

OSF HealthCare – Caterpillar Historical Project FAQs

1. Why is OSF interested in purchasing the former Chase building in downtown Peoria?

The Sisters of the Third Order of St. Francis have a 140 year history in Peoria serving the sick and the poor. OSF has considerable space needs and purchasing this property will help with solving some of those needs. This purchase also supports the continued goal of OSF to attract and retain key talent to our Ministry.

2. Why is Caterpillar transferring ownership of this property?

Peoria is home for thousands of our employees and revitalizing this historic, downtown property will benefit them and the entire community. Caterpillar will work closely with OSF to complete this important project.

3. What property is included in the transaction with Caterpillar?

This property includes a full city block including the following three addresses: 124 SW Adams Street (commonly known as the former Chase building), 223 Main Street (parking lot), and 207 Main Street (Peoria Professional Building).

4. How can a “not for profit” company utilize tax credits? Who is benefiting from these credits?

The OSF HealthCare Ministry Headquarters project will require the use of both federal and state historic tax credits. As a not-for-profit organization, OSF HealthCare is unable to use tax credits as a source of financing for redevelopment of the former Chase Building. Fortunately, not-for-profits can still benefit from the historic tax credit program by working with a for-profit investor partner. Caterpillar has generously agreed to support the ongoing redevelopment of downtown by serving as the full-value federal tax credit partner for OSF. A State of Illinois tax credit investor will be selected later in 2018. Ultimately, OSF would use the Historic Rehabilitation Tax Credits to assist with restoration costs of its headquarters.

5. What is the potential local economic impact of redeveloping this property?

Development of the OSF HealthCare Ministry Headquarters in downtown Peoria will deliver a major impact to the local economy. The total project costs are currently estimated between \$80-100 million. This investment is anticipated to create more than 200 construction jobs and economic spinoff of increased spending throughout construction work. Following redevelopment, the OSF HealthCare Ministry Headquarters will result in renewed vibrancy for downtown Peoria. OSF Mission Partners will provide an estimated infusion of \$1-2 million each year at local retail locations such as restaurants, coffee shops and gift stores in downtown Peoria.

6. Why make this investment to establish a new headquarters in Peoria rather than another OSF HealthCare community?

OSF HealthCare has served Peoria and surrounding communities for the past 140 years when The Sisters of the Third Order of St. Francis were invited to Peoria to care for the sick and poor of the community. By taking part in the renaissance of the Peoria historical district, OSF will continue being an integral part of the city’s history and will contribute to the much needed redevelopment of downtown Peoria. Peoria has always been home to the OSF HealthCare Ministry office.

7. Will the recent buildings purchased by OSF (Franciscan Prairie or Pioneer Park) be sold?

OSF has no intentions of selling these two properties. We have specific space needs and these properties fit into the long-term plans to meet those needs.

8. Will this displace current tenants of buildings on the block in downtown Peoria?

No. The former Chase Bank building located on the property is currently empty. The block also includes a small professional building (also vacant), and a parking deck for the former Chase building. Based on the condition and lack of historic value, OSF intends to demolish these two structures (professional building and parking deck). Finally, the property also includes a surface parking area that Caterpillar currently uses for visitors. This lot will be used by both OSF and Caterpillar.

9. Will Caterpillar have a role in the redevelopment process?

OSF expects to continue working closely with Caterpillar on this important project. As the two largest employers in the Peoria area, OSF and Caterpillar can accomplish much as next-door neighbors. OSF will work with Caterpillar to develop downtown amenities for the employees of both organizations and collaborate to attract and retain top talent in the region.

10. Will the City of Peoria have a role in the redevelopment process?

The City of Peoria will play a critical role in the redevelopment process. The City has already set the stage for these important redevelopment opportunities by creating a historic district designation for the Warehouse District and is now proposing a historic district for downtown Peoria. OSF expects to continue working closely with the City of Peoria to redevelop the former Chase block. The City Council will need to take action to create a redevelopment agreement for the property and approve a parking solution for the 700+ OSF Mission Partners moving to downtown.

11. What if a historic designation is not approved?

If the historic designation is not approved, the ability to restore the historic former Chase building and save the building from demolition will be lost. If that occurs, OSF would still be committed to supporting the revitalization of downtown and will work closely with the City to find the best use for the block that would benefit downtown Peoria.

12. When will renovation work begin?

Planning activities are already underway and we expect construction to begin in the summer of 2018. A completion date has not been determined at this time.

13. How long will the renovation take? What and when are key milestones in this process?

The renovation will take place over several years. Key milestones include:

- Summer 2018 – historic district approval
- Spring/Summer 2018 – design process
- Summer 2018 – begin construction
- TBD - completion

14. Will this affect any other current OSF HealthCare locations?

At this point, plans have not yet been finalized regarding which Mission Partners will be relocated to our Ministry Headquarters.

15. How many Mission Partners will the new headquarters accommodate?

Approximately 700+ OSF HealthCare Mission Partners will be located in the new OSF HealthCare Ministry Headquarters building on Adams Street.

16. What divisions/services will be located in the new headquarters?

At this time, it has not yet been determined what Mission Partners will move into this location.