Request for Proposals from Private Developers for the Sale of Historic Main Building on Illinois Institute of Technology’s Main Campus for the Purposes of Restoration and Redevelopment
**The Opportunity**

Main Building, which is located at 3300 South Federal Street on the Main Campus of Illinois Institute of Technology ("University" or "IIT") in the Bronzeville neighborhood of Chicago, is in need of significant upgrading, renovation, and rehabilitation. The University’s need for this space has been reduced such that it now serves only the most minimal of institutional purposes, making it economically unviable for IIT to upgrade, renovate, and rehabilitate the building. Therefore, IIT is seeking proposals from the development community for redevelopment of Main Building and its use by an external entity or entities in a manner compatible with the building’s location on a university campus. As described in more detail below, key conditions would include (i) the University’s continued ownership of the land, which would be leased for $1 per year pursuant to a ground lease for a to be agreed to term sufficient to allow the developer to make a commercially reasonable rate of return (hereinafter referred to as the “Ground Lease”); (ii) the sale of and transfer of title to the building in “as is” condition to the developer, which, as it is motivated to see the building renovated, IIT will entertain at a very attractive price; and (iii) no dollar investment by the University, no on-going commitment or obligation by the University with respect to the building, and no debt in the University’s name or that would reflect as such on the University’s financial statements. The expectation is that Main Building will revert to IIT ownership upon expiration of the above-described ground lease.

The information that follows is intended to provide only a general description of the building, IIT and the Main Campus. Although IIT believes it to be accurate, this information is not a representation or warranty of any kind, and IIT assumes no liability, and expressly disclaims liability, for its accuracy. Main Building will be sold “as is.” However, as noted herein, developers will have opportunities to visit Main Building and Main Campus.

**Background**

Main Building was designed by Chicago architects Patton & Fisher to house the classrooms and offices of the newly founded Armour Institute of Technology. Construction began on the Romanesque Revival-style structure in 1891 and was completed in the fall of 1893.

**Landmark Status**

Main Building was designated as a Chicago Landmark in 2004. (A copy of the ordinance designating Main Building as a landmark is attached hereto as Exhibit A.) In 2005, the area roughly bounded by 31st Street, State Street, 35th Street, and the Dan Ryan Expressway was designated a national historic district. Main Building lies within this district. Main Building’s historic and architectural significance is based on its place in Chicago’s history, including its association with the industrialist and Armour Institute founder Philip D. Armour; religious leader, educator, and Armour Institute’s founding president Frank W. Gunsaulus; architects Patton & Fisher; and the building’s unique architectural features.

**Location, Space, and Architectural Details**
Main Building is located on the southwest corner of South Federal and West 33rd Streets on the Main Campus of Illinois Institute of Technology. Its principal use over the past ten years has been as administrative space.

In its current state, Main Building is believed to offer an estimated 39,000-square-feet of usable (“rentable”) space; a basement that is believed to be approximately 10,300-square-feet; and what is believed to be an estimated 13,500-square-feet of common space, for an estimated total of 62,800-gross-square-feet.

Visible from the Dan Ryan Expressway, the primary orientation of the building is east, where it currently faces an open lawn landscaped with a double row of trees. A raised railroad embankment and the Dan Ryan Expressway run along the west elevation. The building is rectangular in plan and five stories in height, with a two-story wing extending to the south along Federal Street. The building is symmetrical overall and built of masonry, with a rough-finished dark red sandstone base and smooth red brick and terra cotta cladding at the upper floors. The main features of Main Building’s exterior include a combination of richly-colored materials with contrasting textures; strongly arranged rows of rectangular and round arched windows; Romanesque-style ornaments; and a picturesque multi-hip roofline pierced with tall gable-fronted dormers.

An Introduction to Illinois Institute of Technology

Located in the city of Chicago, on a campus designed by Ludwig Mies van der Rohe, IIT is a private, technology-focused, research university offering undergraduate and graduate degrees in engineering, the sciences, architecture, law, design, applied technology, business, and human science. Founded in 1890, the University is known for its focus on innovation, tech entrepreneurship, and design-centered thinking. IIT also is committed to access—giving talented young men and women the chance to be part of a community that prides itself on academic excellence and extraordinary achievement.

An Impact Both Global and Local

The University has called the city’s South Side home for 125 years, and we are proud to be working alongside our community partners to strengthen the local economy and build Chicago’s tech ecosystem. Our campus is also home to students from all fifty states and nearly 100 countries, bringing a global diversity to the University that adds to the educational experience we offer. With the relocation
of our Stuart School of Business, a plan for Institute of Design’s move to Main Campus from downtown, and our growing undergraduate body, IIT projects that by 2020 it will have 8,000 students along with supporting faculty and staff on campus daily. Our 40,000-plus alumni around the world and across the nation are shaping the skylines of our cities, re-thinking how commodities are traded, starting new companies, and leading multinational corporations. One of our alumni, Marty Cooper, led the team at Motorola that developed the first cell phone.

The Mies Campus

Mies van der Rohe’s modernist vision found expression in the campus he designed for Illinois Institute of Technology. Chosen in 1976 by the American Institute of Architects as one of the top 200 architectural achievements in the U.S., the Main Campus, also known as the Mies Campus, was entered into the National Register of Historic Places in 2005. S.R. Crown Hall, considered by many to be one of Mies van der Rohe’s most iconic buildings, was named a National Historic Landmark in 2001.

Two noteworthy buildings opened on Main Campus in 2003, continuing IIT’s tradition of architectural renown: the McCormick Tribune Campus Center, designed by Pritzker Prize-winning architect Rem Koolhaas, and the State Street Village residences, designed by the internationally-acclaimed Chicago architect Helmut Jahn. Planning is now underway for the new 100,000-square-foot Ed Kaplan Family Institute for Innovation and Tech Entrepreneurship, which will be designed by award-winning Chicago architect John Ronan.

The south end of Main Campus, which was renovated from 2006 to 2011, is the location of several facilities, including the University Technology Park, with 25 tech companies and about 400 employees.

Two residence halls, Bailey and Cunningham located near 31st Street and Michigan Avenue, are in the very early stages of a design-to-construction renovation with the aim of achieving a target completion by the start of the 2016-17 academic year.
In addition, two academic buildings, Engineering 1 and Life Sciences are in process of renovations.

**The Community**

Located in the historic Bronzeville neighborhood and adjacent to the Bridgeport neighborhood, IIT’s Main Campus is approximately ten minutes south of downtown Chicago, a short distance from McCormick Place, and six blocks west of Lake Michigan and the new 31st Street harbor. The campus is in close proximity to two elevated CTA lines (Red and Green); Metra commuter rail; city bus stops; and the Dan Ryan Expressway. The continued growth of the surrounding neighborhood is contributing to a growing retail sector adjacent to campus, including a planned Wal-Mart to be located south of campus on State Street; Starbucks; PNC Bank; a FedEx Office; Jimmy John’s; and Miller’s Pizza. The Chicago White Sox’s U.S. Cellular Field is located just west of the campus.

**Request for Proposal Specifics**

As indicated above, IIT is seeking proposals from developers pursuant to which they will agree to purchase and take title to Main Building, “as is,” while entering into the Ground Lease with IIT for the land upon which Main Building sits. As noted above, the rent associated with the Ground Lease will be $1 per year. Title to Main Building will revert to IIT upon expiration of the Ground Lease. As IIT is desirous to see Main Building upgraded, renovated, and restored consistent with its historic status, IIT will only consider proposals from developers that appear to set forth, in IIT’s opinion, a reasonably viable plan of redevelopment. However, IIT understands and accepts that any such plan is subject to a host of factors and circumstances that may necessitate modification to the plan of redevelopment. Accordingly, IIT only contemplates entering into with the chosen developer (i) a Purchase and Sale Agreement, pursuant to which IIT will sell and transfer title to Main Building in “as is” condition to said developer; (ii) a Ground Lease generally on the terms described herein along with such customary terms as the University deems necessary to protect its interests, and (iii) such customary documents and agreements needed to consummate the transaction. For the avoidance of doubt, IIT does not contemplate entering into a specific development agreement with the chosen developer.

**Business Outline**

IIT is seeking to sell and transfer title to Main Building and to ground lease the land thereunder (Main Building and said land collectively referred to herein as the “property”) to an experienced developer for the purpose of seeing Main Building upgraded, renovated, redeveloped, and reutilized for any such use or uses that would not be inconsistent with its location on a university campus. A preliminary outline of business terms envisioned by IIT is as follows:

1. IIT will retain ownership of the land underlying Main Building, but it will ground lease this land to the developer as described above. Main Building will be sold to developer, who will take title to it.

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1 BASED ON KNOWLEDGE AND EXPERIENCE RELATED TO THE PROPERTY, IIT BELIEVES, AND IS OF THE OPINION, THAT ASBESTOS CONTAINING MATERIAL AND LEAD PAINT ARE PRESENT IN MAIN BUILDING.
Ownership of and title to Main Building will revert to IIT upon termination of the Ground Lease, including any and all extensions thereto.

2. The developer will be responsible for:
   a. Planning, designing, and implementing a redevelopment plan for Main Building;
   b. Obtaining financing for the renovation, redevelopment, and rehabilitation of the property;
   c. Renovating, rehabilitating, and redeveloping of the property, including any required or desired environmental remediation, and securing all required governmental permits and approvals; and
   d. Operating and maintaining the property throughout the term of the Ground Lease.

3. In connection with the consummation of the sale contemplated herein, IIT will not guarantee to lease back or to provide any funding or revenue of any sort with respect to the property, and the developer should assume that IIT does not require, and will continue not to require, any use of the property. However, as IIT will continue to own and hold title to the land, IIT is willing to provide such reasonable cooperation and assistance to the developer as may be necessary for the developer to secure any governmental permits, approvals, permissions, and/or other forms of assistance.

4. As IIT’s decision to undertake this transaction is motivated by a deep and sincere desire to see Main Building renovated, redeveloped, and rehabilitated, the developer should feel at liberty to present a creative, but reasonable, plan for redevelopment that would be appropriate for a facility located on a campus setting. Without intending to be an exhaustive list, IIT would consider appropriate concepts for hotel; restaurant; entertainment venue; office space; and/or certain mixed commercial, institutional, and administrative uses appropriate. Without intending to be an exhaustive list, IIT would consider the following uses inappropriate: industrial uses as well as commercial uses relating to the manufacture or sale of alcohol or tobacco (except as incidental to an appropriate use); guns and/or regulated narcotics; or involving gambling or sexually explicit material or activities. IIT anticipates the Ground Lease containing a covenant prohibiting uses comparable to those listed herein as being inappropriate.

**Submittal Requirements**

I. Company Information

- Name of company, number of years in business, legal status, and company Federal ID number.
- Contact name, including email address.
- Company address.
- A detailed description of the credit, subsidies, financial and banking resources available to the company to support the renovation and redevelopment of the property. If available, three years of audit financials, or comparable equivalents, are also requested.
II. Proposed Plan of Redevelopment for Main Building

Detail the developer’s proposed plan of redevelopment for Main Building, in particular explain (a) the renovations contemplated; (b) the schedule for undertaking these renovations and putting the property to actual use; (c) the estimated cost of such renovations; and (d) the proposed uses to which Main Building will be put post renovation. This information may be provided in narrative and/or graphic form. In addressing this submittal requirement, IIT is granting the proposer broad discretion. The intention is for the plan to be presented in such a way so that IIT will find it to be reasonable, viable, and appropriate given Main Building’s historic designation and its location on a university campus.

III. Proposed Financial Model

Consistent with the plan of redevelopment proposed in response to Item 2 above, provide a general description of the type of financing proposed for the project and a proposed pro-forma for the renovation and operation of the property. The purpose of this information is not to bind the proposer to a specific financing mechanism or structure; rather, it is intended to serve as evidence of the proposer’s financial strength and ability to undertake and successfully complete this project and to assist IIT in evaluating whether the proposed plan of redevelopment is reasonable and viable. (AGAIN, THE DEVELOPER SHOULD ASSUME THAT IIT WILL NOT GUARANTEE TO LEASE BACK ANY SPACE IN MAIN BUILDING OR PROVIDE ANY FINANCIAL RESOURCES OR FUNDING OF ANY KIND WITH RESPECT TO THE PROJECT, EXCEPT FOR IIT’S WILLINGNESS TO SET THE RENT IN THE GROUND LEASE AT $1 PER YEAR AND TO ACCEPT AN ATTRACTIVE PURCHASE PRICE.)

IV. Experience and References

1. A general summary of the company’s history and experience.

2. Specific details of similar projects recently (within the last 10 years) completed, with emphasis on particular projects that involved the renovation and redevelopment of historic buildings. Information presented about the projects must include the following:
   - Name and location of institution (if applicable) and/or project.
   - Name, address, phone number, and email address of a reference that can be contacted for each project.
   - Description of project, including, but not limited to, type of facilities included in the project; total square footage of project; site conditions of the facilities at time of acquisition; time frame for completion of the project for date of acquisition; and total cost of project. Specify for both: total cost; cost per bed; cost per square foot; and cost per unit.
   - Any claims or defaults against developer or any of its subsidiaries.

V. Proposed purchase price and length of the term, in years, of the Ground Lease.

Provide the price at which the proposer is prepared to purchase Main Building. (TO REINTERATE, IIT’S PRIME MOTIVATION IS TO SEE MAIN BUILDING RENOVATED, REHABILITATED, AND REDEVELOPED; ACCORDINGLY, WITH THE UNDERSTANDING THAT IIT WISHES TO MINIMIZE OUT-OF-POCKET EXPENSES ASSOCIATED WITH THE CONSUMMATION OF THIS TRANSACTION, IIT IS PREPARED TO
CONSIDER AN ATTRACTIVE SALE PRICE IF SUCH PRICE IS IN CONNECTION WITH A PROJECT THAT WILL
ACCOMPLISH THIS GOAL.)

Responses shall be submitted in sealed envelopes or packages. The outside of the envelope must
clearly indicate the name of the project ("RFP – Main Building Redevelopment") and the name and
address of the responding developer.

Submit three (3) printed copies and one (1) electronic copy of your proposal by 2:00 p.m. (Central Time)
on Friday, March 27, 2015.

Printed copies should be submitted to:

Bruce Watts
Vice President of Facilities & Public Safety
Illinois Institute of Technology
10 West 35th Street, Suite 1900
Chicago, Illinois 60616

Electronic copies should be submitted on CD at the above address or by email to: bwatts1@iit.edu, with
a copy to jsiegel2@iit.edu.

IIT must receive submissions as specified herein. It shall not be sufficient to show that you mailed or
commenced delivery before the due date and time. All times are local Chicago times. IIT is not
responsible for and will not pay any costs associated with the preparation and submission of your
proposal.

Proposals, once completed, signed, and returned by you, will constitute your submission. Written
requests to modify or to withdraw a submission prior to the scheduled opening time will be accepted
and will be acted upon at opening. No oral requests will be allowed. Requests must be addressed and
labeled in the same manner as the original and marked as either MODIFICATION or WITHDRAWAL.

IIT reserves the right to seek clarifications concerning any proposal at any time, and failure to respond
may be cause for rejection. Clarification is not an opportunity to change the proposal. IIT will endeavor
to accord all firms fair and equal treatment with respect to the RFP process. Submissions may be
deemed non-responsive for failing to submit documentation and/or responses that address each and
every element of this RFP, and any submission so deemed by IIT in its discretion will not be further
considered.

Submission confers on a firm no right to a determination that it is qualified, and a determination that a
firm is qualified confers no right to an award or to a subsequent agreement. This process is for IIT’s
benefit only and is to provide IIT with competitive information to assist in its selection process. All
decisions on compliance, evaluation, terms, and conditions shall be made solely at IIT’s discretion and
made to favor IIT.
Interviews

Each, but not likely every, firm submitting a proposal may be invited to deliver a presentation and to meet with the panel evaluating responses to this RFP. It is estimated that these interviews will occur within forty-five (45) days after proposals are due. IIT will strive to provide a more definite timeframe for interviews before the proposal due date. The date, time, and nature of such interviews will be determined by IIT in its sole discretion.

Review Criteria

The following factors will be considered in evaluating received submissions and making the determination as to which one to accept, if any:

1. Demonstrated understanding of and responsiveness to IIT’s goals for the project, including, but not limited to, the reasonable viability of the proposed plan of redevelopment and the costs and financing associated with the same.
2. Prior experience of the developer.
3. Financial capacity of the developer.
4. Proposed purchase price.
5. Other factors including the proposal’s impact on the operations of IIT.

Selection Process

It is the intent of IIT to use this RFP as the primary vehicle to evaluate objectively and systematically the responses before meeting with some, but not necessarily all, of the proposers. Upon completion of this process, IIT will select a firm with whom to negotiate the Ground Lease and the Purchase and Sale Agreement. As the potential permutations of responses for achieving the stated objectives are myriad, IIT is not proposing forms of agreement at this time, but it may well elect to do so at some future date. If agreements cannot be successfully negotiated in a timely manner, IIT may, in its discretion, terminate negotiations with the first candidate and begin negotiations with another. IIT may also cancel this solicitation at any time.

Preliminary Transaction Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Thursday, September 11, 2014</td>
<td>Request for Proposal issued</td>
</tr>
<tr>
<td>Wednesday, October 15, 2014</td>
<td>Pre-proposal meetings and site walk of Main Building and</td>
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<tr>
<td>Wednesday, October 29, 2014</td>
<td>Main Campus (The meetings and site walks are contemplated</td>
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<tr>
<td>Wednesday, November 12, 2014</td>
<td>to be identical. IIT is offering multiple dates for the convenience</td>
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<tr>
<td></td>
<td>of developers. Developers are free to attend one or all.)</td>
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<tr>
<td>Monday, February 2, 2015</td>
<td>Last day for written questions to be received</td>
</tr>
<tr>
<td>Friday, March 27, 2015</td>
<td>RFP Submittals due by 2:00 PM CST</td>
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<tr>
<td>Monday, June 1, 2015</td>
<td>Estimated Decision Date</td>
</tr>
<tr>
<td>Within 90 Days of the Decision Date</td>
<td>Estimated Closing Date</td>
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(The University reserves the right to modify the schedule, either to expedite it or extend it, as it determines necessary or appropriate to achieve a successful outcome.)

Questions

All communication, correspondence, questions, and submissions in reference to this Request for Proposals (RFP) shall be directed to IIT in writing to the attention of Bruce Watts at bwatts1@iit.edu with a copy to Joshua Siegel at jsiegel2@iit.edu.

Questions received after the last day for written questions to be received may be answered at the discretion of IIT. IIT will only provide written answers to questions of a general nature or which would affect the solicitation and will send answers to all recipients of the solicitation. Only written answers to questions will reflect official University positions.

Rights Reserved by the University

IIT reserves the right to:

- Reject any and all submissions received in response to this process.
- Accept your proposal as submitted, but IIT may require clarifications or additional information if necessary or desirable.
- Waive or modify any information, irregularities or inconsistencies in proposals received.
- If review of proposals fails, in IIT’s sole opinion, to result in sufficiently responsive and competitive options, terminate the process and prepare and release a new RFP, or take such other action as deemed appropriate.

Again, this process is for IIT’s benefit only and is to provide IIT with competitive information to assist in its selection process. All decisions on compliance, evaluation, terms, and conditions shall be made solely at our discretion and made to favor IIT. All decisions of IIT related to this RFP and any proposals received pursuant hereto shall be final.

Special Notices

In compliance with all applicable federal and state laws and regulations, IIT does not unlawfully discriminate in employment, contracts, or any other activity.

Your failure to read, examine, and understand this RFP will not excuse any failure to comply with its requirements or any resulting agreement, nor shall such failure be a basis for claiming additional compensation. If you suspect an error, omission, or discrepancy in this RFP, you must immediately notify Bruce Watts at bwatts1@iit.edu.
AGAIN, IIT IS PROPOSING THE MAIN BUILDING WILL BE SOLD IN “AS IS” CONDITION WITH ANY AND ALL FAULTS AND SUBJECT TO ALL RESTRICTIONS OF RECORD OR OTHERWISE IMPOSED BY LAW, AND IIT IS NOT, AND WILL NOT AGREE, TO OCCUPY OR OTHERWISE SUPPORT MAIN BUILDING POST – CLOSING.

JH v2 8.20.14