A. Calling of the Roll

B. Declaration of Conflicts

C. Approval of the Minutes of the June 3, 2021 Meeting of the Capital Planning and Budget Committee

D. UW-Eau Claire: Authority to Enter Into a Lease with Eau Claire Community Complex, Inc.

E. UW-Green Bay: Authority to Exchange Two Parcels of Improved Land

F. UW-Madison: Presentation on a Real Estate Memorandum of Understanding with University Research Park, Incorporated

G. UW-Madison: Authority to Construct the Kohl Center Addition and Renovation Project

H. UW System: Authority to Construct a Minor Facilities Renewal Project

I. UW System: Authority to Construct All Agency Maintenance and Repair Projects

J. UW System: Authority to Construct a 2019-21 Classroom Renovation/Instructional Technology Improvement Program Project

K. UW-Madison: Authority to Transfer Land and Improvements and Construct the UW-Managed Department of Information Technology (DoIT) Digital Publishing & Printing Services Relocation and the Facilities Planning & Management Physical Plant Relocation Projects

L. Report of the Senior Associate Vice President
   a. 2021-23 Capital Budget Update
   b. Capital Project Status Update

M. Closed session for the purpose of considering personal histories, as permitted by s.19.85(1)(f), Wis. Stats., related to the renaming of a facility at UW-Whitewater
AUTHORITY TO ENTER INTO A LEASE WITH EAU CLAIRE COMMUNITY COMPLEX INC., UW-EAU CLAIRE

REQUESTED ACTION

Adoption of Resolution D., granting authority to enter into a lease with Eau Claire Community Complex, Inc. for student athletics, events, and recreation space located in the Sonnentag Event and Recreation Complex and approval of a new segregated fee.

Resolution D.

That, upon the recommendation of the UW-Eau Claire Chancellor and the President of the UW System, the UW System Board of Regents:

1) grants authority to enter into a lease with Eau Claire Community Complex (EC3) for student athletics, event, and recreation space within the UW-Eau Claire Sonnentag Event and Recreation Complex; and

2) approves a new segregated fee of $90 per student, per semester that will be applied towards the lease of the facility and commences at the time the facility is occupied.

SUMMARY

The Sonnentag Event and Recreation Complex facility project is the result of a unique community partnership bringing together Mayo Clinic Health System Northwest, Blugold Real Estate (a wholly owned subsidiary of the UW-Eau Claire Foundation), the City of Eau Claire and Visit Eau Claire. This facility will provide additional athletics and recreational needs for UW-Eau Claire while providing a collaborative use of space with Mayo Clinic, who will bring to the partnership sports medicine, athletics and human performance training expertise, rehabilitation, medical imaging, and research conducted with the UW-Eau Claire Department of Kinesiology and other appropriate academic departments. This portion of the project is consistent with the analysis and recommendations contained in the UW-Eau Claire 2010-30 Campus Master Plan, which recommends replacement of the obsolete Zorn arena, acknowledges the lack of sufficient available land within the campus boundary on which to construct a replacement, and specifies the university should seek an off-campus site.

The approximately 30-acre site of the new complex, located one mile west of the main campus, was gifted to Blugold Real Estate by UW-Eau Claire alumni John and Carolyn
Sonnentag for the express purpose of providing a location for the construction of an event and recreation complex for the university's use. Eau Claire Community Complex (EC3), a partnership formed between Blugold Real Estate and Mayo Clinic, will be both the owner and the developer of the facility.

**Presenter**

- Chancellor James Schmidt, UW-Eau Claire

**BACKGROUND**

The UW-Eau Claire 2010-2030 Campus Master Plan recommended demolition of the campus' least efficient and obsolete structures to allow for higher density development. Among these structures is Zorn Arena, a 3,500-seat fieldhouse. The master plan recommended a shared multi-purpose event center that would not only replace Zorn Arena, but also host events and meetings for the entire Chippewa Valley. Construction of the projected $75 million, multi-purpose event center will replace Zorn Arena and provide a new home for men's and women's basketball, as well as a location for university commencement ceremonies, large-scale concerts, and other special events. Construction of the center will commence in fall 2021 with occupancy expected in June 2024.

The City of Eau Claire created a Tax Increment District (TID) for the entire site and has committed $9.62 million toward construction of the project (this includes funding from Visit Eau Claire), and additional funding for sewer and other site improvements. The building will be constructed as the first ‘resilient’ building in the state of Wisconsin, which allows the city to use the building as alternative housing and a disaster relief center with a self-sustaining power source.

The approximately 186,550 GSF Sonnentag Event and Recreation Complex is comprised of two separate, yet cohesive components: the Mayo Clinic Sports Medicine and Imaging Clinic, totaling approximately 19,100 GSF; and the UW-Eau Claire event and student recreation center. The estimated 170,502 GSF UW-Eau Claire component will contain an event center with planned seating for more than 5,000 people, a 60-yard artificial turf fieldhouse, and a 15,000 GSF fitness and wellness center. The event center is expected to host concerts and trade meetings open to the public, and the fieldhouse will be open for youth sports games and tournaments that will contribute to the operating revenue of the facility. The Mayo Clinic component will specialize in sports medicine, contain a physical performance enhancement center, and provide medical imaging services.

In April 2021, UW-Eau Claire students held a referendum and voted for a $90 per semester per student increase in segregated fees specifically for this project. The segregated fee will not commence until the building is ready for occupancy and will continue through the life
of the lease. The total allocable and non-allocable segregated fee amount for FY2022 is $1,372.60 annually.

EC3 was formed as a 501(c)3 non-stock, non-profit corporation, whose governing board will consist of at least two representatives from each organization (three from Mayo Clinic; three from Blugold Real Estate and UW-Eau Claire Foundation; two UW-Eau Claire students; and up to four community representatives). EC3 will be responsible for the design and construction of the complex.

More than half of the total project cost was raised through donations and city/Visit Eau Claire funds. EC3 anticipates financing $34.8 million dollars through private mortgage financing with two future donor pledge payments committed in 2023, leaving a balance of $30.8 million. UW-Eau Claire will manage the fitness center and fieldhouse and will conduct a Request for Proposal (RFP) for a professional management facility operator to manage and market the event center to ensure maximum use and revenue generation. UW-Eau Claire and Mayo Clinic will lease their space from EC3. Mayo Clinic will operate its component as a for-profit clinic. All common area maintenance and repairs will be managed by the facility operator and a proportionate share will be charged back to each tenant.

Memberships to the fitness facility will also be available to campus and Mayo employees at a cost to be determined in the future. A student’s membership will be at no cost.

<table>
<thead>
<tr>
<th>University Function</th>
<th>Athletics offices, Recreation, and Special Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Location</td>
<td>Sonnentag Event and Recreation Complex</td>
</tr>
<tr>
<td>Lessor</td>
<td>Eau Claire Community Complex, Inc.</td>
</tr>
<tr>
<td>Anticipated Occupancy Date</td>
<td>June 1, 2024</td>
</tr>
<tr>
<td>Lease Term</td>
<td>20 years. Lease payment begins upon occupancy.</td>
</tr>
<tr>
<td>Initial Term Cost</td>
<td>$1.3 million year 1</td>
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<td></td>
<td>$1.5 million years 2 and 3</td>
</tr>
<tr>
<td></td>
<td>$2.3 million years 4 through 10</td>
</tr>
<tr>
<td></td>
<td>Years 11+ to be negotiated</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>To be reconciled annually and offset by revenues utilities will be separately metered.</td>
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<tr>
<td>Capital Reserve Fund contribution</td>
<td>$275,000 per year beginning in year two</td>
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<tr>
<td><strong>Replacement reserve for equipment</strong></td>
<td>$50,000 per year beginning in year two; but still to be finalized</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Student segregated fee contribution</strong></td>
<td>$90 per semester per student</td>
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<tr>
<td><strong>Annual Escalation</strong></td>
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<tr>
<td><strong>Renewal Option(s)</strong></td>
<td>One 10-year renewal option</td>
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<tr>
<td><strong>Purchase Option</strong></td>
<td>Still to be negotiated</td>
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<tr>
<td><strong>Square Feet</strong></td>
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</tr>
</tbody>
</table>

**Related Policies**

- Regent Policy Document 13-1, “General Contract Approval, Signature Authority, and Reporting”
- Regent Policy Document 13-2, “Real Property Contracts: Signature Authority and Approval”
- Regent Policy Document 30-5, “Policy and Procedures for Segregated University Fees”

**ATTACHMENTS**

A) Student Athletic Space Lease Map  
B) Sonnentag Exterior Rendering
UW-Eau Claire: Student Athletic Space Lease

- Hobbs Ice Arena
- Zorn Arena
- Hilltop Center
- McPhee PhyEd Center/ Olson Addition

Sources: UW System Administration, State of Wisconsin, Wisconsin State Cartographers Office, US Census Bureau

This map is for reference purposes only.

Document Path: G:\CPB\GIS\Projects\BORSBC\Maps\EAU\Sonnentag_Complex\EAU_Sonnentag_Lease_20210428.mxd
AUTHORITY TO EXCHANGE TWO PARCELS OF IMPROVED LAND,
UW-GREEN BAY

REQUESTED ACTION

Adoption of Resolution E., granting authority to exchange two parcels of improved land.

Resolution E.  That, upon the recommendation of the Chancellor of UW-Green Bay and the President of the UW System, the UW System Board of Regents grants authority to exchange a 5.33-acre parcel of land with improvements, owned by Board of Regents, for a 4.66-acre parcel of land with improvements, owned by University Village Housing, Incorporated, both of which are located within the campus boundary.

SUMMARY

University Village Housing, Incorporated (UVHI) owns a 39-acre parcel of land located within the campus boundary of UW-Green Bay. Much of the land was developed with student housing and the remaining parcel, which is located on the far eastern edge of campus, was developed with a 226-car parking lot. The Board of Regents owns a parcel of land improved with a 481-car parking lot located close to the university's larger residence halls. UW-Green Bay would like UVHI to construct a residence hall on the land located closer to the center of campus. A land exchange is proposed to swap the 5.33-acre parcel owned by the Board with the 4.66-acre parcel of land owned by UVHI.

Presenter

• Alex Roe, Senior Associate Vice President for Capital Planning and Budget, UW System

BACKGROUND

UVHI incorporated in 1984 as a 501(c)(3) Wisconsin non-stock corporation with the primary purpose of providing low-cost student housing to UW-Green Bay students. Soon after its incorporation, the UW Foundation gifted a 39-acre parcel within the campus boundary to UVHI to assist them in fulfilling their mission. To date, UVHI has constructed 1,512 units of student housing accounting for almost 73 percent of the total housing stock on campus.
UW-Green Bay manages both the operation of the buildings and the residence life programming for which UVHI compensates them with a management fee.

The 2019 UW-Green Bay Residence Life Comprehensive Physical Master Plan identified several concerns regarding the residence life program: existing wood-frame residence halls that are at the end of their useful life and dated residence hall configurations with little or no common space. Programming has begun for a new residence hall addressing the lack of community space; one that is targeted to first-year students and would be constructed in two-phases to allow for flexible enrollment. The first phase would construct a 200-bed residence hall, with an additional 200 beds planned after the first phase opens. As the phases open, the residence halls that are beyond their useful lives, and with a corresponding number of beds, will be demolished and removed from the housing inventory.

The new residence hall could be constructed on vacant UVHI land, however the desire is to build a critical mass of housing on the east side of campus. The decision was made to request an exchange of the available parcels to allow UVHI to construct a new residence hall closer to the center of campus. Both parcels are improved with parking for students. While the site plan has not yet been finalized, it is expected the BOR parcel will lose approximately one-third of its 481 parking stalls. The UVHI parcel currently has room for 226 vehicles. Although the size of the parcels is different, it was determined that there would be no cost to either party.

Related Policies

- Regent Policy Document 13-2, “Real Property Contracts: Signature Authority and Approval”

ATTACHMENTS

A) UW-Green Bay: Proposed Land Exchange Map
UW-Green Bay: Proposed Parcel Exchange

- Proposed Parcel Exchange
- UVHI Ground Lease Exp. 2031
- UVHI Ground Lease Exp. 2059
- Campus Building
- UW Parcel

Sources: UW System Administration, State of Wisconsin, Wisconsin State Cartographers Office, US Census Bureau

This map is for reference purposes only.

To UW Board of Regents
+/- 4.66 Ac.

To UVHI
+/- 5.33 Ac.

Document Path: G:\UPB\GIS\Projects\GDB\BORSBC_Maps\GBY\UVHI_Parcel_Exchange_2021\GBY_UVHI_Parcel_Exchange_20210614.mxd
PRESENTATION ON A REAL ESTATE MEMORANDUM OF UNDERSTANDING WITH UNIVERSITY RESEARCH PARK, INCORPORATED, UW-MADISON

REQUESTED ACTION

For information only.

SUMMARY

To further its Revenue Innovations efforts, a UW-Madison strategic initiative was presented to the Business and Finance Committee of the Board of Regents in February and April 2021. Approval and execution of a Memorandum of Understanding (MOU) is the next step in the process. As noted in April, one of the revenue innovation focus areas is identifying opportunities for creating greater economic value through the University's real estate assets. The effort builds on the campus' long history of economic innovation that includes the creation of the Wisconsin Alumni Research Foundation (WARF) as a steward of campus-based research into the marketplace, the partnership with University Research Park to nurture economic and technological developments, and a number of public/private partnerships such as West Campus Cogeneration Facility and University Square.

The MOU outlines the process for collaboration between UW-Madison and URP to identify parcels for development. The agreement covers parcels on and off campus and addresses transfer and reversion rights. It also includes pricing mechanisms for land sales to URP as well as transfer methods (ground lease and sale) that govern URP's control of the parcels. Finally, the agreement provides for investment at the University of Wisconsin-Madison Foundation to create a prudently managed endowment for the benefit of UW-Madison from the proceeds of these activities.

Rob Cramer, Interim Vice Chancellor for Finance and Administration, will present insight into the real estate opportunity enabled by the MOU. Aaron Olver, managing director at University Research Park, will share his team's perspective on the MOU and URP's track record of partnering with private developers and industry to generate economic impact.

UW-Madison expects to return to the Board of Regents in the next several months with more details on specific parcels and projects connected to the real estate initiative.
Presenters

- Rebecca Blank, Chancellor, UW-Madison
- Rob Cramer, (interim) Vice Chancellor for Finance and Administration, UW-Madison
- Aaron Olver, Executive Director, University Research Park

BACKGROUND

In November 1983, the Board of Regents approved the development of a Charmany-Rieder Farms Research Park on 103 acres for research park + 103 commercial acres + 50 acres of residential land in Madison. At its June 1984 meeting, the Board approved the sale of this property to University Research Park, Inc., a not-for-profit corporation, established to provide a long-term endowment for research programs at UW-Madison. Income from the park would be paid out and distributed for scientific investigation, research, technological advancement, and educational opportunities at UW-Madison.

University Research Park, Inc. (URP) has faithfully developed the properties acquired from the Board of Regents. Since 1984, the park has grown to encompass over 31 building sites totaling 1,800,000 million square feet with an estimated value of over $200 million with more than 125 primarily science and technology companies with nearly 4,100 employees.

In 2010, the Board approved the development of a Phase II Research Park on 274 acres adjacent to the West Madison Agricultural Research Station adjacent to Pleasant View/Mineral Point Roads in west Madison.

Because of its long history in developing properties to support the strategic mission of UW-Madison and the UW System, University Research Park is uniquely positioned to partner with UW-Madison in this initiative. Of particular relevance to this initiative, URP was an early user and has been a leader in implementing ground leases in Wisconsin, expertise critical to the nature of this effort. This initiative will also serve as a demonstration project to help the Board of Regents determine whether similar initiatives could be replicated at other campuses in the UW System.

Previous Actions

November 11, 1983 Resolution 2953 Approval of the Charmany-Rieder Farms Research Park Development project.

That upon the recommendation of the University of Wisconsin-Madison Chancellor and the President of the University of Wisconsin System, the report entitled "General Development Plan for the Charmany and Rieder Farms" (copy on file with the
papers of this meeting) be accepted, and that the Chamany-Rieder Farms development be authorized and named the University Research Park, and further

That authority be granted for the University to seek rezoning by the City of Madison of approximately 130 acres for research park purposes, and approximately 103 acres for commercial purposes, and approximately 50 acres for residential purposes, in accord with the map entitled "Proposed Zoning, Chamany-Rieder Development, November 1983", and further

That if the proposed amendment to the City Land Use Map and rezoning being proposed for the Charmany and Rieder farms are granted approval by the City, authorization be granted to proceed with the final platting of the Rieder Farm in its entirety (Phases I-A and I-B, II and I-I) as shown on the map entitled "Proposed Final Plat Phases, Charmany-Rieder Development, November 1983", and further

That there be created under the authority of the Board of Regents a Design Review Board in accord with the description and authority identified in the document "General Criteria and Procedures for Architectural and Design Review" to review all future construction in the University Research Park, and further

That the development and disposition of the University Research Park be done in such a manner as to maximize the long-term endowment to the University, including possible installment land sales to a non-profit corporation or foundation existing for the benefit of the University of Wisconsin-Madison, and further

That authorization be granted to permit the use of University facilities and services by park occupants, within statutory and Regent policy limitations.

June 8, 1984
Resolution 3090

Approved the Financing Plan for UW-Madison Research Park. Granted authority to sell the Charmany and Rieder Farms (except the parcel identified as "Vet. Science Medical Research Center") to the University Research Park, Inc., a not-for-profit corporation, herein referred to as the "corporation"; and that the conveyance of title of specific parcels occur upon notification by the corporation to the University of its intent to acquire them at a price to be determined initially by fair market appraisals which
may be adjusted periodically to reflect the impact of inflation or recession, such pricing schedule subject to final approval by the State Building Commission; and that authorization be granted to seek the release from the SBC of up to $500,000 for construction of streets and other development costs for Phase I of the Research Park, under the provisions of Section 13.48 (2)(d), Wis. Stat.

July 12, 1985 Resolution 3345 Amend Resolution Number 2953 (adopted on November 11, 1983) to grant authority to seek rezoning by City of Madison and authority granted to proceed with final platting of acreage on the west side of Charmany Farms.

September 6, 1985 Resolution 3375 Authority granted to sell approximately 50 acres of land on the west side of Charmany Farms to Credit Union National Association (CUNA) Mutual Investment Corporation; subject to approval of the State Building Commission and the right to repurchase any unused portion of the parcel be assigned to University Research Park, Inc., to be developed as a part of and in harmony with the rest of the research park.

Related Policies

- Regent Policy Document 13-2, “Real Property Contracts: Signature Authority and Approval”
- Regent Policy Document 19-12, “Oversight of Facilities Constructed for University Purposes”

ATTACHMENTS

A) Memorandum of Understanding
B) Background to MOU on Revenue Innovation and Real Estate Development
C) UW-Madison URP/Partnership
MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made as of ______________, 2021 (the “Effective Date”), by and between the UNIVERSITY RESEARCH PARK, INCORPORATED, a Wisconsin non-stock corporation, and the BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM (“Regents”), an agency of the State of Wisconsin.

RECITALS

A. WHEREAS: The University of Wisconsin-Madison (“UW-Madison”) is designated as an R1 research university and is the flagship campus of the University of Wisconsin System.

B. WHEREAS: The Board of Regents of the University of Wisconsin System (“Board of Regents”) is the governing board of the University of Wisconsin System, an independent agency in the executive branch of the Wisconsin State Government which holds title to the real and personal property under the custody and control of UW-Madison and other campuses in the University of Wisconsin System.

C. WHEREAS: The University Research Park, Incorporated (“URP”) is a tax-exempt Type III functionally integrated supporting organization to UW-Madison under IRC §§501(c)3 and 509(a)3. URP is organized to acquire, hold, administer, use, and distribute real or personal property and other things of value for the benefit of UW-Madison and to promote and encourage scientific investigation, research, technological advancement, and educational opportunities and the transfer thereof between industry, business, and government. URP has a successful track record for over thirty years of working with UW-Madison, private developers, and businesses to transform former UW-Madison agricultural lands into a thriving innovation district.

D. WHEREAS: The University of Wisconsin–Madison occupies ancestral Ho-Chunk land, a place their nation has called Teejop (day-JOPE) since time immemorial. We seek to create an environment respectful of that legacy, conducive to the mission of the University of Wisconsin-Madison, inclusive of the diverse group of faculty, students, and staff who affiliate with UW-Madison, sustainable and resilient, and harmonious with the goals of surrounding community.

E. WHEREAS: In the spirit of the Wisconsin Idea, UW-Madison desires to collaborate with URP on an initiative to strategically utilize real estate assets to advance the UW-Madison strategic framework, support its mission of education, research and outreach, expand its economic impact, create opportunities for the private and non-profit sectors, and enhance the long-term resilience of UW-Madison by establishing an endowment for the benefit of UW-Madison.

F. WHEREAS: Creation of such a model that enhances UW-Madison as a place to learn, research, live, work, and visit while generating additional and sustainable financial
resources may create replicable or scalable models for other University of Wisconsin System campuses.

G. WHEREAS: UW-Madison shall continue to maintain authority over campus character and land use planning in accord with its existing structures of shared governance and in coordination with the University of Wisconsin System. UW-Madison and URP agree that property developed under this MOU should be high quality, inclusive, environmentally sustainable, and in general strengthen the community.

H. WHEREAS: UW-Madison and URP desire to maintain the independence and tax-exempt status of their organizations, segregate their assets and finances, structure this MOU to protect the interests of UW-Madison, and intend for this MOU to apply only to those additional parcels of land described herein.

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. Identification of Development Parcels; Planning for Development.

   a. General – From time to time, UW-Madison may identify parcels of developable land under its control and secure from the Board of Regents an option for URP to purchase such parcels under the terms of this MOU for the improvement, utilization, and general development to their highest and best use in support of UW-Madison’s mission and strategic framework (“Development Parcels”). As described in b. through f. below, the process of identifying Development Parcels and determining the terms of their conveyance and use will be a collaborative process, with the specific requirements for each Development Parcel dependent on their proximity to and prominence within the UW-Madison campus. Once the Board of Regents has granted URP with the option to purchase specific Development Parcels, URP may exercise that option at any time by providing written notice to the Secretary of the Board of Regents and the General Counsel of the University of Wisconsin System. The Board of Regents may withdraw the option to purchase with respect to particular Development Parcels at any time prior to receipt of notice from URP.

   b. Joint Staff Working Group – UW-Madison and URP agree to provide in-kind staff services to a joint working group (“Joint Staff Working Group”) responsible for developing and implementing a development strategy for Development Parcels that furthers UW-Madison’s strategic framework and campus master planning goals. Development strategies for specific parcels should reflect any conditions, covenants or restrictions established for particular Development Parcels, take into account potential development opportunities that involve acquisition of additional lands or partnering with other land owners, maximize the potential for financial return within the above parameters, and establish the process for awarding development rights to a Development Partner. Prior to URP staff executing Development Partner Selection, the University Research Park Board of Trustees will authorize by resolution URP to accept conveyance of particular Development
Parcels from the Board of Regents and to collaborate with UW-Madison in accordance with URP’s tax-exempt purpose to effect development under the terms of this MOU. Nothing about the foregoing precludes UW-Madison from requiring additional internal review processes prior to execution of Development Partner Selection.

c. **Campus Development Parcels** – UW-Madison will identify a list of Development Parcels within the Campus Development Plan Boundary which are deemed suitable for enhancement to higher and best uses through public-private development (“Campus Development Parcels”). URP, the private sector, or consultants may be engaged to provide advice, research, or due diligence, but UW-Madison will retain sole authority to identify Campus Development Parcels suitable for development pursuant to this MOU. The Campus Development Plan Boundary is defined in the 2015 Campus Master Plan, and for the purposes of this MOU may be expanded to include areas immediately adjacent thereto which are or are planned to be campus-like in character.

d. **Non-Contiguous Parcels** – In addition to identifying Development Parcels within the Campus Development Plan Boundary, UW-Madison will identify other Development Parcels in areas categorized as Dane County Properties, Minor Properties, and Other University-Managed Non-Contiguous Properties in the 2015 Campus Master Plan (collectively “Non-Contiguous Parcels”), excluding parcels currently owned or controlled through a right to purchase by URP such as those at the locations known as University Research Park and University Research Park 2.

e. **Disposition of Development Parcels** - Development Parcels will be sold to URP under appropriate terms and conditions as determined by UW-Madison and the Board of Regents. To preserve the Board of Regents’ ability to recover its interest in campus-area property held for the benefit of UW-Madison, URP may only convey leasehold interests 99 years in length or shorter in any Campus Development Parcel. URP may convey Non-Contiguous Parcels to third parties in any manner, including in fee simple, as deemed appropriate to maximize the development potential of the parcel and in consultation with UW-Madison.

f. **Reversion Rights** – For each conveyed Development Parcel leased by URP to a private party for development, UW-Madison through the Board of Regents will retain an option to repurchase at the conclusion of the lease at the original purchase price plus any transaction costs and demolition costs, such that both land and improvements may be reincorporated into institutional use upon the expiration of leasehold interests. Should the Board of Regents decline the option to repurchase on a Development Parcel, URP may either re-lease the Development Parcel under the terms of this MOU, or URP may sell the Development Parcel and place the sales proceeds in the endowment described in section 4 of this MOU, less the original purchase price of the property which will be distributed to UW-Madison for deposit in an appropriate state account. For any non-Contiguous Parcels that
are sold by URP to a private party under 1.e., above, the original sales price to URP shall be distributed to UW-Madison and placed in the appropriate state account.

g. Covenant, Conditions, and Restrictions – Prior to any conveyance, UW-Madison and the Board of Regents shall establish any final rules and regulations or any desired covenants, conditions, or restrictions on the Development Parcel in accord with the UW-Madison Master Plan, the results of campus planning, or other governance processes. To the greatest extent possible, any restrictions that may impede a parcel from being developed to its highest and best use shall be identified prior to conveyance to URP.

2. Land Transfer and Development Process.

a. URP Option to Purchase – UW-Madison shall secure authorization from the Board of Regents to grant URP an exclusive option to purchase Development Parcels. Upon written request for URP’s development assistance from the Chancellor of UW-Madison, which among other things will identify at least one specific Development Parcel and the proposed terms and conditions of any development as established under Section 1 above, URP will have the right to exercise its option and purchase a Development Parcel at any time unless the option is withdrawn by the Board of Regents as described in section 1.a. to this MOU. The Board of Regents will retain title to Development Parcels until URP exercises its option.

b. Purchase Price – Unless a lesser price is agreed to by the Regents, URP will pay the greater of the formula land price defined as RPSM in the action of the Wisconsin State Building Commission dated July 11, 1984, adjusted for inflation, or for properties with outstanding state debt the balance of such debt.

c. Development Partner Selection – UW-Madison and URP will mutually determine the appropriate entity or entities best suited to achieve the development goals for specific Development Parcels (“Development Partner” or Development Partners”). The parties intend that Development Partner(s) will be identified through a competitive Request for Proposals process, unless a different process is warranted by circumstances specific to a particular development.

d. No Dummy Building Corporation – The parties hereto will comply with the prohibition on the use of so-called dummy building corporations in accord with Art. VIII, §7(2)d of the Wisconsin Constitution.

3. Disposition of Proceeds from Land Sales; Disposition of Proceeds from Development.

a. General – Each parcel (re)developed under this MOU will generate two separate transactions: a sale from the Board of Regents to URP at a price described above in 2.b. and a conveyance to a developer (via sale or ground lease). Except as provided in section 1.f., above, all proceeds earned by URP as a result of the development of
Development Parcels pursuant to this MOU, net of any pre-development expenses not funded as part of the land sale to URP described in section 2.b., above, and net of any additional expenses incurred by URP in the course of development, shall be placed in an endowment fund managed for the exclusive benefit of UW-Madison as further described in section 4, below.

b. **Proceeds from Land Sales** – As required by state law, all net proceeds from the sale of non-agricultural lands from the Board of Regents to URP will be deposited into the general appropriation account at UW System as per Wis. Stat. §36.335, or any successor University of Wisconsin System appropriation account designated for the receipt of proceeds from land sales, to be used to purchase or improve additional lands for, or otherwise further the mission of, UW-Madison. As required by state law, all net proceeds from the sale of agricultural lands from the Board of Regents to URP will be used for agricultural facilities and lands as per Wis. Stat. §36.33, or as otherwise provided by law.

4. **Investment and Distribution of Endowment Assets.**

a. **Purpose of Endowment** – The endowment created to hold and invest the funds from development of Development Parcels is intended to provide a flexible and discretionary source of funding to support the UW-Madison mission of teaching, research, and public service, to be allocated at the discretion of the Chancellor.

b. **Endowment Vehicle** – URP will establish a restricted account at the University of Wisconsin-Madison Foundation ("Foundation") in which to receive the net proceeds generated through sales of leases of land conveyed to URP under the terms of this MOU. URP will enter into an agreement with the Foundation on reporting requirements from the Foundation relevant to the management of this initiative. The Foundation shall manage the assets generated under this MOU as an endowment for the benefit of UW-Madison and make distributions to UW-Madison in accordance with their policies and procedures. The agreement shall provide that UW-Madison shall deploy proceeds to further the UW-Madison mission of teaching, research, and public service at the discretion of the Chancellor.

c. **Management of Endowment** - The income and assets of the endowment will be professionally and prudently invested for the sole benefit of UW-Madison in accord with an established reasonable written investment policy subject to the approval of UW-Madison. Contributions from the endowment to UW-Madison will be determined by its investment performance and any other considerations established in consultation with UW-Madison. In addition to income from development activities, the endowment will be permitted to receive donations, gifts, or bequests in support of UW-Madison’s mission.
FOR BOARD OF REGENTS

By:_____________________________
Name:__________________________
Title:___________________________
Date:___________________________

FOR UNIVERSITY RESEARCH PARK

By:_____________________________
Name:__________________________
Title:___________________________
Date:___________________________
BACKGROUND to MOU on Revenue Innovation and Real Estate Development

UW-Madison's revenue growth is substantially behind that at peer institutions in the Big Ten and other elite public universities, many of which compete with UW-Madison for students and federal research funding. While several strategic initiatives have helped close this gap, UW-Madison must continue to seek new ways to grow its resource base. The impact of the COVID-19 pandemic and the 2021-23 State budget hasunderscored the need to pursue new revenue solutions beyond increased state government support.

<table>
<thead>
<tr>
<th>Contributing factors for new revenue:</th>
<th>Implemented strategies:</th>
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<tbody>
<tr>
<td>• Campus history as an economic growth engine</td>
<td>• Summer session enrollment growth</td>
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<td>• Increased competition from other universities</td>
<td>• Philanthropic support (All Ways Forward)</td>
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<td>• Research and development</td>
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<td>• Growing infrastructure costs</td>
<td>• Professional and non-resident tuition</td>
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<td>• Enhanced goals related to sustainability</td>
<td>• Professional master's degrees</td>
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<td>• Impact of COVID-19</td>
<td>• Undergraduate enrollment growth</td>
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UW-Madison has a long and demonstrated history of economic innovation, including its status as a land grand institution, the creation of WARF as a steward of campus-based research into the marketplace, and the development of University Research Park to nurture economic and technological developments.

The time is now for UW-Madison to pursue new innovative revenue strategies that will drive the next era of growth, development, and discovery.

REVENUE INNOVATIONS STUDY GROUP

In August 2019, UW–Madison Chancellor Rebecca Blank and Vice Chancellor for Finance and Administration Laurent Heller appointed a 15-member Revenue Innovation Study Group. They sought ideas and guidance on new ways to leverage campus assets (e.g., facilities, real estate, auxiliary businesses, partnerships) to maximize their long-term value in support of the university's public mission and sustained academic preeminence. More concretely, after completion and implementation (if approved), revenue innovation efforts would:
• Generate an endowment to support the university over the long-term.
• Develop other assets that can support our academic mission in non-monetary ways (e.g., sustainable faculty, staff, and student housing, learning opportunities, etc.).
• Cultivate immediate and recurring income streams to support our academic mission.

The Study Group met five times from August to December 2019 to identify new revenue innovation options that could be executed institutionally with minimal strain on schools and colleges. It concentrated on revenue ideas that would complement other university agendas related to innovation in research and development, student support, and campus sustainability, as well as City of Madison agendas related to housing, transportation, and economic development.

GUIDING PRINCIPLES

Following a review of revenue-generating initiatives by peer universities, the Study Group developed ten principles that should guide UW–Madison’s planning and future revenue activities:

• Generate substantial new streams of revenue to be used to support the university’s mission.
• Recognize the university’s history, as a public land-grant institution, of placing value on the medium- to long-term versus the short-term.
• Align with the UW–Madison Strategic Framework (2020–2025), while being supportive of the university’s Mission related to teaching, research, and service.
• Support the university’s agenda to enhance diversity, equity, and inclusion, healthy communities, as well as our obligations to sovereign Native Nations in the state now known as Wisconsin.
• Factor in and respect principles of shared governance, which gives representation to academic staff, university staff, faculty, and students, who all take part in making significant decisions concerning the operation of the university.
• Enhance the student learning and growth experiences on and off campus.
• Protect the overall wages and benefits of employees associated with any campus unit or program linked to revenue innovation.
• Trial potentially scalable innovations in new technologies and technology transfer, performance and operations, campus design, transaction structuring and procurement, partnership structures, governance, and regulation.
• Improve the accessibility, livability, sustainability, and quality of the campus environment, and the city-region more generally.
• Support and build positive relations and ties with the community, the nonprofit sector, the business sector, and the public sector in the city-region, the state, the country, and the rest of the world.

RECOMMENDATIONS

With these principles in mind, the Study Group considered more than 30 revenue innovation ideas and organized the concepts into three major themes for the university to explore further:

• Real estate development
• Corporate and industry strategy engagement
• Strategic management of auxiliaries and assets

The Study Group believes that each of these themes has significant potential to help diversify revenue flows for UW–Madison in the medium- to long-term. These streams of revenue will have increased potential if the university formulates detailed strategies and expands internal capacity to ensure effective management and ongoing evaluation. Any proceeds from revenue innovation should be used to support the university’s core mission and Strategic Framework (2020–2025).

The Opportunity in Real Estate

UW-Madison and the Wisconsin state government are the two of the foremost employers and economic drivers in Madison and across the State. In particular, the University produces a highly educated workforce that attracts large office tenants and supports major growing sectors in consumer services and high-tech industries, particularly in the health, biotech and advertising. The UW-affiliated University Research Park (URP) plays a significant role in shaping the office market for these industries, providing space for companies spun out of UW-based research and supporting as many as 9,300 jobs.

UW-Madison’s main campus has approximately 926 acres and over 400 buildings with ~26 million sq ft. In total, the University holds ~5,500 acres in the greater Madison area. A substantial portion of these holdings support the current operations and mission of the University yet some of the land could be redeveloped to generate additional economic and community impact to further advance the mission.

Following the recommendation of the Study Group, University Research Park (URP) engaged U3 Advisors, a national real estate firm with broad experience in higher education, to help develop a real estate strategy. With U3’s support, the University and URP assessed the real estate market in Madison, peer experiences, the opportunity relative to the University’s existing real estate portfolio, the structure and partner that might best deliver
incremental economic value, and the transaction method(s) that would appropriately balance the University's time horizon and revenue aspirations.

The real estate assessment considered structures for a real estate entity. UW-Madison has a well-established partner in URP, whose purpose is acquiring and developing real estate property for the benefit of the University while advancing research and industry collaboration. URP's mission further describes distributing funds to the University to advance the core mission of the University. In the last 40 years, URP has developed ~1M sq ft of commercial and research space and another ~1M sq ft of ground leases. At its flagship campus, there are ~125 companies with more than 4,000 employees. URP has the mission alignment and the track record to serve as the right partner for the University in this real estate effort.

A Renewed Framework for Partnership

In order to pursue further development of campus parcels in a manner that meets campus/community needs and generates new resources, UW-Madison is working toward a Board-approved agreement with URP. The proposed memo of understanding (MOU) would serve as a framework for engaging in public-private development of campus parcels through the transfer of land to URP followed by ground leases (for parcels on or adjacent to the campus) and, potentially, sales for outlying parcels. The MOU proactively addresses legal concerns, such as the "dummy building corporation" and the rules around sale / transfer of College of Agriculture and Life Sciences (CALS) land. Finally, the MOU also includes reviewing concepts for parcels with the Board following recommendations by the joint UW-Madison / URP working group.

The MOU addresses multiple important concepts throughout the life of the parcel from initial concept to future returns to the University. First, the MOU establishes a joint working group staffed by UW-Madison and URP. This group, guided by the campus master plan and the revenue innovation principles, will identify opportunities and recommend related parcels. The combined leadership will present the parcels and planned use / transaction type to the Regents for sale to URP at the formula price (more below). URP's background with ground leases and as a property developer will be critical throughout the process.

After Regent approval for the parcel transfer, URP will develop the project or will work with UW-Madison to select a developer. This development will typically include a prepaid ground-lease payment which will be invested at the UW Foundation in a segregated restricted endowment account for the University's benefit. These proceeds will grow over time and will align the impact of the real estate strategy to the long-term nature of the property development transactions. At the end of the ground lease, the property will either revert to the UW-Madison for use related to the mission or the joint working group will determine alternative uses and evaluate new ground leases.
Finally, the original resolution supporting sale of the Charmany Farms parcels to URP established a formula price with an inflationary escalator. Over the last forty years, the formula price has been used regularly to determine the sales price received by the Regents for transfers to URP and is broadly understood by the parties as well as other stakeholders. The proposed MOU extends the formula price concept to sales in support of the real estate strategy. The initial price paid by URP will flow to the Regents except in the case of agricultural land where revenue flows are governed by statute (and used to support CALS). Following subsequent transactions, URP will transfer additional earnings to the Foundation to a restricted endowment for the benefit of UW-Madison.
OVERVIEW

University Research Park, Inc. was created to:

1. To acquire real property and things of value on behalf of UW-Madison and to hold, administer, use, add value, or distribute the same for the benefit of the University of Wisconsin-Madison
2. To promote science, research, technology, and education at UW-Madison and in the business ecosystem surrounding UW-Madison
3. To make gifts to UW-Madison

University Research Park and UW-Madison have a long history of collaborating to create value for UW-Madison and URP's capabilities have often been employed to advance UW-Madison goals.

THE ORIGINAL PARK

University Research Park is somewhat unique in world of university research parks in the sense that it has been able to become financially self-sustaining rather than a cost center. The park has also developed a more extensive development capability than most parks. Part of the secret to this success was the ability to capture the value of development by improving land through infrastructure, entitlement, strategy, branding, and focus on a university-related community. While the initial price formula for future land sales was based on a market appraisal, it reflected the value of raw, unimproved land. This has allowed URP to bootstrap itself into self-sufficiency and grow its asset base.

A BRIEF HISTORY OF THE PARK

With the city growing around it, UW-Madison determined its Charmany-Rieder research farms were no longer suitable for research purposes in the 1960s & 1970s. Pressure to develop them grew. Local interest from media and a Chamber of Commerce delegation visit to North Carolina highlighted Research Triangle Park as a potential model. In 1981,
Chancellor Irv Shain and his assistant, Wayne McGowan, brought the Urban Land Institute to Madison to conduct a study of the farms and recommend land uses. ULI recommended a mix of uses including research/office park, commercial, hotel, and multi-family residential.

The University began to consider a structure that could “establish a mechanism for property development that, over a period of years and within a complex economic and political environment, can produce a desirable and profitable development.” (URP First 15-year History). Key milestones included:

A. In 1982, the Board of Regents authorized the preparation of a general development plan.
B. On November 11, 1983, the Board of Regents accepted the general development plan, authorized the University of Wisconsin – Madison to implement it as University Research Park, created the Design Review Board, and directed UW-Madison to maximize the long-term benefits to UW-Madison including the “possible installment sales to a non-profit corporation or foundation existing for the benefit of the University of Wisconsin – Madison, and authorized park occupants to use university facilities and services within statutory and Regent policy limitations. (see Board of Regents resolution dated 11/11/83).
C. On June 8, 1984, the Board of Regents authorized the sale of the Charmany-Rieder farm to University Research Park, Inc. at a price to be set by the State Building Commission based on market appraisals and adjusted to reflect inflation.
D. On July 11, 1984 – the State Building Commission approved the purchase price and released a $500,000 loan for initial infrastructure costs.
E. On August 30, 1984, University Research Park, Inc. was incorporated.

EXAMPLES OF URP & UW-MADISON COOPERATING TO ADVANCE UW MISSION

ORIGINAL PURCHASES OF URP LAND

Though the State Building Commission relied on appraisals to set the initial formula price under which former research farmland was sold to University Research Park, URP was allowed to a) capture the value it added through development and b) capture any appreciation in value in excess of inflation (CPI). For example, URP built an incubator (the MGE Innovation Center) in 2 phases in 1998 and 2000. The MGE Innovation Center supports many university startups and WARF licensees and originates a disproportionate amount of federal SBIR/STTR grants awarded to Wisconsin companies. Stratatech, Mirus, and AbE Discovery are just a few examples of UW-related companies that have called the MGE Innovation Center home. URP paid approximately $166,000 for the land. Assuming a potential market price of $6/sf in 1998/2000, URP would have had to pay $2.6 million for land. We estimate URP would have to charge incubator companies 10% more rent to cover this added expense. Instead, that value has supported companies in the spirit of the
Wisconsin Idea and become one of the few university research parks that are financially self-sufficient rather than university cost centers.

**BENEFIT TO UW-MADISON:** Support to startup companies commercializing research.

**WISCONSIN CROP INNOVATION CENTER (2016)**

At the request of UW-Madison, URP was able to accept the donation of a facility from Monsanto, lease it to UW-Madison CALS for cost, and collaborate with CALS to manage the facility. Had URP had to purchase the facility (either from Monsanto or the UW) at its appraised value in 2016 ($7.195 million), URP would have to charge UW-Madison at least $500,000 in base rent to cover the cost to finance the acquisition. In addition, by working with URP, the site is easily repurposed for an alternative use or disposition should UW-Madison no longer wish to support WCIC’s research purpose.

**BENEFIT TO UW-MADISON:** Save $500,000 in rent and increase flexibility/options.

**OLIN HOUSE (2007-2008)**

The Board of Regents granted URP a use agreement at no cost in order to facilitate the Olin House renovation. URP managed the renovation (at no cost) on behalf of UW-Madison. In addition, when $2.5 million in gifts provided by UW Foundation proved insufficient to cover all costs (even after value engineering), URP gifted an additional $250,000 to complete the project.

**BENEFIT TO UW-MADISON:** More efficient renovation of sensitive project, access to broader vendor set, and additional funding to address cost issues.

**TV TOWER (completed 1995)**

The Board of Regents granted URP a use agreement at no cost (and the State of Wisconsin provided bonds) to permit URP to construct a community TV tower for UW-Extension and other users. The Board of Regents owns the tower. URP receives some compensation for managing the tower, but to benefit WHA (Public Television) and other original “co-op” users, the rent declines if URP makes a profit. URP recently financed (at 0% interest) and managed an extensive $1 million+ “repacking” of tower equipment (completed in 2020) to help broadcasters respond to frequency auctions, including helping WHA replace equipment. URP received no fee, compensation, or interest for this project which benefited UW-Extension among other users.

**BENEFIT TO UW-MADISON:** UW-Madison has saved substantial staff time and capital costs (which may not have been available through the state budget process) by having URP manage the tower, its repack, and ongoing operations.
CONSTRUCTION OF INFLUENZA RESEARCH INSTITUTE (2008; expansion 2021)

At the request of UW-Madison, URP helped build out and leased back (and recently expanded) a BSL 3Ag facility to facilitate research that was difficult to accomplish in a shared campus building. To facilitate retention of a key UW-Madison researcher, URP oversaw a renovation and expansion of the facility in 2020-2021 for no management fee and loaned UW-Madison the design fees and construction costs at an interest rate below URP’s cost of capital.

BENEFIT TO UW-MADISON: UW-Madison was able to respond to a faculty retention issue using URP’s staff, real estate, and capital to grow the research footprint of one of the world’s foremost viral/pandemic researchers.

DONATION OF PROPERTY TO UW-EXTENSION (2020-2021)

In 2020, UW Extension identified a donor who desired to donate $135,000 to allow UW-Madison to purchase an adjoining property that was for sale. However, UW-Madison could not execute the transaction by the end of the tax year in accordance with the donors wishes. URP accepted the donation, paid for due diligence costs, paid $150,000 to acquire the property (due to competitive offer), has managed the tenant relocation, has funded appraisals required by the Board of Regents to accept a donation, and will demolish the structures on the property at URP expense before donating the property to the UW and contributing all related costs over and above the donor’s original gift. URP did not charge any fee or overhead for managing this project.

BENEFIT TO UW-MADISON: UW-Madison would not have been able to act quickly enough in a competitive situation to meet the donor’s needs and transact the purchase in a competitive environment. URP also provided additional funds to complete the project in accordance with UW-Madison’s needs.

OTHER EXAMPLES OF UW-MADISON-URP COLLABORATION

POTATO FARM (2006)

At the request of UW-Madison, URP purchased a potato farm in Rhinelander (for $231,748) which the UW-Madison CALS uses for research purposes at cost (primarily property taxes). This saves UW-Madison at least $16,000 per year.

CHARTER STREET (2009)

At the request of UW-Madison, URP & WARF collaborated to purchase and donate a property on Charter Street to UW-Madison to control a key parcel. WARF was involved in a
larger transaction that resulted in the development of the Wisconsin Institutes for Discovery.

CHINA OFFICE (2012)

URP established a Wholly Owned Foreign Entity in China to facilitate UW-Madison's desire to establish an office in China. URP donated substantial staff time in managing the complexity associated with creating and later unwinding a Chinese entity.

CLASS SPACE FOR MS BIOTECH PROGRAM (2012)

URP leases UW-Madison space for their MS Biotechnology office and teaching lab and provides additional classroom space in a setting at the park among companies.

1403 UNIVERSITY (2013)

URP (with assistance from WARF) acquired the property at 1403 University Avenue (the former “Purple Building”) to protect a key site located in the heart of campus.

OTHER INITIATIVES

URP has helped the UW-Madison explore various opportunities and was a willing partner for a number of initiatives that either did not go forward or went forward without URP's participation being required. Examples include:

- Construction of residence halls on Park Street (private developer selected)
- Participation in the Lucky Project
- Construction of UW Data Center (did not go forward)
- Relocation of Vet Med facility (did not go forward)
AUTHORITY TO CONSTRUCT THE KOHL CENTER ADDITION AND RENOVATION PROJECT, UW-MADISON

REQUESTED ACTION

Adoption of Resolution G., authorizing the completion of design and construction of the Kohl Center Addition and Renovation project.

Resolution G. That, upon the recommendation of the Chancellor of UW-Madison and the President of the UW System, the UW System Board of Regents authorizes construction of the Kohl Center Addition and Renovation project for an estimated total cost of $48,074,000 ($33,974,000 Program Revenue Supported Borrowing, $4,100,000 Program Revenue -Cash and $10,000,000 Gifts).

SUMMARY

This project constructs a new addition over the loading dock area to provide additional space for strength and conditioning, sports medicine, academics, and administrative functions. The renovation work includes upgrades to practice/playing surfaces and the upgrade of service level spaces impacting locker rooms, media rooms, club rooms, and kitchen/dining. These new and renovated spaces will serve men’s and women’s basketball, golf, hockey, swimming, and tennis programs as well as the cheerleading and dance teams.

The proposed additional space at the Kohl Center will provide student athletes with tutoring and academic services to parallel the offerings currently available in Camp Randall Stadium; nutritional and dining opportunities in close proximity to their coaching and training areas in line with new NCAA recommendations; and training and sport rehabilitation areas to meet spatial requirements and standards. The Academic Center will be expanded to accommodate 10 tutoring sites, multi-purpose classrooms, and a computing laboratory/lounge. A new nutrition center will be created that can be easily accessed by all student-athletes. Basketball practice courts will be centralized between strength and performance and sports medicine programs. Additional administrative offices will be created to resolve space shortages in Kellner Hall, such as the relocation of swimming and diving offices to the Kohl Center, and to house new transformational units for student athlete development and diversity and inclusion.
Presenter

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget, UW System

BACKGROUND

The Kohl Center has been transformed into the central hub of athletics operations and student-athletes in the basketball, hockey, swimming and diving programs during the past decade. Several spaces (including academic services, dining, and sports performance) are now undersized and require expansion to fully serve the programmatic needs. Expanding those areas into a building addition allows other spaces within the arena to also be reconfigured and enlarged to provide greater functionality for the entire building. The recently completed feasibility study determined the area above the loading dock was the most suitable location for the proposed addition and allows the greatest connectivity within the building. The central media hub for athletics is in the Kohl Center. At the time Kohl Center was designed, social media activities were not a core function of the department. Since the advent of social media, additional staff and resources are necessary to maintain an active and engaging presence for the Badger sports community.

Space limitations have forced student-athletes to find creative ways to take advantage of the available support services, such as starting their morning workouts as early as 5:45 a.m. Most teams are forced to break up into multiple groups as the strength and conditioning facility is not large enough to run a whole team through a training session at one time. This is difficult to manage and hinders team chemistry opportunities that occur from training together. When the Kohl Center was originally opened, there was no dedicated academic space. The current academic center being utilized by student-athletes is a renovated storage room and nearly one-third the size of the space per student available at Camp Randall.

Nutritional services opportunities and practices that are commonplace today, based on current NCAA policies, were not yet conceived when the Kohl Center was originally designed. The addition of nutritional services space and the expansion of the Sports Medicine unit will ensure that student-athletes can easily obtain services without traversing through the length of campus. By providing all services within one general location based on sport, UW-Madison’s student-athletes can be more efficient and thus more capable of achieving overall success not only on the playing field, but in the classroom as well.
Budget/Schedule

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Previous Action

August 24, 2018 Resolution 11079

Recommended that the Kohl Center Addition and Renovation project at an estimated total cost of $48,074,000 ($33,974,000 Program Revenue Supported Borrowing, $4,100,000 Program Revenue-Cash, and $10,000,000 Gifts) be submitted to the Department of Administration as part of the UW System 2019-21 Capital Budget Request.

Related Policies

- Regent Policy Document 19-8, "Funding of University Facilities Capital Costs"
- Regent Policy Document 19-16, "Building Program Planning and Approval"
UW-Madison: Kohl Center Addition

- **Proposed Addition**
- **UW Property**
- **Campus Building**
- **Campus Parking Area**

Sources: UW System Administration, State of Wisconsin, Wisconsin State Cartographers Office, US Census Bureau

This map is for reference purposes only.
AUTHORITY TO CONSTRUCT A MINOR FACILITIES RENEWAL PROJECT, UW SYSTEM

REQUESTED ACTION

Adoption of Resolution H., authorizing construction of a minor facilities renewal project.

Resolution H. That, upon the recommendation of the President of the UW System, the UW System Board of Regents grants authority to construct a minor facilities renewal project at an estimated total cost of $3,133,000 Program Revenue Supported Borrowing.

SUMMARY

### MINOR FACILITIES RENEWAL, GROUP 3

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### JULY 2021 TOTALS

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Presenter

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget, UW System

BACKGROUND

**UW-Oshkosh – Gruenhagen Hall Plumbing Riser Replacement:**

This project replaces the vertical sanitary riser and vents for the south tower of Gruenhagen Conference Center and renovates the restrooms to meet current ADA accessibility requirements. Project work is within the south tower, in 18 toilet and shower rooms located on floors two through 10. Project work includes demolition of all walls, floor and wall finishes, plumbing fixtures, plumbing piping, electrical, and ductwork. The spaces
will be reconfigured to provide ADA accessible shower and toilet facilities, hard tile floor and wall finishes, replacement of cast iron vertical plumbing risers with new PVC or other material as required by current code or standards. The fire protection sprinkler system and HVAC ventilation system will be reconfigured to match the new room configuration.

There has been an increased frequency of leaks in both the horizontal and vertical plumbing that runs throughout the facility during the past several years. Campus facilities staff has been replacing the horizontal plumbing lines in the basement since those sections are easily accessible. The vertical risers require replacement before a complete or significant failure occurs. It has been determined that the necessary headroom could not be gained in the shower areas by eliminating the elevated step and still have the pan depth required.

Related Policies

- Regent Policy Document 19-8, “Funding of University Facilities Capital Costs”
- Regent Policy Document 19-16, “Building Program Planning and Approval”
AUTHORITY TO CONSTRUCT ALL AGENCY MAINTENANCE AND REPAIR PROJECTS, UW SYSTEM

REQUESTED ACTION

Adoption of Resolution I., authorizing construction of various maintenance and repair projects.

Resolution I. That, upon the recommendation of the President of the UW System, the UW System Board of Regents grants authority to construct various maintenance and repair projects at an estimated total cost of $5,717,500 ($2,825,500 General Fund Supported Borrowing and $2,892,000 Program Revenue Supported Borrowing).

SUMMARY

FACILITY MAINTENANCE AND REPAIR

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UTILITY REPAIR AND RENOVATION

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<th>PRSB</th>
<th>CASH</th>
<th>GIFT/GRANT</th>
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ENERGY CONSERVATION

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|      |           | **JULY 2021 TOTALS**             | $2,825 | $2,892 | $0   | $0         | $5,717  |

Presenter

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget, UW System
BACKGROUND

**UW-Stevens Point – Multi-Building Roof Replacements:**

This project replaces roof coverings and completes all other associated ancillary work to maintain the building envelope integrity and prevent damage to the Allen Center and Watson Hall and their contents. Project work includes replacing approximately 27,311 SF total of roofing between the Allen Center (16,563 SF of fibrated aluminum coated roof membrane system) and Watson Hall (10,748 SF of gravel surfaced built-up-roof [BUR]). Roofing work will be coordinated around electrical conduits that run across the roofing surface, mechanical equipment curbs, and other roof penetrations. Roof insulation will be evaluated and replaced or upgraded as needed for proper roof drainage and compliance with State of Wisconsin energy conservation code requirements. Core sampling for R-value determination will be conducted and the final design adjusted accordingly. Roof counter flashings and metal roof edges will be replaced as required. OSHA compliant fall protection appurtenances and features will be determined, and associated cost estimates provided (including all required structural modifications) for all roof sections included in this project.

The roof sections are more than 20 years old. Recent site inspections by the Physical Plant staff determined that these roof sections require replacement to address current leaking, weathered, worn, and/or damaged sections. These repairs will extend the life of the roof sections and prevent moisture from penetrating the building envelope.

**UW-Milwaukee – Central Heating Plant Controls Replacement:**

This project upgrades antiquated single and dual loop boiler and chiller controls; aged equipment control devices; and central plant display, monitoring, recording, alarm instrumentation and panels to a PLC-based open protocol control configuration. This project furnishes and installs a new combustion control system for the four central plant boilers, along with a variable frequency drive on each forced draft fan, and completely upgrades all boiler field instrumentation to enable remote computer control and monitoring at each boiler and the central control room. In addition to the boiler specific control system upgrade work, the balance-of-plant (BOP) controls will be modernized as well to enable overall plant analysis, monitoring, alarming, equipment dispatching, and implementation of general plant optimization strategies.

The central plant controls have not been comprehensively upgraded since the plant was first built in the late 1960s. Much of the technology used to control the boilers and ancillary equipment is no longer supported by the manufacturers, and when
instrumentation or controls break it is difficult to find parts. Often, the plant staff with the support of service contractors, will find a compatible device that they can plug into the system to keep the equipment functional, but it is viewed as a short-term solution rather than a long-term repair. Much of this type of work has already occurred and resulted in a patchwork of devices, controls, and instrumentation that does not enable effective or reliable central plant monitoring, analysis, or reporting. Upgrading to a programmable logic controller (PLC) based system will bring the plant up-to-date and foster the ability to analyze and dispatch equipment in a manner that will promote enhanced reliable delivery of steam, chilled water and compressed air to the campus in an efficient manner that will result in substantial fuel and electrical savings. If left unmodified, the control systems will continue to fail with limited ability to find replacement parts, thereby forcing the equipment to be run in manual-mode, lowering plant efficiency and safety.

**UW-Milwaukee - Multi-Building Lighting & Controls Upgrades:**

This project retrofits more than 1,100 exterior light fixtures that illuminate buildings and pedestrian walkways to enhance campus safety and aesthetics with modern light emitting diode (LED) fixtures. Most of these fixtures date from the time of their original installation, approximately 40-50 years ago. A significant number of these fixtures are dedicated to lighting parking lots and pedestrian walkways, typically with pole-mounted high-pressure sodium or metal halide lamps. Wall-mounted canopy lights typically use incandescent, fluorescent, or compact fluorescent lamps. These old technology light fixtures are significantly less energy efficient and more costly to operate and maintain to their proposed LED replacement fixtures.

The Department of Administration and the University of Wisconsin System embrace high-performance green building standards and energy conservation for state facilities and operations. 2005 Wisconsin Act 141 requires each agency to develop energy cost reduction plans. Plans must include all system and equipment upgrades that will pay for themselves in energy cost reductions over their useful life. The energy savings performance contracting program provides a process for UW System to effect energy cost reductions in existing buildings and utility systems.

This project will assist UW–Milwaukee in complying with these energy reduction goals. The implementation of the energy conservation measures (ECMs) identified in this request will result in an anticipated annual energy cost savings of approximately $60,700 with a simple payback of 16 years. This meets the state energy fund simple payback requirement of 16 years or 20-year payback with repayment at a 5.25% bond rate and a 3% inflation rate.
Related Policies

- Regent Policy Document 19-8, “Funding of University Facilities Capital Costs”
- Regent Policy Document 19-16, “Building Program Planning and Approval”
AUTHORITY TO CONSTRUCT A 2019-21 CLASSROOM RENOVATION/INSTRUCTIONAL TECHNOLOGY IMPROVEMENT PROGRAM PROJECT, UW SYSTEM

REQUESTED ACTION

Adoption of Resolution J., authorizing construction of a 2019-21 Classroom Renovation/Instructional Technology Improvement Program project.

Resolution J. That, upon the recommendation of the President of the UW System, the UW System Board of Regents approves the allocation of 2019-21 Classroom Renovation/Instructional Technology Improvement Program funds; authorizes construction of the related project at an estimated total cost of $6,037,500 General Fund Supported Borrowing of the originally enumerated $31,689,000 General Fund Supported Borrowing; and allows the Division of Facilities Development to transfer balances, adjust an individual project budget, and add or substitute other high-priority Classroom Renovation/Instructional Technology projects within the authorized funding.

SUMMARY

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Presenter

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget, UW System
BACKGROUND

UW-La Crosse - Mitchell Hall Physical Education Lab Renovation

This project renovates 15,090 GSF of space in Mitchell Hall to expand and enhance three heavily used instructional laboratories serving UW-La Crosse's nationally accredited athletic training programs.

A current underutilized locker room will be repurposed into an instructional Athletic Training Lab; the former wrestling room, which was recently relocated to the new field house, will be converted into instructional and laboratory space to serve as the new Exercise and Sport Science Lab; and the existing Human Performance Lab will be expanded to meet the needs of the current curriculum and research as well as provide clinical health and training support to La Crosse's award-winning athletics program.

The project will demolish most interior walls and the areas will be reconstructed into three large spaces with new ceiling, lighting, finishes, casework, and sinks along the perimeter walls where appropriate. A new air handling system, including air conditioning, will need to be installed as part of the project. These mechanical systems will be designed to accept future chilled water supply for cooling once the utility work for that supply is completed to the building. The existing restrooms and specialized treadmill in the Human Performance Lab shall remain intact. This lab will receive a small office and work room to process lab result data, and a small shower and changing area to support the laboratory work.

The existing athletic training instructional space has been located in the lower level of Mitchell Hall since construction was completed in 1965. Other than some minor remodeling, the space is essentially the same size and format as when it was constructed, however, the athletic training program itself has evolved significantly since then. It is now a robust academic program in which students learn preventative methods for avoiding injury, evaluating and assessing muscular skeletal injuries, implementation of therapeutic modalities, rehabilitation methods, and emergent care and first aid. The program has outgrown its space, and implementation of this project will allow additional space to be dedicated to this instruction.

The UW-La Crosse athletic training program was the first curriculum program recognized by the National Athletic Trainers Association (NATA), and it has been fully accredited by the Commission on Accreditation of Allied Health Educational Programs (CAAHEP) since 1980. The program leads to a Bachelor of Science in Athletic Training, and courses within the program are required for other majors within the College of Science and Health.

The number of students who pursue degrees in the life sciences and those who seek courses needed for degrees in the various allied health fields continues to grow dramatically. This results in an ever-increasing demand for access to curriculum within the
programs in the College of Science and Health. The spaces renovated by this project are the only areas that many of these graduate and undergraduate programs have available to accommodate the delivery of classroom and lab instruction as well as faculty and student research. Based on enrollment trends and the general increase in STEM courses, the College of Science and Health desires to reconstruct these spaces into areas that will provide the flexibility to support a more diverse array of instructional methods and activities. These larger spaces will also accommodate students who participate in instructional and lab activities, and better support interactive instruction and quick transitions from lecture-based learning to laboratory-based learning.

**Budget**

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**Previous Actions**

**August 23, 2018 Resolution 11079**
Recommended that the UW System Instructional Space Projects Program Funding request of $38,000,000 General Fund Supported Borrowing be submitted to the Department of Administration and the State Building Commission as part of the UW System 2019-21 Capital Budget Request.

**August 20, 2020 Resolution 11491**
Approved the allocation of the first 2019-21 Classroom Renovation/Instructional Technology Improvement Program funds; authorized construction of the related project at an estimated total cost of $3,019,000 General Fund Supported Borrowing of the originally enumerated $31,689,000 General Fund Supported Borrowing; and allows the Division of Facilities Development to transfer balances, adjust individual project budgets, and add or substitute other high-priority Classroom Renovation/Instructional Technology projects within the authorized funding.

**October 8, 2020 Resolution 11503**
Approved the allocation of 2019-21 Classroom Renovation/Instructional Technology Improvement Program funds; authorized construction of the related project at an
estimated total cost of $5,763,500 General Fund Supported Borrowing of the originally enumerated $31,689,000 General Fund Supported Borrowing; and allows the Division of Facilities Development to transfer balances, adjust individual project budgets, and add or substitute other high-priority Classroom Renovation/Instructional Technology projects within the authorized funding.

December 10, 2020 Resolution 11538

Approved the allocation of 2019-21 Classroom Renovation/Instructional Technology Improvement Program funds; authorized construction of the related projects at an estimated total cost of $3,669,000 General Fund Supported Borrowing of the originally enumerated $31,689,000 General Fund Supported Borrowing; and allows the Division of Facilities Development to transfer balances, adjust individual project budgets, and add or substitute other high-priority Classroom Renovation/Instructional Technology projects within the authorized funding.

February 5, 2021 Resolution 11593

That, upon the recommendation of the President of the UW System, the UW System Board of Regents approves the allocation of 2019-21 Classroom Renovation/Instructional Technology Improvement Program funds; authorizes construction of the related projects at an estimated total cost of $10,039,900 General Fund Supported Borrowing of the originally enumerated $31,689,000 General Fund Supported Borrowing; and allows the Division of Facilities Development to transfer balances, adjust individual project budgets, and add or substitute other high-priority Classroom Renovation/Instructional Technology projects within the authorized funding.

Related Policies

- Regent Policy Document 19-8, "Funding of University Facilities Capital Costs"
- Regent Policy Document 19-16, "Building Program Planning and Approval"
REVISED AUTHORIZATION TO TRANSFER LAND AND IMPROVEMENTS AND CONSTRUCT THE UW-MANAGED DEPARTMENT OF INFORMATION TECHNOLOGY (DoIT) DIGITAL PUBLISHING & PRINTING SERVICES RELOCATION AND THE FACILITIES PLANNING & MANAGEMENT PHYSICAL PLANT RELOCATION PROJECTS, UW-MADISON

REQUESTED ACTION

Adoption of Resolution K., revising previous authorization of the transfer of 1.91 acres of land and improvements and the completion of design and construction of two relocation projects.

Resolution K. That, upon the recommendation of the Chancellor of UW-Madison and the President of the UW System, the UW System Board of Regents authorizes:

a. the transfer of 1.91 acres of land and improvements from the Department of Public Instruction to the Board of Regents for an estimated total cost of $113,322.41 Program Revenue-Cash;

b. the completion of design, and construction of the UW-Managed DoIT Digital Publishing & Printing Services Relocation project for an estimated total cost of $2,212,000 Grant Funds; and

c. the completion of design and construction of the UW-Managed Facilities Planning & Management, Physical Plant Relocation project for an estimated total cost of $9,000,000 Grant Funds

SUMMARY

The first part of this request sought approval to transfer ownership of 1.91 acres of land improved with a 25,200 GSF building from the Department of Public Instruction (DPI) to the Board of Regents. The building, located at 2109 South Stoughton Road, Madison, housed the DPI Reference Library and is currently vacant. The Board previously approved the transfer of the building for a total estimated cost of $6,645, the balance of outstanding debt, at the April 2021 Board of Regents meeting.
The State Budget Office recently reviewed its original analysis during preparation for the upcoming State Building Commission meeting and determined it had overlooked past projects at the building which increased the outstanding debt to $113,322.41. UW-Madison has agreed to pay the increased amount and will still use Program Revenue-Cash to satisfy the outstanding debt.

**Presenter**

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget, UW System

**Previous Action**

April 9, 2021 Resolution 11612

Authorized: (a) the transfer of 1.91 acres of land and improvements from the Department of Public Instruction to the Board of Regents for an estimated total cost of $6,645 Program Revenue-Cash; (b) the completion of design, and construction of the UW-Managed DoIT Digital Publishing & Printing Services Relocation project for an estimated total cost of $2,212,000 Grant Funds; and (c) the completion of design and construction of the UW-Managed Facilities Planning & Management, Physical Plant Relocation project for an estimated total cost of $9,000,000 Grant Funds.

**Related Policies**

- Regent Policy Document 13-2, “Real Property Contracts: Signature Authority and Approval”
- Regent Policy Document 19-8, “Funding of University Facilities Capital Costs”