

Minutes are intended to note (a) the date, time and place of the meeting; (b) those members of the public body who were present and those who were absent; and (c) the substance of all matters proposed, discussed and/or action was taken on. Minutes are not intended to be a verbatim report of a meeting. An audiotape recording of the meeting is available for inspection by any member of the public interested in a verbatim report of the meeting. These minutes are not final until approved by the Board of Regents at the December 2015, meeting.

**BOARD OF REGENTS* and its
INVESTMENT AND FACILITIES COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**
Joe Crowley Student Union, Milt Glick Ballroom A
University of Nevada, Reno
87 West Stadium Way, Reno
Thursday, September 10, 2015

Members Present: Mr. Kevin C. Melcher, Chair
Mr. Cedric Crear
Dr. Jason Geddes
Mr. Trevor Hayes *{via phone}*

Members Not Present: Mr. Robert M. Davidson, Vice Chair

Other Regents Present: Dr. Mark W. Doubrava
Mr. Rick Trachok
Mr. Michael B. Wixom

Others Present: Mr. Daniel J. Klaich, Chancellor
Mr. Vic Redding, Vice Chancellor, Business and Finance
Dr. Marcia Turner, Vice Chancellor, Health Sciences
Mr. Nicholas Vaskov, System Counsel and Director of
Real Estate Planning
Mr. James Martines, System Counsel
Mr. Scott Young, Acting Chief of Staff to the Board of Regents
Mr. Jamie Hullman, Director of Finance, NSHE
Dr. Mark A. Curtis, President, GBC
Mr. Bart J. Patterson, President, NSC
Dr. Maria Sheehan, President, TMCC
Dr. Len Jessup, President, UNLV
Mr. Gerry Bomotti, UNLV
Mr. David Frommer, UNLV
Dr. Thomas L. Schwenk, UNR-UNSOM
Ms. Wendy Walker, Cambridge Associates
Mr. Jenn Koperdak, Forest City Enterprises
Mr. Eric Louttit, Forest City Enterprises
Mr. John Peterson, JNA Consulting Group
Mr. Doug Kozma, SmithGroupJJR
Mr. John Tran, SmithGroupJJR

Faculty senate chairs in attendance were Mr. Eric March, System Administration; and Dr. John Adlish, TMCC. Student body presidents in attendance were Ms. Surbhi Sharma, GPSA, UNLV; Mr. Caden Fabbi, ASUN, UNR; and Ms. Kylie Rowe, GSA, UNR.

For others present, please see the attendance roster on file in the Board office.

Chair Kevin C. Melcher called the meeting to order at 3:36 p.m. with all members present except Regent Robert M. Davidson.

1. Information Only-Public Comment – None.
2. Approved-Consent Items – Consent items were considered together and acted on in one motion.
 - 2a. Approved-Minutes – The Committee recommended approval of the minutes from the June 11, 2015, meeting (*Ref. IF-2a on file in the Board office*).
 - 2b. Approved-Resolution and Approval for Sale of Real Property at 5763 West Oakey Blvd., Las Vegas, NV – UNR – The Committee recommended approval to sell the real property located at 5763 W. Oakey Blvd., Las Vegas, Nevada (*Ref. IF-2b on file in the Board office*).
 - 2c. Approved-Consent to Assignment for Marigold Mine Lease – UNR – The Committee recommended approval of the Consent to Assignment to Canadian Imperial Bank of Commerce in connection with a security interest in Marigold Mining Company’s lease with the University (*Ref. IF-2c on file in the Board office*).
 - 2d. Approved-University of Nevada School of Medicine Lease at 1524 Pinto Lane, Las Vegas, NV – UNR – The Committee recommended approval to lease approximately 19,279 square feet within 1524 Pinto Lane, Las Vegas, NV, in order to consolidate all UNSOM southern Nevada pediatric services into one location (*Ref. IF-2d on file in the Board office*).

Regent Crear moved approval of the Consent Agenda. Regent Geddes seconded. Motion carried. Regent Davidson was absent.

3. Information Only-Alternate Investment Management Models for Endowment and/or Operating Pool Investments (Agenda Item #10) – Vice Chancellor of Business and Finance, Vic Redding, provided an update and recommendations on options for a discretionary management model for the Endowment and/or Operating Pool investments.

Vice Chancellor Redding said at the June 2015 meeting, the Committee directed him to hire, as appropriate, a consultant to assist the Committee in navigating the process for evaluating and conducting a Request for Proposal (*RFP*) for an Outsourced Chief Investment Officer (*OCIO*). He stated the solicitation was completed and the notice was issued to proceed with a Las Vegas based company,

3. Information Only-Alternate Investment Management Models for Endowment and/or Operating Pool Investments (Agenda Item #10) – (continued)

Your Second Opinion, LLC, a firm which specializes in this type of investment consulting. The consultant will help complete and evaluate an RFP and negotiate a contract. He felt this is a specialized area in the investment world so it is prudent to have assistance through the evaluation process.

Vice Chancellor Redding continued the scope of work is in two phases. The first phase will start immediately to utilize the consultant to look at the System's policy, industry best practices and what type of fit the OCIO model might have for this Committee, and then facilitate the discussion at a workshop-type special meeting of the Investment and Facilities Committee on October 23, 2015. The second phase will commence if the Board decides to continue the process and go forward with an RFP for an OCIO, which is optional under the contract with Your Second Opinion, LLC. The contract was bid in two phases; each phase is capped at a maximum of \$5,000, plus travel expenses. The actual scope of work for phase one will be to review the NSHE System Investment Policy's objective, roles and responsibilities, to identify the options and specific functions for utilizing an OCIO in the Endowment or investible Operating Pool.

Vice Chancellor Redding noted over the past year one of the major discussion points of going to the OCIO model was how to ensure the Board maintains a very active role in its fiduciary duty for governing funds, and at the same time have the efficiency of outsourcing the management and administrative functions. He said there will be decisions made as to what functions stay very firmly with the Investment and Facilities Committee, like policy allocation, and what functions would be outsourced by contract to a potential OCIO, like manager selection and termination, reporting and rebalancing. Vice Chancellor Redding explained the second part of phase one is to facilitate the workshop on October 23, 2015. Regent Crear thought \$5,000 plus travel expenses is low and would be interested to see what comes out of it. Vice Chancellor Redding said he has no reservations recommending Your Second Opinion, LLC.

Vice Chancellor Redding said if the decision is to go forward with this then the services of that entity would be utilized on an optional basis to help prepare the RFP, evaluate and quantify the responses, set up the structure to be monitored – but that phase is optional based on the direction the Committee chooses to go.

4. Approved -Pooled Endowment and Operating Funds; Operating Pool Reserves (Agenda Item #3) – The Committee recommended approval for:
1. Rebalancing and distribution:
 - Endowment Fund:
 - i) A \$2.2 million quarterly distribution from the portfolio to campuses for the quarter ending September 30, 2015.
 - ii) Cash for the above sourced as follows:
 1. \$2.1 million partial redemption from Vanguard Institutional Index;
 2. \$0.1 million from current cash.
 - Operating Fund:
 - i) \$10 million partial redemption from Vanguard Institutional Index to bring Short Term Bonds and Cash into the policy range of 25 percent to 40 percent.

The Committee recommended approval of a \$5.0 million re-up commitment for the Endowment Fund in HarbourVest Partners' Dover Street IX, subject to completion of the final due-diligence process and final recommendation by Cambridge Associates (expected by September 21, 2015) and notification to the Investment and Facilities Committee Chair once the final due diligence process has been completed.

Ms. Wendy Walker, Cambridge Associates, said the second quarter investment performance presented in the discussion materials (*on file in the Board office*) showed the Endowment return was just about flat, -20 basis points, slightly ahead of the policy index. The performance offered slight out-performance on the down side. The annualized trailing five-year basis total assets of 9.1 percent have trailed the long-term policy index, but it is felt the performance of 9.1 percent is very strong. The drivers of the slight out-performance in the second quarter were mainly an active management primarily by the Global ex U.S. managers, the International Developed Equity managers, and the Real Assets managers, which was a nice reversal, although Real Assets was still negative on an absolute basis for the quarter.

Ms. Walker said the Operating Fund results were flat for the quarter, which was a slight out-performance relative to the policy index, and going to the trailing five-year basis and annualized since inception the returns are equal to the policy index.

Ms. Walker continued on a quarter-to-date basis Global Equities are down approximately 7.0 percent and Natural Resource Equities are down in the mid-teens. Fixed Income has been up slightly, although TIPS has been down slightly. She said, against this backdrop, the estimation of the Endowment portfolio is down in the range of 6.0 percent, so it is slightly protective relative to Equities which is the result of the Asset Allocation of the Endowment portfolio – it is highly geared towards Equities because it is meant to support the 5.0 percent payout. The Operating Pool is down somewhere between 2.0 to 3.0 percent, which reflects the role of the Operating Pool which is meant to be more stable and

4. Approved -Pooled Endowment and Operating Funds; Operating Pool Reserves (Agenda Item #3) – (continued)

have a smaller payout than the Endowment. She added the Operating Pool has much less Equity exposure and less risk of short-term volatility.

Ms. Walker said Cambridge's advice in the current market environment remains the same, which is basically to stay relatively close to policy targets. A lot of thought has gone into setting these policy targets and Cambridge still advocates for modest over weights or under weights informed by valuations. Cambridge thought, looking ahead, it was reasonable to expect continued choppiness, the likes of what has been seen over the past two months but, it is important to maintain discipline as the System did during the 2008-2009 downturn and then recovered relatively well compared to other institutions that may have reacted adversely.

Ms. Walker said page 7 showed the rebalancing recommendations are driven by the \$2.2 million distribution to campuses for the quarter. Cambridge recommends sourcing \$2.1 million from U.S. Equities, which have performed relatively well compared to other geographies, so it trims the relative out-performers and allows the rebalancing towards the relative under-performers.

Ms. Walker said the Operating Pool on page 8 showed the Short Terms Bonds and Cash as of July 31, 2015, have fallen just under the policy minimum of 25.0 percent. Cambridge recommends adding \$10.0 million to Cash, sourcing it from U.S. Equities on valuation concerns to bring it within the policy range.

Regent Crear moved approval for:

1. Rebalancing and distribution:

- Endowment Fund:
 - i. A \$2.2 million quarterly distribution from the portfolio to campuses for the quarter ending September 30, 2015.
 - ii. Cash for the above sourced as follows:
 - 1. \$2.1 million partial redemption from Vanguard Institutional Index;
 - 2. \$0.1 million from current cash.
- Operating Fund:
 - i. \$10.0 million partial redemption from Vanguard Institutional Index to bring Short Term Bonds and Cash into the policy range of 25 percent to 40 percent.

Regent Geddes seconded. Motion passed. Regent Davidson was absent.

4. Approved -Pooled Endowment and Operating Funds; Operating Pool Reserves
(Agenda Item #3) – (continued)

Ms. Walker said the next recommendation related to the Endowment Pool is to make a \$5.0 million re-up commitment from the Endowment to HarbourVest Partners called Dover Street IX. The Endowment committed several years ago to Dover Street XIII has been a very successful investment; to date it has an internal rate of return of 39.0 percent. Secondary funds often have higher returns at the beginning so the fund is not necessarily expected to persist at this pace, but it is a very good early sign. A review of what secondary funds are is on page 11. She pointed out the two managers in the Endowment that invest in secondary funds are HarbourVest Partners and Blackstone Strategic Partners, which are viewed as highly complementary. Each has its own special niche and will serve the Endowment well. Ms. Walker stated from an Asset Allocation policy perspective, the Endowment currently has 8.0 percent in Private Equity and Venture Capital so the policy target of 10.0 percent is underweight. Cambridge is looking to slowly, and in a disciplined fashion, build the Venture Capital and Private Equity exposure to that target. Some of the older funds the System invested in are starting to distribute cash back to the System so it is important to keep making these commitments. Regent Crear asked about the impetus of the new re-up commitment. Ms. Walker replied the System has been invested in Dover Street and Blackstone Strategic Partners. The way most of the managers work is to raise a new fund approximately every three years so, since a new fund has come out, Cambridge is recommending the System continue to re-up the subscription to the newest fund. Each new fund gives investors a new option to either commit again or hold off.

Ms. Walker stated the introduction, key observations and track record of Dover Street IX is outlined on pages 12 through 15. She felt the information related to a very compelling opportunity and suggested the System maintain a relationship with a strong manager. She added Cambridge's internal process is not yet complete in terms of a committee review of the due-diligence report, which is expected on September 21, 2015, but because of the possible close date of October 2015, Cambridge thought it was important to get this recommendation to the Committee now. The substance of the work is complete and Cambridge is very positive about this fund. Regent Crear said he would feel comfortable approving this recommendation now, but asked if Cambridge would contact Chair Melcher and Vice Chancellor Redding to say the final due-diligence report is fine. Ms. Walker will make the necessary contact when the report is approved.

4. Approved -Pooled Endowment and Operating Funds; Operating Pool Reserves
(Agenda Item #3) – (continued)

Regent Crear moved approval of a \$5.0 million re-up commitment for the Endowment Fund in HarbourVest Partners' Dover Street IX, subject to completion of the final due-diligence process and final recommendation by Cambridge Associates (expected by September 21, 2015) and notification to the Investment and Facilities Committee Chair once the final due diligence process has been completed. Regent Geddes seconded. Motion passed. Regent Davidson was absent.

Mr. Jamie Hullman, Director of Finance, reported the Equity markets have struggled a bit as of recent months, and due to the downturn in the Equity markets the Operating Reserve value has decreased to \$9.32 million as of the end of the day, September 9, 2015, which is a \$31.24 million decrease since the Reserve Account balance in June 2015. Generally the Reserve Account, as a portion of the operating pool, runs approximately 3.0 to 5.0 percent over the last few years, and the Pool is down to 2.0 to 3.0 percent. Chair Melcher thought it was not surprising considering what the market has been doing.

5. Approved-Status of Capital Improvement Projects and Approval of New Projects
– UNR (Agenda Item #4) – The Committee recommended approval, in concept, for a new College of Business Building located at the Campus Gateway adjacent to the south end of the campus along 8th Street and a 2019 Residence Hall on Artemesia Way. The Committee also recommended approval for the expenditure of approximately \$700,000 in institutional funds for planning and design, artist renderings and other marketing collateral for the 2019 Residence Hall concept and the new business building concept. The project plan will be brought back to the Committee for final approval at a future date (*Ref. IF-4 on file in the Board office*).

Dr. Marc Johnson, President, UNR, explained there are some projects UNR would like to have the Committee approve, in concept, in order to proceed to use some funds for some preliminary work for conceptual design and renderings in order to plan some fund raising. He stated UNR has had tremendous growth on campus and housing will provide opportunities for students to be close to the campus. He said approximately 25% of students are international, and this fall the newly opened Peavine Residence Hall, originally designed for 400 beds, 2 beds per room, was increased to three beds per room. President Johnson would like approval, in concept, for the 2019 residence hall in hopes of having it opened by August 2019 in order to reduce some of the occupancy from three beds per room to the two beds per room, which the buildings were actually designed for.

President Johnson asked for an approval, in concept, for a new College of Business building to be located at the Campus Gateway adjacent to the south end of the campus along 8th Street on Artemesia Way.

5. Approved-Status of Capital Improvement Projects and Approval of New Projects
– UNR (Agenda Item #4) – (continued)

Regent Crear asked for clarification that the debt for the Fire Science Academy is internal. President Johnson said it is an internal debt with no interest cost, it is a deficit recovered but it is a debt that has to be cleared and UNR is making every effort to do so when there is a surplus of money.

Regent Hayes was concerned about the projects costing over \$500 million, and also some unknown prices for the bonding capacity. He asked about the bonding capacity available in total, how much is already allocated, where it should be allocated, and how much of the bonding capacity should go to an institution. He would like to come together as a Board on policy decisions regarding bonding capacity, how Western Undergraduate Exchange will be treated, and if it will curtail growth. Chair Melcher has talked with Vice Chancellor Redding and knows the System is nowhere near its bonding capacity.

Mr. John Peterson, JNA Consulting Group, thought when looking at the upcoming projects for the entire System, the discussion is about the revenues coming into the System that are available to pay on a debt, as well as the outstanding obligations, somewhat irrespective of the different campuses. Mr. Peterson thought when talking about the capacity of the System for additional debt the answer is – it depends – because some projects are several years in the future. He felt over those years there will be some debt for some projects, but at the same time obligations for those bonds will be paid down – which offsets some of that additional debt. Right now the university's systems debt profile is front weighted with a lot of debt taking place over the next 10 years and then there is a significant drop-off in the annual debt service. Mr. Peterson said looking at the next year and one-half to two years of additional debt capacity the number is approximately \$200 million to \$250 million before having to talk about the rating implications of additional debt. However, it does not mean additional bonds cannot be done. He thought the answer depends on the mixture of bonds actually used for any of the projects and whether they are bonds of the System or bonds of the state such as Capital Improvement Program (CIP) money – if it is CIP the amount does not count against the System.

Chair Melcher pointed out the approval is not to approve the bonding, but the institution moving forward on design and planning.

Regent Geddes stated the residence halls have always been self-supporting and revenue-driven by the occupants. He felt even if the Board takes action on institution rates and fees, the demand for residence halls is there. Regent Geddes is very supportive of the campus improvements because it makes for a better campus life for the students.

5. Approved-Status of Capital Improvement Projects and Approval of New Projects
– UNR (Agenda Item #4) – (continued)

Regent Geddes recommended approval, in concept, for a new College of Business Building located at the Campus Gateway adjacent to the south end of the campus along 8th Street and a 2019 Residence Hall on Artemesia Way. The Committee also recommended approval for the expenditure of approximately \$700,000 in institutional funds for planning and design, artist renderings and other marketing collateral for the 2019 Residence Hall concept and the new business building concept. The project plan will be brought back to the Committee for final approval at a future date. Regent Crear seconded.

Chair Melcher mentioned Regent Geddes suggested looking at the funding models and investment mechanisms that worked well and those that did not work for projects at a future full Board meeting.

Motion carried. Regent Hayes voted no. Regent Davidson was absent.

6. Approved -New Residence Hall Project – UNR (Agenda Item #5) – The
Committee recommended approval to proceed with the proposed project to
develop a new student residence hall on the site of the existing White Pine Hall on
North Virginia Street (Ref. IF-5 on file in the Board office).

Regent Geddes recommended approval to proceed with the proposed project to develop a new student residence hall on the site of the existing White Pine Hall on North Virginia Street. Regent Crear seconded.

President Johnson said the Business and Finance Committee approved for UNR to put together a financing plan to bring back specifics for some ability to reimburse the institution for preliminary expenses, subject to the approval of the Investment and Facilities Committee to move ahead with the project. He stated UNR is at 120 percent of residence hall capacity right now, with two residence halls at three people per room which are designed for two per room.

Motion carried. Regent Hayes voted no. Regent Davidson was absent.

7. Information Only-Purchase of 42 Acre Parcel Near Tropicana Avenue and Koval Lane – UNLV (Agenda Item #6) – Dr. Len Jessup, President, UNLV, and Mr. Gerry Bomotti, Senior Vice President, Finance and Business, UNLV, provided an update involving activities associated with the UNLV Foundation’s purchase and sale agreement for the 42 acre parcel near Tropicana Avenue and Koval Lane (*Ref. IF-6 on file in the Board office*).

President Jessup said the 42 acres remain the largest contiguous piece of valuable property close to the UNLV campus and consequently UNLV remains keenly interested in acquiring it. Today the Committee will hear about the planning underway on some options for how the property could be developed and a summary of Mr. Bomotti’s plan to finance the project, including an alternative to bond financing.

Mr. Bomotti recapped that the property is 42 acres, approximately six-tenths of a mile west of the main campus. A major vision is to connect the property to the main campus. He has been working with the County and there are 38 acres the County controls so, UNLV is looking at an 80 acre plan, basically. The County is willing to update the Memorandum of Understanding (*MOU*) UNLV had with it on the old stadium plan to basically allow UNLV to continue to work with it on using the 38 acres, which does not include the runway protection zone. The County has also indicated interest in working with UNLV, if the property is purchased, to give UNLV a special use permit to use the 42 acres as a staging area to bring in revenue in addition to the billboard signs currently on the property to help pay down the debt. He said UNLV is looking at options including having a stadium and not having a stadium. Mr. Bomotti said the concept of cleaning up the area north of Tropicana Avenue between the campus and the Las Vegas Strip resonates with the County – it is not an attractive entrance to the community.

Mr. Bomotti said the consultants, SmithGroupJJR, will present poster boards with possible plans and options for the property. SmithGroupJJR helped UNLV update the UNLV *Master Plan* in 2012 and partnered with Forest City Developers at UNLV’s request in order to look at private development options and partnerships on the property.

Mr. David Frommer, Executive Director of Planning Construction, UNLV, said this opportunity gives UNLV the ability to brand two miles of frontage along Tropicana Avenue as UNLV/Clark County frontage. He stated there may be a chance for a stadium and non-stadium options and wanted the flexibility to plan so both options will be presented. Mr. Frommer thought there was opportunity for targeted academic and other activities at the site in addition to the stadium. Mr. Frommer introduced Mr. Doug Kozma and Mr. John Tran of SmithGroupJJR, who have consulted with Forest City Developers Mr. Eric Louttit and Mr. Jenn Koperdak.

Mr. Kozma proceeded to show the materials to the Committee in board format, explaining it was an update to the 2012 UNLV *Master Plan*.

7. Information Only-Purchase of 42 Acre Parcel Near Tropicana Avenue and Koval Lane – UNLV (Agenda Item #6) – (continued)

Regent Crear asked about the affiliation with SmithGroupJJR and Forest City Developers. Mr. Kozma explained his company has been working with UNLV for approximately 10 years doing physical master planning. His role as lead planner is to help the university through this process with assistance from his colleague, Mr. Tran. Mr. Bomotti said UNLV engaged SmithGroupJJR for this activity because of particular interest with public-private partnerships.

Mr. Eric Louttit from Forest City Developers offered information regarding market absorption and retail development.

Regent Crear asked about potential concerns that would tie into UNLV. Mr. Bomotti said the analysis is there are opportunities for private development but the difference in values with and without a stadium are significant. One of the challenges, if this project moves forward, is what to do in the short-term before a decision on whether or not to have a stadium is made. To develop something on the site without locking down the stadium will be difficult to negotiate reasonable rates. Mr. Bomotti said issues of a long-term ground lease contain plusses and minuses; a public entity being a developer is often not great, if there is a stadium the Board would probably not own, operate and finance it – those are all issues including if there is a stadium could UNLV get a tax increment area around there to capture revenues. Mr. Bomotti believed those are major variables to address.

Mr. Louttit and Mr. Kozma continued with their presentation of phase one with no stadium and phase two with the stadium.

Regent Crear wondered who owned the 42 acres. Mr. Bomotti said right now the 42 acres is owned by Wells Fargo, which is the property that would have to close by December 18, 2015. The 38 acres is connecting the 42 acres to the main campus and those properties are owned by Clark County. Regent Crear asked about the zoning. Mr. Frommer said the zoning of the 42 acres was essentially as a hospitality-game property. The 38 acres is either un-zoned or a public facility.

Mr. Tran spoke of the components of the plans, the pieces making up each one, organization and the potential character for each district created by poster board presentations with the options having a stadium and not having a stadium. Mr. Bomotti added initial thoughts could include a clinic for the medical school, training opportunities for the Hotel College, and Educational Outreach.

Mr. Bomotti reiterated the closing date with Wells Fargo is December 18, 2015. He spoke with JNA Consulting Group about meeting the schedule date if it is approved at the December 2015 Board meeting. He thought there would be a two-step process where interim financing would have to be put in place in order to close and then turn it into long-term debt financing early in 2016. Mr. Bomotti asked Wells Fargo if consideration would be given to move the date from December 18, 2015, to the first week of February

7. Information Only-Purchase of 42 Acre Parcel Near Tropicana Avenue and Koval Lane – UNLV (Agenda Item #6) – (continued)

2016, when permanent financing might be available. Wells Fargo might be willing if Mr. Bomotti puts the request in writing, which would not be done without the approval of the Board. In Mr. Bomotti's opinion the debt would be for 30 years, at \$3.3 million per year. The billboards on the property can be turned into digital signs. He has had good meetings with the district County Commissioner who is willing to allow a five year special use permit to use the property as staging and, coupled with the billboards, would generate approximately \$800,000 per year. Mr. Bomotti thought there may be five years of holding the property to establish if there will or will not be a stadium and the values associated with it.

Mr. Bomotti felt, taking into consideration the Hotel College debt payment bridge financing and between Capital Improvement Fees and General Improvement Fees, UNLV brings in approximately \$21 million per year with approximately \$8 million used between those two for one-time improvement projects on the campus, but this would be an allocation of probably \$2.0 million to \$2.4 million of that to allow UNLV to purchase the property with the assumptions, and again there are risks not commonly dealt with, it would allow UNLV to buy it and then look at the options for a stadium. The properties around this have been selling for \$2.5 million to \$3.5 million per acre and UNLV's option is \$1.2 million per acre. Mr. Bomotti said there is a lot of information and a lot of questions. He does not want to surprise anyone at the December 2015 Board meeting and suggested this item be put on the Special Board meeting agenda on October 23, 2015.

Regent Crear noticed the stadium does not have a dome. He thought, based on the presentation without the stadium, this would turn into more of a development project rather than a UNLV project. He understood UNLV is land-locked and in need of a lot of things on campus, but the presentation talked more about the retail opportunities than the opportunities to advance the university through infrastructure, which is desperately needed. The presentation seemed to be 90 percent retail and there is a little parcel segmented out for the university. Regent Crear felt the philosophy needs to switch. He thought if money was going to be spent for retail, why not hold on to the property for a future investment. Regent Crear wondered if UNLV got the land with the stadium five years into the future, would the retail portion still be developed. Mr. Bomotti said there would be five years of the alternative special use permit with nothing being done for that time. He agreed the non-stadium option did not jump out as much as it needs to, but there are a lot of individual programs and a student village type of opportunity with other programs to relocate there, which might make some sense – a significant UNLV presence with a public-private partnership. The one area, the market residential, has very high limits under the FAA requirements so it is perceived to be a high-rise development – more work has to be done in this vicinity.

President Jessup recommended putting this item on the October 23, 2015, agenda for an interim report. He offered to sit with Regent Crear at some time to go over the poster boards.

8. Approved-Purchase of Real Property at 4290 South Maryland Parkway – UNLV (Agenda Item #7) – The Committee recommended approval to purchase the property located at 4290 South Maryland Parkway and authorizes the Chancellor, after consultation with the Vice Chancellor for Legal Affairs or her designee, to finalize, approve, and execute the purchase documents (*Ref. IF-7 on file in the Board office*).

Chair Melcher explained the location is across the street from the Las Vegas System Administration office located at 4300 South Maryland Parkway.

Regent Geddes recommended approval to purchase the property located at 4290 South Maryland Parkway and authorizes the Chancellor, after consultation with the Vice Chancellor for Legal Affairs or her designee, to finalize, approve, and execute the purchase documents. Regent Crear seconded. Motion carried. Regent Davidson was absent.

9. Approved-University Park Apartments Project – Student Housing Management Proposal – UNLV (Agenda Item #8) – The Committee recommended approval to contract with Asset Campus Housing for the management of the phase 1 redevelopment of the University Park Apartments (*Ref. IF-8 on file in the Board office*).

President Jessup explained UNLV is seeking approval for the management contract for phase 1 of the project for the company to manage the University Park Apartments phase 1 redevelopment. Mr. Bomotti explained the Board approved the implementing agreements in April 2015 and the Board wanted to be sure the operator was known and had a lot of student housing experience. The Midby Group interviewed four groups with experience, especially in the west, and recommended hiring Asset Campus Housing. All of the finalists were very good, and the recommendation is Asset Campus Housing.

Regent Geddes recommended approval to contract with Asset Campus Housing for the management of the phase 1 redevelopment of the University Park Apartments. Regent Crear seconded. Motion carried. Regent Davidson was absent.

10. Approved-Month-to-Month Lease Extension for the Environmental Protection Agency (EPA) at the Maryland Campus – UNLV (Agenda Item #9) – The Committee recommended approval for the Environmental Protection Agency to continue to occupy the premises at the UNLV Maryland Campus on a month-to-month lease extension under the terms and conditions of the current lease, which expires on September 30, 2015, and allow the parties to continue negotiations on an updated lease to be presented to the Board at the December 2015 meeting (*Ref. IF-9 on file in the Board office*).

10. Approved-Month-to-Month Lease Extension for the Environmental Protection Agency (EPA) at the Maryland Campus – UNLV (Agenda Item #9) – (continued)

Regent Geddes recommended approval for the Environmental Protection Agency to continue to occupy the premises at the UNLV Maryland Campus on a month-to-month lease extension under the terms and conditions of the current lease, which expires on September 30, 2015, and allow the parties to continue negotiations on an updated lease to be presented to the Board at the December 2015 meeting. Regent Crear seconded. Motion carried. Regent Davidson was absent.

11. New Business – Chair Melcher requested an update for the UNLV project on the 42 acre parcel near Tropicana Avenue and Koval Lane be agendaized for the October 23, 2015, Special Board meeting.
12. Information Only-Public Comment – None.

The meeting adjourned at 5:17 p.m.

Prepared by: Nancy Stone
Special Assistant & Coordinator
to the Board of Regents

Submitted for approval by: R. Scott Young
Acting Chief of Staff to the Board of Regents