

CHAPTER 6

DOWNTOWN II (1977-1982)

In February 1977, businessman Ben Karlson aired a proposal to build a \$16 million mixed-use project on the Clark-Benson site, including apartments, hotel, retail space and a 550-space underground parking garage. Public reaction was generally favorable. In March the First National Bank & Trust Co. of Evanston offered to purchase the same site for \$10 million to build an office building of up to 17 stories with 200,000 square feet of floor space and 600 or more parking spaces. That same month Development Management Group, Inc. proposed to acquire the entire 1800-1898 Maple Avenue block north of the Levy Center to construct 234 units of moderate income housing in two 14-story buildings on 3.2 acres, including 188 units dedicated to elderly and 46 units for families. A fourth developer informally floated a concept for a suburban type retail shopping center in the same general vicinity between the CTA and the Chicago NorthWestern railroad tracks. All this came without a city plan or developer recruitment strategy of any specificity for the area.

City officials were certainly intrigued by this enthusiastic interest from the private sector. However, Mayor Vanneman in particular was concerned about making decisions without a plan and without due process. All proposals were tabled pending a process and criteria for decision-making.

Back in December, 1976 Mayor Vanneman had appointed members to the newly created Business District Redevelopment Commission. The BDRC held its first meeting in January, 1977 and continued to meet monthly for the next 5 ½ years. Its first two meetings focused solely on its responsibilities and operating procedures. In February, Mayor Vanemann specifically requested the BDRC to establish a formal process for inviting proposals for the redevelopment of the Clark-Benson site and for preparation of a comprehensive plan for the 22-acre area bounded by Davis Street, Emerson Street, and the two railroad embankments, plus the 98,250 square foot Clark-Benson site. Planning occupied most of the year, including the issuance by the BDRC to the real estate development industry of a Request for Development Proposals for the 2.3 – acre Clark-Benson site.

1976 BUSINESS DISTRICT REDEVELOPMENT COMMISSION APPOINTEES

Paul Brown
John Green
Louise Kerr
Eric Krafft
Andrew Reis
Alonzo Smith
Robert B. Teska, Chairman

Much discussion ensued regarding the desired future of downtown and the responsibilities of specific city agencies. Alderman Frank K. Hoover recommended a professional study on the potential for retail development and the best location for the retail core. The Plan Commission desired a clarification of its role vis-a-vis the new BDRC. The City Council, its Parking Committee, and its Economic Development Committee also desired roles in the planning and development process.

In Spring 1977 James C. Lytle was elected Mayor. The ensuing six year period (1977-1982 inclusive) saw increased planning and development activity, marked by the City of Evanston taking greater initiative and responsibility for the redevelopment process.

On October 5, 1977 the City Council adopted Mayor Lytle's memorandum defining the roles of all responsible agencies. He assigned the lead role on redevelopment of the Clark-Benson site and planning the City Yards area to the BDRC, instructing it to coordinate its efforts with the Plan Commission chaired by Barry Lundberg and the Economic Development Commission chaired by Alderman Donald Borah. The area was to be called "Downtown II" because of its proximity to the traditional downtown.



Downtown II Boundaries

The southern tip of the Downtown II area, between Church and Davis Streets, had been envisioned for many years by the city to become a multi-modal transportation center. In 1977 a Transportation Center Plan was released by DeLeuw Cather under contract with the city.

In December, 1977 Louis Silverman, president of Development Management Group (Chicago) submitted an unsolicited proposal to the city for redevelopment of the block west of Maple Avenue between University Place and Clark Street. It included twin 15-story apartment buildings, a racquet ball club, a restaurant, and 300 parking spaces. Evanston officials welcomed the developer's interest, but gave the proposal a cool reception, because planning for Downtown II had just begun. Because the city was on a more extended schedule, the developer withdrew his proposal.

Downtown's reemergence as a place to dine received a shot in the arm in 1977 when Leslie Reis opened her upscale restaurant, Café Provencal, in the Homestead Hotel. It was quickly recognized as one of the finest restaurants in all of Chicagoland. Shortly thereafter she opened two other downtown restaurants, Leslie's and Bodega Bay. Elsewhere, Clarke's, Kaffee Haus 1800, and other restaurants opened in the 1980s. Following the death of Leslie

Reis all of her restaurants closed, but Café Provencal became the highly acclaimed Trio under new ownership in 1993.

Also in 1977, the City Council authorized a comprehensive parking study for downtown, and appointed a committee chaired by Alderman Frank Hoover to work with the consultant team of Alan M. Voorhees & Associates and Conrad Associates East. Other committee members included Dona Gerson, Jack Korshak, Barry Lundberg, and Robert Teska, assisted by Community Development Director David Palmer. Among the findings reported in 1980 were: there was a shortage of over 1,700 parking spaces; there was a conflict between long-term and short-term parking; and responsibility for the parking system was divided among several departments.

Recommendations included:

- All traffic and parking system operations, including maintenance and civilian enforcement, should become the responsibility of a single department;
- The parking system should be financially self-sufficient;
- Both the intensity and method of enforcement should be increased;
- There should be ongoing evaluation of zoning regulations so that the city neither discourages developers nor over-extends concessions to developers;
- The outer boundary of the parking meter area should be expanded;
- Public long-term parking at the Wiebolt's parking deck should be considered;
- The Sherman Avenue parking garage should be repaired and upgraded;
- Add parking spaces in the City Yards area;
- A new public parking structure should be constructed on the existing parking lot on the east side of Chicago Avenue between Church and Clark Streets.

The highlight of 1978 was completion of the 18 story, \$24 million American Plaza, including 282,800 square feet of office space, 53,700 square feet of retail space, and 380 parking spaces. The American Hospital Supply Corporation became its anchor tenant, giving true meaning to Evanston's motto, "The Headquarters City."

Sherwin Braun and Sidney Shalowitz unveiled a proposal for a \$7.8 million, 9-story office building with 187 parking spaces at 500 Davis Street, a project that succeeded. Conversely, Jay R. Martin and Frank Stayduhar proposed a 118-room hotel at the southeast corner of Chicago Avenue and Church Street, a project which was subsequently aborted. A 25-unit, 7-story luxury condominium building was eventually constructed on this site in 1981.

The recently created Evanston Preservation Commission was also at work and published a report, [Evanston's Landmarks/CBD](#), addressing the concerns of protecting historic buildings and designing new buildings to be compatible with their neighbors. The Commission identified fifteen buildings which met established criteria. However, they were "scattered in such a way as to preclude any conservation district."

EVANSTON PRESERVATION COMMISSION

Phyllis T. Horton
Roger M. Seitz

Chair
Vice-Chair

Regular Members:

Marcia Baum
Joseph Blake
Jacques A. Gourguechon
James D. McWilliams

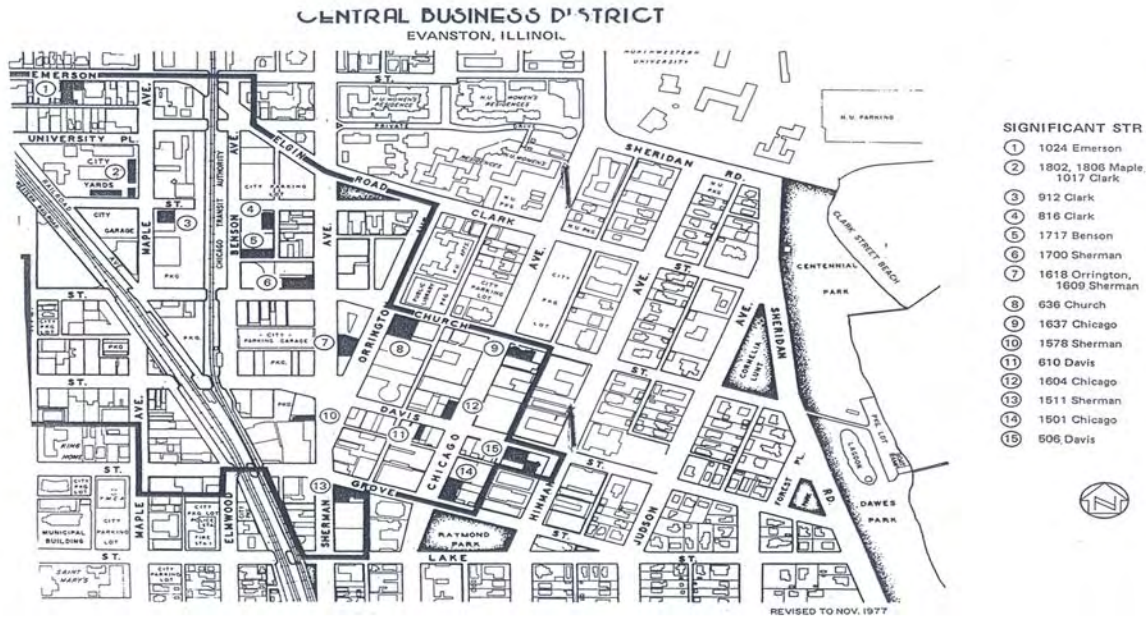
Joan L. Miller
Margery B. Perkins
Jon S. Pohl

Associate Members:

Olga G. Balch
Anne O. Earle
Hans A. Friedman
Alice O. Snagel

Marvin D. Juliar
Elizabeth Lang
Mary b. McWilliams





LANDMARK BUILDINGS

<p>*1. 1024 Emerson Street H. Butler Building</p>	<p>1909</p>	<p>*9. 1637 Chicago Avenue, 522-24 Church Street The Hereford Myron Hunt</p>	<p>1899</p>
<p>*2. 1802, 1806 Maple Avenue, 1017 Clark Street City of Evanston Buildings Merritt J. Morehouse</p>	<p>1910-11</p>	<p>10. 1578 Sherman Avenue Northwestern Mutual Life Building Holabird & Roche</p>	<p>1912</p>
<p>*3. 912 Clark Street Public Service Company Hermann Von Holst</p>	<p>1907</p>	<p>11. 610-12 Davis Street Orchid Fruite & FlowerShop Architect Unknown</p>	<p>c.1975</p>
<p>4. 816 Clark Street St. James Armenian Church Paul Haugan</p>	<p>1896-97</p>	<p>12. 1604-08 Chicago Avenue, 601-03 Davis Street University Building George W. Maher</p>	<p>1906</p>
<p>5. 1717 Benson Avenue Second Baptist Church Charles P. Rawson</p>	<p>1912</p>	<p>13. 1511-21 Sherman Avenue 618-28 Grove Street Edgar O. Blake</p>	<p>1925</p>
<p>6. 1700 Sherman Avenue Marshall Field & Company Graham, Anderson, Probst & White</p>	<p>1929</p>	<p>14. 1501-11 Chicago Avenue, 531 Grove Street The Chaumont Thielbar & Fugard</p>	<p>1927</p>
<p>7. 1618 Orrington Avenue, 1609 Sherman Avenue Hahn Building John A. Nyden</p>	<p>1927</p>	<p>*15. 506-16 Davis Street, 1522 Hinman Avenue Gas Station Olsen & Urbain</p>	<p>1934</p>
<p>8. 630-40 Church Street, 1645 Orrington Avenue Carlson Building Stanley M. Peterson & Howard E. Irwin</p>	<p>1925</p>	<p>*Demolished since 1975</p>	

Source: Evanston Preservation Commission, 1978

Meanwhile, the BDRC had received three official proposals for the development of the Clark-Benson site from:

- Development Management Group proposed a \$14.7 million Market Square
- Ben Karlson, James Economou & William Strasser proposed a \$16.0 million Evans Court
- John Buck and Wesley Irvine of Cushman & Wakefield proposed a \$15.1 million project (unnamed).

All included a mixture of commercial, residential, parking and open space uses.

Several public meetings of the BDRC plus substantial City staff analysis, especially that of Michael E. Schiltz, was devoted to the evaluation of these proposals. By year's end, the BDRC had selected the proposal submitted by Cushman-Wakefield (John Buck and Wes Irvine), which included a 9-story office building and a 10-story residential condominium building.

In 1979 the City Council approved the BDRC recommendation of Cushman-Wakefield/Buck-Irvine as the "Developer of Record" and entered into a formal Development Agreement with the partnership, giving them three years to obtain long-term financing for the project and begin construction. This year was also the beginning of a deep economic recession throughout the nation and a major spike in interest rates which lasted several years. In 1982 Messers. Buck and Irvine found it impossible to obtain feasible long term financing prior to the February deadline, submitted a formal letter of withdrawal, and sacrificed a \$500,000 letter of credit to the City.



Cushman – Wakefield/Buck – Irvine Proposal

Planning for the larger Downtown II area actually began in late 1979 when the Plan Commission formulated development criteria and policies for the entire area. During 1980, the City Council adopted Downtown II as "an intensive redevelopment planning area to be approached in a unified manner." The Council also approved the general parameters of a mixed-use development with the upper magnitudes of development including: 300,000 sq. ft. retail, 1000 dwelling units, and 1 million sq. ft. office. The BDRC was authorized to proceed with further exploration of a development project as outlined above.

In May, 1981, the BDRC presented its proposed development process to the City Council for consideration, including the possibility of utilizing tax increment financing for public investment. The process included the City seeking a developer with whom to negotiate a redevelopment project plan for the Downtown II area. This process was approved by the City Council, and the BDRC was authorized to proceed with issuing Requests for Qualifications.

The Request for Qualifications (RFQ) reflected the objective to "initiate a joint public/private development effort in partnership with a developer who is experienced in mixed-use downtown development, including a major retail component." The RFQ also detailed the City's development objectives, the proposed phasing of the project, and the development team's charge for Phase I. During Phase I of the project, the selected development team was to be prepared to:

"review, evaluate, and determine the precise nature of the development envelope established by the Plan Commission and approved by the City Council; determine the most appropriate land use plan, supported by feasibility analysis and physical site development plans; and establish a general activity plan to carry out the entire Downtown II project."

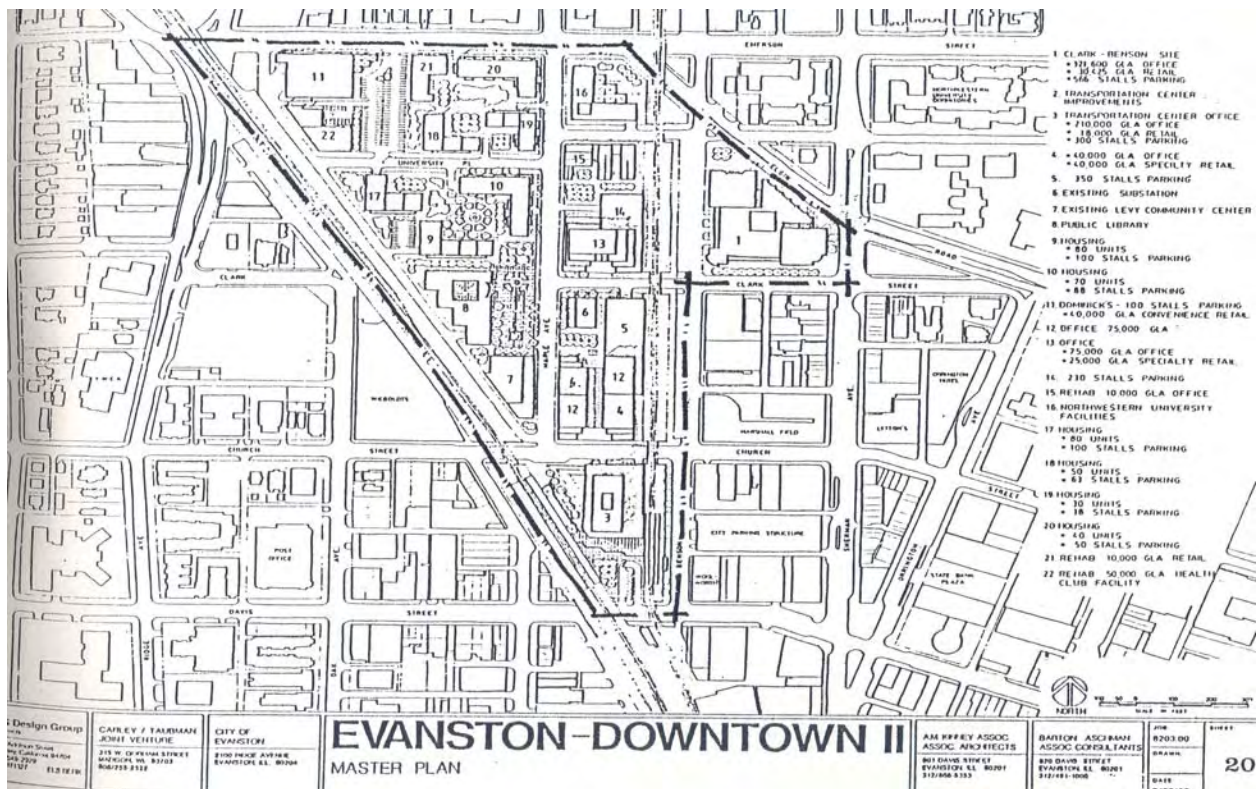
The City received five developer team responses by the August 28, 1981 deadline from:

- Draper & Kramer
- Ken Tucker/Homart
- The Evanston Consortium
- Evanston Land Partners
- Carley/Taubman Venture

Early in 1982 the BDRC was consolidated with the City Council's Economic Development Committee, chaired by Alderman Donald Borah, and together they held interviews and selected the Carley/Taubman Venture to take over the Clark-Benson project and also become the "Developer of Record" for all of Downtown Two. Evanston was back on track.

The City Council confirmed selection of the Carley/Taubman Venture and on January 30, 1982 entered into an Agreement for a development feasibility study of the Downtown Two concept plan. This Agreement also committed the City to commence work on the creation of a tax increment finance redevelopment district for Downtown Two. In May, 1982, following the withdrawal of Buck-Irvine, the Clark-Benson site was formally added to the Downtown Two study area and the Agreement with the Carley/Taubman Venture (CTV).

On September 15, 1982 CTV presented a detailed feasibility study and development plan for the first phase of Downtown Two, i.e. the Clark-Benson site. That plan proposed three 6-9 story buildings connected by an enclosed atrium totaling 350,000 sq. ft. of office, retail and restaurant space plus a 565-space parking garage.



Source: Downtown II Redevelopment Proposal, 1982

CHAPTER 6 LOCATION MAP

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| <ol style="list-style-type: none"> 1. Clark-Benson Site 2. Transportation Center 3. DMG Proposal 4. Café Provençal/Trio 5. Leslie's 6. Bodega Bay 7. Clarke's 8. Kaffee House 9. American Plaza 10. 500 Davis Street | <ol style="list-style-type: none"> 11. Condominium Building 12. Downtown II |
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