

Gilded Age Redux

Burst of Tower Construction Creates a Condo Boom on the Gold Coast

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By Jeffrey Steele



Marilyn Perno loves to walk. Really loves to walk. So after raising her family in the Washington, D.C. area, and later living in Naperville, the born-and-bred Chicagoan, as she describes herself, felt it was time for a return to her pedestrian-friendly roots -- this time to the Gold Coast.

“Why not? I mean, really, why not?” said Perno, a youthful, effervescent and energetic 77, who will move to The Clare at Water Tower next year.

“Even though you can take a train from Naperville and go downtown, it’s a bit of a pain. I like to be able to walk everywhere. And this way, I’ll be able to do a lot more walking in the city.”

From her new home at The Clare, whose strikingly curvilinear lines are pushing skyward at the corner of Rush and Pearson Streets, Perno figures she will be able to hoof it to theaters, restaurants and a wide array of retail boutiques.

Her philosophy: “Let’s get back to where we can do what we wish to do, and not worry about the train.”

She is one of thousands poised to move into new luxury residences, many of them high-rises, scheduled to open in the tony Gold Coast over the next two years.

It’s a second Gilded Age of sorts, and one that comes more than a century after the well-situated community witnessed its first wave of luxury home construction.

That one followed the trailblazing move of Potter and Bertha Palmer to their manor on the lake. It wasn’t long before the city’s gentry followed the Palmers, abandoning their beloved Prairie District mansions on the Near South Side for the newly christened lakefront “Gold Coast.”

These days, a catalyst for the latest construction spurt is the highly touted 92-story building rising not quite in the Gold Coast but a bit south of the neighborhood: Trump International Hotel and Tower Chicago. The stratospheric structure offers 486 luxury condominiums and 339 hotel condominiums ranging from 530 to 6,800 square feet, with prices starting at \$580,000 and extending to more than \$9 million, said sales manager Leah Harriet.

“Trump gave developers and home buyers alike newfound confidence in the city’s super-luxury real estate market,” Harriet observed.

“It has raised the ante in terms of building luxury buildings. It’s proven there is a rather sizable market where very few believed one existed. People didn’t think you could build a building of this size, and this luxury, and sell it out,” she said.

While some units remain available, “we’ve proven there’s a demand for this type of luxury,” she said.

Among the highest-profile of the high-end high-rises now sprouting on the Gold Coast is Ten East Delaware, a 36-story building slated for 120 luxury residential units. Construction commenced last fall, with completion slated for January 2009.

Ten East Delaware represents the first luxury residential tower on the Gold Coast for The Prime Group, a Chicago developer whose properties include a number of high-rise Loop office buildings.

The building is to be “classically arranged” and symmetrical, with an exterior of masonry, stone and ornamental grillwork, balconies and terraces on all units, and a 9th floor step-back with green

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roof plantings, said architect Lucien Lagrange, president of the Chicago architectural firm bearing his name.

Buyers will find the building well conceived, with considerable attention devoted to interior layout, Lagrange observed.

“We took great care to design units that would respond to that market and that price range,” he said. “You have to make sure the size and price are right, as are the bathrooms, family rooms and walk-in closets. The market is expecting a unit responding to its needs.”

“It’s a beautiful building,” said Michael W. Reschke, chairman and CEO of The Prime Group. “In laying out the units, we took advantage of every available inch, the way you design would a yacht. There’s a lot of functionality for the dollar.” Ten East Delaware features a private club called The Ten Club, with a health club and “country club room,” on the 35th floor, as well as a rooftop pool, gardens and sundeck. Adjacent to the Talbot Hotel, the building gives residents access to the hotel’s amenities, such as room service, housekeeping, catering and concierge services.

The Talbot’s restaurant, Bice, will expand into the base of Ten East Delaware upon the latter’s completion in 2009, Reschke said. The building’s 426,000 square feet will incorporate more than 3,600 square feet of high-end retail space.

Prices range from the upper \$500,000s for one-bedroom units to \$2.7 million for some of the larger penthouses, with the average price about \$1.3 million.

One of the more popular homes is a 2,500-square-foot, three-bedroom, 3 1/2-bath end unit on floors 9 through 35 on the building’s east side, Reschke

said. It offers a formal foyer, private den and office, family room off the kitchen, formal dining and living areas and balconies north and south, priced from \$1.5 million to \$2 million.

“I think it’s very appealing to buyers, because it’s a mix of retail and residential,” Lagrange said. “That stretch of Delaware is like a Parisian street. It’s very active, with sidewalk cafes and little stores on the corner. ... It’s not in the middle of the action, but on the edge. So you can get in on or out of the action simply by crossing the street.”

Towering even higher will be the Elysian Hotel and Private Residences, at 11 E. Walton St. The slender, 60-story tower will offer 51 condominiums above 188 hotel suites, said David Pisor, CEO and managing partner of Chicago’s Elysian Development.

The condominium homes, each boasting 3,800 square feet of space, start at \$2.8 million, while the hotel suites begin at sales prices of \$640,000.

The hotel portion of the building will open next fall, and the residences will be delivered through mid-2009, Pisor said.

According to Lagrange, the architect on this project as well, the ground floor of the Elysian will feature twin lobbies, one each for the hotel and condos. The ground floor will also offer retail space for high-end clothiers and other boutiques.

A motor court will be open to the sky on Walton Street. A 14,000-square-foot spa, three eateries operated by Charlie Trotter, meeting rooms, executive boardrooms and a ballroom will fill the four floors above the retail area. Above those floors will be the hotel suites, which in turn will be topped by the condominiums.

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“To put all that in one slender, 60-story building is challenging, because it is pencil thin,” Lagrange said. “The building will be visible from afar, because it’s the tallest building west of Michigan Avenue and north of the river.”

“It’s very nice to not be on the main thoroughfare of Michigan Avenue, but at the same time still be in an incredibly well-situated area with great restaurants and shopping,” Pisor said.

“It’s good for both residential and hotel residents. A lot of our purchasers will be able to walk to their offices, to shopping and restaurants.”

Just west of the Elysian and Ten East Delaware e is yet another new luxury development, Walton on the Park, developed by The Enterprise Cos. and Mesrirow Financial Real Estate.

Overlooking Newberry Library, the Scottish Rite Cathedral and Washington Square Park, Chicago’s oldest park, the development features twin towers with condominiums and penthouses priced from \$480,000 to \$2.5 million, as well as 10,000-square-foot “historic Chicago mansions.” Amenities include The Walton Club fitness center and spa, and a sundeck with pool, fireplace, outdoor cooking station and meditation garden

Though not part of the Gold Coast, nearby 600 North Lake Shore Drive is very close to the neighborhood. Developed by Belgravia Group, its primary selling point is the unobstructed lakefront view offered from its windows, said Belgravia president Alan Lev. One of the buildings at 600 North Lake Shore Drive is already open, while the second is scheduled for completion in spring of next year.

About two-thirds of the 600 units planned for the development have been sold. Prices range from

\$408,000 to \$1.8 million on units ranging from 1,116 to 2,547 square feet.

Not every Gold Coast residential development is brand new. Built in 1927 as a then-avant-garde poured-in-place concrete high-rise building, 1400 Lake Shore Drive. The 22-story, 400-unit vintage lakefront high-rise probably best known as the long-time home of the late, lamented Le Coq Au Vin restaurant, is garnering new life via its \$35 million condominium conversion by Chicago’s RDM Development.

And with prices ranging from \$144,000 to \$599,000 for studios to three-bedroom units, 1400 Lake Shore Drive is proof you don’t have to be a millionaire to command a Gold Coast residence, said RDM Development chairman and CEO Robert Mosky.

“There’s not a lot in this neighborhood that you can get for that price,” he said. “You can go right across the street and enjoy the lakefront. In the neighborhood, you have condos from \$1 to \$12 million. Lots of amenities are right in the neighborhood within walking distance. But right out of college, you could buy a unit here.”

Among 1400 Lake Shore Drive’s trademarks are an exquisite lobby graced by French walnut paneling and Italian fresco ceilings, elegant corridors with original artwork and custom Italian lighting, state-of-the-art fitness center and multi-tiered rooftop deck.

For those Gold Coast residents like Perno who never want to leave the area, there’s The Clare at Water Tower, the continuing care community where residents can live regardless of how independent or in need of nursing care they may find themselves.

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Developed by Homewood-based Franciscan Sisters of Chicago Service Corp., the building will serve up 600,000 square feet for independent living, assisted living and nursing units, plus dining venues, a bistro, a wellness center and day spa, said Stephen J. Bardoczi, senior vice-president of planning and real estate. Also part of the complex will be 35,000 square feet of Loyola University administration and classroom space, allowing Perno and other “lifelong learner” residents to further their educations.

Construction began on The Clare at Water Tower in late 2005, with completion slated for late summer, 2008. Units range in size from 800 to 1,800 square feet and go for prices from \$500,000 to \$1.2 million, Bardoczi said. As of mid-October, the building was 86 percent sold. “It’s a world-class, absolutely wonderful location, which will allow our clients to take advantage of all the amenities within walking distance, and have access to programs at Loyola University,” Bardoczi said.

Living in the midst of the Gold Coast, will represent a great stride forward for Perno. “Now it’s my time to relax and have fun, which living in the Gold Coast will certainly offer,” she said. “Now I get to do a lot of things I wasn’t able to do as much when I was younger. I can’t wait to go to the theater and symphony, walk to all the great restaurants and get around town so easily.”