depict all subsidiaries of all persons and/or entities.



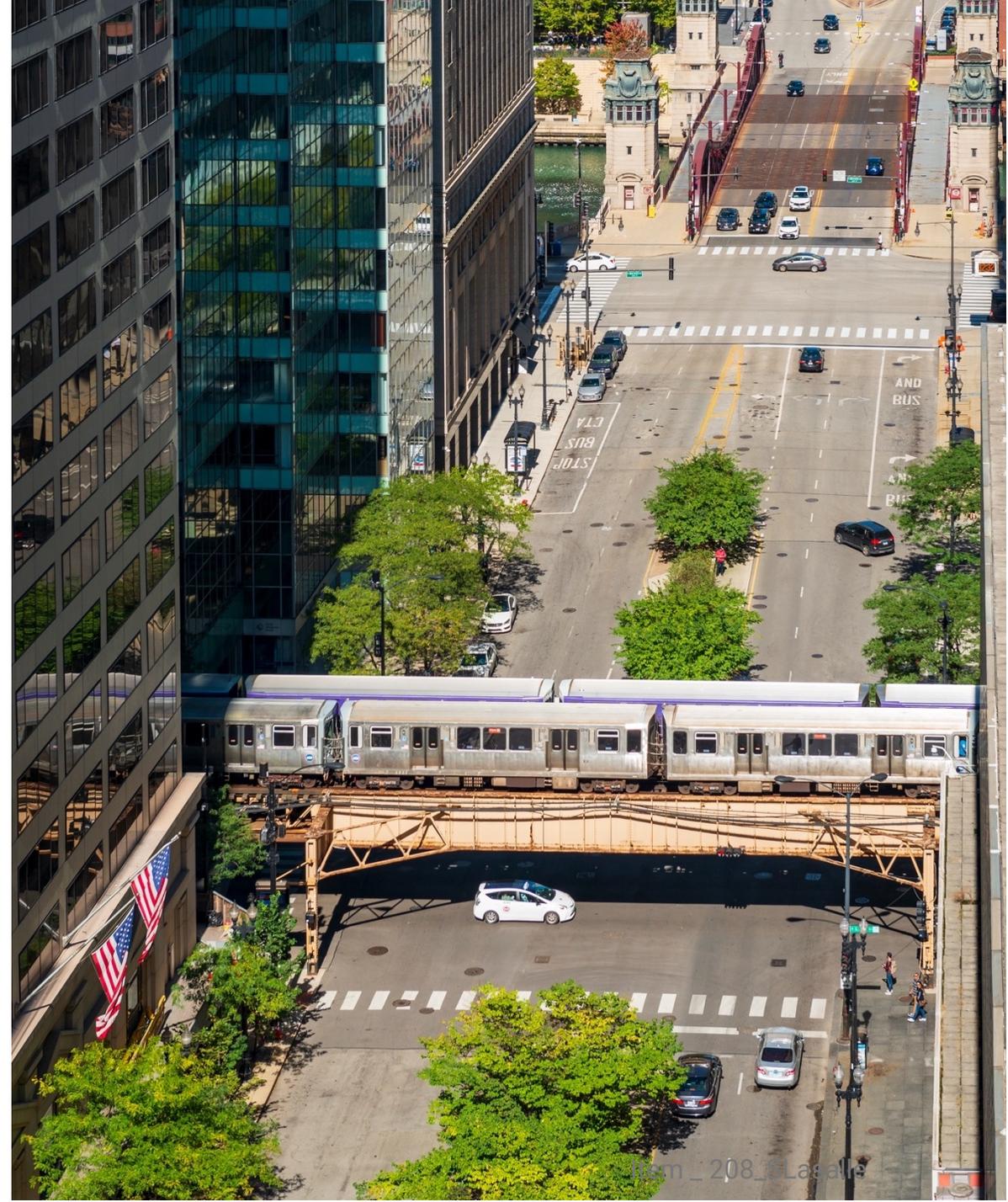
Structure and Requirements of City Funds

- TIF disbursement schedule: TBD
- Construction compliance requirements:
 - 26% MBE, 6% WBE
 - 50% City residence
 - or prevailing wage



Community Benefits

- 68 affordable units to the Loop
- 226 total housing units
- All affordable units will be Type A accessible
- Supporting landmark building
- Leveraging LIHTC
- Energy efficiency upgrades
- Amenity space
- 26% MBE and 6% WBE
- 200 construction jobs



Recommendation

Request authority to negotiate a redevelopment agreement with 208 S LaSalle Owner, LLC for the redevelopment of 208 S LaSalle;

- and

Designate 208 S LaSalle Owner, LLC or related entities as Developer

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