

# The Phoenix Awards

University of Illinois at Chicago South  
Campus Development

## Discussion

- Use of PPP
- Determination of Clean Site
- Managing the Future

## WHY?

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- Anchor south end of campus in the only location financially feasible for expansion
- Introduce additional student housing to strengthen UIC as a “live and learn” campus
- Provide multi-use (retail, office, academic, housing) to transform the campus into a 24-hour location
- Address urban renewal issues in adjacent neighborhoods to enhance campus prestige and improve campus safety

## WHAT?

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- Funding – infrastructure needs alone required \$90 million investment
- Resistance of faculty to a project that might divert already limited capital resources from academic programs
- Public relation issues resulting from the redevelopment of “historic Maxwell Street”
- Adequacy of University staffing to handle a special project of this magnitude
- Town/gown conflicts

## HOW?

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- Expansion of project area to include a private residential component so that tax increment financing could be employed as a financing mechanism
- Hiring a master developer to address staffing for planning, programming, and construction project
- Use of auxiliary funding to develop revenue producing project elements (student residences, retail, parking)

## WHO?

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- Public – Private Partnership
- University – City – Developer

## The Constructive Use of Public Private Partnerships

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- Advantages of Incorporating Private Resources to Solve Public Problems
- Complex Management Issues Presented by Divergent Goals
- Accountability

## Advantages of Incorporating Private Resources to Solve Public Problem

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- Financing
- Skill Sets
- Community Stakeholders

## Complex Management Issues Presented by Development Goals

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- Teamwork
- Clearly Defined Roles
- Leadership
- Accountability

## Accountability

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- Success Fees
- Loss of Opportunities
- Competitive Marketplace
- Time Frame

## The Impact of Assessing Environmental Risk Within the Context of a Public Private Partnership

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- Measurement of “Clean Site”
- Allocation of Costs
- Transfer of Title
- Allocation of Future Maintenance Costs

## Measurement of “Clean Site”

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- Clean Site
- Negotiated Clean Site
- Use Considerations and Limitations
- Costs
- Monitoring Obligation

## Allocation of Costs

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- Assessment of Risk Tolerance
- Quantify Available Funds
- Analyze Sources and Uses of Funds

## Transfer of Title

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- Vacation of Streets
- Public Park Area
- Residential with Green and Barrier Areas
- Deed Restrictions and Release

## Allocation of Future Maintenance Costs

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- Private Owner
- JV Partner
- Public Entity

## A Recipe for Harmonious Living in the Aftermath of a Public Private Partnership

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- The IGA
- The Joint Venture Agreement
- The PUD
- Restrictive Covenant



## The IGA

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- Sovereign Immunity
- Battle of the Big Boys
- Relief from Process
- Assurance of Public Notice and Process

## The Joint Venture Agreement

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- Define Goals
- Define Roles
- Define Time
- Define Costs and Fees
- Define Management
- Assure Teamwork
- Consider Dispute Resolution

## The Restrictive Covenants

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- The PUD/PD
- Deed Restriction
- NFR
- Recorded Restrictive Covenants