The Illinois Institute of Technology ("Illinois Tech" or "IIT") is soliciting responses from interested parties to enter into a unique partnership agreement to design, build, finance, operate, and maintain on-campus student residence facilities and other amenities on Illinois Tech’s Mies campus in Chicago, IL, as further specified herein. This first stage of the RFP process requests qualifications and certain additional information detailed herein. Responses will be evaluated, after which a short list of teams will be invited, by a subsequent request, to submit more detailed proposals during the second stage of this process.

This Request for Proposals ("RFP") contains statements, descriptions and analyses of Illinois Tech and other project background information. Such statements, descriptions and analyses are for informational purposes only. Illinois Tech does not guarantee or represent and warrant the completeness or accuracy of such information, and any respondent to this RFP should complete its own due diligence with respect to such information.

If you are interested in submitting a response to this RFP, please note that the response must be submitted by email and hard copy no later than 3:00 p.m. CT on March 19, 2018.

Brailsford & Dunlavey, Inc. has been engaged to serve as the Development Advisor ("Development Advisor") for Illinois Tech. Any questions concerning this RFP should be directed in writing to both Illinois Tech and the Development Advisor at the following email addresses:

Colette Porter – cporte1@iit.edu
Ryan Jensen – rjensen@programmanagers.com

Important dates for the RFP are provided below:

<table>
<thead>
<tr>
<th>Events</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP - Stage 1 Released</td>
<td>2/15/2018</td>
</tr>
<tr>
<td>Pre-Submittal Conference Call</td>
<td>2/23/2018</td>
</tr>
<tr>
<td>Questions Due</td>
<td>3/2/2018</td>
</tr>
<tr>
<td>Q&amp;A Released</td>
<td>3/7/2018</td>
</tr>
<tr>
<td>RFP - Stage 1 Due Date</td>
<td>3/19/2018</td>
</tr>
<tr>
<td>One-On-One Meetings (Invite only)</td>
<td>4/10/2018 - 4/11/2018</td>
</tr>
<tr>
<td>RFP - Stage 2 Released</td>
<td>5/1/2018</td>
</tr>
<tr>
<td>RFP - Stage 2 Due Date</td>
<td>6/15/2018</td>
</tr>
<tr>
<td>Interviews</td>
<td>End of June</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS

1. Request for Proposals
   1.1. Overview of the Opportunity
   1.2. Overview of the Selection Process

2. Illinois Institute of Technology
   2.1. Illinois Tech Campus
   2.2. Enrollment
   2.3. Additional Information

3. Illinois Tech Residential Life
   3.1. Residential Life Objectives
   3.2. Existing Housing Inventory
   3.3. Rental Rates
   3.4. Occupancy & Demand

4. Description of the Development Opportunity
   4.1. Overall Project Goals & Objectives
   4.2. Site Description
   4.3. Student Housing Program
   4.4. Non-Housing Program
   4.5. Design Objectives
   4.6. Maintenance & Operations Objectives
   4.7. Financial & Credit Impact Objectives

5. RFP Procedure & Response Requirements
   5.1. RFP Schedule
   5.2. Optional Pre-Submittal Conference Call
   5.3. Questions & Addenda
   5.4. Qualification Requirements

6. Submittal Requirements
   6.1. Background & Team Information
   6.2. Technical Capability
   6.3. Financial Capability & Interest
   6.4. Relevant Experience & References
   6.5. Approach
   6.6. Required Submittals
   6.7. Quantity of Proposals
   6.8. Submittal Instructions
   6.9. Disclaimer
1. REQUEST FOR PROPOSALS

1.1 Overview of the Opportunity

Illinois Tech is issuing this RFP to solicit responses from interested parties ("Proposer" or "Proposers") to enter into a public-private partnership to renovate two apartment complexes and/or to build new residential communities on Illinois Tech’s Mies campus in Chicago, IL. Illinois Tech is seeking a Proposer to design-build-finance-operate-maintain (DBFOM) the project(s) in a manner consistent with IIT’s objectives, which are described further within this document.

1.1.1. Bailey Hall, Cunningham Hall, and Carman Hall are three apartment complexes designed by Mies van der Rohe and opened in the mid 1950s. The apartments are prominently located on the east side of Illinois Tech’s campus along Michigan Avenue and 31st Street, in close proximity to major campus facilities such as Keating Sports Center and highly visible to the adjacent neighborhood community. The complexes, which offer approximately 250 beds each in primarily one- and two-bedroom apartment configurations, have significant deferred maintenance issues. Bailey and Cunningham were decommissioned in 2007. After multiple years of vacancy, the buildings have been boarded up, creating an unpleasant aesthetic for an important part of campus. Carman still serves as a student housing option for IIT students, but more than 30% of the beds have been taken offline due to poor physical condition. Illinois Tech is ready to recommission these buildings, so renovating and reactivating Bailey and Cunningham is a primary driver for this RFP initiative. While renovating Carman is not officially part of this RFP process, it is worth noting that innovative solutions are welcomed, and IIT believes that the long-term solution for Carman will mimic what is provided for Bailey and Cunningham.

1.1.2. McCormick Student Village ("MSV") is an 890-bed residence hall built in the late 1950s. Prominently located at the core of campus near the McCormick Tribune Campus Center, MSV has become an important part of IIT’s student life because it accommodates the majority of first-year undergraduate students. MSV is experiencing significant deferred maintenance issues, requiring substantial annual investment from Illinois Tech, so replacing MSV with new housing for first-year undergraduate students is a primary driver for this RFP initiative.

1.1.3. As defined throughout this RFP, Illinois Tech is actively soliciting a partner, or perhaps multiple partners, to support the two initiatives described above: 1) renovation to Bailey and Cunningham and 2) development of new housing. Proposers are encouraged to submit on either or both projects. Proposers choosing to submit on both projects are not required to have identical teams or financial structures for both. For instance, IIT understands that some architects and contractors specialize in renovation while others are more experienced in new construction. IIT also understands that renovations and new construction, as described herein, might lend themselves to different risk profiles and therefore different funding models.
1.2 **Overview of the Selection Process**

Illinois Tech is initiating a two-stage RFP process to identify a development partner(s) for the previously described Projects.

1.2.1 The purpose of Stage 1 of this process is to identify Proposers with the best qualifications, experience, financial capacity, and proven track records of executing similar projects. Following a review of Stage 1 submittals, Illinois Tech will establish a shortlist of the most qualified Proposers for invitation to respond to the Stage 2 RFP. A response to Stage 1 of this RFP is a prerequisite to participate in subsequent stages.

1.2.2 Illinois Tech anticipates that it will invite shortlisted Proposers to campus for one-on-one meetings prior to the release of a Stage 2 procurement document. The intent of these meetings will be to allow for open dialog between the Proposers and the IIT administrators to enrich the Stage 2 RFP process. Following those one-on-one meetings, Illinois Tech will issue a Stage 2 procurement document that will require submission of more detailed information and proposals. Upon completion of this two-stage RFP process, IIT will select a Proposer or Proposers with whom to negotiate final agreements.

1.2.3 As described herein, the ideal scenario for IIT is to use this selection process to establish a partnership for both the new construction and the renovation projects. However, IIT wants to advance both projects in the most advantageous way possible, so this RFP process might result in award of one or both projects; and if both projects, to the same or separate proposers. With that in mind, two (2) or more Proposers may collaborate in submitting a response to this RFP, at the Proposer’s sole discretion, but Illinois Tech will not require the formation of these partnerships. Additionally, if Proposers do not wish to submit on both projects they are encouraged to submit for only one project. **Illinois Tech invites Proposers to respond to project(s) matching their interest and ability.**

1.2.4 Proposers should not contact any officials at Illinois Tech with regard to this opportunity, other than through the channels described within. Proposers are advised that unauthorized contact with officials, related parties, or advisors may result in elimination of a Proposer from this RFP process.
2. **ILLINOIS INSTITUTE OF TECHNOLOGY**

   Founded in 1890, Illinois Tech is one of the nation’s top science and technology universities. A private, Ph.D-granting university serving 7,200 undergraduate and graduate students, Illinois Tech is one of 22 institutions that comprise the Association of Independent Technical Universities.

2.1 **Illinois Tech Campus**

   Illinois Tech has four campus locations in the Chicagoland region: the Mies Campus (main campus); the Downtown Campus; the Daniel F. and Ada Rice Campus; and the Moffett Campus. The project discussed in this Request for Proposals is focused on the Mies Campus.

   Illinois Tech’s 120-acre Mies Campus is located in Chicago among the historic, modernist buildings designed by Mies van der Rohe. Illinois Tech’s architectural heritage is highlighted by its recognition on the National Registry of Historic Places in 2005 and recognition as one of “America’s Most Beautiful College Campuses” by Forbes.

   The campus is just 10 minutes south of downtown Chicago and six blocks west of Lake Michigan. A variety of transportation options are available to access campus including two elevated CTA lines, Metra commuter rail, city buses, and access to all major highways including the Dan Ryan Expressway, which runs adjacent to the western campus border. With convenient access to downtown and other Chicago amenities, the Bronzeville and Bridgeport neighborhoods that surround the campus have drawn increasing interest from the development community in recent years. Prominent development planned in close proximity to campus include the Michael Reese Hospital redevelopment, a 49-acre site directly east of Illinois Tech along Lake Michigan, and the Obama Presidential Center approximately five miles south in Jackson Park.
2.2 **Enrollment**

Illinois Tech was founded in 1890 to educate talented people from all backgrounds for leadership roles in the great industrial era of the early twentieth century. Since then Illinois Tech has embraced the same pioneering spirit of invention and discovery. Our community of exceptionally smart students is driven to rethink the known and bring new ideas into the world. As a result our alumni have changed the course of human history, giving us the cell phone, the Pentium chip,
Linksys, the Telestrator, architectural marvels, and many other innovations that have revolutionized the world.

As we look forward, Illinois Tech remains proud of our leadership in STEM and other cutting-edge fields. These areas not only reflect national education and competitiveness priorities, but they also represent some of the country’s fastest-growing sectors with high-paying jobs. And Illinois Tech has earned significant recognition for the earnings power of our graduates. We are the #1 university in Illinois and among the leaders in the country for the earnings power of our graduates (The Brookings Institution, PayScale). This upward mobility is not reserved only for the elite: Illinois Tech is #1 in Illinois and #32 in the nation for lifting students from families in the bottom 20% of income to the top 20% (The Equality of Opportunity Project/The New York Times). And we remain committed to educating many first-generation students for lifelong achievement.

Illinois Tech’s excellence in STEM-focused education positions it for enduring success as a university of choice for the world’s future global innovators. In 2017, the Higher Learning Commission renewed the university’s accreditation for another 10 years citing its stable financial, academic, and administrative footing. The first-year to second-year retention rate continues to be in the 90th percentile and the six-year graduation rate is above 70 percent.

2.2.1 Overall enrollment of 7,300 students.

<table>
<thead>
<tr>
<th>Total Enrollment</th>
<th>Fall 2013</th>
<th>Fall 2014</th>
<th>Fall 2015</th>
<th>Fall 2016</th>
<th>Fall 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduates</td>
<td>2,926</td>
<td>3,099</td>
<td>2,991</td>
<td>2,743</td>
<td>2,924</td>
</tr>
<tr>
<td>Graduates</td>
<td>4,924</td>
<td>4,799</td>
<td>4,801</td>
<td>5,013</td>
<td>4,342</td>
</tr>
<tr>
<td>TOTAL</td>
<td>7,850</td>
<td>7,898</td>
<td>7,792</td>
<td>7,764</td>
<td>7,266</td>
</tr>
</tbody>
</table>

Source: Common data sets and institutional enrollment data

2.2.2 Undergraduate enrollment has been consistent, with only slight variations between 2013 and 2017. As of January 25, 2018, the undergraduate admissions outlook for Fall 2018 is strong. Applications are up 7% over where they were at this time last year. Offers of admission are up 15% over last year. The number of applications is currently running at a twelve-year high, and the size of our admit pool is the largest in our history.

2.2.3 Graduate Student Population. Graduate enrollment was consistent between 2013 and 2016, only experiencing a significant decrease from 2016 to 2017. While there are likely multiple causes for this decline, notable drivers include a reduction in the number of student visa issuances, general changes in national immigration policy, and increased competition for international students. Although applications for Fall 2018 are down 12% from the previous year due primarily to the near term effect of these visa issues, admissions for Fall 2018 are actually up 37% due to a targeted effort to shape the applicant pool and through the streamlining of our admission processes.
2.2.4 **International Population.** Illinois Tech has students enrolled from 100 countries and is truly a global university. U.S. News and World Report rated Illinois Tech #38 nationally for campus ethnic diversity. Approximately 62% of the 4,300 graduates and 21% of the 2,900 undergraduate students are international students. While the majority of undergraduate students come from Illinois, the number of domestic first-year students coming from outside the state has more than doubled over the past five years.

2.3 **Additional Information**

Illinois Tech distinguishes itself in the higher-education marketplace as Chicago’s only tech-focused university, with eight colleges positioned in line with market needs and focused on the global economy and the impact of technology. Illinois Tech expects to continue to advance as a university that provides a high-quality education and explores ambitious research with the potential to change the world.

In order to do this, Illinois Tech is committed to investing in initiatives that are fundamental to its distinction and that are desirable to bright students. For example, the university is recognized for its signature academic program, IPRO (Interprofessional Projects Program). This program was founded in 1995, and it remains one of just a few like it in the country. In IPRO students gain meaningful teamwork and leadership experience by working in teams across academic majors to solve real-world problems. Among multiple upgrades, IPRO was recently reconfigured to include more training in design thinking—ushered in through curriculum changes and instruction by faculty from the university's world-renowned Institute of Design.

Illinois Tech also continues to expand the scope of facilities that support student invention and entrepreneurship. In 2010 the university opened a new rapid-prototyping lab called the Idea Shop, and since then Illinois Tech has renovated and expanded additional facilities for architecture design and fabrication, our nationally renowned machine shop, real-time communications lab, and more. Additional significant renovations of engineering and science buildings, food safety labs, and energy and sustainability labs, combined with future renovations of computer science facilities, further support Illinois Tech’s investment in a hands-on and tech-focused education that students often do not find at larger universities, public or private.

Later this year, Illinois Tech will celebrate the opening of its new Ed Kaplan Family Institute for Innovation and Tech Entrepreneurship. The building has received significant public support from the Mayor’s Office; Rahm Emanuel spoke at the beam-raising ceremony and assisted in fundraising for this cutting-edge, $37 million project. The Kaplan Institute is poised to be an innovation hub that will create pathways to the commercialization of ideas. It will also house the IPRO Program, Idea Shop, and Institute of Design.
3. **ILLINOIS TECH RESIDENTIAL LIFE**

### 3.1 Residence Life Objectives

Illinois Tech desires to improve its housing offerings in an effort to support enrollment initiatives and provide an enhanced on-campus experience. Key residence life objectives, as outlined during a strategic visioning process at the outset of this process, include the following:

- First- and second-year undergraduate housing should be prioritized as the primary target market. These students should be accommodated in non-apartment units and in a living-learning environment to support their development and exposure to peers, programs, and other campus resources.
- First- and second-year undergraduate residential facilities should serve as a hub of campus life and encourage non-residents to participate in activities.
- Housing should not be required for upper-division students, but Illinois Tech should offer sufficient housing for this cohort to satisfy demand and to maintain its status as a residential campus.
- Housing should be provided to graduate students as a convenience-based amenity and for the purpose of community development.
- Market responsive unit types should be made available for upper-division and graduate students.

### 3.2 Existing Housing Inventory

The Mies Campus contains six on-campus residential facilities and two sorority houses with a total design capacity of 2,340 beds. In addition to the housing owned by Illinois Tech, there are also six fraternity houses on campus. The fraternity houses, which accommodate 180 students, are not owned or operated by Illinois Tech.

While Illinois Tech offers a robust series of housing options, most of the options are old and outdated. Built in the 1940s and 1950s, a majority of the housing has significant deferred maintenance, and in some cases the facilities have been decommissioned because of their conditions. Due to facility issues, only 1,630 beds are currently online and available. As demonstrated in the chart on the following page, Bailey Hall, Cunningham Hall, and a portion of Carman Hall are offline, and McCormick Student Village requires significant annual investment to remain open.
### 3.2.1 McCormick Student Village ("MSV")

The majority of new first-year undergraduate students reside in MSV. Students in MSV exhibit high levels of satisfaction due to its convenient on-campus location, a layout which fosters socialization, and its affordable price point. MSV is a great example of the typical Illinois Tech student’s desire for a functional, cost-effective place to live. While a successful student housing facility, the buildings’ age and condition are problematic. The housing facilities that are the subject of this RFP are intended to provide replacement capacity so that Illinois Tech can demolish MSV.

### 3.2.2 Bailey Hall, Cunningham Hall, and Carman Hall

As previously described, Bailey, Cunningham, and Carman are Mies van de Rohe designed housing facilities located in the northeastern sector of campus. These apartment complexes are not landmarked; however, the Illinois Tech community would like to preserve the architectural significance of their exterior through the renovation process.

### 3.2.3 State Street Village ("SSV")

SSV is Illinois Tech’s newest on-campus housing option. The facility lies directly across State Street from Crown Hall and the academic core of campus. Built in 2003, SSV contains 368 beds across three five-story buildings. The room layouts consist of a mix of apartments (studios, two bedrooms, three bedrooms, and six bedroom) and semi-suites. Buildings with the semi-suites have common area kitchen and laundry units on each floor of the building. Each building contains a top floor lounge and open deck with skyline views. The primary resident mix is second- and third-year undergraduate students.

### 3.2.4 Gunsaulus

Gunsaulus Hall, named after Illinois Tech’s first president, is a ten-story apartment building built in 1949. The facility contains 236 beds in a mix of studio, one-bedroom, and two-bedroom apartments. First floor community space includes a fitness center, lounge, and help desk. The primary residents are upperdivision students, with limited availability for graduate students.
Situated along Michigan Avenue, Gunsaulus is not Mies-designed like its three neighboring apartment buildings, Bailey, Cunningham and Carman.

3.3 Rental Rates

<table>
<thead>
<tr>
<th>University Housing Facility:</th>
<th>2016-2017 Academic Year</th>
<th>2017-2018 Academic Year</th>
<th>2018-2019 Academic Year **</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Type &amp; Bedroom Occupancy</td>
<td>New</td>
<td>Returning</td>
<td>New</td>
</tr>
<tr>
<td>McCormick Student Village</td>
<td>$6,062</td>
<td>$6,150</td>
<td>$6,642</td>
</tr>
<tr>
<td>Traditional - Double</td>
<td>$12,124</td>
<td>$12,310</td>
<td>$13,294</td>
</tr>
<tr>
<td>Traditional - Single</td>
<td>$6,636</td>
<td>$6,740</td>
<td>$7,278</td>
</tr>
<tr>
<td>State Street Village</td>
<td>$9,180</td>
<td>$9,320</td>
<td>$8,388</td>
</tr>
<tr>
<td>Semi-Suite - Double</td>
<td>$18,360</td>
<td>$18,640</td>
<td>$16,766</td>
</tr>
<tr>
<td>Semi-Suite - Single</td>
<td>$13,830</td>
<td>$14,240</td>
<td>$12,430</td>
</tr>
<tr>
<td>Room w. private bath - Single</td>
<td>$12,628</td>
<td>$13,010</td>
<td>$13,010</td>
</tr>
<tr>
<td>Two Bedroom Apt - Single</td>
<td>$12,072</td>
<td>$12,430</td>
<td>$14,240</td>
</tr>
<tr>
<td>Three Bedroom Apt - Single</td>
<td>$12,072</td>
<td>$12,430</td>
<td>$14,240</td>
</tr>
<tr>
<td>Six Bedroom Apt - Single</td>
<td>$12,072</td>
<td>$12,430</td>
<td>$14,240</td>
</tr>
<tr>
<td>Studio Apt - Single</td>
<td>$14,480</td>
<td>$14,910</td>
<td>$14,910</td>
</tr>
<tr>
<td>Gunsaulus</td>
<td>$7,384</td>
<td>$7,610</td>
<td>$7,610</td>
</tr>
<tr>
<td>Studio Apt - Double</td>
<td>$14,768</td>
<td>$15,210</td>
<td>$15,210</td>
</tr>
<tr>
<td>Studio Apt - Single</td>
<td>$8,990</td>
<td>$9,260</td>
<td>$9,260</td>
</tr>
<tr>
<td>One Bedroom Apt - Double</td>
<td>$17,980</td>
<td>$18,520</td>
<td>$18,520</td>
</tr>
<tr>
<td>One Bedroom Apt - Single</td>
<td>$8,990</td>
<td>$9,260</td>
<td>$9,260</td>
</tr>
<tr>
<td>Two Bedroom Apt - Double</td>
<td>$17,980</td>
<td>$18,520</td>
<td>$18,520</td>
</tr>
<tr>
<td>Carman</td>
<td>$6,648</td>
<td>$6,850</td>
<td>$7,610</td>
</tr>
<tr>
<td>Studio - Apt Double</td>
<td>$13,296</td>
<td>$13,700</td>
<td>$15,210</td>
</tr>
<tr>
<td>Studio - Apt Single</td>
<td>$5,498</td>
<td>$5,660</td>
<td>$6,112</td>
</tr>
<tr>
<td>One Bedroom w. Den - Double (4 total students)</td>
<td>$10,996</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>One Bedroom w. Den - Single (2 total students)</td>
<td>$9,972</td>
<td>$10,274</td>
<td>$11,096</td>
</tr>
<tr>
<td>Studio - Family Unit</td>
<td>NA</td>
<td>$13,890</td>
<td>$15,000</td>
</tr>
</tbody>
</table>

* One Bedroom w. Den Single offered as a family unit in Fall ‘17
** 2018-2019 rates pending board approval

3.4 Occupancy & Demand

As shown in the table on the following page, B&D’s market assessment suggests an opportunity to increase the on-campus population over current levels. Current supply does not align with room type preferences or quality expectations, inhibiting Illinois Tech’s ability to satisfy this demand. Projections suggest demand for 1,760 total beds of on-campus housing at current enrollment
levels. Opportunities among two market segments in particular are identified. The first is through additional students captured from the implementation of the second-year live-on requirement beginning in fall 2018. Second is from the opportunity to capture demand of graduate students currently renting off campus. The graduate population was forced to move off campus 10 years ago when Bailey and Cunningham closed.

Providing improved housing offerings, through renovations and/or new construction, that match student living expectations including unit layout and price point, are the key factors that will drive Illinois Tech’s ability to meet the demand projections. Achieving institutional enrollment growth goals will drive the need for additional beds above the number shown.

On-campus supply will be managed by a phased closure of McCormick Student Village (MSV) with an eventual plan to demolish the entire 890-bed facility. Gunsaulus Hall could also be a candidate for demolition, removing another 230 apartment beds from the supply.

<table>
<thead>
<tr>
<th></th>
<th>ENROLLMENT</th>
<th>CURRENT</th>
<th>POTENTIAL</th>
<th>Net Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Capture Rates</td>
<td>Residents</td>
<td>Capture Rates</td>
<td>Residents</td>
</tr>
<tr>
<td>1st year</td>
<td>517</td>
<td>70%</td>
<td>360</td>
<td>75%</td>
</tr>
<tr>
<td>2nd year</td>
<td>451</td>
<td>54%</td>
<td>244</td>
<td>70%</td>
</tr>
<tr>
<td>3rd year</td>
<td>890</td>
<td>25%</td>
<td>221</td>
<td>27%</td>
</tr>
<tr>
<td>4th year+</td>
<td>890</td>
<td>25%</td>
<td>221</td>
<td>25%</td>
</tr>
<tr>
<td>Grads</td>
<td>5016</td>
<td>5%</td>
<td>243</td>
<td>12%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>7,764</td>
<td>17%</td>
<td>1,290</td>
<td>23%</td>
</tr>
</tbody>
</table>

Beyond improved housing facilities, additional opportunities exist to improve the student experience and help make on-campus living more attractive. Developing a new recreation / athletic complex would activate the student life core and provide a new campus gathering place. Revitalizing dining and / or retail options would also add vibrancy to campus, compelling more students to consider on-campus living. Illinois Tech believes that these improvements will help highlight the value of on-campus living and increase occupancy, and would seek to provide these improvements through subsequent development initiatives. They are referenced here for information but are not the subject of this RFP except to the extent that proposers might incorporate retail, dining, or fitness amenities into their housing proposals.

The Student Housing Market and Demand Assessment is provided in Attachment B.
4. DESCRIPTION OF DEVELOPMENT OPPORTUNITY

4.1 Overall Project Goals & Objectives

4.1.1 Illinois Tech’s highest and most urgent priority is to provide modern student life facilities to enhance the first- and second-year undergraduate student experience. Improved student housing will have a positive impact on campus life because it will help IIT attract and retain high-quality students and will support IIT’s goals of developing community and student life.

4.1.2 Illinois Tech also prioritizes the revitalization of Bailey and Cunningham through this development process. The effective repositioning of these assets has been discussed for years, and IIT is determined to ensure that this development project provides a long-term solution for these buildings.

4.1.3 IIT desires to improve its financial position through the development of these projects. Solutions for this project must be cost effective in that they preserve the University’s net operating income after considering pre and post project revenues and expenses for first- and second-year undergraduate housing. IIT is less reliant on the housing revenues for upper division and graduate students, so the institution will be flexible regarding the potential financial structures proposed for housing this student population.

4.1.4 A new recreation and athletic complex has been highlighted as an additional campus need due to limited on-campus recreational offerings, insufficient space for athletics, and physical shortcomings at its current recreation and athletics facility, Keating Hall. Although not directly addressed in this RFP process, Illinois Tech plans address this recreation and athletic need with the creation of a “village” concept on the east side of campus. The village is anticipated to incorporate the recreation and athletic facility with the student housing from this RFP and with the development of convenience-based retail to serve both the campus population and the neighboring community.

Although not directly addressed in this RFP, the initiative is noteworthy because the housing will become an anchor for the village community. Once MSV is demolished, its current site is slated for the new recreation and athletics facility, allowing for housing, recreation and McCormick Tribune Campus Center all in close proximity. Additionally, the renovation of Bailey and Cunningham along 31st and Michigan Avenue could include some ground floor retail, potentially through the expansion of the ground floor footprint.
4.2 Site Description

The map below outlines an intermediate-term vision for the Mies Campus with the two development locations that are the subject of this RFP outlined.

4.3 Student Housing Program

A summary of the potential housing programs is provided herein. A detailed program will be provided in the Stage 2 RFP.

4.3.1 The anticipated program for new construction will provide 460 beds in a pod-style configuration for first- and second-year undergraduates. Pod-style configurations consist of smaller community sizes, reduced student to bathroom ratios, and more common areas. A preliminary program includes appropriate lounge, study, and programming space on both residential floors and at the main building level. Bathroom configurations are assumed to be lockable individual use bathrooms. The housing will be located on the Farr Field site, centrally located and in close proximity to the State Street Village and the McCormick Tribune Campus Center.

4.3.2 There are two options for the anticipated program for the renovation of Bailey and Cunningham:
4.3.2.1 Bailey and Cunningham could be renovated for upperdivision and graduate students in apartment-style configurations, which is how they are currently configured. It is not anticipated that significant additional community space would be required in this option.

4.3.2.2 Bailey and Cunningham could be renovated for first- and second-year undergraduates in pod-style configurations. In this option, the pod-style accommodations should include the same configuration tenets that are described in 4.3.1 above.

4.3.3 All housing should provide amenities to the extent that amenities generate positive developmental outcomes, but providing amenities for the sole purpose of competing with the off-campus market is not required. The housing program should utilize a balanced approach that responds to the importance of quality and the sensitivity to affordability, meaning that the quality should not be reduced to drive pricing down and rental rates should not be increased in order to add unnecessary amenities to compete with the off-campus market.

4.4 **Non-Housing Program**

To enhance the student experience within the community, as well as the broader area of this portion of the campus, Illinois Tech is considering the additional quality-of-life services such as parking, retail, and associated infrastructure. These additional components may be delivered as part of the project, if appropriate, and will be explored in more detail in Stage 2 of this RFP process.

**Parking:** An appropriate amount of parking is expected to be provided by the Proposer.

**Retail:** Illinois Tech has interest in providing convenience-based campus retail spaces if it supports the success of the project. If retail is pursued, it is anticipated that the Proposer will be responsible for lease-up, operations, and maintenance of any retail spaces.

**Dining:** A comprehensive dining program that incorporates the needs of the overall Illinois Tech community is an additional priority to enhance campus life. Illinois Tech plans to upgrade many of the current venues. The university is reviewing plans for improved food venues to be operated and managed by the food service vendor that contracts with the university effective June 1, 2018.

Opportunities for dining enhancements also include improved residential dining space. Retail venues, kitchen space, and/or informal vending areas are also desirable for residential space as they relate to the Residence Life Objectives in Section 3.

**Existing Structures:** Any abatement and demolition related to Bailey and Cunningham will be the responsibility of the Proposer. Illinois Tech will be responsible for the abatement and demolition of MSV and Farr Hall, as and when such work is necessary. Additionally, the Proposer will be responsible for the provision of utilities to the sites. A detailed “site package” will be provided to Proposers invited to participate in Stage 2 of the RFP process.
4.5 **Design Objectives**
The expectation is that any project(s) delivered through this process will demonstrate the design tenets adopted by the Association of College and University Housing Officers – International (ACUHO-I) 21st Century Project focused on sustainability, flexibility, community, and technology. The project(s) will be realized with vibrant, centrally located community spaces that will serve as hubs of residential and campus life.

The design of the housing, especially the renovation projects, must respect and engage the historic design of the campus. However, Illinois Tech’s priority is to provide functional, comfortable, modern, and cost effective housing options that are competitive with those at peer universities; rather than extravagant amenities or iconic architectural features. The project’s final designs will be subject to Illinois Tech approval at key project milestones. The projects must meet City of Chicago permit and code requirements and be of quality, durable construction. Buildings must also comply with Federal Accessibility standards. Stick built structures are not acceptable.

4.6 **Maintenance & Operations Objectives**
Illinois Tech is open to exploring a variety of arrangements for handling the maintenance and operational needs of the Projects; however, IIT desires to maintain a cohesive on-campus experience for residents in all facilities. To that end it is likely that Illinois Tech would continue providing residential life programming, leasing, room assignments, billing, and marketing services for any Projects delivered through this solicitation. Maintenance may be provided by the proposing entity or provided by the University through appropriate agreements.

4.7 **Financial & Credit Impact Objectives**
While open to exploring multiple financial structure options for the projects, Illinois Tech expects that any agreement will be structured with the priority of minimizing credit and financial impact to Illinois Tech. In understanding the strategic importance of these projects to achieving institutional enrollment goals, Proposers should consider a balanced approach that responds to the importance of quality and the sensitivity to maintaining affordability.

Illinois Tech is comfortable managing occupancy risk for first- and second-year undergraduate residents given that it is dependent upon future enrollment. Additionally, Illinois Tech will prioritize development solutions that preserve the revenue stream from first- and second-year undergraduate residents.

The university prefers to transfer occupancy risk for upperdivision and graduate students. As such Illinois Tech is more flexible as it relates to deal structures and revenue sharing for this population.
5. RFP PROCEDURE & RESPONSE REQUIREMENTS

5.1 RFP Schedule

<table>
<thead>
<tr>
<th>Events</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP - Stage 1 Released</td>
<td>2/15/2018</td>
</tr>
<tr>
<td>Pre-Submittal Conference Call</td>
<td>2/23/2018</td>
</tr>
<tr>
<td>Questions Due</td>
<td>3/2/2018</td>
</tr>
<tr>
<td>Q&amp;A Released</td>
<td>3/7/2018</td>
</tr>
<tr>
<td>RFP - Stage 1 Due Date</td>
<td>3/19/2018</td>
</tr>
<tr>
<td>One-On-One Meetings (Invite only)</td>
<td>4/10/2018 - 4/11/2018</td>
</tr>
<tr>
<td>RFP - Stage 2 Released</td>
<td>5/1/2018</td>
</tr>
<tr>
<td>RFP - Stage 2 Due Date</td>
<td>6/15/2018</td>
</tr>
<tr>
<td>Interviews</td>
<td>End of June</td>
</tr>
</tbody>
</table>

5.2 Optional Pre-Submittal Conference Call

An optional pre-submittal conference call will be conducted. Topics to be covered during the conference call will be:

- A general description of the Project;
- An overview of the selection process; and
- Questions and answers.

The call is scheduled on February 23, 2018 at 1:00pm central time.

Conference Call-In Number: (877) 224-1302
Room Number: 30090
Passcode: 12345

5.3 Questions & Addenda

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 Colette Porter at cporte1@iit.edu and Ryan Jensen at rjensen@programmanagers.com.

Questions must be received by March 2, 2018. Questions received after March 2, 2018 may be answered at the discretion of IIT.

IIT will only provide written answers to questions of a general nature or which would affect this solicitation and will send answers to all recipients of this solicitation. Only written answers to questions will be binding. Illinois Tech may issue written addenda prior to the RFP submission.
date, supplementing, modifying or interpreting any portion of this RFP. No information from any source other than Colette Porter is authorized as representing Illinois Tech.

It is solely the Proposer’s responsibility to check the Illinois Tech website at https://web.iit.edu/purchasing/bid-opportunities forty-eight (48) hours before the closing time of this solicitation process to verify that the Proposers have received any addenda that may have been issued.

5.4 Qualification Requirements

This RFP is open to all prospective parties who seek qualification to pursue the development of the Project. Qualification will be based on a determination by Illinois Tech at its sole and complete discretion. The Proposer must meet the requirements highlighted in Section 6 – Submittal Requirements.

Upon receipt, all RFP submissions will be reviewed for completeness in accordance with the submission requirements and assessed in the areas of technical and financial capability, relevant project experience, references, and approach with respect to the standards set forth in this RFP. Illinois Tech will not consider any response to the RFP that does not completely fulfill these requirements. Illinois Tech reserves the right to accept or reject any or all submissions.
6. SUBMITTAL REQUIREMENTS

The following constitutes the submittal requirements and evaluation criteria for Illinois Tech to evaluate the RFP responses. The RFP response must follow the order provided below to facilitate evaluation of the responses. In addition, the RFP response must provide tabs correlating to each of the following criteria numbers below. It is critical that responses to the RFP are consistent in order to ensure accuracy in Illinois Tech’s review process. Failure to submit proposals in the requested order poses risk that all Submittal Requirements may not be included and may hinder Illinois Tech’s ability to accurately compare submittals.

Your proposal must respond to each criterion in the following order:

- Cover Page
- Cover Letter (the cover letter must acknowledge that the proposer has reviewed the RFP and all amendments issued as of the proposal date.)
- Table of Contents
- Tab 1.1: Background and Team Information
- Tab 1.2: Technical Capability
- Tab 1.3: Financial Capability
- Tab 1.4: Relevant Experience
- Tab 1.5: Approach

A description of Tabs 1.1, 1.2, 1.3, 1.4, and 1.5 is included below in further detail.

6.1 Tab 1.1 - Background and Team Information

Description of Proposer: Provide a description of the Proposer(s) and the anticipated legal relationship (governance and capital structure) for the Proposer(s). Include in the description of the Proposer(s) the year founded, description and approximate value of real estate developed and currently under control, number of employees by function, and an organizational chart. All equity investors should be identified.

Role of Proposer’s Key Personnel: Briefly outline the roles of the key personnel for each Proposer. Responses should include proposed staffing plan with key staff resumes attached and organizational chart illustrating team relationships.

Contact Person: Provide a single contact person for all future communication with Illinois Tech. Disclose the contact person’s name, title, organization, address, telephone number, and email address.

Controlling Interest: Identify the individuals or companies who hold a major or controlling interest in each proposing entity.

Expected Advisors: Identify the companies and individuals who are expected to act as legal, financial, or other advisors for each Proposer. Expected Advisors will be included for additional
context, but the inclusion of these advisors does not bind Proposers to the utilization of these groups.

**MBE/WBE Plan:** IIT is committed to providing opportunities for minority- and women-owned businesses and for local community residents. The IIT MBE/WBE PLAN AND EQUAL EMPLOYMENT OPPORTUNITY PLAN provided as Attachment A is included with this RFP for information and background. Firms are expected to provide a general description of such efforts and commitments they will make with respect to this project. A more specific and detailed plan for meeting those commitments will be requested during Stage 2.

6.2 **Tab 1.2 - Technical Capability**

6.2.1 **Student Services**

Proposers must demonstrate their commitment to achieving the highest standards of student service and satisfaction. Specifically, Proposers must highlight their experience and qualifications for providing excellent customer service to university students. The Proposers may, at their option, include additional information concerning experience in maintaining productive ongoing relationships with universities.

6.2.2 **Maintenance Experience**

The Proposers should demonstrate that they possess:

a. Substantial university and/or residential facility maintenance experience;

b. Advanced knowledge of campus and/or residential facilities maintenance, repair, construction, and practical application of equipment and materials;

c. Demonstrated understandings in facility aging behavior to assess and determine the applicability of remedial maintenance action and lifecycle management; and

d. All capabilities necessary to successfully operate and maintain the campus project including routine maintenance, operations and management.

6.2.3 **Capital Improvements**

Proposers must demonstrate their ability to efficiently undertake required capital improvements to the Project during the term of the proposed ground lease and/or concession agreement.

6.3 **Tab 1.3 - Financial Capability & Interest**

6.3.1 Proposers must demonstrate their financial capacity to complete and maintain the Project over the term of the agreement.

Proposers must provide specific evidence that they have available the appropriate financial resources to complete all aspects of the Project, or demonstrate their capability to raise financing for a project of this nature and scope.
Proposers should also discuss how their financial approach will cater to the various Projects outlined in the RFP.

Factors that must be provided include:

- e. Available financial resources;
- f. Capability of raising capital (public placement debt, private placement debt, equity, other) in the current capital market and your typical partners for the associated capital;
- g. Any anticipated guarantees or requirements from the university to underwrite the project;
- h. The number and size of past relevant university transactions;
- i. Specific experiences on past relevant university transactions;
- j. Demonstrated knowledge of prominent deal structures in industry; and
- k. Experience utilizing historic tax credits.

### 6.4 Tab 1.4 - Relevant Experience & References

Provide a list, in order of relevance to the Project, of at least five (5) recent comparable housing projects in which the Proposers have participated, preferably projects that were developed within the past ten (10) years.

Proposers should specify how each of these comparable housing projects relates to the proposed project outlined in this RFP. IIT is particularly interested in projects that include some of the following conditions:

- Pod-style housing configurations
- Renovation of historic student housing facilities
- Utilization of historic tax credits (regardless of asset type)
- Public-private partnership experience with college or university
- Institutional construction quality

Examples should include brief project descriptions, a statement regarding the duration of your financial and operational involvement with each such project following completion, and the name, address, and telephone number of a primary contact with knowledge of the project. Project examples should include information such as number of beds, gross square footage, cost of construction, total project cost, project cost per square foot and project cost per bed.

Relevant projects will demonstrate an ability to design, build, finance, operate, and maintain the project while maintaining a long-term relationship with the institution. Project examples should demonstrate familiarity with on-campus student housing development. Proposers should demonstrate that their role in the project added substantive value to the institution. Examples should also include the project’s performance including and any other factual indications of
success (facility operating standards, housing occupancy, operating performance, lifecycle management, alignment with financial requirements, etc.). Except as required by applicable law, materials marked as proprietary or confidential will be considered as such.

6.5 Tab 1.5 - Approach

Realizing that the project approach will be solidified during the Stage 2 RFP process, this section of the proposals should include a description of the Proposers’ interest and anticipated approach for the projects that have been defined throughout this RFP. Proposers should use this section of their proposal to discuss how they will advance the project’s requirements, build on work completed to date, or otherwise add distinctive value to Illinois Tech.

6.5.1 Proposers should describe their approach for the following three scenarios and clearly indicate if not interested in a particular scenario:

6.5.1.1 New construction of 460 beds in a pod-style configuration for first- and second-year undergraduates at the Farr Field site.

6.5.1.2 Renovation of Bailey and Cunningham for upperdivision and graduate students in apartment-style configurations. If the new facility is opened for first and second year undergraduates, Bailey and Cunningham Halls would be reopened as graduate and upper division undergraduate housing, which would be an apartment-style layout. Depending on master plan phasing, and on the results of the proposals for new construction, Bailey and Cunningham may also be used to house first and second year undergraduates for a transitional period until a new building is finished. The University is open to creative solutions for achieving a revitalized Bailey and Cunningham while also providing for a new residence hall.

6.5.1.3 Renovation of Bailey and Cunningham for first- and second-year undergraduate students in pod-style configurations. Please note that if, at the end of this RFP process, it is determined that renovating Bailey and Cunningham in pod-style configurations for first- and second-year students provides significantly greater value than other solutions, then Illinois Tech is not likely to move forward with construction of a new building at this time.

6.5.1.4 The first three scenarios outlined in sections 6.5.1.1, 6.5.1.2, and 6.5.1.3 should all be presented as individual, standalone projects. Illinois Tech is also interested in learning if Proposers would change their approach to scenarios 6.5.1.1 and 6.5.1.2 if they were awarded both projects as one comprehensive project solution. A Proposer should clearly indicate if it is not interested in one of the scenarios outlined in section 6.5.1. Illinois Tech will consider responses from these proposers, since it is possible that an award may be made to a separate proposer for each project.

6.5.1.5 For each scenario considered, proposers should include a narrative of the following:
• A preliminary and conceptual project schedule depicting major milestones, durations, and dependencies that would lead to a building opening date.

• Initial thoughts on design possibilities for renovation / new construction. This RFP is not a design competition, and IIT understands that any ideas provided during this portion of the RFP stage will be very preliminary and subject to change. With that context, IIT is interested in understanding the Proposer’s design vision for:
  o Key characteristics of the project’s functionality, performance and appearance,
  o Integration of the project into the campus,
  o The project’s ability to accommodate changing needs over time, and
  o Any other aspects the Proposer deems important to discuss at this time.
  o Note that Proposers can communicate thoughts as narrative and/or graphics as a part of their proposals.

• Proposers must provide an overview of the type of financing that they would consider utilizing for the proposed projects.

• Operations / Maintenance.

• Proposed Project Team. Note, if not prepared to propose a specific architect (or other design/building consultant) at this time, proposers may describe their selection approach and examples of working relationships on past relevant projects. Illinois Tech encourages flexibility for such consultants to participate on multiple teams at this early stage, and reserves the right to request changes before proceeding to Stage 2. However, Illinois Tech views team assembly to be an important role of the proposing entity, and nothing herein should be interpreted as a preference for certain firms or an intent for the University to assemble the proposer’s team.

6.5.1.6 The following is **not required** for the Stage 1 RFP but will be required during Stage 2:

- Cost estimates of renovation/new construction including hard and soft costs
- Floor plans and room layouts
- Renderings
- Fee information
- Operating pro formas

### 6.6 Required Submittals

It is the Proposer’s sole responsibility to submit information in fulfillment of the requirements of this RFP. If pertinent information or required submittals are not included within your submittal, it may cause your submittal to be rejected or have an adverse impact on evaluation.

### 6.7 Quantity of Submittals

Please submit five (5) hard copies of your submittal. The hard copies should be submitted on 8.5” x 11” sized paper to make reproduction feasible as needed by the University and should not exceed 40 single-sided pages, including pictures, charts, graphs, tables, and text that the Proposers deem appropriate to be part of the review of the response. **Additionally, please**
submit one (1) electronic copy of your submittal on a thumb/flash drive or emailed to: cporte1@iit.edu and rjensen@programmanagers.com.

Resumes of key personnel should be appended to the end of your response. Resumes of key personnel along with the cover letter, table of contents, front and back covers, and blank section/numerical dividers, etc. will not be counted in the 40-page limit. No supplemental information to the 40-page RFP submittal will be allowed.

Proposals should contain an original signature of an officer of the Proposer with authority to commit the firm(s), and should be marked “Original” on front cover. As noted above, submittal contents should be presented in the same order as the requirements listed in Section 6 – Submittal Requirements of this RFP.

6.8 Submittal Instructions

RFP submittals should be addressed to Bruce Watts and delivered to the address shown below no later than 3:00 pm CT on March 19, 2018.

Bruce Watts, Vice President for Administration
Illinois Institute of Technology
IIT Tower
10 West 35th Street, Suite 1900
Chicago, Illinois 60616

Electronic copies should be submitted on thumb drives at the above address or by email to: cporte1@iit.edu and rjensen@programmanagers.com.

Responses shall be submitted in sealed envelopes or packages. The outside of the envelope must clearly indicate the name of the project (“RFP – Illinois Tech Student Housing”) and the name and address of the Respondent.

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 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 5 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.

6.9 **Disclaimer**

Any representations or statements made within this RFP shall not be considered a contractual obligation by Illinois Tech and the Proposers shall not be entitled to rely upon them. Illinois Tech reserves the right to reject any and all submittals and to identify and select the Proposer which Illinois Tech, in its sole and absolute discretion, deems most qualified.

The Proposer shall be solely and totally responsible for all costs associated with responding to this RFP, and Illinois Tech accepts no responsibility with regard thereto. Submissions will become the property of Illinois Tech.

Illinois Tech reserves all rights available to it by law in administering this RFP, including without limitation, the right, in its sole discretion, to:

- Reject any and all submissions received in response to this process at any time;
- Accept proposals as submitted, but IIT may require clarifications or additional information if necessary or desirable;
- 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;
- Terminate evaluation of any or all submittals at any time;
- Suspend, discontinue and/or terminate negotiations with any Proposers at any time prior to the actual authorized execution of Proposer Agreement;
- Negotiate with a Proposer without being bound by any provision in its submittal;
- Accept and review a nonconforming submittal;
- Issue addenda to and/or cancel this RFP;
- Issue a new request for proposals;
- Decline to financially participate in a proposed Project;
- Extend any deadline or time and waive or permit the correction of information, irregularities, or inconsistencies in proposals received and in minor or technical violations of this RFP;
• Change the scope and the range of services from what is defined in this RFP at any time; and
• Select any submitted P3 structure.

This RFP does not commit Illinois Tech to enter into a contract. In no event shall Illinois Tech be bound by, or liable for, any obligations with respect to a project until such time (if at all) as a Proposer agreement, in form and substance satisfactory to Illinois Tech, has been executed and properly authorized, and then only to the extent set forth therein.

Under no circumstances shall Illinois Tech be liable for, or reimburse, the costs incurred by Proposers, whether or not selected for negotiations, in developing submittals or in negotiating agreements.

Each Proposer, by submitting proposals, thereby accepts all risk of adverse public notice, damages, financial loss, criticism or embarrassment that may result from any disclosure or publication of any material or information required or requested by any of Illinois Tech in connection with the submission of proposals. In submitting proposals, the Proposers expressly waive, on behalf of itself, its partners, joint venture members, officers, employees and agents, any claim against Illinois Tech, and their respective officers, advisors, and employees, for any damages that may arise therefrom.

Any and all information Illinois Tech makes available to Proposers shall be as a convenience to the Proposer and without representation or warranty of any kind.

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 Colette Porter at cporte1@iit.edu or Ryan Jensen at rjensen@programmanagers.com. IIT will issue written instructions, if appropriate.

Attachments:
A. MBE/WBE Plan and Local Employment Opportunity Plan
B. B&D Student Housing Market & Demand Assessment
ATTACHMENT A:

ILLINOIS INSTITUTE OF TECHNOLOGY

MBE/WBE PLAN AND
LOCAL EMPLOYMENT OPPORTUNITY PLAN

The following constitutes the MBE/WBE and Equal Employment Opportunity Plan (the "Plan") which shall govern the activities of the Contractors and Subcontractors engaged to perform Work on the Project. Each Contractor or Subcontractor who agrees to perform Work or services and supply materials for the Project shall be deemed to have agreed to the terms of this Plan and this Plan shall be deemed incorporated into any Contract for labor or materials for the Project, as is fully set forth therein.

I. DEFINITIONS

As used in this Plan, the following terms shall have the following meanings indicated:

A. "Minority" means a person who is a citizen or lawful resident of the United States and who is Black; Hispanic; Asian-American and Pacific Islander; American Indian or Alaskan native.

B. "Minority Business Enterprise" ("MBE") means a business that is Owned and Controlled (as herein defined) by one or more Minority persons.

C. "Women Business Enterprise" ("WBE") means a business that is Owned and Controlled by one or more women.

D. "Owned" means a business which is (1) a sole proprietorship legitimately Owned by a Minority person or woman, (2) a partnership or joint venture in which at least 51 percent of the beneficial ownership interests legitimately are Owned by Minority persons or women, or (3) a corporation or other entity in which at least 51 percent of the beneficial ownership interests are Owned by Minority persons or women.

E. "Controlled" shall be determined by considering the degree to which Minority group members or women participate in direction and management of this partnership, corporation, joint venture or other entity, including consideration of their participation in the decisions affecting the day-to-day management and operations of the business, and of their proportionate interest in the capital, assets and profits of the business.

F. "Eligible MBE or WBE Firm" includes any qualified firm providing labor, services, products or materials for the Project who has been certified by one of the agencies or programs listed below:

City of Chicago, National Minority Supplier Development Council Affiliates (NMSDC), Chicago Minority Business Development Council (CMBDC), State of Illinois - Department of Transportation (DOT), Small Business Administration (SBA-SA), Cook County Government, and the Women's Business Development Center.

G. "Contractor" means any person who has a Contract with Illinois Institute of Technology providing labor, services, products and materials for the Project.

H. "Subcontractor" means any person who has such a Contract with a Contractor or with a Subcontractor providing labor, services, products and materials for the Project.
I. "Joint Venture" means an association of two or more businesses to carry out a single business enterprise in which they may combine their property, capital, efforts, skills and/or knowledge. A joint venture seeking to be credited for MBE and/or WBE participation may be formed among MBE and/or WBE firms or between a MBE and/or WBE firm and a non-MBE/WBE firm.

A Joint Venture is eligible if and only if all of the following requirements are satisfied:

- The MBE and/or WBE venturer(s) share in the (1) ownership, (2) control, (3) management responsibilities, (4) risks and (5) profits of the Joint Venture in proportion with the MBE and/or WBE ownership percentage; and

- The MBE and/or WBE venturer(s) are responsible for a clearly defined portion of the work to be performed in proportion with the MBE and/or WBE ownership.

J. "Area of Specialty" means the description of a MBE or WBE firm's business which has been determined by the M/WBE certifying agency to be most reflective of the MBE or WBE firm's claimed specialty of expertise. Each NME and WBE letter of certification contains a description of their Area of Specialty. Credit toward this contract's MBE or WBE participation goal shall be limited to the participation of firms performing within their Area of Specialty.

K. "Commercially Useful Function" means that a Contractor is responsible for execution of a distinct element of work and carries out its responsibilities by actually performing, managing and supervising the work involved.

II. STATEMENT OF INTENT AND PROGRAM IMPLEMENTATION

The Contractor recognizes its obligations to establish and implement aggressive equal employment opportunity programs and appropriate MBE/WBE programs to insure full participation of minorities and females in this Project. The Contractor also recognizes that minority and female participation in the construction industry has, at times in the past, been found to be significantly below their representation in the general work force in the City of Chicago. In order to assure that minorities and females fully participate in this Project, Contractor agrees to the obligations described below and to designate a Plan Officer who will act on its behalf to fulfill its responsibilities there under.

Failure to effectively implement the Plan shall be deemed to be a default under the Contract.

III. M/WBE CONTRACTING & PROCUREMENT

A. Contractor shall make good faith efforts to actively solicit and achieve the participation of firms in the contracting and procurement process and to identify and use eligible M/WBE firms for any Work that may be subcontracted by it and material or supplies purchased by it, whenever possible.

B. The minimum goal for MBE utilization is 25% of the aggregate dollar value of the contract, including all changes to the contract. The minimum goal for WBE utilization is 5% of the aggregate dollar amount of the contract, including all changes to the contract.
C. Contractor shall maintain a documented record of all contacts with M/WBE firms and NMBE trade associations, and of all bid solicitations and the results thereof. Such documentation shall be available to IIT upon request.

D. Where economically and technically feasible, Contractor shall award contracts to M/WBE firms as a result of competitive bidding processes or negotiations limited to M/WBE firms.

E. Where economically and technically feasible, Contractor shall divide the Work to be contracted into smaller portions to permit greater participation by M/WBE firms. In the preparation of bid packages, Contractor shall carefully analyze and evaluate the requirements for goods and services to identify those which may be assembled into bid packages of a size and scope within the ability of the greatest number of M/WBE firms to provide and perform.

F. Where appropriate, Contractor shall provide technical assistance to M/WBE firms in the bidding, estimating and scheduling processes.

IV. EQUAL EMPLOYMENT OPPORTUNITY

A. Contractor shall not discriminate against employee or applicant for employment because of race, color, religion, sex, sexual orientation, age, national origin, or disability not affecting ability to perform. Contractor shall take-affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, age, national origin. Such action shall include, but not be limited to the following: employment, job classification, upgrading, promotion, demotion or transfer, recruitment, layoff or termination, rates of pay or other forms of compensation and selection for and quality of training, including apprenticeship.

B. Contractor shall comply, at its own expense, with all applicable laws, ordinances, rules, regulations and orders of any public authority relating to the terms and conditions of employment of any person who is employed in connection with the Project including, without limitation, the applicable provisions of the Fair Labor Standards Act, the Fair Employment's Practices Law and the Equal Pay Act.

C. In an effort to insure equal minority and female employment opportunities on the Project, the Contractor shall use good faith efforts to achieve at least 25% minority participation and 7% female participation in employment on the Project. These goals are expressed in percentages of the aggregate hours of Work performed at the Project. While the Contractor must use good faith efforts to achieve the above-stated participation, nothing herein shall be construed as requiring the Contractor to hire persons who are not qualified to perform the Work for which they are hired. Achievement of the goals in each work force and trade category shall be based upon an evaluation of the availability of qualified minority and female workers in each trade category and the extent of documented good faith efforts to achieve the goals.

D. In an effort to insure that maximum employment opportunities exist for persons who reside in the areas that surround this university, the Contractor shall use good faith efforts to hire at least one community resident to be employed on the Project. This goal also pertains to each Subcontractor performing work on the Project. While the Contractor must use good faith efforts to achieve the above-stated participation, nothing herein shall be construed as requiring the Contractor to hire persons who are not qualified to perform the work for which they are hired. For the purpose of clarification, local residents are those whose home address is located within the following zip codes: 60616, 60609, 60615, and 60653.
E. Contractor shall make oral and written notifications to labor unions or representatives of workers with which it has a collective bargaining agreement, or understanding of its equal employment obligations, requesting their cooperation and assistance in the referral of qualified minority and female workers. Copies of such notice and requests shall be delivered to IIT.

F. IIT will be actively assisting the Contractor by providing lists of certified Contractors, sponsoring outreach conferences, and attending meetings to facilitate relationships between M/WBE and non-M/WBE firms. Contractor shall utilize resource organizations identified by IIT for referral of minorities, females, local residents and other resource organizations as may be available.

G. Contractor shall monitor utilization of minority and female workers in its own work force and the work force of its Subcontractors and, when underutilization is evident, take or request that immediate, corrective action be taken to achieve the appropriate levels of participation to insure equal employment opportunity.

H. When underutilization continues for an extended period of time, IIT will convene a meeting with Contractor and, if required, Contractor shall convene a meeting with Subcontractors not in compliance for the purpose of reviewing their equal employment efforts and all supporting documentation. During the meeting, action to achieve appropriate levels of participation shall be established.

V. ADMINISTRATION AND MONITORING

Contractor's obligation under this Plan is to make good faith efforts to comply with all provisions and to meet all goals set forth herein or otherwise agreed upon. Contractor agrees that the Plan shall be administered in the following manner:

A. Prior to the award of a Contract to any Subcontractor, the Contractor shall be required to submit documentation, provided by the Subcontractor, verifying its good faith efforts via a detailed plan for actual utilization of M/WBE firms in an amount equal to or greater than the commitments or goals incorporated into this Plan.

B. Contractor agrees that these equal employment and MBE/WBE utilization provisions are to be inserted into each contract for any of the Work subcontracted by the Contractor to others, and that the Contractor will be responsible for enforcing or causing Subcontractors to enforce such provisions. The Contractor will report such enforcement efforts to IIT as often as may be required by IIT.

C. Contractor agrees that it will meet with a representative of each Subcontractor to review the specific requirements of the Plan, including reporting procedures and documentation, and obtain written acknowledgment from the Subcontractor with respect to each such requirement.

D. Contractor agrees that it shall maintain and make available to IIT documentation regarding M/WBE utilization and the employment of minorities, and females and persons residing in the aforementioned zip codes. Documentation shall contain, at a minimum, names and addresses of M/WBE Subcontractors and suppliers, evidence of certification by one of the authorized agencies or programs, the actual dollar amount of the contract awards or purchase agreements, affidavits confirming M/WBE participation, and actual numbers and percentage of hours worked by minorities, females and local residents. Documentation shall be maintained in such form as to permit a determination that good faith efforts have been made to achieve the goals of the Plan. After an initial presentation of Contractor's proposed Plan, reports summarizing this information shall be submitted to IIT on a
monthly basis. Failure to submit the required reports will result in withholding of payment to Contractor or any Subcontractors failing to report.

E. Referrals of eligible M/WBE firms may be made by IIT or other parties from time to time. These referrals shall not be deemed to be a recommendation by IIT to utilize any such firms or a representation or warranty that such firms are qualified to perform any work associated with the Project. Referrals are solely for the convenience of Contractor and any decision by Contractor to utilize any firms so referred shall be the sole decision of Contractor without participation by IIT. Contractor acknowledges that IIT shall have no responsibility for Contractor's decisions regarding M/WBE utilization.

VI. COUNTING MBE/WBE PARTICIPATION TOWARDS CONTRACT GOALS

MBE/WBE participation shall be counted toward meeting Affirmative Action Goals set in accordance with this contract as follows:

A. Once a firm is determined to be an eligible MBE/WBE in accordance with these rules, the total dollar value of the contract awarded to the MBE/WBE is counted toward the applicable MBE/WBE goals.

B. A Contractor may count towards its MBE/WBE goals a portion of the total dollar value of a contract with a Joint Venture eligible under the standards of the definition of a Joint Venture equal to the percentage of the ownership and controls of the MBE/WBE partner in the Joint Venture.

C. A Contractor may count toward its MBE/WBE goals only expenditures to MBEs/WBEs that perform a commercially useful function in the work of a contract as defined in Section I, Definitions. To determine whether an MBE/WBE is performing a commercially useful function, the Contractor shall evaluate the amount of work subcontracted, industry practices, and other relevant factors.

D. Consistent with normal industry practices, an MBE/WBE may enter into subcontracts. If an MBE/WBE Contractor subcontracts a significantly greater portion of work than would be expected on the basis of normal industry practices, the MBE/WBE shall be presumed not to be performing a commercially useful function. The MBE/WBE may present evidence to rebut this presumption to IIT.

E. A Contractor may count toward its MBE/WBE goals, expenditures for materials and supplies obtained from MBE/WBE suppliers and manufacturers, provided that the MBEs/WBEs assume the actual and contractual responsibility for the provision of the materials and supplies.

VII. RECORD KEEPING

A. The Contractor shall, no later than thirty (30) days after the approval of the M/WBE Utilization Plan, execute formal contracts or purchase orders with those MBEs and WBEs included in its approved MBE/WBE Utilization Plan.

B. The Contractor shall file monthly manpower reports in a form and format approved by IIT. This report will also include manpower reports of any Subcontractors. Contractor shall present corrective plans to overcome any present or projected shortfalls in Minority, Women and resident employment.
C. The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs.

VIII. NON-COMPLIANCE

Failure to comply with the MBE/WBE requirements of this contract or failure to use MBEs and WBEs as stated in the Form 100 -- M/WBE Utilization Plan constitutes a material breach of the Contract, and may lead to the suspension or termination of this Contract in part or in whole. Monthly progress payments may be withheld until corrective action is taken.

IX. MBE AND WBE CONTRACTOR ASSISTANCE

Contractors must themselves assist MBEs and WBEs in overcoming barriers to program participation. The following methods may be appropriate:

A. Develop solicitations of subcontract bids so as to increase potential MBE and WBE participation. This can take the form of breaking down large subcontracts into smaller ones, and by issuing notice of solicitations in a timely manner;

B. Provide technical assistance and guidance in bid clarifications, estimating and scheduling process;

C. Purchase supplies and/or lease the required equipment for a job;

D. Provide accelerated payments or establish pro-rated payment and delivery schedules so as to minimize cash flow problems faced by smaller firms;

E. Consider alternative Subcontractor bonding requirements i.e. allowing incremental bonding.

F. Conduct a pre-bid conference for potential Subcontractors.

X. CONTRACTOR ASSISTANCE AGENCIES

The following Minority and Women Business Enterprise assistance agencies should be contacted to identify certified Contractors:

African American Contractors Assoc. Chicago Women In Trades
3706 S. Indiana Avenue 1649 W. Adams, Suite 400
Chicago, Illinois 60653 Chicago, Illinois 60612
Attn: Omar Shareef Attn: Lauren Sugarmen
Fax: (312) 567-9919

Hispanic American Construction Women's Business Development Center
Industry Association (HACIA) 8 S. Michigan Ave., #400
901 W. Jackson Blvd., #205 Chicago, Illinois 60603
Chicago, Illinois 60607 Attn: Laverne Hall
Attn: Raphael Hernandez (312) 853-0145
Fax: (312) 466-5193
Cosmopolitan Chamber of Commerce  
1455 S. Michigan Ave.  
Suite 240  
Chicago, Illinois 60606  
Attn: Jerry Weaver  
Fax: (312) 786-9079

Black Contractors United (BCU)  
400 W. 76th St.,  
Chicago, Illinois 60620  
Attn: Florence Cox  
Fax: (773) 483-4000

Association of Asian  
Construction Enterprises (AACE)  
333 N. Ogden Ave.  
Chicago, Illinois 60607  
Attn: Ken Chin  
(312) 563-0746

Midwest Women’s Center  
828 S. Wabash  
Chicago, Illinois 60604  
Attn: Marcia Medema  
(312) 922-8530

Chicago Minority Business  
Development Council (CMBDC)  
11 S. LaSalle Street, #850  
Chicago, Illinois 60603  
Attn: Jesus Valle  
Fax: (312) 263-0280

Directory of Certified, Disadvantaged,  
Minority and Women Business Enterprises  
City of Chicago - Dept. of Purchases  
Certification Unit  
City Hall - Room 403  
Chicago, Illinois 60602

Cler, Inc.  
6445 S. State St.  
Chicago, Illinois 60637  
Attn: Mr. Eddie Forte

Brown & Momen  
823 E. Drexel Square  
Chicago, Illinois 60615  
Attn: Mr. Ernest Brown

Federation of Women Contractors  
330 S. Wells St.  
Suite 1110  
Chicago, Illinois 60606  
Attn: Sandra Gidley  
Fax: (312) 360-0239

Congressman Bobby Rush’s Office  
9730 S. Western Ave.  
Suite 237  
Evergreen Park, Il 60805-2814  
Attn: Mr. Younus Suleman

The New Coalition  
300 S. Wacker Dr., #601  
Chicago, Illinois 60606  
Attn: Lee Walker  
(312) 427-1290

PUSH Rainbow Coalition  
930 E. 50th St.  
Chicago, Il 60615  
Attn: Ms. Dorese Wright  
Fax: (773) 256-2751

Chicago Urban League  
4510 S. Michigan Ave.  
Chicago, Il 60653  
Attn: Ms. Cassandra Redd

Ms. Dorothy Hamilton  
c/o Honorable Alderman  
Madeline L. Haithcock  
449 E. 35th Street  
Chicago, IL 60616  
Fax: (773) 924-5950

Elder Kevin Ford  
Project Pride  
4500 S. Wabash  
Chicago, IL 60653
XI.  **EQUAL EMPLOYMENT OPPORTUNITY**

Compliance with MBE and WBE requirements will not diminish or supplant Equal Employment Opportunity and Civil Rights provisions as required by law as they relate to Prime Contractor and Subcontractor obligations.
INTRODUCTION

Illinois Institute of Technology’s (“Illinois Tech”) main campus (“Mies Campus”) was designed by internationally renowned architect Ludwig Mies van der Rohe. Located in Chicago, the majority of the campus is between 31st and 35th streets in the Bronzeville neighborhood. The academic core is bounded by the I-90 expressway to the west and State Street to the east. Illinois Tech’s primary student life facilities (housing, recreation, and dining) are due east of the academic core, separated by the CTA’s (Chicago Transit Authority) green line tracks. Many of these student life facilities stand at the campus’ eastern gateway along Michigan Avenue.

In the spring of 2017, Illinois Institute of Technology (“Illinois Tech”) engaged Brailsford & Dunlavey, Inc. (“B&D”) to conduct development advisory services for the Mies campus and devise a plan to improve student life facilities (the “Plan”). The focus of this document is the student housing market and demand analysis related to this effort.

WORK PLAN

In order to properly evaluate and advise Illinois Tech on development decisions regarding their housing program, B&D conducted the following work plan:

- Led a Strategic Asset Value (“SAV”) Workshop with key university stakeholders to devise a framework with which to guide development decisions that align with the university’s mission, goals and future vision;
- Conducted three focus group sessions with Illinois Tech students to gain qualitative insights into students’ campus life, on- and off-campus housing experience, and future housing preferences which informed the student survey;
- Analyzed the current off-campus rental housing market climate to understand the price points, neighborhoods, and amenities available to Illinois Tech students;
- Developed and analyzed an Internet-based survey of Illinois Tech students in the fall of 2017 to understand their preference and demand for housing at specific price points and unit types, current satisfaction with on- and off-campus housing, and their on-campus recreation experience;
  - The student survey ran from September 12th through September 22nd, 2017. Over 1,000 students responded to the survey which translated into a statistically significant representation of the Illinois Tech community with a +/- 3% margin of error assuming a 95% confidence interval, and
- Performed a student housing demand assessment using B&D’s proprietary demand-based programming methodology which utilized survey results and institutional enrollment data. The demand is based on students’ preferences for unit types at survey tested price points.
The following summary highlights the key findings of B&D’s work to inform development recommendations and decisions. The findings contained herein represent the professional opinions of B&D’s personnel based on assumptions and conditions detailed in this summary document. B&D conducted research using both primary and secondary information sources that are deemed reliable, but whose accuracy cannot be guaranteed. B&D does not represent or warrant that the estimates and projections contained herein will be realized, as the actual performance will be influenced by market and other external factors.

EXISTING CONDITIONS

Illinois Tech has six on-campus residential facilities in addition to owning and operating two sorority houses (ASA and Kappa). The housing program’s total design capacity is 2,340 beds. However, only 1,630 beds are available as Bailey, Cunningham, and a portion of Carman Hall are offline. With the exception of State Street Village (“SSV”) built in 2003, Illinois Tech’s housing portfolio dates back to the 1950s and 1960s and has numerous deferred maintenance issues. In the fall of 2016, Illinois Tech’s four on-line halls were 79% occupied. Overall, Illinois Tech housed 17%, or 1,290 students, of its total enrollment. An additional 180 students live in the six fraternity houses, which are not owned or operated by Illinois Tech. Illinois Tech has a first year live-on requirement and captures 70% of first year students. In the fall of 2018, the live-on requirement will be expanded to second years of which Illinois Tech currently houses 50%. Additionally, Illinois Tech captures 25% of upper division and 5% of graduate students in on-campus housing.

**EXHIBIT 1: ILLINOIS TECH HOUSING PROGRAM FALL 2016 DATA**

<table>
<thead>
<tr>
<th>University Housing</th>
<th>Occupancy</th>
<th>Beds Available</th>
<th>Design Capacity</th>
<th>Unit Types</th>
<th>Year Built</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>McCormick Student Village</td>
<td>654</td>
<td>830</td>
<td>890</td>
<td>Traditional</td>
<td>1956-1963</td>
<td>205,366</td>
</tr>
<tr>
<td>State Street Village</td>
<td>266</td>
<td>344</td>
<td>368</td>
<td>Suites / Apartments</td>
<td>2003</td>
<td>109,038</td>
</tr>
<tr>
<td>Carman</td>
<td>138</td>
<td>178</td>
<td>256</td>
<td>Apartments</td>
<td>1953</td>
<td>69,559</td>
</tr>
<tr>
<td>Gunsaulus</td>
<td>174</td>
<td>200</td>
<td>236</td>
<td>Apartments</td>
<td>1949</td>
<td>82,755</td>
</tr>
<tr>
<td>Bailey</td>
<td>0</td>
<td>Offline</td>
<td>256</td>
<td>Apartments</td>
<td>1955</td>
<td>69,559</td>
</tr>
<tr>
<td>Cunningham</td>
<td>0</td>
<td>Offline</td>
<td>254</td>
<td>Apartments</td>
<td>1955</td>
<td>69,559</td>
</tr>
<tr>
<td>ASA</td>
<td>32</td>
<td>40</td>
<td>40</td>
<td>Sorority</td>
<td>1960</td>
<td>15,616</td>
</tr>
<tr>
<td>Kappa</td>
<td>26</td>
<td>40</td>
<td>40</td>
<td>Sorority</td>
<td>1960</td>
<td>15,616</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,290</strong></td>
<td><strong>1,632</strong></td>
<td><strong>2,340</strong></td>
<td></td>
<td></td>
<td><strong>637,068</strong></td>
</tr>
</tbody>
</table>
Non-Apartment Beds
McCormick Student Village ("MSV") is Illinois Tech’s traditional residence hall and largest housing facility. MSV’s non-apartment units with ground floor community space caters to and predominately houses first and second year students. Built in 1963, MSV suffers from deferred maintenance estimated by Illinois Tech to be over $50 million. The facility investment necessary at MSV, in combination with an additional housing need created with the second-year live-on policy, makes a replacement solution for this facility one of the primary drivers of this plan.

State Street Village ("SSV") is a 344-bed facility serving students in a mixture of non-apartment and apartment units. SSV houses the remaining on-campus freshmen and the next largest population of second years. Approximately, 40% of residents are upper-division and graduate students. State Street Village is owned by a 501(c)3 Foundation affiliated with Illinois Tech.

Apartment Beds
Illinois Tech has four apartment buildings: Carman, Gunsaulus, Bailey, and Cunningham Halls. This aging housing stock also has significant deferred maintenance causing Bailey and Cunningham to lay vacant for the last decade. Bailey and Cunningham have the capacity to serve 250 students each. Their counterpart, Carman Hall, is on-line, but 25% of the building remains off-line due to deterioration. Bailey, Cunningham and Carman are the three Mies van der Rohe designed apartment buildings constructed in the mid-1950s. Gunsaulus Hall is the oldest facility, built in 1948. These apartments house upper-division and graduate students with less than 10% of their current residents being second year students. The apartment neighborhood sits at the northeastern edge of campus along Michigan Avenue and the 31st Street corridor. Bailey and Cunningham specifically anchor the 31st Street and Michigan Avenue campus edge.

Greek Housing
Illinois Tech’s on-campus Greek village is located directly south of MSV. Illinois Tech owns and operates the two sorority houses (ASA and Kappa). In addition, the neighborhood has six fraternity houses. In the fall of 2016, 58 students lived in the sorority houses and another 180 lived in the fraternity houses. The sorority houses have a total design capacity for 80 beds and the fraternity houses have a design capacity around 250 beds.
Brailsford & Dunlavey identified four key findings as a result of this comprehensive assessment. These key findings summarize the current state of Illinois Tech housing as well as future opportunities to advance the mission, vision, and strategic objectives of the institution.

**KEY FINDINGS**

1. **While housing availability is an important factor in enrollment decisions, students choose Illinois Tech despite the facilities offered.**

With a first year, and soon to be second year, live-on requirement, housing will be even more closely examined during the recruitment process. This highlights the strategic importance of improved living environments to meet institutional enrollment goals. Survey results indicate that over half of Illinois Tech students felt available housing was an important decision factor in their choice to attend Illinois Tech (Exhibit 2). Out-of-state domestic students (71% important or very important) and international undergrads (66% important or very important) put a heavier weight on housing in their decision to attend Illinois Tech. These two populations are more housing dependent as they are traveling the greatest distance and trying to navigate a foreign housing market.

While State Street Village is a newer facility, the remaining Illinois Tech housing facilities are over 50 years old. Students choose Illinois Tech regardless of the condition of housing or their perceptions of Illinois Tech’s housing in comparison to other institutions. In relation to other universities first-year survey respondents considered attending, majority found Illinois Tech’s housing either “about the same” or worse than other institutions. Undergraduates in their second year and beyond were more critical of housing as approximately half of them found Illinois Tech’s housing worse than other institutions. This is important with the nearing second year live-on policy and aging apartment facilities as their primary on-campus living option. Graduate students were slightly more favorable towards Illinois Tech housing than undergraduates.

Illinois Tech’s academics, research opportunities, programs, campus legacy, Chicago setting, and total cost of attendance all play a role in the decision process. However, the survey indicates that improved facilities could play an increasing role in the recruitment of students, especially as undergraduate students will be required to live on campus for two years and housing options will be more heavily scrutinized.

2. **Students value living environments that foster community, provide safety, and are proximate to campus. However, they are not willing to pay a premium for extra amenities or high-end housing.**

Examining student satisfaction by building provides insights into student preferences. Exhibit 3 illustrates student housing satisfaction as indicated on the survey. Respondents reported the lowest satisfaction in the on-campus apartment buildings. It is important to note that the apartment unit types in Carman (which are replicated in Bailey and Cunningham) have a
lower satisfaction rate than the units in Gunsaulus. On the other hand MSV, despite significant physical shortcomings, shows higher student satisfaction than the apartment buildings. MSV’s community space, central campus location, and socialization opportunities lead to greater satisfaction despite small bedrooms and community bathrooms.

State Street Village is the newest and most centrally located on-campus housing option. It has the highest overall satisfaction (89%) suggesting a willingness among a segment of the population to pay the higher price point for newer options.

Overall, off-campus student renters (94% satisfaction rate) are more satisfied than their on-campus counterparts. The market available to Illinois Tech students spans many neighborhoods at various price points and quality levels. All of which are factors contributing to the high satisfaction among off-campus renters in comparison to Carman and Gunsaulus.

**EXHIBIT 3: SURVEY RESPONDENTS SATISFACTION WITH CURRENT LIVING SITUATION**

<table>
<thead>
<tr>
<th></th>
<th>Very satisfactory</th>
<th>Satisfactory</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSV</td>
<td>7%</td>
<td>17%</td>
</tr>
<tr>
<td>SSV</td>
<td>26%</td>
<td>63%</td>
</tr>
<tr>
<td>Carman</td>
<td>6%</td>
<td>60%</td>
</tr>
<tr>
<td>Gunsaulus</td>
<td>14%</td>
<td>60%</td>
</tr>
<tr>
<td>Off campus</td>
<td>5%</td>
<td>57%</td>
</tr>
</tbody>
</table>

**Students renting off campus live in a variety of locations, but are not concentrated near campus due to convenient public transportation and a lack of student-oriented facilities close by. Limited proximate options means less targeted competition for on-campus housing, but also less of a critical mass to spur campus edge development.**

The Mies Campus is widely accessible through public transportation, which expands the reach of the off-campus market available to Illinois Tech students. For a general rental market context, B&D analyzed over 30 large multi-family and student-oriented properties identified through staff interviews, student focus groups and surveys, as well as B&D research. These properties were primarily in the adjacent Bronzeville and nearby Chinatown, South Loop, and West Loop neighborhoods. Bridgeport lacks large scale multi-family properties near campus; therefore, the analysis included rental averages of this neighborhood characterized by smaller scale, lower rent multi-family rentals. Below are the key findings from B&D’s off-campus market research, CoStar data, and survey results:

**I. Off-campus student renters are scattered throughout neighborhoods:**

- Public transportation expands the off-campus market available to students.
- Large multi-family properties are located more than a 10-minute walk from campus along the lakefront in Bronzeville.
- Small apartment complexes and three-flats are found throughout Bridgeport and Bronzeville.
- No purpose-built housing catering to the specific needs of students (i.e. individual bed leases, all-inclusive utilities,
roommate matching, study rooms, etc.) are within walking distance of campus. Student-oriented properties are concentrated near campuses in Hyde Park, the South Loop, and University Village (Exhibit 4).

EXHIBIT 4: MAP OF STUDENT-ORIENTED PROPERTIES IN RELATION TO ILLINOIS TECH’S MIES CAMPUS

Illinois Tech’s housing offers a significant locational advantage over other area properties.

II. From a competitive pricing standpoint, B&D compared Illinois Tech apartments to the off-campus market and Illinois Tech’s non-apartment units in relation to peers’ first-year housing offerings.

APARTMENTS: Illinois Tech’s on-campus apartment rates compete with low rents found in the nearby off-campus market.

Illinois Tech’s single occupancy apartment rates are priced higher than the off-campus market comparables’ average (Exhibit 5). In the adjacent Bridgeport neighborhood, the smaller scale rental properties offer even greater affordability (Exhibit 6). Students have affordable housing options on-campus if they are willing to share a bedroom. In addition, the survey indicated, 24% of undergraduates and 50% of graduate students share bedrooms off campus further reducing housing costs.

EXHIBIT 5: MULTI-FAMILY PROPERTY RENT COMPARISON TO IIT ON-CAMPUS APARTMENTS (MONTHLY RENT, PER PERSON ON A SINGLE OCCUPANCY BASIS)

EXHIBIT 6: BRIDGEPORT NEIGHBORHOOD AVERAGE PER PERSON MONTHLY RENTS BY UNIT

NON-APARTMENTS: Traditional residence hall, pod-style and suite-style housing at peer institutions serve as Illinois Tech’s first and second-year housing price context. While single occupancy bedrooms are priced higher than peers, traditional doubles (the
predominate room types), are below the peer average. This suggest there may be an opportunity to increase rates if a new, modernized option were available as opposed to the current option at MSV. While MSV has high satisfaction rates due to its socialization and price point, the age and quality contribute to MSV’s traditional double rates’ affordability.

### EXHIBIT 7: NON-APARTMENT HOUSING RATES 2017-2018 (ACADEMIC YEAR)

<table>
<thead>
<tr>
<th>Peers</th>
<th>Traditional / Pod Double</th>
<th>Traditional / Pod Single</th>
<th>Semi-Suite DO</th>
<th>Semi-Suite SO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illinois Tech</td>
<td>$6,110</td>
<td>$12,310</td>
<td>$5,320</td>
<td>$16,440</td>
</tr>
<tr>
<td><strong>CROSS APPLICANT PEERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyola</td>
<td>$9,680</td>
<td>$10,437</td>
<td>$8,855</td>
<td>$10,580</td>
</tr>
<tr>
<td>UIC</td>
<td>$7,930</td>
<td>$9,234</td>
<td>$8,167</td>
<td>$9,236</td>
</tr>
<tr>
<td>UIC</td>
<td>$6,515</td>
<td>$8,037</td>
<td>$7,304</td>
<td>$11,439</td>
</tr>
<tr>
<td><strong>TECHNICAL UNIVERSITY PEERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSOE</td>
<td>$6,719</td>
<td>$9,220</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Michigan Tech</td>
<td>$6,704</td>
<td>$7,254</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Stevens Institute</td>
<td>$8,200</td>
<td>$8,550</td>
<td>$9,276</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Average</strong> (excluding UT)</td>
<td>$7,191</td>
<td>$6,622</td>
<td>$6,580</td>
<td>$10,418</td>
</tr>
<tr>
<td><strong>Relation to UT</strong></td>
<td>14%</td>
<td>-43%</td>
<td>-9%</td>
<td>-58%</td>
</tr>
</tbody>
</table>

Note: SSV semi-suite single occupancy rate is an average of the double as single room and the single with private bathroom rates

### III. According to the student survey results, graduate students are the most price sensitive population.

Graduate students present an opportunity for increasing on-campus occupancies. This market is more price sensitive as exhibited in their lower average monthly rent, higher propensity to share a bedroom, and a greater likelihood to have a family. Exhibit 8 illustrates survey respondents’ reported personal share of monthly rent. Excluding utilities, the weighted average personal share of monthly rent graduate students reported to pay ($560) was lower than undergraduates ($631).

Assessing the off-campus rental market shows that Illinois Tech should continue to find ways to highlight the convenience of living on campus in a safe environment. Opportunities to increase the critical mass of students on or within walking distance to campus will enhance the 24/7 residential experience, encourage greater student engagement, and spur future redevelopment opportunities.

### EXHIBIT 8: SURVEY RESPONDENTS PERSONAL SHARE OF MONTHLY RENT (EXCLUDING UTILITIES) BY CLASS

Demand projections suggest opportunities to capture additional second year and graduate student residents.

Second year growth comes from the live-on policy and new graduate demand comes from students currently residing in the off-campus market.

B&D’s predictive demand model quantifies market demand for student housing by bed type across classes utilizing the student survey responses
and institutional enrollment data. The model projects demand for housing provided that the housing supply matches student unit type and price preferences from the survey. B&D identified two target markets of students that would be most interested in and likely able to reside on campus given appropriate housing and rental rates.

Target Market #1 - On-campus students
- Full-time
- Currently living on campus

Target Market #2 - Off-campus students
- Full-time
- Renting off campus
- Attending classes at any campus
- Paying over $600/ month in rent

In addition, occupancy coverage ratios (“OCR”), were applied to adjust demand projections to better reflect the institution’s risk tolerance for housing. For example 1.2X indicates that for every 12 units of demand, building 10 units of supply is recommended. The OCR’s were determined based on discussions during the SAV session with institutional leadership. The OCRs for each class align with the following in the SAV framework:

- “Illinois Tech will accept the occupancy risk for first- and second-year students to support the foundation of the Illinois Tech identity”
- “Market responsive unit types should be made available for upper-division and graduate students… but this is a secondary target market and Illinois Tech will not limit demand or increase vacancy risk”

The following Occupancy Coverage Ratios were applied to each class in order to derive the final demand projections (Exhibit 9).

Demand projections indicate a potential to increase Illinois Tech’s housing occupancy from 1,290 to 1,760 if unit type offerings and price points align with what was tested on the survey. The second year student capture rate is expected to increase with the start of the second year live-on policy in the fall of 2018. Graduate student demand comes from the ability to attract students renting off-campus into improved on-campus offerings (Exhibit 10).
Further assessment of demand by unit type and class reveals that the majority of first and second year students desire pod-style units (Exhibit 11). Importantly, this supports the institution’s strategic objective of prioritizing first and second year housing as the primary target market in non-apartment units with a community oriented, living-learning environment. Improved first and second year housing should be provided in pod-style arrangements regardless of the ultimate facility or location.

While demand indicates an opportunity to grow the on-campus population, the total demand lies in between the current number of on-campus residents and the total design capacity of Illinois Tech’s existing housing stock. Therefore, the solution lies in providing the right bed mix to accommodate student preferences through a combination of strategic de-densification, renovation, demolition, and new construction to best reach appropriate unit types and supply numbers.

Additionally, a new residence hall and/or restored Bailey and Cunningham Halls has the opportunity to provide additional uses to the Illinois Tech community. Beyond unit type preferences, the survey asked students their building amenity preferences in new and/or improved on-campus housing facilities. The following key findings from those results emphasize a value in proximity and integration of academic and student life resources:

- Interest in “project-based social spaces” especially among 1st and 2nd year students,
- Classrooms within housing facilities were prioritized among graduate students,
- Food venues (dining hall or coffee shop in particular) ranked high among all students, and
- The most desired amenity for undergrads was new indoor recreation space in or near housing.

These findings suggest a development opportunity to provide spaces, either within in or in close proximity to, the residential communities that engage the entire Mies campus beyond the facility residents.
PROJECT CONCEPT

From a strategic perspective, improvements to the first and second year on-campus experience have been deemed the highest priority by Illinois Tech. Additional key drivers influencing this Plan include the implementation of a second year live-on policy, the physical condition of MSV, and the desire to revitalize Bailey & Cunningham Halls. While there are multiple ways to improve the first and second year on-campus living environment, the primary options identified through this Plan are as follows:

1. New construction of a non-apartment residence hall, centrally located, allowing for optimal design and layout configuration to satisfy programmatic needs for a first and second year residential experience; or

2. Renovation of Bailey and Cunningham Halls into non-apartment units to restore Mies van der Rohe designed buildings at the northeastern gateway to campus.

It is worth noting that new construction for first and second year housing does not preclude Bailey and Cunningham from being renovated into apartment units supporting upper division and graduate demand. Demand supports the re-opening of these facilities assuming a competitive price point and the reduction of supply through the closing of MSV. The price sensitivity of graduate students, however, make it challenging to build new apartment units if Bailey and Cunningham are renovated into first and second year housing.

The preliminary size of the new undergraduate residence halls is 464 beds in a unit mix of pod-style and semi-suite arrangements. This capacity would accommodate all first-year demand along with second-year demand not residing in SSV suite-style units. Additional spaces within this facility that support community enhancement, socialization, and academic integration should also be considered.

<table>
<thead>
<tr>
<th>Room Arrangement</th>
<th>Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-Suite</td>
<td>64</td>
</tr>
<tr>
<td>Pod-Style</td>
<td>388</td>
</tr>
<tr>
<td>Resident Advisor (RA)</td>
<td>12</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>464</td>
</tr>
</tbody>
</table>

These options to improve housing offerings at Illinois Tech provide unique pros and cons to the campus. Further exploration will continue to determine the most desirable solution that fulfills institutional needs and aligns with strategic objectives.