

Growing pains on Prairie

REAL ESTATE | Developer's plan for 37-story tower at 21st Street could raise historic district's ire

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The fortunate few who live in the historic Prairie Avenue District can be excused for feeling surrounded. While landmark designation has kept buildings small on a block-long stretch of Prairie at 18th Street, the surrounding neighborhood is bursting with high-rises. The latest plan tests the neighborhood's tolerance for tallness south of the Prairie district.

Andrius Augunas, president of **Rokas International Inc.**, said he has a contract to purchase a small building at the northwest corner of 21st and Prairie owned by the **Pipe Fitters Local Union 597**. Augunas wants to put a 37-story residential building on the property at an estimated cost of \$120 million.

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In the area around 18th and Prairie, tall modern buildings already elbow the historic district. Now a developer is proposing a 37-story high-rise at 21st and Prairie.

(John H. White/Sun-Times)

He said that if he gets city approval to rezone the property, he'll begin a home sales campaign lasting at least a year. Construction then could start in late 2008, said Augunas, who has had success with two other projects in the same area at 2100 S. Indiana and 2300 S. Michigan.

The developer said he has received written support from two community groups for his latest project. The endorsers are the Greater South Loop Association and the Near South Planning Board. That sentiment probably will help the local alderman, **Robert Fioretti** (2nd), side with the deal.

But many residents have criticized the city for infringing on the spirit, if not the actual territory, of the landmark district by allowing the influx of condos. A check by the Sun-Times last September showed that within a half-mile of the Prairie District, at least 14 major projects encompassing 2,700 homes were planned.

A two-tower development in the 1700 block of South Prairie led to some of the neighborhood activism. Approved by the city, the project calls for towers of 45 and 33 stories arising behind new townhomes, altogether about 500 units.

CHERUBS WANTED: A rarity in real estate is a developer who calls attention to his own project tanking. Such a developer is **Lubavitch Chabad**, an organization dedicated to Jewish counseling and teaching that has spent \$6 million on a planned Center for Jewish Life at the southwest corner of Clark and Chestnut. Trouble is, the money has gotten them only a hole in the ground.

The group needs another \$6 million to complete the spiritual sanctuary, complete with a place for mivkas, or ritual baths. **Rabbi Meir Chai Benhiyoun**, director of Chabad of the Loop, Gold Coast and Lincoln Park, said the group needs to find donors to complete the project or add a developer for a commercial and residential component.

That means, you guessed it, a zoning change would be needed for a structure larger than originally contemplated. A supporter of the center, **Yehuda Sugar**, said something in the 15-story range seems doable.

Ald. **Brendan Reilly**, whose 42nd Ward includes the site, said he has an open mind about a rezoning but said the organization must first draw up specific plans and get support from the neighbors before asking for his commitment.

Another alternative is to sell the property, former site of the Chestnut Station theater. The rabbi said he has no "developer preference" if he has to go that route. He said developer **Alter Group Ltd.** and architect **Dan Coffey** have provided valuable help.

Why start a project without the money in hand? Benhiyoun said he trusted advice that once work started, the biggest donations would materialize.

RESTAURANT ROW? **Matthew O'Malley**, owner of the **Chicago Firehouse** restaurant at 1401 S. Michigan, is part of a group that acquired the historic former home of the Chicago Defender, 2400 S. Michigan. In a deal brokered by **Jameson Realty Group**, the O'Malley partnership also bought a vacant lot at 2409 S. Wabash and the old Tiki Room property at 55 E. 24th that, according to local lore, once was owned by Jesse Owens.

The new owners' plans are unknown. The properties are thought to have sold for more than \$4 million together. O'Malley, you might recall, was part of the insider group that got preferred terms to operate the **Park Grill** at Millennium Park until the Sun-Times exposed the deal.

CALENDAR NOTE: LEED Council Inc. holds its 25th anniversary reception June 27 starting at 5:30 p.m. at Kendall College, 900 N. North Branch. Phone (773) 929-5552 x222 for details.

DOING THE DEALS: Inland American Real Estate Trust Inc., based in Oak Brook, said it has received a \$250 million investment from Indianapolis builder **Lauth Group Inc.** Inland said it will use the money for \$1 billion in acquisitions or development, including an eventual \$250 million for Lauth properties.