



City of Chicago



F2023-96

Office of the City Clerk

Document Tracking Sheet

Date:

5/12/2023

Sponsor(s):

Lightfoot (Mayor)

Type:

Communication

Title:

Executive Order No. 2023-13 (LaSalle Initiative)

Committee(s) Assignment:



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

EXECUTIVE ORDER NO. 2023-13

WHEREAS, the City of Chicago's LaSalle Street corridor in the Loop, despite having many historically significant buildings, proximity to all modes of public transit, and with workplaces from every level of government, has experienced unprecedented levels of office vacancy rates of almost 5 million square feet, the highest of any downtown submarket; and

WHEREAS, the City of Chicago's LaSalle Street corridor in the Loop has the highest retail vacancy of any downtown submarket with a 36% retail vacancy rate; and

WHEREAS, the City of Chicago has the fastest growing downtown in the U.S., but downtown still only accounts for 7% of the city's residents and there are only 9 legally restricted Affordable Requirements Ordinance units enforced by the City of Chicago in the Loop along with an overall citywide shortage of 100,000 affordable housing units; and

WHEREAS, Mayor Lori E. Lightfoot announced the LaSalle Street Reimagined Initiative on September 26, 2022, which includes four interrelated components: i) an Invitation for Proposals to convert underutilized office buildings into mixed-income residential uses with at least 30% affordable housing units; ii) revitalization of LaSalle's streetscape and public realm; iii) funding grants via the Small Business Improvement Fund to eligible locally-owned businesses; and iv) continued support for temporary and permanent art and activation; and

WHEREAS, as part of the Invitation for Proposals, nine submissions were received on December 23, 2022, worth over \$1.2 billion in total project costs for over 2,200 new residential units, including 790 affordable units; and

WHEREAS, after a public meeting was held on March 2, 2023 to share the proposals and to gather feedback along with a thorough review of the proposals by an evaluation committee, Mayor Lori E. Lightfoot announced the selection of three finalist teams on March 28th, 2023, for adaptive reuse proposals located at 111 West Monroe, 135 South LaSalle, and 208 South LaSalle; and

WHEREAS, the financial assistance requests of these three finalist proposals have been presented to the City of Chicago's Tax Increment Financing (TIF) Investment Committee and the up-to TIF amounts requested have been included in the LaSalle Central TIF District projections and posted on the Open Data Portal; and

WHEREAS, due to the success of the LaSalle Initiative and development interest for a more equitable and resilient Loop environment, the City's Departments of Planning and Development ("DPD") and Housing ("DOH") have since been accepting new applications for City financial assistance for adaptive reuse projects that meet eligibility criteria published online; and

WHEREAS, as of the date of this Executive Order, two new applications have been submitted for adaptive reuse proposals located at 30 North LaSalle and for 105 West Adams; and

WHEREAS, these two new applications identified above have been presented to the City of Chicago's TIF Investment Committee as a preliminary review and the up to TIF amounts requested have been included in the LaSalle Central TIF District projections and posted on the Open Data Portal; and

WHEREAS, DPD and DOH continue to review all five adaptive reuse proposals, including financial underwriting analysis and more details on the proposed scope of work; and any redevelopment agreements are subject to future review and approval by the Community Development Commission and the City Council; and

WHEREAS, collectively, the five adaptive reuse proposals are worth almost a billion dollars in total project costs, and if approved and completed as proposed, would provide over 1,600 new residential units and over 600 affordable units; and

WHEREAS, the City of Chicago's TIF Investment Committee has approved other funds related to the LaSalle Initiative: \$5 million allocation for Small Business Improvement Funds for eligible locally owned businesses along or near LaSalle Street, which was approved by City Council in January 2023; \$1 million for engineering assessment and streetscape visioning process; \$500,000 for underwriting analysis support; and \$210,000 for market analysis and adaptive reuse studies already completed; and

WHEREAS, the City's Department of Transportation (CDOT) has been conducting an engineering assessment of the existing physical and structural conditions on LaSalle Street and will collaborate with DPD and gather public input to develop a LaSalle Streetscape Visioning document to inform the future procurement of a world-class design team to design a safe, inviting, and innovative public realm; and

WHEREAS, in recent years with support from Chicago's Recovery Fund Grants, community organizations and property owners have collaborated with the City's Department of Cultural Affairs and Special Events (DCASE) and other impacted departments to provide special activation events and to install temporary artwork in vacant storefronts on and near LaSalle Street, a project known as the LaSalle Initiative; and

WHEREAS, the LaSalle Initiative was created by the City of Chicago based on data analysis and also informed from feedback gathered from over 150 stakeholders as part of the Central City Recovery Roadmap published in June 2021 in response to the COVID-19 pandemic to reactivate and revitalize downtown and from recommendations identified in the Urban Land

Institute's Technical Assistance Panel report on repositioning LaSalle Street that was published in February 2022; and

WHEREAS, the LaSalle Initiative is aligned with the goals, objectives, and principles of equity and resiliency outlined in We Will Chicago, the citywide framework plan adopted by the Chicago Plan Commission in February 2023 after over two years of planning and engagement, consisting of more than 70 in-person and virtual events with approximately 11,000 responses received; now, therefore,

I, LORI E. LIGHTFOOT, Mayor of the City of Chicago, do hereby order as follows:

SECTION 1. DEFINITIONS.

As used in this Order,

"Affordable units" means units for households earning an average income of 60% area median income.

"Evaluation Committee" means the evaluation committee comprised of DPD and DOH staff for the evaluation of the submissions received as part of the LaSalle Street Reimagined Invitation for Proposals.

"LaSalle Initiative" and "LaSalle Street Reimagined Initiative" means the LaSalle Street Reimagined, @ the Intersection of History, Innovation and Equity Initiative.

"Redevelopment Agreement" means any redevelopment involving the rehabilitation of underutilized commercial real estate with an expected grant or forgivable loan by the City of funds from the LaSalle Central TIF District, Low-Income Housing Tax Credits, Tax-Exempt Bonds, and other DPD and DOH financial assistance programs.

SECTION 2. DEPARTMENTAL PRIORITY INITIATIVE

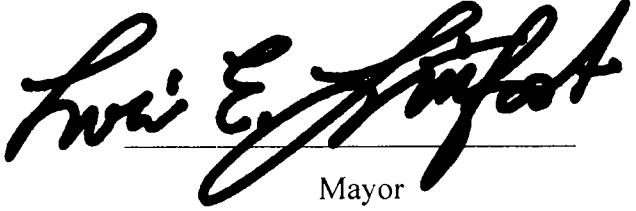
All City departments, including but not limited to DPD, DOH, CDOT, DCASE, Department of Law, Department of Buildings, Business Affairs and Consumer Protection (BACP), and Department of Procurement Services involved in implementing the LaSalle Initiative shall make it a departmental priority. Documents received from applicants shall be reviewed promptly and applicants shall be provided with clear direction and feedback from the relevant departmental staff to ensure projects reach any necessary milestones in a timely and efficient manner.

SECTION 3. ESTABLISHMENT OF STAKEHOLDER LASALLE GROUP

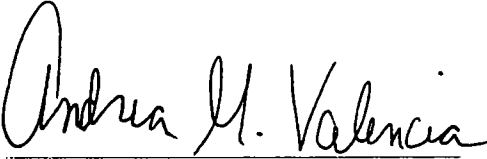
DPD, CDOT, DCASE, and BACP are hereby ordered to work with local organizations and property owners to form a chamber and/or delegate agency that will be charged with representing the property owners and future tenants along and near LaSalle Street to assist with managing the stewardship of and improving the experience along the corridor.

SECTION 4. EFFECTIVE DATE.

This order shall take effect upon its execution and filing with the City Clerk.


Mayor

Received and filed May 12, 2023


City Clerk

Chicago City Clerk - Council Div.
2023 MAY 12 AM 9:46

Handwritten signature or text, possibly "L. J. Smith".