

Board Meeting
July 24, 2014

ROLL CALL

DELEGATE AUTHORITY TO EXECUTE CHICAGO CAMPUS LAND EXCHANGE
WITH THE ILLINOIS MEDICAL DISTRICT COMMISSION

Action: Delegate to the Comptroller the Authority to Enter an Intergovernmental Agreement with the Illinois Medical District Commission

Funding: No New Funding Required--Non-Cash Transaction

The Chancellor, University of Illinois at Chicago, and Vice President, University of Illinois with the concurrence of appropriate administrative officers, recommends the delegation of authority to the Comptroller to approve an intergovernmental agreement to affect the exchange of University-owned land, improved with an office building, located at 2023 West Ogden Avenue, Chicago, Illinois, for approximately 33,000 square feet of vacant land, commonly known as 1835 West Roosevelt Road, Chicago, Illinois, that is owned by the Illinois Medical District Commission (IMDC).¹ The IMDC land is comprised of multiple lots and lies west and immediately adjacent to the new Mile Square Health Center facility at the southwest

¹ Pursuant to Article II, Section 4(f) of the *The General Rules Concerning University Organization and Procedure*, the Comptroller is authorized to approve intergovernmental contracts on behalf of the Board of Trustees. Land exchanges, however, remain subject to approval of the Board pursuant to a resolution adopted January 14, 1994.

corner of Roosevelt Road and Wood Street.² Within the boundaries of the IMDC land, there is a single lot owned by the City of Chicago. The Chicago City Council is expected to act on a proposed ordinance at its meeting scheduled on July 30, 2014, pursuant to which the City will authorize the transfer of the City-owned lot to the University for nominal consideration (one dollar) by way of an intergovernmental agreement.

The IMDC land to be obtained by the University, along with the City-owned lot, will be utilized to accommodate parking and ancillary improvements required for the Mile Square Health Center. Under the proposed agreement, it is also expected that the University will receive an option to purchase an additional parcel within the Medical District from IMDC in the future to equalize the value of the exchange parcels should any differential remain after all demolition, remediation, and transaction costs are properly accounted for between the parties. The University's Ogden Avenue property, while currently used for storage, no longer meets the needs of the Chicago campus, and is desired by the IMDC for redevelopment consistent with its mission.

The Chancellor, University of Illinois at Chicago, and Vice President, University of Illinois recommends the exchange of the University property for the vacant IMDC land on Roosevelt Road, together with an option for a possible future acquisition of another IMDC parcel, and requests authorization for the Comptroller to enter into an intergovernmental agreement with the IMDC for such purposes. Terms of the agreement

² The Mile Square Health Center project was initially approved by the Board on January 20, 2011. Subsequent actions in relation to the construction budget and award of contracts were taken by the Board in December 2011, July 2012, and September 2012.

will be conditional upon completion of the transfer of the City-owned lot to the University, and will include proper identification of exchange parcels acceptable to the University, establishment of appraised values of the respective parcels to be included in the exchange, other due diligence as may be appropriate, including but not limited to, property title policy approvals, and conclusion of the exchange according to a schedule satisfactory to both parties.

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 Vice President/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.