

**UNIVERSITY OF NEBRASKA BOARD OF REGENTS
BOARD OF REGENTS MEETING ITINERARY**

FRIDAY, FEBRUARY 21, 2014

11:00 a.m.

ACADEMIC AFFAIRS COMMITTEE

Topic: Public Policy Overview *[60 minutes]*

Presenter: Terry W. Hartle, Senior Vice President, American
Council on Education

Noon

Lunch

12:30 p.m.

BOARD OF REGENTS MEETING

**AGENDA
THE BOARD OF REGENTS
OF THE UNIVERSITY OF NEBRASKA**

Varner Hall
3835 Holdrege Street
Lincoln, Nebraska 68583-0745
Friday, February 21, 2014
12:30 p.m.

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN ON JANUARY 24, 2014
- IV. PUBLIC COMMENT

The Standing Rules of the Board provide that any person who gives 24 hours' notice to the Corporation Secretary of the Board may speak to any item that is not on the agenda. In addition, any person may appear and address the Board of Regents on any item on the agenda for this meeting. Each person will be given up to five minutes to make his or her remarks. Public comment will be limited to a period of 30 minutes.

- V. UNIVERSITY ADMINISTRATIVE AGENDA
 - A. ACADEMIC AFFAIRS
 - 1. Approve the award of Honorary Degrees and Awards [Please note: this item will be voted on after the Closed Session] Addendum V-A-1
 - B. BUSINESS AFFAIRS
 - Additional Item -- University of Nebraska-Lincoln
 - 1. Approve revisions to the University lease program at Nebraska Innovation Campus to lease space for the University of Nebraska Innovation Campus and allow the Chancellor of the University of Nebraska-Lincoln, in consultation with the President and General Counsel, to execute the leases Addendum V-B-1
- VI. ADDITIONAL BUSINESS

V. UNIVERSITY ADMINISTRATIVE AGENDA

A. ACADEMIC AFFAIRS

1. Approve the award of Honorary Degrees and Awards [Please note: this item will be voted on after the Closed Session] Addendum V-A-1

B. BUSINESS AFFAIRS

Additional Item -- University of Nebraska-Lincoln

1. Approve revisions to the University lease program at Nebraska Innovation Campus to lease space for the University of Nebraska Innovation Campus and allow the Chancellor of the University of Nebraska-Lincoln, in consultation with the President and General Counsel, to execute the leases Addendum V-B-1

TO: The Board of Regents
Academic Affairs

MEETING DATE: February 21, 2014

SUBJECT: Honorary Degrees and Awards

RECOMMENDED ACTION: Approve the award of Honorary Degrees and Awards [Please note: this item will be voted on after the Closed Session]

PREVIOUS ACTION: The Board of Regents approved the current policies for awards found in the *University of Nebraska Board of Regents Policies* under RP-1.5.1 through RP-1.5.5.

EXPLANATION: None

PROJECT COST: None

SOURCE OF FUNDS: None

SPONSOR: The Board of Regents Committee on Honorary Degrees and Awards

RECOMMENDED: James B. Milliken
President

DATE: February 7, 2014

TO: The Board of Regents
Business Affairs

MEETING DATE: February 21, 2014

SUBJECT: Revisions to lease program at Nebraska Innovation Campus

RECOMMENDED ACTION: Approve revisions to the University lease program at Nebraska Innovation Campus to lease space for the University of Nebraska Innovation Campus and allow the Chancellor of the University of Nebraska-Lincoln, in consultation with the President and General Counsel to execute the leases.

PREVIOUS ACTION: September 14, 2012 – The Board of Regents approved the University lease program at Nebraska Innovation Campus, including the Letters of Intent to Lease between the Board of Regents and Nebraska Nova, or its assigned LLC to lease space for the University of Nebraska Innovation Campus.

September 9, 2011 – The Board approved the program statement and budget for the 4-H Building Renovation at the Nebraska Innovation Campus (NIC).

September 10, 2010 – The Board authorized the President to execute, approve, and administratively process the Nebraska Innovation Campus Covenants, Conditions and Restrictions.

September 10, 2010 – The Board approved the Master Lease between the Board of Regents of the University of Nebraska and the Nebraska Innovation Campus Development Corporation for the land to be formally designated the Nebraska Innovation Campus.

April 16, 2010 – The Board approved the Nebraska Innovation Campus Development Corporation Articles of Incorporation and Bylaws.

December 9, 2009 – The Board approved the transfer of title of the Nebraska State Fairgrounds in Lancaster County from the State of Nebraska to the Board of Regents as provided by law.

November 20, 2009 – The Board approved the Master Plan and Business Plan for Innovation Campus and authorized the President to submit the same as required by law and provide a commitment for the President to provide an annual update of the plans on behalf of the University to complete the University's obligations under Neb. Rev. Stat. § 2-113(2) (Supp. 2009).

EXPLANATION: Congruent with the Board of Regent's September 14, 2012 approval, in December 2012 a lease was signed for 31,275 gross rentable square feet in the Innovation Commons (the former 4-H building and adjacent new building) and in April 2013 a second lease was signed for 89,650 gross

rentable square feet (comprised of 36,000 gsf of office/laboratory space and 53,650 gsf of greenhouse space) in the Life Sciences Collaboration Center (a complex that combined the former Industrial Arts shell with a new building) on Nebraska Innovation Campus (NIC). These leased spaces included wet and dry lab facilities, greenhouse space, head house and high bay facilities as well as office space in the Innovations Commons and Life Sciences Collaboration Center.

Planning for NIC facilities continues to evolve. To achieve savings in construction costs, greenhouses that were originally planned to be erected on the 2nd floor of the former Industrial Arts Building will now be moved to the east of the Life Sciences Collaboration Center. In lieu of second floor greenhouses in the former Industrial Arts Building, offices will be constructed.

Programmatic strategy also continues to evolve. UNL will now move its Department of Food Science and Technology (FDST) to NIC and locate its labs adjacent to the planned greenhouses.

With this change, the combined former Industrial Arts and adjacent new building, earlier identified as the Life Sciences Collaboration Center, will become the Food Innovation Center. The Food Innovation Center aligns with the University’s strategic pillars of Food, Fuel and Water. It enables the development of world class facilities in conjunction with private partners. It also makes UNL an immediate national player in vying for a national “Innovation Institute” in food engineering as recently proposed by the President’s Council of Advisors on Science and Technology.

With these changes, the total space required for FDST is 123,000 GSF of building space and 22,475 GSF for ARD Plant Sciences within the Greenhouse complex. Total square footage under lease will increase under the proposed leases by approximately 117,000.

Total proposed space under lease is as follows:

	Original	Change	Revised
Food Sciences & Technolgy Offices/Labs	36,000	87,000	123,000
ARD Plant Sciences Greenhouses	26,825	(4,350)	22,475
4-H Classrooms		4,410	4,410
NICDC/NUtech/Water for Food Offices	12,000	-	12,000
Unassigned Lease Space			
Greenhouses	26,825	(4,350)	22,475
Office/Labs	19,375	34,460	53,835
	<u>121,025</u>	<u>117,170</u>	<u>238,195</u>

Estimated gross rentals for the revised leases, including common area maintenance costs (CAM), ground rent and other costs are \$7.8 million. Net of projected sub-leases and tenant CAM, \$2.3 million, net costs are \$5.3 million.

Although unrelated to the lease, the addition of classrooms at NIC will necessitate the introduction of bus service, estimated at \$636,000 annually.

In consideration for the University assuming a lease on 100% of SDL II pursuant to this lease agreement, Nebraska Nova agrees to (1) immediately proceed with design and programming for 80,000 GSF at NIC for future tenants; will undertake good faith efforts to obtaining leasing commitments acceptable to NICDC; and will begin construction of the same within a reasonable time not to exceed 18 months after occupancy of the Life Sciences Collaboration Center/Food Innovation Center.

The changes in the leases have been reviewed and approved by the Business Affairs Committee.

Approval of this item also authorizes the Chancellor of the University of Nebraska-Lincoln, in consultation with the President and General Counsel, to approve, execute, and administratively process the leases contemplated above, provided they are materially consistent with the foregoing terms.

PROJECT COST:	None	
ON-GOING FISCAL IMPACT:	Former Lease Commitments	\$3,280,000
	Additional Leases	<u>4,520,000</u>
	Total Lease Commitments	<u>\$7,800,000</u>
SOURCE OF FUNDS:	Cash Funds	
SPONSORS:	Harvey S. Perlman Chancellor	
	Christine A. Jackson Vice Chancellor for Business and Finance	
	Joel D. Pedersen Vice President and General Counsel	
RECOMMENDED:	James B. Milliken, President University of Nebraska	
DATE:	February 20, 2014	



Nebraska Innovation Campus Conceptual Drawings

Food Innovation Center

Innovation Commons

