

Hyde Park's Shoreland Hotel set to become apartments

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Once a destination for Chicago's elite and infamous, and *the* place to stay for some of the country's most celebrated figures, the Shoreland Hotel soon will be partially restored to its original glamour.

But years of less than tender use by its most recent tenants — University of Chicago students — and long-deferred maintenance have been hard on the 80-year-old structure.

"It gave me a heart-sickening feeling when I saw a large bike rack in the lobby and later, when I toured the old grand ballroom," said Jeanne Gang, the architect hired by developer Antheus Capital of Englewood, N.J., which is turning the hotel into rentals. "It was stripped bare and being used as a tenant storage space," she said, adding that one of the ballrooms had been turned into a pool hall, dubbed the "Al Capone Pool Room."

But Gang, who designed the 82-story Aqua residential building at 225 N. Columbus Drive that was named 2009 Skyscraper of the Year, is excited about the project. The goal, she said, is "to maintain the quality of the spaces. ... It's a building that needs tender, loving care."

Antheus bought the building, 5454 South Shore Drive in 2008 for \$16 million after two failed attempts by other developers to convert it to condominiums. Given the distressed state of the housing sector, Antheus sees a better chance at marketing a 350-unit rental property .

Eli Ungar, Antheus' chairman, says Hyde Park's racial and ethnic diversity and "rich pool of cultural amenities," combined with proximity to the University of Chicago and its expanding medical center, make the Shoreland an attractive investment opportunity. His company owns 75 buildings with 3,000 apartments in the neighborhood, making its holdings the largest property portfolio after the university's.

He estimates the cost to renovate the hotel at between \$50 million and \$60 million.

The project still must overcome zoning issues and win the alderman's backing to secure approval from the city council.

"I am in support of the project though I remain uncommitted on details," Ald. Leslie Hairston said, adding that it's a work in progress. "It is not in its final stages by any means. We are at the early stages. We have not yet gained approval from zoning, transportation and land use planning and heard what they will and will not allow," she said

Ungar said he needs a zoning waiver to replace the planned, all-condominium development granted to a prior owner. Another outstanding detail — and perhaps the most contentious — is approval by residents of the adjoining property at 5490 South Shore Drive, who have voiced opposition over lack of parking for their units.

The prior owner's plan specified 281 condominiums with a one-to-one parking ratio. Ungar is proposing one parking space for every 3 residents. He has proposed a minimum of 140 spaces but promises to seek

approval for up to 266 parking units, using automobile elevator-like lifts and valet service.

The Shoreland Hotel was built in 1926 when Chicago's south lakefront was a summer resort destination. At one time, it was the most expensive hotel in Chicago, gaining fame for its opulent features — riding stables, a three-story restaurant — along with its glittery guest register. The Shoreland's two large ballrooms and a small golf course in the basement made it a popular venue for fancy dining and cotillion balls, where daughters of prominent families were first introduced to fashionable society.

Hollywood stars stayed there when visiting Chicago. Aviator Amelia Earhart, who attended Hyde Park High School, was feted in the hotel's Crystal Ballroom in 1928. Al Capone reportedly held weekly card games there and called the hotel home for a while. According to local lore, White Sox owner Bill Veeck, Elvis Presley and Teamsters President Jimmy Hoffa were guests during the 1950s. One of Hoffa's underlings reportedly choked a hotel worker in the lobby for demanding Hoffa pay his bill.

But by 1970, the building was in decline. The university bought it for a song in 1976 and converted it to dormitory use. The renamed 650-bed Shoreland Hall became the largest student housing facility for almost 35 years before undergraduates moved into new quarters last September.

The Shoreland was placed on the National Register of Historic Places in 1986, an honor that meant little to undergrads. One student's fond Shoreland memory, posted on a blog, was of hurling cans of Schlitz over the fire escape to the street below while taking in the downtown skyline.

Gang's firm, Studio Gang Architects, will renovate the interior spaces for housing and possible commercial uses such as a gym, small bank facility and general retail. Plans call for turning the large Louis XVI Ballroom into a restaurant or event space.

"It would be good to have amenities for use by residents and those outside the building," Gang said.

Renovations will include replacing the aged heating, ventilation and air-conditioning systems, and renovating and updating the lighting, wall finishes and flooring, Gang said. She also has offered advice on repairing historic features such as the badly damaged terra cotta ornamentation.

Antheus' local associate, Peter Cassel of MAC Properties, thinks "East Hyde Park can continue to grow as one of the great apartment communities in the entire city of Chicago." Ungar's attorney has approached city agencies about gaining landmark status for the hotel, which would bring tax credits.

Ungar said dealing with Hyde Park's residents, whom he called highly educated and opinionated, at community meetings has been a learning experience. He said he received good advice from Hairston: "Be quiet and listen."