

Florida Agricultural and Mechanical University  
Board of Trustees



Facilities Planning Committee Minutes  
Trustee Kimberly Moore, Chair

Wednesday, February 10, 2016

SUMMARY MINUTES

*(Transcript of meeting will be posted on FAMU website when available)*

**Committee Members Present:** Chair Kimberly Moore, Trustee Bettye Grable, Trustee Kelvin Lawson, Trustee Gary McCoy, and Trustee Robert Woody.

Chair Moore called the meeting to order at 2:45 p.m. Ms. Tasha Royster called the roll. A quorum was established.

**Action Items**

**Approval of Summary Minutes – December 10, 2015**

There were no revisions to the minutes. Trustee Moore moved to approve the minutes, and the motion was seconded by Trustee Lawson. The motion carried.

**Information Items**

**Items requiring Action and questions/comments associated with this agenda item:**

<b>Updates on DOE Capital Financing Preliminary Application</b>	<p>President Mangum stated that she would like to comment now that the AVP has given an overview of the reason that we are seeking additional support from the Department of Education.</p> <p>Because we are an HBCU there are resources available to us for loans from the Department of Education. I visited with the Department of Education around our Title III funding which provides an opportunity for us to peruse enhancement and enrichment of our campus through programs that are available to us from the Federal Government. Part of that discussion led to talking about how we upgrade our facilities and our campus learning spaces. This is part of my goals and objectives which is creating living learning communities and establishing functional relationships between our educational programs and the State of Florida goals toward STEM and strategic programs of emphasis, we have the opportunity to refinance or</p>
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	<p>refund the debt that we have at a very high interest rate at a much lower interest rate and the resources that we save from the refinance, we can actually incur resources that will enable us to upgrade our facilities to provide our students with the state-of-the-art living and learning spaces on campus without it costing us any more money, while at the same time, because we are creating additional spaces, we will create additional revenue through our housing project. So, it seems like a win-win for us to be able to work through refinancing some of our existing higher interest loans and get them at a lower rate and expand our campus at our cost. That is really what it boils down to. Our debt that we relieve ourselves of we could incur or transfer to the US Department of Education and update our facilities and our labs and our students would have better learning spaces. So that is the objective that we are perusing right now with the Department of Education. That is why it is being brought to you now for discussion, because it is functionally related to everything that we are doing and our goals and objectives for a 21<sup>st</sup> century university and the state’s performance metrics in science, technology, engineering and Math. (President Mangum)</p>
	<p>Do we have to pay the Department of Education back? (Trustee Carter)</p>
	<p>Sure, we have to pay off the loan, but we are paying the loan with the money that we are already paying on the existing debt because the interest rate has dropped. It’s like refinancing a house. (President Mangum)</p>
	<p>So we are taking advantage of the interest rate? (Trustee Carter)</p>
	<p>Yes. (President Mangum)</p>
	<p>Okay. (Trustee Carter)</p>
	<p>They guarantee the loan. They are paying off the loan that we have and they are taking it on. (President Mangum)</p>
	<p>At a lower interest rate? (Trustee Carter)</p>
	<p>At a lower interest rate. (President Mangum)</p>
	<p>At a lower interest rate, that’s pretty good. (Trustee Woody)</p>
	<p>We thought it was exciting. (President Mangum)</p>
	<p>How much lower? Do you know at this particular point, the possibility of how much lower than the interest rate we are already paying? (Trustee McCoy)</p>

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	It's the Fed rate; the treasure rate is what it is. It is about 2% now. (Chief of Staff Miller)
	Two percent. (Trustee Carter)
	Our current debt is 5.07% and refinancing is at the treasury rate. (Chief of Staff Miller)
	Our refinancing is at the treasury rate. The breaking news today during our lunch hour was that Yellen was raising the rates. It will not impact us now, but it will impact future access to money. (President Mangum)
	Interesting opportunity and just a question and maybe this is for Dale Cassidy as well. So we would refinance and potentially take on incremental debt based upon the favorable interest rates. Taking on the incremental debt wouldn't that impact our bond rating? And if so, how does that impact other dollars that we may acquire through other sources that are typically bond backed? (Trustee Lawson)
	We would make sure that we kept our ratio at 1.20 and then we are not allowed to have any negative credit on our bond rating. So that everything that we do would be done within the confines of making sure that the increased additional revenues that we would have, when we use those to pay off the new debt, and making sure that we do not go over 1.2 and that we do not affect our bond rating. The DOE is also buying the debt from us as a replacement and they are also guaranteeing the debt. They are writing the analysis now and we should hear shortly from them how much new debt that we can afford based on refinancing. We should have those numbers shortly. They also offer other sources of repayment as well beyond the savings. (Chief of Staff Miller)
	Even though they guarantee the debt, it will still show as an outstanding debt for us. I guess I am not sure why it would not affect our bond rating, but maybe I can take it offline with you and Dale. (Trustee Lawson)
	We can do that. (Chief of Staff Miller)
	Chief of Staff Miller are there comments that you would want to share on it that would benefit the full group or are you indicating that it would be better served with the one off with Trustee Lawson? (Trustee Moore)
	It would be better to be served with one off because we can get into all of the nuances of the current debt, the refinancing, the improvement of the facilities, which would allow increases, and the fact that all of this will be tied to housing and the functional relationship of housing. So we will take the housing savings and utilize those funds to create new housing, and

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	<p>these other activities will be tied into the housing activity. So we can go into all of that offline with VP Cassidy as well as the General Counsel's office. (Chief of Staff Miller)</p>
	<p>I would just to remind the Committee members that prior to any of these items moving forward as an action item coming to the full Board, we would get to revisit as well as see the numbers that Chief of Staff Miller is conveying.</p> <p>The only other point that I would add to this, and I think, President Mangum, this may have come up by way of our conversation, that within the SUS, this would be the first time, depending on whether the university opts to peruse it, that we would have moved in this direction. Is that correct that we would be trailblazers in that sense? (Trustee Moore)</p>
	<p>We are the only system HBCU, and funding is restricted to historically black colleges and universities. (President Mangum)</p>
	<p>Great, thank you. Are there other comments or questions before we transition into the next information item? (Trustee Moore)</p>
<p>Updates on Public-Private Partnership (P3)</p>	<p>I did not hear any discussion on signage for the University. Did I miss that...about improving our signage so people know where Florida A&amp;M University is when they drive by on Adams Street, on Monroe Street and on Orange Avenue. (Trustee Carter)</p>
	<p>Absolutely. Very important and very necessary as well. When we took the tour of the campus two weeks ago, we highlighted that, and right now we have a very good boundary setup with the opening of FAMU Way on the north side and there are two roundabouts with the big sign and good landscaping. We want to create some signage on the other side of the campus as well. Basically, the next area that we are targeting is the sign at Perry and Gamble that we plan to enhance with better lighting and landscaping. Similarly, on the east side of campus at Palmer and Adams and the Southside of campus along Orange and Wahnish Way. Those are the areas that we are targeting and developing a scope and putting the prices together so that we can tackle as a minor project. Absolutely, when we are going, we do not want anybody to miss FAMU and to at least have the perimeter signage and landscaping so that anyone entering or leaving campus will know they are on Florida A&amp;M campus. (AVP Kapileshwari)</p>
	<p>I think that is very important and should rise to level of the perspective that you have given. What is our part of the Partnership? Each university has to have some skin in the game. Did I miss that part of it? (Trustee Carter)</p>

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	<p>Yes, you are absolutely correct. It is called the Public Private Partnership and the public side, we will have to be part of, and that will include our land where the developer will be coming and redeveloping. Even though we are not going to mix the funding, we have the PECO for CASS Funding but since it is all in the same area, we have the construction management of that part of the project. We have an architect selected, but we will try to leverage that also to make that project successful. Again, those are the discussion items that we will negotiate and get the developer on board. (AVP Kapileshwari)</p>
	<p>So fundamentally, in terms of our skin in the game, our investment and our partnership is actually going to be the land? (Trustee Carter)</p>
	<p>Yes, the land. (AVP Kapileshwari)</p>
	<p>Okay. (Trustee Carter)</p>
	<p>What I would like to offer relative to this comment is that we recognize one of our sister institutions, USF, that made it successfully through this project. So one of the hallmarks or high points, if you will, that I recall from the BOG meetings, which is where it would land ultimately, is through the coordination and engagement of the Committee and/or Board in making sure that they are very much aligned with the messaging and the intent of this project. So AVP Sameer has assured me that that would be our continued focus with this committee as well as my understanding that President Mangum would be committed with that as well. So, thank you for that and we will transition to our third item. (Trustee Moore)</p>
	<p>The timeline, and this may all be just placement in it, but it suggest that we might obligate ourselves to ground leases before the Facility Committee has approved the plan. Are we talking about ground leases to the developer or the acquisition of new land where we would engage in a ground lease, hence obligating the university before the Facility Committee has approved the concept? (Trustee Warren)</p>
	<p>There would be no ground leases or transfer of land until the P3 was approved, and then the ground lease transfer would be to the developer. As part of the P3 long term, we might acquire additional land which may also be ground leased to the developer. And the P3 also requires any transfer of land, that at the end of that certain time period, that that land reverts back to the University. (Chief of Staff Miller)</p>
	<p>Right, I understand, Mr. Miller. My point here is that this is your informed information document to us and others, so the order in which the Facilities</p>

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	<p>Committee’s approval process is placed in the timeline is important to the outside reader and to the internal reader. And so what I’m suggesting is the timeline seems to say to me that the Committee takes action after we’ve been obligated. (Chairman Warren)</p>
	<p>Yes, okay. (AVP Kapileshwari)</p>
	<p>Chair Warren, what I would offer to that, and AVP Kapileshwari, we can certainly do this. What I just heard from Chief of Staff Miller is that the University could secure other land not related to this P3 project but could at some point be tied in. What we may want to do is show the removal of this line altogether where it says closing ground lease negotiations, that it would be removed, and that the next order would be the FAMU Facilities Committee approval. (Trustee Moore)</p>
	<p>Yes, I can live that that (Chairman Warren)</p>
	<p>We will modify the timeline accordingly, and very good point. Yes, we will move the closing until after the FAMU Facilities approval. (AVP Kapileshwari)</p>
	<p>I would thank you all for, one, entertaining and having this information available. AVP Kapileshwari, I think it would be incumbent, if you haven’t already done it, I know the new members have participated in an orientation, but that we actually get an opportunity or take the opportunity to visit the campus and look at all of the facilities that we have. I think it will add to our conversation and discussion. So thank you, AVP, for making sure that I will have that under my belt as well. (Trustee Moore)</p>

There was no further business. The meeting adjourned at 3:15 p.m.

Kimberly Moore  
Committee Chair

Transcribed by:  
Cynthia F. Russell



# Florida Agricultural and Mechanical University Board of Trustees Action Item

Meeting Date May 2016

Agenda Item: IV

### Item Origination and Authorization

Policy  Resolution \_\_\_\_\_ Award of Bid \_\_\_\_\_ Contract \_\_\_\_\_ Budget Amendment \_\_\_\_\_ Grant \_\_\_\_\_ Change Order \_\_\_\_\_ Other \_\_\_\_\_

### Action of Board

Approved \_\_\_\_\_ Approved w/ Conditions \_\_\_\_\_ Disapproved \_\_\_\_\_ Continued \_\_\_\_\_ Withdrawn \_\_\_\_\_

**Subject:** Proposed amendment to Board of Trustees Policy Number 2005-06 relating to Change Orders for Construction Contracts

**Background:** Board of Trustees Policy 2005-06 requires that for construction contracts, all change orders (regardless of the amount, if any) which in the aggregate do not exceed \$250,000 must be approved by the University President. Construction change orders which in the aggregate exceed \$250,000 must be approved by the Board of Trustees.

The Division of Construction and Facilities Management proposes an amendment to the construction contract change order Policy Number 2005-06. The proposed amendment is attached hereto as Exhibit A.

**Recommendation:** Amend board of Trustees Policy Number 2005-6 related to Construction Contracts Change Orders as substantially set forth in Exhibit A subject to the review and approval of the Office of the General Counsel. The Amendment to be effective for all construction contract change orders requested after July, 1, 2016.







# Florida Agricultural and Mechanical University Board of Trustees Action Item

Meeting Date May 2016

Agenda Item: **IV Exhibit A – Proposed Process**

Policy  Resolution  Award of Bid  **Item Origination and Authorization**  
 Contract  Budget Amendment  Grant  Change Order  Other

**Action of Board**

Approved  Disapproved  Continued  Withdrawn   
 Approved w/ Conditions

DOCUMENT	FROM	TO	General Counsel	Executive Director/Director	Associate VVP/CFO	President	BOT
<b>PROPOSED POLICY:</b> Change Orders/Amendment to Services up to 25 % change of contract amount	\$0	\$50,000	X	X	X		
	\$50,001	\$100,000	X	X	X		
	\$100,001	\$250,000	X	X	X	X	
	\$250,001	no limit	X	X	X	X	X
Change Orders/Amendment to Services above 25 % change of contract amount	\$0	\$50,000	X	X	X		
	\$50,001	\$250,000	X	X	X	X	
	\$250,001	no limit	X	X	X	X	X



**Florida Agricultural and Mechanical University**  
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**INFORMATION ITEM**

**Facilities Committee**  
**May 11, 2016**  
**Agenda Item: VI**

**Subject:** Updates on DOE Capital Financing, Public-Private-Partnership (P3), and Master Plan

**Summary:**

The following is an update on the DOE Capital Financing, Public-Private-Partnership (P3), and Master Plan

PROJECT (S)	STATUS
DOE Capital Financing	<p>Recognizing the prominent role of Historically Black Colleges and Universities in American history, the U.S. Department of Education's (DOE) Capital Financing Program addresses a widespread need of HBCUs for capital improvements and their general lack of access to traditional funding sources.</p> <p>Since submission of the preliminary application on January 20, 2016, there have been several follow up meetings and tour with DOE, Rice Capital, BOG, and the State Bond finance teams to go over the plan. Currently our financial consultant Brentwood Capital Partners is working closely with bond finance, Rice Capital and plan on sharing with us their recommendations on the next steps.</p> <p>In addition to the bond refinancing, we are also working with one of our continuing services Architects in developing some conceptual layout of 21<sup>st</sup> century living learning environment we would like to create.</p>
Public-Private-Partnership P3 development	<p>FAMU envisions a transformational development to serve as a catalyst project along the Monroe-Adams Corridor and the "main street" of campus to resolve critical housing issues, aesthetic concerns, and simultaneously create a viable marketplace that could promote the long term sustainability of the University.</p> <p>RFQ process was completed in December 2015 and 11 firms were shortlisted in January 2016.</p>



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INFORMATION ITEM**

	<p><b><u>P3 steps and timeline:</u></b>          Business plan: January – April 2016          Market demand study – April – June 2016          Invitation To Negotiate Process: July – August 2016          Selection of Preferred Developer: September 2016          Facilities Planning Committee Approval: TBD          FAMU Board Approval: TBD          BOG approval: TBD          Closing (ground lease negotiations, developer’s due diligence): TBD          The goal is to have:          CASS Building opening: Fall 2018          Housing development: Fall 2019          Athletic and mixed use development: Fall 2020</p>
<p>Master Plan</p>	<p>The development of the FAMU Master Plan Update is a requirement pursuant to Subsection 1013.30 (9) F.S. The Final Master Plan and Supporting Inventory and Analysis documents are used to determine necessary facility requirements, building placement and proposed campus expansion to support the proposed student enrollment.</p> <p>The 2010-2020 FAMU Master Plan has been completed. As part of that update, all 18 master plan elements were included and data was collected where available.</p> <p>Currently the master plan is going through the five year intermediate update. To date we have complete the following phases:</p> <ul style="list-style-type: none"> <li>• Phase I – Evaluation</li> <li>• Phase II- Inventory and Analysis             <ul style="list-style-type: none"> <li>- Presidents Vision and Senior Leadership input</li> <li>- Campus development agreement (two year extension)</li> <li>- Underground utility analysis</li> </ul> </li> </ul> <p>We have completed over 20 visioning sessions with stakeholders and stakeholder groups including academic, research, auxiliary, sustainability, student affairs, and also student government and alumni. Simultaneously, we are developing the programming worksheet and validating it against our proposed Capital Improvement Plan (CIP). These documents will be aligned with the strategic plan when it is updated.</p>



## Florida Agricultural and Mechanical University Board of Trustees INFORMATION ITEM

The following is the tentative look ahead schedule with the goal of completing the final master plan by end of the year:

### May 2016

- Verification / Approval of CIP and Program Summary Document
- Design Workshop with Facilities Team
- Preliminary Concept Presentation and Input Session with Steering Committee
- Preliminary Concept Presentation and Input Session with President / Sr. Leadership Team
- Preliminary Concept Refinement

### June 2016

- Development and Review of Final Campus Master Plan Narrative

### July 2016

- Final Master Plan Presentation to Steering Committee, President, and Senior Leadership Team

### August and September 2016

- **Final Master Plan Presentation to Board of Trustees (action item - approval to initiate agency review, public hearings, and CDA) – (Facilities sub-committee) (full Board) or the following scheduled meeting**
- Informal Public Information Session Open House (per Florida Statutes)
- First Public Hearing (per Florida Statutes; advertisement in local newspaper)
- Submit Draft Master Plan to Host Community + State Agencies (per Florida Statutes; 90 days for review, advertisement in local newspaper)

### November and December 2016

- **Second Public Hearing / BOT Meeting to Adopt Campus Master Plan (per Florida Statutes) \* (Facilities sub-committee)/(full Board) or the following scheduled meeting**

*\* Contingent upon Host Community + State Agency review concluding earlier than the 90 day review period authorized per Florida Statute*

## Florida Agricultural and Mechanical University



### Public-Private Partnership

#### Strength of the Short Listed Private Partners

##### **Construct Two Group**

- CTG is a thriving business with a sound financial history and secure future.
- Over the past nineteen years CTG has completed over \$950 million in construction projects and is now the largest African American owned Construction Management and Development firm in the state of Florida

##### **Corvias Campus Living, LLC**

- Has built more than 7,000 new homes across the United States and have made significant renovations or upgrades to more than 14,000. They have demolished more than 4,000 aging structures and constructed new ones that will stand for decades in their place.
- Their construction management experts have built entire neighborhoods, including community centers, playgrounds, and schools, from the ground up.

##### **Grigsby & Associates + Rosser International**

- Grigsby & Associates, Inc. is an inactive Broker-Dealer. Rosser International, Inc. is a full-service, professional design firm headquartered in Atlanta, Georgia.
- During the 60+ year history, they have grown from a regional practice to an international architecture and engineering design firm.

##### **HAAD/Arcadd Inc.**

- Massachusetts-based HAAD/Arcadd Inc. was established in 1986 and specializes in public facility design including renovation and new construction projects.
- Their portfolio includes the Westin Hotel in Boston and an array of international projects in Kabul, Libya and Baghdad.

##### **Hunt Companies, Inc.**

- Privately-owned company dedicated to building value through the development, investment, management and financing of real assets. Hunt is a respected full-service real estate company.
- Hunt's family of companies is committed to adding value and providing solutions to public and private sector clients worldwide.

### **Jacob Development + PSA Construction**

- Jacob Development Group, LLC provides real estate development services.
- At PSA Construction Inc. they strive to exceed industry standards and ensure all projects are completed in a timely, cost effective manner.

### **LJM Holdings, LLC**

- LJM Holdings, LLC team has extensive experience in the design, development and delivery of architecturally distinguished urban mixed-use projects.
- In addition to having a cumulative amount of development construction management experience within the company in excess of 60 years, the principals are Class A licensed Florida General Contractors, Engineers and Brokers.

### **Rise Real Estate Company**

- Through RISE's 20 years of experience in financing over \$2.3 billion in campus development and multi-family assets, they have utilized numerous financing structures with the steadfast goal of achieving the optimum value for each client in an ever-changing market.
- RISE carefully guides the comprehensive development process from inception of each project to ensure that the project moves forward efficiently.

### **Servitas**

- Construction Management - With a focus on student housing projects Servitas has experienced estimating and construction management professionals.
- Financial Structuring - They work with underwriters, banks, REITs and other capital providers to structure tax-exempt and conventional financings for projects at both public and private higher education institutions.

### **University Student Living**

- USL's leadership team represents over 100 years of combined student housing experience and more than \$3 billion in executed projects.
- From market analysis, financial solutions, full-scale development, construction services to residence life, have experts who have the resources and capability to provide superior turnkey services.

### **Urban America Development Associates**

- Urban America's focus has been on investing and developing real estate in the most distressed communities, having consummated over \$2 Billion in real estate property.
- Urban America is also a vehicle for institutional investors and developers seeking fiscally and socially beneficial investments in inner city commercial real estate.