

DOW INDUSTRIAL AVERAGE58.59 **10552.82**
Up 0.6 percent**NASDAQ COMPOSITE**2.90 **2129.01**
Up 0.1 percent**STANDARD & POOR'S 500**6.43 **1189.24**
Up 0.5 percent

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\$1 billion expansion of Central Station

Plans would add 1,200 homes to Near South Side complex

BY DAVID ROEDER
Business Reporter

With the ambition of creating an architectural centerpiece to show off the Near South Side, developers Thursday disclosed plans for a massive expansion of the Central Station residential complex.

The four new buildings would occupy highly visible real estate on the south side of Roosevelt Road, next to Grant Park and the museum campus. Plans call for the first building, a 65-story condominium project near the southwest

corner of Roosevelt and Columbus, to be started late in 2005 if advance sales warrant.

If built, the new high-rises would add about 1,200 units and a hotel to Central Station's current inventory of about 2,000 homes. Co-developer Gerald Fogelson said the additions would represent a nearly \$1 billion investment.

The surrounding area years ago was a run-down collection of warehouses and railroads that languished as downtown development moved north. That changed when low mortgage rates combined with the growing popularity of city living in the 1990s. Mayor Daley bought into Central Station in 1993.

Central Station "was the catalyst for the Near South Side" and the new buildings will celebrate that, said Fogelson, whose Fogelson Cos. co-owns the sites with

Forest City Enterprises Inc. Promising top-grade designs and spectacular views, he said the expansion should appeal to buyers who ordinarily would settle on the Near North Side.

"Besides responding to our own market, we are hoping to attract people who see this as a viable alternative to the North Side. We have better views and better prices," Fogelson said.

Prices for the initial building should range from \$400,000 to more than \$4 million, he said. Fogelson's pattern has been to minimize financial risk by taking on a partner for each Central Station building, and this latest venture is no exception.

Enterprise Development Co., one of Chicago's most prolific developers, is the partner for the first two Roosevelt Road buildings. Fo-

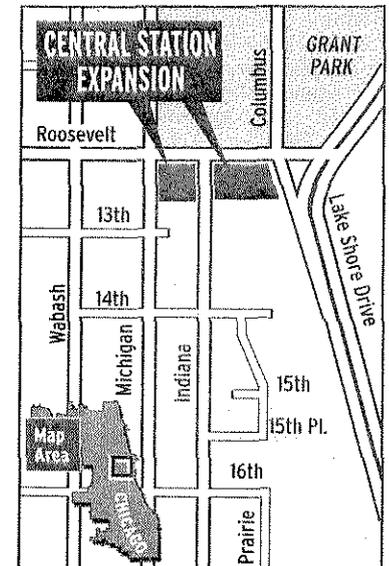
gelson said no partner has been designated for the later buildings, which could be years from reality.

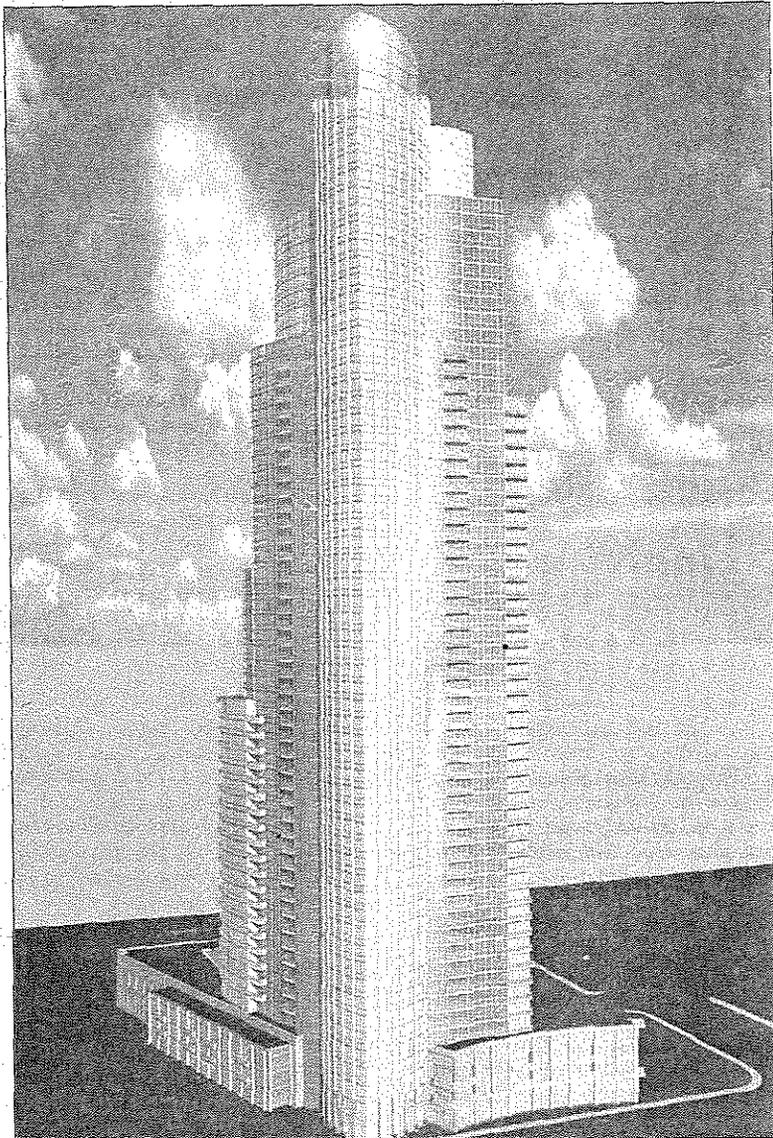
The Chicago-based firm Pappageorge/Haymes Ltd., best known for mid-rise work around the city, is the architect of the first two buildings. Fogelson called the firm's product contemporary and sleek and geared to take advantage of lake, park and skyline views.

The architects for the rest haven't been designated.

He wouldn't estimate how long it will take to build everything, joking about how he's been "so completely wrong" in past guesses about Central Station's timetable.

But the goal is to complete the buildings in an east-to-west order. All would have condos, but the last building, at the southeast corner of

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A 65-story condo building near Roosevelt Road and Columbus Drive would be the first built in a major expansion of the Central Station complex.

CENTRAL

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Developers begin showing designs to civic groups

Roosevelt and Michigan, could also include a hotel. Two buildings fronting on Indiana Avenue will be 53 stories each, while the one at Michigan will be 60 stories, Fogelson said.

As the site is the closest part of Central Station to downtown, plans for years suggested that hotels and offices could dominate that portion of the site. But those markets never jelled for that location.

Calling the swath along Roo-

sevelt the best sites in Central Station, Fogelson said he withheld plans for them "until the Near South Side developed critical mass and credibility, which it has."

The plans conform with existing guidelines for the site and don't require a zoning change. However, at the direction of the city's planning department, the developers have begun showing their designs to civic groups based downtown and on the Near South Side.

Analysts predict continued strength in the downtown residential market and note that the best-selling sites usually are part of totally new communities or boast fabulous views. With both factors in its corner, the 80-acre Central Station has been a sales leader with the downtown Lakeshore East project and the new University Village community on the Near West Side.