

UNIVERSITY OF ILLINOIS
AT URBANA-CHAMPAIGN

Office of the Chancellor

Swanlund Administration Building
601 East John Street
Champaign, IL 61820



December 14, 2006

To: Orchard Downs Candidate Developers and Their Teams
Orchard Downs Advisory Committee Members
University of Illinois Selected Faculty
Urbana Neighborhood Leaders

Recently, a number of questions have been raised regarding the application of the University's conflict of interest policies to the Orchard Downs Phase II RFP procurement, specifically for faculty-staff who are residents of the neighborhood and are invited to meet with developer teams

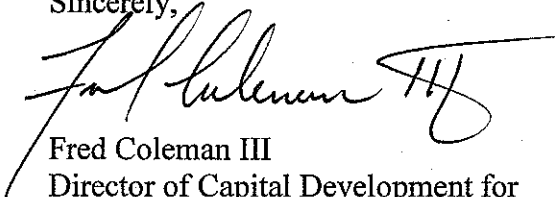
It is understandable that the developer teams might like to meet with residents of the neighborhood, and the University in no way wishes to suggest that employees who are residents are limited in any way to speak as private citizens. Except for those employees who, by virtue of their University positions, are directly involved in the selection process, all University employees, including those who live in proximity to Orchard Downs, are free to speak as private citizens in connection with the Orchard Downs project. However, we need to remind you that, since they are acting as private citizens, they cannot make any representations on behalf of the University. The University is also supportive of the sharing of the expertise of our faculty-staff, assuming they are willing, to all developer teams on an equal basis. Again, the faculty-staff who participate in this sharing of expertise will be doing so as private citizens and not as representatives of the University.

The Illinois Procurement Code prohibits any collusion or anti-competitive practices between bidders and state employees and further requires that any information indicating such acts have occurred must be transmitted to the Attorney General and Chief Procurement Officer. Accordingly, we take very seriously our obligation to conduct this RFP process in a manner that complies with all requirements of the Procurement Code. In the October 17, 2006 letter sent to all Deans, Directors and Department Heads (DDD-H) and subsequently circulated to individuals who have raised questions, the last sentence in the third paragraph reads, "This also means that University units and staff may not participate in the development of any firm's proposal." I want to clarify that the word "participate" for faculty-staff means that they are not to act as paid or unpaid consultants for any of the developer teams or otherwise serve as a member of a developer team in the preparation of the team's proposal.

In addition, although not mentioned in the October 17, 2006 DDD-H letter, the members of the Orchard Downs Advisory Committee who are not University employees have been requested to refrain from providing consulting services to any of the development teams since the provision of such services would be incompatible with their role of advising University administrators in connection with the selection process.

In part to avoid such issues, the University has arranged meetings and forums to provide your team with information and feedback on issues we believe are critical to your ability to prepare deliverables that meet or exceed our vision for the re-development of Orchard Downs. We will continue to do so in order to maintain a competitive level playing field for all developer candidates.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Coleman III", with a stylized flourish at the end.

Fred Coleman III
Director of Capital Development for
Orchard Downs