1850 Lewis Avenue
North Chicago, IL 60064
847-596-8600
www.northchicago.org

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RFQ Military Barracks
Addendum #1

Q1. Where is the proposed development expected to be constructed?

A1. On the installation premises, main side. Precise location TBD.

Q2. Who and what will be the tenant making payments to the developer/owner/manager of the development?

A2. The City of North Chicago.

Q3. What federal and/or state authority is this structure planning to use to effectuate the agreement between the Navy, the city of North Chicago, and the developer?

A3. Title 10 Authority, 10 U.S.C 2679: Intergovernmental Support Agreement (IGSA)

Q4. How many years is the proposed repayment structure planned for, and is it directly tied to a particular length authorized under the proposed authority being utilized?

A4. TBD

Q5. What is the developer's required equity investment vs. debt financing, and are there guarantees on debt service if occupancy falls below projections?

A5. TBD.

Q6. Will the Navy guarantee minimum occupancy levels or payments, or is revenue dependent on utilization?

A6. TBD.

Q7. What are the cost escalation caps (construction, operations, utilities) over the contract term?

A7. TBD.

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Q8. What specific Navy housing standards, quality benchmarks, or inspection protocols must be maintained?

A8. TBD

Q9. What recourse does the Navy have for performance failures, and are there penalties or termination rights?

A9. TBD

Q10. Who bears responsibility for major capital repairs vs. routine maintenance, and at what threshold does responsibility shift?

A10. Developer will be responsible for all improvements within the project area.

Q11. What are the hard deadlines for construction completion, and what are the penalties/incentives tied to schedule?

A11. TBD.

Q12. What is the length of the operations period post-construction, and is there an option for the Navy to extend or purchase the asset?

A12. TBD.

Q13. How are operational costs (utilities, insurance, staffing) allocated between the developer and Navy?

A13. TBD.

Q14. What prevailing wage, union, and local workforce requirements apply?

A14.

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1. The underlying statutory authority for IGSAs, 10 U.S.C. 2679, states that an IGSA "may use, for installation-support services provided by a State or local government, wage grades normally paid by that State or local government." Therefore, whatever wage grades would normally be paid by North Chicago for similar projects they undertake can be used by them for work under the IGSA.

2. "Accordingly, the project must comply with the Illinois Prevailing Wage Act (820 ILCS 130). Final labor requirements may change based on the finalized project scope, financing structure, or the terms negotiated in the development agreements."

3. Personnel will be required to obtain access to Navy installations through participation in the Defense Biometrics Identification System (DBIDS). Requirements for Contractor employee registration, and transition for employees currently under Navy Commercial Access Control System (NCACS), are available at https://www.cnic.navy.mil/Operations-and-Management/Base-Support/DBIDS/. No fees are associated with obtaining a DBIDS credential.

Q15. What happens to the facility at contract end, does it revert to government, does the developer retain it, or is there a purchase option?

A15. TBD.