

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 Regular Meeting Held on the 14<sup>th</sup> Day of May 2005 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 14<sup>th</sup> Day of June 2005**

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

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

**RESOLUTION NO. 05- CDC -59**

**AUTHORITY TO NEGOTIATE A  
REDEVELOPMENT AGREEMENT WITH  
FOOTWARE FACTORY DEVELOPMENT CORPORATION AND/OR AN AFFILIATE  
OR AFFILIATES THEREOF  
WITHIN THE AMENDED  
FULLERTON/MILWAUKEE T.I.F. REDEVELOPMENT PROJECT AREA,**

**AND**

**TO RECOMMEND TO  
THE CITY COUNCIL OF THE CITY OF CHICAGO  
THE DESIGNATION OF  
FOOTWARE FACTORY DEVELOPMENT CORPORATION AND/OR AN AFFILIATE  
OR AFFILIATES THEREOF  
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 99-CDC-254 and pursuant to the Act, enacted an ordinance on February 16, 2000 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Fullerton/Milwaukee 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 and Exhibit B hereto; and

WHEREAS, Amendment #1 to the Fullerton/Milwaukee Redevelopment Project Area (the "Amended Area") was approved by the CDC on March 8, 2005, and is pending before the City Council; and

WHEREAS, Footware Factory Development Corporation and/or an affiliate or affiliates thereof (the "Developer"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Amended Area or a portion thereof that is in compliance with the Plan, consisting of the construction of a mixed use redevelopment of one six story property with 250,000 square feet that will house 175 residential units and 1000-15000 square feet of commercial space. The other portion of the development will be a 28,000 square foot neighborhood retail shopping center with rooftop parking (the "Project"); and

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. This project is contingent upon City Council approval of Amendment No. 1 to the Fullerton/Milwaukee TIF Redevelopment Project Area.
- Section 3. 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. that this project is contingent upon City Council approval of Amendment No. 1 to the Fullerton/Milwaukee TIF Redevelopment Project Area.
- Section 4. 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 5. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 6. This resolution shall be effective as of the date of its adoption.
- Section 7. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: June 14, 2005

Attachments: Exhibit A, Street Boundary Description

5-10

**CITY OF CHICAGO**  
**Department of Planning & Development**  
**Community Development Commission**  
**June 14, 2005**

**SUMMARY SHEET**

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**ACTION REQUESTED:**

1. Request authority for the Department of Planning and Development to negotiate a redevelopment agreement with Footware Factory Development Corporation and/or an affiliate or affiliates thereof within the Fullerton/Milwaukee TIF Redevelopment Project Area.
2. Request approval of the \$8.5 million TIF application submitted by Footware Factory Development Corporation and/or an affiliate or affiliates thereof.
3. Recommend to the City Council of the City of Chicago the designation of Footware Factory Development Corporation and/or an affiliate or affiliates thereof as the developer.

**PROJECT & TYPE OF PROJECT:**

This project consists of the redevelopment of the 250,000 square foot, orange rated Florsheim Shoe Factory located at Belmont and Pulaski into a mixed use development consisting of 175 residential units and 1,000-15,000 feet of retail and/or office space. The total cost for this project is \$55.9 million. The facade will retain the historic elements of the existing building and incorporate recommendations from DPD's Landmark's Division regarding the windows. Footware Factory will raze the commercial building to the east and construct a 28,000 square foot neighborhood retail center with rooftop parking. This development will provide a total of 335 parking spaces and incorporate a 50% greenroof on the flat roof areas of the developments. 35 of the 175 residential units will be affordable and marketed through DOH's CPAN program in exchange for TIF assistance in the amount of \$8.5 million, which equates to 15.20% of the total project costs.

**LOCATION:**

The parcels in the Avondale Community Area consist of a 125,540 square foot site with 318,650 square feet of

building space. They are located on the southeast corner of Belmont and Pulaski and continue east along Belmont Avenue in the Fullerton/Milwaukee TIF Redevelopment Project Area. These properties have two addresses: 3927 and 3963 W. Belmont.

**DEVELOPER(S):**

David Dubin and Stuart Kantoff are the owners of Dubin Residential founded in 1990. They will be known in this development as Footware Factory Development Corporation and/or an affiliate or affiliates thereof (see attached organizational chart) and will act as the master developer. Footware Factory and/or an affiliate of affiliates thereof will be wholly owned by David Dubin and Stuart Kantoff, the principles of Dubin Residential. Two LLC's, 3963 W. Belmont Residential LLC and 3927 W. Belmont Commercial LLC will be created and owned 100% by Footware Factory Development Corporation and/or an affiliate of affiliates thereof. In this development, Mr. Dubin will own 80% of the project and Mr. Kantoff, the COO will hold the remaining 20%. Dubin Residential develops and acts as the general contractor on all of their projects to ensure quality construction and efficiency in their developments. Dubin has developed over 700 units of housing in Chicago and Evanston.

**ASSISTANCE:**

\$8.5 million in TIF assistance.

**APPRAISED VALUE :**

NA

**SALES PRICE**

NA

**MINIMUM BID PRICE:**

NA.

**ZONING:**

Parcels are currently zoned M1-1, which is currently in the process of being changed to Residential Business Planned Development (RBPD).

**SISTER AGENCY  
ACQUISITION:**

NA

**WARD & ALDERMEN:**

31<sup>st</sup>, Alderman Ray Suarez

**PUBLIC BENEFITS:**

35 of the residential units will be affordable and the developer will provide a 50% green roof

The creation of retail storefronts and 1000-15000 square feet of commercial space to compliment the businesses on Milwaukee Avenue, just east of the development.

The creation of jobs through the creation of retail space in the area.

The addition of 175 residential PIN's to the City's tax rolls.

The redevelopment of an orange-rated, architecturally significant building.

The creation of additional parking to meet the needs of the citizens and businesses in the community.

**M/WBE:**

This project will provide participation of M/WBE businesses in the redevelopment of this property.

**COMMUNITY OUTREACH:**

This proposal has been presented to the community on numerous occasions. Alderman Ray Suarez and the community are in support of this development.

**ISSUES:**

None

**CITY OF CHICAGO**  
**Community Development Commission**  
**Department of Planning & Development**  
**June 14, 2005**

**STAFF REPORT**  
**The Florsheim Lofts and Neighborhood Center**  
**Fullerton/Milwaukee TIF Redevelopment Project Area**

**MADAME CHAIRMAN AND MEMBERS OF THE COMMISSION:**

Good afternoon. My name is Mike Weber with the Department of Planning and Development. Today I am presenting a resolution to request that the Community Development Commission take the following actions:

- (1) Recommend to the City Council of the City of Chicago the designation of Footware Factory Development Corporation and/or an affiliate or affiliates thereof as the Developer of the property located at 3927 and 3963 W. Belmont; and
- (2) Authorize the Department of Planning and Development to negotiate, execute and deliver on the City's behalf, a redevelopment agreement with the Developer for the Project.

**Purpose of Resolution**

To provide Tax Increment Financing assistance for the redevelopment of the parcels located at 3927 and 3963 W. Belmont

**Background**

These two buildings were designed by Alfred Alschuler of the Chicago School who's many works include the London Guarantee Building at 342 N. Michigan Avenue. They were placed into operation beginning in 1923 through 1927 and were used as manufacturing space by the legendary Florsheim Shoe Company until the mid 1980's when the company sold the buildings to Iron Mountain Document Storage and Paper Supply who ceased operation in 2002. They have been vacant since that time. The main, six story, 250,000 square foot building on the southeast corner of Belmont and Pulaski is rated orange in the Chicago Historical Resources survey. The Department of Planning and Development was approached by Footware Factory Development Corporation in 2002 and has been working toward the development of these buildings since that time.

Interestingly, due to a survey error, half of the orange-rated building (3963) was excluded from the original Fullerton/Milwaukee Redevelopment Area boundary when it was created in February of 2000. At the City's request, Footware Factory agreed to bear the cost of revising and updating the original study area to include all of the orange building, as well as 12 other blocks that were re-surveyed and added to the amended project area that was presented to the CDC this past March. Final approval of the amended project area was voted upon and passed

out of City Council on June 8<sup>th</sup>, 2005.

### **Developers**

David Dubin and Stuart Kantoff are the owners of Dubin Residential founded in 1990. They will be known in this development as Footware Factory Development Corporation and/or an affiliate or affiliates thereof (see attached organizational chart) and will act as the master developer of both the residential and commercial components of the project. Footware Factory and/or an affiliate or affiliates thereof will be wholly owned by David Dubin and Stuart Kantoff, the principles of Dubin Residential. Two LLC's, 3963 W. Belmont Residential LLC and 3927 W. Belmont Commercial LLC will be created and owned 100% by Footware Factory Development Corporation and/or an affiliate or affiliates thereof and will be the end owner and operator of the properties. In this development, Mr. Dubin will own 80% of the project and Mr. Kantoff, the COO will hold the remaining 20%. Mr. Dubin is a former CPA who started in real estate development acting as a general contractor of single family homes while Mr. Kantoff was a project manager for Babco, Inc. for seven years specializing in a mix of residential, shopping malls, hotels and commercial build outs prior to coming on board at Dubin in 1995. Together, Dubin develops and acts as the general contractor on all of their projects to insure quality construction and efficiency in their developments.

In the last several years, Dubin has developed and constructed over 700 residential units of housing in the form of condominiums, town homes and loft conversions throughout the near north, north and northwest sides of the City of Chicago and Evanston. They include the town homes of Kilbourn Court (116) on West Belmont in Hermosa, St. Wenceslaus Square (66) in Avondale, the Courts of Evanston (90) and Buck Townes (44) located in the Bucktown Community Area. They have also built condominium developments including Clarksville Station (44) in Lakeview and Welbourn Row (140) in Lakeview that is currently under construction. Dubin has experience with loft conversions as well, as in the case of Buck City (90) in Bucktown.

### **Development Project**

Footware Factory Development Corporation and/or an affiliate or affiliates thereof proposes the redevelopment of the main building into a mixed use consisting of 175 residential units and 1000-15000 feet of office and/or retail space. 35 (20%) of the residential units will be made affordable at 100% of the AMI and marketed through DOH's CPAN program. Parking spaces will be included in the cost of the affordable units and will range from \$163K to \$223K. Each market rate unit will have an option to purchase a parking space for approximately \$19,500. These units will be offered starting at \$165K and top out at \$432K. The facade will retain the historic elements of the existing building and will incorporate the recommendations from DPD's Landmark's Division regarding the windows. The commercial building to the east will be razed and a new 28,000 square foot, single story, retail shopping center will be erected. This newly created retail space will create up to 30 full time employment opportunities in the community. The developer will follow the Mayor's Office of Workforce Developments' notification process to ensure local residents are afforded the chance to pursue these employment opportunities.



There will be a total of 335 parking spaces (200 indoor, 135 surface) which is a ratio of 1.9 : 1. The developer will also incorporate a 50% green roof into the development and be responsible for complying with Energy Star components. Both buildings are currently zoned M1-1. The developer has filed a Planned Development Application with the City and it will be presented at the June Plan Commission meeting. The total development cost is \$55,912,128

**Market Rate For-Sale Units**

Unit Type	No.	Size (SF)	Price per SF	Base Price	Total Revenue
1 bed / 1 bath	14	707 avg	\$234	\$165,438 avg	\$2,316,132
	9	821 avg	\$234	\$ 192,114 avg	\$1,729,026
1 bed + den / 1 bath	3	884	\$234	\$ 206,856	\$ 620,568
2 bed / 1 bath	16	952 avg	\$234	\$222,768 avg	\$3,564,288
	42	1,081 avg	\$234	\$252,954 avg	\$10,624,068
2 bed / 2 bath	33	1,152 avg	\$234	\$269,568	\$8,895,744
	6	1,118 avg	\$234	\$261,612	\$1,569,672
	12	1,302	\$234	\$304,668	\$3,656,016
	2	1,518	\$234	\$355,212	\$ 710,424
	3	1,847	\$234	\$432,198	\$1,296,594
<b>Total</b>	<b>140</b>	<b>1,068 avg</b>	<b>\$234</b>	<b>\$252,158 avg.</b>	<b>\$34,982,532</b>

### Affordable For-Sale Units\*

Unit Type	No.	Approx Size (SF)	Market Price	Write-Down	Affordable Price	Total Revenue
2 bed / 1 bath	7	802 to 872	\$194,688	\$ 3,688	\$191,000	\$1,337,000
	17	906 to 982	\$222,768	\$31,768	\$191,000	\$3,247,000
3 bed / 1.5 bath	1	1,045 to 1,185	\$261,612	\$98,612	\$163,000	\$163,000
	1		\$261,612	\$78,612	\$183,000	\$183,000
	1		\$261,612	\$68,612	\$193,000	\$193,000
	8		\$261,612	\$38,612	\$223,000	\$1,784,000
<b>Total</b>	<b>35</b>	<b>980 avg</b>	<b>\$229,360 avg</b>	<b>\$874,768 total</b>	<b>\$197,343 avg</b>	<b>\$6,907,000</b>

\* Each affordable unit will have a parking space included in the base price. Each market-rate unit will have option to purchase a parking space for approximately \$19,500.

### Profit Analysis

Unit Sales Revenue

140 market rate units	\$34,982,532	
35 affordable units	\$6,907,000	
Upgrades (5% of market rate sales)		\$1,000,000
Commercial Unit (capitalized net income)		\$5,810,547
<b>Total Gross Unit Sales</b>	<b>\$51,547,079</b>	

TIF \$8,500,000

**Total Revenue \$60,047,079**

Less: Cost of Sales

Closing Costs (3% of sales)	\$360,000
Sales Commissions (6% of sales)	\$1,573,450
<b>Total Cost of Sales</b>	<b>\$1,933,450</b>

**Net Sales Revenue \$58,113,629**

Less: Total Project Costs (not including cost of sales) \$53,978,678

**Profit \$4,134,951**

Indicators:

Profit as Percent of Total Project Costs	7.7%
Profit as Percent of Gross Sales Revenue	8.0%
Profit as Percent of Equity Investment	570%

**Deal Structure/Financial Assistance**

This project requires TIF assistance to subsidize the high cost of renovating the orange-rated, masonry building which includes the main buildings' façade in addition to the extraordinary cost of replicating and replacing the windows. TIF is also needed to support the lack of revenue from the sale of the affordable units as well as the limited density that the community supported on the commercial component of the project. With \$8,500,000 in TIF, the profit as a percent of total project costs is 7.7%. The project has a negative return without TIF.

The Department of Planning and Development, is planning to reimburse the developer for TIF-eligible costs for the lesser of \$8,500,000 or 15.20% of the total project budget, estimated at \$55,912,128. The reimbursement will take place in two forms. A maximum of \$500,000 in TIF assistance will be provided at project completion and a taxable or tax-exempt Developer's Note not to exceed \$8,000,000 will also be issued at project completion which will bear interest at a market rate and will be repaid from increment generated by the project PIN's.

**PROJECT BUDGET**

II. Sources and Uses/Project Budget

	Total Project
<b>SOURCES</b>	
Bank mortgage (A)	47,030,752
Developer cash equity (B)	725,000
Balance Sales Revenues (C)	4,070,998
Total Sales revenues (R) = (A) + (B) + (C) FOOTNOTE 1	51,826,750
Developer's cash in kind contributions (D)	4,085,378
TOTAL SOURCES (S) = (R) + (D)	55,912,128
<b>USES</b>	
Acquisition	
Land and Building	7,500,000
Interest - Purchase	341,250
Additional contractual purchase costs	450,000
General and Umbrella Liability Insurance	162,670
Real Estate Tax during acquisition	100,000
Subtotal Acquisition Costs (Q)	8,553,920
Construction	
Bank draw inspection	32,400

Demolition	1,050,000
Environmental Remediation	250,000
Construction, including contingency	29,540,110
Project Management/Construction salary	1,389,917
General Contractor fee	1,200,000
Preliminary planning expenses	150,000
General Conditions	1,147,303
Building Permits	585,930
Building Permit- Relief	(350,000)
Builder's Risk Insurance	425,000
Warrantee Work	248,750
Subtotal Construction Costs (H)	35,669,410
Financing Costs	
Transfer taxes	56,250
Real estate Tax during construction phase	907,230
Title insurance & Costs	25,000
Legal- Purchase	75,000
Bank Fees-Construction Loan	345,000
Bank costs for borrowing	35,000
Appraisals	30,000
Marketing study & feasibility	30,000
GL Insurance -construction phase	761,722
TIF Compliance & Administrative Costs	200,000
Interest- Construction	3,750,000
Subtotal Financing Costs (F)	6,215,202
Professional Fees	
Environmental Assessment	40,000
Soils Assessment	25,000
Architectural	475,000
Landscape Architect	11,000
Civil Engineering	40,000
Structural Engineering	95,000
Mechanical Engineering	175,000
Engineering Consultants	30,000
Survey- Alta, Topo	25,000
Legal- General	35,000
TIF Consultant & Mailings	200,000
TIF- Legal expenses	100,000
Legal- Zoning	150,000
Accounting	210,000
Administration	60,000
Information Tech costs	12,000
Sales Management	50,000
Project Marketing Expenses	1,732,146
Marketing Commission-Dubin Sales staff	747,115
Marketing Co-op broker commission on sales through	826,335

outside brokers	
Survey of Condominium	75,000
Closing costs	360,000
Subtotal Professional Fees (P)	5,473,596
TOTAL USES (U) = (Q) + (H) + (F) + (P)	55,912,128

Footnote:

1 The sources shown above as per references (A), (B), (C) initially source the expenses of the project during the Acquisition and Development stages of the Project. When the sales revenues are realized from closings, these sources (A) to (C) are paid off. For example the Bank loan (A) acts as a source initially and the Sales revenues pay off the Bank loans

**This is the reason the total of (A) to (C) ties in with the Total sales revenue of the project**

The Source (C) refers to Developers reimbursements. They represent expenses paid by the Developer during the initial stages of the project and then reimbursed to the Developer after the Bank loan is paid off.

The Source (D) is also a reimbursement to the Developer of the non-cash equity at the end of the project when the TIF note is discounted and sold. See breakdown below.

2 At the end of the project the Developer will receive a TIF Note for	\$	8,500,000
Less: Discounting charges and expenses estimated	\$	(900,000)
Net cash to Developer at the end of project from TIF note	\$	7,600,000

This consists of as follows

Developer's net profit from project	\$	3,514,622
Developer's reimbursements (item D above)	\$	4,085,378
Net cash to Developer at the end of project from TIF note	\$	7,600,000

Prepared by Footware Factory Development Corporation

### Conformance with Plan

The proposed redevelopment is in conformance with the land use goals and objectives of the Fullerton Milwaukee Tax Increment Financing Redevelopment Project and Plan (the "Plan"). The Plan proposes mixed-use (residential/commercial) on this site.

### Community Outreach

Alderman Ray Suarez and the community are in support of this project and public meetings, including the Alderman's annual State of the Ward events have been held over the last two months to present this project to the community.

### Public Benefits

#### Affordable Housing

Affordable Housing; 35 of the 175 units will be reserved for buyers earning 100% or less of AMI

**Building Green Initiative**

The project will have a 50% green roof and Energy Star certification components incorporated into its design.

**Charitable Donation**

The developer will donate \$40,000 (\$20,000 each) to Kelvyn Park and North Grand High Schools

**Employment Opportunities**

This development hopes to create 30 employment opportunities through the creation of retail space that will compliment the businesses on Milwaukee Avenue, immediately east of this site.

The developer will follow the Mayor's Office of Workforce Developments' notification process to ensure local residents are afforded the chance to pursue these employment opportunities.

**Revenue Generation**

The addition of 175 new residential PIN's to the City's tax rolls.

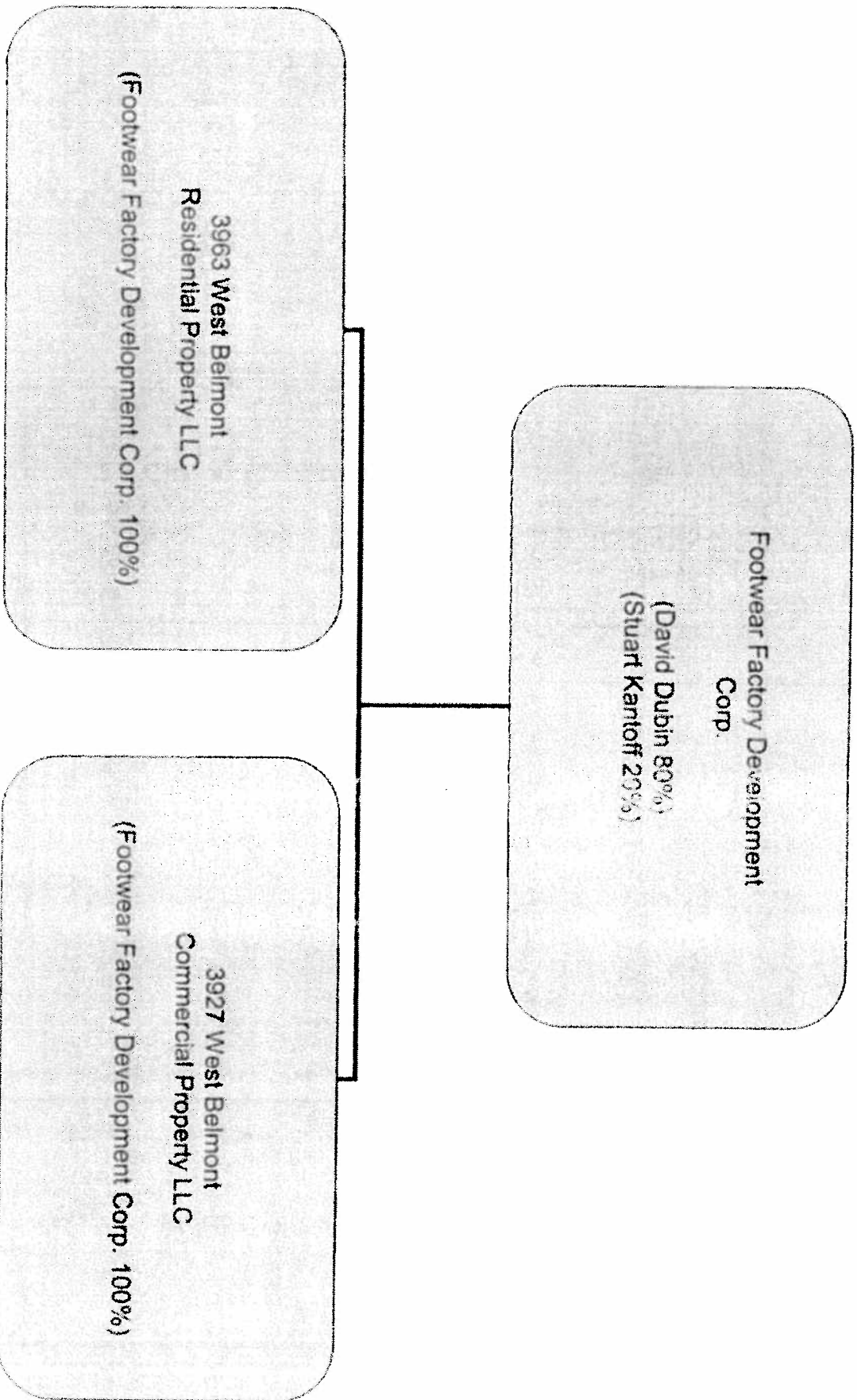
**Prevailing Wage, MBE\WBE, City Residency**

The Developer will comply with all City ordinances regarding Prevailing Wage, MBE\WBE and City Residency. They have sent letters to several local MBE/WBE associations to make them aware of the opportunity to participate in this development.

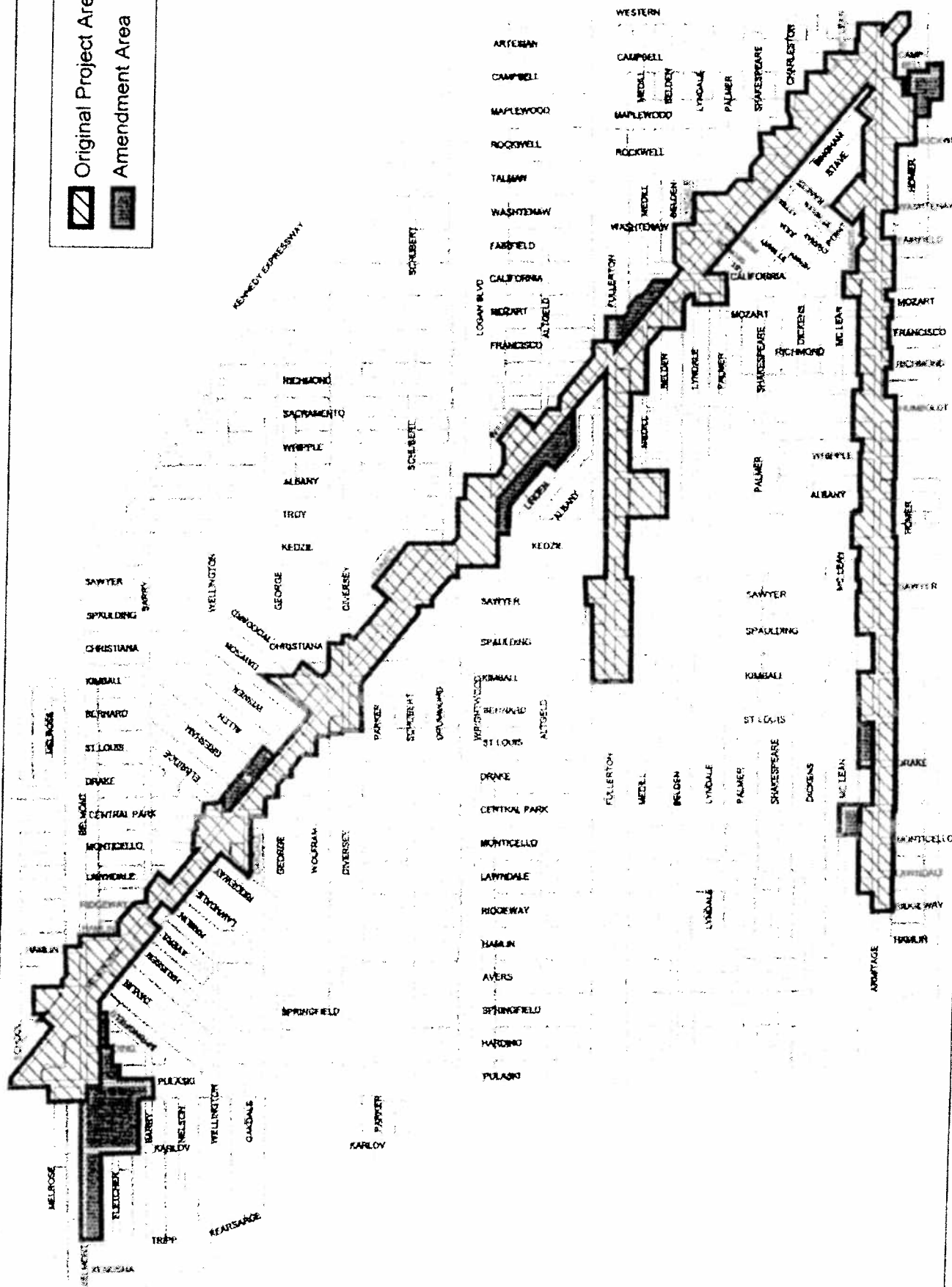
**Recommendations**

The Department of Planning & Development recommends that the Community Development Commission authorize DPD to negotiate a redevelopment agreement with Footware Factory Development Corporation and/or an affiliate of affiliates thereof for the use of tax increment financing revenues for the redevelopment of the properties located on 3927 and 3963 W. Belmont. DPD also requests that you recommend to the City Council of the City of Chicago the designation of Footware Factory Development Corporation and/or an affiliate or affiliates thereof as the Developer for this project.

# Florsheim Properties Development Ownership Structure



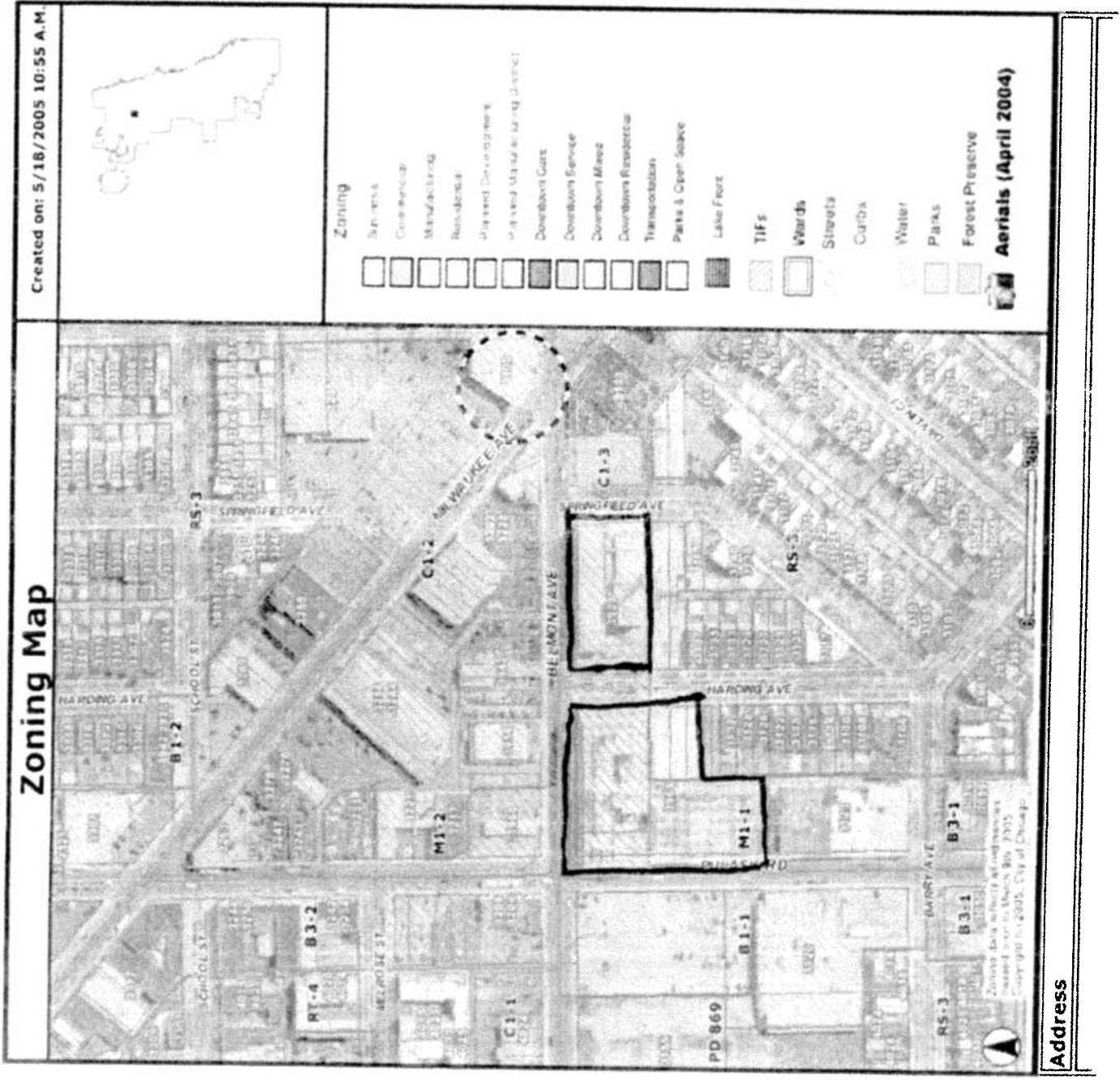
Original Project Area  
 Amendment Area



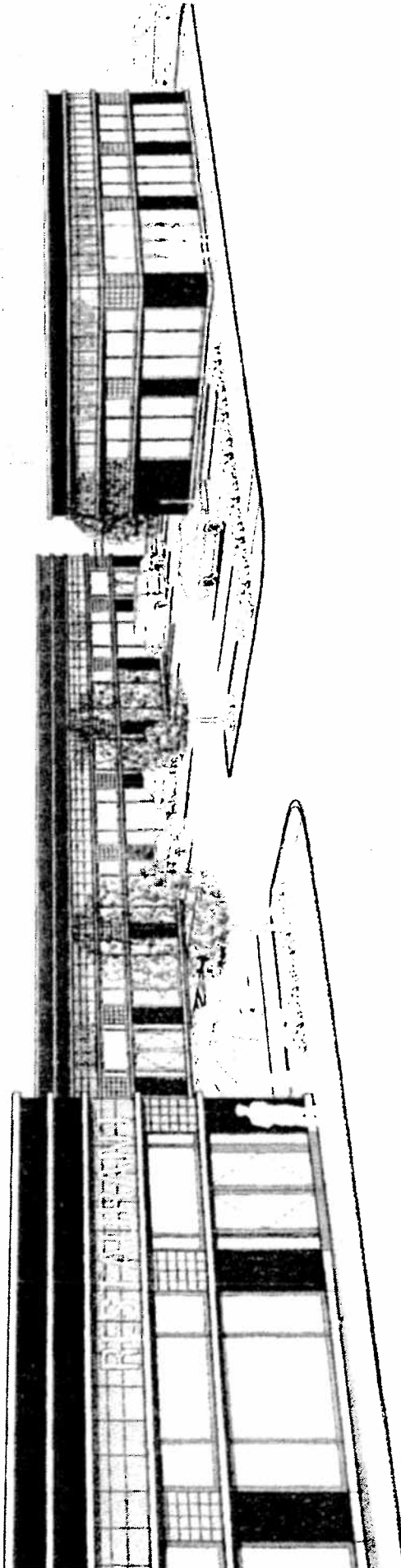
**Figure A: Project Area Boundary**  
 Fullerton/Milwaukee Redevelopment Plan  
 City of Chicago, Illinois

December 30, 2004





3927 W. Belmont  
 Newly-constructed Neighborhood Retail Center

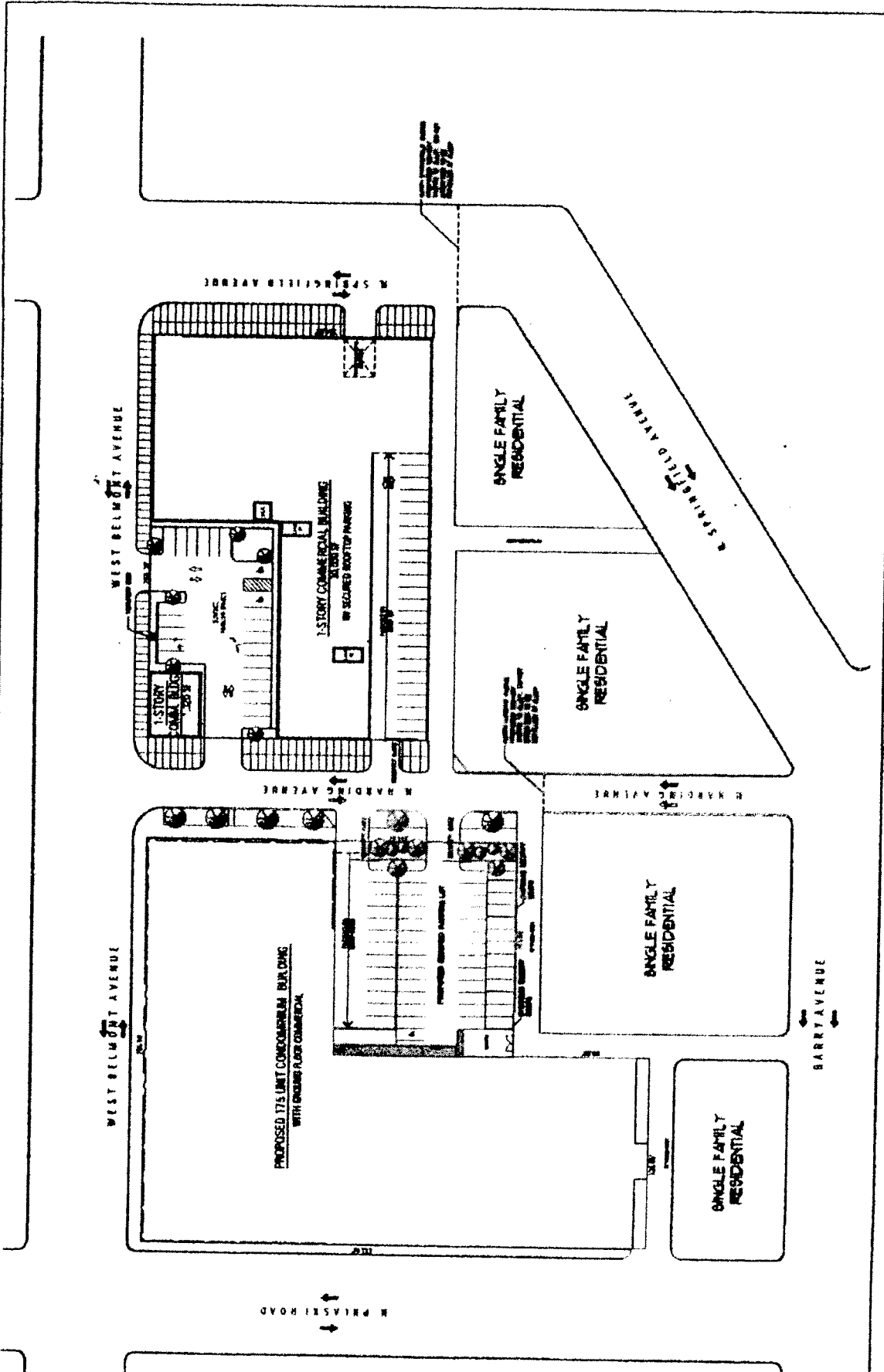


SCALE	DRAWER
	SCHMIDT
NTS	DATE
	07-06-04

CHICAGO, IL

DUBIN RESIDENTIAL  
 - PROPOSED DEVELOPMENT -

3927-3963 WEST BELMONT



SCALE	DATE	DRAWING	SHEET
MTS	08-29-04		
		PROPOSED DEVELOPMENT SITE PLAN	1

3927-3983 WEST BELMONT

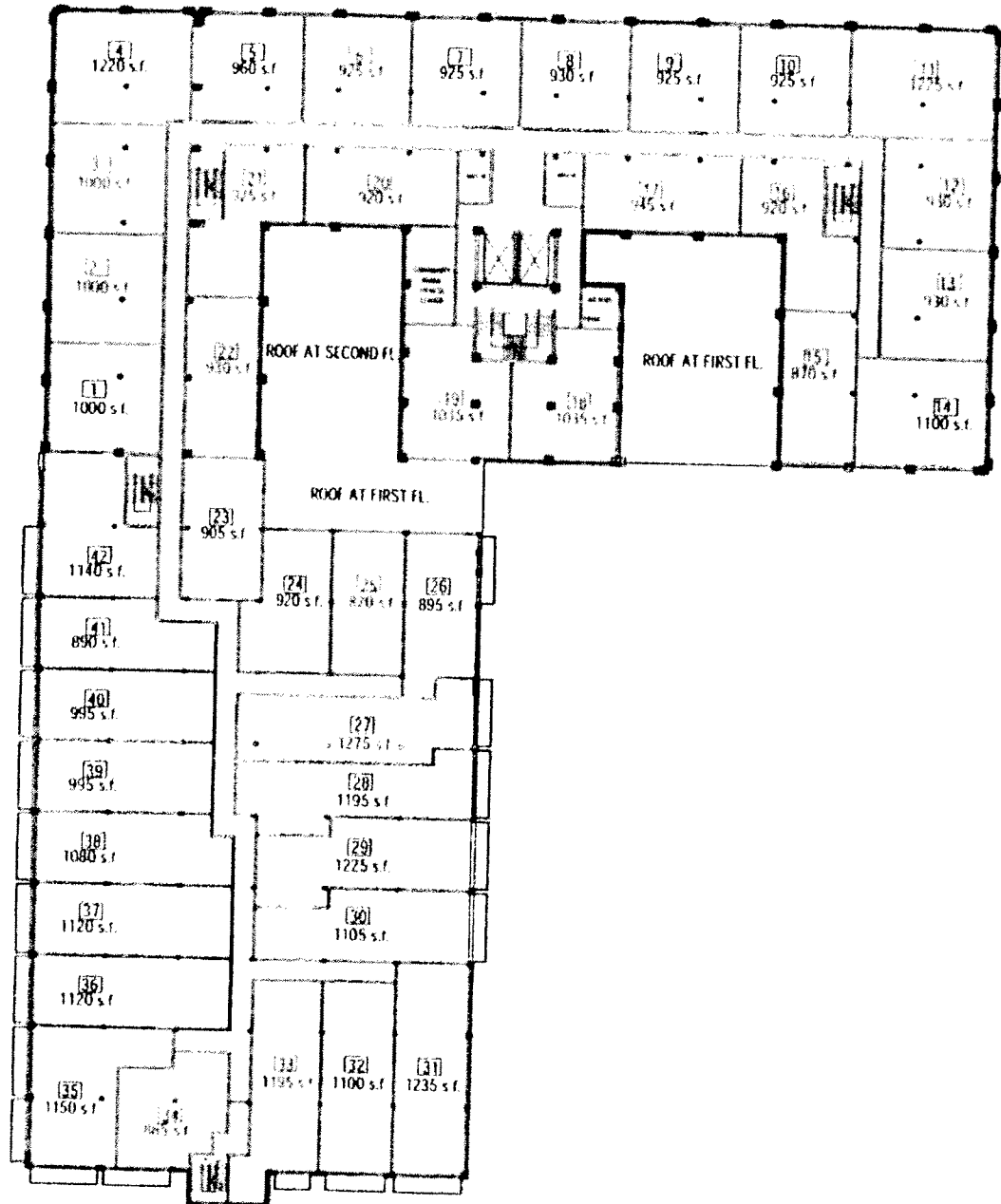
DUBIN RESIDENTIAL  
- PROPOSED DEVELOPMENT -

CHICAGO, IL

SEE PLAN FOR  
DIMENSIONS AND  
NOTES  
---  
OWNER + ARCHITECT



WEST BELMONT AVENUE



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 Chicago, IL 60610  
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 F 312.726.4000  
 www.florsheim.com  
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# FLORSHEIM BUILDING DUBIN RESIDENTIAL

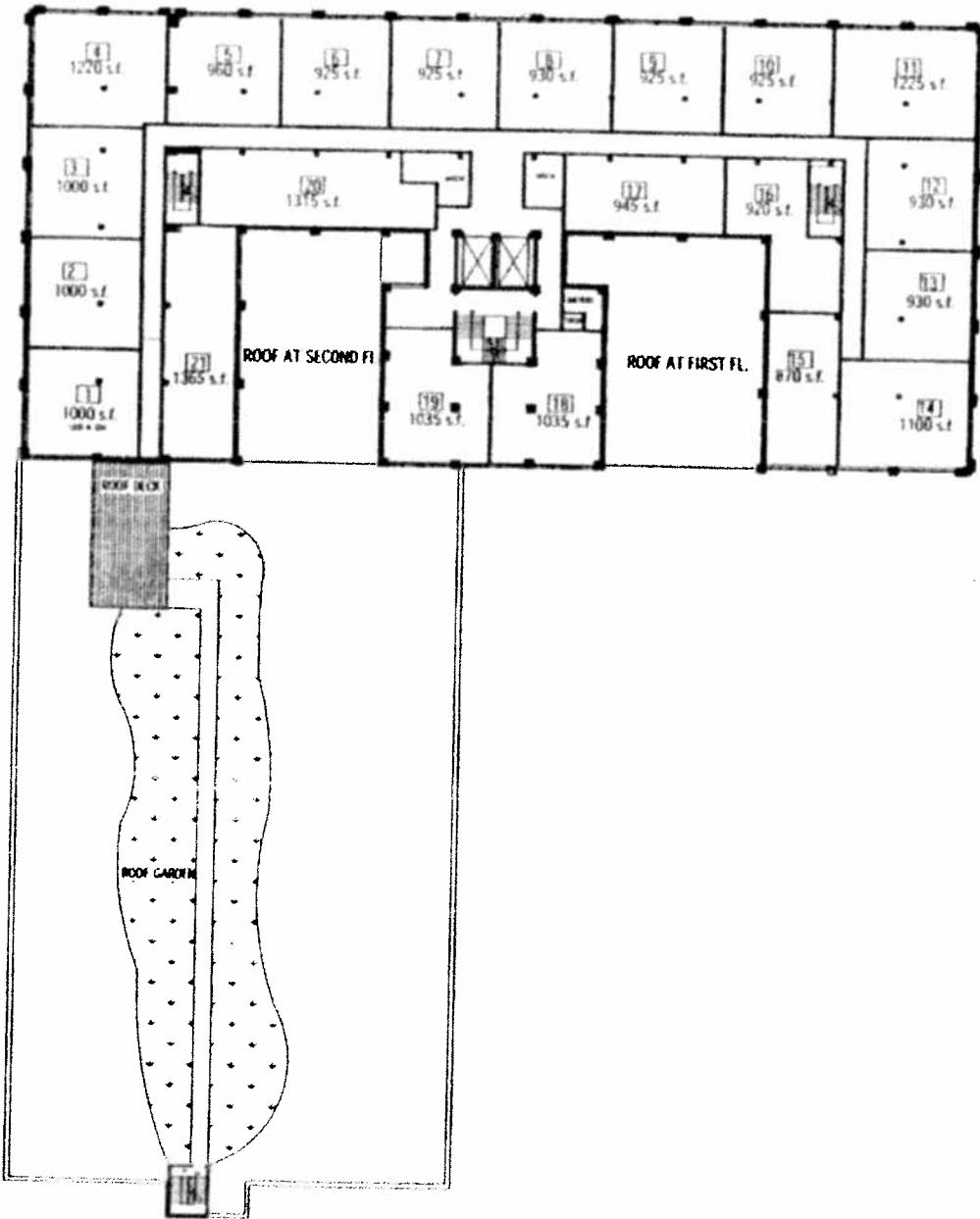


SCALE  
 1/32" = 1'-0"  
 DATE  
 02.18.05

DRAWING  
 SECOND AND THIRD  
 FLOOR


SK#  
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WEST BELMONT AVENUE

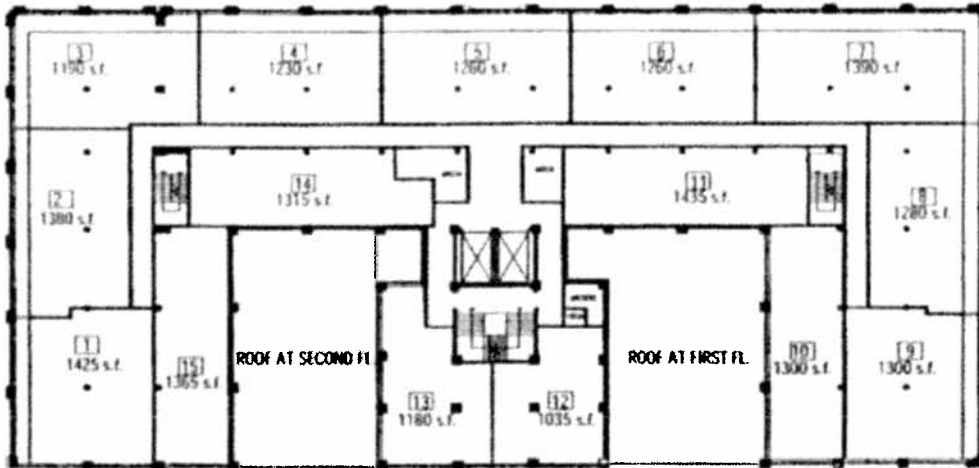


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 1 312.820-6000  
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**FLORSHEIM BUILDING  
 DUBIN RESIDENTIAL**

	SCALE	DRAWING	SK#
	1/32" = 1'-0"	PROPOSED FOURTH- & FIFTH FLOOR PLAN	3.0
	DATE		
	01.20.05		

WEST BELMONT AVENUE



\* SQUARE FOOTAGES DO NOT REFLECT THE POTENTIAL USE OF LIGHT MONITORS AS LOFT SPACE AT SIXTH FLOOR

234 • 400-8000  
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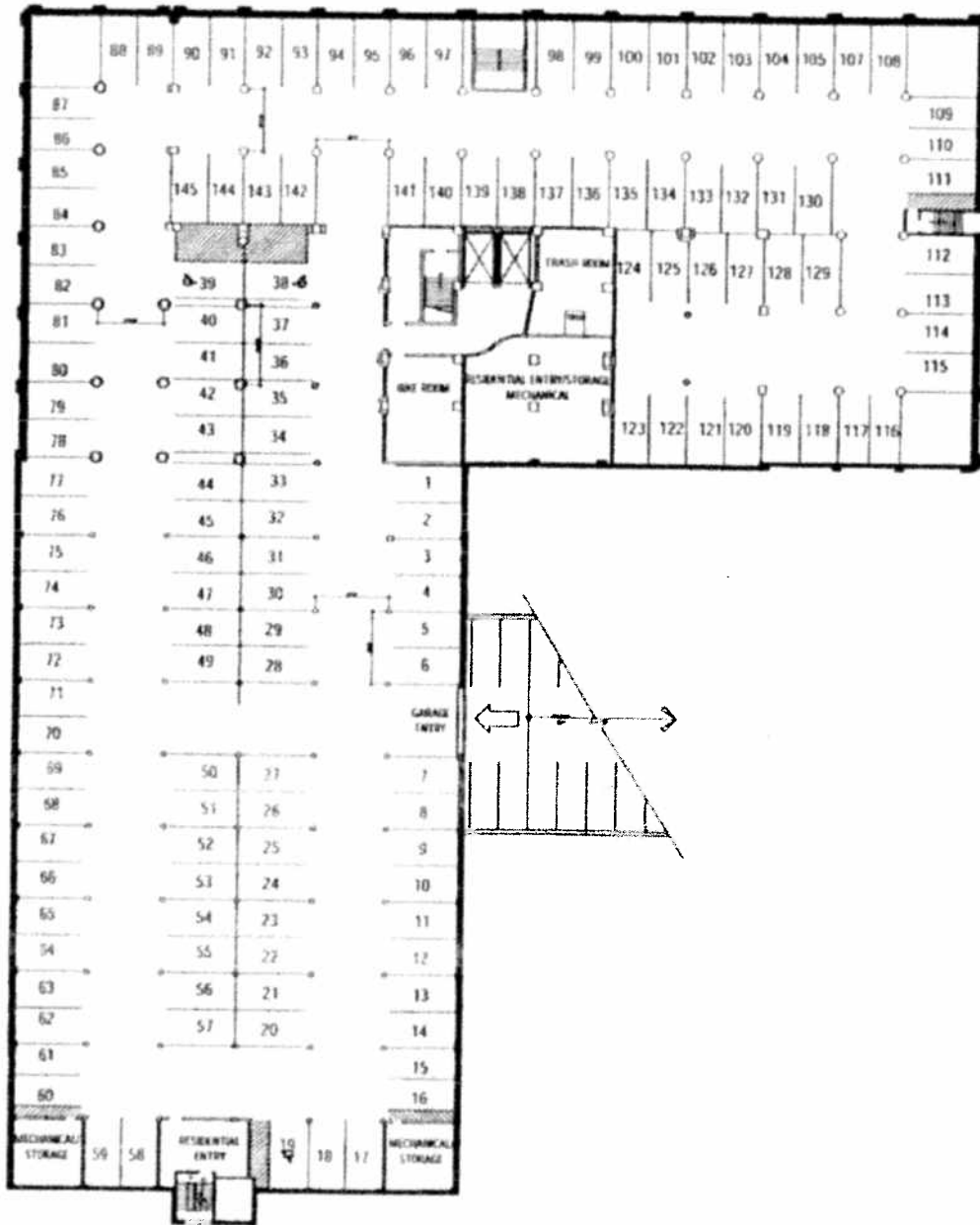


SCALE  
 1/32" = 1'-0"  
 DATE  
 01.20.05

DRAWING  
 PROPOSED SIXTH  
 FLOOR PLAN

SK#  
 4.0

WEST BELMONT AVENUE



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architects

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**DUBIN RESIDENTIAL**

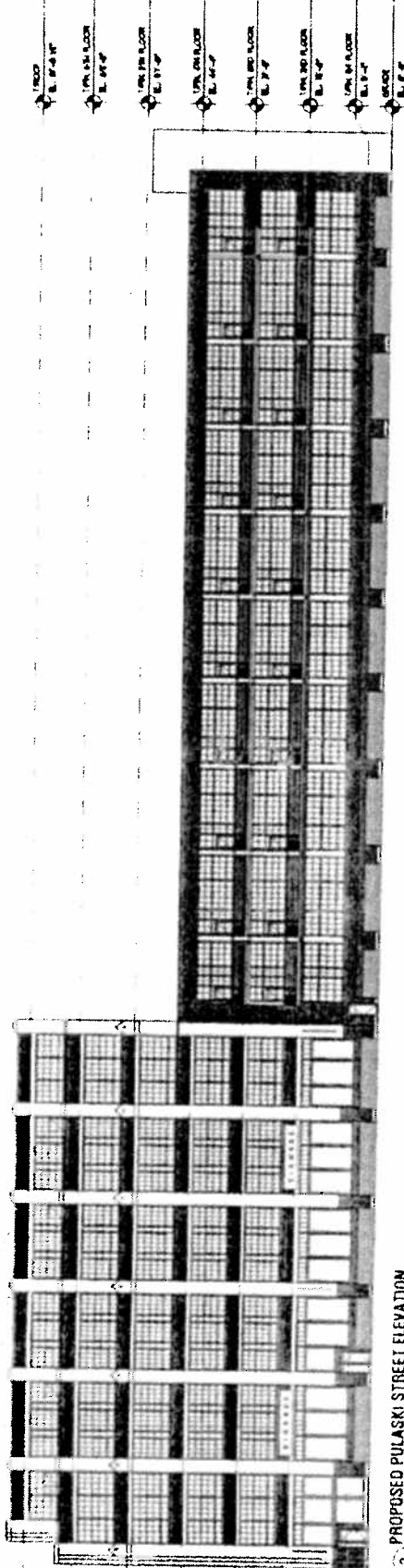


SCALE  
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DATE  
01.20.05

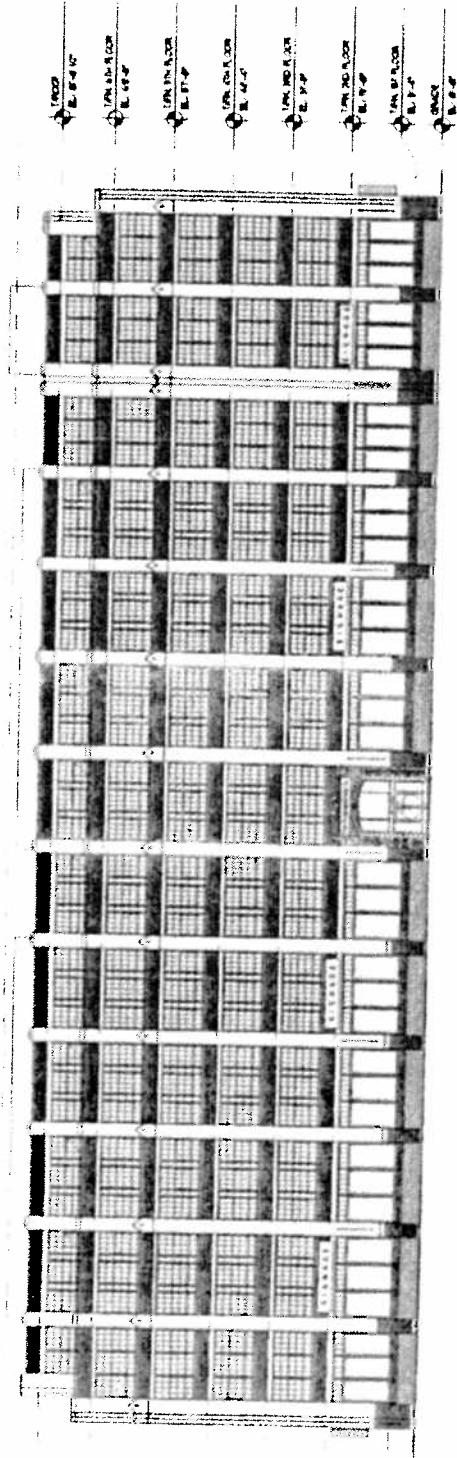
DRAWING  
PROPOSED  
BASEMENT PLAN

SK#  
**0.1**





2 PROPOSED PULASKI STREET ELEVATION  
SCALE 1/8" = 1'-0"



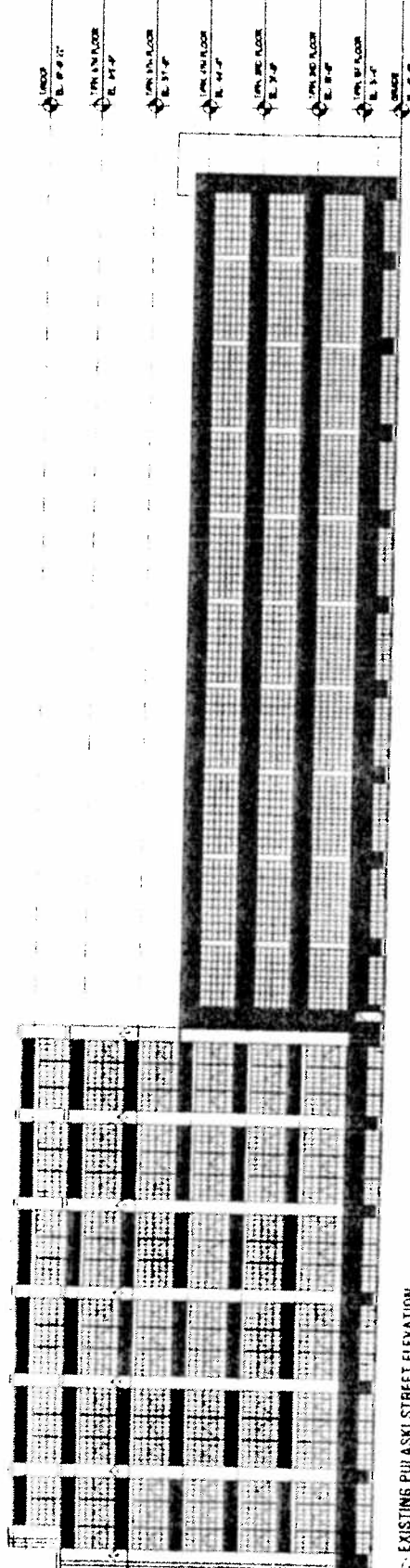
1 PROPOSED BELMONT STREET ELEVATION  
SCALE 1/8" = 1'-0"

SCALE	3/16"
AS NOTED	
DATE	12/04
ELEVATIONS	2.0

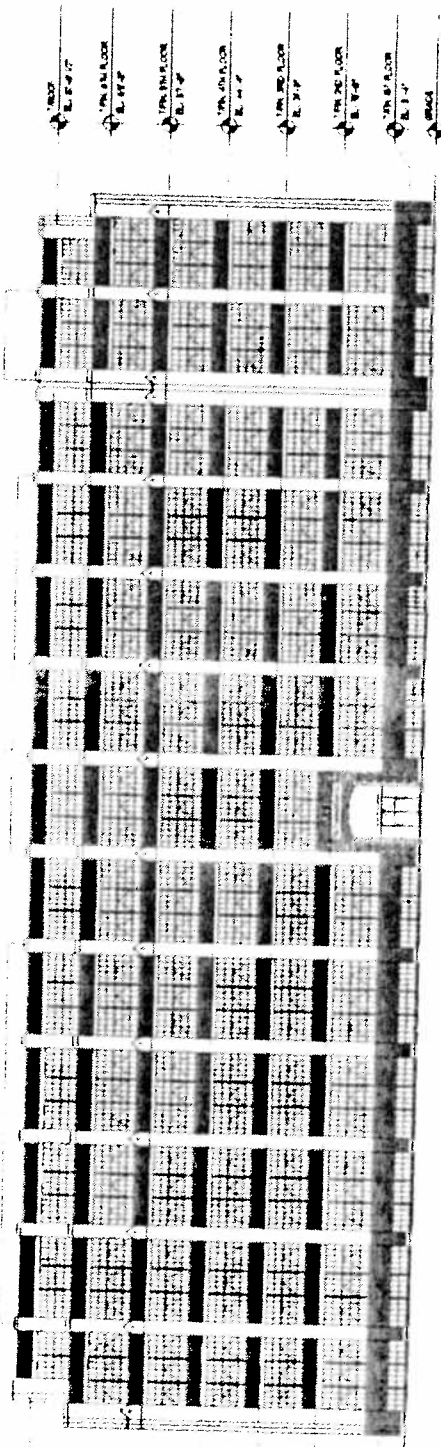
CHICAGO I

FLORSHEIM BUILDING  
DUBIN RESIDENTIAL

3033 W. BELMONT



2 EXISTING PULASKI STREET ELEVATION  
SCALE 1/8" = 1'-0"



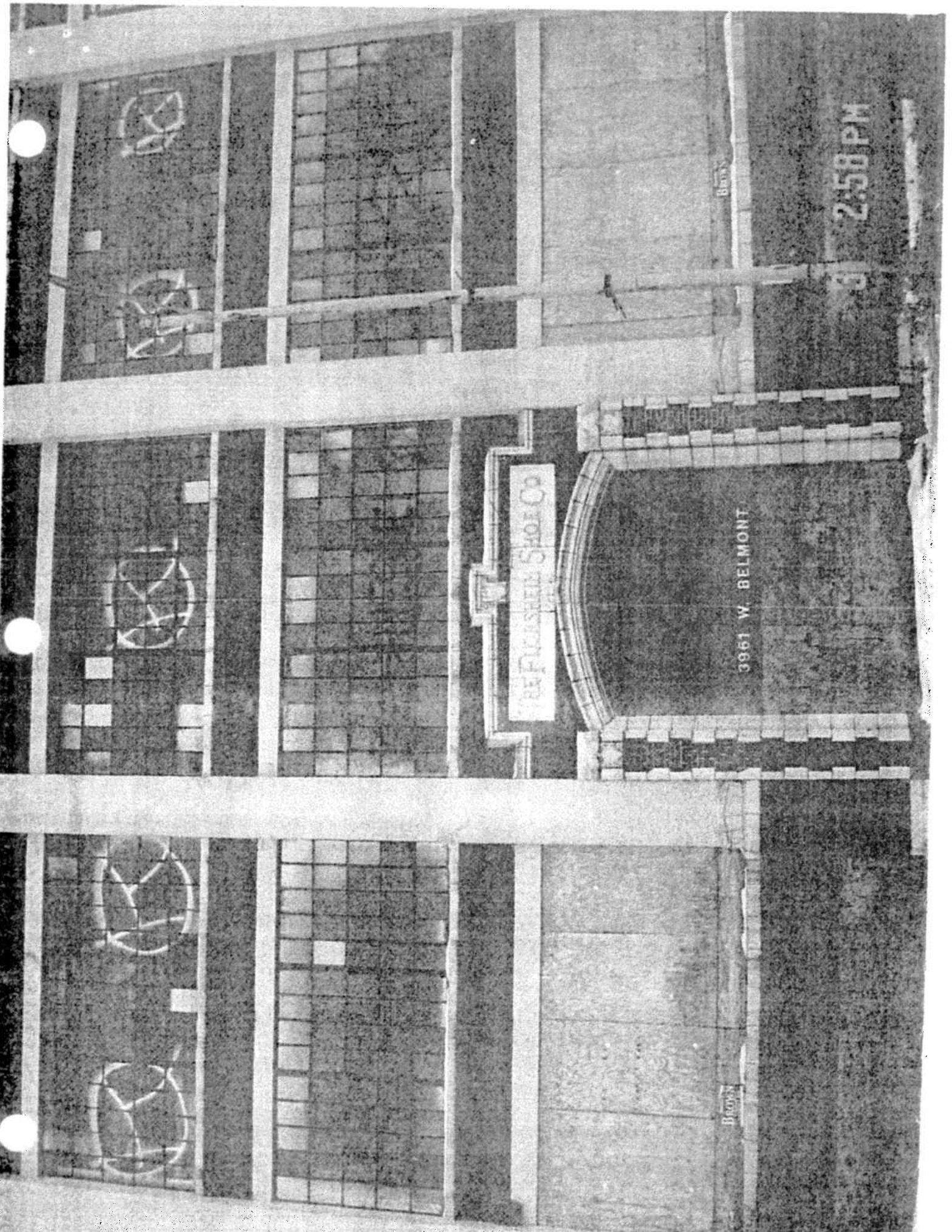
1 EXISTING BELMONT STREET ELEVATION  
SCALE 1/8" = 1'-0"

FLORSHEIM BUILDING  
DUBIN RESIDENTIAL

SCALE	DATE	BY	CHKD.
1/8" = 1'-0"	11/11/11	J.M.	J.M.
DRAWING		SHEET	
EXISTING STREET ELEVATIONS		1.0	

NO. 1 BELMONT

CHICAGO, ILL.



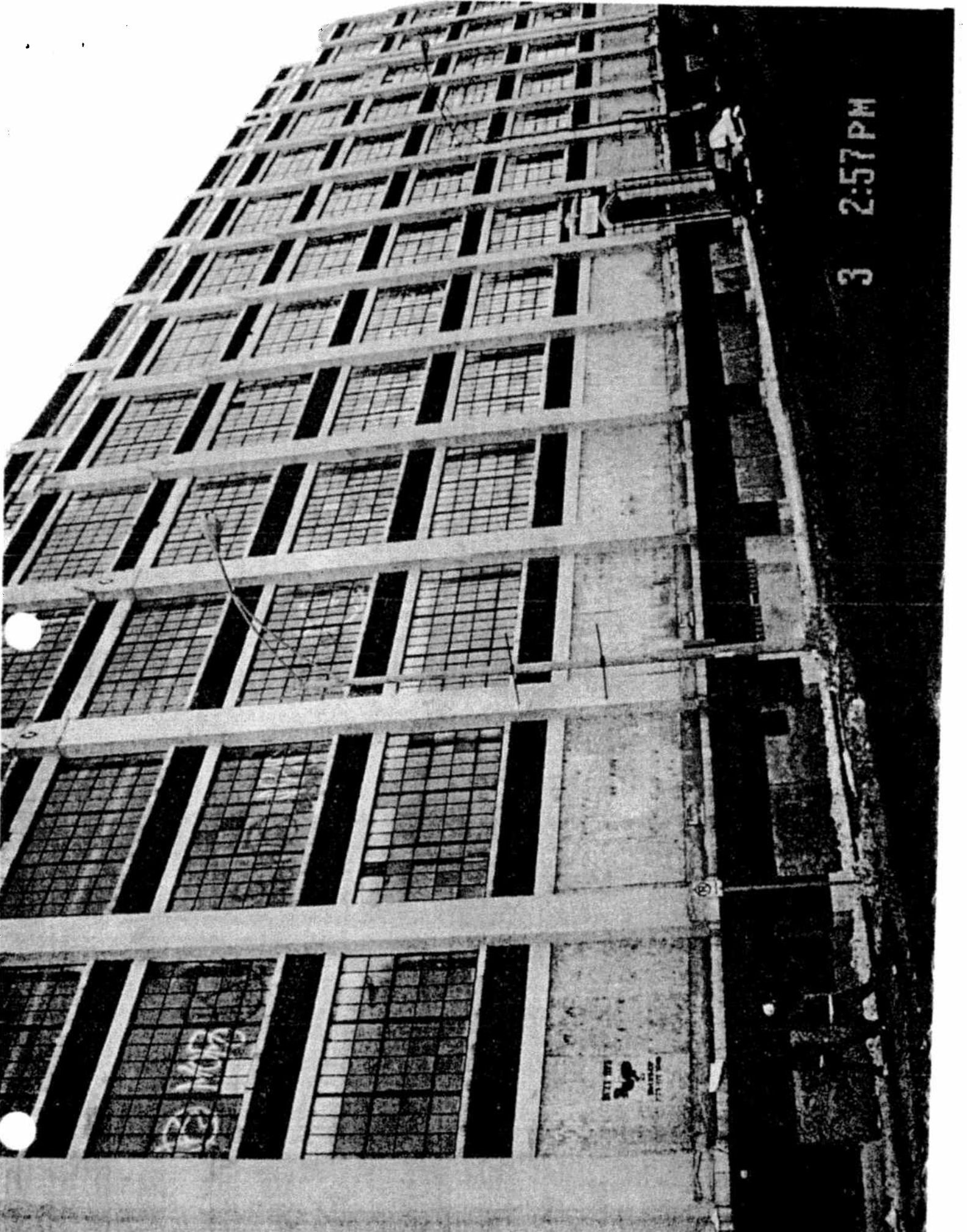
THE FINEST SHOE CO.

3961 W. BELMONT

2:58 PM

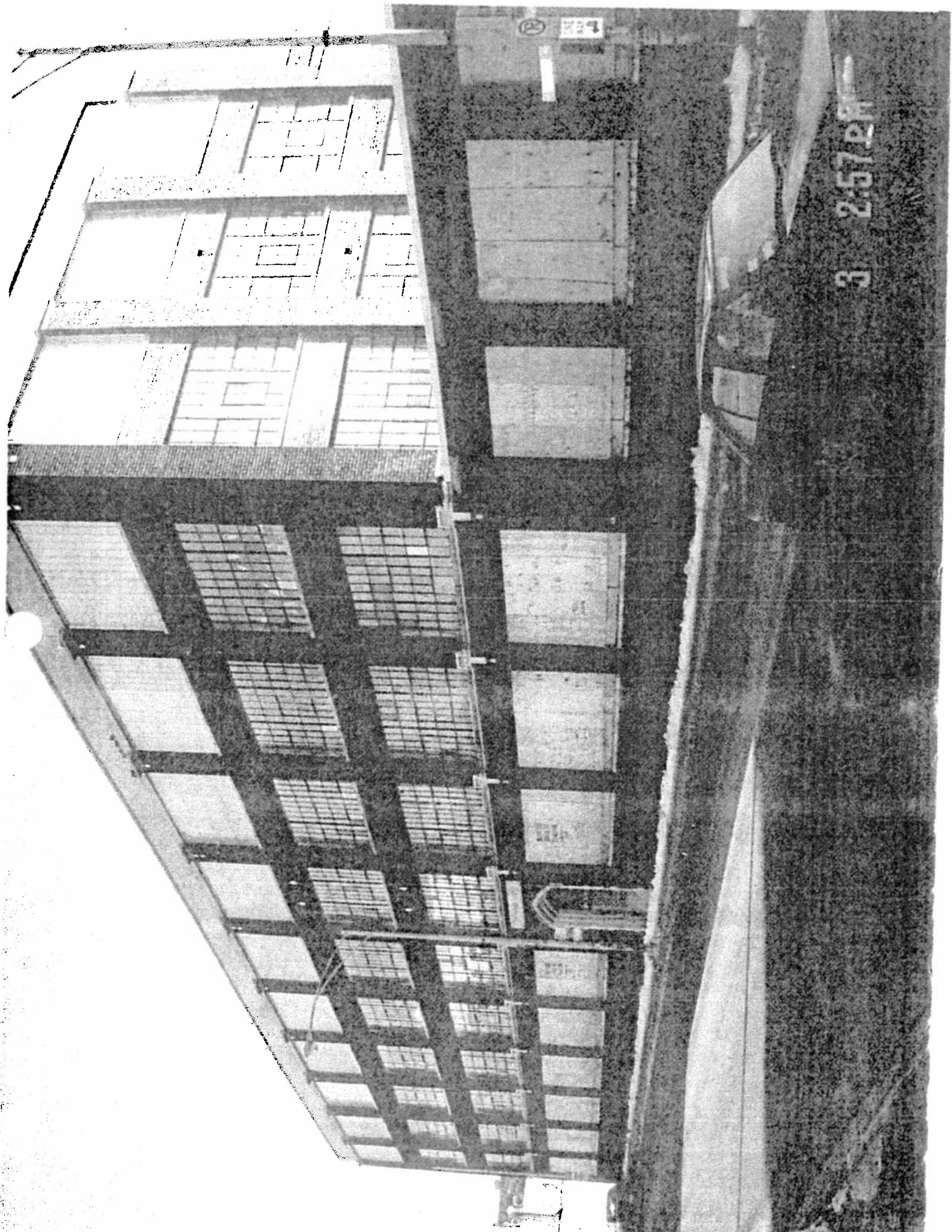
BROOKLYN

BROOKLYN

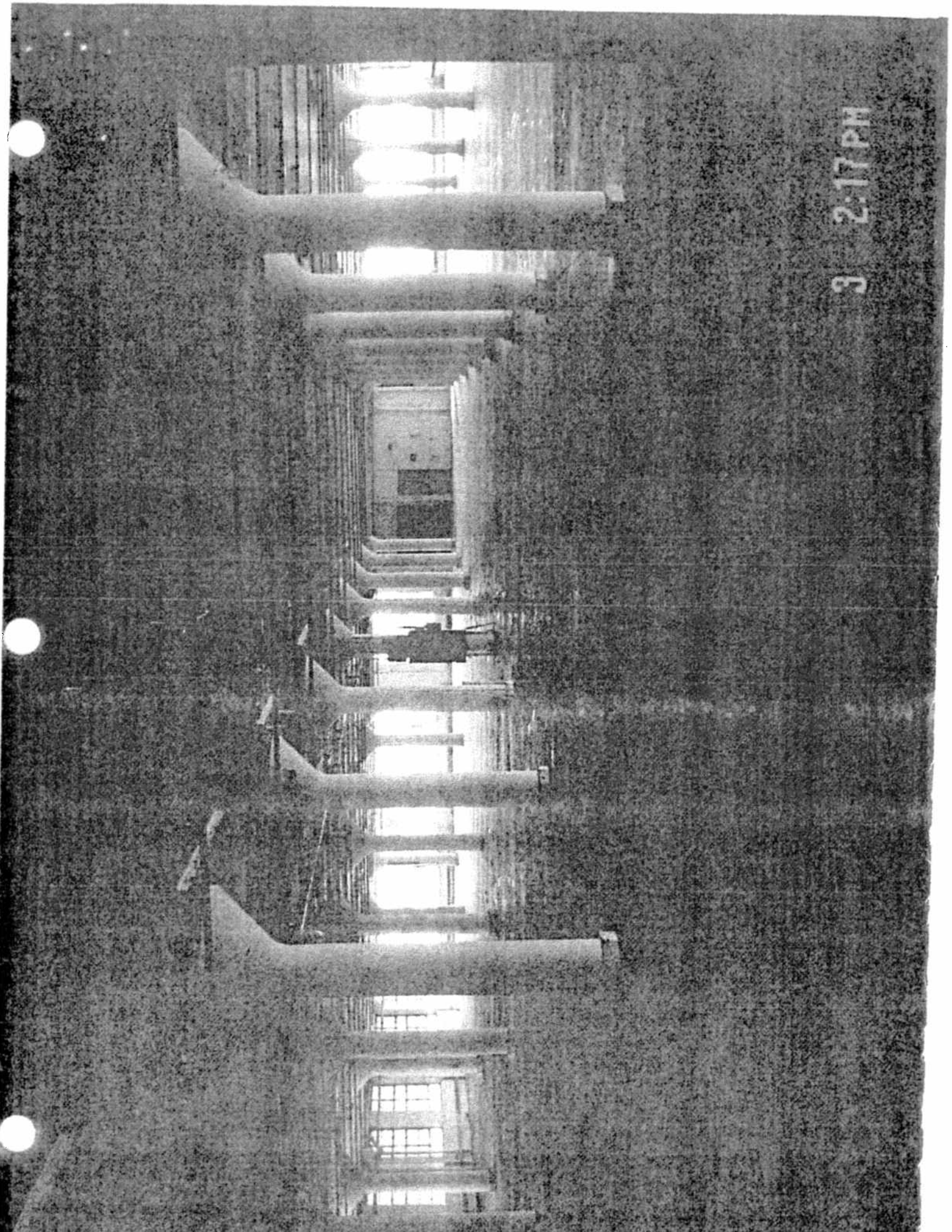


3 2:57 PM

DATE 1971  
BY [illegible]  
[illegible]



3 2:57 PM



3 2:17 PM

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

CHICAGO, IL 60630

CHICAGO, IL 60638

Postage	\$ 0.37	UNIT ID: 0221	Postmark Here Clerk: KZNP4 02/23/05
Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
<b>Total Postage &amp; Fees</b>	<b>\$ 2.67</b>		

Postage	\$ 0.37	UNIT ID: 0221	Postmark Here Clerk: KZNP4 02/23/05
Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
<b>Total Postage &amp; Fees</b>	<b>\$ 2.67</b>		

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
**Black Contractors United**  
 Street, Apt. No.; or PO Box No.  
**400 W 76th St**  
 City, State, ZIP+4  
**Chicago IL 60620**

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
**Federation of Women Contractors**  
 Street, Apt. No.; or PO Box No.  
**5650 S Archer**  
 City, State, ZIP+4  
**Chicago IL 60638**

PS Form 3800, February 2000 See Reverse for Instructions

PS Form 3800, February 2000 See Reverse for Instructions

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

CHICAGO, IL 60602

CHICAGO, IL 60607

Postage	\$ 0.37	UNIT ID: 0221	Postmark Here Clerk: KZNP4 02/23/05
Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
<b>Total Postage &amp; Fees</b>	<b>\$ 2.67</b>		

Postage	\$ 0.37	UNIT ID: 0221	Postmark Here Clerk: KZNP4 02/23/05
Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
<b>Total Postage &amp; Fees</b>	<b>\$ 2.67</b>		

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
**MEXICAN AMERICAN CHAMBER of Commerce**  
 Street, Apt. No.; or PO Box No.  
**33 N LaSalle, Ste 1720**  
 City, State, ZIP+4  
**CHICAGO IL 60602**

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
**Assoc of Asian Construction Enterprises**  
 Street, Apt. No.; or PO Box No.  
**355 N CALDEN**  
 City, State, ZIP+4  
**CHICAGO IL 60607**

PS Form 3800, February 2000 See Reverse for Instructions

PS Form 3800, February 2000 See Reverse for Instructions

7000 0520 0013 5245 0930

7000 0520 0013 5245 0954

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

CHICAGO, IL 60653

Postage	\$ 0.37	UNIT ID: 0221
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 2.67	02/23/05

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
 African American Contractors Assoc.  
 Street, Apt. No., or PO Box No.  
 3706 S Indiana Ave, 1st Floor  
 City, State, ZIP+4  
 CHICAGO IL 60653  
 PS Form 3800, February 2000 See Reverse for Instructions

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

CHICAGO, IL 60649

Postage	\$ 0.37	UNIT ID: 0221
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 2.67	02/23/05

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
 Thomas Assoc of Minority Contractors  
 Street, Apt. No., or PO Box No.  
 1643 E 71st St  
 City, State, ZIP+4  
 Chicago IL 60649  
 PS Form 3800, February 2000 See Reverse for Instructions

7000 0520 0013 5245 0855

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

CHICAGO, IL 60603

Postage	\$ 0.37	UNIT ID: 0221
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 2.67	02/23/05

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
 Women Business Development Ctr.  
 Street, Apt. No., or PO Box No.  
 155 Michigan Ave, Ste 400  
 City, State, ZIP+4  
 Chicago IL 60603  
 PS Form 3800, February 2000 See Reverse for Instructions

**U.S. Postal Service**  
**CERTIFIED MAIL RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

CHICAGO, IL 60607

Postage	\$ 0.37	UNIT ID: 0221
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 2.67	02/23/05

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
 Hispanic American Construction Industry Assn  
 Street, Apt. No., or PO Box No.  
 901 W Jackson, Ste 205  
 City, State, ZIP+4  
 Chicago IL 60607  
 PS Form 3800, February 2000 See Reverse for Instructions

7000 0520 0013 5245 0848



## TERM SHEET

The 2.88 acre project site that houses two buildings is located on the southeast corner of Belmont and Pulaski in the Amended Fullerton/Milwaukee Tax Increment Financing Redevelopment Project Area.

The Developer, Footware Factory Development Corporation, intends to redevelop the 250,000 square foot, orange-rated building at the corner into a mixed use development consisting of 175 residential condominiums and 1000-15000 square feet of retail/office space. 35 (20%) of those units will be sold at 100% of the AMI. The building to the east will be demolished and a new 28,000 square foot retail shopping center with rooftop parking will be built. There will be 335 parking spaces made available for this project (200 indoor/135 surface) which is a 1.9 : 1 ratio. The total development cost is \$60,823,852.00

The City, through the Department of Planning and Development (DPD), intends to reimburse the Developer for TIF-eligible costs for the lesser of \$ 8,500,000 or 15.20 % of total project budget, estimated at \$59,912,128.00. The reimbursement will take place in two forms. A maximum of \$500,000 in TIF assistance will be provided at project completion and a taxable or tax-exempt Developer's Note not to exceed \$8,000,000 will also be issued at project completion which will bear interest at a market rate and will be repaid from increment generated by the project PIN's.

### **PROJECT BUDGET**

#### II. Sources and Uses/Project Budget

	Total Project	
<b>SOURCES</b>		
Bank mortgage (A)	47,030,752	
Developer cash equity (B)	725,000	
Balance Sales Revenues (C)	4,070,998	
Total Sales revenues (R) = (A) + (B) + (C)	51,826,750	FOOTNOTE 1
Developer's cash in kind contributions (D)	4,085,378	
<b>TOTAL SOURCES (S) = (R) + (D)</b>	<b>55,912,128</b>	
<b>USES</b>		
<b>Acquisition</b>		
Land and Building	7,500,000	
Interest - Purchase	341,250	
Additional contractual purchase costs	450,000	
General and Umbrella Liability Insurance	162,670	
Real Estate Tax during acquisition	100,000	
Subtotal Acquisition Costs (Q)	8,553,920	
<b>Construction</b>		
Bank draw inspection	32,400	
Demolition	1,050,000	
Environmental Remediation	250,000	
Construction, including contingency	29,540,110	

Project Management/Construction salary	1,389,917
General Contractor fee	1,200,000
Preliminary planning expenses	150,000
General Conditions	1,147,303
Building Permits	585,930
Building Permit- Relief	(350,000)
Builder's Risk Insurance	425,000
Warrantee Work	248,750
Subtotal Construction Costs (H)	35,669,410

Financing Costs	
Transfer taxes	56,250
Real estate Tax during construction phase	907,230
Title insurance & Costs	25,000
Legal- Purchase	75,000
Bank Fees-Construction Loan	345,000
Bank costs for borrowing	35,000
Appraisals	30,000
Marketing study & feasibility	30,000
GL Insurance -construction phase	761,722
TIF Compliance & Administrative Costs	200,000
Interest- Construction	3,750,000
Subtotal Financing Costs (F)	6,215,202

Professional Fees	
Environmental Assessment	40,000
Soils Assessment	25,000
Architectural	475,000
Landscape Architect	11,000
Civil Engineering	40,000
Structural Engineering	95,000
Mechanical Engineering	175,000
Engineering Consultants	30,000
Survey- Alta, Topo	25,000
Legal- General	35,000
TIF Consultant & Mailings	200,000
TIF- Legal expenses	100,000
Legal- Zoning	150,000
Accounting	210,000
Administration	60,000
Information Tech costs	12,000
Sales Management	50,000
Project Marketing Expenses	1,732,146
Marketing Commission-Dubin Sales staff	747,115
Marketing Co-op broker commission on sales through outside brokers	826,335
Survey of Condominium	75,000
Closing costs	360,000

Subtotal Professional Fees (P) 5,473,596

TOTAL USES (U) = (Q) + (H) + (F) + (P) 55,912,128

Footnote:

1 The sources shown above as per references (A), (B), (C) initially source the expenses of the project during the Acquisition and Development stages of the Project. When the sales revenues are realized from closings, these sources (A) to (C) are paid off. For example the Bank loan (A) acts as a source initially and the Sales revenues pay off the Bank loans

**This is the reason the total of (A) to (C) ties in with the Total sales revenue of the project**

The Source (C) refers to Developers reimbursements. They represent expenses paid by the Developer during the initial stages of the project and then reimbursed to the Developer after the Bank loan is paid off.

The Source (D) is also a reimbursement to the Developer of the non-cash equity at the end of the project when the TIF note is discounted and sold. See breakdown below.

2 At the end of the project the Developer will receive a TIF Note for	\$	8,500,000
Less: Discounting charges and expenses estimated	\$	(900,000)
Net cash to Developer at the end of project from TIF note	\$	7,600,000

This consists of as follows

Developer's net profit from project	\$	3,514,622
Developer's reimbursements (item D above)	\$	4,085,378
Net cash to Developer at the end of project from TIF note	\$	7,600,000

Prepared by Footware Factory Development Corporation



CITY COUNCIL - CITY OF CHICAGO  
CITY HALL, ROOM 203  
121 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
TELEPHONE: (312) 744-6102  
FAX: (312) 744-0770

## RAY SUAREZ

ALDERMAN, 31ST WARD

4502 WEST FULLERTON AVENUE  
CHICAGO, ILLINOIS 60639  
TELEPHONE: (773) 276-9100  
FAX: (773) 276-2596

E-MAIL: [RSUAREZ@CITYOFCHICAGO.ORG](mailto:RSUAREZ@CITYOFCHICAGO.ORG)

COMMITTEE MEMBERSHIPS:

HOUSING AND REAL ESTATE  
(CHAIRMAN)

AVIATION

BUDGET AND GOVERNMENT OPERATIONS

BUILDINGS

COMMITTEES, RULES AND ETHICS

FINANCE

TRANSPORTATION AND PUBLIC WAY

ZONING

May 23, 2005

Denise M. Casalino, P.E.  
Commissioner  
Department of Planning & Development  
121 N. LaSalle Street, Room 1000  
Chicago, Illinois 60602

Dear Commissioner Casalino,

This is a letter of support for the Planned Development of the two Florsheim Shoe Factory buildings located at 3927 and 3963 W. Belmont in the Avondale Community Area.

Dubin Residential will rehabilitate the orange-rated building on the corner of Belmont and Pulaski into a mixed use development consisting of 175 residential units and first floor retail opportunities. The smaller parcel to the east will be razed and a new 28,000 square foot neighborhood shopping center will be erected.

I am excited about the project and believe it will provide a great opportunity for home ownership as well as provide job opportunities for people in the community.

Thank you for your consideration on this matter. If you have any questions or comments please feel free to contact me

Sincerely,

Ray Suarez  
Alderman, 31<sup>st</sup> Ward



CITY COUNCIL - CITY OF CHICAGO  
CITY HALL, ROOM 203  
121 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
TELEPHONE: (312) 744-6102  
FAX: (312) 744-0770

## RAY SUAREZ

ALDERMAN, 31ST WARD

4502 WEST FULLERTON AVENUE  
CHICAGO, ILLINOIS 60639  
TELEPHONE: (773) 276-9100  
FAX: (773) 276-2596

E-MAIL: [RSUAREZ@CITYOFCHICAGO.ORG](mailto:RSUAREZ@CITYOFCHICAGO.ORG)

COMMITTEE MEMBERSHIPS:

HOUSING AND REAL ESTATE  
(CHAIRMAN)

AVIATION

BUDGET AND GOVERNMENT OPERATIONS

BUILDINGS

COMMITTEES, RULES AND ETHICS

FINANCE

TRANSPORTATION AND PUBLIC WAY

ZONING

May 23, 2005

Denise M. Casalino, P.E.  
Commissioner  
Department of Planning & Development  
121 N. LaSalle Street, Room 1000  
Chicago, Illinois 60602

Dear Commissioner Casalino,

I am aware of and in support of the redevelopment of the historic Florsheim Shoe Factory located at 3927-63 W. Belmont in the Avondale Community Area. Dubin Residential will rehabilitate the orange-rated building into a mixed use development.

I am also aware of and in support of this development receiving TIF (tax increment financing) assistance in a maximum amount of \$8.5 million. In return, this project will provide public benefits such as affordable housing units and job opportunities for people in the community. The developer will also incorporate a green roof into its design.

Thank you for your consideration on this matter. If you have any questions or comments please feel free to contact me.

Sincerely,

Ray Suarez  
Alderman, 31<sup>st</sup> Ward

**EXHIBIT A**

Street Boundary Description of the Amended  
Fullerton Milwaukee Tax Increment Financing  
Redevelopment Project Area

The Amended Project Area extends along North Milwaukee Avenue (from W. Homer St. to W. School St.), along Armitage Avenue (from N. Ridgeway Ave. to N. Milwaukee Ave.), along West Fullerton Avenue (from N. Kimball Ave. to N. Mozart St.), and along West Belmont Avenue (from N. Tripp Ave. to N. Hamlin Ave.)

The outermost boundaries of the Redevelopment Project Area now extend from W. Cortland Street on the south to W. School Street on the north and from N. Western Avenue on the east to N. Tripp Avenue on the west.







3963 W. Belmont

### LEGAL DESCRIPTION

Lots 67 to 88, inclusive (except that part of Lots 67 and 88 dedicated for public alley) in Charles Seegers' Subdivision of Lot 1 of Haussen and Seegers' Subdivision of Lots 4, 5 and 14 in Davlin, Kelley and Carroll's Subdivision of the northwest quarter of Section 26, Township 40 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

Also, the vacated alleys vacated by Document 12634861 described as lying south of the south line of Lots 71 to 80 inclusive and lying north of the north line of Lots 70 and 81 and lying west of the north line of the south 16 feet of Lot 67 and west of Lots 68 to 70 inclusive in Charles Seegers' Subdivision aforesaid, in Cook County, Illinois.

The subject is also identified by Permanent Index Numbers 13-26-100-001, 002, 012, 013, 014, 015 and 026.

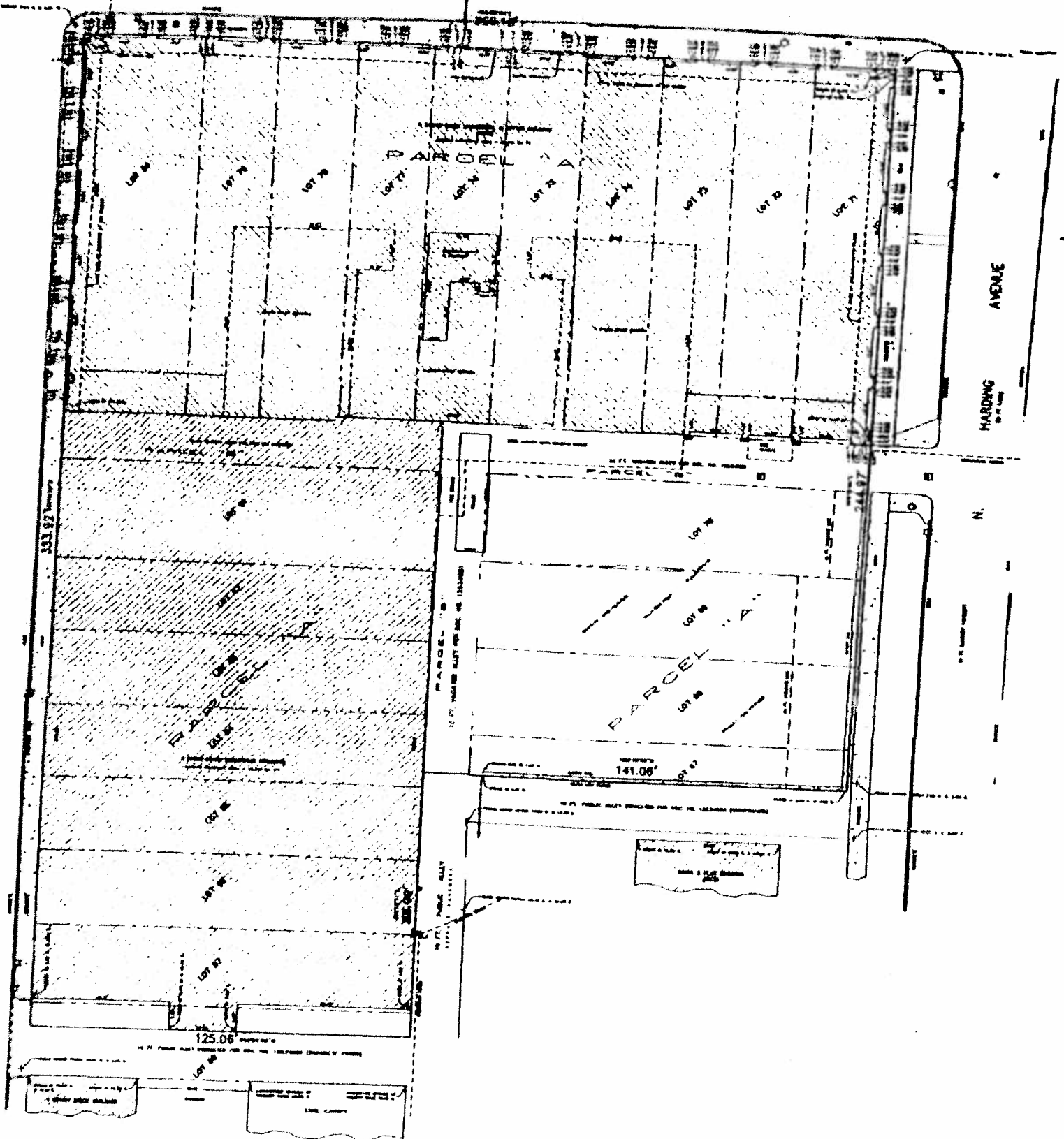
### SALES HISTORY OF THE SUBJECT PROPERTY

According to the Standards of Professional Practice of the Appraisal Institute, we are required to report and analyze any sale transactions involving the subject property during the past three years or any listing or pending sale agreement.

The subject was placed under contract in June, 2003 together with the adjacent property to the west which contains an approximate 75,000 square foot shell building on a 49,225 square foot site. The total price is \$7,500,000 and the closing was to take place by August 31, 2004, subject to re-zoning, inclusion in the Milwaukee Avenue TIF District and development plan approval as outlined in the next section (referred to as the Municipal Contingency). In addition, the seller agreed to issue a \$225,000 credit against the purchase price in consideration for the purchaser's agreement to remove the asbestos containing materials in the existing buildings. Since the municipal contingency was not met, the agreement was cancelled. However, it was reinstated by an amendment in October, 2004 which also requires a monthly payment of \$25,000 until closing, not applied to the foregoing purchase price, with the latest date closing can occur being September 30, 2005.

To the best of our knowledge, no other sales involving the subject have occurred during the past three years.

# PLAT OF SURVEY



3963 W. Belmont

3927 W. Belmont

### LEGAL DESCRIPTION

Lots 34 to 47, both inclusive (except that part of Lots 34 and 47 dedicated for public alley) in Charles Seegers' Subdivision of Lot 1 of Haussen and Seegers' Subdivision of Lots 4, 5 and 14 in Davlin, Kelley and Carroll's Subdivision of the northwest quarter of Section 26, Township 40 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

Also, that part of vacated alleys lying south of Lots 36 to 45 inclusive and north of Lots 46 and 35 and east of Lots 46 and part of lot 47 and west of Lot 35 and part of Lot 34 in Charles Seegers' Subdivision aforesaid vacated by Ordinance recorded as Document Number 13319172, in Cook County, Illinois.

The subject is also identified by Permanent Index Numbers 13-26-101-001, 002, 003, 012 and 013.

### SALES HISTORY OF THE SUBJECT PROPERTY

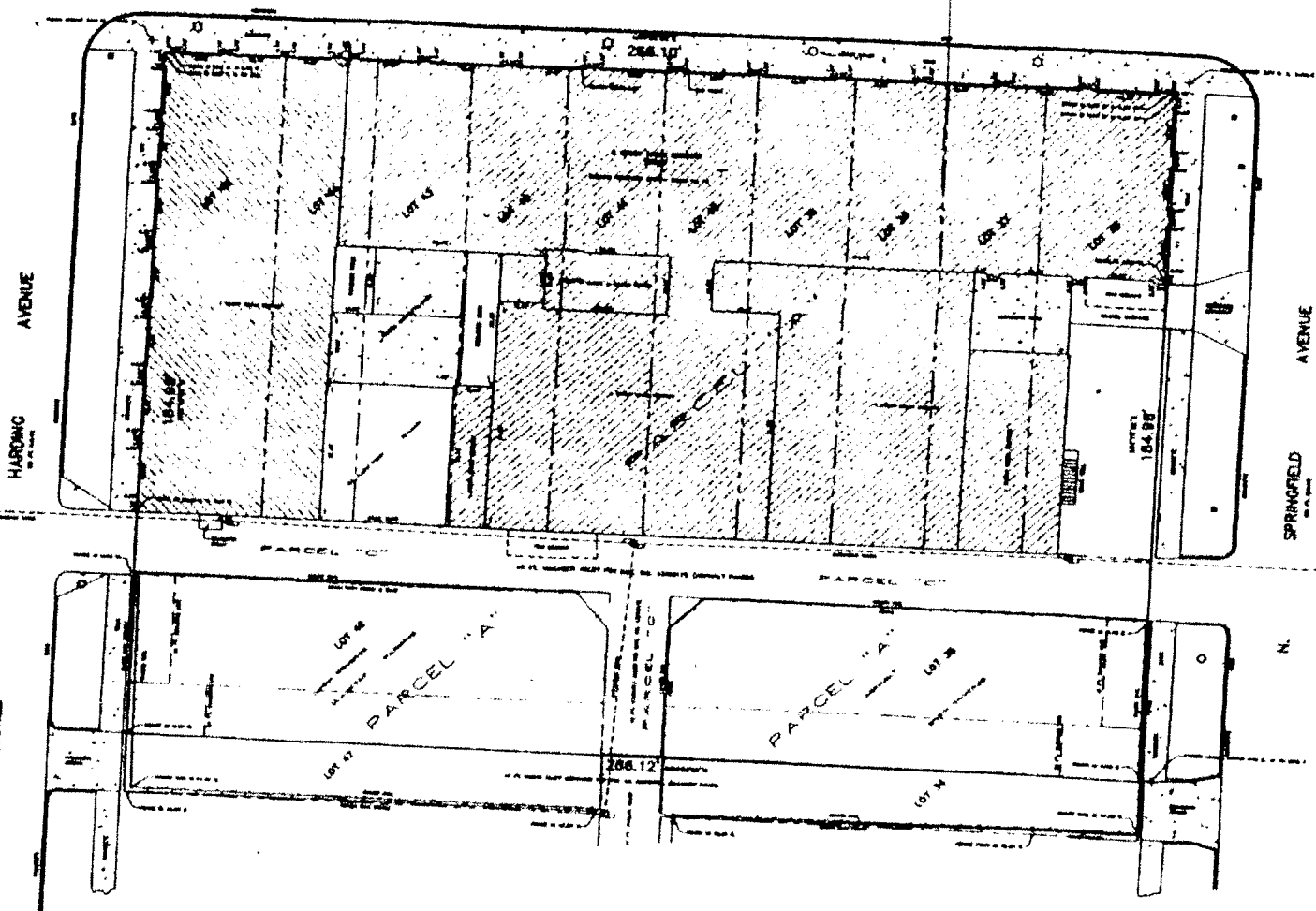
According to the Standards of Professional Practice of the Appraisal Institute, we are required to report and analyze any sale transactions involving the subject property during the past three years or any listing or pending sale agreement.

The subject was placed under contract in June, 2003 together with the adjacent improved property to the west which contains a 243,650 square foot shell building on a 76,315 square foot site. The total price is \$7,500,000 and the closing was to take place by August 31, 2004, subject to re-zoning, inclusion in the Milwaukee Avenue TIF District and development plan approval as outlined in the next section (referred to as the Municipal Contingency). In addition, the seller agreed to issue a \$225,000 credit against the purchase price in consideration for the purchaser's agreement to remove the asbestos containing materials in the existing buildings. Since the municipal contingency was not met, the agreement was cancelled. However, it was reinstated by an amendment in October, 2004 which also requires a monthly payment of \$25,000 until closing, not applied to the foregoing purchase price, with the latest date closing can occur being September 30, 2005.

To the best of our knowledge, no other sales involving the subject have occurred during the past three years.

# PLAT OF SURVEY 3927 W. Belmont

W. BELMONT AVENUE



2