

## Reschke changes plan for West Loop site

(Crain's) – Chicago developer Michael W. Reschke is reworking his plan to develop a long-vacant riverside site in the West Loop, opting to build a hotel and apartments there instead of condominiums.

The revised proposal for the parcel at 150 N. Riverside Plaza would include a 300-room all-suites hotel and a 665-unit luxury apartment tower, says Mr. Reschke, who has controlled part of the site for 19 years. He expects to submit the two-tower plan in August to the city Department of Planning and Development.

With the hotel comprising about 30 stories and the apartment building rising about 55, it would be a smaller project than the

one city officials approved several years ago, which called for 45- and 55-story towers and 835 condos, Mr. Reschke says. The condo market has gone into a tailspin since then, while investors are bidding up prices of hotels and apartment buildings.

“We’re in a conundrum in the market where luxury apartments can have a greater square-foot value than condos, in certain locations,” says Mr. Reschke, who also is developing a 121-unit condo project in the Gold Coast.

Conundrum might be a good word to describe the West Loop site. Mr. Reschke bought the eastern half of the property in 1988, talking then about building an office

project there. But he spent years trying to buy the air rights over train tracks on the western half from Amtrak, finally reaching an agreement in 2001. He has yet to close on the air-rights transaction and declines to disclose terms.

Chicago-based DeStefano & Partners is designing the new project. Mr. Reschke says he’s talking to several hotel chains about the site, calling Embassy Suites “the front runner.” Assuming the city approves the new plan, he aims to break ground in mid-2008.