



**BOARD OF REGENTS
COMMITTEE ON FINANCE**

Minutes from Public Session
November 21, 2013
UMBC

Senator Kelly called the meeting of the Finance Committee of the University System of Maryland Board of Regents to order in public session at 10:10 a.m. Senator Kelly moved and Regent Attman seconded to convene in closed session. At 10:10 a.m., the Committee voted unanimously to go into closed session under State Government Article Section 10-508(a) to consider the investment of public funds, acquisition of real property, and consult with counsel to obtain legal advice on a legal matter. The session adjourned at noon.

The Committee reconvened in public session at 12:05 p.m. Those Regents participating in the session included: Senator Kelly, Mr. Attman, Ms. Gooden, Mr. McMillen, Mr. Rauch, and Mr. Slater. Due to the delayed start, Regent Kinkopf was unable to participate in the public session. Also present were: Mr. Vivona, Dr. Boughman, Ms. Doyle, Ms. Ryan, Mr. Hogan, Ms. Crockett, Mr. Oster, Mr. Colella, Ms. Kropp, Mr. Shoenberger, Mr. Lockett, Mr. Lowenthal, Mr. Beck, Mr. Page, Mr. Salt, Ms. Denson, Dr. Foster, Mr. Muntz, Dr. Passmore, Mr. Lurie, Ms. McMann, Ms. Motsko, and other members of the USM community and the public.

Senator Kelly welcomed those in attendance and apologized for the delayed start of the public session. He added that due to time constraints, several of the agenda items would be deferred to a later date.

1. The Universities at Shady Grove: Facilities Master Plan Update (action)

Senator Kelly reminded everyone that Dr. Edelstein gave an overview presentation on the update to the facilities master plan at the October meeting of the committee. He stated that it was very well received, and that he had not heard of any issues with the Plan Update. This is the second step in the process for approval of the plan.

The Finance Committee recommended that the Board of Regents approve for the Universities at Shady Grove the Facilities Master Plan Update as presented at the last meeting. Approval of the Plan Update does not imply approval of capital projects or funding. These items will be reviewed through the normal procedures of the capital and operating budget processes.

(Regent Attman moved recommendation, Regent Gooden seconded, unanimously approved)

2. Towson University: Sale of University House located at 3903 Greenway, Baltimore (action)

Mr. Vivona indicated that after a good deal of discussion and deliberation, Towson is seeking approval to dispose of the property that has been utilized as the president's residence. The property is currently

valued around \$1.1 million based on recent sales in the area. With the Regents' approval, the University will begin the State's disposition process and then market the property for sale.

The Finance Committee recommended that the Board of Regents approve for Towson University the disposition by sale of its University House located at 3903 Greenway in the Guilford neighborhood of Baltimore; and, delegate to the Chancellor the authority to execute, after appropriate legal review, all documentation required for the disposition, consistent with applicable University System of Maryland Policy "Acquisition and Disposition of Real Property."

(Senator Kelly moved recommendation, Regent Gooden seconded, unanimously approved)

3. University of Maryland, College Park: Sale of Real Property to the University of Maryland College Park Foundation, Inc. (action)

Mr. Vivona summarized the item. The University is requesting to sell a parcel of land included in the "East Campus" to its foundation for the purpose of the private development of a high end hotel and conference center. He pointed out that there will be several conditions required of the developer and limits regarding what can and cannot go on with the site. Regent McMillen asked about what kind of thought had gone into this proposed development in the context of UMUC's existing hotel and conference center, and if a needs assessment had been performed. Chancellor Kirwan responded that the campus would like to have its own facility in order to have access to much needed space. Mr. Colella added that a market study showed that the College Park area is indeed under-represented in the number of full-service hotels, although there are many budget hotels. He went on to say that a development of this nature would contribute to the uplifting of the Route 1 corridor and the City of College Park. Senator Kelly asked that Finance Committee be briefed as this project moves ahead.

The Finance Committee recommended that the Board of Regents approve for the University of Maryland, College Park the disposition by sale of approximately 3 acres of University land located within that tract known as East Campus to the University of Maryland College Park Foundation, Inc. for the purpose of providing a development site for a high quality hotel and conference center of approximately 300 rooms and parking garage under the conditions described in the item; and, delegate to the Chancellor the authority to execute, after appropriate legal review, all documentation required for the disposition, consistent with applicable University System of Maryland Policy "Acquisition and Disposition of Real Property."

The approval and delegation to execute documents is conditioned upon the completion of due diligence on the part of the University and all that due diligence deemed necessary by the USM Office of the Chief Operating Officer/Vice Chancellor for Administration and Finance in order to make a recommendation to the Chancellor regarding the execution of documents. The University shall continue to work with the USM Office throughout the document development and disposition processes.

(Senator Kelly moved recommendation, Regent McMillen seconded, unanimously approved)

The public session was adjourned at 12:14 p.m.

Respectfully submitted,

Senator Frank X. Kelly
Chairman, Committee on Finance