

**FILE COPY**

**JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT**

**COMPLETE THIS SECTION IF NEW CONTRACT**

For contract(s) in this request, answer applicable questions in each of the 4 major subject areas below in accordance with the Instructions for Preparation of Non-Competitive Procurement Form on the reverse side.

Request that negotiations be conducted only with ILLINOIS FACILITIES FUND for the product and/or services described herein.

This is a request for \_\_\_\_\_ (One-Time Contractor Requisition # \_\_\_\_\_, copy attached) or \_\_\_\_\_ Term Agreement or \_\_\_\_\_ Delegate Agency (Check one). If Delegate Agency, this request is for "blanket approval" of all contracts within the \_\_\_\_\_ (Attach List) Pre-Assigned Specification No. \_\_\_\_\_ Pre-Assigned Contract No. \_\_\_\_\_

**COMPLETE THIS SECTION IF AMENDMENT OR MODIFICATION TO CONTRACT**

Describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change, as applicable. Attach copy of all supporting documents. Request approval for a contract amendment or modification to the following:

Contract #: \_\_\_\_\_ Company or Agency Name: \_\_\_\_\_  
 Specification #: \_\_\_\_\_ Contract or Program Description: \_\_\_\_\_  
 Mod. #: \_\_\_\_\_ (Attach List, if multiple)

REINHOLD PRESIDENT 312-745-3534 Public Programs Public Health 4-21-08  
 Originator Name Telephone Signature Department Date

Indicate SEE ATTACHED in each box below if additional space needed:

<input type="checkbox"/> PROCUREMENT HISTORY	NONE	S. S. R. B.
<input checked="" type="checkbox"/> ESTIMATED COST	1,513,200	DATE <u>5/6/8</u> <del>RECOMMEND</del> <u>5-0</u> <del>APPROVED</del> <del>CONDITIONALLY</del> <del>APPROVED</del> <del>RETURN TO DEPT.</del> <del>DISAPPROVED</del>
<input checked="" type="checkbox"/> SCHEDULE REQUIREMENTS	See attached	
<input checked="" type="checkbox"/> EXCLUSIVE OR UNIQUE CAPABILITY	See attached	
<input type="checkbox"/> OTHER		

APPROVED BY:

Al M. [Signature]  
 DEPARTMENT HEAD  
 OR DESIGNEE

DATE

04/21/08

BOARD CHAIRPERSON

[Signature]

DATE

5/7/8

**JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT**

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Request that negotiations be conducted only with ILLINOIS FACILITIES FUND for the product and/or services described herein.  
 (Name of Person or Firm)  
 This is a request for \_\_\_\_\_ (One-Time Contractor Requisition # \_\_\_\_\_, copy attached) or  Term Agreement or  
 \_\_\_\_\_ Delegate Agency (Check one). If Delegate Agency, this request is for "blanket approval" of all contracts within the  
CDPH 2020 (Attach List) Pre-Assigned Specification No. \_\_\_\_\_  
 (Program Name) Pre-Assigned Contract No. \_\_\_\_\_

**COMPLETE THIS SECTION IF AMENDMENT OR MODIFICATION TO CONTRACT**

Describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change, as applicable. Attach copy of all supporting documents. Request approval for a contract amendment or modification to the following:

Contract #: \_\_\_\_\_ Company or Agency Name: \_\_\_\_\_  
 Specification #: \_\_\_\_\_ Contract or Program Description: \_\_\_\_\_  
 Mod. #: \_\_\_\_\_ (Attach List, if multiple)

RICHARD W. FRESZUTKO 312-745-3504 Richard W. Freszutko Public Health 4-21-08  
 Originator Name Telephone Signature Department Date

Indicate SEE ATTACHED in each box below if additional space needed:

<input type="checkbox"/> <b>PROCUREMENT HISTORY</b>	<b>S. S. R. B.</b>
NONE	
<input checked="" type="checkbox"/> <b>ESTIMATED COST</b>	DATE _____ APPROVED _____ CONDITIONALLY _____
1,513,200	APPROVED _____ RETURN TO DEPT _____ DISAPPROVED _____
<input checked="" type="checkbox"/> <b>SCHEDULE REQUIREMENTS</b>	
See Attached	
<input checked="" type="checkbox"/> <b>EXCLUSIVE OR UNIQUE CAPABILITY</b>	
See Attached	
<input type="checkbox"/> <b>OTHER</b>	

APPROVED BY: Rob M. [Signature] 04/21/08  
 DEPARTMENT HEAD OR DESIGNEE DATE BOARD CHAIRPERSON DATE

# DPS PROJECT CHECKLIST

For DPS Use Only	
Date Received	_____
Date Returned	_____
Date Accepted	_____
CA/CN's Name	_____

**IMPORTANT:** PLEASE READ AND FOLLOW THE INSTRUCTIONS FOR COMPLETING THE PROJECT CHECKLIST AND CONTACT THE APPROPRIATE UNIT MANAGER IF YOU HAVE ANY FURTHER QUESTIONS. ALL INFORMATION SHOULD BE COMPLETED, ATTACH ALL REQUIRED MATERIALS AND SUBMIT FOR HANDLING TO THE DEPARTMENT OF PROCUREMENT SERVICES, ROOM 403, CITY HALL, 121 N. LASALLE STREET, CHICAGO, ILLINOIS 60602.

## GENERAL INFORMATION:

Date: 4-21-2008  
REQ No.: 37934

Contact Person: R.RZESZUTKO  
Tel: 5-3504 Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_  
rzeszutko\_richard@cdph.org

Specification No.: (if known): 65388  
PO No.: (if known): \_\_\_\_\_

Project Manager: C. GOVIA  
Tel: 7-9889 Fax: \_\_\_\_\_ E- \_\_\_\_\_  
mail: govio\_carlo@cdph.org @cityofchicago.org

Modification No.: (if known): \_\_\_\_\_

Previous PO No.: (if known): \_\_\_\_\_

Project Description: SOLE SOURCE REQUEST FOR REAL ESTATE CONSULTING SERVICES AND FINANCING SUPPORT SERVICES

## FUNDING:

City:  Corporate  Bond  Enterprise  Grant\*  Other  
State:  IDOT/Transit  IDOT/Highway  Grant\*  Other  
Federal:  FHWA  FTA  FAA  Grant\*  Other

LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	OBJT	PROJECT	RPTG	\$ DOLLAR AMOUNT
01	08	0045	041	3035	0140	220140			08EQ20	1513200

Estimated Value \$1,513,200

\*IF GRANT FUNDED, A COPY OF THE APPROVED GRANT AND APPLICATION ARE REQUIRED and any other Terms and Conditions that may apply.

## SCOPE STATEMENT:

Attached is a Detailed Scope of Services and/or Specification

**IMPORTANT:** THIS IS A CRITICAL PORTION OF YOUR SUBMITTAL. IN ORDER FOR DPS TO ACCEPT YOUR SUBMITTAL YOU MUST COMPLETE THE SPECIFIC SCOPE REQUIREMENTS AS SET FORTH IN THE SUPPLEMENTAL CHECKLIST FOR THAT UNIT.

The following is a general description of what should be included in a Scope of Services or Specification:

A clear description of all anticipated services and products, including: time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

## TYPE OF PROCUREMENT REQUESTED (check all that apply):

### NEW REQUEST

Blanket Agreement  
 Standard Agreement  
 Small Orders

### MOD/AMENDMENT

Time Extension  
 Vendor Limit Increase  
 Scope Change/Price Increase/Additional Line Item(s)  
 Other (specify): \_\_\_\_\_

FORMS:  Requisition  Special Approvals  Non-Competitive Review Board (NCRB)

# DPS PROJECT CHECKLIST

CONTRACT TERM: 3years Requested Term (number of months):

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## PRE BID/SUBMITTAL REQUIREMENTS:

Requesting Pre Bid/Submittal Conference?  Yes  No Requesting Site Visit?  Yes  No

## ARCHITECTURAL/ENGINEERING SUPPLEMENTAL CHECKLIST

**Required Attachments:** Scope of Services, including location, description of project, services required, deliverables, and other information as required

### Risk Management

Will services be performed within 50 feet of CTA train or other railroad property?  Yes  No

Will services be performed on or near a waterway?  Yes  No

**If applicable, Pre-Qualification** Category No. Category Description:

For Pre-Qualification Program, attach list of suggested firms to be solicited

**Other Agency Concurrence Required:**  None  State  Federal  Other (fill in)

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## AVIATION CONSTRUCTION SUPPLEMENTAL CHECKLIST

DOA sign-off for final design documents:  Yes  No

### Required Attachments:

Copy of Draft Contract Documents and Detailed Specifications.

### Risk Management:

Current Insurance Requirements prepared/approved by Risk Management: Yes  No

Will work be performed within 50 feet of CTA or ATS structure or property? Yes  No

Will work be performed airside? Yes  No

**\*NOTE:** Any non-construction Aviation request, complete the applicable section.

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## COMMODITIES SUPPLEMENTAL CHECKLIST

**Required Attachments:** Detailed Specifications (Scope of Services) including detailed description of the product, delivery location, user department contact, price escalation considerations, Bidder's qualification, contract term and extension options, Contractor's qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and Price Lists/Catalogs, technical drawings and other exhibits and attachments as appropriate.

**If Modification request**, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

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## CONSTRUCTION SUPPLEMENTAL CHECKLIST

### Required attachments:

Copy of Draft (80% Completion), Contract Documents and Detailed Specifications

### Risk Management

Will services be performed within 50 feet of CTA train or other railroad property?  Yes  No

Will services be performed on or near a waterway?  Yes  No

# DPS PROJECT CHECKLIST

## VEHICLES/HEAVY EQUIPMENT SUPPLEMENTAL CHECKLIST

### Required Attachments:

- Detailed Specifications including detailed description of the vehicle(s) or equipment, mounted equipment, if any, and options/accessories.
- Special Provisions (Delivery, Warranty, Manuals, Training, Additional Unit Purchase Options, Bid Submittal Information, etc.)
- Delivery Location(s)
- Technical Literature
- Drawings, if any
- Part Number List (            Manufacturer; or            Dealer;            or Other Source:            )
- Current Price List(s)/Catalog(s)
- Special Approval Form
- Exhibits and Attachments

If **Modification request**, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

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## PROFESSIONAL SERVICES SUPPLEMENTAL CHECKLIST

- Detailed description of project listing obligations of each party.
- The Schedule of Compensation
- Deliverables
- Request for individual contract services (if applicable)
- The appropriate EPS form
- ITSC (approved by BIS)
- OBM (approved by Budget form/memo)
- Grant document attached

Attach any documentation indicating any previous purchase activity to assist in the procurement process

## TELECOMMUNICATIONS AND UTILITIES SUPPLEMENTAL CHECKLIST

**Required Attachments:** Detailed Scope of Services/Specification which sets forth all of the anticipated services and products the user department wants provided, including time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

Has the project been reviewed by BIS?             Yes     No

Attach copy of BIS Recommendation; Reservation(s); or participate under current contract.

Does the project include software?             Yes     No

If yes, is signed ITSC form attached?             Yes     No

Does the location involve:

A public way?             Yes     No

Any concession in the City's facilities?             Yes     No

Is it anticipated City Council approval of the project or contract will be required?             Yes     No

# DPS PROJECT CHECKLIST

## WORK SERVICES/FACILITY MAINTENANCE SUPPLEMENTAL CHECKLIST

**Required Attachments:** Detailed Specifications (Scope of Services) including detailed description of the work, locations (with supporting detail), user department contacts, work hours/days, laborer/supervisor mix, compensation and price escalation considerations, Bidder's qualification, contract term and extension options, Contractor's qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and Price Lists/Catalogs, technical drawings and other exhibits and attachments as appropriate.

**Risk Management:**

Will services be performed within 50 feet (50') of CTA train or other railroad property?  Yes  No

Will services be performed on or near a waterway?  Yes  No

Will services require the handling of hazardous/bio-waste material?  Yes  No

Will services require the blocking of streets or sidewalks which may affect public safety?  Yes  No

**If Modification or Amendment request**, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

**CITY OF CHICAGO  
 PURCHASE REQUISITION**

**Copy (Department)**

<b>DELIVER TO:</b>  041- DEPAUL 2FL 333 S. STATE ST. 2ND FLOOR Chicago, IL 60604	<b>REQUISITION:</b> 37934  <b>PAGE:</b> 1 <b>DEPARTMENT:</b> 41 - DEPARTMENT OF HEALTH <b>PREPARER:</b> Richard W Rzeszutko <b>NEEDED:</b> <b>APPROVED:</b> 4/21/2008
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**REQUISITION DESCRIPTION**

JOINT PROCUREMENT FOR REAL ESTATE CONSULTING SERVICES AND FINANCING SUPPORT SERVICES FOR THE CDPH 2020 INITIATIVE  
 SPECIFICATION NUMBER: 65388

**COMMODITY INFORMATION**

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST						
1	91889	#####	USD	0.00	0.00						
REAL ESTATE CONSULTING SERVICES AND FINANCING SUPPORT SERVICES											
<b>SUGGESTED VENDOR:</b> ILLINOIS FACILITIES FUND			<b>REQUESTED BY:</b> Richard W Rzeszutko								
DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.
1	008	0045	0413035	0140	220140	0000	00000000	08EQ20	00000	0000	0.00
<b>LINE TOTAL:</b>											<b>0.00</b>
<b>REQUISITION TOTAL:</b>											<b>0.00</b>



City of Chicago  
Richard M. Daley, Mayor

Department of Public Health

Terry Mason, M.D., F.A.C.S.  
Commissioner

333 South State Street  
Chicago, Illinois 60604  
(312) 747-9884

(312) 747-9888 (24 hours)

<http://www.cityofchicago.org/health>

To: *Montel M. Gayles*

*Chief Procurement Officer*

*City of Chicago Department of Procurement Services*

From: *Terry Mason, M.D., F.A.C.S.*

*Commissioner, City of Chicago Department of Public Health*

*Date: 4/15/2008*

*RE: Request for a Sole Source Contract with Illinois Facilities Fund (IFF)*

The vision of CDPH 2020 is to transform Chicago's public health system and the Chicago Department of Public Health (CDPH) into a 21<sup>st</sup> Century public health system. The realization of this vision includes an investment in our people, processes, technology and facilities. For the past 18 months, efforts have focused primarily on training CDPH staff, identifying and improving our processes, and taking greater advantage of available technologies. As attention turns to our facilities, CDPH has identified the need for a partner to provide assistance in real estate assessment and acquisition as well as financing.

The Department seeks to engage the Illinois Facilities Fund (IFF) to provide real estate consulting and financing support services in support of the CDPH 2020 initiative. Our decision to work with IFF is driven by three factors.

First, while CDPH specializes in the delivery of public and personal health services, internally, we lack the skills and capabilities to fully carry out CDPH 2020. Second, unlike any other entity in Chicago or the greater Midwest area, IFF is the only non-profit organization that can deliver both the needed real estate consulting and the financing services required for CDPH 2020. As reflected in their documentation, IFF has an extensive track record of serving community health and federally qualified health centers, including six within the past year alone. Finally, IFF is the best fit to enable CDPH to accomplish our goals. Our timeline is demanding and IFF has the capacity and resources to execute and meet critical milestones in a timely manner.

Thank You for your assistance in this matter. If you have and questions or need additional information, please contact Rosemary Lebron at 312-747-9657 or Richard W. Rzeszutko at 312-745-3504.







Chicago Department of Public Health (CDPH)  
Proposal for Strategic Consulting Services for CDPH 2020  
October 25, 2007

**PROJECT GOAL**

CDPH has embarked on the CDPH 2020 initiative: a new vision for the City of Chicago's public health system. Achievement of this vision will recreate CDPH as a state-of-the-art, highly effective and modern public health department and delivery system. CDPH is seeking a strategic partner to assist in the planning and implementation of this initiative to realize its vision.

CDPH's goals under CDPH 2020 include delivering only those programs and services that are its core competencies, investing in its workforce to deliver the highest quality services, investing in technology to appropriately support the work and delivery systems, and investing in its facilities to create state-of-the-art health centers that are appropriately designed to provide public health services.

IFF has the right mission, expertise and resources to be CDPH's strategic partner in realizing the CDPH 2020 vision, and in taking the lead on the significant and complex real estate component.

**IFF PROPOSAL**

IFF will serve on the CDPH 2020 leadership team (Strategy Team) and will assist in structuring and coordinating the main components: People, Process, Technology and Facilities. In addition, IFF proposes to act as the primary consultant (Implementation Expert) on the facilities component and will work with CDPH to design a facilities development and financing program to implement the department's vision and goals for facilities. We propose to name the facilities program "The Fund for Public Health."

IFF will assign a senior staff member to the Strategy Team. IFF Real Estate Services and Loan Department staff will work on the Fund for Public Health.

This proposal provides an approach and specific action steps for each of these proposed roles under the Scope of Work sections below. The balance of this proposal includes background on IFF, a schedule and fee structure, the project team and staff biographies, related experience and references.

**ABOUT IFF**

IFF is a nonprofit community development financial institution (CDFI), whose mission is to assist nonprofits through below-market real estate loans, facilities planning and development, research projects, and community planning initiatives. IFF programs are focused exclusively on nonprofit organizations that serve low-income and special needs

populations and are designed to help build financially sound nonprofits, revitalize communities, and bring services to people in need.

IFF provides expertise, resources, and advocacy that are not available to nonprofits from any other single source. All IFF activities are aimed at enabling nonprofits to better serve people in need. IFF has three business units:

**The Loan Program** provides below-market real estate and facilities loans to nonprofits that would otherwise not have access to capital, bringing needed services and valuable assets to disadvantaged neighborhoods. The Loan Program operates in Illinois, Iowa, Indiana, Missouri and Wisconsin.

**The Real Estate Services (RES) Program** is a full-scale real estate operation, which assists nonprofits through every stage of a facility project by offering below-market rate consulting and project management. RES works primarily in the Chicago Metro area, and 70 percent of its projects over the past 10 years have been in the City of Chicago.

**The Research and Evaluation Program** provides data and analysis for government, foundations and nonprofits to support informed decisions about public policy and resource allocation that affect the nonprofit sector.

IFF is knowledgeable in the real estate and facility issues and needs of primary health care delivery facilities. (See Attachment A, IFF's sector profile on health care.) Over the past year, IFF has worked with six FQHC and community health center clients to develop strategic facilities plans for their real estate portfolios, and has worked with the Local Initiatives Support Corporation and community-based organizations to plan and develop four community health clinics in CPS schools. Following is a list of all borrowers and clients in the health care industry:

- Access Community Health Network
- Asian Human Services
- Aunt Martha's Youth Service Center, Inc.
- Capitol Community Health Center
- Center for Coordinating Action for Children's Health
- Chicago Family Health Center
- Community Health and Emergency Services, Inc.
- Community Health Improvement Center
- CommunityHealth, NFP
- Community Nurse Health
- Elgin Well Child Center
- Erie Family Health
- Family Christian Health Center
- Greater Elgin Family Care Center
- Hardin County General Hospital
- Heartland Health Outreach

Howard Brown Health Center  
Near North Health Services Corporation  
PCC Community Wellness Center  
Planned Parenthood of East Central Illinois  
Roseland Christian Health Ministries

RES provides development services, which brings affordable and reliable development expertise to ensure that projects run smoothly; consulting services, which includes assessing nonprofit space needs relative to program needs, analyzing current and projected financial position, and recommending long-term capacity plans; and community planning services, which uses data to help community stakeholders better allocate resources in particular social service sectors and develop plans to improve delivery systems.

Through its hands-on experience in helping nonprofits purchase, construct, expand, and manage their facilities, IFF has built a comprehensive set of supports for nonprofit real estate that is not available from any other source. This is augmented by an understanding of the operating environment of nonprofits and government agencies in terms of management practices and funding. IFF is committed to making this knowledge available to the organizations that can most benefit from it, particularly those not able to find, or afford, such assistance in the traditional consultancy market.

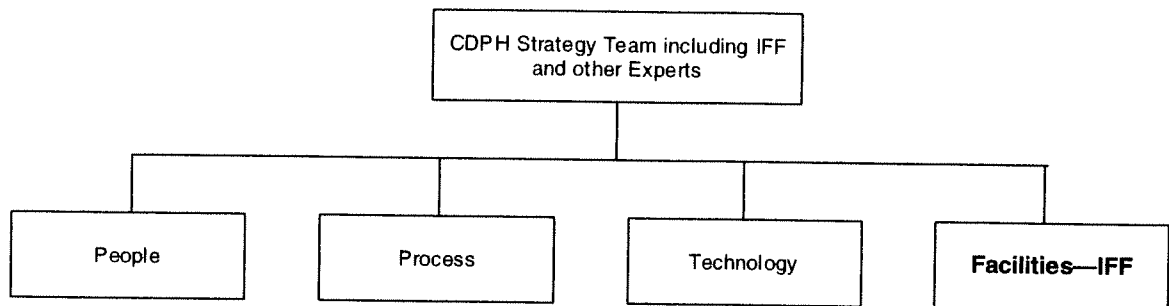
In 2006, RES worked on 77 projects, 39 of which were new client relationships. Since 1996, RES has completed more than 220 real estate development and consulting projects, including 82 related to child care, 26 related to education, 17 related to health care. Other facility types include senior centers, supportive housing residences, food pantries and homeless shelters. To date, RES has developed over 735,000 square feet of nonprofit real estate, mostly in low-income communities. In its consulting portfolio, IFF has completed more than 20 strategic facilities plans for nonprofit corporations.

#### **IFF'S ROLE ON STRATEGY TEAM**

An IFF senior staff member will participate on a Strategy Team with CDPH and other Implementation Experts in the three other areas of expertise identified by CDPH. Together with these Experts, IFF will ensure that CDPH has a comprehensive and integrated approach to meeting its vision.

IFF may also participate in working with CDPH to organize and plan the work of the Strategy Team if necessary.

IFF envisions the organization as follows:



### **SCOPE OF SERVICES AND APPROACH FOR THE FUND FOR PUBLIC HEALTH**

The IFF proposes to create a comprehensive facilities development and financing program to meet the vision of CDPH 2020. This work will include current real estate analysis and action plans, developing land acquisition and disposition recommendations and strategies, recommending an overall private sector financing strategy, selecting architects to develop schematic design concepts, and coordinating with other city agencies. Much of this work will occur simultaneously and is grouped into the following categories:

- Current Program, Staff and Space Planning Analysis
- Current Facilities Analysis
- Target Location, Site Identification and Analysis, and Site Control
- Financial Analysis, Financing Program Development, and Ownership Structure
- Architect Selection and Preliminary Schematic Design
- Predevelopment
- Financial Closings
- Construction
- Close-out and Operations Commencement

The specific goals and action steps for this work is described in more detail below. Anticipated durations are provided. A high level schedule showing how the work will be performed is included as Attachment B. A final schedule will be determined once IFF is engaged to perform the work.

#### **Current Program, Staff and Space Planning Analysis**

**Goal:** The goal of this work is reaffirm CDPH's goals for facilities and gain an understanding of how CDPH functions, the services it provides directly and those provided by others, how the programs and service delivery models work, the staffing requirements for the various programs and services, and the space implications of delivering programs and services.

#### **Scope:**

1. Review CDPH materials, including:

- a. strategic plans, program materials, impact data and other documentation and information on the various programs and services offered by CDPH
  - b. departmental reports and financial information
  - c. staffing charts
  - d. current work process flow charts
2. Facilitate a series of meetings with the Strategy Team or key CDPH staff to reaffirm the department's goals for facilities.
  - a. Identify facilities constraints and opportunities
  - b. Identify services that must be provided in a "Center of Excellence"
  - c. Identify services that must be provided in the "Nerve Center"
  - d. Identify services that must be provided in a "Service Center"
  - e. Identify areas of program and service growth and those that should be scaled back or subcontracted
  - f. Identify desired co-location opportunities with other city departments
  - g. Identify potential targeted communities for both Centers of Excellence and Service Centers
  - h. Gain an understanding of the services delegate agencies provide versus those the department provides directly
3. Summarize findings in a memo for the Strategy Team's review. This memo will serve as IFF's roadmap for performing work under the various phases.
4. Develop a questionnaire (for the Strategy Team's review) to be used during meetings with key program staff.
5. Interview key program staff to understand programs, areas of potential program growth, the staffing requirements for the programs (in coordination with the People and Process Implementation Experts), and the space and facilities implications of the programs and services and any growth goals. Several of these interviews will occur at current CDPH sites so that IFF can document what works well and what doesn't work well with respect to facilities.
6. Provide the Strategy Team with a written summary of the program assessment and the staffing implications and space implications
  - a. Present findings to the Strategy Team for approval
7. Develop a comprehensive program and space plan based on desired program delivery and services, industry data on model public health centers, and potential program growth.
  - a. Provide a summary of space needs for each Center of Excellence, with details on each program to be offered and square footage estimates, including administrative space
  - b. Provide a summary of space needs for the Nerve Center, with details on each program to be offered and square footage estimates, including administrative space

- c. Provide a summary of space needs for each satellite office, with details on each program to be offered and square footage estimates, including administrative space
  - d. Provide a preliminary recommendation of the number of Centers of Excellence and Service Centers needed throughout the city (in coordination with the Location Analysis work)
8. Present findings and recommended space requirements for the various facilities to the Strategy Team.
  9. Develop an implementation plan and a detailed timeline for the Fund for Public Health.

**Deliverable:** A summary memo that provides direction for IFF to perform its work, and a detailed implementation plan and timeline for the Fund for Public Health; a narrative of CDPH desired program offerings in each of the various types of facilities, the staffing requirements for each of these programs and detailed square footage estimates of each facility type.

**Anticipated Duration:** 3 months

**Estimated Fee:** \$26,481 (2% of total fee)

### **Current Facilities Analysis**

**Goal:** The goal of this work is to assess each of CDPH's current facilities and determine a course of action for each (e.g. renovate, sell, etc.). The recommended course of action will take into consideration the results of the Location Analysis performed; the physical quality of each facility; whether the facility can accommodate either a Center of Excellence, Service Center or Nerve Center; the costs of renovation to convert the facility to one of the new facility types; and the ownership status of each facility.

### **Scope:**

1. Gather and review existing data on each of CDPH's current facilities, including:
  - a. Existing leases
  - b. Existing surveys
  - c. Architectural plans
  - d. Existing facility reports (e.g. environmental, roof, and system reports)
2. Summarize existing information on facilities and document which facilities CDPH owns and which it leases. For lease spaces, summarize the terms of the current leases.

3. Visit each site and assess current condition of each building:
  - a. Document current conditions of each site including environmental concerns, code compliance, ADA, systems analysis, exterior and structural analysis
  - b. Assess whether each site could accommodate a Center of Excellence or a Service Center
  - c. Assess whether the current layout and configuration could be easily adapted to the new Center of Excellence or Service Center model
  - d. Summarize the condition of each site
  - e. Make a preliminary recommendation on which facilities may be worth preserving and renovating as a Center of Excellence or Service Center based on its location and the results of the facility assessment
4. For the sites recommended for renovation, provide an orders of magnitude construction estimate for renovating each facility as either a Center of Excellence or a Service Center.
5. For the sites recommended for disposition, conduct a market analysis of the potential value of each CDPH-owned site.
6. From this market analysis, IFF will determine a potential sales price for each property CDPH owns using a highest and best market use valuation that considers site constraints and opportunities.
7. Develop a disposition strategy that is consistent with the proposed timeline for development of new and renovation of existing facilities.
8. Prepare a summary package on each facility with a recommended course of action.
9. Prioritize recommended courses of action and develop an integrated strategic facilities renovation and disposition plan.
10. Present finding and recommendations to the Strategy Team.

**Deliverable:** A prioritized strategic facilities plan for CDPH's current facilities with a package on each facility that includes the facility assessment, the recommended course of action, facilities improvements that must be made, an orders of magnitude construction estimate for those that are recommended for renovation, and a new location and disposition plan, along with a potential sales price for those that are recommended for disposition.

**Anticipated Duration:** 9 Months

**Estimated Fee:** \$52,962 (4% of total fee)

**Target Location, Site Identification and Analysis, and Site Control**

**Goal:** The goal of this work is to facilitate consensus around where the Centers of Excellence, the Nerve Center and the Service Centers should be located throughout the city, and to identify new sites (beyond those in CDPH's current portfolio that warrant renovation) in the agreed-upon communities, perform due diligence on these sites and secure site control.

**Scope:**

1. Prepare a series of maps using (or build on current CDPH maps) CDPH data and other demographic data
  - a. Map existing CDPH sites across the city, medical facilities, FQHCs and other health care providers
  - b. Map sites by key public health and demographic factors such as income, race, rates of certain types of diseases and other public health concerns, and projected growth in population across the city
  - c. Map locations of other City department services sites
2. Using the maps, facilitate a series of meetings with key program staff and the Strategy Team on the most desired locations for each facility type based on:
  - a. Demographic factors listed above
  - b. Geography
  - c. Access to public transportation
  - d. Proximity to other city services and planned developments
  - e. Site and financial constraints of targeted communities
  - f. Other factors to be determined
3. Coordinate with Technology Expert to assess how technology has an impact on the number of Service sites necessary.
4. Prioritize targeted communities bases on above analysis.
5. Summarize the consensus reached at each meeting and facilitate a final meeting achieving department-wide consensus on the targeted communities for each facility type and the number of each facility.
6. Document the results of the location analysis (in coordination with Space Planning and Current Facilities Analysis).
7. Identify potential sites for Centers of Excellence, a Nerve Center and Service Centers in the agreed upon targeted communities.
  - a. Facilitate meetings and interface with brokers, property and/or land owners
  - b. Meet with City department staff including DPD and DGS
  - c. Screen properties per set facility criteria
  - d. Coordinate site visits for CDPH staff
  - e. Present CDPH with a short list of sites to conduct due diligence



8. Conduct evaluations of potential sites (both buildings and vacant parcels) and perform due diligence on the facilities as necessary.
  - a. Assess the condition of existing facilities, including code and ADA compliance, and its systems, including structure, mechanical, electrical, plumbing and roof
  - b. Coordinate the services of other engineers, if necessary
  - c. Secure environmental testing, if necessary
  - d. In conjunction with selected architect (see Architect Selection below), identify facility renovations and/or improvements that would have to be made to convert buildings
  - e. Conduct a preliminary zoning and code review of each site, including parking requirements
9. Work with selected architect (see Architect Selection below) to develop a preliminary space plan for each facility based on program needs and zoning and code review.
  - a. Oversee architect's work in preparing preliminary schematic layouts
10. Work with construction estimator to prepare a preliminary cost estimate of renovating each facility based on schematic layout (see Architect Selection below), and the results of the facility evaluations and zoning and code review.
11. Develop a total project budget for each site.
  - a. Prepare preliminary project budget based on cost estimates
  - b. Work with CDPH to refine operating projections
12. Present Strategy Team with a development package for each site and recommend which sites should be purchased.
13. Oversee the process of securing recommended sites and placing them in the ownership entity or holding company. (if it is determined that a non-governmental agency should own the real estate; see Ownership Structure below.)
  - a. Work with attorneys to draft "letters of intent" to purchase or lease sites
  - b. Negotiate business terms with owners and landlords
  - c. Coordinate among the various parties the closing on the purchase of sites
  - d. Coordinate among the various parties the leasing of sites
14. If necessary, work with attorneys to execute appropriate agreements between ownership entity and CDPH.

**Deliverable:** A map and corresponding document detailing ideal locations for and numbers of Centers of Excellence, Service Centers and the Nerve Center; and a package on each recommended site that includes a space plan, schematic layout, cost estimate, project budget, refined operating projections and recommended terms of leasing or purchasing; and site control secured on various properties.

**Anticipated Duration:** 18 - 24 months for site control (contingent upon number of required sites and availability of sites)

**Estimated Fee:** \$145,646 (11% of total fee)

### **Financial Analysis, Financing Program Development, and Ownership Structure**

**Goal:** The goal of this work is to: develop a private sector financing strategy for the Fund for Public Health; identify financial institution partners; explore various ownership options and lease arrangements, and make recommendations to the Strategy Team on how the CDPH facility portfolio should be owned or leased and managed; establish the preferred ownership entity or entities so that in the short term site control can be secured efficiently and in the long term CDPH operates more efficiently; and finalize the financing package for the entire program and secure the required financing and capital.

#### **Scope:**

1. Review CDPH overall budget and each program budget
  - a. Gain an understanding of each revenue source and how it works, including its constraints and any federal, state or city requirements
  - b. Review expenses associated with each program as well as department's overall expense budget
  - c. Secure projections from CDPH staff on program revenue and expenses
2. Meet with key program and fiscal staff to understand each program's financial structure and interview staff on where efficiencies may be realized.
  - a. Coordinate with People and Process Implementation Experts to understand process efficiencies and staffing ratios
3. Prepare a ten-year operating proforma by program (consistent with the Program Analysis performed and the work performed by other Implementation Experts), by facility type, and consolidated showing proposed operating efficiencies and how the department may be able to support the Fund for Public Health.
4. Present a ten-year operating proforma and key findings to the Strategy Team for discussion.
5. Meet with CDPH and OMB staff to develop process for working on financing and development program, and to explore city financing and capital options.
6. Prepare a preliminary development package based on the findings from concurrent work.

- a. Prepare a projected total development costs for the entire program that includes site acquisition costs, hard construction costs and soft costs (incorporating any projected proceeds from the sale of owned property)
    - i. Estimate the cost of developing each facility type
    - ii. Estimate the cost of newly constructed facilities and each facility that is recommended for renovation
  - b. Project level of equity needed for the program based on the department's debt capacity
    - i. Refine cash flows and proforma development in previous phases
  - c. Prepare preliminary financing mechanisms for the entire program including but not limited to
    - i. City bond financing
    - ii. Tax-exempt bond financing
    - iii. New Markets Tax Credits
7. Develop draft concept paper that will be used as the basis for an investment opportunity and/or a capital campaign.
  8. Meet with financial institutions and select a lead institution to participate in the program.
  9. Meet with philanthropic organizations that have an interest in public health and gauge level of interest in providing capital commitments for the program.
  10. Retain a private law firm to provide legal counsel on potential ownership structures; begin a preliminary discussion with the Law Department, and explore recommended ownership structures.
  11. Review CDPH's current property management function, if any.
  12. Gain an understanding of how CDPH interfaces with the PBC, DGS or other city agency that holds title to and CDPH facility.
  13. Investigate legal implications of establishing a third-party ownership entity to hold CDPH's real estate and leases.
  14. Explore different ownership and lease structures that would provide increased operating efficiencies and an improved property management function for CDPH.
  15. Make a recommendation to the Strategy Team on an ownership and or lease structure that warrants further investigation.
  16. Make a recommendation on creating a new ownership and leasing entity (or entities) for all future CDPH facilities.

17. Work with CDPH, Chicago Law Department and private law firm to establish agreed-upon ownership and leasing entity or entities.
  - a. Develop terms of leases and operating agreements
  - b. Pursue blanket tax exemption for entire portfolio
18. Research property management entities and prepare a short list for the Strategy Team's review.
19. Interview property management companies and make a recommendation to Strategy Team on which firm to hire.
20. Prepare a comprehensive financing package for the entire program.
  - a. Work with financial partner to structure program and pitch for other institutions
  - b. Determine appropriate legal structures
  - c. Meet with other financial institutions as necessary to seek financing commitments
  - d. Work with necessary City departments on structuring the financing program
21. Refine a capital campaign pitch for any required capital for the program.
22. Work with CDPH to raise required capital for the program.
  - a. Hire fundraising consultants if necessary
  - b. Follow-up with targeted foundations and write grant proposals as necessary
  - c. Identify appropriate level of City of Chicago investment in the program
23. Establish the Fund for Public Health with commitments from financial institutions, foundations and other investors.

**Deliverable:** A detailed ten-year operating proforma both consolidated and for each of CDPH desired program offerings, showing operating efficiencies and how a financing program may be supported; a financial package that includes projected costs of the entire program and financing mechanisms; a final pitch for securing financing and capital funds; a presentation to the Mayor and OMB on the financing and development program and recommended ownership and leasing structure with a work plan for how to establish such a structure; a short list of potential property management companies; an established ownership entity or holding company for the real estate portfolio; and an established financing program with funds identified and committed.

**Anticipated Duration:** 12 months

**Estimated Fee:** \$145,646 (11% of total fee)

**Architect Selection and Preliminary Schematic Design**

**Goal:** The goal of this phase of work is to select architects to provide both schematic design services during the site evaluation phase and comprehensive architectural services once sites are confirmed and secured (note: depending on ownership structure, architectural work may need to be coordinated through the PBC).

**Scope:**

1. Work with Strategy Team to establish criteria for architectural firms.
2. Research architectural firms that meet initial criteria and develop a list of up to six architects to solicit for the Strategy Team's approval.
3. Prepare a draft RFP to select an architect based on the established selection criteria, the space plans developed in previous phases, and IFF's experience in selecting architects for the Strategy Team's approval.
  - a. Ensure that coordination of work occurs with People and Technology Implementation Experts
  - b. Develop an RFP that breaks architect's work into two phases – a schematic design phase leading to the launch of a capital campaign, and a design development phase leading to construction.
4. Issue RFP and review responses:
  - a. Review proposals and summarize results for Strategy Team
  - b. Recommend which firms to interview
  - c. Develop interview questions
  - d. Facilitate interviews of architects with participation from the Strategy Team
  - e. Facilitate site visits and follow-up with architects
  - f. Summarize results of interviews and make a recommendation for final selection.
5. Hire up to three architects for work on the program.
6. Conduct walk-throughs of potential new sites and existing sites to be renovated with selected architects.
7. Oversee architects' work in developing preliminary schematic drawings for each type of new facility and for each renovation of existing facilities.
  - a. Ensure that architect incorporates elements of green design
  - b. Ensure that work is coordinated with other Implementation Experts
8. Facilitate meetings between the architect and the Strategy Team and oversee architects' work in incorporating CDPH's feedback.
9. Hire a general contractor to provide construction estimating services based on the architects' schematic drawings.

**Deliverable:** A team of architects secured for the program and preliminary schematic drawings completed for each new and existing facility.

**Anticipated Duration:** 9 months

**Estimated Fee:** \$145,646 (11% of total fee)

### **Predevelopment**

**Goal:** The goal of this phase of work is to begin predevelopment work per the established plans for each building on each site as it is secured. Some of this work will apply to the entire program and other components will be performed project by project. IFF will develop a master schedule for this portion of the work (note: depending on ownership structure, architectural work may need to be coordinated through the PBC).

### **Scope:**

1. Develop a master project schedule for the entire program and for each project.
2. Oversee each architect's work on design and permit documents for each project.
3. Oversee the selection of up to three general contractors for the program through a competitive bid process.
  - a. Work with CDPH and Law Department to incorporate any procurement and participation requirements in bid documents.
4. Oversee the process to enter into AIA general contractor agreements with each general contractor selected to participate in the program.
5. Coordinate with the selected general contractors in preparing a construction estimate of the design documents and permit drawings for each project.
6. Oversee any value-engineering work at each site that may need to be performed in order to meet the project budget.
7. Work with the architect, general contractor and city staff to secure a permit for each project.
8. Finalize program budget and each project budget based on final construction estimates and outcomes of value-engineering process.

**Deliverable:** A master schedule for the development of the facilities; general contractors selected for work on the program; permit drawings completed for each project; and a permit secured for each project.

**Anticipated Duration:** 6 months for general program predevelopment activities;  
6 to 9 months of predevelopment work for each project

**Estimated Fee:** \$172,127 (13% of total fee)

### **Financial Closings**

**Goal:** The goal of this phase of work is to set up a master escrow account for the program that facilitates an overall financial closing on the program as well as project by project closings.

### **Scope:**

1. Work with CDPH, the Law Department, the Office of Budget and Management and private attorneys to establishment a master escrow for the entire program.
2. Work with financial institutions and attorneys to close on the overarching program financing.
3. Oversee the flow of funds into and out of the master escrow account in accordance with each funder's requirements.
4. For each project establish a construction escrow and during construction provide all construction escrow services including:
  - a. project administration and accounting
  - b. preparing and reviewing payout packages
  - c. preparing owner sworn statements
  - d. collecting and reviewing contractor sworn statements, lien waivers and other documents for accuracy
  - e. packaging payouts to the title company
  - f. overseeing the flow of funds from the escrow to pay for eligible expenses
  - g. interfacing with the title company, general contractor, other vendors and lenders as required, and
  - h. processing change orders
5. For each project, coordinate any individual closings on the project financing that are necessary in conjunction with attorneys.

**Deliverable:** An established master escrow account; a streamlined closing process outlined; financial oversight provided.

**Anticipated Duration:** 3 months for establishing master escrow;  
2 months to coordinate each project's closing

**Estimated Fee:** \$132,405 (10% of total fee)

### **Construction**

**Goal:** The goal of this phase of work is to oversee the construction process for each project and ensure construction compliance with all funder and City requirements (note: depending on ownership structure, architectural work may need to be coordinated through the PBC).

### **Scope:**

1. Serve as CDPH's representative and as the main point of contact with the general contractor.
2. Report to CDPH in a manner agreed upon by CDPH. Provide a log or other reporting mechanism as agreed upon by CDPH.
3. Review the construction operations plan for the renovation or construction. Make recommendations to CDPH if revisions are necessary.
4. Review, negotiate and approve the contractor's initial schedule for each project.
5. Review the project schedule, submittals, scope change, requests for information, outstanding bulletins, pending issues and field problems. Conduct periodic meetings with CDPH, design team, specialty consultants and general contractor.
6. In instances where schedule slippage and/or schedule conflicts are forecasted to occur, make recommendations to CDPH as to how to remedy the schedule slippage and/or schedule conflicts.
7. Attend monthly payout meetings and review all payment applications and submit payment requests for approval and payment by CDPH.
8. Assist in contacting and coordinating with companies involved in the project.
9. Conduct regular construction site observations to ensure that the general contractor's work on the project is progressing on schedule and in accordance with the requirements of the contract documents.
10. Facilitate the meaning and intent of construction document between architect and contractor.
11. Review shop drawing logs, and material and submittal logs, transmitted to the architect of record to assure schedule compliance is maintained.



12. Assure the contractor establishes and maintains a complete library of all contract documents, addenda, bulletins, scope changes, approved shop drawings and material samples.
13. Receive and review all change order requests from the general contractor. Review unit prices, time and material changes and similar items. Analyze impact on project and budget and submit recommendations to CDPH.
14. Review all scope changes proposed by CDPH and/or design team and make recommendations regarding practicality, costs, effect on schedule.
15. Monitor requests for change orders required by field conditions and other unforeseen conditions and submit such requests to CDPH for approval prior to instituting any changes to the contract documents.
16. Monitor all scope changes during construction to ensure compliance with approved revisions.

**Deliverable:** Substantially completed buildings that meet the goals of the program.

**Anticipated Duration:** tbd for each project

**Estimated Fee:** \$476,658 (36% of total fee)

#### **Close-Out and Operations Commencement**

**Goal:** The goal of this phase of work is to successfully close-out each construction project and to assist CDPH as necessary in successfully opening each site.

**Scope:**

1. Coordinate a comprehensive final project inspection with the project team to verify that the materials furnished and work performed is in accordance with the contract documents.
2. Coordinate the preparation of punch lists indicating the items of work remaining to be accomplished. Coordinate the completion of such items in an expeditious manner.
3. Assure a Certificate of Occupancy is obtained from the necessary authorities.
4. Assure the architect prepares Certificates of Substantial and Final Completion.
5. Assure that contractor assembles and delivers to CDPH all guarantees, warranties, operating and maintenance manuals required by the contract documents.

6. Coordinate equipment and systems training sessions for user personnel.
7. Expedite the preparation of "as-built" drawings by the contractor for the project in accordance with the specifications. Determine the value of any uncorrected and/or deficient work. Make recommendations as to the withholding of payments to the general contractor.
8. Make recommendation for final payment after determining 100% completion of work.
9. Work with CDPH to secure appropriate business licenses.
10. Assist CDPH as necessary in troubleshooting facilities issues under the warranty period for each project.
11. Coordinate with other CDPH 2020 consultants as necessary to ensure smooth operations commencement.

**Deliverable:** Completed buildings that meet the goals of the program.

**Anticipated Duration:** tbd for each project

**Estimated Fee:** \$26,481 (2% of total fee)

#### **PROJECT SCHEDULE**

IFF anticipates the initiative will span several years. The above scope of work anticipates a two year program prior to any commencement of construction. Anticipated duration schedule in Attachment B reflects the concurrent nature of much of the work. The entire project schedule for the Fund for Public Health will be developed once IFF is engaged by CDPH.

#### **PROJECT FEES**

Fee for Strategy Team Time \$60,000 in 2008, \$63,000 in 2009 and \$66,150 in 2010  
(based on .25 FTEs per year at \$150/hour)

Fee for the Fund for Public Health \$420,000 in 2008, \$441,000 in 2009 and \$463,050 in 2010  
(based on 1.5 FTEs per year at an average of \$140/hour)

Fee Schedule

	2008	2009	2010	Total
Strategy Team	\$60,000	\$63,000	\$66,150	\$189,150
Fund for Public Health	\$420,000	\$441,000	\$463,050	\$1,324,050
Total	\$480,000	\$504,000	\$529,200	\$1,513,200

Fee Detail for Fund for Public Health

Major Task		Total Fee Allocation	2008	2009	2010
Current program analysis	2%	\$26,481	\$26,481		
Current facility analysis	4%	\$52,962	\$52,962		
Target location, site ID, & site control	11%	\$145,646	\$70,000	\$75,646	
Financial analysis, program development	11%	\$145,646	\$145,646		
Architect selection & schematic design	11%	\$145,646	\$145,646		
Predevelopment	13%	\$172,127		\$160,000	\$12,127
Financial closings	10%	\$132,405		\$132,405	
Construction	36%	\$476,658		\$75,000	\$401,658
Close out and operations commencement	2%	\$26,481			\$26,481
Total	100%	\$1,324,050	\$440,734	\$443,051	\$440,266

IFF staff will charge CDPH against these fees for 2008 hours worked at the rates described below (hourly rates will escalate at approximately 5 percent per year for 2009 and 2010):

Trinita Logue, President	\$200 per hour
Gabriella DiFilippo, Vice President of Real Estate Services	\$150 per hour
New Staff, Project Executive	\$150 per hour
Tanya Vartivarian, Director of Real Estate Consulting	\$140 per hour
Dan Alexander, Senior Project Manager	\$125 per hour
Heather Heaviland, Senior Project Manager	\$125 per hour
Ayse Kalaycioglu, Construction Manager	\$125 per hour
Joe Neri, Vice President of Lending	\$150 per hour

Laurie Garrett, Loan Program Manager	\$140 per hour
Michael Hedrick, CFO	\$200 per hour
Susan Cahn, Director of Research	\$150 per hour
Darian Dorsey, Research Project Manager	\$125 per hour

IFF reserves the right to subcontract all or a portion of the design oversight and construction management work.

The above fees do not include reimbursable expenses such as:

- a. Production costs – IFFRES will pass on the entire cost of producing any bound reports
- b. Travel-related costs such as parking, cab fare and mileage
- c. The work of other professionals who may be employed in connection with the project. Sub-consultants to be hired include: architects, engineers, estimators and attorneys – the potential cost of these vendors will be determined once the project scope is set

Such reimbursable expenses will be billed separately to CDPH.

#### **PROJECT TEAM**

The Strategy Team will be staffed by Gabriella DiFilippo, Vice President of Real Estate Services, and a team consisting of:

Trinita Logue, President  
Joe Neri, Vice President of Lending  
Michael Hedrick, CFO  
Susan Cahn, Director of Research

Brief bios for this team follow.

Trinita Logue (1988), is the founding President of IFF, and serves as the chief executive officer. IFF was developed at the Chicago Community Trust, which Ms. Logue joined as Assistant Director in early 1987. Prior to joining the Trust, she was Director of the North Loop Theatre District Project, a City of Chicago Planning Department effort to implement adaptive reuse of three historic theatres in downtown Chicago. Ms. Logue has worked in management positions in the nonprofit sector for more than 25 years.

Gabriella DiFilippo (1998), Vice President of Real Estate Services, manages the real estate development and consulting program. While at IFF, Ms. DiFilippo has grown the Real Estate Department to a \$2 million business unit with eleven staff, and has overseen more than 220 real estate consulting and development projects for nonprofits to assist them with facilities planning and program expansion. During her tenure, the Real Estate Department has developed more than 750,000 square feet of real estate on behalf of nonprofits in every sector, totaling more than \$90 million. Prior to joining IFF, she was Director of CDBG Programs at the City of Chicago's Department of Housing where she administered over \$8

million of housing development contracts and grants annually. Ms. DiFilippo was also a Project Manager at Covenant Development Corporation, a nonprofit housing development organization. Ms. DiFilippo holds an M.A. from the Harris School of Public Policy at the University of Chicago and a B.A. in English Literature from the University of Pennsylvania.

Joe Neri (1997), Vice President of Lending, is responsible for all lending activities at IFF and manages a \$100 million loan portfolio. Mr. Neri joined IFF in 1997 to create and implement IFF's Real Estate Services division. Mr. Neri also implemented IFF's Children's Capital Fund program, a partnership with the City of Chicago to finance and develop fourteen low-income child care centers. Prior to joining IFF, Mr. Neri helped create and was the Associate Director of a local Chicago community development corporation where he managed the development of new homes construction, the rehabilitation of rental housing, and the construction of a 208 child care center as well as all administrative and planning functions. As Director of Economic Development for a municipality, Mr. Neri managed two job-creation loan funds. Mr. Neri holds a Masters in City and Regional Planning from UC Berkeley, and a B.A. in Urban Studies from Grinnell College.

Michael Hedrick (2005), Chief Financial Officer. Mr. Hedrick joined IFF with over twenty years of banking and corporate finance experience. Prior to joining IFF, Mr. Hedrick held the position of Vice President, Corporate Finance Group with Harris Trust and Savings Bank and Managing Director, Capital Markets with Harris Nesbitt. In this capacity he led teams raising in excess of \$13 billion in capital as well as providing strategic financial advisory services. Mr. Hedrick holds an M.B.A. from Vanderbilt University and a B.A. in Economics from Southern Methodist University.

Susan Cahn (2004), Director of Research and Evaluation. Prior to joining IFF, Ms. Cahn was the Director of the Office of Managed Care, and previously the Principal Health Planner, for the Chicago Department of Public Health; her experience also includes Director of Issues and Research for the American Hospital Association, and extensive consulting experience with other private, government, and nonprofit organizations. Ms. Cahn received her B.A. at the University of Pennsylvania, and an M.A. and M.H.S from Johns Hopkins University.

The Fund for Public Health will be staffed by a team consisting of:

Gabriella DiFilippo	Vice President
New Staff to be hired	Project Executive
Tanya Vartivarian	Director of Real Estate Consulting
Dan Alexander	Senior Project Manager
Heather Heaviland	Senior Project Manager
Ayse Kalaycioglu	Construction Manager
Joe Neri	Vice President of Lending
Laurie Garrett	Loan Program Manager
Darian Dorsey	Research Project Manager
Michael Hedrick	CFO

Brief of Real Estate Services and IFF staff for this project follow:

Tanya Vartivarian (2004), Director of Real Estate Consulting, joined IFF as a Senior Project Manager. As Director of Consulting, Ms. Vartivarian leads multiple real estate consulting projects and provides planning, supervisory, and management support for the Department. She has been responsible for the planning and management of numerous real estate consulting and development projects, including strategic facilities planning, lease versus buy analysis, financial planning and feasibility analysis, and the management of multi-million dollar construction projects. Prior to joining IFF, Ms. Vartivarian worked for over six years at a Chicago-based real estate consulting firm where she managed over 75 projects for a wide range of clients throughout the metropolitan Chicago area. Ms. Vartivarian received her Masters in Urban Planning from the University of Michigan and her Bachelor of Arts in Economics from the University of California at Irvine.

Heather Heaviland (2004), Senior Project Manager. Ms. Heaviland is responsible for managing consulting projects that include financial and project feasibility analyses and strategic facility plans. Ms. Heaviland also manages the Building Blocks program, a \$5 million grant-funded project that builds community capacity to meet their early childhood education needs and funds an average of \$350,000 in facility renovations on a yearly basis. Prior to joining IFF, Ms. Heaviland worked for six years as a consultant and program manager for a large Cook County community development agency and for two years conducting research for the University of Chicago. Ms. Heaviland holds both a Masters in Public Policy Studies and a M.A. in Sociology from the University of Chicago.

Daniel Alexander (2002), Senior Project Manager, has led the facility development efforts of numerous charter school and early childhood education facilities during his six years at IFF. Recently, he led the lease or purchase of four high school facilities for the Noble Network of Charter Schools, managing more than \$25 million in capital improvements, and facilitating their tax-exempt bond financing through IFF's Charter Capital Program. He continues to lead IFF's consulting services to the Noble Network as it continues to implement its facility and program expansion efforts. Prior to joining IFF, Mr. Alexander managed the development of affordable family rental housing at The Resurrection Project, a Chicago CDC. Mr. Alexander holds a B.A. in Urban Studies and Geography from Macalester College.

Laurie Garrett (2006), Loan Program Manager, supervises the loan staff. For eight years, Ms. Garrett acted as Vice President of Business Banking at Shorebank. In this capacity, she managed a portfolio of small business loans totaling approximately \$23 million, and worked extensively with the SBA 7(a) loan guarantee program. Ms. Garrett was also responsible for all aspects of the lending process, including business development, underwriting, closing, and monitoring. Prior to Shorebank, Ms. Garrett worked for four years in technical sales and marketing for Westinghouse Electric Corporation. After receiving her Bachelor's degree in Industrial Engineering from the University of Michigan, Ms. Garrett went on to earn both an M.B.A. and an M.A. in Public Policy from the University of Chicago.

Ayse Kalaycioglu (2002), Construction Manager. Ms. Kalaycioglu is a trained architect with over 10 years of experience. Prior to joining IFF, she worked at Gorski Reifsteck Architects in Champaign, Illinois. Ms. Kalaycioglu oversees all of IFF's small and large new construction and renovation projects, ranging from \$25,000 to \$7.5 million. She also conducts facilities assessments, evaluates potential space for clients, provides cost estimates and secures construction bids on new and rehab projects. Ms. Kalaycioglu is experienced in variety of construction areas, including multi-family housing, educational, health care and administrative facilities. Ms. Kalaycioglu holds a B.A. in Architecture from Yildiz University, School of Architecture, Istanbul, Turkey and an Associate Degree in ACAD Architecture from Parkland College in Champaign, Illinois.

### **RELATED PROGRAMS**

#### **Children's Capital Fund**

Announced in 2000 by Mayor Daley, the Chicago Children's Capital Fund (CCF), a public/private funding partnership, was designed to increase licensed child care in Chicago's highest need communities. IFF was hired by the Chicago Department of Human Services to manage the CCF program, and was responsible for developing the strategies and plans for accomplishing CCF goals, raising capital to finance child care projects, and recommending and overseeing all construction projects. Over a five-year period, CCF created six new licensed child care centers and expanded three existing centers to provide new child care for over 1,000 children of low-income working families. More than \$20 million in federal, state, and local funds, including over \$2 million of private below-market rate debt from the IFF supported the program.

#### **Child Care Facility Development Program**

IFF has had success in using its equity capital to leverage private and public resources through financing models and partnerships that have stimulated and secured larger investments. In 1992, IFF, in partnership with the State of Illinois, created the Child Care Facility Development Program to finance and develop child care centers throughout Illinois. IFF provided \$2 million in equity from foundation grants that covered capitalized interest, allowing IFF to borrow \$13 million through tax-exempt bonds. The IFF, using the strength of its balance sheet, agreed to own the facilities as a security mechanism and acted as real estate developer to reduce construction risk. In Fall 2004, the bonds were retired and IFF transferred ownership to the nonprofit operators.

#### **Charter School Capital Program**

In August 2005 IFF was awarded an \$8 million credit enhancement grant from the U.S. Department of Education. This grant enabled IFF to establish a program of bond financing which makes capital available far beyond IFF's \$1 million loan ceiling. IFF created the Illinois Charter Capital Program (now Charter School Capital Program, or "CSCP") as an umbrella for all of IFF's work with charter schools to coordinate lending, real estate consulting, and research.

In August 2006, Noble Network of Charter Schools (Noble) and the UNO Charter School Network (UNO) became the first charter school operators to issue bonds under the program. The bond issues, which drew on a portion of the \$8 million grant, raised over \$18 million and saved the two schools a combined \$3.8 million over the life of the bonds in capital costs. IFF provided predevelopment loans for architectural, engineering and project management costs for both schools, enabling the schools to open on time in fall 2006. A third bond issue closed in June 2007 raised \$13.9 million for Noble and a fourth bond issue in July 2007 raised an additional \$16 million.

IFF's work with charter schools has drawn national recognition. In November 2006, IFF was honored in the Seventh Annual Wachovia Excellence Awards for Opportunity Finance for its work with charter schools and specifically its design of a first-of-its kind tax-exempt bond program designed to attract more than \$90 million of Wall Street investments in nonprofit charter schools serving low-income children in Chicago and throughout Illinois. In July 2007, IFF was notified that it has received a second CEG grant from the U.S. Department of Education totaling \$10 million. IFF was one of only four grantees selected in the 2007 round of the program. The grant will be used to support charter school bond issues in Illinois and to expand the program to Indiana, Missouri and Wisconsin.

#### Building Healthy Solutions

Developed in response to a capital needs survey conducted by IFF with the Illinois Primary Health Care Association, Building Healthy Solutions addresses the capital needs of primary health care providers. IFF brings extensive knowledge of nonprofit health care providers to this program, having provided real estate development, facilities planning or financing in this field for almost 20 years. Building Healthy Solutions also incorporates strategic facilities assessments statewide, and facility planning and real estate development services to the six-county Chicago Metropolitan Area.

#### **PROJECT REFERENCES**

##### Chicago Youth Centers

IFF initially provided Chicago Youth Centers with an extensive study of deferred maintenance and repair needs for CYC's 12 facility real estate portfolio. IFF has subsequently been engaged by CYC to implement a number of the facilities strategies recommended in the study.

Harry Wells  
Chicago Youth Centers  
104 S. Michigan Ave.  
14<sup>th</sup> Floor  
Chicago, IL 60603  
312-795-3500. ext. 412  
[hwells@chicagoyouthcenters.org](mailto:hwells@chicagoyouthcenters.org)



#### Chicago Charter School Foundation

IFF helped identify capital improvement priorities and assisted CCSF in facility-related decision making across its real estate portfolio.

Beth Delaney Purvis  
Chicago Charter School Foundation  
228 South Wabash  
Suite 600  
Chicago, IL 60604  
312-455-7890

#### Asian Human Services

IFF provided AHS with a comprehensive assessment of its real estate portfolio and provided a decision making tool to prioritize and address competing agency interests. AHS subsequently hired IFF to implement two of the recommended real estate strategies – to locate sites for, plan and develop a new federally qualified health clinic and a new charter school facility.

Abha Pandya  
Asian Human Services  
4753 North Broadway, Suite 700  
Chicago, IL 60640  
773-728-2235

#### University of Chicago

IFF assisted the University of Chicago design and implement a child care initiative to partner with community-based agencies to increase infant and toddler care options for University of Chicago faculty and staff.

Michelle Olson  
Assistant Director of Community and Government Affairs  
University of Chicago  
5801 South Ellis Avenue  
Chicago, IL 60637  
773-834-8006

#### Building Blocks

With support from the Grand Victoria Foundation (GVF) IFF's Building Blocks program builds the capacity of communities to meet their child care and early education needs. Working together with community stakeholders, Building Blocks identifies and addresses underlying gaps in the child care and early education service delivery system. Funded by

a \$3.5 million GVF grant, Building Blocks leverages both private and public sector resources to address these wide-ranging needs. Projects underway are building community networks, adding bricks and mortar capacity, and helping bring needed state-funded programs to the areas where they are needed the most.

Nancy Fishman  
Executive Director  
Grand Victoria Foundation  
230 West Monroe, Suite 2530  
Chicago, IL 60606  
312-609-0200

#### Noble Network of Charter Schools

The IFF has led the development of four Noble Network of Charter Schools high school campuses, helping to secure long-term high quality and affordable facilities. The total development cost of the four campuses reached approximately \$25 million. The schools serve 2,100 students. IFF continues to work to implement Noble's replication strategy, with comprehensive responsibility for site search, financing, and project management.

Ron Manderschied  
President  
Noble Network of Charter Schools  
1010 N. Noble  
Chicago, IL 60622  
773-278-7471

#### **ATTACHMENTS**

**ATTACHMENT A – IFF SECTOR PROFILE ON HEALTH CARE**



Nonprofit financial and real estate resources  
Where nonprofits come first.

## Sector Profile Health Care

**IFF made its first loan to a community health center in 1994, and has continued to help health care nonprofits grow their practices to add more programs and to serve more patients in low-income communities.**



### *Spotlight:* Gap Financing Keeps Family Christian Health Center Project on Track

Family Christian Health Center had already purchased land, raised funds, and secured maximum bank financing, but still faced a funding gap in order to construct a critically-needed community health center.

An IFF loan for \$750,000 kept the project on track. The nearly \$4 million, 21,000-square-foot facility with 42 exam rooms expands services to more than 20,000 medically underserved residents of Harvey and the surrounding area in Southern Cook County.

The agency's decision not to delay the project greatly benefitted its community. The health center was serving patients at full capacity within only eighteen months of opening.

IFF Borrowers and Clients

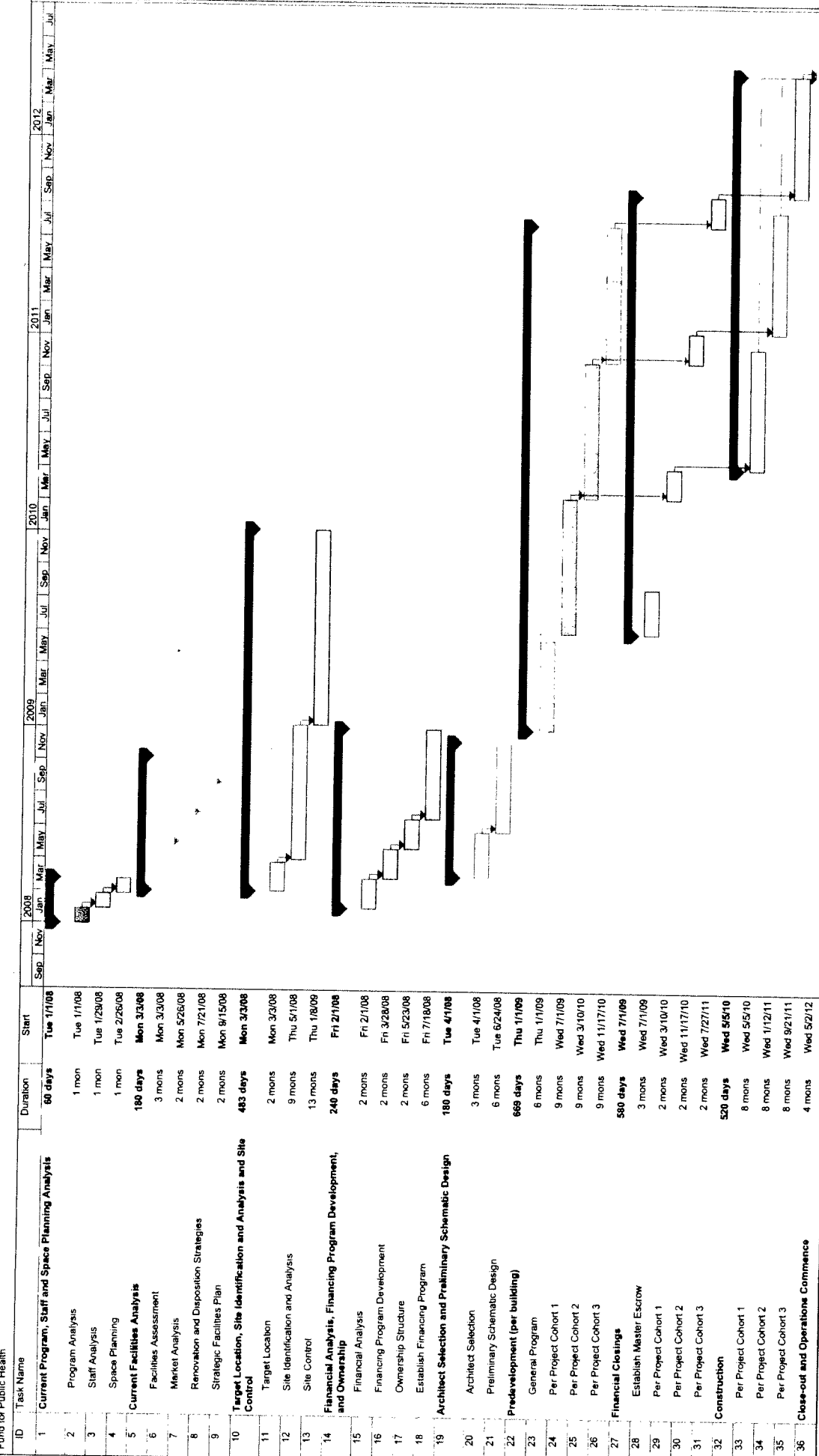
- Access Community Health Network
- Asian Human Services
- Aunt Martha's Youth Service Center, Inc.
- Capitol Community Health Center
- Center for Coordinating Action for Children's Health
- Chicago Family Health Center
- Community Health and Emergency Services, Inc.
- Community Health Improvement Center
- CommunityHealth, NFP
- Elgin Well Child Center
- Erie Family Health Center
- Family Christian Health Center
- Greater Elgin Family Care Center
- Hardin County General Hospital
- Howard Brown Health Center
- PCC Community Wellness Center
- Planned Parenthood of East Central Illinois
- Roseland Christian Health Ministries

#### Community Impact

Facility and equipment financing: 28 loans

Total loan amount	= \$10.8 million
Existing patients served	= 163,884
New patients served	= 71,966
Exam rooms created	= 259
Total square feet renovated or constructed	= 256,010

**ATTACHMENT B – FUND FOR PUBLIC HEALTH WORK SCHEDULE**



Proposed Timeline for Fund for Public Health  
 F# 1026/07  
 Preparer by IFF

Legend:

- Task: [Bar]
- Split: [Bar with vertical line]
- Progress: [Bar with gradient]
- Milestone: [Diamond]
- Summary: [Thick bar]
- Project Summary: [Thick bar with arrow]
- External Milestone: [Diamond]
- External Task: [Thick bar]
- Deadline: [Arrow]