



Office of the Mayor  
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Mayor

# News Release

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## **ADVISORY PANEL SAYS TECH PARK AT MICHAEL REESE SITE "WORTHY OF SERIOUS CONSIDERATION"**

*Long-range Economic Impact of Project Could Be As High As 25,000 Jobs*

An advisory panel named by Mayor Richard M. Daley said today the idea of creating a Technology Park on the former Michael Reese Hospital site on the South Side is an idea "worthy of serious consideration" that could create as many as 20-25,000 jobs and recommended the City should initiate a process to solicit ideas and design concepts for developing such a park.

"The bottom line is that the panel believes that a tech park at this site has the potential to transform not just the city, but also the state and the entire Midwest region. I believe it's a project we can't afford not to pursue," Daley said in a City Hall news conference.

The Technology Park Advisory Panel, chaired by Frank Clark, Chairman and Chief Executive Officer of ComEd, was established in December, 2010. It was charged with the task of helping the City better understand the resources that would be needed to develop a technology park on the site and provide recommendations on how to ensure a successful tech park development.

The former Michael Reese Hospital site represents approximately 37 acres of mostly vacant land on the city's South Side between 26<sup>th</sup> and 31<sup>st</sup> streets and essentially between Martin Luther King Drive and Lake Shore Drive.

"A big part of any long-term strategy to create new jobs in the region is to target emerging business sectors that will be the foundation of economic opportunity in the 21st century. Technology is one of those sectors," Daley said.

The report said that:

- Depending on the mix of industries and project density, the total employment -- direct and indirect -- impact of a tech park could be as high as 25,000 jobs throughout the area.

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- A technology park could enhance Chicago's position in a global economy where cities increasingly compete for emerging tech businesses and associated talent.
- Like most other successful tech park locations, the Michael Reese location benefits from its proximity to three renowned research universities and easy access to several others. In addition, Chicago is experiencing rapid growth in technology start-ups such as Groupon, GrubHub, Cleversafe and many others.
- Chicago is already a major participant in the technology sector, with its universities and growing tech clusters in biotech and information technology. Creating a showcase campus on the shores of Lake Michigan could provide a new focus for the collaboration and the kind of network economics that make for success.
- The Reese site is also near high-bandwidth fiber lines which provide an important advantage to the kinds of businesses that value high-speed data transfer.

The panel pointed out that a tech park on the site can support and strengthen the surrounding community.

"This is the last big parcel of land available on the Near South Side and it has almost unlimited potential for serving as a catalyst for continued revitalization of the area and other nearby communities," the mayor said.

"As I said when we acquired this land, the City will be able to guide the redevelopment of the property so that the tech park attracts housing, new jobs and new retail for our residents," he said.

The report said development of a tech park is a long-term project -- perhaps 20 years or more. "Some of the most notable parks took a generation to emerge as a success. Often, parks that identify and secure one or more anchor tenants can reduce the time to as few as 10 years," the panel said.

The report also pointed out the challenge of providing adequate funding, both public and private, to design and build the park and to cultivate and nurture innovation. It said the undertaking will require sound planning, visionary champions, skilled leadership, and most importantly, collaboration between the public and the private sectors.

“The panel says that most thriving tech parks are located in communities that celebrate entrepreneurship and risk taking,” Daley said.

“That’s a perfect description of Chicago all through its history. And that’s why we can build this project,” he said.

Report highlights:

**The panel identified five key objectives for a tech park at this site:**

1. Create high-quality, modern jobs that require a wide range of skills and education levels
2. Attract established companies, and foster creation of new companies, in emerging business sectors
3. Attract individual and institutional investors to support these companies
4. Foster economic development of the nearby communities
5. Balance financial risk and return among public and private investors, and generate a positive return (direct and indirect) on the City’s initial investment

**Within the context of these objectives, the panel developed a set of seven guiding principles:**

1. Development of a tech park at the site of the former Michael Reese Hospital is a once-in-a-generation opportunity for the City of Chicago and should be done in a way that strengthens Chicago by creating a showcase for business and entrepreneurship, while providing jobs and economic development
2. The development of the tech park should be a public/private partnership that provides a net return to all investors and stakeholders
3. Development of the tech park should benefit **all** stakeholders
4. The tech park should be fully integrated into the local community
5. The tech park should be developed in Chicago’s tradition as a city of innovation and leadership
6. Development of a tech park is a long-term initiative (20+ years)
7. The tech park development process should be deliberative, open and transparent

**The panel also identified several key factors likely to be critical to future success in developing a technology park:**

- A committed **champion** with dedication, energy and influence to get the project off the ground
- Effective **leadership** to direct and guide the project from concept to completion
- Adequate **funding**, both public and private, to design and build the park and to nurture innovation
- **Bridging institutions** to sustain continuity through the life of the development cycle

- **Soft infrastructure** to create, maintain and sustain the necessary talent pool
- Appropriate **metrics** to track progress and establish accountability

**Other important factors include:**

- University affiliation
- Anchor tenants
- Industry clusters
- Hard Infrastructure
- Price competitiveness
- Flexibility
- Nearby amenities
- Attractive lifestyle options

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