



**USHE BOARD OF REGENTS  
TELECONFERENCE  
FRIDAY, APRIL 24, 2020**

**AGENDA**

**10:00 AM – 11:30 AM**

**COMMITTEE OF THE WHOLE**

**ACTION:**

1. Salt Lake Community College – Non-Traditional Arrangement
2. Utah State University – Differential Tuition Funding Changes

TAB A  
TAB B

**DISCUSSION:**

1. Leavitt Group – Covid-19 Task Force Update

Projected times for the various meetings are estimates only. The Board Chair retains the right to take action at any time. In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify ADA Coordinator, 60 South 400 West, Salt Lake City, UT 84180 (801-321-7124), at least three working days prior to the meeting. TDD # 801-321-7130.



# MEMORANDUM

TAB A

April 17, 2020

## Salt Lake Community College – Non-Traditional Arrangements

Regent Policy R712, *Non-Traditional Arrangements for Development of Facilities on Campuses* requires the Board to approve development projects by outside entities on institutional land. Salt Lake Community College (SLCC) requests authorization to contract with a private developer (the Boyer Company) to develop the property currently known as the Meadowbrook Campus, located at approximately 218 West 3900 South in Salt Lake City, UT.

The Meadowbrook campus provided academic and technical training programs in the southern Salt Lake City area, but has largely transitioned those programs to the new Westpointe campus. Rather than sell the property, SLCC proposes to enter into a long-term land lease with the Boyer Company (selected through an RFP process) to create an office or commercial campus. The developer would pay the College an annual lease, which the College anticipates to accumulate to more than the appraised value of the land (\$5.7 million) after thirteen years. The length of the contract would be up to forty years and would provide the College an ongoing revenue stream to support its academic mission. The University's Board of Trustees approved this project in the March 4, 2020 meeting. Additional information about the project is provided in the attached presentation from the college, advisor, and developer.

### Commissioner's Recommendations

The Commissioner recommends the Board authorize Salt Lake Community College to partner with a private developer to enter into a land lease and development of the Meadowbrook Campus contingent on continued communication and review by the Attorney General's Office.

### Attachments



06 March 2020

Board of Regents  
c/o Interim Commissioner Dave R. Woolstenhulme  
Board of Regents Building, Two Gateway  
60 South 400 West  
Salt Lake City, UT 84101-1284

RE: Development of property located on the Meadowbrook Campus

Commissioner:

In accordance with the Regents Rule 712, "Nontraditional Arrangements for Development of Facilities on Campuses", Salt Lake Community College is requesting the Meadowbrook property development be placed on the action calendar agenda for the March 27, 2020 Board of Regents meeting.

SLCC seeks to be a leader in providing quality and impactful higher education services to the communities it serves. The College also seeks to partner with those communities in the transformative, public good of educating students. SLCC believes that there can be benefits in the private and public sectors working together in partnership, both to create new financial benefits for public entities and communities and to put in place the policies and programs designed to help those communities grow in a positive way. Realizing this vision over the long-term requires the College to look strategically at how to secure institutional sustainability and capacity over time, including the need to grow alternative revenue sources.

The academic and training programs originally established at Meadowbrook have now migrated to Westpointe and other college campuses. The college feels it's in its best interests to consolidate programs and campuses and is ready to discontinue all educational service offerings at Meadowbrook. However, the college feels there is also great value in retaining the land asset as a continual source of revenue to diversify its future revenue mix. The proposed development by Boyer Company has been selected because it appears the construction of an office or commercial campus there would be the highest and best use of the property, and would serve as a broad public benefit for redevelopment and job generation in that part of South Salt Lake City.

The proposed development by Boyer Company was objectively evaluated against other viable alternative plans, and the recommending committee chose this plan as the one with the most merits. The development will not be branded with the SLCC logo or signage, but the college (as landowner) will have significant say in ensuring the image and environment of the institution is preserved. The arrangement with the Boyer Company will reflect the college's fee-simple interest in the property, with no other considerations given by the institution. The arrangement is low-risk and low-maintenance, and predicated on the terms of the contract which will ensure advising and monitoring to maintain the long-term interests of the college. SLCC considers the compensation in the form of land lease revenue to be adequate and justifiable based on current

market conditions, and that such will provide a reliable long-term revenue stream to the college. Based on the proposed land lease arrangement, SLCC will achieve break-even status in the 12<sup>th</sup> year of the lease. Or, in other words, it will take 12 years for the cumulative cash inflows to equate to the amount received up front should a simple sale of the property had occurred, instead of a land lease.

The concept and development of this property was approved by the SLCC Board of Trustees on March 4, 2020. Thank you for your continued support of the College as it seeks to address the educational needs of the communities it serves. Let me know if there is anything else you need regarding this request.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jeffrey J. West', with a long horizontal line extending to the right.

Jeffrey J. West, CPA/MBA

# **SLCC**

# **Meadowbrook Campus**

**PUBLIC/PRIVATE PARTNERSHIP PROPOSAL**  
*(non-traditional arrangement for development)*

# TIMELINE FOR SLCC MEADOWBROOK PARTNERSHIP SELECTION

8/30/2019	Distribution of the RFI
9/10/2019	Site visit for interested parties @ the Meadowbrook Campus The following vendors attended: <ul style="list-style-type: none"><li>▪ Hogan Construction</li><li>▪ Boyer Company</li><li>▪ Gardner Company</li><li>▪ LDG Holdings</li><li>▪ JLL</li></ul>
9/20/2019	RFI responses due The following responses were received: <ul style="list-style-type: none"><li>▪ Hogan Construction</li><li>▪ JLL</li><li>▪ Gardner Company</li><li>▪ Boyer Company</li><li>▪ Katrina Dang</li><li>▪ Salt Lake County</li><li>▪ Church of Jesus Christ of Latter-Day Saints</li></ul>
11/19/2019	Contracted w/ Scion Group = consulting firm specializing in P3 advising
11/26/2019	Distribution of the RFP
12/16/2019	Stage 1 proposals due (pre-qualification) The following responses were received: <ul style="list-style-type: none"><li>▪ Blue Line Development</li><li>▪ Gardner Company</li><li>▪ Boyer Company</li></ul> All companies were approved to move forward for presentations

## Timeline, continued:

1/21/20	Stage 2 presentations were received
1/27-1/30	Presentations made to SLCC by the three firms
	Scoring by the evaluation committee resulted in the following ranking results:
	<ul style="list-style-type: none"><li>▪ Boyer Company</li><li>▪ Gardner Company</li><li>▪ Blueline Development</li></ul>
2/24/2020	Intention to award given to Boyer Company
3/4/2020	Approval for go-ahead given by SLCC Board of Trustees
3/27/2020	Initial discussion of proposal at State Board of Regents
4/17/2020	Follow-up discussion of proposal at State Board of Regents
5/6/2020	Discussion at State Building Board

# Break Even Point at 7%

YEARS	YEARS	% INCREASE EVERY 5 YRS	ANNUAL RENT	5 YEAR TOTALS	RUNNING 5 YEAR TOTALS	MONTHLY RENT
1 - 5	1 - 5	0	\$399,000.00	\$1,995,000.00	\$1,995,000.00	\$33,250.00
6 - 10	6 - 10	10	\$438,900.00	\$2,194,500.00	\$4,189,500.00	\$36,575.00
11 - 15	11 - 15	10	\$482,790.00	\$2,413,950.00	\$6,603,450.00	\$40,232.50
16 - 20	16 - 20	10	\$531,069.00	\$2,655,345.00	\$9,258,795.00	\$44,255.75
21 - 25	21 - 25	10	\$584,175.90	\$2,920,879.50	\$12,179,674.50	\$48,681.33
26 - 30	26 - 30	10	\$642,593.49	\$3,212,967.45	\$15,392,641.95	\$53,549.46
31 - 35	31 - 35	10	\$706,852.84	\$3,534,264.20	\$18,926,906.15	\$58,904.40
36 - 40	36 - 40	10	\$777,538.12	\$3,887,690.61	\$22,814,596.76	\$64,794.84

APPRAISED VALUE	GROUND LEASE %
\$5,700,000	7.00%

	Break even 13 years and 2 months =	\$5,718,335.00
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### Salt Lake Community College - Meadowbrook Campus



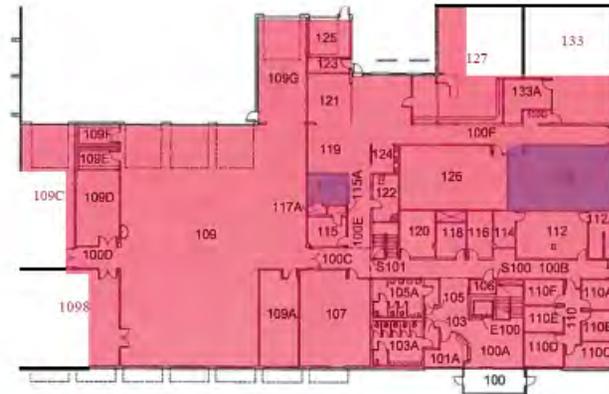
Total Acreage	9.92 acres	Appraised Value	\$4,600,000
Developed Acreage	6.72 acres		
Hard Surface	2.6 acres		
Landscape	0.96 acres		
Develop-able	3.2 acres		
Vacant Land	2.46 acres	Appraised Value	\$790,000
Solar Yard	0.74 acres		
<hr/>			
Building Square Footage			
Building A	26,954		
Building B	17,608		
Building C	<b>25,844</b>		
Portable 1	1,008		
Portable 2	969		

### Salt Lake Community College - Meadowbrook Campus

Building A 26,954

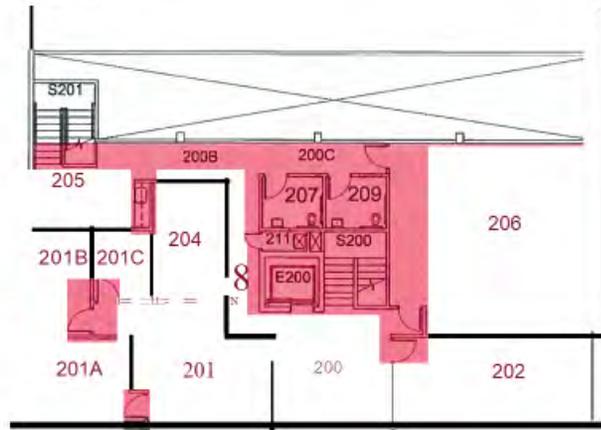


Building B 17,608



# Salt Lake Community College - Meadowbrook Campus

Building B Second Floor



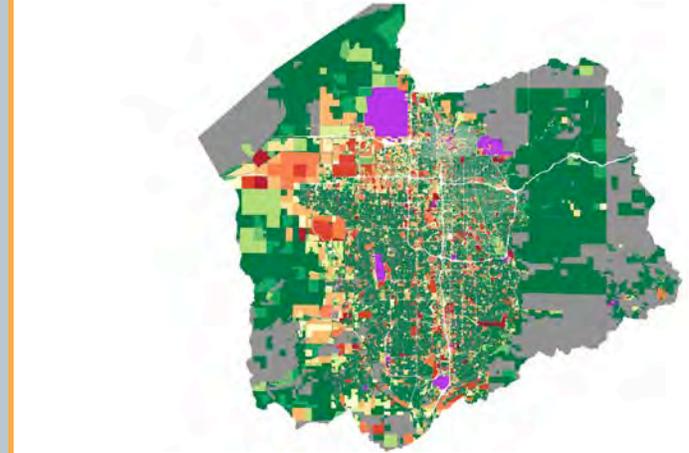
Building C 25,844



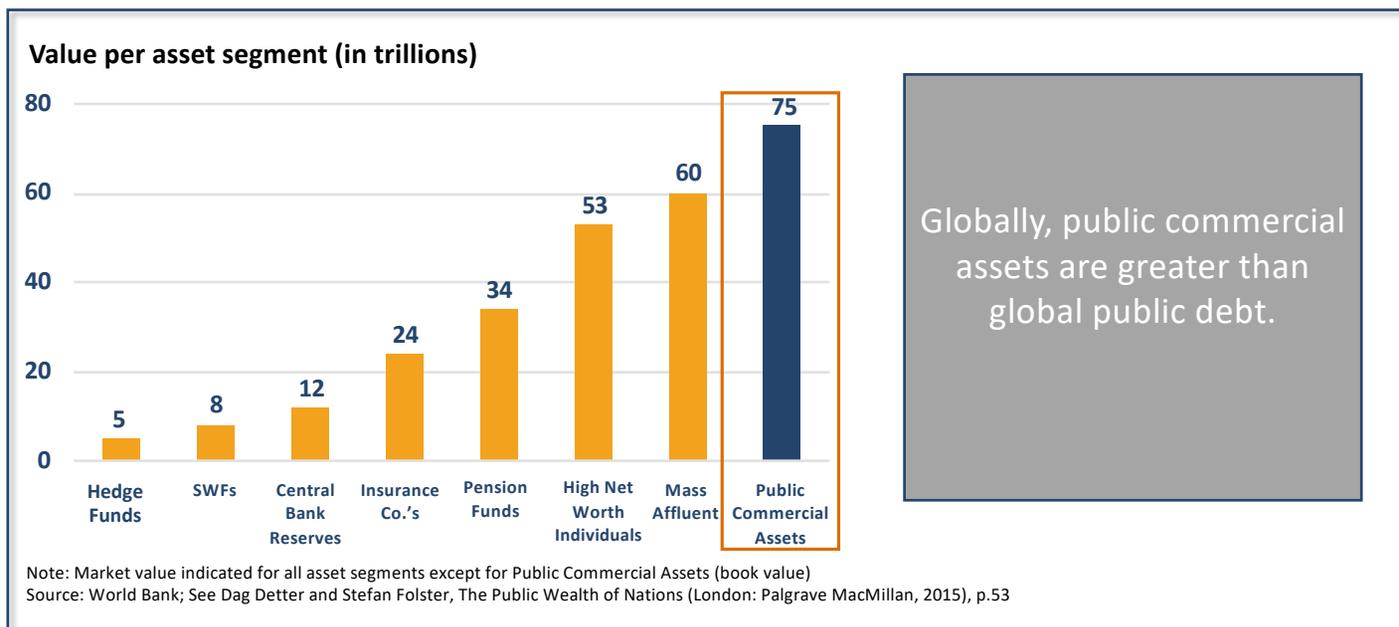
# Questions?

# Unlocking Public Wealth

Prepared for The USHE Board of Regents  
April 2020



# Public Real Assets = Largest wealth segment in the world



Cities know what they owe.

**They don't know what they own.**

Cities are sitting on a wealth of assets  
that can finance the future.

# Mapping and Valuing Assets



Asset tracing



Geo-spatial  
assessment



Valuation  
of portfolio  
holdings



Valuation of  
consolidated  
holdings

Digitized inventory of publicly owned real assets



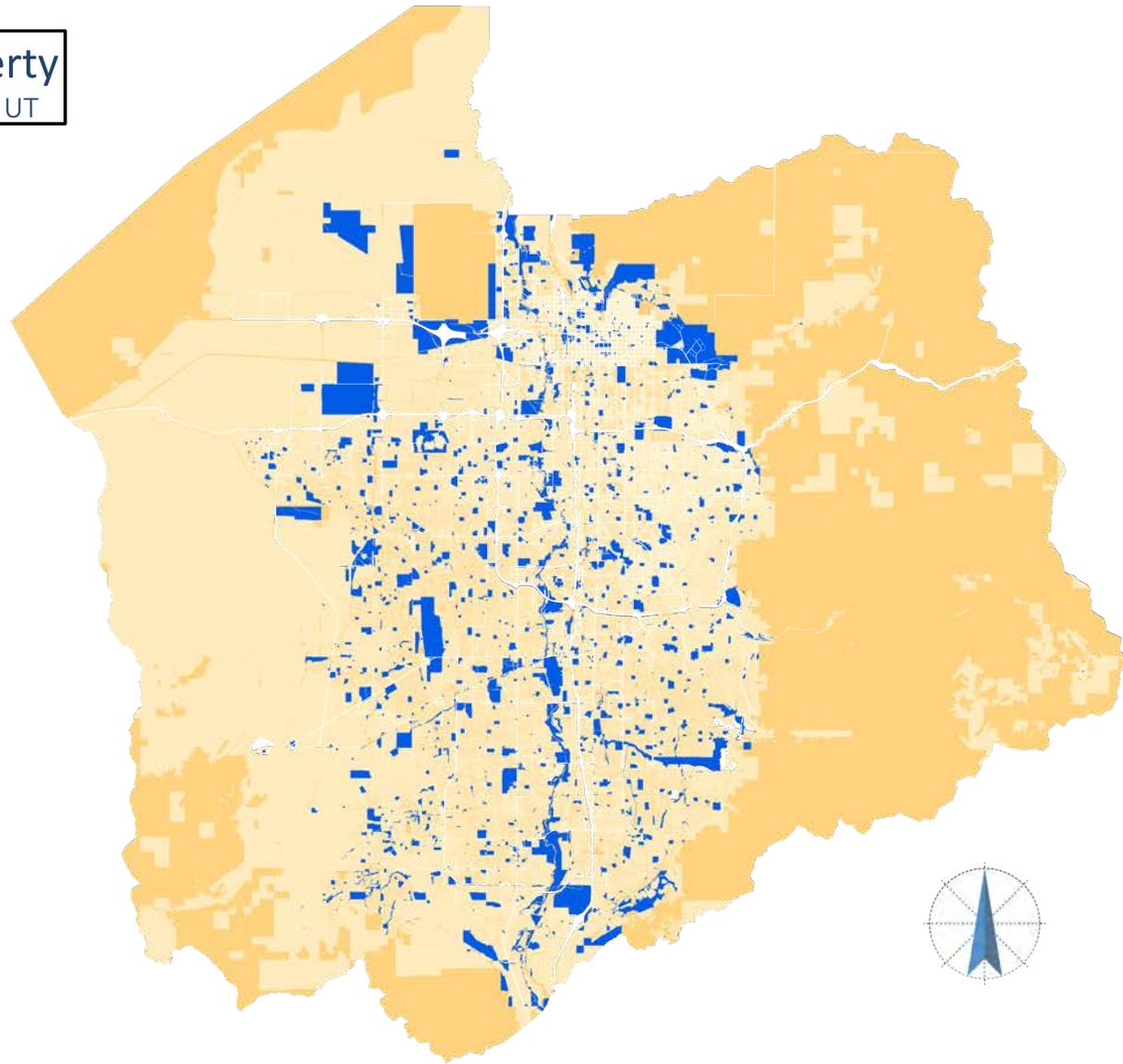
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Indicative valuation of real assets portfolio



# Identifying Public Property

Salt Lake County, UT



Viable Public

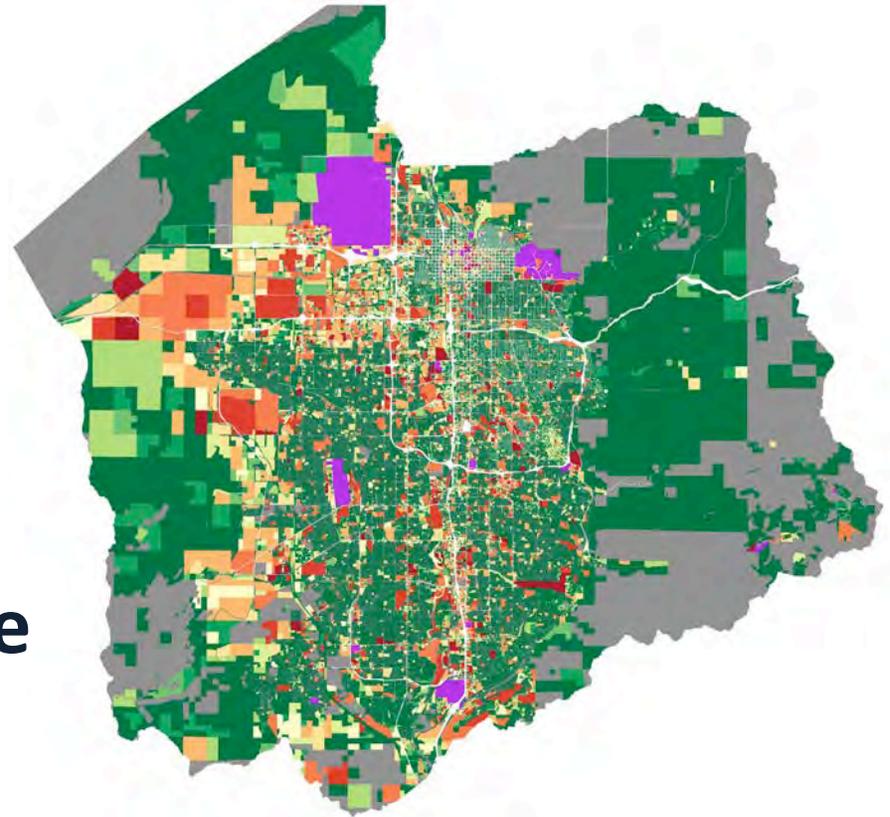
Private

Filtered Public

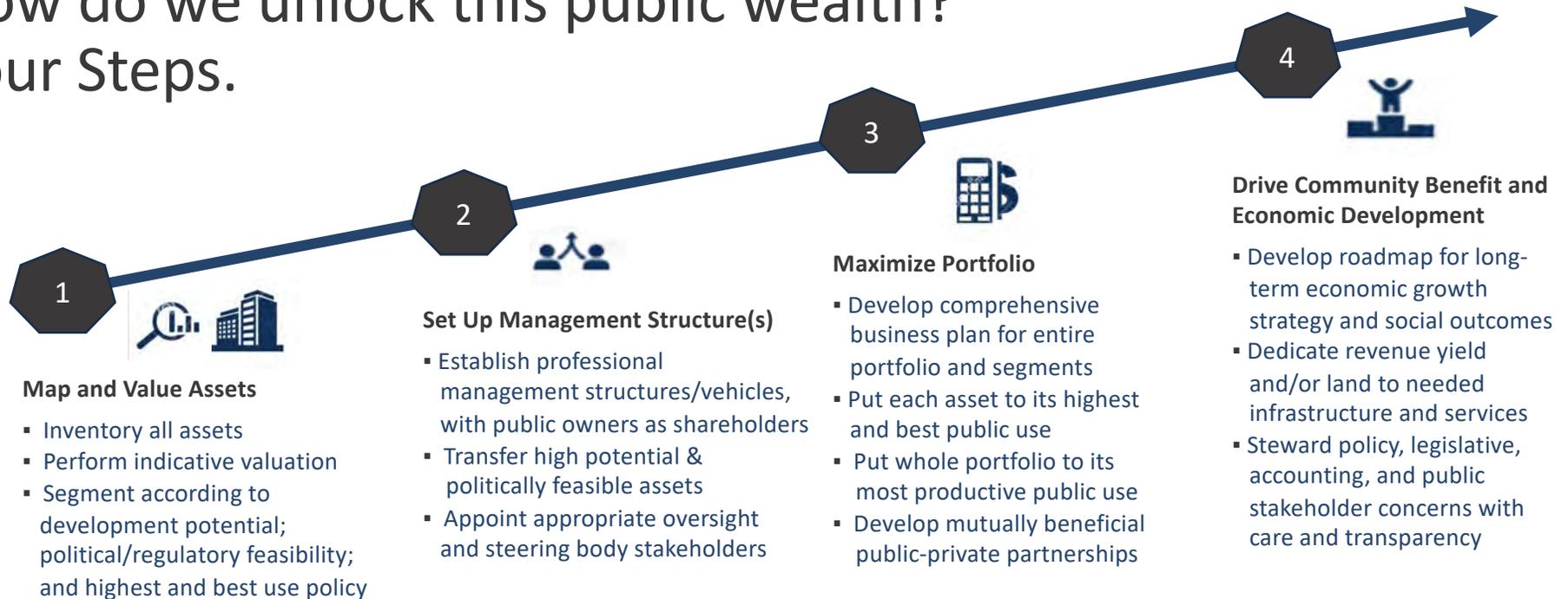
**Salt Lake County boundaries.**

**Total market value of all  
publicly owned land:  
\$150 billion**

**Total market value of all  
publicly owned land viable  
for development:  
\$10 billion+.**



# How do we unlock this public wealth? Four Steps.



# **Boston Case Study: Why not just sell?**

Jail to Hotel Conversion



## **Charles Street Jail**

Gridley James Fox Bryant  
Boston, MA  
Built 1851



Before (2008):  
\$60,000,000 Assessed Value  
\$0 Taxable Value

After (2017):  
\$123,094,500 Taxable Value



“The jail was sold in 1991 for **\$16 million**. With renovation and a new addition, the property is now worth over **\$170 million** and contributes over **\$3 million** a year in property taxes alone.”

# Where are we in Utah?

## Comprehensive, careful approach.





**Example Framework:**  
Increasing stability for Utah families through P3s that involve public real estate assets.

## Aims

### 1. Create public private partnerships to develop publicly owned real estate assets

- Generate new revenue streams for public budgets
  - Make land available
- Connect development and financing to desired outcomes at the zip-code and regional level

### 2. Define housing, health and education as key drivers of opportunity outcomes

- Create livable, walkable communities with increased opportunity outcomes
- Integrate community, city and regional planning
- Address system level change and root causes

### 3. Identify new asset management and funding/financing mechanisms that link public asset development to these opportunity outcomes

- Capital stacking: financing, impact investing, philanthropy, private real asset partnerships

## Drivers

Addressing adverse childhood experiences

Addressing social determinants of health

Addressing smart regional growth (urban, suburban, rural, resort)

Addressing sustainability and environmental stewardship

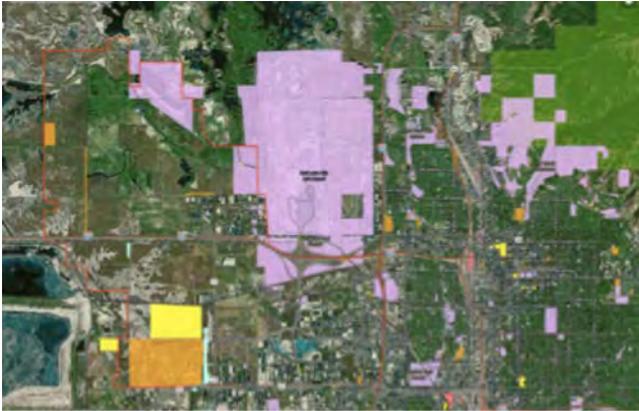
Influencing internal and public policy

Creating profitable public private partnerships

Developing private land with aligned outcomes

Strengthening community infrastructure

SLC RDA Properties



Salt Lake County Center



Meadowbrook



# Fleet Block Site Case Study

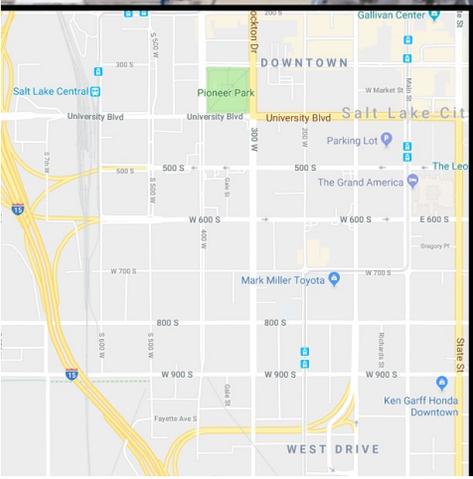
Salt Lake County, UT

# Could yield \$82M

Multifamily Infill  
\$10M/acre

8.7 acre  
City-Owned land

Transit Station 1,000 feet away





**West High School Case Study**  
Salt Lake County, UT

Average \$16M/acre

Half mile from State Capitol

Opportunity

Opportunity

1,500 feet from transit station

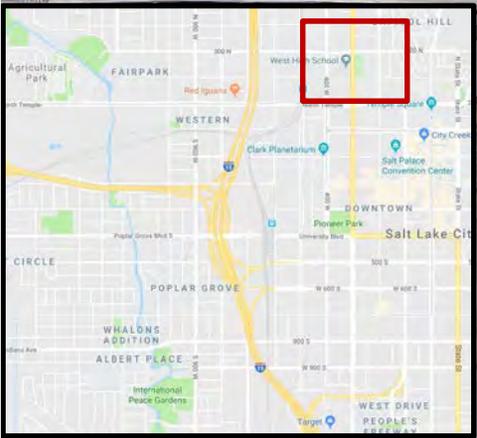


Multifamily Infill  
Avg \$16M/acre

Opportunity

30 acre high school  
4.6 acre building footprint

Quarter mile from Temple Square



**Could create \$406M**

... And leave high school building intact

# West High School Case Study

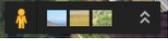
Salt Lake County, UT



Approximately 224 parking spaces

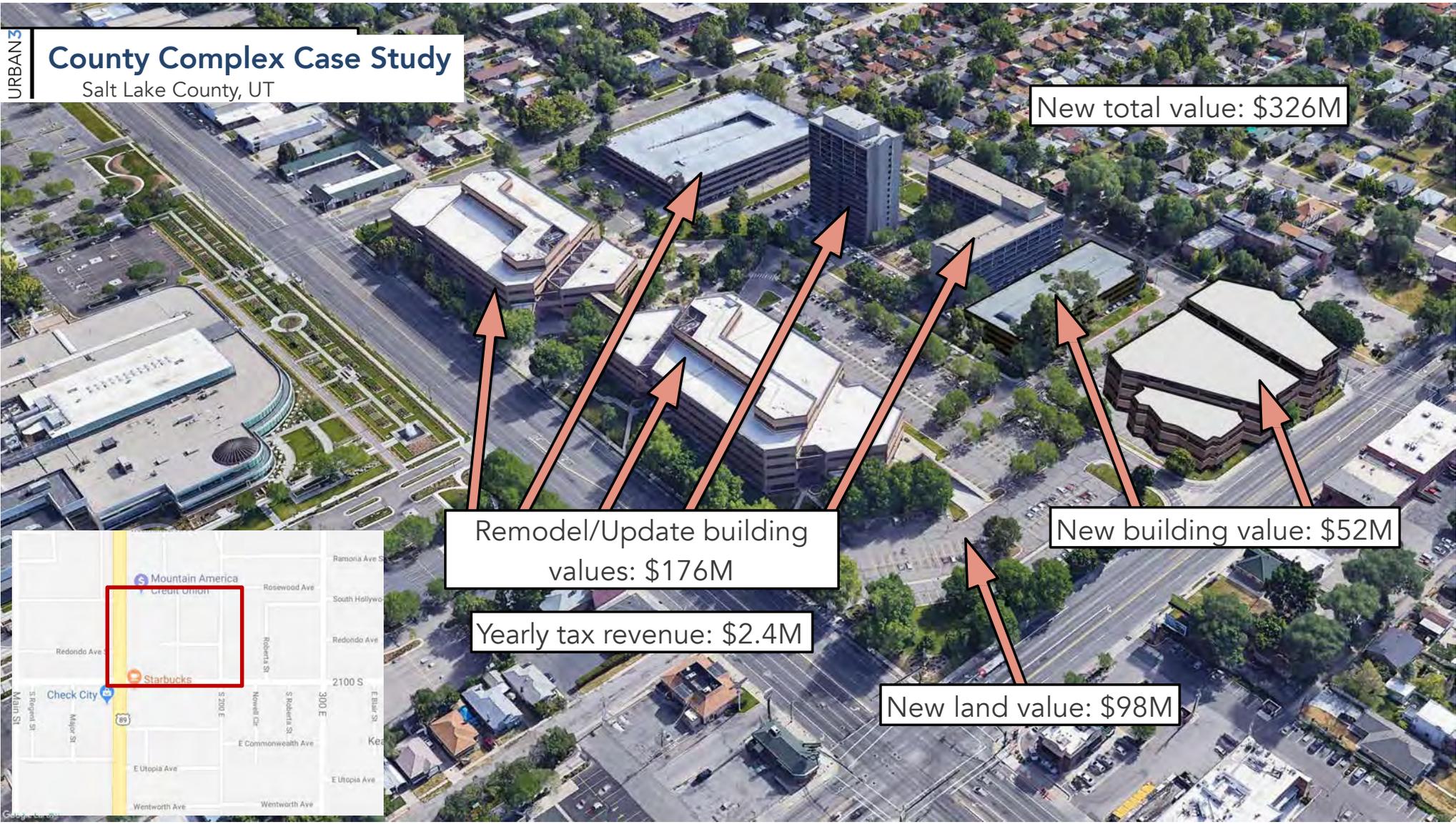
Average \$16M/acre

# Opportunity Cost - \$128k/space



# County Complex Case Study

Salt Lake County, UT



New total value: \$326M

Remodel/Update building values: \$176M

Yearly tax revenue: \$2.4M

New building value: \$52M

New land value: \$98M



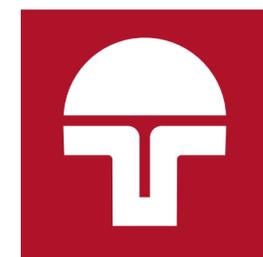
# Contact:

**Shaleane Gee**

Senior Vice President, Community + Regional Development  
Zions Bank

(o) 801.844.8668 | (m) 385.212.0447

[Shaleane.Gee@zionsbank.com](mailto:Shaleane.Gee@zionsbank.com)



**BOYER**

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A Public/Private Partnership

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# ONErefugee

## **THE BOYER COMPANY'S REFUGEE INVOLVEMENT**

Roger Boyer is the trustee and benefactor of ONErefugee. ONErefugee is a nonprofit foundation that focuses on helping refugees thrive in their new home through career counseling, mentorship, financial aid, and more. ONErefugee's vision states "We imagine a world where individuals from refugee backgrounds are prosperous, feel at home, and give back to the communities in which they live. We work to champion individuals from refugee backgrounds, helping them, one-on-one, to obtain an education and build successful, meaningful careers."

ONErefugee currently has 193 students with 148 graduates from 28 countries who speak 43 languages.

Roger Boyer fully funds ONErefugee and its employees, who share an office with the Boyer Company. We love the refugee community and are passionate about helping them in any way that we can.

Concerning the URETC, we are going to be creative in our site planning to do everything we can to keep URETC on site during development. We are also exploring and optimistic about building them a permanent home on site that is incorporated in a housing or retail component. This location as well as the TRAX access seems like the perfect long-term home for them.

# EXAMPLES OF PUBLIC/PRIVATE PARTNERSHIPS



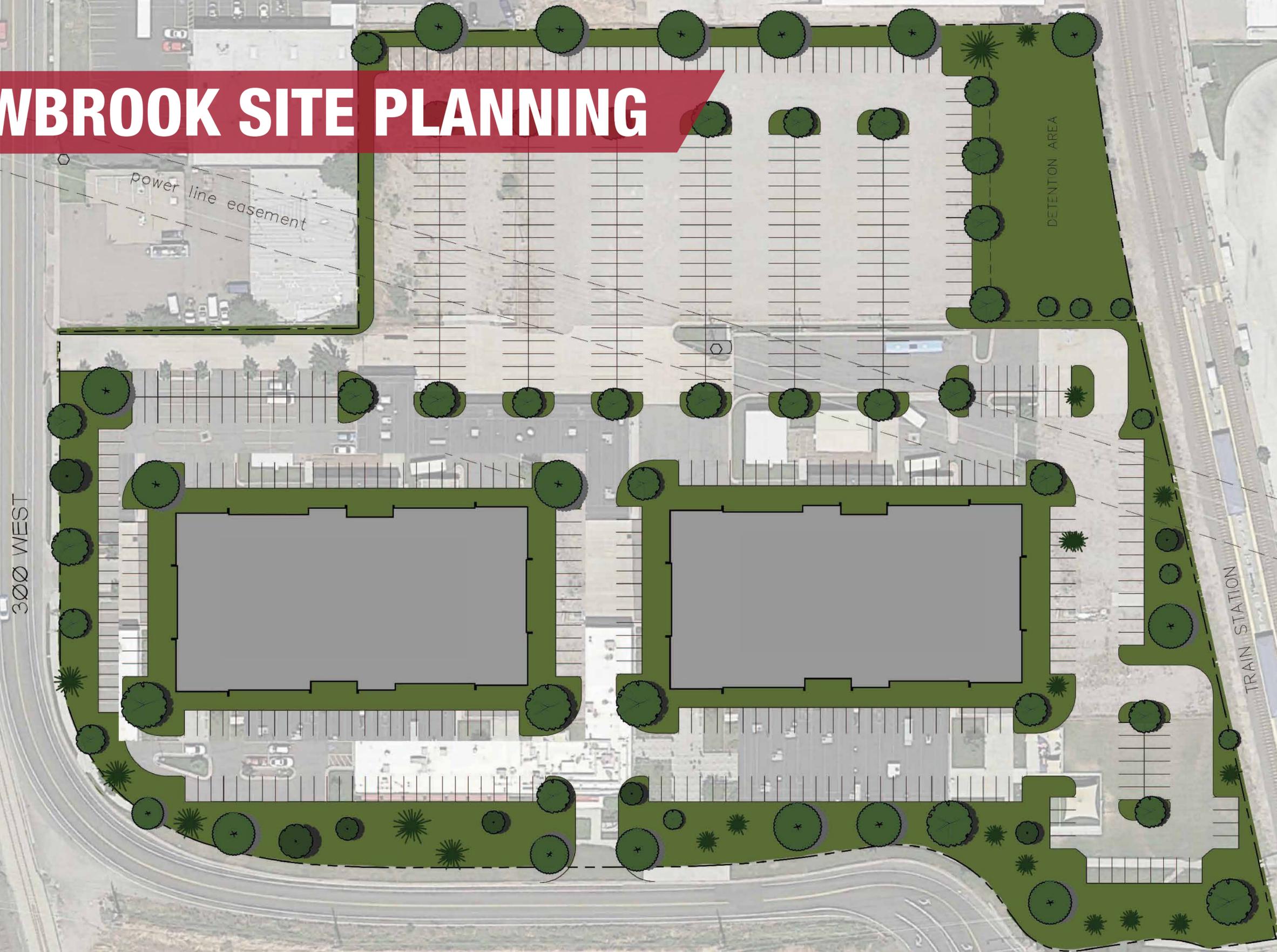
**RESEARCH PARK**  
SALT LAKE CITY, UT

**HILL AIR FORCE BASE**  
LAYTON, UT

**VA CAMPUS**  
SALT LAKE CITY, UT

**BUSINESS DEPOT OGDEN**  
OGDEN, UT

# MEADOWBROOK SITE PLANNING



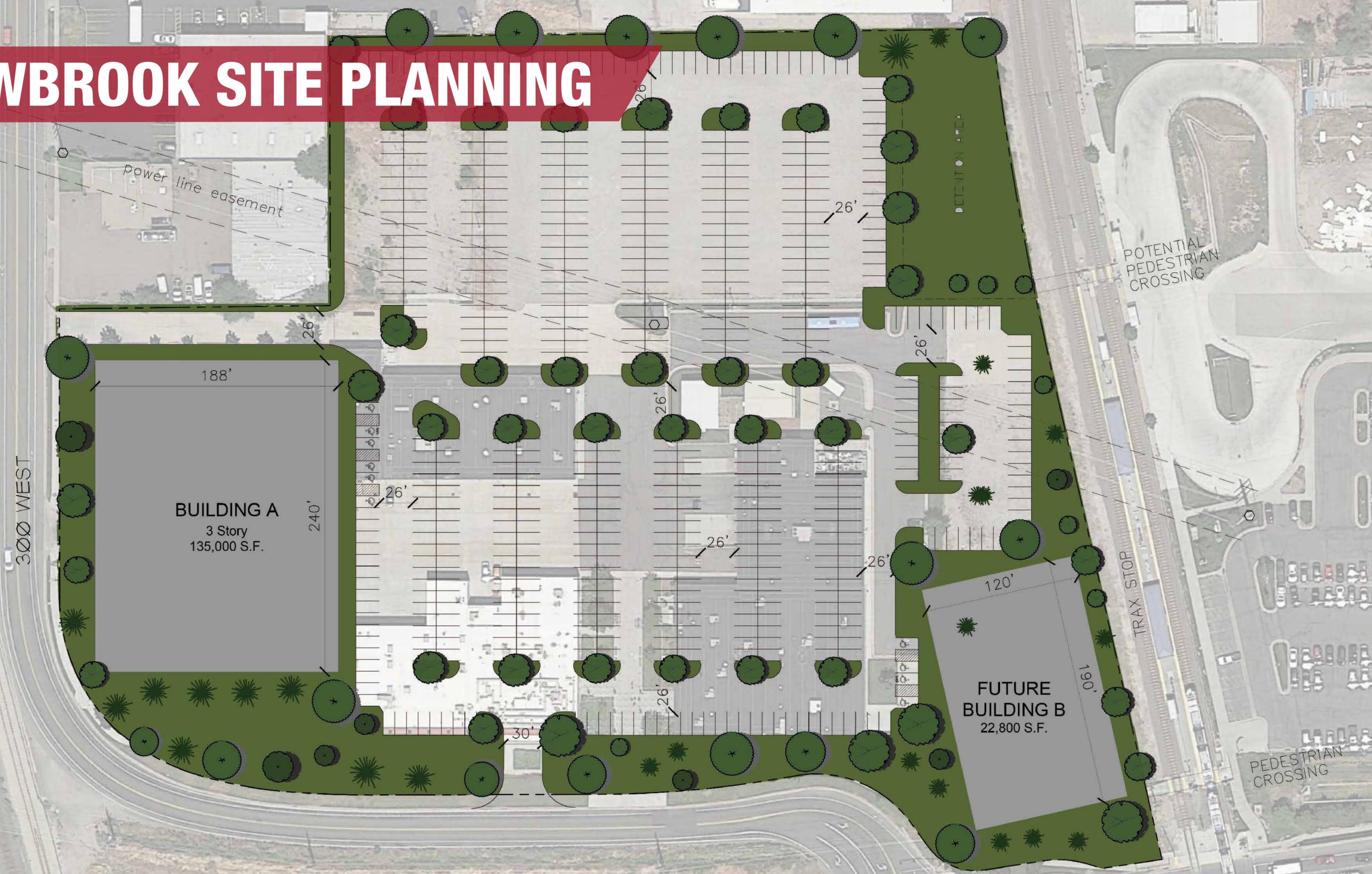
300 WEST

power line easement

DETENTION AREA

TRAIN STATION

# MEADOWBROOK SITE PLANNING



# **RULE 712 DISCUSSION**



April 17, 2020

## Utah State University – Differential Tuition Funding Changes

The Utah State University (USU) Emma Eccles Jones College of Education and Human Services was approved to charge differential tuition starting summer 2016. This funding has been used to enhance accreditation, compliance, course fee replacement, student research, graduate assistantships, tuition waivers, program enhancement, and technology support in student labs and clinics.

Beginning summer 2020, USU requests two additional uses of the differential tuition funds for digital engagement and clinical interdisciplinary support. Digital engagement funds will expand staff resources to enhance digital platforms including websites and software programs through reallocating \$139,100 of existing differential revenue. Clinical interdisciplinary support funds will be used to hire a care coordinator to track services, develop training materials, provide feedback experiences, and student communications using \$77,300 of reallocated differential revenue.

These two additional funding requests will not require an increase in the differential tuition rate, but will allow the University to reallocate funds from existing revenue to these two new areas.

### **Commissioner's Recommendation**

The Commissioner recommends the Board authorize Utah State University to reallocate existing differential tuition revenue for the Emma Eccles Jones College of Education and Human Services to support digital engagement and clinical interdisciplinary support activities.

Attachment



The Emma Eccles Jones College of Education and Human Services (CEHS) was approved to charge differential tuition starting Summer 2016. This extra funding has enhanced our students' experience in seven primary areas: accreditation, compliance, course fees/differential tuition replacement, graduate and undergraduate student research, graduate assistantships and tuition waivers, program enhancement, and technology support in student labs/clinics. It is clear that differential tuition has been instrumental in enhancing the educational experiences, services, and resources available to our students. To deepen and broaden the array of these resources, CEHS is seeking approval to address two emergent areas of need in the college. We are not requesting an increase in our differential tuition rates but rather we will allocate the differential tuition across the original seven areas and two new needs, which are Digital Engagement and Clinical Interdisciplinary Support.

**Digital Engagement.** With the increased use of technology by our students and the expectation of information being available to students on digital platforms, we have been unable to meet current demands. Our students want to be able to see faculty, research, clinical, and/or outreach programs, student clubs, program information and updates on our websites. In addition, many student-research groups and faculty labs would like to have their own websites. Also, our students have their own technological devices that we are increasingly asked to support so that students can access the software and programs required for our programs. We feel it is imperative to meet the expectations of our students by expanding our existing staff. Thus, we are requesting that \$139,100 of differential tuition be reallocated to support this critical student demand.

**Clinical Interdisciplinary Support.** Our students have enthusiastically embraced the additional clinical opportunities afforded by the Sorenson Legacy Foundation Center for Clinical Excellence. While we are committed to providing our students the unique opportunity to learn and participate in an interdisciplinary services environment, we underestimated the support that we would need to coordinate this educational experience. Thus, we are requesting that \$77,300 be reallocated to support our students engaged in clinical interdisciplinary experiences. A care coordinator hired with these funds will track the services offered by our student learners to clients. The coordinator will also develop specific training materials and feedback experiences for our students, as well as schedule and communicate with the students in the Sorenson Center.



EMMA ECCLES JONES  
COLLEGE *of* EDUCATION  
*and* HUMAN SERVICES  

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**UtahStateUniversity**<sup>™</sup>

Office of the Dean

Thank you for your consideration of these reallocations. We are confident that expanding the differential tuition categories to these high priority areas will provide additional value for our students and extend opportunities for a successful and productive career.