

# CHICAGO DOWNTOWN PUBLIC PARKING SYSTEM

AMERICA'S LARGEST UNDERGROUND PARKING SYSTEM (CAR PARK)  
LOCATED UNDER GRANT AND MILLENNIUM PARKS  
IN DOWNTOWN CHICAGO

LONG-TERM CONCESSION AND LEASE

REQUEST FOR QUALIFICATIONS



CITY OF CHICAGO



CHICAGO PARK DISTRICT



MAY 12, 2006




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## TABLE OF CONTENTS

I.	Overview of RFQ and Concession and Lease Process .....	1
II.	Parking System Description .....	4
III.	Investment Highlights .....	12
IV.	Bidder Qualification Requirements and Evaluation Criteria .....	15
V.	RFQ Submission Requirements and Procedure .....	16

## LIST OF TABLES

Table 1	Current Parking Rates .....	9
Table 2	Historical Parking System Revenues and Net Operating Income .....	10

## LIST OF ILLUSTRATIONS

Illustration 1	Aerial Photo of Parking System Location .....	6
Illustration 2	Map Showing Location of Parking System in Downtown Chicago .....	7
Illustration 3	Area Detail Map Showing Location of Parking System in Downtown Chicago .....	8
Illustration 4	Ready Highway Access Map .....	14

## APPENDIX

Appendix A	Highlights of Chicago’s Acclaimed Millennium Park
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## I. OVERVIEW OF RFQ AND CONCESSION AND LEASE PROCESS

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### INTRODUCTION

The City of Chicago (the “City”) and the Chicago Park District (the “Park District”) have engaged William Blair & Company, L.L.C. (the “Advisor”), as financial advisor, and Samuel A. Ramirez & Co., Inc. and Siebert Brandford Shank & Co., LLC as co-financial advisors, to assist in evaluating the sale of a long-term concession and lease (the “Concession and Lease”) of the Chicago Downtown Public Parking System, consisting of the following four underground parking garages (car parks) located in downtown Chicago:

- Grant Park North Garage
- Grant Park South Garage
- East Monroe Street Garage
- Millennium Park Garage

(collectively referred to as the “Parking System”). The primary objective of the City and the Park District is to maximize the amount of the prepaid rent paid under the Concession and Lease, while maintaining the customer service levels and high safety and security standards of the existing Parking System.

### THE PARKING SYSTEM

The Parking System has a total of 9,176 spaces and is located in downtown Chicago, adjacent to Michigan Avenue and Chicago’s acclaimed Millennium Park. The Parking System is the largest downtown underground public parking system in the United States and is believed to be the largest underground parking system in the world. See Section II – Parking System Description.

### THE CITY AND THE PARK DISTRICT

*City of Chicago.* The City was incorporated in 1837 and is America’s third largest city in terms of population and the center of a metropolitan area with a population of over nine million. As a home rule unit of local government under the Illinois Constitution of 1970, the City “may exercise any power and perform any function pertaining to its government and affairs.” The City has a mayor-council form of government. The Mayor is the Chief Executive Officer of the City and is elected to a four-year term. The City Council is the legislative body and consists of 50 members, each elected to represent one of the City’s 50 wards.

*Chicago Park District.* The Park District was established in 1934 and is an independent government and taxing body that is coterminous with the City. The Park District operates one of the largest municipal park systems in the world. The Park District is governed by a



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Board of Commissioners, all of whom are appointed by the Mayor of the City, with the approval of the City Council of the City.

## OVERVIEW OF REQUEST FOR QUALIFICATIONS (“RFQ”)

This RFQ provides an opportunity for prospective Bidders to formally express their interest in bidding on the Concession and Lease of the Parking System. Sections II and III of this RFQ provide an introductory description of the Parking System and include investment highlights of the Concession and Lease. Section IV summarizes the required Bidder qualifications. Section V lists the RFQ submission requirements and procedures.

**Those interested in bidding on the Concession and Lease should respond to this RFQ no later than 4:00 p.m. Chicago time on Monday, June 19, 2006.** The City and the Park District may determine in their discretion whether to accept any responses that are not received by the date and time set forth in this paragraph. Based on the responses to the RFQ, the City and the Park District will determine those Bidders that are qualified to bid on the Concession and Lease. There are no restrictions as to the number of Bidders that may qualify.

For the purposes of this RFQ, the following definitions will apply:

- “Team” or “Bidder” means an individual, a company, or a consortium of individuals and/or companies formed to undertake the transaction.
- “Team Member” means a member of a Team.

## OVERVIEW OF BIDDING AND CONCESSION AND LEASE PROCESS

After the review of RFQ responses by the City and the Park District, Bidders that are deemed qualified by the City and the Park District will sign a Confidentiality Agreement and receive a Confidential Information Memorandum providing additional information concerning the Parking System and the bidding process. Qualified Bidders may also be asked to submit preliminary, non-binding proposals for evaluation. Qualified Bidders will have the opportunity to conduct due diligence of the Parking System through (i) access to an on-line data room; (ii) Parking System tours and additional inspections by Bidder representatives; (iii) management presentations; and (iv) review and discussion of the proposed Parking System Concession and Lease Agreement (the “Concession Agreement”). Following this due diligence process, final and binding proposals will be submitted in accordance with procedures to be provided to the Qualified Bidders. Qualified Bidders will be required to submit an Economic Disclosure Statement and Affidavit (“EDS”) and comply with certain other requirements before submitting final bids. A copy of the City’s EDS is posted on the website for the City’s Department of Procurement Services at [www.cityofchicago.org](http://www.cityofchicago.org). (Please click “Local Government → City Departments → Procurement Services → Doing Business with the City → Forms and Standard Agreements → Economic Disclosure Statement (EDS)”).

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If the final and binding proposals received at the conclusion of the solicitation process meet the objectives of the City and the Park District, the City and the Park District will enter into an agreement under which the Park District will transfer to the City sufficient rights for the City to lease the Grant Park North, Grant Park South and East Monroe Street Garages, and the City will enter into the Concession Agreement with the successful Bidder (the “Private Operator”) relating to the entire Parking System. The City and the Park District reserve the right to modify or terminate this solicitation at any stage if the City and the Park District collectively determine this action to be in their best interests. The receipt of proposals or other documents at any stage of either the RFQ or the bidding process will in no way obligate the City or the Park District to enter into any contract of any kind with any party. Approval by the Chicago City Council and the Board of Commissioners of the Park District will be required before the Concession and Lease is completed.

The Concession Agreement will be a long-term agreement granting the Private Operator the exclusive right to operate the Parking System and to collect parking, advertising and retail concession revenue from the Parking System during the term of the Concession Agreement, anticipated to be at least 50 years. Upon entering into the Concession Agreement, the Private Operator will be obligated to prepay all of the rent due under the Concession Agreement. The primary objective of the City and the Park District is to maximize the amount of prepaid rent payable under the Concession Agreement, while maintaining high levels of customer service, safety and security. The Concession Agreement will include standards related to required capital improvements and the operation and maintenance of the Parking System which the Private Operator will be required to satisfy. The Concession Agreement will require the Private Operator to comply with the City’s minority- and female-owned business (MBE/WBE) requirements in its contracting activities and with other applicable laws and regulations during the term of the Concession Agreement. Upon entering into the Concession Agreement, the City and the Park District will use a portion of the prepaid rent from the Concession and Lease to defease or extinguish all outstanding debt relating to the Parking System.





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## II. PARKING SYSTEM DESCRIPTION

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### OVERVIEW OF PARKING SYSTEM

The Parking System is the largest downtown underground public parking system in the United States and is believed to be the largest underground parking system in the world. The Parking System has a total of 9,176 spaces and consists of the following four underground garages (car parks):

*The Grant Park North Garage* (“GPNG”), located at 25 North Michigan Avenue in Chicago, is a three-level facility that includes two underground garage levels providing parking for 1,850 cars with about 830,000 square feet of garage space. The top level of the garage supports portions of Grant Park and Michigan Avenue. GPNG was originally constructed in 1953 with a cast-in-place concrete structural system. In 1999, the existing garage was demolished to the foundation level, a new foundation was constructed over the old foundation and the garage was rebuilt to provide two levels of parking and a top level that supports portions of Michigan Avenue and the new Millennium Park. The reconstructed garage reopened in November 2000.

*The Grant Park South Garage* (“GPSG”), located at 325 South Michigan Avenue in Chicago, is a four-level facility with three underground parking levels: lower level (structural foundation slab), middle level and upper level. The top level of the garage (fourth level) supports portions of Grant Park, Michigan Avenue and Jackson Boulevard. GPSG was originally constructed in 1963 and includes approximately 520,800 square feet and about 1,350 parking spaces. In 2000, the garage was closed for rehabilitation and reconstruction. The reconstruction included full depth slab replacement for the garage floor slabs, Michigan Ave. and Jackson Blvd. slabs. The garage was reopened in September 2002.

*The East Monroe Street Garage* (“EMSG”), located at 350 East Monroe Street in Chicago, is a three-level facility with two underground parking levels for 3,850 cars. The facility includes about 1,470,000 square feet of garage space. EMSG was constructed in 1974 using a cast-in-place concrete structural system similar to the GPNG and GPSG. The top level of the facility supports portions of Grant Park. EMSG shares a common vehicular entrance on Columbus Drive with the Millennium Park Garage.

*The Millennium Park Garage* (“MPG”), located on Columbus Drive in Chicago, is a seven-level facility with six underground parking levels for 2,126 cars. MPG includes about 1,000,000 square feet of garage space. MPG partially opened in February 2001 and fully commenced operations in 2002. The top level of the facility supports Millennium Park. MPG shares a common vehicular entrance on Columbus Drive with EMSG.

The Parking System is currently managed by Standard Parking Corporation (“Standard Parking”) pursuant to separate agreements with the City and the Park District. Standard Parking’s agreement with the Park District relating to GPNG, GPSG and EMSG expires July 31, 2006, and is terminable by the Park District at any time before that date. Standard



Parking’s agreement with the City relating to MPG expires November 9, 2006, and is terminable by the City at any time before that date. The agreements with Standard Parking will terminate upon the closing of the Concession and Lease.

The Parking System features automated pay stations and key card access for monthly parkers.

The table below compares the size of the Parking System to other American downtown underground parking facilities:

LOCATION	FACILITY	PARKING SPACES
Chicago, IL	Chicago Downtown Public Parking System	9,176
Houston, TX	Theater District Parking Garage	3,369
Atlanta, GA	Georgia World Congress Center’s International Plaza Garage	2,000
Boston, MA	Post Office Square Garage	1,400
Boston, MA	Boston Common Garage	1,300
Nashville, TN	Courthouse Public Square Garage	1,200
Phoenix, AZ	Patriots Square Park Garage	1,200
San Francisco, CA	Union Square Garage	985
San Francisco, CA	Civic Center Garage	850
Philadelphia, PA	Independence Mall Parking Garage	615



ILLUSTRATION 1 – AERIAL PHOTOGRAPH OF PARKING SYSTEM LOCATION







ILLUSTRATION 2  
MAP SHOWING LOCATION OF PARKING SYSTEM IN DOWNTOWN CHICAGO

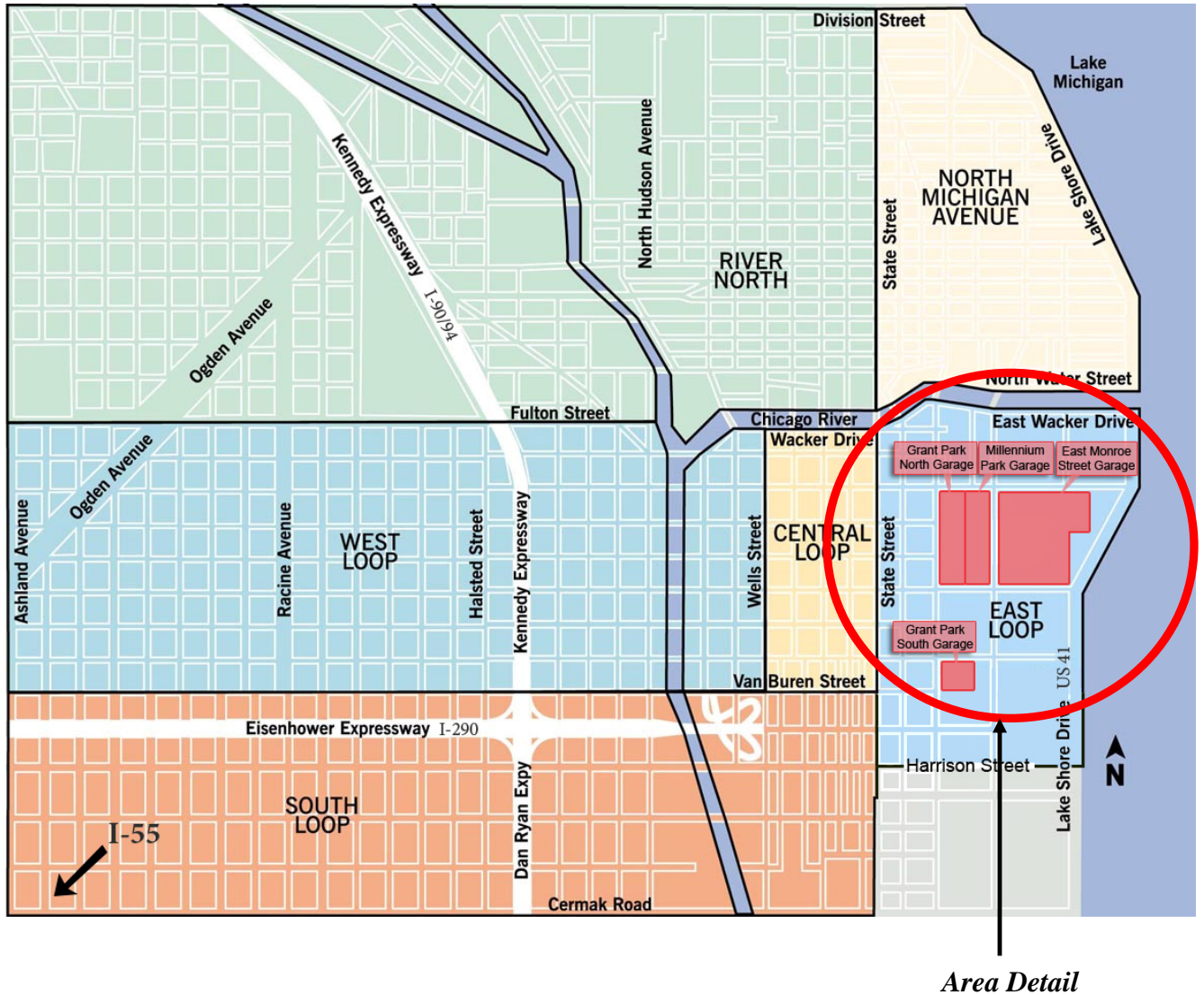




ILLUSTRATION 3  
AREA DETAIL MAP SHOWING LOCATION OF PARKING SYSTEM IN DOWNTOWN CHICAGO



Note: Grant Park South Garage is not shown on this map.



## HISTORICAL REVENUE AND NET OPERATING INCOME

Table 1 summarizes the current rates for the Parking System. Effective January 1, 2006, the Park District raised the parking rates for each of GPNG and GPSG by \$1.00, the first rate increase for these facilities since April 2005, when the Park District raised parking rates by \$0.25 to reflect an increase in the City’s parking tax.

The City and Cook County each impose a parking tax that is reflected in the rates shown below. These taxes are imposed on a sliding scale for daily, weekly and monthly parking charges. For daily parking charges of \$12.00 or more, the City imposes a tax of \$2.25 and Cook County imposes a tax of \$1.00. Bidders should assume that the City and the County will continue to impose parking taxes during the term of the Concession and Lease.

**TABLE 1**  
**CURRENT PARKING RATES**

<u>GARAGE</u>	<u>SPACES</u>	<u>RATES</u>				
		<u>1 HOUR</u>	<u>2 HOUR</u>	<u>2-10 HOURS</u>	<u>10-24 HOURS</u>	<u>MONTHLY</u>
GPNG	1,850	\$12.00	\$16.00	\$18.00	\$22.00	\$355.00
GPSG	1,300	11.00	14.00	17.00	20.00	240.00
EMSG	3,850	13.00	13.00	16.00	16.00	215.00
MPG	2,126	13.00	13.00	16.00	16.00	215.00

According to independent research prepared for the City and the Park District, the median maximum daily parking rate in Chicago’s Central Business District is \$25.46, and the median unrestricted monthly lease rate is \$267.43.

Table 2 on the following page summarizes historical revenue, expense and net operating income (“NOI”) information for the Parking System, and excludes the amount of parking taxes remitted to the City and Cook County. As shown in Table 2, parking revenue for the Parking System increased from \$11.1 million in 1994 to over \$24.8 million in 2005, a compounded annual growth rate of 7.60%.



**TABLE 2**  
**HISTORICAL PARKING SYSTEM REVENUES**

<b>Grant Park North</b>				<b>Grant Park South</b>			
	Rev	Exp	NOI		Rev	Exp	NOI
1994	\$4,227,636	\$1,757,994	\$2,469,642	1994	\$3,527,331	\$1,118,703	\$2,408,628
1995	5,744,988	1,857,628	3,887,360	1995	3,444,427	1,224,012	2,220,415
1996	6,016,153	1,786,997	4,229,156	1996	4,026,942	1,305,883	2,721,059
1997	5,557,350	1,845,674	3,711,676	1997	3,833,651	1,280,457	2,553,194
1998	6,680,610	1,835,512	4,845,098	1998	4,599,839	1,326,873	3,272,966
1999 (1)	3,335,193	1,000,348	2,334,845	1999	5,508,430	1,534,769	3,973,661
2000 (1)	320,578	408,998	(88,420)	2000	5,911,903	1,468,148	4,443,755
2001	7,210,917	2,075,425	5,135,492	2001 (2)	998,459	955,479	42,980
2002	8,529,432	2,189,846	6,339,586	2002 (2)	1,027,177	59,897	967,280
2003	8,192,927	2,114,479	6,078,448	2003	3,796,702	1,541,492	2,255,210
2004	9,459,738	2,177,999	7,281,739	2004	4,363,694	1,658,561	2,705,133
2005 (3)	9,580,039	2,048,539	7,531,500	2005 (3)	4,421,450	1,664,954	2,756,496

<b>East Monroe</b>				<b>Millennium Park</b>			
	Rev	Exp	NOI		Rev	Exp	NOI
1994	\$3,356,825	\$1,331,570	\$2,025,255	1994			
1995	4,310,269	1,413,269	2,897,000	1995			
1996	4,744,389	1,511,093	3,233,296	1996			
1997	6,450,216	1,735,292	4,714,924	1997			
1998	7,088,551	2,262,320	4,826,231	1998			
1999	7,703,174	2,771,029	4,932,145	1999			
2000	8,166,635	2,755,331	5,411,304	2000			
2001	6,212,746	2,475,805	3,736,941	2001 (4)	\$2,060,166	\$693,513	\$1,366,653
2002	4,372,068	1,928,476	2,443,592	2002	5,943,932	1,458,598	4,485,334
2003	4,131,552	1,928,162	2,203,390	2003	6,623,552	1,705,149	4,918,403
2004	4,566,968	1,938,088	2,628,880	2004	7,489,674	1,998,224	5,491,450
2005 (3)	3,993,819	1,939,753	2,054,066	2005 (3)	6,852,583	1,945,247	4,907,336

Notes:

- (1) GPNG was closed from July 1999 to November 2000 for reconstruction.
- (2) GPSG was closed from March 2001 to September 2002 for reconstruction.
- (3) Unaudited
- (4) MPG partially opened in February, 2001 and fully commenced operations in 2002.

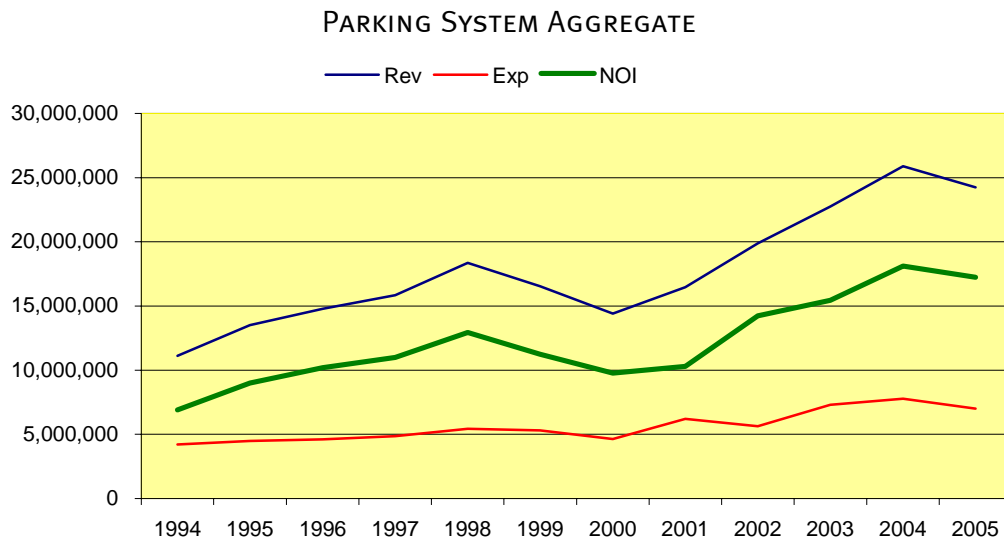




## PARKING SYSTEM AGGREGATE

	Revenue	Expenses	NOI
1994	\$11,111,792	\$4,208,267	\$6,903,525
1995	13,499,684	4,494,909	9,004,775
1996	14,787,484	4,603,973	10,183,511
1997	15,841,217	4,861,423	10,979,794
1998	18,369,000	5,424,705	12,944,295
1999 (1)	16,546,797	5,306,146	11,240,651
2000 (1)	14,399,116	4,632,477	9,766,639
2001 (1)	16,482,288	6,200,222	10,282,066
2002 (1)	19,872,609	5,636,817	14,235,792
2003	22,744,733	7,289,282	15,455,451
2004	25,880,074	7,772,872	18,107,202
2005	24,847,891	7,598,493	17,249,398

(1) GPNG was closed from July 1999 to November 2000 for reconstruction. GPSG was closed from March 2001 to September 2002 for reconstruction.



(1) GPNG was closed from July 1999 to November 2000 for reconstruction. GPSG was closed from March 2001 to September 2002 for reconstruction.



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### III. INVESTMENT HIGHLIGHTS

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The City and the Park District believe that the Parking System would become the first major publicly owned parking system in the United States to be privatized through a Concession and Lease. While the Parking System is a significant source of stable cash flows to the City and the Park District, the City and the Park District believe that a Concession and Lease will maximize the financial return from the Parking System because a Private Operator may be able to derive substantially more economic value from the asset while providing excellent service for Parking System users. Highlights of the Parking System include:

1. ***Strong Parking Revenue Growth Rates.*** Gross parking revenue collected from the Parking System in 2005 amounted to approximately \$24.8 million. From 1994-2005, the parking revenue compounded annual growth rate for the Parking System was 7.60%.
2. ***Parking Rates.*** It is expected that the Concession Agreement will not limit the Private Operator's ability to establish parking rates. Based upon information supplied by an independent consultant, many of the parking rates charged by the Parking System are below the current medians for Chicago's central business district.
3. ***Potential Advertising and Concession Revenues.*** The Parking System does not currently feature any advertising displays within its facilities and contains no significant retail concessions. The Private Operator will be permitted to sell advertising rights for the interior of the Parking System and to develop and operate retail concessions within the Parking System.
4. ***Limited Market Risk/Barriers to Entry.*** Chicago's current zoning ordinance generally limits the development of new parking facilities in Chicago's downtown area. Moreover, there are a very limited number of sites that might be suitable for the development of new parking facilities in the areas adjacent to the Parking System.
5. ***Location.*** The Parking System is located in downtown Chicago, near Lake Michigan and the Chicago lakefront and is believed to be the largest underground parking system in the world. The area served by the Parking System includes a diverse array of office buildings, retail activity, educational institutions, residential development and cultural, entertainment and recreational attractions and amenities. The Parking System is located below Chicago's Grant Park and acclaimed Millennium Park (see [www.millenniumpark.org](http://www.millenniumpark.org)).





Designed as a year-round destination, Millennium Park offers a wide array of activities for visitors and contains the Jay Pritzker Pavilion outdoor concert venue and the Harris Theater for Music and Dance. A summary of the highlights of Millennium Park is included as Appendix A.

The Art Institute of Chicago is located in Grant Park, immediately south of GPNG, MPG and EMSG and immediately north of GPSG. Located directly north of the Millennium Park Garage and the EMSG is the 28-acre Lakeshore East development (see [www.lakeshoreeast.com](http://www.lakeshoreeast.com)), a \$2.5-billion mixed-use development.



*Lake Shore East Development*

Other nearby cultural, educational and entertainment attractions include the Chicago Symphony Center, the Chicago Cultural Center, various theaters, Roosevelt University, Columbia College and the downtown campuses of DePaul University, the School of the Art Institute, Robert Morris College, National-Louis University and the City Colleges of Chicago. The Park District's Monroe Street and DuSable Harbors, with approximately 1,400 recreational boat moorings and docks, are located immediately east of the Parking System.

6. ***Long Operating History.*** The GPNG (constructed in 1953), the GPSG (constructed in 1963) and the EMSG (constructed in 1974) each have long and successful operating histories. The MPG opened in 2001. The Parking System is well-known to motorists. Further, the extensive operating history allows substantial revenue and NOI data from which to model projections and sensitivity analyses.
7. ***Limited Future Capital Expenditures.*** The GPNG and GPSG were entirely reconstructed between 1999 and 2002. The MPG was constructed between 1998 and 2004. Only EMSG requires significant structural repairs and improvements.
8. ***Strong Economic Environment.*** Chicago is the third largest city in the United States after New York City and Los Angeles, with the population in the entire Chicago region totaling almost nine million. The area's economy encompasses a wide range of industries, including manufacturing, financial services, healthcare, technology, and consumer products. Chicago's population and employment levels have grown substantially over the last five decades and are projected to continue to grow over the next several years. Chicago's downtown and surrounding areas have enjoyed strong commercial and residential growth in recent years and the City and the Park District have made substantial investments in public infrastructure in these areas.



9. **Ready Highway Access:** The Parking System is served by Lake Shore Drive, a major controlled access, eight-lane north-south highway along Chicago's lakefront, which also connects with the expressway/interstate system serving downtown Chicago, including the Dan Ryan, Kennedy, Eisenhower and Stevenson Expressways. Expressway access also is available through Lower Wacker Drive and other arterial streets.

ILLUSTRATION 4 – READY HIGHWAY ACCESS MAP







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#### IV. BIDDER QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA

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This RFQ is open to prospective Bidders capable of meeting the requirements highlighted in this section and detailed further in Section V. Upon receipt, the City and the Park District will assess each Bidder's qualifications in the areas of (i) technical capability and (ii) financial capability. There will be no restriction as to the number of Bidders that may qualify to bid on the Concession and Lease. The City and the Park District may allow changes in the composition of a Bidder (e.g., joint venture, partnership, etc.) and may request clarification or amplification of any response to the RFQ at any time.

##### TECHNICAL CAPABILITY

The evaluation of technical capabilities will address whether the RFQ submission adequately responds to the technical capability requirements of the Concession and Lease with respect to the following areas of expertise:

- Operation and maintenance;
- Customer service;
- Undertake required capital improvements; and
- Safety and security.

##### FINANCIAL CAPABILITY

The evaluation of financial capabilities will address whether the RFQ submission adequately responds to the financial capability requirements of the Concession and Lease with respect to the following areas:

- Financial capability to pay the prepaid rent due under the Concession Agreement and maintain and upgrade the Parking System; and
- Ability to raise financing without any contingencies.



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## V. RFQ SUBMISSION REQUIREMENTS AND PROCEDURE

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### RFQ SUBMISSION REQUIREMENTS

Prospective Bidders that anticipate responding to this RFQ shall indicate their intention as soon as possible by providing contact information via e-mail to the representative of the Advisor listed below. RFQ submissions should comply with the format provided under “Format and Required Information for RFQ Submission” below. Additional information not specifically related to the Concession and Lease or this RFQ should not be included. ***All questions or requests for information regarding this RFQ should be directed only to the representative of the Advisor as listed below. Please DO NOT contact any officials or related parties at the City or the Park District.***

Mr. Thomas E. Lanctot  
Principal  
William Blair & Company, L.L.C.  
222 W. Adams St.  
Chicago, Illinois 60606  
(312) 364-8120; FAX: (312) 236-0174  
e-mail: [tlanctot@williamblair.com](mailto:tlanctot@williamblair.com)

### NO LIABILITY FOR COSTS

The City, the Park District and their advisors are not responsible for costs or damages incurred by Bidders, Teams, Team Members, subcontractors, or other interested parties in connection with the solicitation process, including but not limited to costs associated with preparing responses, qualifications, and proposals and of participating in any conferences, oral presentations, or negotiations.

### FORMAT AND REQUIRED INFORMATION FOR RFQ SUBMISSION

All RFQ submissions should follow the format outlined below:

- A. Cover Page (to include identification of all Team Members)
- B. Cover Letter (2 pages maximum)
- C. Table of Contents
- D. Executive Summary (Optional)
- E. Team Information
  1. Description of Bidder: Provide a description of the Team, including a description of all Team Members and the anticipated legal relationship (governance and capital structure) among the Team Members (e.g., partners,



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shareholders, client-consultants, subcontractors, etc.) as appropriate. All equity investors should be identified.

2. Roles of Team Members and Key Personnel: Briefly outline the roles of the Team Members and key personnel. In doing so, please ensure that all the requirements as detailed in Section IV are addressed.
3. Operator. Specifically identify the entity or entities that will act as operator of the Parking System under the proposed Concession and Lease.
4. Contact Person: Provide a single contact person for all future communication between the Advisor and the Team. Please identify the contact person's name, title, organization, address, telephone number, fax number, and email address.
5. Controlling Interest: Identify the individuals or companies who hold a major or controlling interest in each Team Member.
6. Expected Advisors: Identify the companies and individuals who are expected to act as legal, financial, or other advisors for the Team.
7. Comparable Projects: Provide a list of comparable projects in which Team Members have participated. Bidders should specify how these comparable projects relate to the proposed Concession and Lease.
8. References. Provide a list of Team Member References. These references should be able to describe the relevant qualifications and capabilities of Team Members seeking to take a leading role in the operation and maintenance of the Parking System.

#### F. Technical Capability

Teams should address the following areas with respect to technical capability:

1. Operations and Maintenance Expertise: Teams must provide evidence demonstrating their ability to operate and maintain a Parking System of this nature and scope. Specifically, the Team should have:
  - a. substantial urban parking facility maintenance and operation experience;
  - b. advanced knowledge of parking facilities maintenance, repair, construction, and practical application of equipment and materials in parking facility operations;
  - c. demonstrated understanding in parking facility aging behavior to assess and determine the applicability of remedial maintenance action;
  - d. all the capabilities necessary to successfully operate and maintain the Parking System including routine maintenance, operations



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management, parking fee management and operations, administration, marketing and public relations, and parking operations.

2. Customer Service: Teams must demonstrate their commitment to achieving the highest standards of customer service and satisfaction. Specifically, the Team must highlight its experience and qualifications providing excellent customer service to the public. Teams may at their option include additional information concerning their experience in maintaining productive ongoing relationships with government entities, similar to the relationship that the winning Private Operator will have with the City and the Park District.
3. Safety and Security: Teams must demonstrate their ability to address and resolve safety and security issues. Specifically, the Team should have:
  - a. knowledge of parking and public safety and security techniques and methodologies;
  - b. experience in emergency response support; and
  - c. expertise in relevant parking engineering standards, specifications, policies, practices, and processes.
4. Capital Improvements: Teams must demonstrate their ability to efficiently undertake required capital improvements to the Parking System during the term of the Concession Agreement.

#### G. Financial Capability

Teams should address the following areas with respect to financial capability:

1. Financial Capacity to Pay Prepaid Rent and Maintain Parking System. Teams must demonstrate their financial capacity to pay the prepaid rent and to maintain the Parking System for the term of the Concession and Lease. To demonstrate sufficient financial capacity, Team Members must provide copies of audited financial statements for the past three years, together with any other relevant financial information. If audited financial statements cannot be provided, Team Members should provide enough financial information to demonstrate that they have the financial resources to successfully execute a project of this nature and scope.
2. Ability to Raise Financing: Teams must provide specific evidence demonstrating their ability to raise financing for a project of this nature and scope. Specific factors that will be assessed include:
  - a. capability of raising debt and equity in the current capital market;
  - b. the number and size of past relevant transactions; and
  - c. specific experiences on past relevant transactions.





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## PROHIBITION ON CERTAIN CONTRIBUTIONS – MAYORAL EXECUTIVE ORDER 2005-1

Pursuant to Mayoral Executive Order 2005-1, from the date of public advertisement of this RFQ through the date of award of a Concession Agreement, each Bidder and certain other individuals and entities (“Related Party”) as provided in the Executive Order must not make a political contribution of any amount to the Mayor of the City of Chicago (the “Mayor”) or to his political fundraising committee or engage in certain other prohibited conduct related to the Mayor or to his political fundraising committee. If the Bidder or any other Related Party violates the Executive Order prior to the award of a Concession Agreement resulting from this RFQ, the City may disqualify the Bidder or reject the Bidder’s proposal.

Any Concession Agreement entered into pursuant to this RFQ will be subject to and contain provisions requiring continued compliance with Executive Order 2005-1. The Executive order can be found at <http://egov.cityofchicago.org>.

## ADVISORS AND CONSULTANTS TO CITY AND PARK DISTRICT

The following firms are serving as advisors or consultants to the City and the Park District and are not available to provide services to any Bidders or participate as members of any Teams.

### Financial Advisors and Consultants

- ❖ William Blair & Company, L.L.C.
  - KSD Consulting Inc. (Consultant to William Blair & Company)
  - Walker Parking Consultants (Consultant to William Blair & Company)
- ❖ Samuel A. Ramirez & Co., Inc.
- ❖ Siebert Brandford Shank & Co., LLC

### Legal Advisors

- ❖ Mayer, Brown, Rowe & Maw, LLP
- ❖ Pugh, Jones, Johnson & Quandt
- ❖ Sanchez Daniels & Hoffman
- ❖ Charity & Associates, P.C.



## RFQ SUBMISSION INSTRUCTIONS

Ten copies of the RFQ submission should be delivered to the address shown below no later than 4:00 p.m. Chicago time on June 19, 2006. The City and the Park District may determine in their discretion whether to accept any responses that are not received by the date and time set forth in this paragraph. Deliver RFQ submissions to:

Mr. Thomas E. Lanctot  
Principal  
William Blair & Company, L.L.C.  
222 W. Adams St.  
Chicago, Illinois 60606  
(312) 364-8120; FAX: (312) 236-0174  
e-mail: tlanctot@williamblair.com

## POST RFQ PROCESS

Prospective Bidders who are deemed qualified by the City and the Park District, in their sole discretion, will be asked to participate in further due diligence as described in Section I, and to ultimately provide final and binding proposals to the City and the Park District, for the Parking System. The approximate timing for the process will be as follows:

TIMING FOR PROCESS	
<u>Key Next Step</u>	<u>Expected Timing</u>
RFQ Submittal	June 19
Sign Confidentiality Agreements with Qualified Bidders	June
Due Diligence Process	June – August
Receive Final and Binding Proposals	September

To the extent that the City and the Park District accept a proposal, it is anticipated that the financial close will be soon thereafter.

More details will follow the June 19 submittal. Bidders should be prepared to react quickly to meet this timetable.

The City and the Park District reserve the right to modify or terminate this solicitation at any stage if the City and the Park District determine this action to be in their best interests. The receipt of proposals or other documents at any stage of either the RFQ or the bidding process will in no way obligate the City or the Park District to enter into any contract of any kind with any party.



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## APPENDIX A

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### HIGHLIGHTS OF CHICAGO'S ACCLAIMED MILLENNIUM PARK

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In the tradition of innovation, vision and extraordinary human achievement that characterized the Columbian Exposition of 1893 where modern advancements in architecture and urban design were unveiled, Chicago's new Millennium Park opened on July 16, 2004 with the first concert performed by the Grant Park Orchestra and Chorus in the Jay Pritzker Pavilion. An international destination that will showcase the City of Chicago to the world, the 24.5 acre, \$475-million Millennium Park is located in downtown Chicago, on Michigan Avenue just north of the renowned Art Institute of Chicago.

Jay Pritzker Pavilion. Designed by Frank Gehry, this is one of the most sophisticated outdoor concert venues of its kind in the United States, a 120-foot high music pavilion with proscenium surrounded by billowing curves of stainless steel and a huge steel trellis, which spans the entire audience. It is now the permanent venue for the Grant Park Music Festival and other free City events. Connected to the Pritzker Pavilion is the only Gehry-designed bridge in the world. The BP Bridge spans Columbus Drive, linking Millennium Park to the Daley Bicentennial Plaza and Chicago's lakefront park system.



Cloud Gate. Millennium Park is home to one of the world's largest outdoor sculptures, a 110-ton, 66-foot long, 33-foot high and 48-foot wide mirror-finished stainless steel elliptical installation by the British artist Anish Kapoor; Cloud Gate is a highly polished surface that reflects the activity and lights of the park and the surrounding city skyline. The Kapoor sculpture sits on the Park's AT&T Plaza, west of the Pavilion.





The Crown Fountain. Just to the southwest of the sculpture is The Crown Fountain, designed by artist Jaume Plensa of Barcelona. The fountain features two 50-foot high glass block towers at each end of a shallow reflecting pool. The towers are activated with changing video images, and lights and water cascade from the top of each.



The Lurie Garden. Designed by the team of Kathryn Gustafson, Piet Oudolf and Robert Israel, Millennium Park's Lurie Garden is a unique combination of spatial structure, plantings and lighting design. The maintenance of the Garden was endowed by philanthropist Ann Lurie. The Garden encompasses distinctive spaces – both large and intimate – defined by sculpted hedgerows and pedestrian pathways. The Lurie Garden offers a rich and varied sensory experience throughout the seasons.



Harris Theater for Music and Dance. The Joan W. and Irving B. Harris Theater for Music and Dance was completed in November 2003. The 1,500-seat venue serves as a state of the art indoor theater for performances by dozens of art groups ranging from classical ballet and contemporary dance to classical, chamber, opera and folk music. The Theater is located in the north end of Millennium Park and its lobby is directly connected to the MPG.



Other amenities include the 16,000 square-foot Ice Skating Rink situated on the McCormick Tribune Plaza, where the 300-seat Park Grill Restaurant is also located. The Chase Promenade crosses the park and provides for year-round outdoor activities such as ethnic festivals, fairs, exhibitions and family events. The Boeing Galleries are two open-air gallery spaces which feature regular exhibitions of both visual arts and sculpture.