



ILLINOIS MEDICAL DISTRICT™
COMMISSION

ILLINOIS MEDICAL DISTRICT COMMISSION
BIENNIAL REPORT

FY 13-14



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ILLINOIS MEDICAL DISTRICT™
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LETTER FROM THE ILLINOIS MEDICAL DISTRICT COMMISSION

January 2015

When we joined the Illinois Medical District Commission (IMDC) in March and April 2012, respectively, we knew the Illinois Medical District (IMD) had great potential, despite its disturbingly dysfunctional condition. Even so, we didn't fully appreciate the depth and breadth of all that is the IMD.

Nearly three years later, we reflect on what has been accomplished and look to the future as we, along with our partners, continue to transform the IMD into a nationally recognized healthcare and research destination against which others will be benchmarked.

We learned that the IMD is much more than just 560-acres located adjacent to the Chicago Loop with land available to develop. We now know that it is a catalyst for innovation around the delivery of healthcare services, a leader in research models that put patient centered outcomes first, and a developer of infrastructure improvements that attracts talent and investment.

It all began 34 months ago when governmental leadership aligned to appoint an entire new IMD Board of Commissioners. Following an aggressive 120-day strategic planning process that defined a new direction, developed by thought leaders and partners in and around the IMD, implementation of a roadmap for change began with a sense of urgency.

The pages that follow recount the progress that has been made from April 2012. While acknowledging these considerable accomplishments, we also recognize we're at a critical juncture with much more to achieve in order to realize the full potential of the assets that define the IMD, as well as bring it to a point of sustainability for the benefit of our stakeholders and the larger community. Our commitment to this end is unwavering.

We are grateful for the support we've received from our IMD stakeholders, government and civic leaders, and the many other partners that have contributed to these achievements.

Sincerely,

Jennifer Woodard
President, IMDC

Warren Ribley
Executive Director, IMDC



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SECTION 2

ABOUT THE IMDC



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ABOUT THE IMDC

The Illinois Medical District Commission (IMDC), a unit of local government, was created by state law in 1941. Its original mission is still relevant today – to enhance medical education, promote research and commercialize technology.

The IMDC fosters economic growth in Illinois by supporting healthcare and research and development facilities and fostering collaboration between clinicians, academic researchers, private industry and patients.

The IMDC acts as an independent third party convenor and facilitator that brings institutions and individuals together around common themes and goals even when disparate interests prevail.



The Illinois Medical District (IMD), is located minutes west of the Chicago Loop and is bound by Ashland Boulevard, Congress Street, Oakley Boulevard and 15th Street. The 560 –acre medical district includes four hospitals, research facilities, labs, a biotech business incubator, vacant land, two universities, and more than 80 healthcare, public health and safety, and social service facilities. While traditionally the IMD has been viewed as an economic development opportunity around real estate development, its long-term impact will likely be measured in how well it succeeds in its convening

and facilitation around medical science programming. The IMD is focused equally on infrastructure and real estate development as well as a number of initiatives focused on community health, translational research and clinical data.

In 2013, the IMDC commissioned the University of Illinois Chicago College of Urban Planning and Public Affairs to assess the economic impact of the IMD. The study results indicate:

- The IMD has the most diverse patient population in the U.S. from both an ethnic and socioeconomic perspective
- More than 50,000 people visit the IMD each day seeking healthcare
- Nearly 30,000 people work in the IMD
- More than 500 principal investigators are supported by \$220 million in research funding
- More than 700 clinical trials include participation by the District's hospitals and medical researchers










The IMD annually generates:

- \$3.4 billion in economic activity
- \$3.1 billion in direct and indirect wages, salaries and benefits
- \$392 million in university research and development
- \$100 million in tax revenue to Illinois, Chicago and Cook County



IMD IS THE LARGEST URBAN MEDICAL DISTRICT, COMPRISED OF A RANGE OF DIVERSE ASSETS

“While traditionally the IMD has been viewed as an economic development opportunity around real estate development, its long term impact will likely be measured in how well it succeeds in its convening and facilitation around medical science programming in a rapidly and constant changing health care delivery system.”

4 major hospitals	2 universities with 10 health science graduate schools	Incubator for biotech firms and start-ups	Other local clinics and organizations
<p>Rush University Medical Center</p> 	<p>UIC</p> <ul style="list-style-type: none">• Medicine• Pharmacy• Public Health• Applied Health Sciences• Nursing• Dentistry	 <p>CHICAGO TECHNOLOGY PARK™</p> <ul style="list-style-type: none">• Provides start-ups with infrastructure and access to resources• Currently supports 20 tech-based companies• In process of expanding facilities and services	 <ul style="list-style-type: none">• Mile Square Health Center
<p>University of Illinois Hospital</p> 			 <p>American Red Cross</p> <ul style="list-style-type: none">• American Red Cross
<p>John H. Stroger Jr., Hospital of Cook County</p> 	<p>RUSH</p> <ul style="list-style-type: none">• Medicine• Nursing• Health Sciences• Graduate College		 <ul style="list-style-type: none">• Chicago division of Federal Bureau of Investigation
<p>Jesse Brown VA Medical Center</p> 			 <ul style="list-style-type: none">• Variety of youth and senior support services



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SECTION 3

ILLINOIS MEDICAL DISTRICT
COMMISSIONERS



ILLINOIS MEDICAL DISTRICT COMMISSIONERS



Seven (7) Commissioners are appointed to serve the IMDC - four (4) by the Governor, two (2) by the Mayor of Chicago and one (1) by the Cook County President. Commissioners serve staggered five (5) year terms and do not receive compensation or benefits.

Jennifer L. Woodard

President (Appointed by Governor)
Term Expires: June 30, 2015

James Clewlow

Vice-President (Appointed by Governor)
Term Expires: June 30, 2017

Daniel A. Trevino

Secretary (Appointed by Mayor)
Term Expires: June 30, 2015

Blake P. Sercye

Treasurer (Appointed by Governor)
Term Expires: June 30, 2018

Corey Foster¹

(Appointed by Governor)
Term Expires: June 30, 2019

Isaac S. Goldman²

(Appointed by Mayor)
Term Expires: June 30, 2013

County Appointee³

Vacant as of Dec. 5, 2014
Term Expires: June 30, 2016

¹Replaced Meredith O'Connor who served with distinction from April 2012 to January 2015.

²Serves until resigns, or mayor appoints new Commissioner.

³Occupied by Carmita Vaughan (March 2012 to May 2013) and Ricardo Estrada (January 2014 to December 2014) whose contributions were notable prior to accepting different assignments.



IMDC FINANCES

When the current IMDC Board took office in April 2012, one of their first challenges was financial.

In 2006, the former Commission issued \$40 million in taxable and non-taxable revenue bonds for a number of capital improvement and real estate asset purchases. The bonds were credit enhanced by the State with a Moral Debt Obligation. Given the economic collapse in 2008-2009, several of the original projects did not come to fruition. Other projects were substituted.

An audit report issued by the Illinois Auditor General for the fiscal year ending June 30, 2011, and publicly released in early calendar year 2012, highlighted a non-financial default of the bond covenants for failure to maintain required debt coverage reserve ratios.

The new Commission, working with the State, was able to stabilize its financial position. The Commission then immediately began lease negotiations on buildings and properties to generate additional revenue.

Today, the IMDC financial position continues to improve. Revenues ending June 30, 2013 were \$3.8 million and \$5.1 million ending June 30, 2014. These revenues are generated by lease and rental income. The IMDC has not received state operating subsidies since 2008.



ILLINOIS MEDICAL DISTRICT™
COMMISSION

SECTION 4

THE ILLINOIS MEDICAL DISTRICT –
DISTRICT OF OPPORTUNITY



ILLINOIS MEDICAL DISTRICT™
COMMISSION

As an example, BCG learned 500 principal investigators in the District received National Institutes of Health (NIH) funding between 2009 and 2012, and more than 700 clinical trials took place within the District. However, only 20 percent of research collaborations occurred between District partners, indicating a clear opportunity for more collaboration and pooling of resources.

THE ILLINOIS MEDICAL DISTRICT – A DISTRICT OF OPPORTUNITY

BACKGROUND

Since its creation 74 years ago, the IMD vision – to be a leader in patient care and medical research utilizing its diversity and unique assets while driving economic growth – has remained largely unchanged – yet unrealized. Creation of the District's first strategic plan in 2012, which includes four key priorities, sets the tone for the 560- acre IMD.

The IMD has entered a new era of economic growth, job development and patient care. Within 10 years the District expects to generate between 2,000 and 4,500 permanent jobs, spur business development resulting in \$300 million in new revenue, drive research innovation, and improve health outcomes for the community.



THE 2012 STRATEGIC PLAN

When the District's new Commission and Executive Director took office in March 2012, one of their first priorities was to develop a strategic plan with specific steps to define the District's vision.

The Commission formed a private-sector strategic planning advisory committee. The committee included representation from major life sciences companies and business leaders from across the country. The IMDC brought in the expertise and insight of Boston Consulting Group (BCG) and their Chicago-led team of business strategists from the health care practice to lead the effort.

THE RESEARCH

BCG conducted more than 50 high-level, in-depth interviews with leaders from the District's hospitals, colleges, clinics, businesses and elected officials to receive candid feedback on their priorities and to determine areas of focus for the District. Consistent themes emerged from this process. Specifically, a desire for collaboration between District entities to benefit areas such as community health, translational research and clinical data.

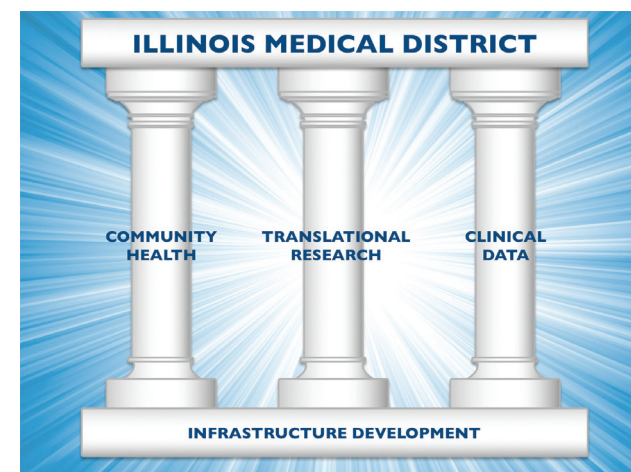
BCG also researched and benchmarked the District against six select cutting-edge health districts from around the country, including Research Triangle Park in Raleigh-Durham, Indiana BioCrossroads, Mission Bay Development Area in San Francisco, Science Center at University Park in Philadelphia, Lake Nona Medical City in Orlando and New York City Bioscience Initiative. While the Illinois Medical District is distinct, particularly with its rich diversity among patient populations, these insights provided cautionary lessons and best practices.



KEY FINDINGS AND PRIORITIES

Sixty-four initiatives around which partners aligned were catalogued and further examined by BCG. These were then prioritized for impact and feasibility, resulting in 12 initiatives that were grouped into four key priorities:

- **Infrastructure and development:** Improve the experience of employees, patients and community members with enhanced District services, improved attractiveness and a cohesive campus atmosphere.
- **Community health:** Improve health care access and reduce cost of care through a focus on chronic diseases.
- **Translational research:** Support the translation of research from biomedical discovery to patient care, and the subsequent commercialization of that research.
- **Clinical data:** Facilitate the sharing of health care data to improve patient care, patient service, hospital resource effectiveness and cost efficiency.



Today, any idea, project or proposed development is evaluated on how well it aligns with and furthers the IMD's objectives in fulfilling these strategies.

Implementation of the plan offer numerous other benefits to Illinois. These include better health outcomes, greater life science innovation and discovery, stronger health science education programs, greater economic impact and increased awareness as a leading health care and life science cluster.



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SECTION 5

MOVING FORWARD



MOVING FORWARD

INFRASTRUCTURE AND REAL ESTATE DEVELOPMENT

The IMDC has been operating under a sense of urgency to quickly achieve wins which demonstrate successful implementation of its new strategic vision. This urgency is rooted by an alignment among IMD partner leadership, an improving economy and a high growth healthcare economic sector.

COMPLETED

New leases executed by the District have enhanced our partners' ability to facilitate services immediately and improved the IMD's fiscal stability.

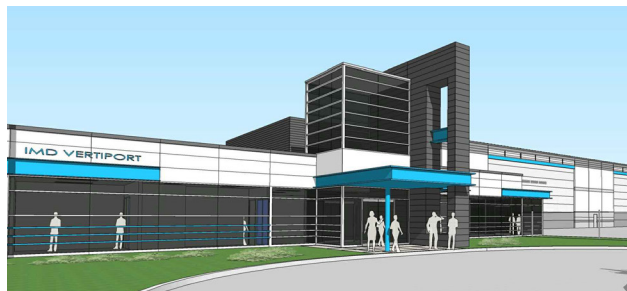
- Leased 10,000 SF of administrative space to the **Jesse Brown VA Medical Center** allowing it to reallocate valuable hospital space to serve the growing population of Illinois-area Veterans.
- Leased administrative space to the **Cook County Stroger Hospital** for back-end processing of more than 150,000 newly enrolled Medicaid eligible patients under the Affordable Care Act. These patients will potentially account for 50 percent of patient revenue in 2014.



- Leased 20,000 SF of space in a former light industrial manufacturing complex to **PMS Medikal**, a medical manufacturer of medical sterilization products based in Turkey. They will eventually hire 35 people and this facility will become their global headquarters.
- Leased space to **Medical Research Analytics and Informatics Alliance (MRAIA)**, designated as an agent of the State of Illinois for public health data needs. MRAIA developed and hosts a certified software system for reporting immunization, syndromic surveillance and electronic laboratory reporting data to public health agencies.



MOVING FORWARD



Conceptual Rendering

- Leased 11 acres of land to **Vertiport Chicago**, a privately owned and operated heliport and hangar facility. Emergency medical helicopters will have free 24-hour priority access to the facility. Corporate, charter and tourist flights will make up the majority of the arrivals and departures. The IMD Vertiport will become the City's first full-service heliport since Meigs Field.



- Completed construction on an 8,400 SF office building for lease to **GreatPoint Energy (GPE)**, which relocated its corporate headquarters from Cambridge, Massachusetts, to the IMD's

Chicago Technology Park. GPE produces clean, low-cost natural gas from coal, petroleum coke, and biomass utilizing its Bluegas™ catalytic hydromethanation process. The new headquarters is connected to research and development space that GreatPoint also leases from the IMDC which allows for intellectual synergies by having many of their employees in the same location.

- Partnered with the **Julie + Michael Tracy Foundation (JMTF)** to turn 10,000 SF of unused green space into the Growing Solutions Farm for young adults with autism. This was accomplished working in conjunction with District partners such as Rush University Medical Center, Easter Seals, Al Raby High School, the U of I Cooperative Extension and others.



- Hired Solomon Cordwell Buenz to update the 1997 **District Master Land Use Plan**. This revised plan is expected to be completed by summer



MOVING FORWARD

2015 and will provide recommendations to guide and maximize land use, landscaping and way-finding standards, transportation and transit access, and updates to the Planned Development #30 ordinance.

UNDER CONTRACT AND UNDERWAY

- **Gateway Real Estate Development Project** at 2020 W. Ogden Ave. will provide a mixed-use development containing a 200-room hotel, retail and restaurants, young professional and multi-family housing, medical office and life science laboratory buildings and parking. The \$300 million project is being led by IMD Gateway Partners who were selected through a competitive RFP process to develop this project. This at-risk project will be privately financed and developed on land owned and leased from the IMDC.



GATEWAY PARTNERS

IMD GATEWAY CENTER



Conceptual Rendering

- **The Anatomical Gift Association (AGA)** will return to the IMD in 2015. Rehabilitation of a circa 1900 five-story building owned by the IMDC is scheduled to be completed in early summer 2015. The AGA provides cadavers for medical study and plans to integrate its services with those of first responders from across the country.



Conceptual Rendering

- **Chicago Access Network Television (CAN TV)** has broken ground on its 20,500 SF headquarters on land leased from the IMDC. CAN TV, a public access television station, has numerous outreach and health-related programs. The facility will have updated TV studios, new equipment, and increased training spaces. The new location will allow CAN TV to increase visibility, improve accessibility, and provide the infrastructure to support future technology growth.



“The IMDC has convened public officials at all levels of government to explore options for a land bridge connector over the interstate. The Gateway Real Estate Development, coupled with development to follow on the Cook County hospital campus, provides impetus on the south.”

MOVING FORWARD

- **Construction of a high speed fiber optic network** is underway. Business case development and validation has been completed, including identification of initial users. Design engineering is nearly complete, which will allow installation of the conduit and fiber to begin. The IMD is currently grossly underserved by high speed and broad bandwidth necessary to support modern healthcare and research facilities.
- **Chicago Center for Arts and Technology (CCAT)** is negotiating a Purchase Sales Agreement with the IMDC under which the CCAT will convert a currently vacant 4-story building into a job training center for at-risk dropout high school teens and chronically unemployed adults. The CCAT will be a national affiliate of a highly successful program began in Pittsburg by William Strickland Jr. and will focus on medical technology programming for entry employment at the IMD's four hospital partners.
- **2023 W. Ogden Land Exchange** – U of I is finalizing a land exchange with the IMDC under which the District will gain access to a key parcel of land adjacent to the Jesse Brown VA Medical Center (JBVAMC) and the Gateway Real Estate Development project. Among potential options, the JBVAMC is interested in exploring use of the land to host an outpatient mental health center for veterans. The parcel will be important for

future IMD development given its close proximity to the medical campuses and new mixed-use development.

- **Ethos/Vitas** is planning the construction of a 20,000 SF hospice care facility on approximately 2.25 acres of land owned by the IMDC. The facility will house 16 inpatient units and provide hospice and palliative care, administrative offices and host the Vitas Community Outreach and End of Life Education Center:



FUTURE PROJECTS

- **Constructing Community Connections** - The Eisenhower Expressway (I-290) poses a significant pedestrian access barrier. The new Malcolm X Community College, with its focus on allied health care curriculum, and the anticipated improvements to the IMD Blue Line "L" stop, represent significant improvements to the IMD. The IMDC has convened public officials at all levels of government to explore options for a



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MOVING FORWARD

land bridge connector over the interstate. The Gateway Real Estate Development, coupled with development to follow on the Cook County hospital campus, provides impetus on the south.

- **Cook County Hospital Campus Redevelopment** - The IMDC and Cook County entered into an Intergovernmental Agreement to jointly coordinate development of the Cook County Hospital Campus. The County recently issued two Requests for Proposal (RFP) to guide this development. The first RFP is focused on core medical needs including a new Fantus Clinic, a new Administration Office building and enhanced parking. The County is expected to select a fee developer to construct these facilities, which will likely be financed and owned by the County. The second RFP explores redevelopment opportunities for the old Cook County hospital façade, Pasteur Park and in-fill land just south and west of the old hospital. This development is expected to be at-risk private development under which the County will lease the land for development.
- **Delta Institute** - The IMDC, Delta Institute and Manufacturing Renaissance have entered into a Memorandum of Understanding to catalogue brownfield and vacant properties inside and contiguous to the IMDC as part of a larger

community revitalization strategy. This approach recognizes the IMDC's role within a broader community environment and illustrates how the District can be a catalyst for employment, training and housing opportunities in neighboring communities such as Little Italy, Pilsen and Lawndale.

MEDICAL SCIENCE PROGRAMMING

The IMDC, through its role as convener and facilitator, has the opportunity to grow the life science ecosystem by bringing together an expanding network of innovation partners around common interests. The nation's most diverse patient population, clinicians and researchers from the IMDC's 10 research-based colleges of health sciences, coupled with land available for development near the Chicago Loop, provides a unique opportunity to be the central hub of healthcare innovation for the entire Chicago region.

- **CAPriCORN** – Nothing better demonstrates the potential of the IMDC's convening and facilitation role than the Chicago Area Patient Centered Outcomes Research Network (CAPriCORN). CAPriCORN represents an unprecedented collaboration between 10 diverse healthcare institutions including private, county and state hospitals and health systems, a consortium of Federally Qualified Health Centers, and two Veterans Affairs hospitals. A \$7 million award



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*“CAPriCORN
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MOVING FORWARD

was made to CAPriCORN from the Patient Centered Outcomes Research Initiative (PCORI) to develop a regional clinical research data network populated by at least one million patients. CAPriCORN is developing an innovative infrastructure for sustainable and patient-centered comparative effectiveness research in Chicago joining ten other nodes from around the country funded by PCORI. With coordination by the Chicago Community Trust (CCT) and the IMDC, CAPriCORN will model how healthcare institutions can overcome barriers of data integration, marketplace competition and care fragmentation to develop, test, and implement strategies to improve care for diverse populations and reduce health disparities.

PCORI has recognized CAPriCORN as an ideal microcosm of it's national network. Unique aspects include a centralized IRB to ensure a strong and efficient human subject's protection program, a communication center to integrate patient recruitment with data infrastructure and a cross-institutional Patient and Clinician Advisory Committee. The initiative is half way through its initial 18 month funding cycle and spin off initiatives have been spawned and are under development including seeking Phase 2 funding to continue the project.



- **Chicago Technology Park** – Built in 1982 and home to the first biotechnology incubator in the country, the Chicago Technology Park (CTP) at the IMD was once a vibrant, innovative landing spot that attracted people from across the United States. However, the intellectual resources and physical assets of the CTP have gone underutilized for too long. The IMDC has convened organizations representing city and state economic development, innovation acceleration, academics, industry and patient centeredness to



“Our goal with the IMD Patient Advocacy Hub is to create a collaborative environment between industry, academia and non-governmental organizations that enriches research and patient outcomes in a positive and effective manner.”

MOVING FORWARD

participate in a revitalization planning process. Utilizing diverse community input, the IMDC will address issues such as establishing broad and diverse governance, coordinating existing facilities with new medical office and laboratory build-outs, and planning use of available land within the CTP. A revitalized CTP will be a unique science and research park that **puts the patient in the center**.

- **Patient Advocacy Hub** – The mission of the IMD Patient Advocacy Hub is to aggregate and engage third-party stakeholder organizations to advance a shared goal of bringing new treatments to patients more efficiently. No other similar hub is known to exist. As noted in the recently released PhRMA Biopharmaceutical Research Industry Profile, innovation and technology are booming in the healthcare and life sciences sectors. Partnerships and other collaborations are becoming increasingly common among patient advocacy groups, industry, academic medical centers and nonprofit organizations. Patient engagement and advocacy is the future of how new technologies and healthcare will develop in the U.S. and globally. Our goal with the IMD Patient Advocacy Hub is to create a collaborative environment between industry, academia and non-governmental organizations that enriches research and patient outcomes in a positive and effective manner.
- **IMD Career Connections** – As one of the most recent IMD initiatives, IMD Career Connections, will enable more meaningful connections between the immense talent base within the IMD and industry. Our initial focus will be on PhD students and post-docs in the healthcare and life sciences field from Rush and UIC. A pilot event is being planned with panels comprised of small company CEO's, technical writers, venture capitalists and regulatory experts. Sponsored programming involving representation from the IMD institutions, will allow for a coordination of the IMD talent base and will serve as a resource to industry locally and beyond.
- **IMD Innovation Alliance** – The mission of the Alliance is to provide streamlined access in and out of the IMD, connecting the assets within to the broader Chicagoland life sciences ecosystem. Established in late 2013, the Alliance is comprised of IMD tech transfer, hospital administration, clinical research and venture capital personnel. The group works to coordinate and share commercialization, innovation and relevant programming activities within the IMD. Emerging life science and healthcare innovation companies are invited to present their product or service to the group for potential business relationships.



“The IMDC provides various forums that bring together partners within the District and throughout the entire region. We have nurtured and expanded our outreach efforts with several new initiatives.”

MOVING FORWARD

- **Integrated IMD Clinical Laboratory Services** – The IMDC directed an assessment for better coordination of clinical laboratory services with the IMD hospitals. Over a period of several months, hospital pathology and administration personnel gathered to evaluate opportunities and initiate conversations. As a result, significant progress related to coordination of services between UIC and CCHHS and sharing of space, personnel and equipment, has been attained. The IMDC continues to be involved in these conversations and hopes to assist the effort via project management, procurement and convening.
- **IMD Emergency Response Committee (IMDERC)** - The IMDC rapidly convened an Ebola Response work group to address the international Ebola crisis. Key personnel held multiple discussions resulting in an IMD Emergency Response Committee (IMDERC) which will be convened as necessary in the future. Additionally, the IMDC has collaborated and offered supporting services to the Illinois Medical District Hospital Emergency Preparedness Coalition.

OUTREACH AND ENGAGEMENT

The IMDC provides various forums that bring together partners within the District and throughout the entire

region. We have nurtured and expanded our outreach efforts with several new initiatives.

- Convene quarterly meetings with a **CEO Leadership Council** from IMD major medical and university partners to coordinate and implement initiatives around community health, translational research and clinical data.
- Convene monthly meetings with the **Communications Directors** from the IMD to discuss cross-marketing, provide updates and coordinate future initiatives.
- Convene monthly meetings with the **IMD District Security Group (DSG)**. The DSG is comprised of sworn officers from District organizations ranging from the Illinois State Police, FBI, hospital security, Chicago Police Department, United Center security and others.
- Publish the **IMD&U monthly e-newsletter** which focuses on events and news taking place within the IMD. IMD&U has more than 1,000 international and domestic subscribers from various industry and other related businesses.
- Attend and serve on various planning committees and participate in annual conferences, including **BIO International** and **AdvaMed**, to promote the IMD and drive new business to Illinois.



MOVING FORWARD

- Meet with the **IMDC Strategic Advisory Committee** to update progress on key performance metrics and gain insight on new ideas for reinvigorating the IMD and CTP.
- Manage a **new and easier to navigate website**. The website includes a new interactive map of the IMD as well as an IMD calendar allowing District partners to include their information about upcoming events and programs.
- **IMD&U Day** attracts a broad range of participants across the IMD for networking, panel presentations and socialization in a casual open house environment.



LOOKING FORWARD

While much has been accomplished and many initiatives are underway, the IMDC continues to explore ideas, projects and developments that support our strategic vision. A few examples include:

- Explore **Public Private Partnership (P3) opportunities** to construct new facilities such as a pharmacy research pavilion for the University of Illinois, a public health laboratory for the State of Illinois or a joint-use integrated laboratory facility
- Develop a community-based **research and treatment facility for autistic adults**
- Establish a **localized health information exchange** with District hospitals
- Explore and implement strategies to **provide flexible financing** for additional projects and continued development of vacant land
- **Enhance development incentives** such as renewal of enterprise zone designation and seek new property tax rate incentives
- Explore **community initiatives** to connect with surrounding neighborhoods around housing, education, training and employment opportunities



ILLINOIS MEDICAL DISTRICT™
COMMISSION

SECTION 5

FINANCIALS



FINANCIALS

Illinois Medical District Commission
(A Component Unit of the State of Illinois)
Statements of Net Position
June 30, 2014 (with comparative totals for June 30, 2013)

	June 30,			
	2014	2013		
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 766,065	\$ 219,722		
Accounts receivable - net	254,265	190,655		
Interest receivable	100,499	104,214		
Notes receivable	1,118,973	1,173,648		
Debt issuance costs	-	32,714		
Total current assets	<u>2,239,802</u>	<u>1,720,953</u>		
Noncurrent assets:				
Cash and cash equivalents, restricted	624,790	702,630		
Notes receivable	27,250,447	28,369,420		
Investments	-	326,768		
Debt issuance costs - net	-	542,513		
Capital assets - non depreciable	43,487,675	43,455,741		
Capital assets - net	20,060,063	17,861,995		
Other assets	21,188	72,123		
Total noncurrent assets	<u>91,444,163</u>	<u>91,331,190</u>		
Total assets	<u>93,683,965</u>	<u>93,052,143</u>		
LIABILITIES				
Current liabilities:				
Accounts payable and accrued expenses	1,144,865	855,236		
Unearned revenue	1,913,321	3,232,209		
Interest payable	748,310	764,908		
Security deposits	61,326	360,176		
Certificates of participation	840,000	805,000		
Due to other State agency	1,320,000	840,000		
Line of credit	1,200,000	-		
Total current liabilities	<u>7,227,822</u>	<u>6,857,529</u>		
Noncurrent liabilities:				
Capital lease obligations	5,602	9,576		
Compensated absences	124,436	87,806		
Certificates of participation	22,770,000	23,610,000		
Due to other State agency	<u>28,697,423</u>	<u>29,314,804</u>		
Total noncurrent liabilities	<u>51,597,461</u>	<u>53,022,186</u>		
Total liabilities	<u>58,825,283</u>	<u>59,879,715</u>		
NET POSITION				
Net investment in capital assets	31,860,748	28,829,825		
Restricted for:				
Capital projects	-	44,412		
Unrestricted	<u>2,997,934</u>	<u>4,298,191</u>		
TOTAL NET POSITION	<u>\$ 34,858,682</u>	<u>\$ 33,172,428</u>		



FINANCIALS

Illinois Medical District Commission
(A Component Unit of the State of Illinois)
Statements of Revenues, Expenses and Changes in Net Position
Year ended June 30, 2014 (with comparative totals for June 30, 2013)

	For the Year Ended June 30,	
	2014	2013
OPERATING REVENUES		
Rental income	\$ 4,829,602	\$ 4,704,749
Tenant reimbursement revenue	19,416	275,296
Other operating revenues	251,349	4,586
Total operating revenues	5,100,367	4,984,631
OPERATING EXPENSES		
Property management and development		
Property management and development	4,484,542	4,214,618
Depreciation expense	1,263,959	1,166,849
Amortization expense	-	32,715
Total operating expenses	5,748,501	5,414,182
Operating income (loss)	(648,134)	(429,551)
NONOPERATING REVENUES (EXPENSES)		
Investment income	1,399,339	1,461,797
Interest expense	(3,208,505)	(3,280,234)
Net nonoperating expenses	(1,809,166)	(1,818,437)
Loss before capital grants and gains and losses	(2,457,300)	(2,247,988)
Gain (loss) on disposal of capital assets	147,778	(8,600)
Capital grants	4,571,004	3,173,378
Increase in net position	2,261,482	916,790
NET POSITION		
Net position, beginning of year - as restated	32,597,200	32,255,638
Net position, end of year	\$ 34,858,682	\$ 33,172,428



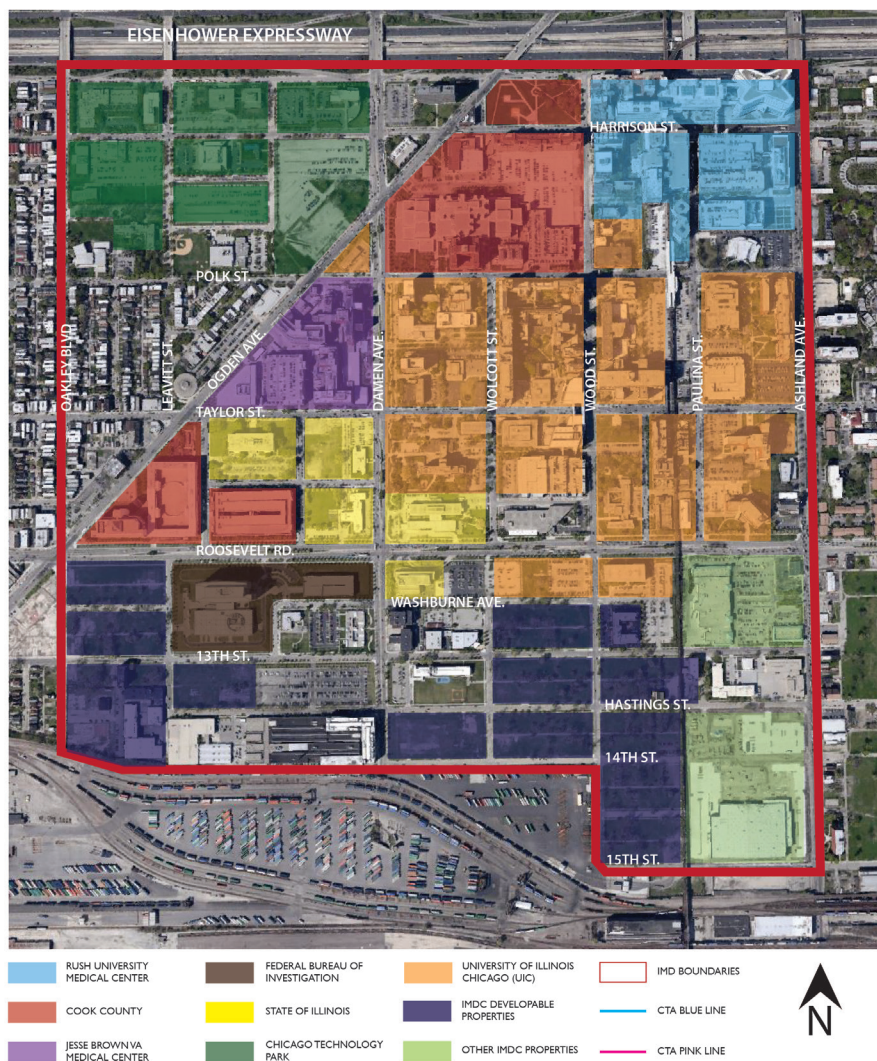
FINANCIALS

Illinois Medical District Commission
(A Component Unit of the State of Illinois)
Statements of Cash Flows
Year Ended June 30, 2014 (with comparative totals for June 30, 2013)

	For the Year Ended June 30,		Reconciliation of operating loss to net cash	
	2014	2013	provided by (used by) operating activities:	
CASH FLOWS FROM OPERATING ACTIVITIES			Operating income (loss)	\$ (648,134) \$ (429,551)
Payments received from tenants	\$ 4,744,321	\$ 5,416,630	Adjustments to reconcile operating loss to net cash	
Payments to suppliers	(2,480,058)	(3,962,304)	provided (used) by operating activities:	
Payments to employees	(1,789,686)	(1,270,113)	Non-cash expenses included in operating income:	
Net cash provided by operating activities	474,577	184,213	Depreciation	1,263,959 1,166,849
			Amortization	- 32,715
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			Changes in operating assets and liabilities:	
Line of Credit Proceeds	1,200,000	-	Accounts receivable	(63,610) (176,797)
			Other assets	50,935 (50,599)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			Accounts payable	285,655 (1,050,122)
Draws on loan from other State agency	2,840,924	2,672,909	Unearned revenue	(152,008) 654,616
Payments on loan from other State agency	(2,978,305)	(2,343,405)	Security deposits	(298,850) (1,160)
Purchase of capital assets	(3,190,202)	(2,036,576)	Capital lease obligations	- -
Principal paid on capital debt and leases	(3,974)	(3,003,115)	Compensated absences	36,630 38,262
Proceeds from capital lease	-	16,665	Net cash and cash equivalents provided (used) by operating activities	\$ 474,577 \$ 184,213
Proceeds from capital grants	3,252,116	1,526,111		
Interest paid on capital debt and leases	(3,225,103)	(3,301,428)	NON-CASH ITEMS	
Net cash provided by (used by) capital financing activities	(3,304,544)	(6,468,839)	Capital grant revenue held by other State agency	\$ 865,853 \$ 2,069,360
CASH FLOWS FROM INVESTING ACTIVITIES			Capital grant revenue applied to loan from other State agency	\$ (1,203,507) \$ (1,455,640)
Proceeds from sales and maturities of investments	324,387	2,216,939	Non-cash payments received on notes receivable	\$ 840,000 \$ 770,000
Collections on notes receivable	368,648	366,805	Non-cash payments made on certificates of participation	\$ (840,000) \$ (770,000)
Interest income on investments	1,405,435	1,474,065		
Net cash provided by investing activities	2,098,470	4,057,809		
Net increase (decrease) in cash and cash equivalents	468,503	(2,226,817)		
Cash and cash equivalents, beginning of year	922,352	3,149,169		
Cash and cash equivalents, end of year	\$ 1,390,855	\$ 922,352		



ILLINOIS MEDICAL DISTRICT – KEY PROPERTIES





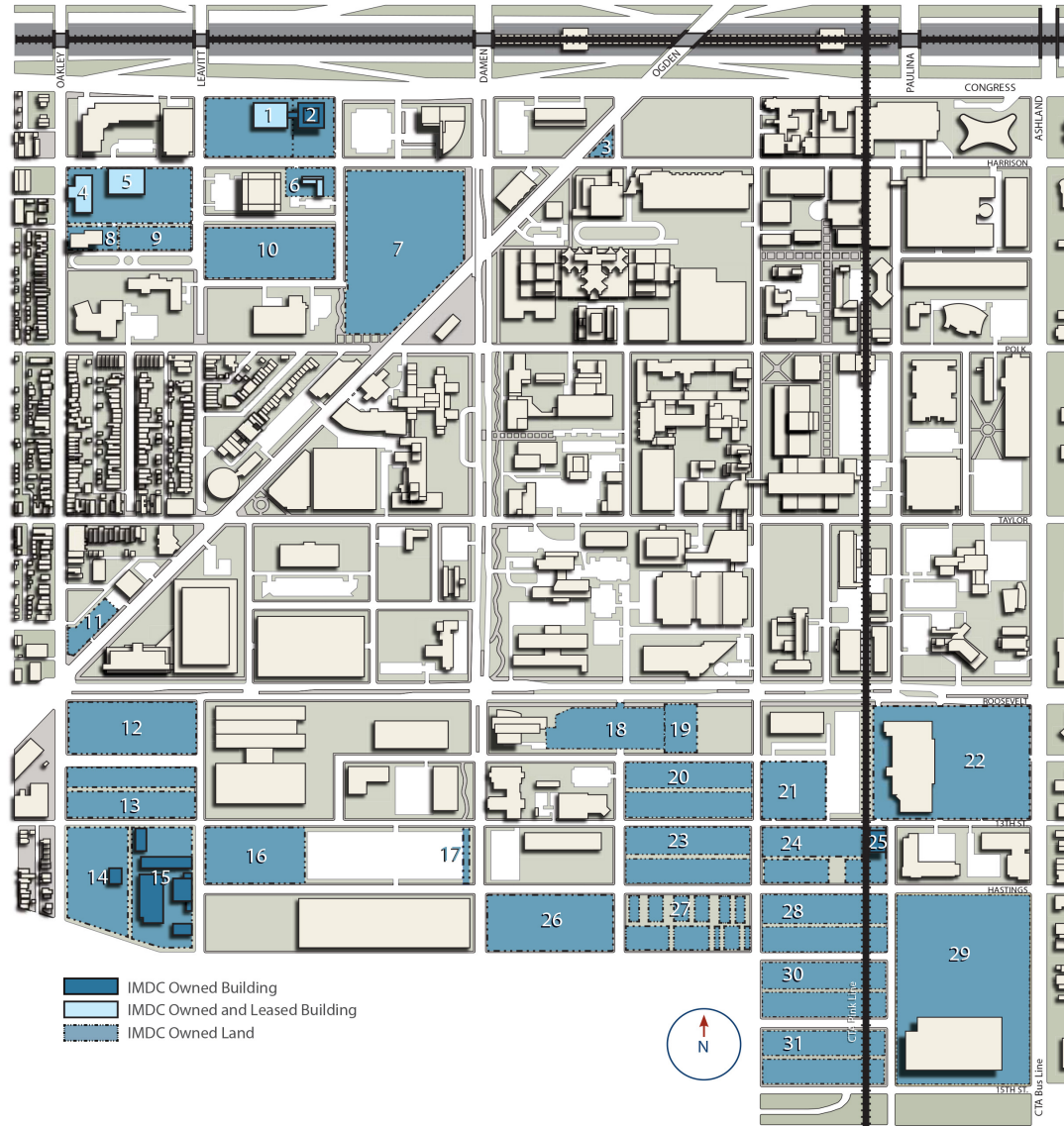
This aerial map illustrates several key development projects in Chicago's Loop, outlined by a red border. The projects are highlighted in blue boxes:

- Gateway Real Estate Development**: Located near W Harrison St and W Polk St.
- Blue Line IMD Station Renovation**: Situated near W Van Buren St and the Dwight D. Eisenhower Expressway.
- Anatomical Gift Association**: Located near S Dearborn Ave and S Halsted St.
- PMS Medikal**: Located near S Dearborn Ave and S Halsted St.
- Vitas**: Located near S Dearborn Ave and S Halsted St.
- CAN-TV**: Located near S Dearborn Ave and S Halsted St.
- Vertiport Chicago**: Located near S Dearborn Ave and S Halsted St.

A red line also indicates the path for **High-speed fiber deployment throughout District**.



ILLINOIS MEDICAL DISTRICT COMMISSION – OWNED AND LEASED LAND AND PROPERTIES

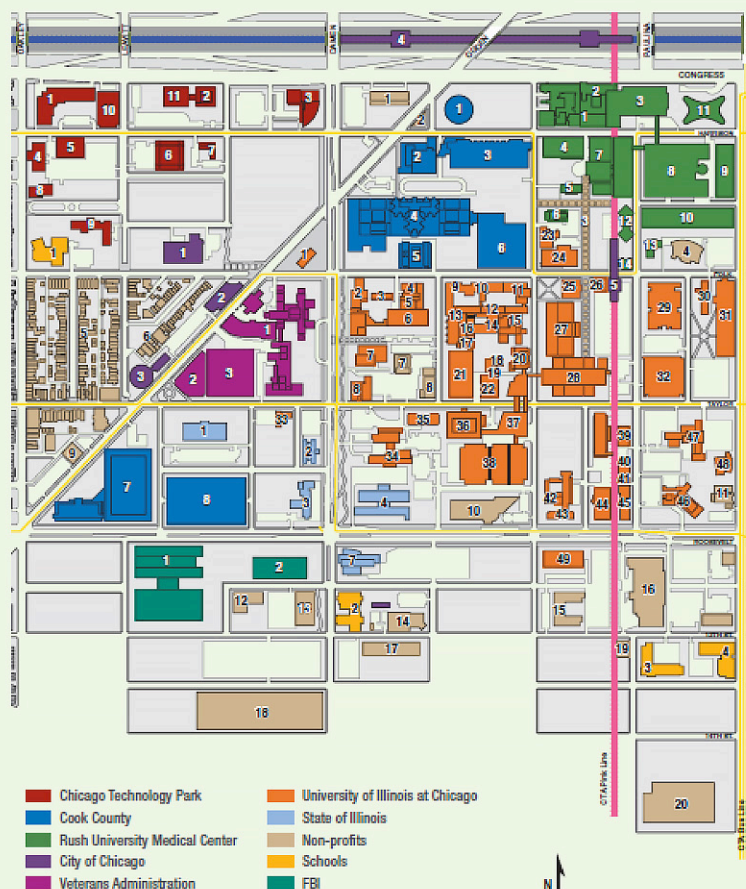


Illinois Medical District Commission

1. Rush
2. IMDC Administrative Offices
3. 1910 W. Harrison (approx. 0.20 acres)
4. Enterprise Center I (Illinois State Police Forensic Science Lab | Charles River Labs)
5. Enterprise Center II (Great Point Energy | Women's Interagency HIV Study)
6. Cook County Health and Hospitals System (CCHHS) 600 South Hoyne
7. 2020 West Ogden Avenue (approx. 9.4 acres)
8. Lab Corp (Litho-Link) - Property Only
9. 2200-2236 West Campbell Parkway Drive (approx. 1.10 acres)
10. 710 South Hoyne (approx. 3.6 acres)
11. 2260-90 W. Ogden (approx. 0.75 acres)
12. Block 101 (approx. 3 acres)
13. Block 105 (approx. 3 acres)
14. Block 111 (approx. 3 acres)
15. Block 112 (approx. 4 acres)
16. Block 113 (approx. 3 acres)
17. Block 114 (approx. 0.3 acres)
18. 1843-59 W. Roosevelt and 1842-58 W. Washburne Parking Lot
19. Block 201 (approx. 0.9 acres)
20. Block 205 (approx. 3.9 acres)
21. Barton Senior Living Center
22. Ashland Commercial Shopping Center
23. Block 209 (approx. 3.9 acres)
24. Block 210 (approx. 3.0 acres)
25. IMD Commerce Center
26. Block 212 (approx. 3.5 acres)
27. Block 213 (approx. 3 acres)
28. Block 214 (approx. 3.9 acres)
29. Block 215 Costco (approx. 16 acres)
30. Block 218 (approx. 3.9 acres)
31. Block 220 (approx. 3.9 acres)



Illinois Medical District Map



Chicago Technology Park

1. Tech 2000 Building
2. IMDC Administrative Offices
3. Ruth M. Rothstein CORE Center
4. Enterprise Center II
 - Illinois State Police Forensic Science Lab
 - Charles River Labs
5. Enterprise Center I
 - Great Point Energy
 - Women's Interagency HIV Study
6. Robert J. Stein Institute for Forensic Medicine
7. Cook County Health and Hospitals System (CCHHS)
8. Litholink, Inc.
9. Incubator Laboratory Facility
10. American Red Cross of Greater Chicago
11. Rush

Cook County

1. Heli-pad
2. Cook County Fantus Health Center
3. Old Cook County Hospital Building
4. John H. Stroger, Jr. Hospital of Cook County
5. Cook County Bureau of Health Services
6. Cook County Parking Deck
7. Cook County Juvenile Court Center
8. Cook County Parking Deck

Rush University Medical Center

1. Rush Jelke Building
2. Rush Kellogg Hospital Building
3. Rush Atrium Building
4. Rush Cohn Research Building
5. Rush Kidston Building
6. Rush Annex Building
7. Rush Professional Building
8. Rush Parking Deck
9. Rush Orthopedic Ambulatory Building
10. Rush Parking and Utilities Structure
11. Rush East Tower Hospital
12. Rush Bowman Elderly Center
13. Rush Human Resources
14. Rush Central Refrigeration Plant

City of Chicago

1. Chicago "311" Communication Center
2. City of Chicago Senior/Disability Services
3. City of Chicago Westside Disease Control
4. CTA Blue Line – Illinois Medical District
5. CTA Pink Line – Polk/Medical Center

Veterans Administration

1. Jesse Brown VA Medical Center
2. VA Benefits Administration Center
3. VA Parking Deck

University of Illinois at Chicago

1. UIC Call Center
2. UIC Single Student Residence
3. UIC Polk Street Residence Hall
4. UIC Student Residence Hall
5. UIC Auxiliary Service Refrigeration Plant
6. UIC Chicago Illini Union
7. UIC College of Nursing
8. UIC Benjamin Goldberg Research Center
9. UIC College of Medicine West Tower
10. UIC College of Medicine West Building
11. UIC College of Medicine East Tower
12. UIC Clinical Sciences North Building
13. UIC Medical Science Building
14. UIC Magnetic Resonance Imaging Center
15. UIC Clinical Services South Building
16. UIC Medical Science South Building
17. UIC Institute for Juvenile Research
18. UIC Campus Health Center
19. UIC Betatron Building
20. UIC Campus Health Center
21. UIC College of Medicine
22. UIC Biologic Resource Center
23. UIC Neuropsychiatric Center
24. UIC Library of the Health Sciences
25. UIC Administrative Building
26. UIC Satellite Union Building
27. UIC College of Pharmacy
28. UIC Medical Center Hospital
29. UIC College of Dentistry
30. UIC Marshfield Avenue Building
31. UIC Molecular Biology Research Building
32. UIC Pauline Parking Deck
33. UIC Public Health Building
34. UIC Applied Health Sciences Building
35. UIC Lions of Illinois Eye Research Institute
36. UIC Eye and Ear Infirmary
37. UIC Outpatient Care Center
38. UIC Wood Parking Deck
39. UIC Central Refrigeration Plant
40. UIC Environmental Safety Facility
41. UIC Hazardous Materials Storage Facility
42. UIC Illinois Center for Rehabilitation and Education – Wood
43. UIC Illinois State Police Protective Services Unit
44. Laundry Building
45. UIC Pauline Street Building
46. UIC Institute for Developmental Disorder
47. UIC/State Psychiatric Institute
48. UIC Center for Structural Biology Building
49. UIC West Side Research Building

State of Illinois

1. State Public Health Laboratory
2. State Regional Office (DCFS)
3. State Edwards Center (DCFS)
4. Illinois Center for Rehabilitation and Education – Roosevelt
5. Illinois State Police Forensic Science Center

Non-Profits and Businesses

1. CDA Medical Center Apartments
2. 1810 W. Harrison – IMDC
3. Park Livingston Health Walkway
4. Union Health Services Clinic
5. Tri-Taylor Residential Community
6. Chicago Hope Academy
7. Holy Trinity School for the Deaf
8. Children of Peace School
9. 2240 Ogden Professional Building – Helston
10. Chicago Lighthouse for the Blind
11. Immanuel Lutheran Church
12. Anister Village
13. Chicago Children's Advocacy Center
14. New Zion Missionary Baptist Church
15. Barton Senior Living Center
16. Ashland Commercial Shopping Center
17. Easter Seals Autism School
18. Multi-Use Professional Building
19. IMDC Commerce Center
20. Costco

Schools

1. Washington Irving Elementary School (CPS)
2. Gladstone Elementary School (CPS)
3. Simpson Alternative Girls School
4. Montefiore Alternative Boys School

FBI

1. Headquarters
2. Parking Garage



ILLINOIS MEDICAL DISTRICT™
COMMISSION

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www.imdc.org   