

## MEMORANDUM OF UNDERSTANDING

The following is a memorandum of understanding (the “Memorandum”) between The University of Chicago (the “University”) and the City of Chicago Department of Housing and Economic Development (the “City”). The University and the City may be referred to herein as a “Party,” and, collectively, the “Parties”.

The purpose of this document is to outline how the Parties intend to work together in collaboration with the community to facilitate economic opportunity for neighboring residents and local, minority- and women-owned businesses, and more efficiently deploy City and University financial and personnel resources.

### Recitals

The University is one of the leading research and teaching universities in the world with operations across 214 acres in Chicago’s Hyde Park community and major centers in downtown Chicago, Paris, London, Singapore, and Beijing. There are 15,000 students on the University’s campus, including an undergraduate population of more than 5,000. The University of Chicago Medical Center (UCMC) is a nationally recognized leader in medicine and regularly ranks among the nation’s best hospitals. Medical discoveries at UCMC bring new life-changing innovations to patient care benefiting those at the Hyde Park campus and throughout the world.

The University is also a major economic engine in the city and the surrounding region as the second largest private employer with more than 17,000 employees, most of whom work on the Chicago campuses. The University is undertaking an ambitious capital development plan to upgrade and expand its campus with improved facilities and amenities at an estimated construction cost up to \$3.5 billion over 10 years (2005-15) with \$1.7 billion to be spent in five years.

Such development is intended to maintain the University as a world-class research and teaching institution and to make the campus a more hospitable environment for students, faculty, and others who use it.

The University’s growth presents an opportunity to partner with the City to catalyze the revitalization of communities surrounding the Hyde Park campus by creating jobs and improving key services for Chicago’s residents.

Through this Memorandum, the University intends to continue to facilitate access to economic opportunities for local, minority- and women-owned businesses and city of

Chicago residents; collaborate with the City on mutually-beneficial strategic initiatives; and streamline communication with City officials and community partners.

For its part, the City, represented by its Department of Housing and Economic Development, affirms the University's inherent importance to the City and the south side region. As such, the City intends to support the University's capital development plan by establishing City procedures that will facilitate implementation of University projects, work collaboratively with the University and the community on other initiatives, and financially support and prioritize public infrastructure improvements that complement University investments.

The City is also committed to collaborating with the University to allocate its own resources in communities surrounding the University to promote the development of adjacent communities.

The City also recognizes the importance of coordinating the many parties involved in City planning, including but not limited to various departments, members of the City Council, and City Boards and Commissions.

Today, as throughout its history, the University is shaped and inspired by the city of Chicago. The University and the City of Chicago have worked in partnership for many years to train and create opportunities for the next generation of leaders while simultaneously improving the quality of life in Chicago in the areas of education, housing, commercial development, public safety, and health care.

In view of these recitals, the University and the City make the following commitments:

#### Commitments

#### **The University undertakes the following:**

1. Communications with the City
  - a. There will be a primary point of contact named by the University's Office of Civic Engagement ("University Liaison") to coordinate interaction with the City and elected officials on complex or multi-department matters related to the capital development plan. Both the University and the City acknowledge that routine matters of business shall proceed through the established City process. Matters that require coordination between multiple departments or are of broader public concern will be coordinated through the University Liaison.
  - b. The University will meet with the Aldermen serving the communities in and around the campus at least quarterly, or more frequently as business demands. City staff will attend the quarterly meetings as requested. The University Liaison will coordinate University business to present a

coordinated and comprehensive agenda of items for discussion at the meetings. Every effort will be made to use these meetings to effectively manage University action items with the Aldermen.

- c. The University will provide the City with a list of the Major Projects and Initiatives in a mutually agreed upon format (Exhibit A as a sample) to track areas of City/University collaboration. This list will include active projects on the capital development plan as well as other initiatives that will have material public impact.
- d. The University, Alderman and City staff will review progress of the program identified within this Memorandum annually.

2. Communications with External Partners

- a. The University will provide access to procurement opportunities for local, minority- and women-owned businesses, and employment opportunities for construction and University jobs.

3. Employment Opportunities during Construction

The University has exceeded its 30% minority and City of Chicago residency goals on major construction projects since 2006. Every project has different workforce opportunities, including some highly specialized construction trades. Therefore, the University will report annually on the aggregate economic impact of its construction workforce.

Through the Employment Opportunity initiative as described below, workforce goals have been established for all major capital projects. The University carefully monitors the on-site workforce hours generated by Chicago residents, minority and female journey-workers, apprentices, and laborers to ensure local participation and diversity.

The University strongly encourages its contractors to maximize employment opportunities for local residents on its major construction projects from seven zip codes surrounding the University's Hyde Park campus (60609, 60615, 60619, 60621, 60637, 60649, and 60653).

The University will continue to make every effort to:

- Build on past performance which exceed University workforce goals; and
- Create a systematic approach to workforce opportunities, leading to improved access for area residents, including minorities and women.

This will be accomplished by:

- Notifying area Aldermen a minimum of 90 days prior to the beginning of a major capital construction project, outlining how community members can access potential construction jobs;
- Outlining in a user-friendly format how local residents register on the University's Candidate Referral List and how this referral list is utilized;
- Including clear and consistent language in general contractor agreements regarding workforce goals for major University projects; and
- Reporting quarterly on actual payments to minority and female workers for major capital projects.

#### 4. Employment Opportunities at the University

The University will create a new position to work with the Office of Civic Engagement to assist neighborhood residents and community organizations in navigating and fully understanding the University employment process.

The staff member will:

- Maintain and publicize an on-line list of University and UCMC employment opportunities;
- Connect local area residents to job opportunities at the University and with employers in the University's vendor network;
- Build relationships and partnerships with hiring managers in the University to enhance placement opportunities;
- Interface with community-based organizations and elected officials; and
- Report annually on the number of academic employees and staff.

The University will provide computer hardware and software to the ward offices of Alderman serving the communities in and around the campus. These workstations will allow easy access for job-seekers to view and apply for jobs online at the University and other area employers.

#### 5. Minority- and Women-owned Business Contracting Opportunities for Construction

The University has a strong track record of providing opportunities to minority- and women-owned businesses and has exceeded its combined 30% minority- and women-owned business participation goals on major construction projects since 2006. The University strives to build on past successes and improve opportunities through the following actions:

- a. The University will participate in and host forums that highlight bidding opportunities and give qualified companies the opportunity to meet with general contractors for major capital projects. The University will work with various trade associations to promote increased participation from minority- and women-owned firms.

- b. The University will include clear and consistent language in general contractor agreements regarding minority- and women-owned business goals;
- c. The University will outline in a user-friendly format how businesses can qualify to participate in University bidding for major capital projects; and the University will report quarterly on actual payments to minority- and women-owned firms engaged in the construction of University projects.
- d. The University strongly encourages its contractors to maximize contracting opportunities for minority and women-owned businesses and shall apply business participation goals of a combined 30% to all subcontracting tiers, suppliers, and consultants.

6. Business Diversity Opportunities within the University

The University's Office of Business Diversity (OBD) established in 2006 creates business opportunities for minority- and women-owned businesses so that they can compete for business in the University's goods and services supply chain, including professional services. The OBD collaborates with key University stakeholders to identify opportunities for minority and women-owned businesses, connects these businesses to key decision makers within the University, and creates partnerships with local firms to help them grow and compete. In the procurement of goods and services, the University's current focus is on creating direct first tier contractual relationships, however, we will also seek second-tier opportunities.

Through the Office of Business Diversity, the University will:

- a. The Assistant Vice President for Business Diversity will meet with the Aldermen annually to discuss the University's approach, plans and results on improving inclusion and opportunity with minority and women-owned professional services firms at the University.
- b. Continue hosting an annual professional services business diversity symposium, giving minority and women-owned professional service firms an opportunity to network and begin building sustainable relationships with University senior leadership. As a result of the annual symposium, the University has engaged firms in the following industries: money management, legal, executive search, financial services, and marketing/advertising.
- c. Continue providing workshops to help build the capacity of local, south side companies that are interested in contracting opportunities with the University. Through the South Side Business Development Initiative, the OBD helps develop and build the capacity of local businesses so that they are most competitive on University contracting opportunities. This collaboration

includes the University's professional schools, and these workshops are usually held in the spring.

- d. Ensure that information about the University's business diversity outreach efforts, including how firms qualify to participate in upcoming workshops and networking sessions, are widely-publicized on the Office of Business Diversity and Office of Civic Engagement websites. The University Liaison will also share this information with the City and local elected officials.

## 7. Neighborhood Improvements

As a member and leader in the south side communities, the University recognizes the unique role it plays in supporting holistic development in neighboring communities. The University will support a range of initiatives that includes but is not limited to supporting K-12 educational options, facilitating housing stability through its Employer-Assisted Housing Program, collaborating to improve area public transit, and managing a University Police patrol area that extends beyond the University campus.

- a. The University will establish and provide a new fund, a Neighborhood Improvement Fund, for economic development purposes to the South East Chicago Commission (SECC) to provide grants to organizations, local homeowners, and area businesses to support strategic initiatives aimed at neighborhood improvements, such as seed funding for innovative new programs or funding for visible, exterior property improvements.
- b. The University will cooperate with local alderman and the City in connection with a proposed expansion of the University police patrol area to incorporate UC Charter Schools to facilitate safe passage for students and faculty (see Exhibit B).
- c. The University will work with the aldermen and community organizations to facilitate community planning for South Stony Island (from 56<sup>th</sup> to 67<sup>th</sup> Streets), Garfield Boulevard (from Lake Park to the Dan Ryan Expressway), 53<sup>rd</sup> Street, and the Woodlawn community.
- d. The University will develop goals with a timeline for the redevelopment of University-owned land on Garfield Boulevard that is mutually beneficial to the University and community. Additionally, the University will engage with the Alderman and community to work collaboratively on community planning and improvements.
- e. The University will continue to provide funding for an Employer-Assisted Housing Program to incent University and Hospitals employees to purchase homes in Bronzeville, North Kenwood, Oakland, South Shore, Greater Grand Crossing, Washington Park, Woodlawn, and Hyde Park/South Kenwood.

- f. The University will fund \$2.5 million and partner with the City and Metra to improve the Metra platform at 59<sup>th</sup> Street and reopen the 60<sup>th</sup> Street station. The City and the University will review and approve the scope of work and proposed timetable for completion within a timely manner.
- g. The University, through its Office of Civic Engagement, will notify annually the aldermen of formal community based research projects in their wards undertaken by University personnel.

**The City undertakes the following:**

1. City Plan

The City will develop an annual development plan (“City Plan”) for the public infrastructure in the communities adjacent to the University and on the University’s Hyde Park campus that considers and complements the University’s expenditures. This annual plan will be developed in order to coordinate the City’s public infrastructure investments with the University’s capital development plan in a manner that optimizes the public benefits accruing from the University’s development projects.

Additionally, the City Plan will include all active city-sponsored or city-regulated neighborhood improvement projects, such as housing and commercial development; streetscape improvements; transit projects, including bike lanes, bus rapid transit, transit-oriented developments, and park improvements.

The City Plan will be communicated to the University annually with the proposed timetable in order for the University to anticipate how City investments will intersect with University initiatives. (Sample Exhibit C).

2. Inter-agency Task Force

The City, through the Mayor’s Office, will convene an inter-agency task force of the Mayor’s Office, Departments of Housing and Economic Development, Buildings, and Transportation, with the Chicago Transit Authority and the Chicago Park District, to oversee the collaborations with the University. The Task Force will be coordinated by the Department of Housing and Economic Development, which will assign a specific staff member as the University’s liaison (the City Coordinator).

The City Coordinator will review the Major Projects and Initiatives with the University monthly and will convene the Task Force quarterly (or more often as necessary). The City Coordinator will also act as a “trouble-shooter” for issues that might arise with respect to the Major Projects and Initiatives. The University

Liaison will notify the City Coordinator of its applications for major permits at the time of submission to the relevant Department.

3. Facilitation

The City will appoint liaison staff in Departments of Housing and Economic Development, Buildings, and Transportation, with the Chicago Transit Authority and the Chicago Park District, who will be the chief points of contact for the University and who will oversee the approval process for permits for which the University must apply as well as facilitate areas of collaboration with the University.

4. Specific Project Support

The City, through its Departments and its members of City Council, will provide support to projects in a timely manner as specified as Major Projects and Initiatives Exhibit A to this Memorandum.

To leverage the significant investments the University and the private sector are making in the redevelopment of Hyde Park's 53<sup>rd</sup> Street commercial corridor, the City has agreed to facilitate streetscape and park improvements on and near the commercial corridor. This includes funding streetscape improvements and re-opening Harper Avenue between 52<sup>nd</sup> to 53<sup>rd</sup> Streets; funding streetscape improvements along Lake Park Avenue and 53<sup>rd</sup> Street; and funding park improvements to Nichols and Spruce parks in consultation with the Alderman and the community. The planning and construction of the subject improvements will be coordinated with the University's 53<sup>rd</sup> redevelopment plan in a timely manner and completed within a mutually-beneficial timeframe.

The City will work closely with the University and the Alderman on planning for and implementing the development of the Stony Island Corridor from 56<sup>th</sup> to 67<sup>th</sup> Streets.

The City will also work with non-City agencies, such as Metra, to implement those aspects that do not fall directly under its jurisdiction.

The Parties to this Memorandum recognize and agree that the implementation of the various projects and initiatives as defined herein is dependent on numerous factors, including funding availability, and the participation and cooperation of third parties whose actions may be beyond the control or direction of the Parties. The Parties will make their reasonable, good faith effort to realize the spirit of the collaboration outlined in this agreement. Notwithstanding the foregoing, the Parties each acknowledge and agree that this Memorandum is not intended to create, and shall not create, any binding obligation on the part of either Party to consummate the transactions contemplated

hereby. The Parties also agree to notify each other, and local elected officials, with sufficient advance warning when work items are to be delayed or cancelled.

The initial term of this Memorandum is three years from the date of signature. The Parties will review progress of the program identified within this Memorandum annually. It may be renewed and/or amended for additional three year terms upon agreement of the Parties.

Signed:

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For the University

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For the City

Date:

Date: