

Emergency Meeting
February 3, 2009

ROLL CALL

APPROVE GOVERNMENTAL COOPERATION AGREEMENT AND VENUE USE AGREEMENT FOR THE CITY OF CHICAGO'S BID TO HOST THE 2016 SUMMER OLYMPICS, CHICAGO

Action: Approve 2016 Olympic and Paralympic Games Governmental Cooperation Agreement and Venue Use Agreement for submission to the International Olympic Committee as part of the City of Chicago's bid to host the 2016 Summer Olympic Games, Chicago

Funding: No New Funding Required

On September 4, 2007, the United States Olympic Committee ("USOC") formally submitted the City of Chicago (the "City") as its official Applicant City to host the 2016 Olympic and Paralympic Games currently scheduled to commence on July 22, 2016, and end on August 28, 2016 (the "Games"). On June 4, 2008, the International Olympic Committee (the "IOC") named the City as a finalist in the competition to host the Games. The other finalists are Tokyo, Madrid, and Rio de Janeiro. The IOC Evaluation Commission will visit Chicago and the other finalist cities this spring, and will announce its selection of the host city on October 2, 2009. The privilege of hosting the Games would be a great honor for the City and State and other participating

governmental and private parties and would serve as a catalyst for sport, cultural and educational development, and opportunity for years to come.

As part of the early-stage planning and preparation for the Chicago bid, the Board approved on January 18, 2007, an Intergovernmental Agreement with the City that allowed the parties to explore means of cooperation and potential venues and facilities on the Chicago campus that could be used in the Games. Now that the City has been named a finalist to host the Games, the IOC requires the City, among other things, to submit: (i) binding use agreements with all of the venue owners; and (ii) a cooperation agreement with all public authorities involved in the planning and hosting of the Games to demonstrate their ability to successfully stage the Games by describing the procedures they will put in place to ensure coordination during the period before and after the IOC's selection of the host city.

An entity known as Chicago 2016 has been incorporated and appointed by the City to act as the organizing committee for the City's bid to host the Games. On or before February 12, 2009, the City and Chicago 2016 will submit a Candidature File and related materials to the IOC in support of the Chicago bid that will include venue use and governmental cooperation agreements with all public and private parties, including the University.

Chicago 2016 has identified several facilities on the Chicago campus that would play an important role in hosting the Games. They are: the UIC Pavilion, Flames Athletic Center, Physical Education Building, South Field Complex/Flames Field, and Student Recreation Facility. It is anticipated that the UIC Pavilion would be the venue in

which the Olympic boxing and Paralympic sitting volleyball competitions will be held. The other facilities may be used for a variety of purposes, including, athletic practice, training, and other sport-related activities, test events, staging of medal or award ceremonies, activities of the Olympic Broadcast Service, and marketing and promotion of the Games.

Beginning in the summer of 2008, representatives from Chicago 2016 have conducted informational meetings and held numerous discussions and negotiations with Chicago campus representatives, including athletics, police, facilities management, legal counsel, and the Office of the Vice Chancellor for Student Affairs. Additionally, former Interim Chancellor Gislason appointed a UIC/Chicago 2016 Olympic Executive and Working Committee comprised of campus leaders and stakeholders to facilitate decisions and the eventual implementation of the agreements should Chicago be awarded the Games.

The Venue Use Agreement

The parties to the Venue Use Agreement (the “VUA”) are the Board of Trustees of the University of Illinois, the City, and Chicago 2016. The VUA encompasses each of the above-mentioned facilities on the Chicago campus and grants exclusive use of the facilities, and limited surrounding areas, to Chicago 2016 (or a successor entity to be formed) during the Games and for periods ranging from one to seven weeks before the Games. Chicago 2016 will also have the non-exclusive right to use the facilities and limited surrounding areas for certain periods before and after the

Games to install and remove, at its expense and risk, “Olympic overlay” materials such as advertising, temporary structures, equipment, security, and other infrastructure.

Under IOC policy, the University, as a public agency, may not charge a fee for the use of the facilities. However, all direct expenses for services required at the Chicago campus venues during the exclusive use periods will be the responsibility of Chicago 2016. Services may be provided by the University’s existing vendors and employees, or by outside vendors selected by Chicago 2016. Olympic sponsors, concessions, ticket sales, and sale of merchandise will be determined exclusively by the IOC, USOC and Chicago 2016. The University will have no commercial, advertising or merchandising rights for the Games unless such rights are negotiated and granted under separate agreements. The VUA requires designation of a Venue Representative to make major decisions, (subject to all applicable laws, the University Rules and such further approvals as may be necessary), that are required to carry-out the VUA. Walter K. Knorr, Comptroller, is designated as the initial Venue Representative. An Operational Representative designee is also required by the VUA to handle day-to-day matters. The initial designee is Michael Landek, Associate Vice Chancellor for Student Affairs at the Chicago campus. The University may change the Representatives at any time by notice to Chicago 2016. If Chicago is not awarded the Games, the VUA terminates automatically.

The Governmental Cooperation Agreement

The parties to the Governmental Cooperation Agreement (“GCA”) are the Board of Trustees of the University of Illinois, the City, Chicago 2016, The Metropolitan Pier and Exposition Authority, The Chicago Park District, The Board of Education of the City of Chicago, The County of Cook, The County of Lake, The City of Evanston, and The Village of Old Mill Creek. The GCA contains a number of guarantees by the University and other governmental parties. Significant among the guarantees are:

- The City and the governmental parties guarantee that the City, working in partnership with Chicago 2016, shall be the primary and lead governmental authority for the planning, organization, and hosting of the 2016 Games, and the delivery of public services specific to the Games.
- The governmental parties guarantee the respect of the Olympic Charter and the host city contract to be entered into by the City, the IOC, the USOC, and Chicago 2016 if Chicago is awarded the Games.
- A guarantee by each governmental party that to the maximum extent of its authority, it will not hold any other important national or international meeting or event within the vicinity of the venues in its jurisdiction during the 2016 Games or for the one week immediately before and after the 2016 Games.
- A guarantee by each governmental party that to the maximum extent of its authority, that all construction work necessary for the organization of the 2016 Games within its respective jurisdictional boundaries, to the extent permitted or authorized by the governmental party, will comply with:
 - (a) Local, regional and national environmental regulations and acts; and
 - (b) International agreements and protocols to which the United States is a party regarding planning, construction, and protection of the environment.
- A guarantee by each governmental party that it shall provide or cause to be provided all government-related services that it customarily provides and that are necessary for the successful planning, organization and staging of the portions of 2016 Games at no cost to Chicago 2016.
- The City and the governmental parties agree that a commission, known as the Chicago Olympic Public Safety Command, or COPSC, shall engage in

comprehensive security and public safety planning to prepare for hosting the 2016 Games, and COPSC shall have primary responsibility for security and public safety at each of the Olympic venues and in the surrounding areas.

- If Chicago is not awarded the Games, the GCA terminates automatically.

The Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the Board enter into the Venue Use Agreement and the 2016 Olympic and Paralympic Governmental Cooperation Agreement, and that the Comptroller, Walter K. Knorr, be granted authority to execute both agreements on behalf of the Board, substantially consistent in form and substance with the description above, and that Michele M. Thompson, Secretary of the Board, be granted authority to attest to the signature of the Comptroller on the two agreements.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.