MEETING MINUTES – APPROVED
Campus Planning Committee
December 16, 2021
Hybrid Meeting
Bascom Hall – Room 260 + Virtual WebEx
8:30am to 10:00am

1. **CALL TO ORDER**
   Present: Eyad Affifi, Craig Berridge, Duncan Carlsmith, Katie Effertz, Aristotle Georgiades, Joel Gerrits, Yevgenya Grinblat, Elizabeth Harris, Diana Hess, Lindsey Honeyager, Aaron Levine, Shelby O’Conner, Kurt Paulsen, Tom Purnell, Ian Robertson, Karl Scholz, Bret Shaw, Lindsey Stoddard Cameron, Eric Wilcots

   Excused: Ndemazea Fonkem, Dan Rhodes, Liz Sadowski

   FP&M: Gary Brown, Rob Cramer, Rhonda James, Patrick Kass, Molly Lenz, Brent Lloyd, Kip McMaham, O’Higgens, Margaret Tennesen, Cindy Torstveit, Aaron Williams

   Guests: Chris Bruhn, Pete Davis, Maura Donnelly, Maura Donnelly, Alex Pierce, Ryan Pingel, Ellen Rosner, Alex Roe, Paul Seitz, Kurt Stephenson, Lori Wilson

   a. Scholz, committee chair, called the meeting to order at 8:31am.

2. **OLD BUSINESS**
   a. Approval of Meeting Minutes from December 2, 2021. (ACTION ITEM)
      - Minutes were approved unanimously
   b. Status report on the 2023-25 Biennial Capital Budget – Brown provided an update that the CPC’s recommendations were submitted to the Chancellor and the Executive Leadership Team on December 10, 2021, whereby the chancellor approved the recommendations without any changes. FP&M staff submitted all of the documentation and 2023-29 Six-Year Capital Development Plan to UW System last night prior to their deadline on December 15, 2021. UW System will now review all of the requests, which will then be intermingled with all of the other UW System campus’ requests for a consolidated UW System Capital Budget request for Board of Regents approval in August 2022. UWSA staff will begin briefing the regents in Summer 2022.

3. **NEW BUSINESS**
   a. UW-Madison Future Facilities Planning Strategy “Transforming the Built Environment” (Cramer & Torstveit)
      - Refer to the recorded presentation for presentation and discussion. Questions during the presentation reflected below.
      - Wilcots: Is the ‘Changing the Trend’ by building or by square footage?
        - Torstveit: It is by both. Based on the total 25M GSF as well as the age.
      - Paulsen: Does this include or exclude the removal of Mosse?
- Cramer: We have not done it yet, so it is not included. Note, if a project has done a major renovation, its clock starts over on this metric. Witte is less than 10 years old based on its recent major renovation.
- Shaw: There are some new buildings on campus that appear not to be reflected. Does it round down to zero?
  - Cramer: It is a snapshot in time and does not include Bakke or Nick. The data might be better than it indicates, but it is not far off.
  - Torsveit: Witte is included on these numbers as a ‘green’ building as it underwent a major renovation recently.
- O’Connor: do we know similar percentages for peer institutions? Why can other peer institutions appear to spend more on buildings than us?
  - Cramer: Gordian has provided that information and we have it. The other institutions portfolio is not as aged as UW’s. On the second point, UWSystem is the only such higher ed entity in the country without its own credit rating as it does not issue its own debt. This topic was advanced by the Board of Regents a couple years ago for them to issue their own debt, to invest in capital projects, it was not approved by the legislature. UW would like to continue to work with UWSystem on advancing this topic again. As one strategy to help, the Board of Regents needs the ability to issue debt, which has consequences around more rigorous review of our finances by third parties before issuing that rating.
- Provost: Our ability to issue debt with our auxiliaries is straight forward. For a capital project in a School/College/Division, there needs to be a regular flow of payment to service the debt, but in our current model it’s not clear where that comes from. No federal agency (grant dollars) is going to allow their grant to be used for payment of capital.
- Purnell: On the Current Portfolio slide you indicated 21 N. Park as an excellent facility condition with weak mission alignment. How many buildings are in that box?
  - Torsveit: This is partly why we need a more complete conditions assessment of all campus buildings. We need to understand, but talking with the deans, if our buildings are aligning with the mission.
  - Provost: Am I correct in saying that we have many school/college/division master plans completed that do include building analysis?
  - Torsveit: Correct, we have some that are completed and some that are not. We need to fill this out for all buildings.
  - Wilcots: Mosse is a poor facility condition, but it is well aligned with mission. It struggles to deliver on that mission due to the building condition, but it should be noted its strong alignment. In our context, what is the private portion of a Private Public Partnership (P3)?
  - Torsveit: The next presentation will get into this.
- Brown: At University Square 1/3 of the land was Board of Regents land. That was UW’s contribution to the deal.
- Georgiades: Using the Starbucks example. Is UW leasing space or did they invest in the infrastructure?
  - Seitz: UW Housing owns the franchise in this instance.
  - Georgiades: Who is deciding where Starbucks should be and located on campus?
  - Seitz: In this instance, UW Housing looked at options to increase revenue and support their mission across their buildings and decided that Smith Hall was ideal.
  - Georgiades: Could a school/college/division suggest this mechanism to someone?
  - Seitz: Campus does have a partnership with UW Credit Union as it is determined to be well aligned with our institution.
- Paulsen: Currently when the State legislature enumerates something in the budget and uses bonding, they pay the debt service. What happens when they say, UW can have bonding authority, but UW must come up with the debt service, does that make us better off?
  - Cramer: It changes the equation. If we can issue debt, we must identify the revenue source to commit to it. How important is the space to us, when do we need it, and how are we willing to deal with the opportunity cost of the debt service verse using the money for something else. Where can we find revenue streams and/or the ability to grow margins to pay for the debt service.
- Paulsen: Would the request for bonding authority only be for revenue bonds, backed by specific revenues, or also for general obligation debt?
- Cramer: We would want to ask for the most expansive authority and then have the ability with Board of Regents on how to use it. Determine if it will be targeted for auxiliaries or more expansive to other campus units.
- Stoddard-Cameron: Over the years we’ve seen significant decreases in State supported funding.
- Torstveit: The trend line has been flat and not really decreasing. The legislature has a comfort level to which they are willing to allocate bonding levels and do not anticipate this to significantly change in the future.
- Nergard: Do the Gordian projections factor in vulnerability from climate change?
- Cramer: No because these are forecasts based on past activity. As we think about the future state of what we want our portfolio to look like, resiliency and sustainability all need to be critically thought about and included in the planning & design process.


- Revenue innovations framework – Study Group Recommendations
  - Corporate and industry partnerships
  - Auxiliary and asset optimization
  - Real estate
- Revenue innovations framework – Guiding Principles
  - Generate substantial new streams of revenue to support the mission.
  - Recognize UW-Madison’s history of placing value on the medium to long term.
  - Align with the campus strategic framework.
  - Support agenda to enhance diversity, equity, and inclusion, healthy communities’, and our obligation to sovereign Native Nations.
  - Respect principles of shared governance.
  - Enhance the student learning and growth experiences on and off campus.
  - Protect the overall wages and benefits of employees.
  - Trial potentially scalable innovations in new technologies and technology transfer, performance and operations, campus design, transactions and procurement, partnerships, governance, and regulation.
  - Improve the accessibility, livability, sustainability, and quality of the campus environment, and city-region more generally.
  - Support and build positive relations and ties with the community, the nonprofit and business sector, and the public sector.
- Honeyager: With Lot 45 being redeveloped what is the plan for the lost parking? Many staff from the School of Education parking in that lot. Will they be displaced?
- Brown: The future parking facility at the corner of W. Dayton and N. Park Street would occur prior to development of the Lot 45 parcel as is identified in the Campus Master Plan.
- Robertson: As you look at the campus footprint to meet our instructional and research mission, do we know how well we are using our current spaces? Can we gain space and will it direct how we proceed forward? Looking at the good space, are we using it to its full capacity?
- Torstveit: Our FP&M Space Management Office has done some space utilization studies but we need to fill out that information and confirm where we are at with all buildings so we can create recommendations for higher utilization in each building.
- Carlsmith: The Regent Street area is indicated as orange. Are we looking to acquire space in that area of campus and what are the constraints of that?
- Cramer: It is a good question in understanding what we want to acquire on campus verse how we can use partnerships to effectively control space. Acquisition by UW through the Board of Regents requires enumeration, but can we use a P3 method to
deliver differently and partner with the private sector in that area to do development? We believe so.

- Brown: There is a South Campus-Regent Street Neighborhood Plan which UW was a part of, but our campus boundary does not include parcels along Regent Street. Changed in the campus development plan boundary would require the Board of Regents approval.
- Provost: If we benchmark our space relative to other peer institutions, the data suggests we have a lot of space on campus, but as a Provost we feel crowded on campus. Are we looking at how efficiently we are using the space we have? This all suggests that we need to look at using the space differently or better before acquiring more space.
- Wilcots: As we move forward talking to stakeholders, how do we ensure we are doing this wholistically and getting all the voices to the table and understanding all the possible opportunities.
- Cramer: There will be a concentric circle model. Understand the core group and ripple out from there to engage effectively. We need to balance engagement with speed from a practical standpoint to ensure implementation is occurring.
- Provost: There has been talk about the P3 process which would need to be very transparent just by the nature of how they are delivered. The CPC would be part of that discussion, representing shared governance for review and comment.
- Seitz: As we meet with groups like this, we are learning new things, but also hearing about other groups we should engage with.
- O’Connor: Does URP only deal with entities off campus. I’m confused if URP is coming to develop projects on campus?

- Seitz: Historically URP was created in 1984 and have been located out at the former Charmany Farm site and land south of the West Madison Ag Research Station. They have a couple outlier properties as well. In October 2021, the Board of Regents and URP came to the agreement on an MOU to effectively begin working with us for development on campus. UW and URP are allowed to collaborate on main campus lands. URP can develop and act as the landlord for campus property that the chancellor brings forward to the Board of Regents for approval. URP could effectively develop a project and academic units could use the space with revenues generated by a third-party entity (retail, parking, housing). All the surplus revenue that URP collects is ultimately for the benefit of the University. They currently make an annual gift to UW.
- Stoddard Cameron: Could the graphic be adjusted to directly relate the Humanities and Arts together as one unit. They are really intertwined on the east end of the campus.
- Paulsen: When the university gets into the real estate business, there will be pressures to ensure our buildings address opportunities that may reflect our values, but things that may reduce the surplus revenue available. We must be cognizant of that reality.

4. ANNOUNCEMENTS
   a. Next meeting is February 17, 2022.
      ▪ Committee Members please attend in person at Bascom Hall Room 260.
      ▪ Guests & Interested Parties please attend virtually.

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<tr>
<th>Meeting Date</th>
<th>Tentative Agenda Topic(s)</th>
<th>Location</th>
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<tbody>
<tr>
<td>February 17, 2022</td>
<td>HOLD</td>
<td>In-Person + Webex Bascom Hall Room 260</td>
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<tr>
<td>March 17, 2022</td>
<td>HOLD</td>
<td>In-Person + Webex Bascom Hall Room 260</td>
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<tr>
<td>April 14, 2022</td>
<td>HOLD</td>
<td>In-Person + Webex Bascom Hall Room 260</td>
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<td>May 12, 2022</td>
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<td>In-Person + Webex Bascom Hall Room 260</td>
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5. MEETING ADJOURNMENT
   a. Scholz adjourned the meeting at 10:28am