



**Northeastern
Illinois
University**

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OFFICE OF FINANCE AND ADMINISTRATION



February 9, 2012

Mr. Dan Long, Executive Director
Commission on Government Forecasting and Accountability
703 Stratton Office Building
Springfield, IL 62706

Dear Mr. Long:

Northeastern Illinois University requests to present to the Commission the El Centro Campus project to be financed with Certificates of Participation in accordance with Public Act 096-0015. These Certificates will be issued to finance the project in an amount not to exceed \$28.5 million and will be sold through a competitive public offering. The Northeastern Illinois University Board of Trustees approved the project financing on February 9, 2012.

The project consists of a land purchase, demolition of current buildings, and new building construction and land improvements, including parking, totaling approximately \$27 million. The land purchase is expected to be completed in March 2012 and new construction is expected to begin in May 2012. The new construction is expected to be completed by January 2013 to accommodate El Centro enrollment for the 2013 spring semester. The debt service on the project will be paid from University general operations (State General Revenue Funds and student tuition revenue). Please see the attached documentation for further detail on the University and the financing.

The El Centro Campus Project

For more than forty years, El Centro has been the University's academic center with a primary focus on serving the Latino community. The Center has traditionally served as the gateway to higher education for the community with the goal that the El Centro students would eventually complete their baccalaureate degrees on the main campus. The Center offers undergraduate and graduate courses leading to Bachelor's and Master's degrees. El Centro serves non-traditional, part-time, and returning adult students as well as traditional first year and transfer students. In fiscal year 2010, 196 courses were offered at El Centro and approximately 1,006 students were served during fall semester of that year.

The University began leasing the current El Centro site (3119 N. Pulaski Road) in 1991. Due to several factors, including the expiration of the current lease and the inability of the current facility to accommodate program needs, the University sought proposals for a new location. University staff reviewed and considered two broad options – leasing a facility or buying property and constructing a new facility. A Request for Information was advertised on the Illinois Public Higher Education Procurement Bulletin beginning on April 26, 2011 and ending on July 20, 2011. Four proposals were received, and three were determined to satisfy the RFI requirements.

After extensive and lengthy discussions with both site owners/developers and discussion and analysis by University staff, a site at 3400 N. Drake/ 3400 N. Avondale was selected as the preferred new location for El Centro. The site is readily accessible by public transportation and located near the geographical area served by the current El Centro facility. The site totals approximately 150,000 square feet and will accommodate the new facility, outdoor circulation space, and parking for more than 200 vehicles. Preliminary building plans include three stories totaling 55,000 gross square feet on a footprint of approximately 18,500 gross square feet. The site fits the University's space requirements and is located near the Kennedy Expressway, providing excellent visibility. The seller is committed to upgrade the surrounding area and the alderman has provided written support for improvements to the area.

We look forward to discussing this important project with you.

Sincerely,



Mark Wilcockson
Vice President for Finance and Administration

cc: David Jonaitis
Peggy Ho
Jeff Brown