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## Tribune Media courts developers for big printing plant site

By RYAN ORI |  



publications are printed. Because of the huge size of the site, a developer could spend years planning and building residential, office and retail space south of the Freedom Center before looking to move the printing operation to an area where real estate values are lower.

Tribune Media kept control of the company's real estate when it spun off Tribune Publishing—the newspaper business now known as Tronc—into a separate publicly traded company in 2014. The newspaper publishing company rents the Freedom Center from Tribune Media.

A developer could face one major obstacle: The Freedom Center is in a planned manufacturing district, a zoning designation that would need to be changed for a large, mixed-use development to be permitted there. But Mayor Rahm Emanuel's administration has recently hinted that changes could be coming to PMDs in areas that have gentrified, making them no longer suited for manufacturing.

Tribune Media's River West site is surrounded by neighborhoods such as Lincoln Park, River North and Fulton Market where values are soaring for developments such as residential, office and retail buildings. Just to the south, in the fast-changing Fulton Market District, McDonald's recently confirmed plans to move its headquarters from west suburban Oak Brook to a new building on the former site of Oprah Winfrey's Harpo Studios.

The intensified focus on the Freedom Center property's future represents the latest step by Tribune Media President and CEO Peter Liguori to cash in on the value of the broadcast company's real estate.

The company said yesterday that it had completed the sale of Tribune Tower, Los Angeles' Times Mirror Square building and the Olympic printing plant in Los Angeles, for \$430 million to \$475 million in net proceeds, including contingency payments. Tribune Tower sold for \$205 million to \$240 million, depending on unspecified conditions, according to Tribune Media.

So far this year, the company has sold nine properties for a combined \$519 million, it said in the statement. The value of remaining real estate in Chicago; Southern California; Fort Lauderdale, Fla.; and Long Island is at least \$500 million, Liguori said in the statement, which did not specify what Tribune Media believes the Freedom Center site is worth.

"We have made considerable progress toward achieving our goal of realizing at least \$1 billion of gross proceeds from the sale of some of our most significant real estate holdings," Liguori said.

Tronc spokeswoman Dana Meyer and Ald. Walter Burnett, 27th, whose ward includes the Freedom Center site, did not respond to requests for comment.

Crain's first reported in 2013 that Tribune Media was evaluating potential future uses for its properties around Halsted Street and Chicago Avenue. Last year, it chose Chicago-based developer Riverside Investment & Development to develop a seven-acre riverside site, likely with residential, office and retail space, on the north side of Chicago Avenue, just across the street from the

After wrapping up the sale of its iconic Tribune Tower on Michigan Avenue, Tribune Media is turning its attention to another potentially lucrative real estate deal about a mile to the northwest: its Freedom Center printing plant.

Tribune Media officials have been in preliminary talks with developers as it seeks a potential joint venture partner to redevelop a 30-acre site along the Chicago River on the North Side, according to real estate sources.

*"The site is worth a fortune," said Matt Garrison, managing principal at Chicago-based real estate investment firm R2, which is developing several properties on and around nearby Goose Island. "It's probably worth more than \$100 million. And with a (joint venture), it could be more than a \$1 billion development."*

The site, which includes the 854,000-square-foot printing building and distribution facility at 777 W. Chicago Ave., is 30.4 acres, according to a Tribune Media presentation to investors in August. The vacant riverside parcel stretches about a half-mile south to Grand Avenue.

Murray McQueen, Tribune Media's president of real estate, said the report is wrong. "We have not solicited or engaged with any developer regarding a potential joint venture or sale of the property; it would be extremely premature to do so," he said in a statement. "No decisions whatsoever have been made about the future use of the property. Instead, we intend to work carefully and deliberately with the city of Chicago to follow the established process for evaluating the possible future use of the property."

It is unclear whether, or how soon, a potential development could displace the printing operation where the Chicago Tribune newspaper and other