ULI CHICAGO WEBINAR
Spotlight on the Illinois Medical District

MODERATOR:
DR. SUZET MCKINNEY
CEO & EXECUTIVE DIRECTOR
ILLINOIS MEDICAL DISTRICT

SPEAKERS:
CHRISTINE CARLYLE
PRINCIPAL & DIRECTOR
OF PLANNING
SCB

DR. BOB EISENBERG
PROFESSOR, DEPARTMENT OF
PHYSIOLOGY & BIOPHYSICS
RUSH MEDICAL COLLEGE

TYLER HOLLAND
DEVELOPMENT MANAGER
EAST LAKE MANAGEMENT & DEVELOPMENT CORP.

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MAGGIE COLEMAN
SENIOR MANAGING DIRECTOR,
HEAD OF INTERNATIONAL
CAPITAL AMERICAS
JLL

DENISE OLSEN
SENIOR MANAGING DIRECTOR &
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OVERVIEW
Illinois Medical District

DR. SUZET MCKINNEY
CEO & EXECUTIVE DIRECTOR
ILLINOIS MEDICAL DISTRICT
Introduction to the IL Medical District

- Established in 1941 via an act of the IL General Assembly
  - Unit of local government, governed by IMD Board

- Second largest urban medical district in the US

- Created to attract and retain academic centers of excellence, viable healthcare facilities, medical research facilities and emerging high technology enterprises
Introduction to the IL Medical District

- 560-acre healthcare and technology innovation district:
  - Hospitals
  - Universities (2 medical schools)
  - Medical research facilities and labs
  - Biotech business incubator
  - Government agencies
  - Raw land development acres (~30 acres)
  - Over 40 healthcare related facilities
IMD: At a Glance *(2013 Economic Impact Study)*

- **50,000** Visitors per day
- **29,870** Employees
- **$3.4 Billion** Economic impact
- **700+** Clinical trials
- **500+** NIH grants
- **30+** Emerging tech companies
IMD: NIH Research Grants
2020 NIH Funding in the IMD of $190.0 million represents 19.1% of the grants for the State of IL

<table>
<thead>
<tr>
<th>IL Rank 1</th>
<th>Organization</th>
<th>Awards</th>
<th>Funding</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>UNIVERSITY OF ILLINOIS AT CHICAGO</td>
<td>332</td>
<td>$126,085,135</td>
<td>66%</td>
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<tr>
<td>3</td>
<td>RUSH UNIVERSITY MEDICAL CENTER</td>
<td>83</td>
<td>$53,206,626</td>
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<tr>
<td>7</td>
<td>HEKTOEN INSTITUTE FOR MEDICAL RESEARCH</td>
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<td>$5,853,861</td>
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<tr>
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<td>CLARIX IMAGING CORPORATION</td>
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<tr>
<td>12</td>
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<tr>
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<td>ENZYME BY DESIGN, INC.</td>
<td>2</td>
<td>$549,998</td>
<td>0%</td>
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<tr>
<td><strong>Total 2</strong></td>
<td></td>
<td><strong>431</strong></td>
<td><strong>$190,026,981</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

1 The top ranking #1 in IL is Northwestern University with 588 awards totaling $322.3 million in funding
2 YTD as of Sept. 11, 2020
Rise of Innovation Districts

The Rise of Innovation Districts: A New Geography of Innovation in America
Bruce Katz and Julie Wagner

Introducing Innovation Districts

As the United States slowly emerges from the Great Recession, a remarkable shift is occurring in the spatial geography of innovation.

For the past 50 years, the landscape of innovation has been dominated by places like Silicon Valley—a haven for entrepreneurs from all over the world, and home to some of the most innovative companies in the world. But the landscape of innovation is changing, and the rise of innovation districts is one of the most significant changes.

Innovation districts are areas where leading edge anchor institutions and companies cluster and connect with start-ups, business incubators, and accelerators. They are also physically compact, transit accessible, and technologically wired, offering mixed use housing, office, and retail.

Innovation districts are the manifestation of megatrends altering the location preferences of people and firms and, in the process, reconnecting the very link between economy shaping, place making and social networking.

In recent years, a rising number of innovative firms and talented workers are choosing to cooperate and collaborate in compact, amenity rich environments in the midst of industry clusters. Rather than building on greenfield sites, companies in knowledge intensive sectors are bunching into facilities closer to other firms, research labs, and universities so that they can share ideas and practice "open innovation."

Instead of reinventing their own research and development operations, an army of entrepreneurs is leveraging partnerships in collaborative spaces, where they can engage with other entrepreneurs and have ready access to everything from legal advice to specialized R&D equipment. Rather than subleasing to large corporations, and daily commuters, a growing share of metropolitan reactors are choosing to work and live in places that are walkable, bikeable, and connected to transit and technology.

Led by an eclectic group of institutions and leaders, innovation districts are emerging in dozens of cities and metropolitan areas in the United States and abroad and already reflect distinctive topographies and levels of formal planning. Global cities like Tokyo, Los Angeles, Mumbai, and Seoul; Stockholm and Toronto contain examples of existing districts. In the United States, districts are emerging near anchor institutions in the drivelines and mid-stations of cities like Austin, Baltimore, Dallas, Denver, Cleveland, Detroit, Houston, Philadelphia, Pittsburgh, St. Louis, and San Diego.

They are developing in Boston, Brooklyn, Chicago, Portland, Providence, San Francisco and Seattle within walkable areas that offer vibrant retail districts, restaurants, cultural institutions, and entertainment venues. Innovation districts are redefining the transformation of traditional education, science parks like Research Triangle Park in Chapel Hill, which are scrambling to meet demand for more collaborative, shared work and living environments.

Innovation districts represent a radical departure from traditional economic development. Unlike previous urban revitalization efforts, that have emphasized the commercial aspects of development (e.g., housing, retail, sports stadiums), innovation districts help their city and metropolitan area move up the value chain of global competitiveness by growing the firms, firms, and traded sectors that drive

“Geographic areas where leading edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators.

They are physically compact, transit accessible and technically wired, offering mixed use housing, office and retail.”
U.S. INNOVATION DISTRICTS
Strategic Vision

- The IMD’s current strategic vision includes a plan to attract new healthcare, technology and other scientific business to the area, but also implementing the resources and amenities needed to keep them rooted in Chicago
  - Private sector investment and business
  - Economic growth
  - Job creation

- To be an economic engine for Chicago/Illinois and a global destination for innovation and medical services
  - Convenient access to the center of Chicago’s economy
  - Intellectual capital of the partner organizations, medical research and more
What Does the IMD Do?

- Enables innovation in research and practice
- Brings together synergistic organizations to work toward common goals
- Focuses on impact on the surrounding community—jobs, increased security, better transportation / infrastructure, increased tax base
Challenges & Needs

- **Anonymity**
  - Raising the brand is critical to success
  - We need *everyone* to talk up the IMD as a great place for healthcare and technology companies to locate

- **Engagement of strategic partners**
  - Drive new (private sector) businesses to the IMD
  - Leverage development drivers (QOZ, zoning authority, etc.)

- **Raising capital**
  - Development projects
  - Competitive positioning
  - Financial flexibility
National Economic Impact

A Big and Growing Industry

- 86,000 businesses employing more than 1.73 million people nationwide
- From 2001-2016, life science employment rose by 19%, about double the growth in overall employment
- New business formation in life sciences has also been strong, up 40% 2001-2016, compared to 19% overall

An Engine for Job Creation and Economic Development

- $1 of life science research increases business activity by $2.43
- $1 in life science industry output generates an additional $1.27 in output throughout the rest of the economy
- For every life science job, an additional 3.57 jobs are supported throughout the rest of the national economy
- 40% of life science jobs employ workers with high school or GED-level qualifications (according to Wexford)
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Illinois Medical District Master Plan

CHRISTINE CARLYLE
Principal & Director of Planning
SCB
VISION FRAMEWORK

ENCOURAGE URBAN STYLE DEVELOPMENT APPROPRIATE FOR THE CONTEXT WITH A MORE DIVERSE MIX OF USES

SUPPORT TRANSIT USE & WALKABILITY WHILE REDUCING DEMAND FOR PARKING & TRAFFIC

PROVIDE HIGH QUALITY EMPLOYEE AMENITIES; RETAIL, SERVICES, & SOCIAL PLACES

ELEVATE THE BRAND OF THE IMD BY CREATING A SENSE OF PLACE & IDENTITY

PROVIDE OPPORTUNITIES FOR SHARING OF RESOURCES & COLLABORATION

BECOME A MODEL FOR SUSTAINABLE URBANISM & HEALTHCARE PROVIDENCE
IMD planning process brought the 4 stakeholder medical centers to work together on:
- Collaborative Research
- Transportation and parking
- Amenities
- Open space / public realm
- Housing / mixed use development
- Biomedical/ AI new development
Future Land Use Plan

- Diversify mix of uses
- Decrease percentage of parking
- Increase institutional uses
- Increase retail
- Increase public parks / open space
Zoning Recommendations

- Lot Coverage – reduction of requirements
- Setbacks – reduction of setback dimensions and introduction of build-to lines
- Density / FAR transfers between sub-areas
- Parking Requirements
- PD 30 coordination with IMD Master Plan
- Allowable uses / greater land use mix
TRANSPORTATION ACCESS - ISSUES

Connectivity / Distance

Vacant Parcels

Pedestrian Safety

Uses adjacent to transit stations
Parking Recommendations

- Growth with less parking
- District strategic infill of parking lots
- Encourage transit use
- Provide parking shuttle to remote lots
Strengthen the Public Realm

- Growth with less parking
- District strategic infill of parking lots
- Encourage transit use
- Provide parking shuttle to remote lots
Catalyst for Redevelopment

Synergies of 4 major medical institutions:
- Chicago Tech Park
- Rush Master Plan and Expansion
- New CCHHS outpatient center
- Renovation of the old Cook County Hospital building
  - 210 room hotel(s)
  - Office space CCHHS
  - Ancillary retail stores and restaurants
  - Parking
  - Open Space
- 2020 W. Ogden under development
Current Development

Renovation of Cook County Hospital

IMD Blue Line Station
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Public Health & the Prognosis

DR. BOB EISENBERG
PROFESSOR, DEPARTMENT OF PHYSIOLOGY & BIOPHYSICS
RUSH MEDICAL COLLEGE
The Gateway at the Illinois Medical District

TYLER HOLLAND
DEVELOPMENT MANAGER
EAST LAKE MANAGEMENT & DEVELOPMENT CORP.
The Gateway
The Gateway: Retail & Plaza

- Starbucks
- AT&T
- EYE Q
- Panda Express
- Jimmy John's
- Chipotle
- Scrub Depot
- Corporate Burger Tenant (At Lease)
The Gateway: Apartments
2050 W. Ogden

- 161 units comprised of studios, one-bedrooms, and two-bedrooms
- 10,000 S.F. of ground floor retail ideal for food operators and service providers
- Building amenities include rooftop lounge and pool, media lounges, fitness center, tenant lounge & game area, outdoor terrace, business center, bike & tenant storage, on-site package delivery, and on-site leasing and management office.
The Gateway: Gateway Hilton Hampton Inn & Suites
710 S. Seeley

- 135-key Hilton Hampton Inn & Suites
- 1st floor lobby entrance, event/meeting space & dining experience.
- Property Management by First Hospitality Group
- Access to Hilton honors program
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