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### Attracting (green) business

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When Barry Bursak came knocking at Alderman Manuel “Manny” Flores’ door with a big idea and a need for space, he didn’t expect much.

The idea was a sustainable building filled with environmentally-conscious businesses, and Flores said he had just the place: the old Cooper Lamp factory building.

“That was like saying, ‘how about the Vatican?’” says Flores (1<sup>st</sup> Ward).

Developers who were flatly refused by Flores when they proposed condos for the building might agree.



But Bursak, a sustainable furnishing entrepreneur, found support with Flores and took the idea to Baum Development LLC. David Baum and his brother, Douglas, both of Baum Development LLC, bought the building for \$7.5 million, and now the four-story, 250,000 square foot former factory — in line with 350,000 pairs of eyeballs from the Kennedy Expressway daily — is finally under construction.

The project is the Green Exchange, a one-stop shop for green goods and services. Baum Development and its partners for the project are already redeveloping the

building for sustainability, as well as a LEED (Leadership in Energy and Environmental Design) silver rating.

There will only be green tenants, with letters of interest from a green printing company, a sustainable furniture store, an environmentally friendly clothing company and others already signed. It will be energy efficient, have clean air, on-site parking and a green roof — and be the first building of its kind in Chicago.

Flores was looking for something innovative for the building all along, so when Bursak came to him with his idea, saying yes was easy.

“It’s a unique structure. It’s always been used for employment, so we were looking for uses that were creative in terms of economic growth,” Flores says. “The green economy is in an embryonic stage globally, so we have a market advantage.”

And while Flores says it was important that the community not take the path of least resistance, like building a residential development, that doesn’t mean turning the old factory into the Green Exchange will be easy.

For David Baum, the building was “a white elephant” — just the thing for a company that already focuses on adaptive reuse projects. Even so, being on the forefront of green building with a big project means there is more to learn. Because the space must be renovated to meet LEED standards, the project is more complex. For example, LEED-accredited inspectors have to check the work of LEED-accredited engineers. But, Baum stresses, that’s not bad.

“They’re teaching [us] a better way of doing things, and then they test us to make sure we learned it,” Baum says. “It’s a huge advantage. Our building will be that much better.”

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While the building itself will be designed with green technology, the innovative idea of a sort of green Merchandise Mart is what has many people excited. When Bursak, a sustainable furnishing entrepreneur and consultant, presented his proposal to Baum Development, with the alderman's input and approval, the leaders of the company shared the excitement.

"It was a one in a million. [Baum Development] saw that it wasn't just a good investment," Bursak says. "They saw the big picture of sustainability and green development and basically said, 'What are we waiting for?'"

Now the project is set to open in mid-2007.

The plan includes retail space, show and event rooms and incubator spaces. There will also be a bike room, car-sharing service and plans for live/work spaces for tenants among the amenities. Tenants and shoppers can park their hybrid car in the priority spot, pick up a healthy snack and shop for sustainable furniture all in the same day. As far as green building goes, the idea is completely new — it was designed that way, to be a model for future tests, David Baum says.

When Bursak originally started shopping for a collaborative space he quickly realized that there was a major gap in the marketplace. That's where the Green Exchange comes in. "It's like going to a mall for people who are interested in what's going on with sustainability," Bursak says. "But it's not just where companies sell their stuff. It is designed to create a symbiotic relationship."

One of the businesses interested is Consolidated Printing, a green printing company that would have a satellite office in the new building. Marilyn Jones, the president and founder of Consolidated, says that when she started the company in the early 1970s she felt like a bit of an "oddball." The idea of the Green Exchange is exceptional because it will increase understanding and visibility for these businesses, she says.

"There's awareness now," she says. "Isolating ourselves would be a terrible thing."

JohnPaul Kusz agrees.

As the founder and associate director of the Center for Sustainable Enterprise and a professor at the Illinois Institute of Technology's Stuart Graduate School of Business, he has watched consumer interest in green living rise. The businesses that cater to that interest are scattered, and that makes it harder for people to find what they are looking for, he says.

"If you go to a place where there are purveyors and sellers all together you can shop and compare. It's a real advantage," Kusz says.

When Flores turned down the total residential plan it wasn't because it was a bad idea, but because he wanted revitalization in the area — more jobs, not less. He points to the Addison industrial corridor as needing this boost, as well as the need in his neighborhood for jobs and growth.

Baum thinks the project will inject some life into the neighborhood, too. There's easy access and visibility from the expressway, for one thing, but more important is the potential for cooperation and work.

"The project will inherently produce jobs," David Baum says. "Nearby corridors need some help, and [it can be] a catalyst for that."

Bursak points to his store as an example. He will need to have the product made, will need to have it shipped, and so on until it reaches even the most unexpected parts of the business community.

On a macro level, Flores says he was looking to establish a foundation for the fast-growing green market in Chicago. And that starts with the business community.

This conglomerate of environmentally conscious businesses is something that Hans Fedderke says will generate interest among consumers. Fedderke is the one of the only LEED certified realtors in the Chicago area and the founder of Green Home Partners, a realty company that is committed to green building. He says the Green Exchange could be a big step towards waking the business community up about sustainability.

"A critical mass of people of like mind all in one room helps the project move along," Fedderke says. "The immediate benefit [of the Green Exchange] is increased awareness, plus an in-house push for the market to adopt a green standard."

Fedderke, who has a master's degree in historic preservation from the School of the Art Institute of Chicago, says the reuse aspect of green building is partly why developers and consumers are still shy about sustainability. Many people think of increased expense when

considering sustainability. Really, he contends, it's just as expensive as adding anything to an existing structure.

The most frustrating thing for many green building enthusiasts is the greater cost. For example, the Environmental Protection Agency cites research showing indoor air is generally more polluted than outdoor air — and that the average American spends 90 percent of their time indoors.

Problems with indoor air quality, along with other issues, can be solved by going green, says Tristan Roberts, the senior editor of Environmental Building News, the publication of the independent company BuildingGreen Inc.

Roberts says even with upfront costs, building green ends up saving the owner money. If a business invests in more efficient windows, for example, it might be more expensive initially. But in the long run, it saves money on heating and cooling.

One problem is what he calls “scaremongering” from national officials who say that taking more action on behalf of the environment may hurt the economy.

“People [are] realizing that they can have a building that does more than the buildings of yesterday,” he says. “It doesn't have to be painful. They can have their cake and eat it, too, if they're smart.”

Kusz says top-down scare tactics aren't surprising from businesses with old ideas that are seeing the twilight of a time. But these old ideas are still hindering change, he says.

Roberts expects “a push from the bottom” in terms of policy. Municipalities have already started to make the decisions the federal government has sidestepped so far, such as the speedy permit approval process for green buildings in Chicago. The changes could soon manifest in city codes, too, he says.

This is why Flores says he was seeking a plan like this one from the start. He points out that Chicago is already known as a green city, but more can be done.

“To get it to the next level we need to do more than simply require building a green roof,”

Flores says. “The next level would be to get people excited about green building, and create incentives. It's not just smart development. It's smart growth.”

*Dorr is a freelance writer.*

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