

**APPROVED**

**January 17, 2024**



Dave Kelm  
General Counsel

Item #E-1  
January 17, 2024

**CONSIDERATION AND APPROVAL OF NON-INSTRUCTIONAL CAPITAL  
PROJECTS FOR FISCAL YEAR 2024**

**Submitted for:** Approval.

**Summary:** This item recommends approving the non-instructional capital projects for the following Public University projects:

**University Of Illinois Chicago: Grenshaw Street Parking Structure**

**Action Requested:** That the Illinois Board of Higher Education approve the project listed in this item.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION

**CONSIDERATION AND APPROVAL OF NON-INSTRUCTIONAL CAPITAL  
PROJECTS FOR FISCAL YEAR 2024**

The Board of Higher Education Act (110 ILCS 205/8) requires public universities to receive IBHE approval for capital improvements for non-instructional uses, such as dormitories, field houses, stadiums, recreational facilities, parking lots and the like, if the project is in excess of \$2 million. The projects are assessed for alignment with the Board's Non-Instructional Capital Project Guidelines, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The projects must be consistent with the mission and scope of the institution; provide needed additional, replacement, or more efficiently utilized space; and are economically feasible, and aligned with the strategic plan, as required by administrative rules.

**Background and Scope**

A new parking structure to be known as the Grenshaw Street Parking Structure is slated to be constructed on the UIC west campus. The location will be north of the intersection of Grenshaw Street and Wolcott Avenue next to the existing Wood Street Parking Structure. The preliminary plan is to construct an eight-story structure that provides 1,000 parking spaces with two-way traffic flow and 90 degree parking stalls that are eight feet six inches wide. At least 20 percent of the spaces will be EV ready and include 15 charging stations. The project will also include traffic infrastructure improvements at the nearby intersection of Taylor and Wood Streets to address traffic issues related to the expansion of the west campus as identified by the University and City of Chicago.

**Project Rationale**

As a result of continued growth on the West Campus of UIC and particularly the growth of the Hospital with the recent building additions of the Outpatient Surgery Center and the opening of a new Health Specialty Clinic Building and spaces lost to the planned Drug Discovery Building and Cancer Research Pavilion, the existing supply of parking is insufficient for the operation of these facilities. Based on an extensive parking analysis of West Campus Parking the University has identified a need for over 1,000 additional spaces to serve the needs of this area. With recent and future growth in the area and parking needs there is also a need for traffic improvements identified by the City of Chicago and the University that will be incorporated into this project.

**Project Financing**

Total project cost for facility is estimated at \$65 million, which is to be delivered as a P3 Public Private Partnership agreement. It is anticipated that UIC will make an equity contribution of at least \$2 million to the project. The overall financing structure for the Project will be based on a privatized P3 financing model through which the University will lease the land through a ground lease agreement on which the project is located to the Project Owner-Borrower, which is a single member limited liability company, the sole member of which is a not for profit 501(c)(3) tax exempt

organization established to assist colleges and universities across the country in providing academic and related facilities for their students and otherwise furthering their educational missions. The Project-Owner Borrower will be organized exclusively for carrying out the Project and is not expected to have assets other than those associated with the Project. The developer and the Project Owner Borrower will enter into a development agreement pursuant to which the developer will implement the Project's design, construction, and commissioning in accordance with plans approved by the University.

Consistent with the provisions in the Illinois Procurement Code concessions article, the Project will be financed through bonds issued by the IFA, and the proceeds of those bonds will be loaned to the Project Owner Borrower by the IFA. The ground lease for the Project will extend for a term in excess of the maturity of the proposed bond financing. Under the ground lease, the land will always remain owned by the University, and the Project Owner Borrower will own the improvements for the term of the financing. Standard provisions in the Ground Lease will also include certain areas of support and cooperation among UIC and the Borrower. Operations and maintenance of the facilities will be performed internally by UIC parking system.

#### **Constituency Input/Decision-making:**

UIC's parking system consists of 13 parking lots in east campus and 24 parking lots in west campus. This project is located in West campus which is comprised of 17 city blocks with a total of 5,926 on and off street parking spaces available. A recent study performed by Walker Consultants recommended a new parking facility in this location to meet existing demand along with some longer term growth.

#### **Staff Recommendation**

Staff has reviewed the projects presented in this item and found them to be in accordance with the Board's Non-Instructional Capital Project Guidelines, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The projects are consistent with the mission and scope of the institution; provide needed additional, replacement, or more efficiently utilized space; and are economically feasible, as required by administrative rules.

*The Illinois Board of Higher Education hereby approves the Public University Non-Instructional Capital Project included in this item.*