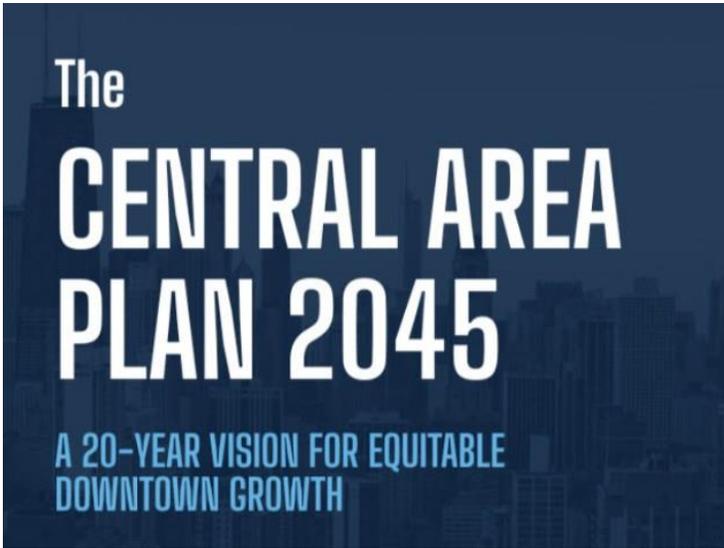




**Tom Tresser**  
**Public Defender**  
**Civic Educator**



[www.tresser.com](http://www.tresser.com) – [www.tifreports.com](http://www.tifreports.com)  
[tom@tresser.com](mailto:tom@tresser.com)



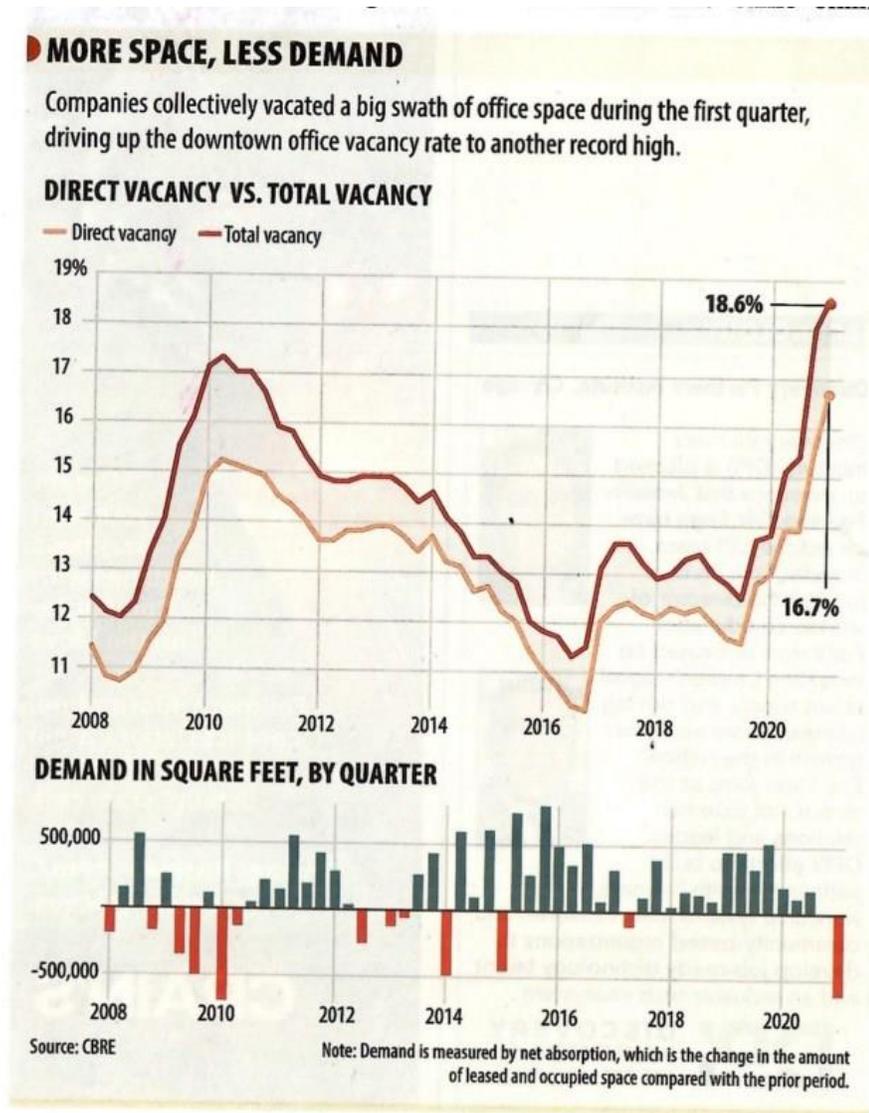
November 1, 2025 – [Tom Tresser](#) - <https://tifreports.com/lasalle-street-bailout>

**LaSalle Street Bailout – Chicago Central Area Plan 2045 Is A Gift to Local Developers**

**Prologue to a Scam**

In 2021 I started to see articles and editorials calling out the increasingly high levels of vacancy in the Loop and LaSalle Street office towers. I think one of the first was a Crain’s Chicago Business piece headlined “[Downtown office vacancy sets another record high.](#)” I have a file folder one inch thick crammed with articles from multiple cities documenting this trend – a result of overbuilt office towers, COVID, and changes in ways we do retail. I predicted that all this was leading up to a case for the public to bail out the developers and that we would soon see public subsidies for the conversions of these failing office towers into high-end residential use. Mayor Lori Lightfoot launched exactly that initiative in September of 2022 (see below). In October of 2022 the Chicago Sun-Times ran a editorial “[To live and buy on LaSalle Street: Plan for housing, other uses of](#)

[financial district is worth watching.](#)” The drumbeat has not stopped. In July of 2025 Crain’s proclaimed [“Office demand freefall resumes as downtown vacancy reaches a new record high.”](#) The graphic below is from the 2021 Crain’s piece.



I could see in my mind’s eye, Horatio, the summoning of the consultants, the media spinners, the planners, and the obedient folks at the Department of Planning and Development. I just wondered how much the developers were going to grab.

Now we know.

**The Bail Out is Unveiled**

On Thursday night, September 25, 2025 I attended the unveiling of the draft of the [Central Area Plan for 2045](#). It was held in the lobby area of the [Field Building](#) at 135 S. LaSalle Street, an art deco gem built in 1934. It is 45-stories high and was designed by the noted firm of Graham, Anderson, Probst & White. It was built by the estate of department store founder Marshall Field and was declared a Chicago Landmark in 1994.

I noted that a major theme of the new plan is the [conversion of Loop and LaSalle office towers into residential use](#). Chicago’s taxpayers are subsidizing this work and will continue to do so for decades. Tax Increment Financing District dollars – property taxes – will be

used heavily to transfer public wealth into private pockets.

In a city press release dated September 26, 2022 and headlined [“LaSalle Street Initiative Aims to Revitalize, Repurpose Financial District Buildings,”](#) we read “Pervasive commercial vacancies along LaSalle Street in the Loop could be revitalized with new storefront businesses and more than 1,000 new homes, including 300 affordable units, through an Invitation for Proposals (IFP) announced by Mayor Lori E. Lightfoot today as part of the City’s LaSalle Reimagined initiative...Public resources to help implement the initiative’s goals are expected to include federal tax credits, Cook County property tax incentives, Tax Increment Financing, PACE financing, Low Income Housing Tax Credits and other tools...”

There are [six projects approved](#) so far. Including a massive subsidy to convert the very building the meeting was being held in! The plan is to [give the developers \\$98 million free cash money](#) for the conversion of the Field Building – that’s almost \$100 million that will NOT go to the schools, and operations of our local government – \$56 million of which should be going to the public schools. The building will hold 386 units. They claim that 116 will be “affordable.” That works out to a public subsidy of \$844,828 per affordable unit.

**DOWNLOAD->** <https://tifreports.com/wp-content/uploads/2025/09/135-S-LaSalle-Street-Project.pdf>

At that ridiculous price, for affordable housing. we are better off simply buying \$100 million worth of underwater homes and just **GIVING them to the people who originally owned them or giving them away**, via a lottery, to first time homeowners from the community. Doing this would allow the city bestow home ownership on people in need – giving them equity, security, and realizing real housing justice.

In 2018, Chicago has the most under-water homes in America. This was most prevalent in our communities of color. In 2024 the zip code 60649 (the near South Side along the lake, below 62<sup>nd</sup> Street) had the 5<sup>th</sup> largest share of seriously underwater homes in America!

The new Central Area Plan 2045 released a very slick [134 page booklet](#) and on page 5 we read, "Despite its assets, Chicago's central area faces numerous challenges: housing is unaffordable for many Chicagoans, office employee attendance is still recovering to pre-pandemic levels, and retail and commercial vacancies are at all-time highs, among other issues. The 2045 plan is needed to further cultivate a downtown that is a thriving global economic center, a welcoming area with opportunities to live, work and play for all Chicagoans, and a top tourist destination."

The plan lists a number of telling objectives - that all mask TIF subsidies:

- Create more housing options for individuals with diverse income levels
- Build corridor resiliency and reactivate underutilized properties by encouraging diverse and compatible uses
- Facilitate responsible development by providing public infrastructure, new or enhanced open space and public realm improvements to support surrounding neighborhoods

The number one recommendation for the core area called "Housing & Neighborhoods" was this: "Support public-private partnerships to convert underutilized or vacant office space to residential uses for all income levels, ages, and backgrounds." Here is the corresponding poster they displayed:

And who is listed as major authors of this plan, besides the city staff at the Department of Planning? The list is on pages 108 and 109 (see pdf below). Two of the main consultants stand out.

There are six people listed from [SB Friedman Development Advisors](#). They proudly proclaim

"The firm has led the establishment of over 75 TIF districts in multiple states under multiple statutes, and has also assisted communities in making "major" and "minor" amendments to existing TIF districts." Friedman operated the city's local business grant program – funded via TIFs – for decades. They are often hired by city governments, including ours, to create the documentation to justify and launch a TIF district. The other



heavyweight are the five people from [Skidmore, Owings & Merrill](#), the globally famous architecture and planning firm. “Since our founding in 1936, SOM has been designing the future. From the first modernist office building in New York City to supertall towers that have redefined city skylines, our firm has been responsible for some of the most significant architectural and engineering achievements in modern history.” [Among a forest of projects and buildings](#), they designed and built the Sears Tower here. They have had their hand on the planning steering wheel here for over fifty years. Who has built many office buildings here and elsewhere subsidized by our public dollars? And who WILL be building new projects using the money liberated by this plan? They will.

**DOWNLOAD->** [https://tifreports.com/wp-content/uploads/2025/09/Central\\_Area\\_Plan\\_2045-authors.pdf](https://tifreports.com/wp-content/uploads/2025/09/Central_Area_Plan_2045-authors.pdf)

So, there you have it. The backroom work of consultants, marketers, developers, architects, and bankers have set in motion a plan that will send hundreds of millions of public dollars directly into the pockets of clouted, mostly white, men.

But the reality is plain to see – just step outside of where the unveiling was taking place. Here is the signage on the street outside...



Take a look at the for this one project (of 6 approved) –see how massive it is:

approved budget

<u>USES:</u>	<u>Amount</u>	<u>\$/SF of Building*</u>
Land Acquisition	\$ 21,330,331	\$ 37.86
<b><u>Hard Costs</u></b>		
Construction	\$ 137,346,439	\$ 244
Const Contingency	\$ 12,029,390	\$ 21
Total Hard Costs	<u>\$ 149,375,829</u>	<u>\$ 265</u>
<b><u>Soft Costs</u></b>		
Architect's Fee	\$ 3,989,964	\$ 7.08
Engineering Fees	\$ 775,156	\$ 1.38
App./Loan Orig. Fees	\$ 1,163,471	\$ 2.07
Legal Fees	\$ 274,023	\$ 0.49
Marketing Fees	\$ -	\$ -
Loan Interest	\$ 2,034,886	\$ 3.61
Environmental	\$ -	\$ -
Reserves	\$ 7,425,466	\$ 13.18
Tax Credit Issuer Fees	\$ -	\$ -
Bond Costs	\$ -	\$ -
Developer Fee	\$ 2,500,000	\$ 4.44
Other soft costs	\$ 4,185,043	\$ 7.43
Total Soft Costs	<u>\$ 22,348,009</u>	<u>\$ 40</u>
<b>Total Uses</b>	<u><u>\$ 193,054,169</u></u>	<u><u>\$ 343</u></u>
<i>*Gross building area (sq. ft.) =</i>	<i>563,350</i>	<i>TDC per unit = \$ 500,140</i> <i>TDC psf = \$ 343</i>

**You have some folks making a TON of money of this one project** - including **developer/lawyer/architect fees of \$7.5 million**, and **loan and interest payments (straight to Wall Street) of \$3.2 million**. And then there is the **\$137 million hard costs** – for construction materials (bricks, concrete, pipes, machinery, etc.) PLUS the construction labor – and you must ask – WHO will be building this thing? Mostly white, conservative construction unions who have long held back women and people of color (who mostly live where?) and who give huge campaign contributions to our elected officials.

DEVELOPMENT CHICAGO

## Another office-to-resi conversion lifting off with \$98M TIF

Historic 135 South LaSalle to get apartments, grocery via redevelopment by Riverside, DL3, AmTrust



A photo illustration of DL3 Realty's Leon Walker, AmTrustRE's Jonathan Bennett and Riverside Inc.

This is not the way to spend hundreds of millions of our precious public dollars – subsidizing developers to convert underused downtown buildings while they throwing only some crumbs to the communities that need economic development the most.

Reviewing the data at the [Illinois Sunshine database](#), I discovered that the **owner/developer of the 135 S. LaSalle Street Project, John O'Donnell, the architect is Cordwell, Buenz Architects and the project attorney DLA Piper**, have donated \$1,132,691, to local elected officials, including \$139,750 to 42<sup>nd</sup> Ward Alderman Reilly, \$29,625 to Alderman Hopkins, and \$89,650 to candidates for mayor. And that does not include other principals, VPs, or the General Contractor. This may be business as usual for corrupt Illinois and Chicago politics. But I find it infuriating. Download a spreadsheet of campaign contributions from just a few of the principals leading the 135 S. LaSalle Street project.

**DOWNLOAD->** <https://tifreports.com/wp-content/uploads/2025/09/135-S-LaSalle-Principals-contributions-1.xlsx>

I have been researching TIF abuse since 2012 (see [www.tifreports.com](http://www.tifreports.com)) and this is Standard Operating Procedure. My research has uncovered over **\$842 MILLION in public subsidies for Loop area office towers and private development projects over the past 25 years. In that timeframe, Chicago's developers have contributed millions of dollars to local elected officials and campaigns for public office.**

**Not one penny of all this TIF money has found or will find its way to the community.** And now, it seems, with great fanfare, hundreds of millions of public dollars are destined to flow to wealthy, clouted, white developers to convert buildings in the LaSalle Street area. Remember, the real estate and development industries have made hundreds of billions of dollars of profits over the decades. If they overbuilt – a problem, ironically triggered by the free money made available via the TIF program, it is not our problem to bail them out.