

Memorandum

To: Honorable Mayor and Members of the City Council
From: Paul Zalmezak, Economic Development Manager
CC: Erika Storlie
Subject: City Owned Real Estate Assets Report from Consultant Jones Lang LaSalle (JLL)
Date: April 27, 2020

Recommended Action:

Staff recommends City Council consider the recommendations made in the in the City-owned Real Estate Assets Report from Consultant Jones Lang LaSalle (JLL), provide direction for next steps and accept the report and place it on file.

Council Action:

For Action: Accept and Place on File

Summary:

Staff was directed to explore the value of City-owned real estate structural assets: buildings, land, parks, and garages which led to the development of a Request for Proposals (RFP) 19-47 - City's Real Estate Assets and Evaluation. Proposals were requested from experienced consultants to evaluate the value of the City's holdings relative to their utilization and to make a recommendation to the City Council about their potential future use. The Evanston City Council approved a contract with Jones Lang LaSalle (JLL). JLL completed Phase I of the contract and provided the attached report. Staff recommends reviewing and placing this report on file.

JLL's Phase I report resulted from several months of activities including:

1. Review of the complete list of city holdings and determine a subset for further analysis.
2. Provide recommendations to staff about the disposition or renovation of the subset potential properties.
3. Site visits to the subset properties, which allowed for the collection of data including headcounts, space layouts, measurements, etc.
4. Calculation of "rule of thumb" cost estimates and/or valuation estimates.
5. Delivery and presentation of a Phase I report to City Council with recommendations for properties to consider for further detailed analysis in Phase II of the contract.

JLL narrowed the larger list of city-owned properties to a condensed list, including those summarized in the table below. The Phase I analysis, as summarized above, used recent sales data and/or appraisal data to estimate a preliminary redevelopment value.

Preliminary Redevelopment Value City-owned Properties

Property	Preliminary Redevelopment Value	Report Page Reference
Civic Center	\$14,300,000	Page 19
Police/Fire HQ	\$3,500,000	Page 23
Gibbs Morrison	\$445,000	Page 30
Animal Shelter	\$1,900,000	Page 32
633 Howard*	\$174,000	Page 34
729 Howard*	\$281,000	Page 34
1800 Maple Garage	\$13,500,000	Page 40
1703 Orrington (library parking lot)	\$4,000,000	Page 43
Church Street Garage	\$5,300,000	Page 45
Total	\$43,400,000	

** recommends listing for sale, phase II analysis not required*

These numbers should be considered starting points for purposes of estimating potential disposition value. The police and fire headquarters property, for example, adjacent to downtown, close to multiple transit stations and the ability to construct with density probably has a land value exceeding \$3.5 million. JLL applied the \$85 per square foot appraisal value for Lot 1 at South & Hinman. In comparison, the estimated 28,000 square foot 1703 Orrington (library parking lot) was appraised last year at \$4 million (\$142/sf) and is similarly situated in relation to downtown Evanston. If we assumed a value of \$100 per square foot (to be conservative), the estimated value of the 1.4 acre police and fire station could be closer to \$6 million.

JLL recommends these properties be considered for Phase II (additional) analysis. Phase II of the contract would provide a detailed evaluation, valuation, and cost estimation of preferred properties. Phase II of the contract would cost \$145,761 and would include the following tasks:

1. The value/costs of properties identified in the first phase.
2. Strategy for disposition.
3. Strategy for renovation.

The report highlighted the option of a purpose-built combined Civic Center / Police Station. This option is one that City staff would like to explore further as there are existing city-owned properties in Downtown Evanston that could accommodate a purpose-built facility such as this. Downtown Evanston would benefit from having the Civic Center in the downtown and now more than ever it will be important for the long term stabilization of downtown to have additional office workers located there.

The Church St. Garage Parking Structure is another asset that City Staff would recommend exploring selling. The owners of the adjacent apartment building have expressed interest in purchasing the facility and any sale would be contingent upon accepting any parking leases in place for for area transit-oriented developments. Sale could also be contingent upon acceptance of a future parking lease to accommodate any possible future development of 1710 Chicago ave (Library Parking Lot).

Due to the COVID-19 public health emergency and its impact on the City's budget, staff does not recommend proceeding with Phase II with the consultant at this time. Instead, City staff will prepare as much as possible and see if Phase II could be modified to be more cost effective using a balance of City staff and consultants.

Legislative History:

On December 9, 2020, the City Council approved a contract with Jones Lang LaSalle Americas (IL) L.P. to provide Phase I of the City's Real Estate Assets and Evaluation Services related to RFP 9-47 in the amount of \$128,938.

Attachments:

[City of Evanston Phase I Report 04 17 2020](#)

Jones Lang LaSalle Incorporated

Portfolio Assessment Report – Phase I

City of Evanston

April 2020

Contents

Executive Summary	3
Property Overview	4
Market Analysis	5
Demographic and Economic Analysis	5
Multi-Family Market Analysis	6
Office Market Analysis	9
Retail Market Analysis	11
Site Profiles	15
Site #1: Civic Center	15
Site #2: Police and Fire Headquarters	20
Site #3: Gibbs-Morrison Cultural Center	25
Site #4: Animal Shelter and Adoption Center	28
Site #5: Service Center	30
Site #6: Howard Street Storefronts	32
Site #7: James Park Sled Hill	34
Site #8: Water Department Administration Building	36
Site #9: 1800 Maple Avenue	38
Site #10: 1703 Orrington Avenue (Lot 3)	40
Site #11: 525 Church Street (Church Street Garage)	42
Site #12: 1501 Sherman Avenue (Holiday Inn Garage)	44
Site #13: Southeast Evanston Parking Lots	45
Appendix: Site Visit Photos	46

Executive Summary

In January 2020, the City of Evanston engaged JLL and their sub-consultants, Tilton, Kelly + Bell, LLC (“TKB”) and Grumman/Butkus Associates (“GBA”) collectively referred to as the “JLL team”. The JLL team was tasked to perform a preliminary review of the City’s real estate assets and provide a professional recommendation (“Phase 1”). In Phase 1, the JLL team worked with the City’s project team to narrow the exhaustive list of real estate assets to a sub-set for further review and site exploration. On February 14, 2020, the JLL team toured 13 sites led by Sean Ciolek and Lukasz Tatara of the City of Evanston.

Following the site tours, the JLL team evaluated the merits and shortcomings of each site supported by both quantitative and qualitative data to arrive at their recommendations. Overall, the JLL team recommends advancing the following sites to Phase II for further evaluation and analysis:

- Civic Center
- Police and Fire Department Headquarters
- Gibbs – Morrison Cultural Center
- Animal Shelter and Adoption Center
- 1800 Maple Avenue Self-Park
- 1703 Orrington Avenue (Lot 3)
- The Southeast Parking Lots
 - Lot 1 (South Boulevard and Hinman)
 - Lot 39 (711 Hinman)
 - Lot 42 (743 Hinman)
 - Lot 32 (825 Hinman)
 - Lot 35 (NW Main & Judson)
 - Lot 45 (833 Forest)
 - Lot 22 (Sheridan and South)

Property Overview

Property Overview

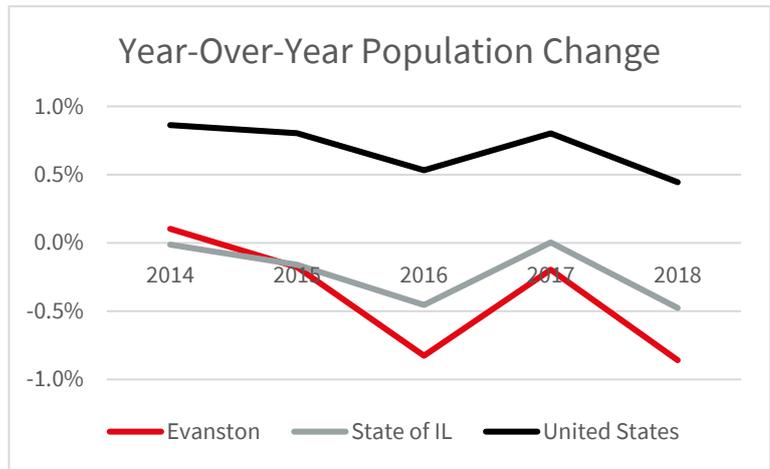
City of Evanston Property Overview – Toured Sites		
Building Site Name	Address	Description
1. Civic Center	2100 Ridge Avenue	Admin Building
2. Police and Fire Department Headquarters	1454 Elmwood Avenue; 909 Lake Street	Admin Building
3. Gibbs – Morrison Cultural Center	1823 Church Street	Cultural Center
4. Animal Shelter and Adoption Center	2310 Oakton Street	Animal Shelter
5. Service Center	2020 Asbury Avenue	Service Building
6. Howard Street Storefronts	633 Howard Street; 729 Howard Street	Vacant Storefronts
7. James Park Sled Hill	Southeast corner of James Park	Park
8. Water Dept. Administration Building	555 Lincoln Street	Admin Building
Parking Lot/Garage Name	Address	Description
9. 1800 Maple Self-Park	1800 Maple Avenue	Parking Lot
10. Lot 3	1703 Orrington Avenue	Parking Lot
11. Church Street Self-Park Garage	525 Church Street	Parking Garage
12. Holiday Inn Garage	1501 Sherman Avenue	Parking Garage

City of Evanston Property Overview – Southeast Parking Lots			
Site Name	Address	SF	Number of Spaces
1. Lot 1	South Blvd and Hinman	27,000	66
2. Lot 39	711 Hinman	16,000	48
3. Lot 42	743 Hinman	8,655	24
4. Lot 32	825 Hinman	24,000	77
5. Lot 35	NW Main & Judson	19,000	56
6. Lot 45	833 Forest	9,400	25
7. Lot 22	Sheridan and South	13,400	50

Market Analysis

Demographic and Economic Analysis

In 2018, Evanston had an estimated population of 74,110 with a median age of 36.5, younger than the statewide median age of 38.3. In Evanston, 65.7% of the population has a bachelor’s degree or higher, which is significantly higher than the 34.1% of Illinois residents who have a bachelor’s degree or higher. Evanston’s population has decreased by 2.0% since 2014. During that period, the state of Illinois’s population decreased by 1.1%, and the United States’ population increased by 2.6%.

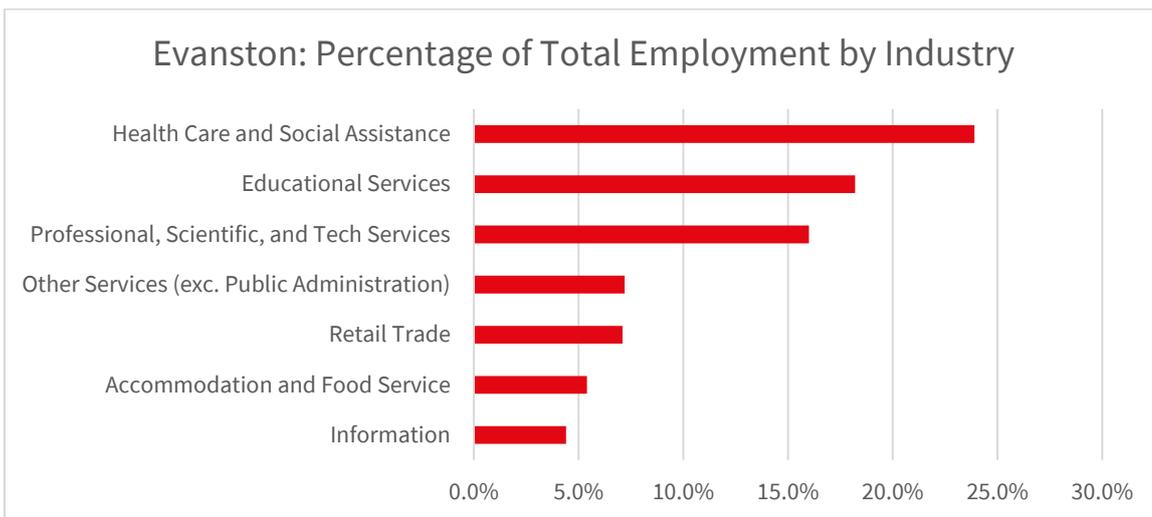


Source: U.S. Census Bureau

Labor Force and Employment Growth

Evanston’s unemployment rate in December 2019 was 2.2%, lower than Illinois’s 3.5% unemployment rate and the United States’ 3.5% unemployment rate in the same month. Employment in Evanston was estimated to be 35,991 in 2018, up slightly from 35,295 in 2014.

Health care and social assistance is the largest employment sector in Evanston, estimated to account for 23.9% of all jobs. The next largest industries by employment are educational services with 18.2% of all jobs and professional, scientific, and tech services with 16.0% of all jobs.

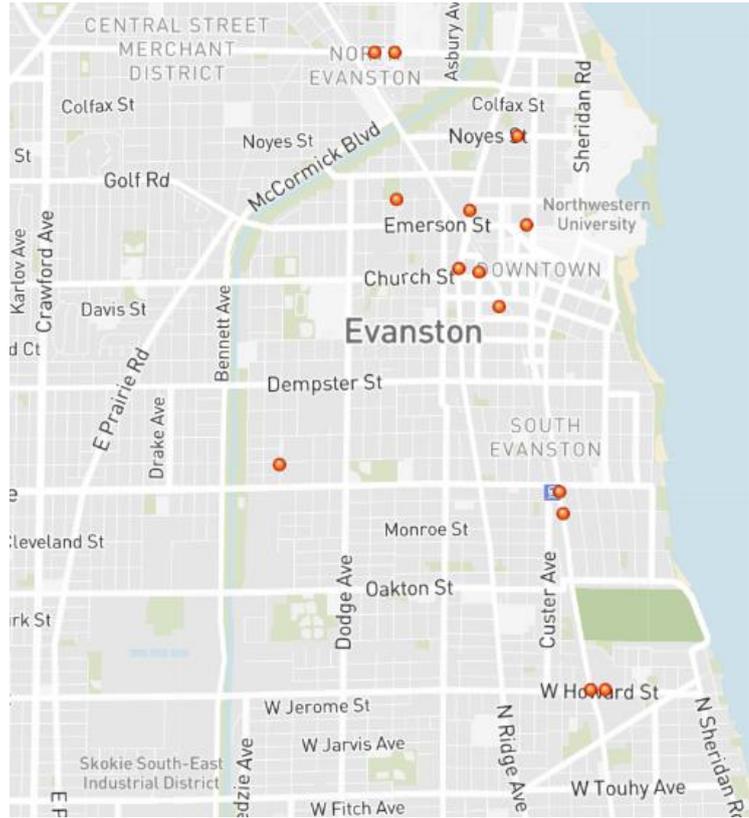


Source: ESRI

Multi-Family Market Analysis

Multi-Family Residential Market Conditions

In this analysis, the JLL team included Evanston’s multi-family residential buildings that would be comparable to a newly constructed multi-family residential building on City-owned property. Comparable multi-family residential buildings in the market have similar amenities, were more recently constructed, and charge rents comparable to what would be required in a newly constructed multi-family residential building. The JLL team identified 22 multi-family residential buildings in the market to include in the competitive set.

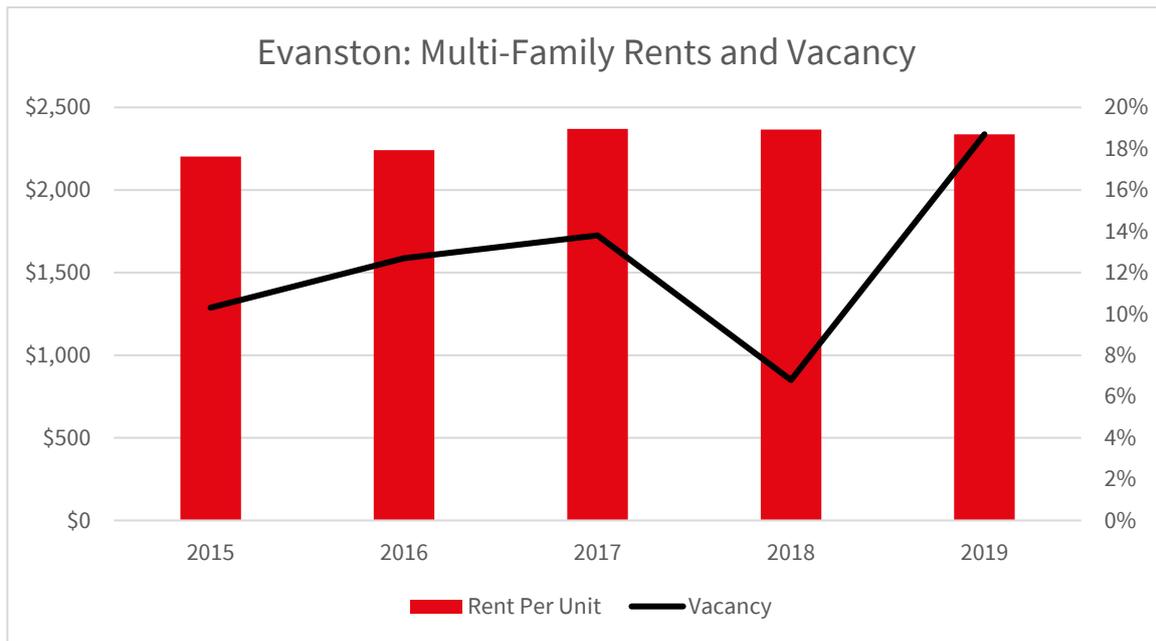


Building Name	Address	Units	Rentable Building Area	Year Delivered
E2	1890 Maple Ave	352	304,700	2015
Albion at Evanston	1500 Sherman Ave	268	320,000	2019
The Link Evanston	811 Emerson St	242	242,000	2020
415 Premier Apartments	415 Howard St	221	200,000	2008
AMLI Evanston	739 – 749 Chicago Ave	214	246,000	2013
The Reserve	1930 Ridge Ave	193	162,935	2003
1717 Evanston	1717 Ridge Ave	175	200,000	2013
The Main at 847 Chicago	847 Chicago Ave	112	158,000	2016
Centrum Evanston	1571 Maple Ave	101	105,956	2017
	1621-1631 Chicago Ave	100	300,000	2022
Central Station	1720 Central Ave	80	100,000	2013
Avidor Evanston	1727 Oak Ave	80	80,000	2020
	910 – 938 Custer Ave	47	88,000	2021
1620 Central	1620 Central St	47	42,300	2017
Emerson Square Apartments	1600 Foster St	44	30,900	2013
828 Lofts	828 Noyes St	44	30,000	2018

Building Name	Address	Units	Rentable Building Area	Year Delivered
Evanston Gateway	100 Chicago Ave	26	26,500	2021
	525 Kedzie Ave	21	62,650	2009
	1619 Chicago Ave	18	16,107	2017
	817 Chicago Ave	8	37,686	2009
Shop Studios	940 Pitner Ave	5	5,628	2010
	2624 – 2644 Prairie	4	12,936	2008

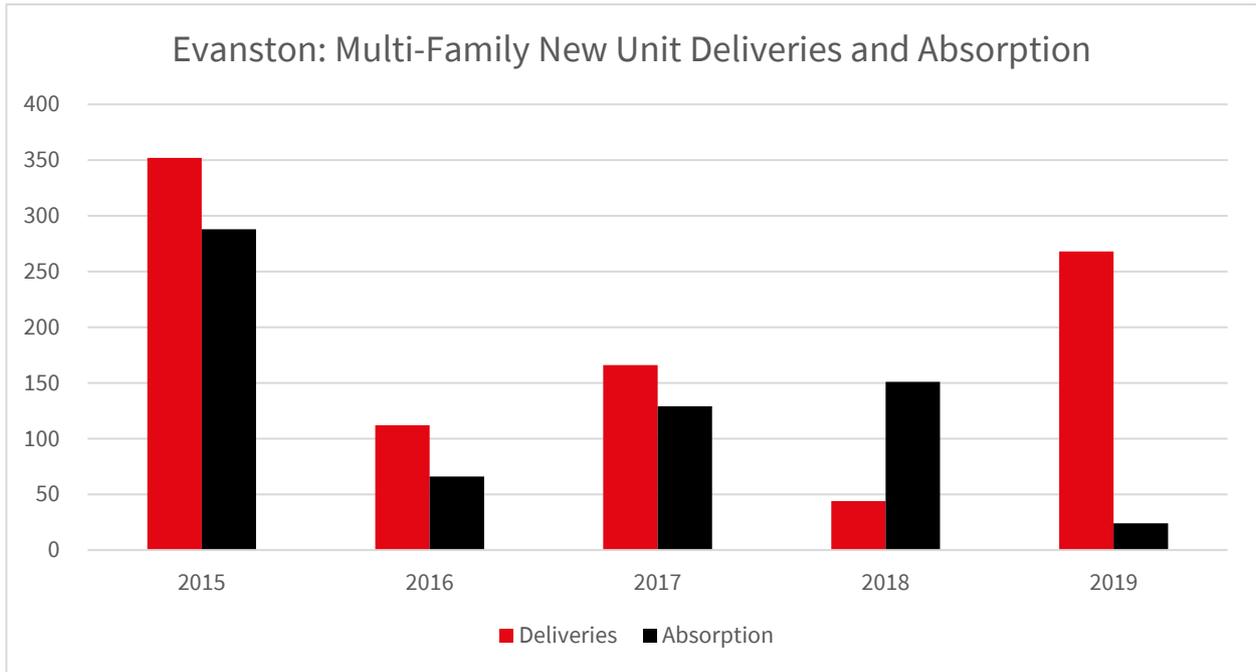
Source: CoStar

The inventory of comparable multi-family residential buildings in Evanston totals 2,137 units, with 80 new units under construction and 427 vacant units. Multi-family residential buildings in the competitive set have seen increases in asking rents and vacancy in recent years, with rents increasing from \$2,203 per unit in 2015 to \$2,337 per unit in 2019, or from \$2.51 per square foot per month in 2015 to \$2.67 per square foot per month in 2019. Vacancy rates in the competitive set increased from 10.3% in 2015 to 18.7% in 2019. The high vacancy rate in 2019 is due largely to the 244 new units that were delivered in 2019 but were not absorbed by the end of the year.



Source: CoStar

With the 242-unit Link Evanston property at 811 Emerson Street completed in early 2020, only 80 units remain under construction in the market. Along with the Link Evanston, the Albion at Evanston, delivered in 2019, has 268 units, bringing more than 500 units to the market since the beginning of 2019. These two properties sit at greater than 40% vacancy, indicating that the market has been slow to absorb units. The other properties delivered in the market since 2015 have generally leased up within 24 months, indicating that market absorption may be slowing.



Source: CoStar

Following the delivery of a substantial number of units in the market in recent years, construction has slowed. Only the 80 units at the Avidor Evanston broke ground in 2019, with no new construction starts in 2020 year-to-date.

Multi-Family New Unit Deliveries					
Year	2015	2016	2017	2018	2019
Construction Starts (Units)	159	119	44	510	80
New Deliveries (Units)	352	112	166	44	268

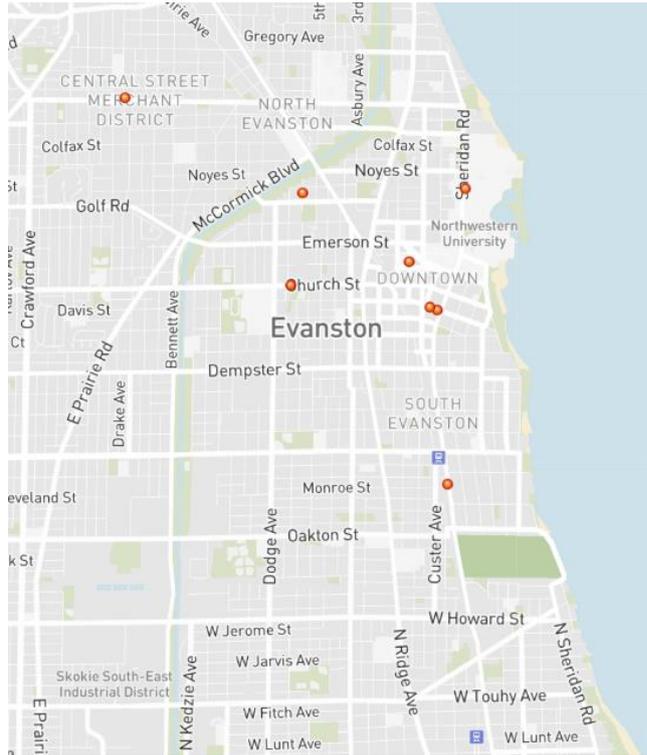
Source: CoStar

Office Market Analysis

Office Market Conditions

In this analysis, the JLL team included Evanston office spaces that would be comparable to a newly constructed office building on City-owned property. Comparable office spaces in the market have similar amenities, were more recently constructed, and charge rents comparable to what would be required in a newly constructed office building.

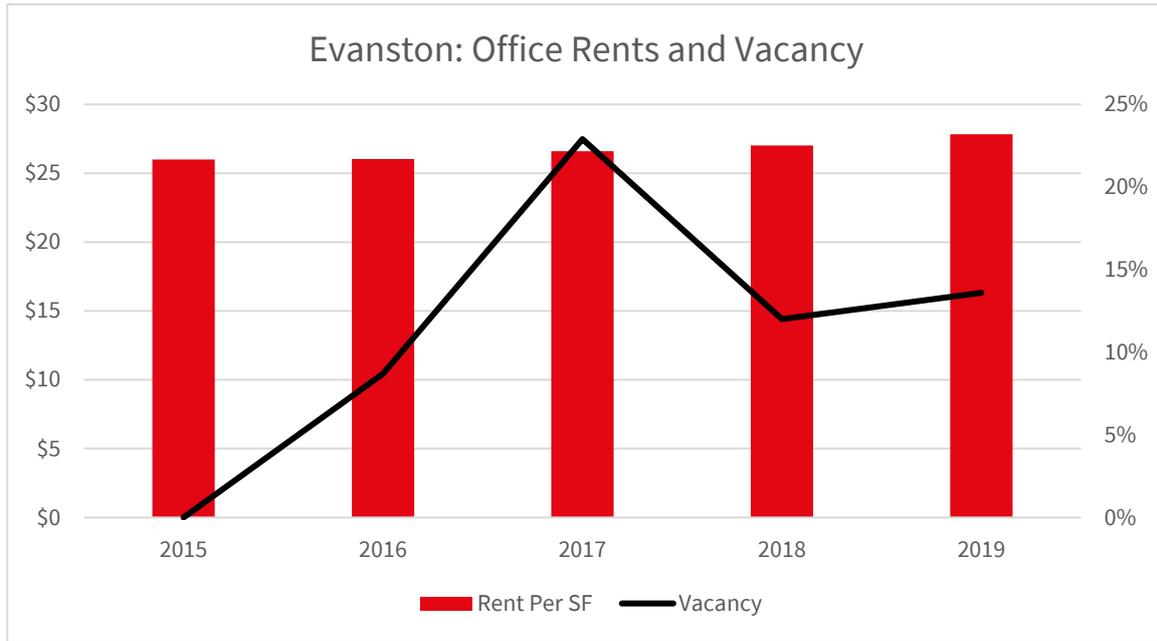
The JLL team identified seven office properties in the market to include in the competitive set. Besides the property located at 909 Davis Street, which is a 195,098 square foot office building with tenants like Houghton Mifflin Harcourt and NorthShore University Health System, the remaining comparable office spaces in the Evanston Market are all located within larger, mixed-use developments that generally consist of first floor office spaces with several floors of residential space above. A similar mixed-use office and residential project could be developed on City-owned property, so the JLL team included these spaces in its office market analysis.



Building Name	Address	Office Building Area	Year Delivered/Renovated
	909 Davis St	195,098	2002
Optima Horizons	1821 Benson Ave	21,528	2004
Strange Lofts	1715 Church Street	6,800	2003
	622 Davis St	6,382	2003
	2935 Central St	5,900	2006
	2934 Central St	5,650	2000
AMLI Evanston Lofts	709 Chicago Ave	3,696	2013

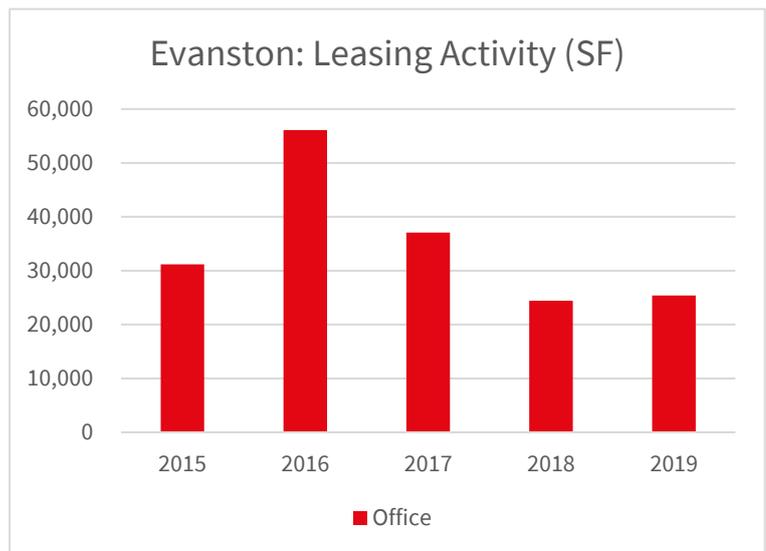
Source: CoStar

Comparable office spaces in the Evanston market total 245,054 square feet, with 46,420 square feet of vacant space. Comparable spaces have seen an increase in rents and vacancy in recent years. Rents have increased from \$26.00 in 2015 to \$27.83 in 2019, while vacancy rates in the market have varied significantly in recent years, jumping from near 0.0% in 2015 to 22.9% in 2017 before dropping back to 13.6% in 2019. While rising rents suggest increasing demand for office space in the competitive set, the vacant space at 909 Davis Street suggests there is likely sufficient office space available in the market.



Source: CoStar

The market’s lone comparable office building, 909 Davis Street, was delivered in 2002. While a new 76,000 square foot building has been proposed at 601 Davis Street, no comparable office properties are currently under construction in the market. Leasing activity in the market has been fairly modest, with 25,392 square feet of activity occurring in 2019. The greatest amount of leasing activity in recent years occurred in 2016, with 56,097 square feet transacted that year. While increasing rents indicate a potentially tightening office market, a high vacancy rate, modest leasing activity, and no recent deliveries suggest that market rents may not be enough to support new construction.



Source: CoStar

Retail Market Analysis

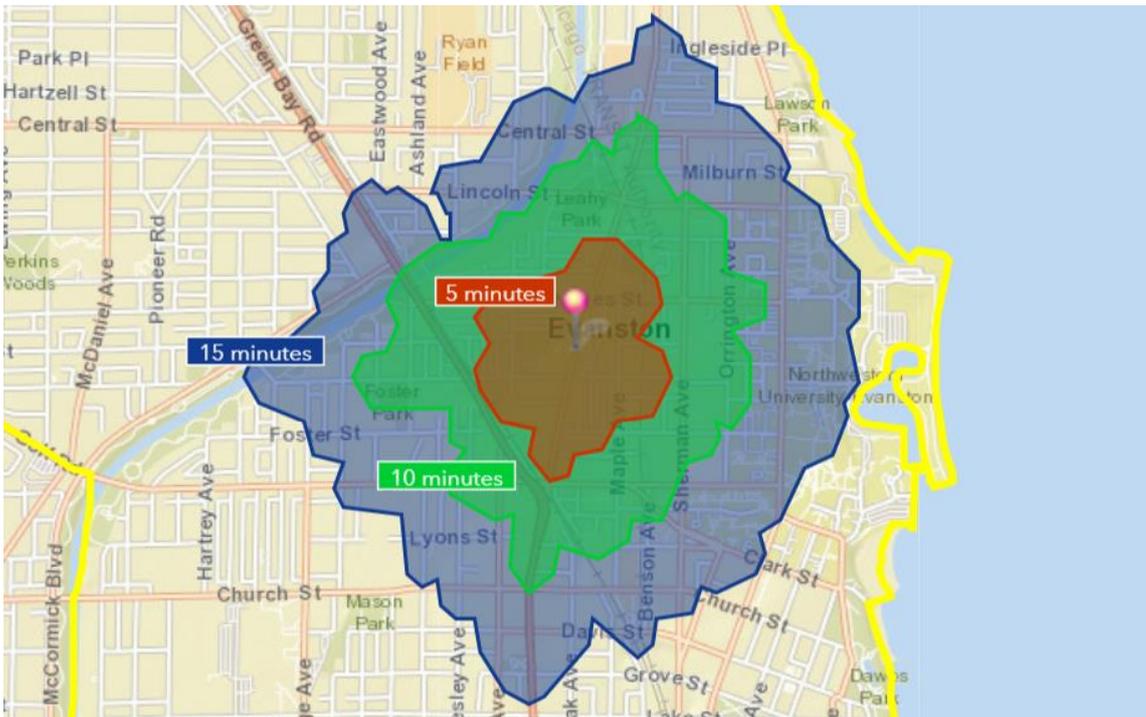
For this retail market analysis, JLL performed a retail gap analysis to assess specific types of retailers who may be attracted to a development on City-owned property. This particular retail gap analysis is based around the Civic Center property, although it will generally represent retail activity in the market. For each property that is chosen for Phase II of the JLL team’s analysis, the JLL team will perform a separate retail gap analysis to demonstrate the potential demand for retail near the subject property.

A retail gap analysis starts with the dollar value spent by residents and workers in a trade area on particular retail goods and subtracts from that amount the dollar value of goods sold by retailers. For a specific retail category, if the result is positive, this indicates that residents and workers are spending more than what stores are selling, indicating that they are traveling outside of the trade area to purchase those goods. In this case, there either are not enough stores, existing stores may not match consumers’ tastes, or both; and there may be excess demand that a retailer can capture. If the result is negative, this indicates that stores are selling more than residents and workers are buying, indicating that not only are residents and workers needs being met for that particular category, but that stores are drawing in customers from outside of the trade area, as well.

Defining the “trade area” is a key component of a gap analysis. Consumers are willing to travel varying distances for different types of goods. Typically, consumer goods are divided into two groups: “convenience goods” and “comparison goods.” Convenience goods are those goods which consumers are willing to only drive or walk a short distance to purchase. This includes grocery, personal care items, restaurants, and other goods which are typically consumed more regularly. For this analysis, the convenience trade area is a 5-minute drive or walk from the Civic Center.

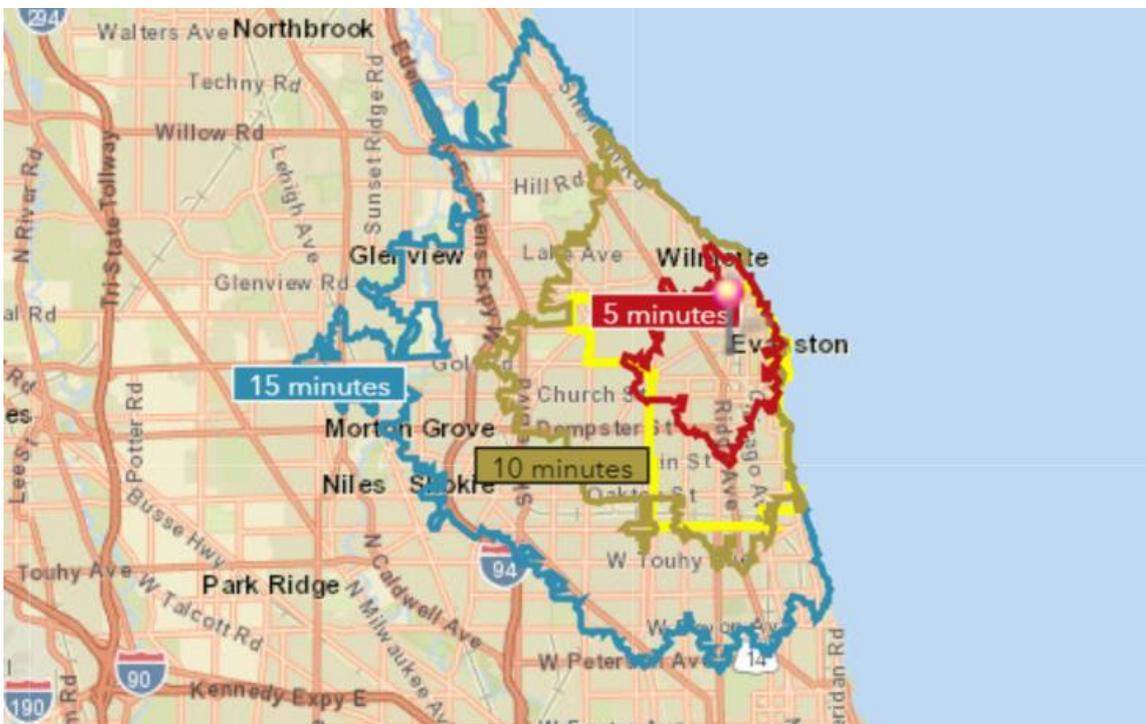
Comparison goods are those goods which consumers are willing to travel farther to purchase, and for which consumers are more likely to compare prices. These include apparel and accessories, furniture, electronics, auto parts, etc. These are goods which are purchased much less frequently, and therefore for which consumers shop less frequently. In a retail gap analysis, comparison goods also encompass the general merchandise offered by big box stores, warehouse clubs, and supercenters without necessarily calling attention to specific retail goods. The comparison good trade areas are a 10-minute and a 15-minute drive from the Civic Center.

Walk-Time Map



Source: ESRI

Drive-Time Map



Source: ESRI

Convenience Goods

Convenience Goods, 5-minute walk time			
Category	Demand	Supply	Surplus/Gap
Grocery Stores	\$3.7 M	\$1.1 M	\$2.6 M
Personal Care	\$1.5 M	\$0	\$1.5 M
Restaurants	\$2.8 M	\$2.7 M	\$0.1 M

Convenience Goods, 5-minute drive time			
Category	Demand	Supply	Surplus/Gap
Grocery Stores	\$101.5 M	\$133.6 M	(\$22.0 M)
Personal Care	\$44.6 M	\$77.3 M	(\$32.6 M)
Restaurants	\$82.4 M	\$105.4 M	(\$22.9 M)

Source: ESRI

The retail gap analysis shows that demand exceeds supply for all convenience goods within a 5-minute walk of the Civic Center, while supply greatly exceeds demand for all convenience goods within a 5-minute drive of the Civic Center. This means that standalone grocery store, personal care, or restaurant retail establishments will likely face significant competition if they were to open on the site. However, since there is little supply of convenience goods within a 5-minute walk of the Civic Center site, a small retail program that's part of a larger, mixed-use development may be able to cater to users of the site, such as residents of a multi-family residential building or employees in an office building.

Comparison Goods

Comparison Goods, 10-minute drive time			
Category	Demand	Supply	Surplus/Gap
Furniture	\$92.2 M	\$90.6 M	\$1.6 M
Electronics	\$107.6 M	\$48.7 M	\$58.9 M
Building Materials	\$188.5 M	\$91.5 M	\$97.0 M
Clothing	\$159.1 M	\$224.2 M	(\$65.1 M)
Sporting Good, Books, Music	\$74.2 M	\$92.9 M	(\$18.7 M)
Department Stores	\$475.1 M	\$268.7 M	\$206.5 M

Comparison Goods, 15-minute drive time			
Category	Demand	Supply	Surplus/Gap
Furniture	\$179.7 M	\$164.9 M	\$14.8 M
Electronics	\$210.9 M	\$115.3 M	\$95.6 M
Building Materials	\$366.3 M	\$211.6 M	\$154.7 M
Clothing	\$313.7 M	\$393.8 M	(\$80.1 M)
Sporting Good, Books, Music	\$146.0 M	\$149.4 M	(\$3.4 M)
Department Stores	\$937.6 M	\$566.3 M	\$371.3 M

Source: ESRI

Three comparison goods categories have significant retail gaps within both a 10-minute and 15-minute drive of the Civic Center: electronics, building materials, and department stores. These gaps indicate that residents living within a 10-minute and 15-minute drive of the site generally purchase these goods outside of the trade area, likely either in the Chicago suburbs, which have more space for larger standalone retail stores, or closer to the Chicago downtown, which has greater density and a more varied selection of retailers, although the stores are generally smaller in scale. The Civic Center site could be a viable location for electronics, building materials, or department store retailers, either in a standalone retail development on a portion of the site or as part of a larger, mixed-use development that is anchored by multi-family residential or office uses.

However, at approximately 7.0 acres, the Civic Center site may not be large enough to house the volume of retail square footage that would make these types of retailers viable, such as a Best Buy, Home Depot, or Lowe's Home Improvement. The site is also not highway adjacent, which big box retailers tend to prefer as highway adjacency provides maximum accessibility and visibility for their businesses. Finally, the Civic Center site is located in a primarily residential area of Evanston, so a large retailer, and the traffic it would bring, would likely not be the most desired use of the site by the community. Rather, smaller site- and neighborhood-focused retailers, such as a small hardware store or electronics store, may find success in a larger, mixed-use project given the lack of competition in the trade area.

Site #1: Civic Center

Site Description

The Civic Center property is an approximately 7.0-acre site that houses the 114,614 square foot Lorraine H. Morton Civic Center. Along with the main building, the site includes a separate 1,200 square foot boiler house building with a boiler room on the ground floor and a 1,414 square foot coach house on the second floor. The Civic Center building houses most of the City’s administrative and operational services, including seven City departments, an adjudication/chamber and 11 conference meeting rooms. The site is located at 2100 Ridge Avenue and is surrounded on three sides by surface roads, with Ingraham Park bordering the site to the northwest.



Site #1: Civic Center	
Site Address	2100 Ridge Avenue
Current Use	Lorraine H. Morton Civic Center
Site Size	7.0 acres
Building Size	Civic Center: 112,000 SF Boiler Room: 1,200 SF Coach House: 1,414 SF <i>Total On Site: 114,614 SF</i>
Parking Spaces	162 surface lot spaces

Site Access

The Civic Center site is located west of Ridge Avenue, one of the main northbound and southbound roads in Evanston. The site is 0.3 miles southwest of the CTA Noyes Purple Line station, 0.4 miles northwest of the CTA Foster

Purple Line station, and 0.8 miles north of the Metra Evanston Davis Street station. Northwestern University, the largest employer in Evanston, is located approximately 0.6 miles east of the site, and NorthShore University Evanston Hospital, another significant employer in Evanston, is located approximately 0.6 miles north of the site. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 4.3 miles west of the site.

Nearby Uses

Nearby uses primarily consist of multi-family and single-family residential properties. The site is not immediately adjacent to retail uses, with the nearest retail approximately 0.3 miles to the northeast near the CTA Noyes Purple Line station and approximately 0.4 miles to the south near the intersection of Ridge Avenue and Emerson Street. The site is zoned OS/R4, meaning the property currently holds an open space designation intended for park or green spaces and a residential designation intended for various single-family and multi-family residential uses.

Headcount

The City of Evanston estimates that approximately 162 employees work at the Civic Center. This is an approximate number and includes multiple shifts of people who are also not always permanently at this location

but have it as their home base. This also does not include seasonal employees, summer youth employees, contractors, tenants or volunteers.

With a building size of 114,614 square feet, that equates to approximately 707 square feet per employee. While JLL would expect to see higher-than-average space utilization due to the public spaces in the building, like the lobby or waiting areas, as well as the workspaces for temporary or seasonal employees, this is significantly higher than industry best practice. According to JLL’s 2019 occupancy benchmarking annual guidelines, more than half of the firms surveyed by JLL utilize 225 square feet or less per employee. Based on the available space utilization estimate, there is significant opportunity to improve the City’s office space utilization, either by renovating the existing facility or developing a new build-to-suit facility.

Current Condition and Site Visit Findings

The Civic Center was built in 1927 and was originally designed and used as a high school. While the facility has served as the City’s Civic Center for several decades, the facility’s original design is largely unchanged, leaving wide hallway corridors and large, irregularly sized meeting rooms that formerly served as classrooms. Generally speaking, the building’s original configuration as a high school dominates and severely limits the City’s ability to use the space effectively.

Overall, the exterior is in good condition with a relatively new roof (10 years old), updated elevators (as of last year) and well-maintained masonry. Double hung windows have also been replaced; however, numerous windows are no longer operable or move with great difficulty and/or allow excessive air infiltration.

The interior condition of the building, originally constructed as a double-loaded corridor with classrooms on either side, is highly spatially restrictive and inefficient for its current purpose. Closely spaced structural columns, buried in the corridor walls, limit the opportunity to reconfigure to provide flexible office space.

There is approximately 3,000 square feet of space devoted to the central corridor, representing more than 17% of the available office space on a given floor. Collectively, the long wings dominated by a broad central corridor and the preponderance of narrow office suites limits flexibility, effective space assignments/allocations, and likely reinforces departmental silos.

Additionally, the inherited locations of entrances, stairs and elevators taxes security efforts and adds confusion to the visiting public. Other interior shortcomings observed while on the site tour include the lack of a proper dock and the absence of a freight elevator.

Estimated Renovation Costs

Several of initial renovation items were noted as a result of the touring the Civic Center. We have broken out the renovation costs in two categories: “like-for-like” renovations and “upgrade” renovations. Below is a summary of each.

Like-for-Like Renovations:

Description	Budget/Timeframe 0-2 years	Budget/Timeframe 3-5 years	Budget/Timeframe 6-10 years
Demo & replace ceilings in conjunction with heat pump & piping repairs (assumes 70% done with heat pumps)	\$420,000		

Description	Budget/Timeframe	Budget/Timeframe	Budget/Timeframe
	0-2 years	3-5 years	6-10 years
Replacement of heat pumps. Keep and maintain boilers and fluid cooler. Keep and maintain switchgear. Replace light fixtures as/when needed and during remodels. Keep and maintain plumbing system. Keep and maintain fire protection systems	\$6,500,000	\$550,000	\$900,000
Provide new lighting and controls in areas of new ceilings. Reuse existing branch wiring (assumes 70% done with heat pumps in years 1-2; years 3-10 anticipate replacement of 50% balance on an as-needed basis but without controls)	\$619,500	\$39,375	\$65,625
Window repairs &/or replacement (assumes 10% of windows)	\$24,080	\$36,120	
Toilet room upgrades	\$75,000	\$75,000	
Total	\$7,638,580	\$700,495	\$965,625

Upgrade Renovations:

Description	Budget/Timeframe	Budget/Timeframe	Budget/Timeframe
	0-2 years	3-5 years	6-10 years
Demo & replace ceilings in conjunction with installation of central AC system	\$600,000		
New central airside system and central cooling/heating plant. Demolish heat pump system and existing central plant. Provide new central AHUs, terminal boxes, chillers, and hydronic boilers. Replace and upgrade switchgear as required to accommodate new and larger loads. Replace light fixtures. New lighting control system. Keep and maintain plumbing systems. Keep and maintain fire protection systems.	\$11,000,000	\$500,000	\$900,000

Description	Budget/Timeframe	Budget/Timeframe	Budget/Timeframe
	0-2 years	3-5 years	6-10 years
Provide new lighting and controls throughout. Reuse existing branch wiring	\$825,000		
Window replacement	\$24,080	\$36,120	
Toilet room upgrades	\$75,000	\$75,000	
Install freight elevator (six stop, 5,000 lb. capacity)	\$295,300		
Reconfigure to improve adjacencies, circulation and security	\$1,625,000		
Total	\$14,444,380	\$611,120	\$900,000

Valuation

To estimate the Civic Center’s potential disposition value, the JLL team looked at recent comparable sales in the market for both office and land properties. A buyer may be interested in renovating the existing building for office use or demolishing the existing building and developing a new office or residential project in its place.

Since the Civic Center was built in 1927 and remains largely unrenovated, the JLL team looked for recent office sale comparables of similar age and condition. The 66,000 square foot office building at 1840 Oak Avenue, which was built in 1945 and renovated in 1990, served as the best sale comparable. The building was sold in January 2017 for \$4.5 million, or \$68.18 per square foot. Along with its similar age, 1840 Oak Avenue is located in close proximity to the Civic Center at a distance of 0.6 miles.

In addition to 1840 Oak Avenue, the JLL team also identified the 85,935 square foot office building at 820 Davis Street as a sale comparable. 820 Davis Street was built in 1975 and renovated in 1985 and was sold in March of 2019 for \$10.6 million, or \$123.35 per square foot. While 820 Davis Street is a viable comparable for the Civic Center, it’s newer than 1840 Oak Avenue and is located further from the Civic Center in downtown Evanston, a potentially more desirable location. For these reasons, the JLL team views the \$68.18 per square foot value of 1840 Oak Avenue as the preferred sale comparable for the Civic Center’s initial valuation. At a similar per-square foot valuation to 1840 Oak Avenue, the Civic Center site would be valued at \$7.8 million.



Sale Comparable	
Address	1840 Oak Avenue
Use	Office
Building Size	66,000 SF
Year Built / Renovated	1945 / 1990
Sale Date	January 2017
Sale Price	\$4.5 million
Sale Price Per SF	\$68.18

To value the property for redevelopment, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the Civic Center site would be valued at \$15.2 million. The JLL team reduced this valuation based on the estimate demolition costs for the existing Civic Center building, estimated at \$900,000. After accounting for the estimated demolition costs, the property’s estimated value for redevelopment is approximately \$14.3 million.

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

The valuation estimates provided in this report are intended to serve as preliminary, high-level estimates of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Valuation Summary: Civic Center		
	Valuation (Office)	Valuation (Redevelopment)
Property Size	114,614 SF (building)	7.0 acres (site)
Value Per SF / Acre	\$68.18 / SF	\$2.2 million / acre
Estimated Demolition Cost	None	\$900,000
Estimated Value	\$7.8 million	\$14.3 million

Recommendation

The JLL team recommends that the City of Evanston conduct further analysis to consider the Civic Center site for disposition. The Civic Center building will require significant capital investment in the coming years, so the City may prefer to invest that money in developing or acquiring a replacement facility rather than investing in the aging Civic Center building. Also, at 707 square feet per employee, the Civic Center is significantly underutilized due to its original use as a school building. It would take a large investment from the City to improve the efficiency of the Civic Center’s space program, and due to the building’s age, only some alterations to the building’s design to accommodate a new space program may be feasible.

While the JLL team estimates that the Civic Center’s value ranges from \$7.8 million to \$14.3 million, the City may need to reinvest some of the Civic Center property’s disposition value to develop or acquire a replacement facility, as well as move its employees out of the Civic Center into a new replacement facility. If the City engages the JLL team in a second phase of this engagement, the JLL team will work to develop estimates for each of these costs. As the City’s primary administrative and operational facility, replacing the aging Civic Center could have a significant positive impact on the City’s future capital maintenance costs, employee retention, and service delivery. Further analysis of the City’s options and costs for a replacement facility will help to inform the City of the potential risks and upside that may result from pursuing its replacement options.

Site #2: Police and Fire Headquarters

Site Description

The Police and Fire Headquarters totals approximately 1.8 acres, with the 1.4 acres north of Lake Street housing the 53,084 square foot shared Evanston Police and Fire Headquarters and the 0.4 acres south of Lake Street currently used as a parking lot. The Police and Fire Headquarters houses the Fire Department’s administrative offices as well as the following uses for the Police Department: headquarters for the Police Chief, Field Operations Division, Investigative Service, and Support Services.

Along with the main building, the site has approximately 20 parking spaces in a parking lot east of Elmwood Avenue, approximately 68 parking spaces in the parking lot south of Lake Street, and approximately 52 parking spaces that wrap the Police and Fire Headquarters building. These parking spots are designated for the 222 employees, administration and support, and local patrol vehicles.

Elmwood Avenue, which separates the Police and Fire Headquarters building from the small parking lot near the Metra tracks, could be closed to provide the parking lot and the Police and Fire Headquarters building site to be combined.



Site #2: Police and Fire Headquarters	
Site Address	1454 Elmwood Avenue and 909 Lake Street
Current Use	Police and Fire Offices
Site Size	1.4 acres north of Lake Street 0.4 acres south of Lake Street <i>Total On Site: 1.8 acres</i>
Building Size	Police Headquarters: 40,500 SF Fire Headquarters: 12,584 SF <i>Total On Site: 53,084 SF</i>

Site Access

The Police and Fire Headquarters is located approximately 0.3 miles south of downtown Evanston. The site is 0.3 miles south of the CTA Davis Purple Line station and Metra Davis Street/Evanston station, and 0.3 miles northwest of the CTA Dempster Purple Line station. Northwestern University, the largest employer in Evanston, is located approximately 1.1 miles northeast of the site. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 4.5 miles west of the site.

Nearby Uses

Nearby uses primarily consist of multi-family and single-family residential properties, although Sherman Avenue to the east of the site has several restaurants and retail businesses. The Holiday Inn and Hyatt House are both located within 0.3 miles of the site, as are most of the businesses in downtown Evanston. The site is zoned D1, the

designation for the downtown fringe district. This zoning is intended to provide for business and office development at compact locations.

Headcount

The City of Evanston estimates that approximately 222 employees work at the shared Police and Fire Department Headquarters. This is an approximate number and includes multiple shifts of people who are also not always permanently at the location but have it as their home base. This also does not include seasonal employees, summer youth employees, contractors, tenants or volunteers.

With a building size of 53,084 square feet, that equates to approximately 239 square feet per employee. According to JLL's occupancy benchmarking annual guidelines, more than half of the firms surveyed by JLL utilize 225 square feet or less per employee. Given this utilization estimate, the Police/Fire square footage utilized per employee is slightly higher but close to target. However, the shared headquarters not only use the space for administrative purposes but for other operational and storage purposes thus artificially inflating the square footage per employee. Non-administrative spaces include but are not limited to holding cells, interrogation rooms, a gun range, evidence and file storage in basement, bike room etc.

Current Condition and Site Visit Findings

The Police and Fire Department Headquarters share a masonry building comprised of two stories. The building was originally built in the late 1940s to house the police station and headquarters, a working fire station, and a courtroom. The building now houses headquarters of both police and fire and the City's only police station.

The fire station has been relocated. The original fire truck bays were converted into the Fire Department Headquarters approximately 15 years ago. As it stands today, the space is a stand-alone area that provides necessary office and training classroom for the department.

Based on our site visit tours, due to the sensitive and confidential nature of the work, the space is highly compartmentalized. Some of the original spaces have been repurposed to their present use (i.e. the fire station's original handball court is now the 911 center, the original court room is presently the police records department). It is apparent that multiple iterations of remodeling have occurred as needs have evolved over the years and space became available.

The reconfigurations and space re-assignments have created a difficult and circuitous circulation pattern with multiple jogs and dead-end corridors. Some staff work appeared to be cramped. Based on our observation, it is likely that the building cannot respond to desired adjacencies as the space is not flexible.

Estimated Renovation Costs

Several of initial renovation items were noted as a result of the touring the Police and Fire Headquarters. We have broken out the renovation costs in two categories: "like-for-like" renovations and "upgrade" renovations. Below is a summary of each.

Like-for-Like Renovations:

Description	Budget/Timeframe 0-2 years	Budget/Timeframe 3-5 years	Budget/Timeframe 6-10 years
Elevator replacement (three stop, 3,000 lb. capacity)	\$158,375		
Two new large AHUs in mid- and long-term future. Three new burners for boilers in the mid- and long-term future. PM and standard servicing for all other systems	\$250,000	\$750,000	\$1,000,000
Toilet upgrades (fixture and piping replacement as needed)	\$15,000	\$20,000	
Total	\$423,375	\$770,000	\$1,000,000

Upgrade Renovations:

Description	Budget/Timeframe 0-2 years	Budget/Timeframe 3-5 years	Budget/Timeframe 6-10 years
Elevator replacement (three stop, 3,000 lb. capacity)	\$158,375		
Two new large AHUs in mid- and long-term future. Three new boilers in the mid-term future. PM and standard servicing for all other systems	\$250,000	\$750,000	\$1,500,000
Toilet upgrade	\$15,000	\$20,000	
Target remodeling to improve operational effectiveness	\$209,000		
Total	\$632,375	\$770,000	\$1,500,000

Valuation

To estimate the Police and Fire Headquarters’ potential disposition value, the JLL team looked at recent comparable sales in the market for land properties. Since the existing building was purpose built, a buyer would likely opt to demolish the existing building and develop a new office or residential project in its place rather than attempt to renovate the existing building.

To value the property for redevelopment, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the Police and Fire Headquarters site would be valued at \$3.9 million. The JLL team reduced this valuation based on the estimate demolition costs for the existing Police and Fire Headquarters, estimated at \$425,000. After accounting for the estimated demolition costs, the property’s estimated value for redevelopment is approximately \$3.5 million.

The valuation estimate provided in this report is intended to serve as a preliminary, high-level estimate of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

Valuation Summary: Police and Fire Headquarters	
	Valuation (Redevelopment)
Property Size	1.8 acres (site)
Value Per SF / Acre	\$2.2 million / acre
Estimated Demolition Cost	\$425,000
Estimated Value	\$3.5 million

Recommendation

The JLL team recommends that the City of Evanston conduct further analysis to consider the Police and Fire Headquarters site for disposition. While the JLL team’s initial observations of the property suggest that the existing Police and Fire Headquarters is in good condition, our team observed and heard from City staff that the building is underutilized with some inadequate spaces, such as the detective rooms. If the City continues to consider the relocation of the Civic Center, the Police and Fire Headquarters may be a great candidate for consolidation with the Civic Center, potentially bringing most of the City’s office spaces into a single, purpose-built facility.

While the JLL team estimates that the Police and Fire Headquarters’ value is approximately \$3.5 million, the City may need to reinvest some of the Police and Fire Headquarters’ disposition value to develop or acquire a replacement facility, as well as move its employees out of the current Police and Fire Headquarters into a new replacement facility. If the City engages the JLL team in a second phase of this engagement, the JLL team will work to develop estimates for each of these costs. In tandem with the replacement of the Civic Center, the consolidation of the Civic Center and the Police and Fire Headquarters could have a significant positive impact on

the efficiencies and effectiveness of service delivery from police, fire, and the City’s administrative staff. Further analysis of the City’s options and costs for the consolidation of the Civic Center and Police and Fire Headquarters facilities will help to inform the City of the potential risks and upside that may result from pursuing its consolidation options.

Site #3: Gibbs-Morrison Cultural Center

Site Description

The Gibbs-Morrison Cultural Center is located at 1823 Church Street. The Site is approximately 0.2 acres. The City of Evanston acquired the property in January 2015. Its center was named after Mr. Thomas Gibbs and Dr. William Morrison, who were both long-time residents. Mr. Gibbs owned a gas station on the corner of Church Street and Dodge, while Mr. Morrison was the owner and pharmacist of Morrison’s Pharmacy at 1823 Church Street.



Site Access

The Gibbs-Morrison Cultural Center is located north of Church Street, one of the main eastbound and westbound roads in Evanston. The site is located less than one mile from downtown Evanston. The site is accessible from the CTA Davis Purple Line station and Metra Davis Street/Evanston station, which are approximately 0.8 miles east of the site. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 3.6 miles west of the site.

Site #3: Gibbs-Morrison Cultural Center	
Site Address	1823 Church Street
Current Use	Cultural center
Site Size	0.2 acres
Building Size	4,200 SF

Nearby Uses

Nearby uses primarily consist of multi-family and single-family residential properties with some retail uses, including a dental office to the east of the site and a few restaurants west of the site across Dodge Avenue. Evanston Township High School is located to the southwest of the site. The site is zoned B2, a commercial designation intended to accommodate and encourage the continued use of older, pedestrian-oriented shopping areas. This designation allows for multi-family and office development.

Headcount

The City of Evanston staffs one employee at the Gibbs-Morrison Cultural Center fulltime and estimates that 2-to-3 restaurant employees work at the site.

Current Condition and Site Visit Findings

Overall the Gibbs-Morrison Cultural Center seemed under-utilized. At the time of our site tour, there were a handful (5 or less) of customers frequenting the Lighthouse Whole Food and Grill, otherwise the center was empty. The overall configuration and flow of the center seemed inefficient given the various uses for the center.

Valuation

To estimate the Gibbs-Morrison Cultural Center’s potential disposition value, the JLL team looked at recent comparable sales in the market for both retail and land properties. A buyer may be interested in operating the existing building for retail use or demolishing the existing building and developing a new project in its place.

The 3,840 square foot retail building at 1806 Church Street, which was built in 1959 and renovated in 2016, served as the best sale comparable. The building was sold in July 2015 for \$240,000, or \$62.50 per square foot. At a similar sales price per square foot, the Gibbs-Morrison Cultural Center property would be worth \$262,500. However, the JLL team revised its estimated disposition value for the Gibbs-Morrison Cultural Center for a few reasons. First, the City purchased the Gibbs-Morrison property in 2015 for \$315,000 or \$75.00 per square foot, suggesting that the Gibbs-Morrison property had more value on a per square foot basis than 1806 Church Street had at the time it was purchased in 2015. Second, the sales price of 1806 Church Street represents the property’s value prior to the completion of the property’s renovations, meaning the property would likely sell for a higher value today. Similarly, the City of Evanston renovated the Gibbs-Morrison Cultural Center after it purchased the property in 2015, likely adding value to the property from the \$315,000 purchase price paid by the City. With these considerations in mind, the JLL team estimated that the Gibb-Morrison Cultural Center has an estimated value of \$350,000 if the buyer’s intent is to use the existing facility as a retail space.

To value the property for redevelopment, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the Gibbs-Morrison Cultural Center site would be valued at \$480,000. The JLL team reduced this valuation based on the estimate demolition costs for the existing Gibbs-Morrison Cultural Center building, estimated at \$35,000. After accounting for the estimated demolition costs, the property’s estimated value for redevelopment is approximately \$445,000.

The valuation estimates provided in this report are intended to serve as preliminary, high-level estimates of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.



Sale Comparable	
Address	1806 Church Street
Use	Retail
Building Size	3,840 SF
Year Built / Renovated	1959 / 2016
Sale Date	July 2015
Sale Price	\$240,000
Sale Price Per SF	\$62.50

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

Valuation Summary: Gibbs-Morrison Cultural Center

	Valuation (Retail)	Valuation (Redevelopment)
Property Size	4,200 SF (building)	0.22 acres (site)
Value Per SF / Acre	\$83.33 / SF	\$2.2 million / acre
Estimated Demolition Cost	None	\$35,000
Estimated Value	\$350,000	\$445,000

Recommendation

The JLL team recommends that the City of Evanston conduct further analysis to consider the Gibbs-Morrison Cultural Center site for disposition. While the JLL team’s initial observations of the property suggest that the existing facility is in good condition, the City has faced challenges in operating the cultural center, including proposals to defund the cultural center during City budget considerations. While the disposition of the site may not generate significant revenue to the City, the City would see ongoing operating cost reductions from the property’s disposition. As with any public asset, the City will need to consider the potential public response to the proposed sale of the Gibbs-Morrison Cultural Center. Further analysis will help to inform the City’s decision regarding the property’s disposition.

Site #4: Animal Shelter and Adoption Center

Site Description

The Animal Shelter and Adoption Center is located at 2310 Oakton Street. The Site is approximately 0.9 acres. The shelter is operated by volunteers. Its mission is committed to providing compassionate and humane care for Evanston’s abandoned, abused and relinquished animals to find them homes through rehabilitation, foster care, adoption, and rescue organizations. The shelter aims to further support the community as a proactive resource for education, counseling and support.

The Animal Shelter and Adoption Center is located north of Howard Street, south of Oakton Street, west of Dodge Avenue and east of McCormick Boulevard.

Site Access

The Animal Shelter and Adoption Center is located south of Oakton Street, one of the main eastbound and westbound roads in Evanston. Since the site is located near Evanston’s western edge, it is approximately 1.5 miles from the South Boulevard Purple Line station, the nearest CTA station. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 3.2 miles west of the site.

Nearby Uses

Nearby uses primarily consist of retail properties, including large standalone retail stores like the Home Depot, PetSmart, and ALDI, which are all north of Oakton Street; a Steak ‘n Shake north of Oakton Street; and a Shell gas station and Gordon Food Service grocery store south of Oakton Street to the west of the site. The Animal Shelter and Adoption Center property borders James Park, which is east and southeast of the site. The site is zoned I2, an industrial designation intended to provide sites for light manufacturing and light industrial uses that minimize any adverse effects on nearby residential, business, and commercial districts.

Headcount

The Animal Shelter and Adoption Center is a volunteer-based operation with no more than 5 volunteers occupying the facility at a time.

Current Condition and Site Visit Findings

Overall the Animal Shelter and Adoption Center seemed tight in terms of space. At the time of the site tour, there was one volunteer at the facility. The space seems constrained but appears to have potential for expansion with



Site #4: Animal Shelter and Adoption Center	
Site Address	2310 Oakton Street
Current Use	Animal shelter
Site Size	0.9 acres
Building Size	1,400 SF

undeveloped land behind the building. At the time of this report, we understand that the City of Evanston has applied for a grant to build a new shelter.

Valuation

To estimate the Animal Shelter and Adoption Center’s potential disposition value, the JLL team looked at recent comparable sales in the market for land properties. Since the existing building was purpose built, a buyer would likely opt to demolish the existing building and develop a new project in its place rather than attempt to renovate the existing building.

To value the property for redevelopment, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the Animal Shelter and Adoption Center site would be valued at \$1.9 million. Since the Animal Shelter and Adoption Center is a small facility, the JLL team estimated demolition costs would total approximately \$10,000. After accounting for the estimated demolition costs, the property’s estimated value for redevelopment is approximately \$1.9 million.

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

The valuation estimate provided in this report is intended to serve as a preliminary, high-level estimate of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Valuation Summary: Animal Shelter and Adoption Center	
	Valuation (Redevelopment)
Property Size	0.9 acres (site)
Value Per SF / Acre	\$2.2 million / acre
Estimated Demolition Cost	\$10,000
Estimated Value	\$1.9 million

Recommendation

The JLL team recommends that the City of Evanston conduct further analysis to consider the Animal Shelter and Adoption Center site for disposition. The City is seeking an \$18.0 million grant to cover a portion of the cost of construction of a replacement Animal Shelter and Adoption Center. If the City is able to obtain this grant, the current Animal Shelter and Adoption Center property would be a candidate for disposition. In particular, since the site is located on Oakton Street and is proximate to several standalone retail businesses, this property may be particularly attractive to a retail developer. Further analysis will help to inform the City’s decision regarding the property’s disposition should the City obtain the grant.

Site #5: Service Center

Site Description

The Evanston Service Center is located at 2020 Asbury Street. The Site is approximately 144,000 square feet. The facility houses administrative services for Evanston’s Fleet and Parking Division, Public Works, Forestry, and Street and Waste operations. There are approximately 125 uncovered parking spaces available on top of the building.

The Service Center is located north of Emerson Street, south of Simpson Street, west of Ridge Avenue and east of Green Bay Road.

Site Access

The Service Center is located less than one mile from downtown Evanston. The site is accessible from the CTA Foster Purple Line station, which is approximately 0.4 miles east of the site; the CTA Noyes Purple Line station, which is approximately 0.5 miles northeast of the site; and the Metra Davis Street/Evanston station, which is approximately 0.7 miles southeast of the site. Northwestern University, the largest employer in Evanston, is located approximately 0.8 miles northeast of the site. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 3.8 miles west of the site.



Site #5: Service Center	
Site Address	2020 Asbury Avenue
Current Use	Administrative offices for several City departments, including Public Works, Fleet, Parking, and Waste Services
Site Size	5.50 acres
Building Size	144,000 SF
Parking Spaces	125 uncovered rooftop spaces

Nearby Uses

Nearby uses primarily consist of multi-family and single-family residential properties. Northwestern University’s Facilities Department building is located directly east of the site. There is a small cluster of retail uses, including a Walgreens drug store, within 0.2 miles of the site to the northwest. The site is zoned R4, a residential designation intended for various single-family and multi-family residential uses.

Headcount

The City of Evanston estimates approximately 162 employees work the Service Center. This is an approximate number and includes multiple shifts of people who are also not always permanently at the locations but have it as their home base. This also does not include seasonal employees, summer youth employees, contractors, tenants or volunteers.

Current Condition and Site Visit Findings

Overall the Service Center seemed well-kept. The maintenance and fueling portions of the Service Center were bustling during the site tour. During the site tour, we learned that due to the demand and volume of fleet vehicles in need of the Service Center, vehicles are often left outdoors due to indoors space availability constraints. This can be troublesome for certain vehicles under cold weather conditions.

Valuation

To estimate the Service Center’s potential disposition value, the JLL team looked at recent comparable sales in the market for land properties. Since the existing building was purpose built, a buyer would likely opt to demolish the existing building and develop a new project in its place rather than attempt to renovate the existing building.

To value the property for redevelopment, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the Service Center site would be valued at \$12.0 million. The JLL team reduced this valuation based on the estimate demolition costs for the existing Service Center building, estimated at \$1.2 million. After accounting for the estimated demolition costs, the property’s estimated value for redevelopment is approximately \$10.8 million.

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

The valuation estimate provided in this report is intended to serve as a preliminary, high-level estimate of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Valuation Summary: Service Center	
	Valuation (Redevelopment)
Property Size	5.5 acres (site)
Value Per SF / Acre	\$2.2 million / acre
Estimated Demolition Cost	\$1.2 million
Estimated Value	\$10.8 million

Recommendation

The JLL team does not recommend that the City of Evanston conduct further analysis to consider the Service Center site for disposition. The JLL team’s initial observations of the property suggest that the existing Service Center is in good condition, the site is well utilized, and its location along the train tracks away from residential uses makes public works/fleet an ideal use for the site. In addition, relocating some uses of the current Service Center, such as the salt dome, would prove difficult or costly, reducing the potential value to the City from disposing of the site.

Site #6: Howard Street Storefronts

Site Description

633 Howard Street

633 Howard Street is a vacant space which was formerly used as a restaurant (a French coffee shop and bakery). The site is approximately 2,565 square feet.

633 Howard Street is located north of Howard Street, south of Brummel Street, east of Custer Avenue and west of Callan Avenue.

729 Howard Street

729 Howard Street is a vacant space which was previously used a dance/fitness studio. The site is approximately 4,138 square feet.

729 Howard Street is located north of Howard Street, south of Dobson Street, west of Custer Avenue and east of Elmwood Avenue.

Site Access

The Howard Street Storefront properties are located north of Howard Street, one of the main eastbound and westbound roads in Evanston. The properties are approximately 0.8 miles from the CTA Howard Red Line station and approximately 1.0 miles from the Metra Rogers Park station. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 3.6 miles west of the site.

Nearby Uses

Nearby uses consist of mostly retail uses as Howard Street is a primary commercial corridor. Nearby retail uses include restaurants, a laundromat, storage, and hair salons. The site is zoned B3, a business designation intended to provide for higher density business development.

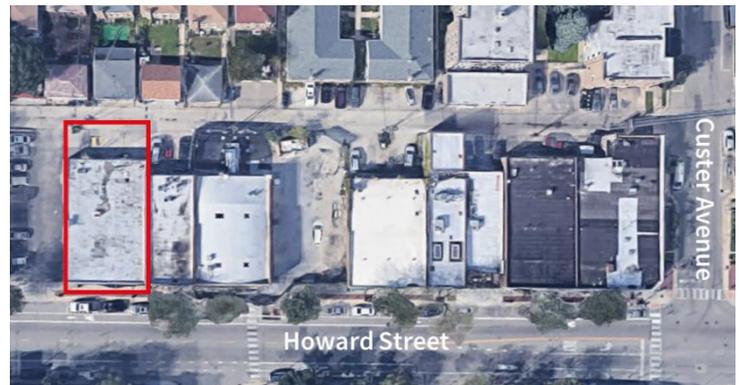
Current Condition and Site Visit Findings

633 Howard Street

Based on our observations at the site tour, the space needs some renovations. The space was used as storage for restaurant food equipment and seating.



633 Howard Street	
Site Address	633 Howard Street
Current Use	Restaurant (vacant)
Site Size	0.05 acres
Building Size	2,565 SF



729 Howard Street	
Site Address	729 Howard Street
Current Use	Restaurant (Vacant)
Site Size	0.15 acres
Building Size	4,138 SF

The City of Evanston notified us that this space is being leased out to a new tenant.

729 Howard Street

The City of Evanston notified us that this space is being leased out to a new tenant.

Valuation

To estimate the disposition value of the Howard Street Storefront properties, the JLL team looked at recent comparable sales in the market for retail properties. Since both properties are small and are located in a commercial corridor, a buyer would most likely opt to continue using the existing buildings for retail uses rather than redevelop either property.

In recent years, a few retail properties have sold near the Howard Street Storefront properties. Two properties that sold were storefronts: 741-751 Howard Street, which sold for \$1.3 million or \$80 per square foot in February 2016, and 611-621 Howard Street, which sold for \$675,000 or \$68 per square foot in October 2019. The property at 741-751 Howard Street has a second story, which may have provided additional value to the buyer. Since the Howard Street Storefront properties are both one story buildings, the JLL team estimated that the properties could be sold for a similar valuation of \$68 per square foot, or \$174,000 for 633 Howard Street and \$281,000 for 729 Howard Street.

Sale Comparable	
Address	611-621 Howard Street
Use	Retail
Building Size	9,929 SF
Sale Price	\$675,000
Sale Price Per SF	\$67.98

Valuation Summary: Howard Street Storefronts		
	Valuation (Retail)	Valuation (Retail)
Property Address	633 Howard Street	729 Howard Street
Building Size	2,565 SF	4,138 SF
Value Per SF	\$68 / SF	\$68 / SF
Estimated Value	\$174,000	\$281,000

Recommendation

The JLL team does not recommend that the City of Evanston conduct further analysis for the Howard Street Storefront properties currently. The properties do not house City departments, so the City could opt to market one or both properties at any time, if desired, without disrupting City services. Offers received from the market would ultimately dictate each property’s value, so the City could consider how the disposition of the property would align with the City’s objectives for the property upon receipt of offers. Finally, these properties are being leased to new tenants who will pay lease revenue to the City. The disposition of these properties would eliminate the City’s ongoing lease revenue, and since these are small properties, disposition of the properties would generate minimal revenue for the City. The disposition of these properties will be less impactful than the potential disposition of some of the other properties included in the JLL team’s analysis, making the Howard Street Storefront properties less of a priority.

Site #7: James Park Sled Hill

Site Description

The James Park Sled Hill is a 65-foot hill located at James Park. Although this site is nicknamed “sled hill” and often used for that purpose, pursuant to the City of Evanston Municipal Code (Section 7-10-4), tobogganing, skiing and snowboarding are prohibited on the hill.

The site was formerly a solid waste landfill that was closed and converted into a park in 1965.

James Park is located north of Howard Street, south of Oakton Street, west of Dodge Avenue and east of McCormick Boulevard.



Site #7: James Park Sled Hill	
Site Address	Southwest corner of James Park
Current Use	Park
Site Size	4.9 acres

Site Access

The James Park Sled Hill is located at the southwest corner of James Park and is currently accessible only from Mulford Street. The CTA Yellow Line tracks border the site to the south. Since the site is located near Evanston’s western edge, it is approximately 1.6 miles from the CTA South Boulevard Purple Line station, the nearest CTA station. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 3.1 miles west of the site.

Nearby Uses

Bordered predominantly by James Park and the CTA Yellow Line tracks, the James Park Sled Hill is distant from most nearby uses. Northwest of the site near the Evanston Animal Shelter are a few retail uses, including a Gordon Food Service store and a Shell gas station. Approximately 0.3 miles north of the site and north of Oakton Street are other standalone retail uses including the Home Depot, ALDI, and PetSmart. The site is zoned OS, an open space designation intended for park or green spaces.

Valuation

To estimate the potential disposition value of the James Park Sled Hill, the JLL team looked at recent comparable sales in the market for land properties. The JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the James Park Sled Hill site would be valued at \$10.7 million. However, because the site lack visibility and accessibility, it likely holds less value than the parking lot at 504 South Boulevard, which is located directly on South Boulevard, one of the main eastbound and westbound roads in Evanston. In addition, the James Park Sled Hill has a steep slope,

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

which may make the design and construction of a development on the site more difficult than the flat 504 South Boulevard site. Finally, since the James Park Sled Hill is a former landfill, there could be issues with soil quality under the property, potentially adding further cost to the design and construction of a development on the site. For these reasons, JLL has greatly discounted the estimated value of the James Park Sled Hill in comparison to 504 South Boulevard, estimating that the James Park Sled Hill may be valued at \$2.1 million to \$4.3 million.

Valuation Summary: James Park Sled Hill		
	Valuation (Low)	Valuation (High)
Property Size	0.9 acres	0.9 acres
Value Per SF / Acre	\$435,000 / acre	\$870,000 / acre
Estimated Value	\$2.1 million	\$4.3 million

Recommendation

The JLL team does not recommend that the City of Evanston conduct further analysis for the James Park Sled Hill at this time. The property does not house City departments, so the City could opt to market the property at any time, if desired, without disrupting City services. Offers received from the market would ultimately dictate the property’s value, so the City could consider how the disposition of the property would align with the City’s objectives for the property upon receipt of offers.

Also, since this property is currently part of a public park, has low accessibility and visibility, is sloped, and could have soil issues due to the property’s prior use as a land fill, much is uncertain regarding the property’s value and potential for development. A developer would need to spend money to complete the due diligence activities required to demonstrate that the site is developable. As a result, when offering to purchase the property, the developer would price the cost of completing those due diligence activities, as well as their assumed risk regarding the potential that the property can’t be developed, into their offer to purchase the property. This could significantly reduce the property’s value, so even the JLL team’s conservative estimate of the property’s value may overstate the property’s value to a developer. Because so much about the James Park Sled Hill site is uncertain, the JLL team does not recommend that the City conduct further analysis for this property at this time.

Site #8: Water Department Administration Building

Site Description

The Evanston Water Department Administration Building is located at 555 Lincoln Avenue. The Site is approximately 7.1 acres located just west of Lake Michigan. In addition to the administrative offices, the site is designated to the operations and maintenance of the Water Treatment Plant and the water mains, valves and fire hydrants in the Evanston distribution system. The facility supplies water to the residents of Evanston, the Village of Skokie and the Northwest Water Commission (comprised of Arlington Heights, Buffalo Grove, Palatine and Wheeling). Overall the facility supplies water to a population over 365,000 people.

The Water Department Administration Building is located north of Lincoln Street, south of Milburn Street, west of Lake Michigan east of Sheridan Road.



Site #8: Water Department Administration Building

Site Address	555 Lincoln Avenue
Current Use	Water plant
Site Size	7.1 acres
Building Size	Admin: 6,520 SF Filtration: 84,598 SF Pumping: 33,188 SF <i>Total on Site: 124,306 SF</i>

Site Access

The Water Department Administration Building is located in the northeast portion of Evanston, with Northwestern University to the south and Lake Michigan to the east. The property is located near Sheridan Road, one of the main northbound and southbound roads in Evanston. The CTA Noyes Purple Line station is 0.6 miles from the site, and the CTA Central Purple Line station is 0.7 miles from the site. Northwestern University to the south of the site is the largest employer in Evanston. The site is not near a highway, as the closest entrance to Interstate 94 is approximately 4.1 miles west of the site.

Nearby Uses

Bordered by Northwestern University to the south and Lake Michigan to the east, the Water Department Administration Building site is primarily surrounded by residential, recreational, and university uses. The nearest retail cluster to the site surrounds the CTA Noyes Purple Line station approximately 0.6 miles from the site. The site is zoned R1, a residential designation allowing for the lowest density single-family housing development.

Headcount

The City of Evanston estimates that approximately 15 employees work at the Water Department Administration Building. This is an approximate number and includes multiple shifts of people who are also not always permanently at this location but have it as their home base. This also does not include seasonal employees, summer youth employees, contractors, tenants or volunteers.

While the total building size is 124,306 square feet, the administration space is 6,520 square feet. The administration space equates to approximately 434 SF per employee, which is well above JLL’s occupancy benchmarking annual guidelines of 225 square feet or less per employee. However, much of the administration space is occupied by large and medium sized conference rooms and a long corridor which is artificially inflating the square foot per employee.

Current Condition and Site Visit Findings

Overall the Water Department Administration Building was very well kept. The administration space was adequate for the needs of their employees and meeting rooms were being utilized efficiently.

Valuation

To estimate the Water Department Administration Building’s potential disposition value, the JLL team looked at recent comparable sales in the market for land properties. Since the existing building was purpose built, a buyer would likely opt to demolish the existing building and develop a new project in its place rather than attempt to renovate the existing building.

To value the property for redevelopment, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the Water Department Administration Building would be valued at \$15.5 million. The JLL team reduced this valuation based on the estimate demolition costs for the existing Water Department Administration Building, estimated at \$1.0 million. After accounting for the estimated demolition costs, the property’s estimated value for redevelopment is approximately \$14.5 million.

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

The valuation estimate provided in this report is intended to serve as a preliminary, high-level estimate of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Valuation Summary: Water Dept. Administration Building	
	Valuation (Redevelopment)
Property Size	7.1 acres (site)
Value Per SF / Acre	\$2.2 million / acre
Estimated Demolition Cost	\$1.0 million
Estimated Value	\$14.5 million

Recommendation

The JLL team does not recommend that the City of Evanston conduct further analysis for the Water Department Administration Building at this time. This facility supplies water to a population of over 365,000 people, so the City would need to plan for and implement this facility’s replacement in order to continue supplying the necessary public service that it currently provides. The property’s estimated valuation of \$14.5 million is likely not enough to cover the cost required to acquire land, design, and construct a new replacement facility.

Site #9: 1800 Maple Avenue

Site Description

The 1800 Maple Avenue site is a covered self-park garage with 6 levels and 1,400 parking spaces. This site is utilized throughout the year for parking and is available 24/7 365 days a year.

There is an adjacent surface lot to the parking garage that is commonly referred to as the “Farmers’ Market Lot,” which is owned by Northwestern University. The 1800 Maple Avenue site and Farmers’ Market Lot could be combined to provide a single development site.

The 1800 Maple Avenue site is located north of Church street, south of University Place and west of Maple Avenue. The parking lot can be entered from Maple Avenue at Clark Street or University Place.

Site Access

1800 Maple Avenue is located in downtown Evanston near the intersection of Ridge Avenue, Emerson Street, and Green Bay Road, three major roads in Evanston. The site is very accessible by transit, with the CTA Foster Purple Line station approximately 0.4 miles to the north and the CTA Davis Purple Line station and Metra Davis Street/Evanston station approximately 0.4 miles to the south. The site is also approximately 0.6 miles from Northwestern University, the largest employer in Evanston.

Nearby Uses

Since the site is located in downtown Evanston, it is proximate to numerous multi-family residential, office, and retail buildings. The site is zoned RP, a research park designation that allows for a variety of dense, urban uses, including multi-family, office, and retail.

Number of Parking Spaces

There are currently 1,400 parking spaces of which 25 are designated as for the disabled.

Current Condition and Site Visit Findings

Overall the parking garage looked in reasonable condition with normal wear and tear of potholes and cracks on the surface.



Site #9: 1800 Maple Avenue	
Site Address	1800 Maple Avenue
Current Use	Event and Parking Lot
Site Size	4.0 acres
Building Size	527,800 SF
Parking Spaces	1,400

Valuation

To estimate 1800 Maple Avenue’s potential disposition value, the JLL team looked at recent comparable sales in the market for parking garage properties. The JLL team identified the 625-space parking garage at 5051 N Broadway in Chicago as the preferred sale comparable. 5051 N Broadway sold in April 2015 for \$4.3 million, or \$21 per square foot. At a similar \$21 per square foot valuation, 1800 Maple Avenue property would be valued at \$10.8 million.

The City could work with Northwestern University to offer the parking garage at 800 Maple Avenue as a package with the adjacent Farmers’ Market Lot that’s owned by Northwestern. The 1800 Maple Avenue site may have greater value if it can be paired with the Farmers’ Market Lot as a developer would have the option to develop the Farmers’ Market Lot while using the 1800 Maple Avenue site for parking for the new development. The City could discuss this possibility with Northwestern to see if the university would consider disposing of their property.

The valuation estimate provided in this report is intended to serve as a preliminary, high-level estimates of the potential value of the site. If the City engages JLL in a second phase of this engagement, JLL will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Recommendation

The JLL team recommends that the City of Evanston conduct further analysis to consider the 1800 Maple Avenue site for disposition. While the JLL team’s initial estimate of 1800 Maple Avenue’s value is \$10.8 million, if the City engages the JLL team in a second phase of this engagement, the JLL team will work to refine its estimate by utilizing a more detailed financial analysis.

The City has also considered 1800 Maple Avenue as a potential location for the consolidated Civic Center and Police and Fire Headquarters facility. Further analysis of the City’s options and costs for a consolidated facility will help to inform the City of the potential risks and upside that may result from pursuing its consolidation options.



Sale Comparable

Address	5051 N Broadway, Chicago
Use	Parking garage
Building Size	210,342 SF
Year Built / Renovated	1994
Sale Date	April 2015
Sale Price	\$4.3 million
Sale Price Per SF	\$20.56

Valuation Summary: 1800 Maple Avenue

	Valuation (Parking Garage)
Parking Garage Size	527,800 SF
Parking Garage Value Per SF	\$20.56
Estimated Value	\$10.8 million

Site #10: 1703 Orrington Avenue (Lot 3)

Site Description

1703 Orrington Avenue (Lot 3) is 0.6 acres and has approximately 74 parking spaces. This lot’s users are typically from the Women’s Club of Evanston or the Evanston Library given its close proximity to both locations.

The parking lot is located north of Church Street, south of Clark Street and west of Chicago Avenue and east of Orrington Avenue.

Site Access

1703 Orrington Avenue is located in downtown Evanston adjacent to Chicago Avenue, one of the main northbound and southbound roads in Evanston. However, the site does not currently have vehicle access from Chicago Avenue. Vehicle access from Chicago Avenue may increase developer interest and the value of the site, but because Chicago Avenue is a major pedestrian connection to Northwestern University, the City may not approve this access. The site is very accessible by transit, with the CTA Davis Purple Line station and Metra Davis Street/Evanston station approximately 0.4 miles west of the site. The site is also approximately 0.5 miles from Northwestern University, the largest employer in Evanston.

Nearby Uses

Since the site is located in downtown Evanston, it is proximate to numerous multi-family residential, office, and retail buildings. The site is zoned D3/R6, a downtown core designation that is intended to provide high-density development, including office, multi-family, and retail uses.

Number of Parking Spaces

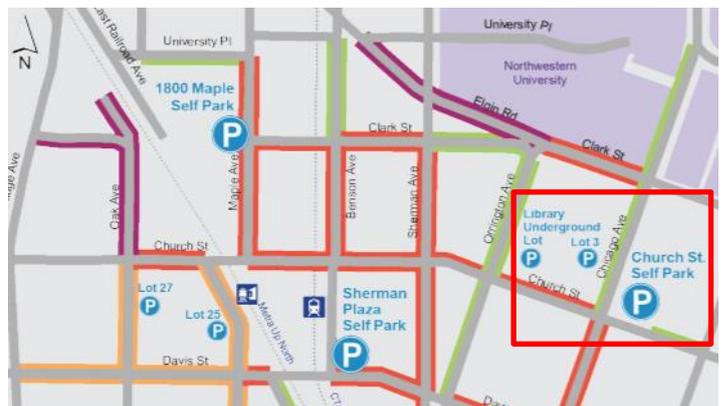
There are currently approximately 74 surface parking spaces.

Current Condition and Site Visit Findings

Overall the parking lot is in good condition with normal wear and tear. The parking lot is located near other City parking sites, the Evanston Library Underground Lot and the Church Street Self-Park Garage, making it seem redundant. At the time of the site tour, the parking lot was not nearly at full capacity.



Site #10: Lot 3 (behind Women's Club of Evanston)	
Site Address	1703 Orrington Avenue
Current Use	Surface Parking Lot
Site Size	0.6 acres
Parking Spaces	Approximately 74 spaces



Valuation

To estimate 1703 Orrington Avenue’s potential disposition value, the JLL team referenced a January 2018 appraisal of 504 South Boulevard in Evanston, which valued that property at \$1.4 million, or \$2.2 million per acre. 504 South Boulevard is currently used as a parking lot, so its value serves as a good approximation for the value of most land development sites in Evanston. At a similar per-acre valuation, the 1703 Orrington Avenue site would be valued at \$1.4 million.

Sale Comparable	
Address	504 South Boulevard
Use	Parking Lot
Site Size	0.6 acres
Appraised Value	\$1.4 million
Sale Price Per Acre	\$2.2 million

In addition, the City of Evanston obtained an appraisal for the 1703 Orrington Avenue site that valued the property at approximately \$4.0 million. Since 1703 Orrington Avenue’s downtown location is likely more attractive to developers than 504 South Boulevard’s south Evanston location, it’s reasonable to expect that developers may value the 1703 Orrington Avenue site at a higher price. A \$4.0 million valuation would equate to approximately \$6.7 million per acre. The site’s value may ultimately depend on the developer’s ability to obtain vehicle access to Chicago Avenue, which will require City approval.

Valuation Summary: 1703 Orrington Avenue		
	Valuation (Low)	Valuation (High)
Property Size	0.6 acres (site)	0.6 acres (site)
Value Per SF / Acre	\$2.2 million / acre	\$6.7 million / acre
Estimated Value	\$1.4 million	\$4.0 million

The valuation estimates provided in this report are intended to serve as preliminary, high-level estimates of the potential value of the site. If the City engages the JLL team in a second phase of this engagement, the JLL team will conduct a financial analysis that will further refine our valuation assumptions and utilize a real estate pro forma and land residual approach to estimate the property’s value to real estate developers.

Recommendation

The JLL team recommends that the City of Evanston conduct further analysis to consider the 1703 Orrington Avenue site for disposition. This area of Evanston has several nearby parking lots that are not at full utilization. With adjacency to Chicago Avenue, developers may be attracted to the site’s visibility and accessibility, especially if vehicle access from Chicago Avenue can be added. While the JLL team’s initial estimate of 1703 Orrington Avenue’s value is \$1.4 million, if the City engages the JLL team in a second phase of this engagement, the JLL team will work to refine its estimate by utilizing a more detailed financial analysis.

Site #11: 525 Church Street (Church Street Garage)

Site Description

525 Church Street is a 260,000 square foot, 600-space parking garage. The City of Evanston utilizes four floors of the parking garage for public parking. The adjoining apartment complex, Evanston Place Apartments, owns a portion of the garage, which its residents use for parking. The parking garage can be utilized 24/7 365 days a year with overnight parking available.

Site Access

525 Church Street is located in downtown Evanston adjacent to Chicago Avenue, one of the main northbound and southbound roads in Evanston. The site is very accessible by transit, with the CTA Davis Purple Line station and Metra Davis Street/Evanston station approximately 0.6 miles west of the site. The site is also approximately 0.5 miles from Northwestern University, the largest employer in Evanston.

Nearby Uses

Since the site is located in downtown Evanston, it is proximate to numerous multi-family residential, office, and retail buildings, including Hilton and Hyatt House hotels and a Whole Foods grocery store. The site is on the eastern edge of downtown, so the property borders a residential area that is east of the property.

Number of Parking Spaces

There are currently 600 parking spaces of which 12 are designated as for the disabled. There are a few security employees on site at any given time.

Current Condition and Site Visit Findings

Overall, the parking garage looked in well-kept condition. Based on the JLL tam’s observations, the parking facility is currently underutilized.

Valuation

To estimate 525 Church Street’s potential disposition value, the JLL team looked at recent comparable sales in the market for parking garage properties. JLL identified the 625-space parking garage at 5051 N Broadway in Chicago as the preferred sale comparable. 5051 N Broadway sold in April 2015 for \$4.3 million, or \$21 per square foot. At a



Site #11: Church Street Self-Park Garage	
Site Address	525 Church Street
Current Use	Parking Garage
Site Size	0.15 acres
Building Size	260,000 SF
Parking Spaces	600

similar \$21 per square foot valuation, the parking garage portion of the 525 Church Street property would be valued at \$5.3 million.

Since the parking garage is embedded into the adjacent apartment building, the City could sell its ownership interest in the property to the Evanston Place Apartments, or if allowed under the current ownership agreement, to another interested party like a parking garage operator. Ultimately, the property’s valuation would depend on the parking garage’s utilization, as well as the City’s right to attract other buyers for its ownership interest in the property. If the City cannot market the property to buyers besides the Evanston Place Apartments, it would likely reduce the property’s potential value as the Evanston Place Apartments would face no competition to purchase the City’s ownership interest in the property.

Recommendation

The JLL team does not recommend that the City of Evanston conduct further analysis to consider the 525 Church Street site for disposition at this time. The City could opt to sell its ownership right in the property to Evanston Place Apartments or another buyer if it’s allowed under the City’s ownership agreement. Without the right to sell to buyers besides the Evanston Place Apartments, the property’s value may be less than the \$5.3 million that the JLL team estimated in this report. Finally, if the City considers redeveloping the site at 1703 Orrington Avenue, the City may need the garage at 525 Church Street to help absorb some of the lost parking supply. The City could reassess the utilization of 525 Church Street after the disposition of 1703 Orrington Avenue to assess the impact to the City’s parking program from disposing of the parking spaces at 525 Church Street.



Sale Comparable	
Address	5051 N Broadway, Chicago
Use	Parking garage
Building Size	210,342 SF
Year Built / Renovated	1994
Sale Date	April 2015
Sale Price	\$4.3 million
Sale Price Per SF	\$20.56

Valuation Summary: 525 Church Street	
	Valuation (Parking)
Parking Garage Size	260,000 SF
Parking Garage Value Per SF	\$20.56
Estimated Value	\$5.3 million

Site #12: 1501 Sherman Avenue (Holiday Inn Garage)

Site Description

1501 Sherman Avenue, known as the “Holiday Inn Garage,” is a 40,600 square foot parking garage with 95 parking spaces. The City of Evanston currently leases parking spaces in this garage from the SB Yen Management group. The current lease expires June 30, 2019.

The parking lot is located north of Lake Street, south of Grove Street and west of Chicago Avenue and east of Sherman Avenue.

Site Access

1501 Sherman Avenue is located on the southern edge of downtown Evanston near Chicago Avenue, one of the main northbound and southbound roads in Evanston. The site is very accessible by transit, with the CTA Dempster Purple Line station approximately 0.2 miles south of the site, and the CTA Davis Purple Line station and Metra Davis Street/Evanston station approximately 0.3 miles north of the site. The site is also approximately 0.8 miles from Northwestern University, the largest employer in Evanston.

Nearby Uses

The site is located on the southern edge of downtown Evanston, so most of the uses south of the site are residential. Uses north of the site are a mix of multi-family, office, and retail uses. The property is embedded into a Holiday Inn hotel.

Number of Parking Spaces

There are currently approximately 95 covered garage parking spaces.

Current Condition and Site Visit Findings

Overall the condition of this parking lot is fair or poor due to spalling concrete both on the entrance and egress ramps and overhead.

Recommendation

On March 12, 2020 the City of Evanston provided their notice of intent to terminate their lease to the garage owner, SB Yen Management Group. Since the City does not own the garage and will not continue to lease it, the JLL team does not recommend that the City conduct further analysis related to the 1501 Sherman Avenue property.



Site #12: Holiday Inn Garage	
Site Address	1501 Sherman Avenue
Current Use	Parking Garage
Site Size	40,600 SF
Parking Spaces	95 garage parking spots

Site #13: Southeast Evanston Parking Lots

The Southeast parking lots consist of the following surface parking lots:

- Lot 1 (South Boulevard and Hinman)
- Lot 39 (711 Hinman)
- Lot 42 (743 Hinman)
- Lot 32 (825 Hinman)
- Lot 35 (NW Main & Judson)
- Lot 45 (833 Forest)
- Lot 22 (Sheridan and South)

Based on our initial evaluation of the above parking lots, the JLL team recommends advancing all the above southeast parking lots to Phase II for valuation and utilization studies to better determine off street parking demand from vintage condominium and apartment residents, business employee parking, District 65 teacher parking, and shopper/visitor parking.

Appendix: Site Visit Photos

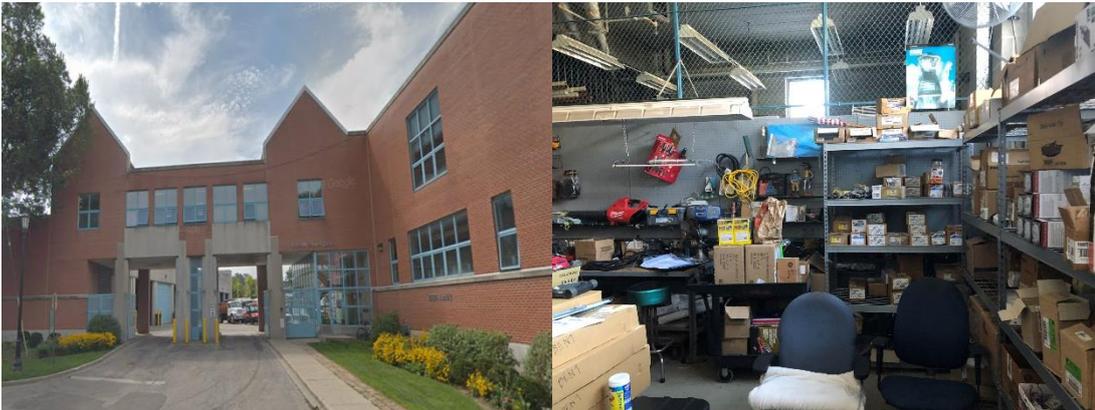
Civic Center (2100 Ridge Avenue)



Police and Fire Department Headquarters (1454 Elmwood Avenue; 909 Lake Street)



Service Center (2020 Asbury Avenue)



Gibbs-Morrison Cultural Center (1823 Church Street)

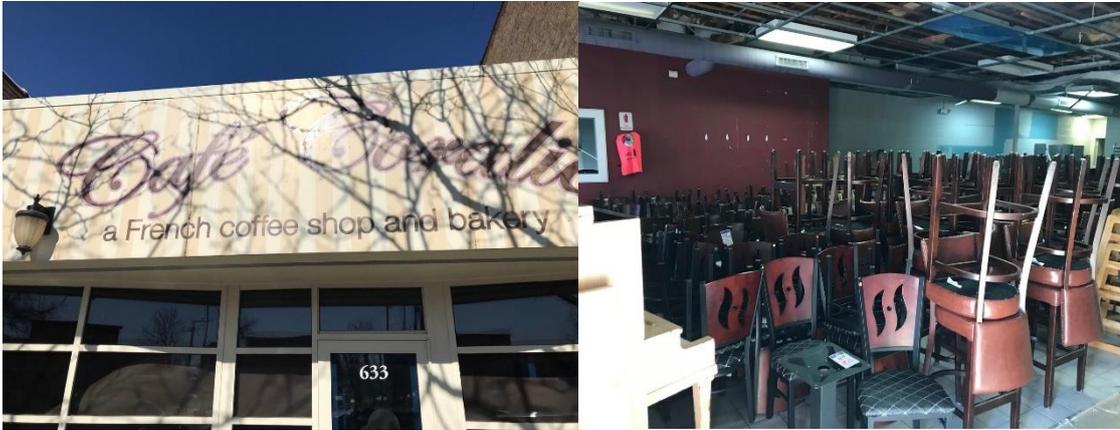


Animal Shelter and Adoption Center (2310 Oakton Street)



Howard Street Storefronts (633 Howard Street; 729 Howard Street)

*729 Howard Street not pictured below



Sled Hill at James Park



Water Department Administration Building (555 Lincoln Street)



Farmer’s Market Lot / 1800 Maple Self-Park (1800 Maple Avenue)



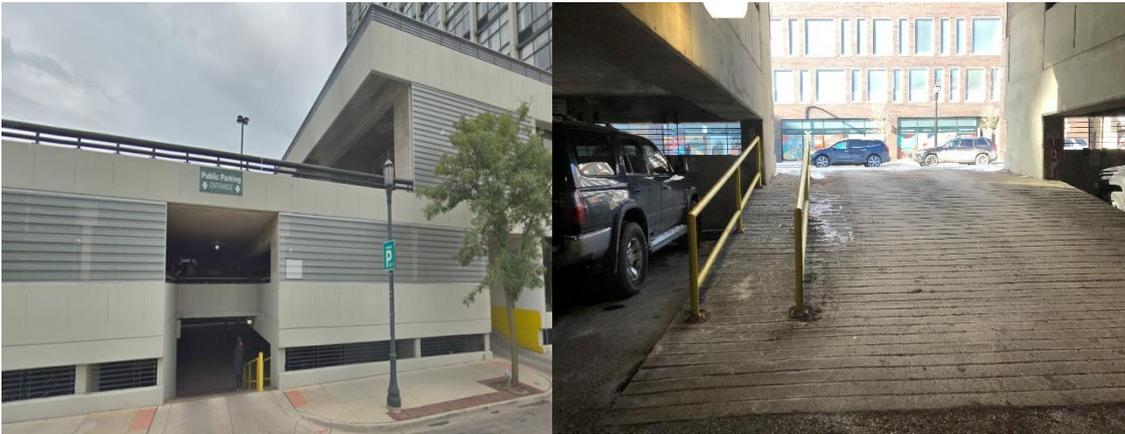
1703 Orrington Avenue (Lot 3)



Church Street Self-Park Garage (525 Church Street)



Holiday Inn Garage (1501 Sherman Avenue)



Lot 1 (South Blvd and Hinman)



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The report and analysis do not purport to represent a formal valuation of any land or property interest and must not be construed as such. Such analysis including forward looking statements are opinions and estimates only and are based on a wide range of variables which may not be capable of being determined with accuracy. Variation in any one of these variables can have a material impact on the analysis and we draw your attention to this.

It should be noted that the estimation of future sales prices, rental levels, development and investment returns, and development viability is an exercise subject to constantly changing known and unknown variables, and the result of which at best should be regarded as an indicative assessment of possibilities rather than absolute values. The process of making forward projections for such key elements involves assumptions which are acutely sensitive to changing conditions, variations in any one of which factors may significantly affect the viability of a project.

Such variables that might result in a material deviation from the findings put forth in the report include, but are not limited to:

- Volatility - Due to the global COVID-19 pandemic and the current situation of the global, national, and state economies, there may be a diminished propensity for equity investment or lending by financial institutions, impacting the availability of debt and equity to the real estate construction sector and the mortgage market.
- Supply and Demand Analysis - The supply and demand analyses put forth in the associated report are based in part on historic trends and may be impacted significantly due to unforeseen delays in supply growth given “construction cessation” orders or volatility in demand due to changing consumer behaviors and economic conditions.

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