



**SPECIAL MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM**

Monday, October 19, 2026
1:00 p.m.

To be held by virtual teleconference. For connection details, please visit:
<https://www.wisconsin.edu/regents/videoconference-information/>

AGENDA

1. Calling of the Roll
2. Declaration of Conflicts
3. Authority to Demolish an Existing Residence Hall, Allow Construction of a Residence Hall on Board of Regents Land, and Execute Related Lease and Management Agreements, UW-Madison
4. Adjourn

**AUTHORITY TO DEMOLISH AN EXISTING RESIDENCE HALL, ALLOW
CONSTRUCTION OF A RESIDENCE HALL ON BOARD OF REGENTS
LAND, AND EXECUTE RELATED LEASE AND MANAGEMENT
AGREEMENTS, UW-MADISON**

REQUESTED ACTION

Adoption of Resolution 3., granting authority to demolish an existing residence hall, execute a ground lease, allow construction of a privately owned residence hall on Board of Regents land, execute a lease agreement for the residence hall, and execute a facilities operations and management agreement between UW-Madison and the owner of the privately-owned residence hall.

- Resolution 3.** That, upon the recommendation of the Interim Chancellor of UW-Madison and the Interim President of the Universities of Wisconsin, the UW System Board of Regents approves:
1. Demolition of an existing residence hall;
 2. Execution of a ground lease;
 3. Construction of a privately-owned residence hall on Board of Regents land;
 4. Execution of a lease agreement for the residence hall; and
 5. Execution of a facilities operations and management agreement for the residence hall.

Presenters

- Eric Wilcots, Interim Chancellor, UW-Madison
- Cindy Torstveit, Associate Vice Chancellor for Facilities Planning and Management, UW-Madison
- Jeff Novak, Associate Vice Chancellor for University Housing and Dining, UW-Madison

SUMMARY

In May 2026, the Department of Administration (DOA), Division of Facilities and Transportation Services issued a Request for Proposal (RFP) to develop a turnkey 1,500 to

2,000-bed residence hall(s) including support space to include a 400-seat dining area. Two sites within campus boundaries were identified or proposers could submit locations adjacent to the UW-Madison campus boundary up to .25 miles. The first site is located at the southwest corner of Dayton Street and Park Street where the current Merit residence hall is located. The second site is at the southeast corner of Dayton Street and Mills Street and is currently a parking lot. The RFP asked for a contractor-led or joint venture proposal to develop and finance the project. Merit Hall, a small residence hall containing only 72 beds, will be demolished to allow for construction.

Eleven proposals were received. Representatives from DOA, UW-Madison Facilities Planning & Management (FP&M), UW-Madison Housing, the Universities of Wisconsin Office of Capital Planning and Budget (CPB), and a community representative, were members of the screening and selection committee. The DOA-led committee recommended a proposal to the DOA Secretary to proceed with final negotiations. While the final details of the design are in progress, the selected proposer and DOA have come to agreement on the principal terms of the lease and operating agreements:

Ground Lease Terms

University Function(s)	UW-Madison, University Housing & Dining, Facilities Planning & Management, Transportation Services
Lease Location	917-921 West Dayton Street, Madison, WI 115 North Mills Street, Madison, WI
Type of Negotiation or Selection Process	Request for Proposals
Lessor	Board of Regents of the University of Wisconsin System
Lessee	PRG Badger Properties LLC
Anticipated Term Commencement	May 1, 2027
Initial Lease Term	62 years
Lease Rate during initial term	\$1/year
Renewal Option(s)	None
Purchase Option	None
Space Type	917-921 West Dayton Street: Land for Development (existing residence hall and surface lot improvements will be demolished) 115 North Mills Street: Land for Development (existing surface lot improvements will be demolished)

Square Feet (land area)	917-921 West Dayton Street: Approximately 52,413 GSF (1.20 acres) 115 North Mills Street: Approximately 77,540 GSF (1.78 acres)
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Facility Lease Terms

University Function	UW-Madison, University Housing & Dining								
Lease Location	917-921 W. Dayton Street, Madison, WI and 115 N. Mills Street, Madison, WI								
Type of Negotiation or Selection Process	Request for Proposals								
Lessor	PRG Badger Properties LLC								
Lessee	State of Wisconsin, Dept of Administration on behalf of the Board of Regents								
Anticipated Occupancy Date	July 1, 2029								
Lease Term	Building lease: 30 years Triple Net Lease (NNN)								
Escalation Rate	0%								
Operating Expenses	Tenant pays all maintenance and capital renewal expenses during the life of the lease including electricity, gas, water, sewer, and internet costs. The buildings will be connected to the campus utility network and maintained and managed by FP&M and University Housing.								
Renewal Option(s)	None								
Purchase Option	There is a purchase option at year 10 and each subsequent year of the term.								
Space Type	Housing and Dining								
Estimated Total Square Feet of Buildings	450,255								
Guaranteed Maximum Price (GMP) and Total Gross Cost Per Square Foot of buildings, year 1	GMP: \$337,982,121 \$751.65/SF								
Total Projected Annual Cost	<table> <tr> <td>NNN Base rent</td><td>\$29,744,406</td></tr> <tr> <td>Est. OPEX inc. Cap Res</td><td>\$13,840,898</td></tr> <tr> <td><u>Tenant Improvements:</u></td><td><u>included</u></td></tr> <tr> <td>Total</td><td>\$43,585,304</td></tr> </table>	NNN Base rent	\$29,744,406	Est. OPEX inc. Cap Res	\$13,840,898	<u>Tenant Improvements:</u>	<u>included</u>	Total	\$43,585,304
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Total	\$43,585,304								

FF&E Resident Rooms Not in Contract in Construction	\$7,500,000
Estimated Total Beds & Cost per Bed	Total Beds: approx. 1690 \$189,467/ bed (not inc. dining)
Funding Source	PR-Cash

Board of Regents approval of this lease is contingent upon subsequent approvals by the Wisconsin State Building Commission and Joint Committee on Finance as required per statute. Commencement of construction is contingent upon completion of the Environmental Impact Assessment.

BACKGROUND

Consistent with the 2004 Facilities Master Plan and in line with Board of Regents policy, UW-Madison is committed to providing first-year and returning students access to affordable, high-quality campus housing, seeking to house all first-year and returning students in a campus residence hall at reasonable rates with a high level of services.

UW-Madison does not require students to live on campus. Currently, University Housing is at approximately 115% capacity and accommodates more than 1,100 first-year students in converted lounges, double occupancy rooms converted to triples, and other temporary spaces, while reducing housing opportunities for approximately 1,000 returning and transfer students because sufficient permanent bed capacity is not available. Despite these measures, additional students remain on waiting lists seeking the opportunity to live on campus. The proposed housing development is intended to respond to this demonstrated demand, reduce reliance on temporary accommodations, and provide students with the residential experience they are actively choosing to pursue.

Two sites were identified, one on Mills Street and the other on Dayton Street. The two sites are separated by a privately held apartment building, and railroad tracks. The smaller site, to the east is 1.20-acres and has been determined as the site to hold the dining hall. The larger site, to the west, is 1.78-acres and is bordered by the Capital City bike path to the south. The selected proposer is planning to use both sites to construct two residence halls to accommodate up to 1,690 beds. The goal is to have occupancy in time for Fall 2029 academic year.

The specific structure of the public-private partnership for this development relies upon a real estate developer who has partnered with a general contractor to finance and build the project. The agreements will be as follows:

Agreements requiring Board of Regents approval:

1. Ground lease between the Board of Regents and the Owner

2. Building lease between the Department of Administration and the Owner
3. Facilities Operations and Management Agreement between UW-Madison and the Owner

Agreements not requiring Board of Regents approval:

1. Pre-Closing Development Agreement
2. Development Services Agreement between Owner and Contractor

The guaranteed maximum price represents the upper limit on the cost for the construction of the additional student housing. The Department of Administration, working with the Universities of Wisconsin and UW-Madison, will continue to refine the project's planning and design in order to reduce the overall cost. The selected proposal meets the Department of Administration's specifications as intended to ensure a high-quality facility.

Concurrently, within their capital budget request, UW-Madison asked for a state-enumerated project for a similarly sized residence hall as an option if the public-private partnership was not considered feasible. Per Resolution 12511 passed at the August 2026 Board of Regents meeting, if all subsequent approvals by the state are received and a development services agreement and lease are executed, the proposed New Residence Hall project being requested for enumeration, will return to the Board of Regents.

Previous Action

August 20, 2026
Resolution 12511

Recommended that the proposed 2027-33 UW System Six-Year Capital Plan and 2027-2029 UW System Biennial Capital Budget Request, including resolution that in the event UW-Madison successfully executes an agreement for the development of student housing through its current public-private partnership solicitation process, the proposed New Residence Hall project shall return to the Board of Regents for further review and action before advancing through subsequent stages of the state capital budget process, be submitted to the Department of Administration and State Building Commission.

Related Policies

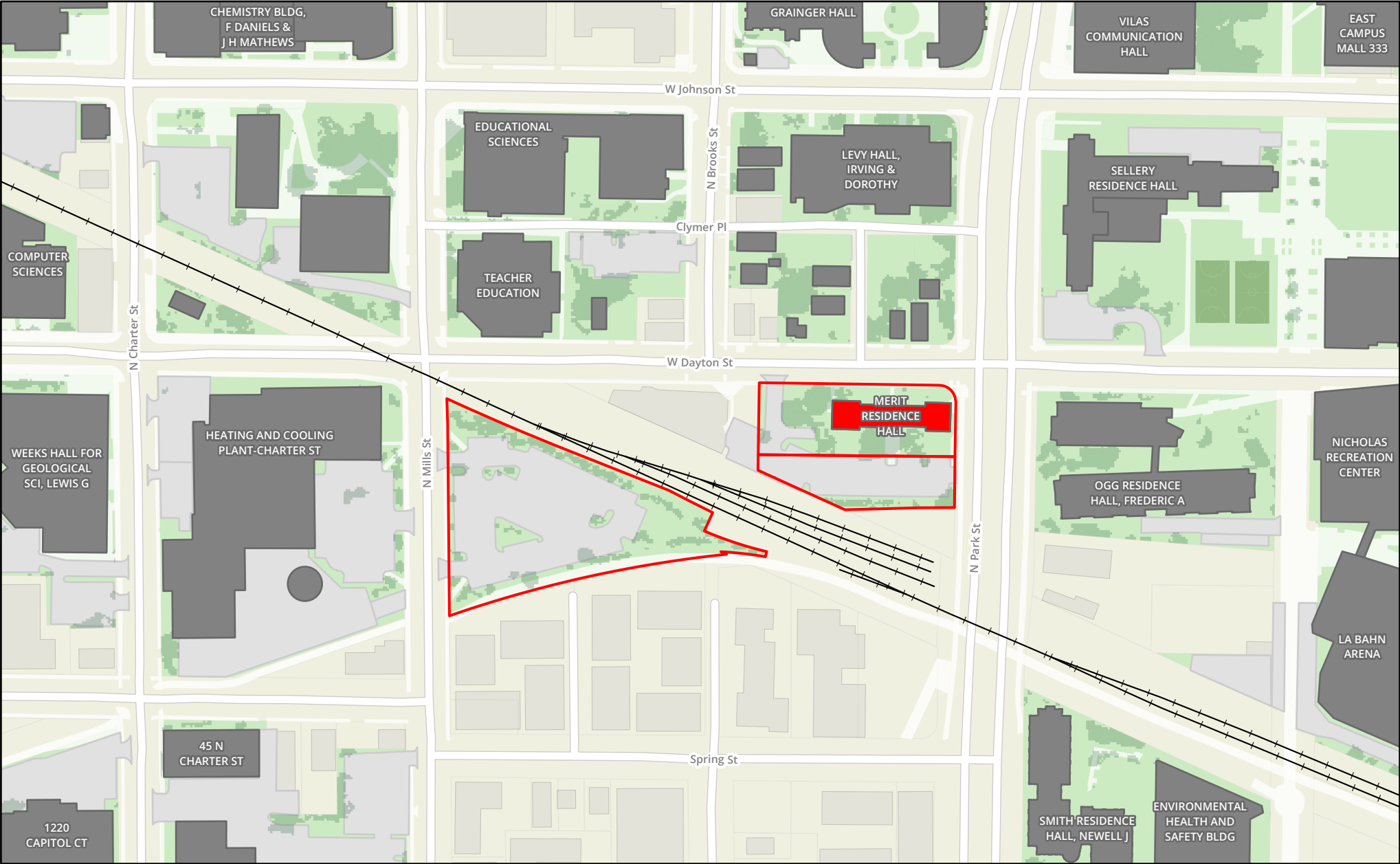
- Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting"
- Regent Policy Document 13-2, "Real Property Contracts: Signature Authority and Approval"
- Regent Policy Document 19-12, "Oversight of Facilities Constructed for University"

Purposes"

- Regent Policy Document 19-15, "Physical Development Principles"
- Regent Policy Document 19-16, "Building Program Planning and Approval"

ATTACHMENT(S)

- A) UW-Madison: Proposed Demolition and Ground Lease Map



Sources: Universities of Wisconsin, State of Wisconsin, US Census Bureau

This map is for reference purposes only.

UW-Madison: Proposed Demolition and Ground Lease

- | | |
|------------------------|-----------------|
| Proposed Demolition | Campus Building |
| Proposed Lease Parcels | UW Property |

0 100 200 Feet

