Members Present: Tracy Huggins, Kate Barton, Paul Washington, Janine Davidson, Lesley Smith, Jerry Glick, Gabe Trujillo

Members Absent: Rollie Heath, Michelle Marks, Marie DeSanctis, Zsuzsa Balogh

Staff Present: Callie Earles, Cody Phelps, Colleen Walker, Shaneis Malouff

Others Present: Cary Weatherford (CU Denver), Dan Maxey (CU Denver), Bria Combs (CU Denver), Savannah Brooks (CU Denver), Mitchell Mauro (CU Denver), Kristina Retana (CCD), Cassy Cadwallader (AHEC), Alyssa Nilemo (AHEC), Lulu Lantzy (AHEC), Skip Spear (AHEC), Zach Hermsen (AHEC), Jason Mollendor (AHEC), Carl Meese (AHEC), Liz Mendez (AHEC), James Mejia (MSU), Sophia Tran (AHEC), Amber Cook (AHEC)

1. **Call to Order**

  **The meeting began at 8:14 am**

Tracy Huggins welcomed everyone to the January 24, 2024, Auraria Board meeting.

1. **Auraria Land Acknowledgement**

Sophia Tran read the Land Acknowledgment.

1. **Approval of Minutes of the December 13th meeting of the Auraria Board of Directors (attachment: Proposed minutes of the December 13th meeting of the Auraria Board of Directors)**

**Recommended Motion: The Auraria Board of Directors approve the minutes of the December 13th meeting as presented.**

Jerry Glick motioned; Janine Davidson seconded. The motion passed unanimously.

1. **Legislative Update – Melanie Layton**
* At the end of December, there were two resignations and replacements. Ruby Dixon of House District 37, (Greenwood Village area) resigned in December, and Chad Clifford replaced her. Said Sharbini of House District 31, (Thornton area) resigned and was replaced by Julie Marvich. There was one vote to remove Mike Lynch, Republican House Minority Leader, but not enough people showed up to vote. They will try again, and he will likely be released if enough people show up.
* The Joint Budget Committee approved AHEC's request to increase spending authority. Senator Jeff Bridges wants to explore making AHEC an enterprise; other members of the JBC would need more discussion on the benefits of granting AHEC enterprise status.
* The Capital Development Committee’s list is due February 15. The public safety building did not make the governor's list/OSPB. It's relatively low on the CCHE list as well, but it remains a CDC priority and the members have been very supportive. Supplementals should be finished by next week. The governor is proposing an increase of $42 million. The IHE’s have requested an increase of $130 million in operational dollars and $30 million additional for state financial aid. Getting additional operational funds to the higher education institutions across the state is the highest priority this year, as there are budgetary pressures which are exacerbated by several unfunded gubernatorial mandates.
* During the past year, we started looking for ways to get federal funds for the capital projects. Regarding enterprise status, Tracy asked Melanie and Zach to provide a summary of what it would mean for AHEC to be an enterprise and the pros and cons of receiving this status at an upcoming meeting.
1. **Discussion/Presentation Items**
2. **Masterplan Update – Carl Meese & Sasaki**

The Master Plan is advancing on schedule. Based on feedback we heard from the recent Open Houses, Sasaki and AHEC are arranging additional focus groups planned for February, and the results will be incorporated into the final document which will be ready to be presented at the ABOD Meeting in April. AHEC is also collecting responses from final feedback rounds through additional meetings with institutional partners.

The main concepts of the plan that have emerged are the learning loop, urban integration, predictable development, and vibrant public realm.

* Learning Loop: This concept seeks to reinforce the existing academic core of the Auraria Campus with new educational buildings and public realm spaces. The educational center would be surrounded by a new ring road that would connect all institutional buildings, a concept that knits together the campus development that has happened in recent years. The Learning Loop could have retail and commercial vendor options that would serve the students, faculty, staff and community visitors to the campus. Parking would also be accessed off the Learning Loop, however, the center would be entirely pedestrianized. Outside of the academic core, near the perimeter of campus, especially located at the two transit stations could be the mixed-use district with opportunities for high-density housing.
* Urban Integration: The goal here is to connect the Auraria Campus to its neighboring communities. Through existing and new vehicular and multi-modal paths the plan proposes to link the downtown core, Ball Arena, River Mile, La Alma Lincoln Park, and Mile High Stadium District to the campus. In addition, this concept seeks to establish main gateway moments that will indicate arrival at our unique campus and celebrate the educational missions of our institutions. There are additional opportunities in exploring new design scenarios for Auraria Parkway and Speer Boulevard with the City and County of Denver.
* Predictable Development: Along with the Learning Loop, this plan seeks to create a predictable development framework that allows for the four Auraria Campus institutions to identify where future growth can and should be placed to establish the underlying block structure and parcellation to allow for the other goals of the plan to be achieved. This will ensure that future buildings contribute to broader landscape and public realm goals described in the Vibrant Public Realm concept. There is an opportunity to create a new campus shuttle system that would link together the different parts of campus and could connect out to the broader community and transportation network.
* Vibrant Public Realm: The overarching theme of this goal is to create a recognizable and intuitive series of open space networks to link the campus together. This would include connections that could link Cherry Creek to Platte River, creating new bike and public realm networks that run through the campus. Larimer Street is envisioned as a formal pedestrian mall with programmed outdoor spaces like classrooms, cafe seating, and recreation. Lawrence Street could be the ecological corridor counterpart to Larimer where winding paths are surrounded by native plant species and rain gardens to enhance the ecological resources of the campus and provide quite respite from the hustle and bustle of the City. A new landscape corridor could connect the Tivoli Quad south the Regency Athletic Complex and create an activity/recreation pathway focused on physical and mental health. This plan also supports and reinforces the 5280 Trail concept proposed by the City of Denver and the Downtown Denver Partnership.

The master plan should be an inspiration and catalyst for thinking big about how the campus should develop over time. In addition to these four big concepts, the plan seeks to create a new quad-institutional planning group to guide future building and landscape projects through a collaborative development process that allows shared decision-making. This will help ensure that all institutions have the opportunity to partner on future growth opportunities. Kate recognized how much work has gone into maintaining the elements of a college campus in this plan to date. Students and Faculty have expressed concern that this plan may result in additional financial burdens, parking challenges, and new stakeholders on campus who could take the focus off the academic mission. The Integrated Planning Committee will need to ensure that as part of the project review process this consideration is front and center when making recommendations about future development.

1. **Project B presentation – Liz Mendez**

Project B was the replacement of the HVAC systems in eight campus buildings. It was initially funded in 2020-2021 for approximately $20.5M. AHEC returned to the state and requested to split the project into two phases, Projects B1 and B2, as extreme cost escalations for HVAC equipment impacted the project as a result of the global pandemic. Project B1 focuses on Central, West, and the South Chiller Plant, plus all the design costs. Project B2 includes the remaining 6 buildings with a cost estimate of $33.2M, which AHEC was successful in receiving.

Compounding inflationary factors continue to impact the project driven by labor shortages, supply chain collapses, and historic inflation for steel and custom commercial HVAC systems, which, continue to drive a funding shortfall of $14.6M. At this point, we will have to reduce the project scope to stay within budget, which will require removing one or more buildings from Project B2.

AHEC has been analyzing a variety of factors to bring the project back into scope. These factors include, but are limited to 1) looking at the Master Plan and which buildings are candidates for replacement/redevelopment, 2) which buildings economically could negate the current budget shortfall, 3) the existing facility condition, and 4) whether the overall value of the building supports ongoing investment.

The buildings we should consider removing from the scope of Project B2 are Plaza, PE, and Bear Creek. The Master Plan identifies Plaza as a potential opportunity for redevelopment based on age, floor plan, efficiency, low building height, and location. The current HVAC replacement estimate is between $16 and $19M, which makes Plaza the most expensive building in the project; if removed from the project, it could help solve the shortfall. Available funding might be able to be utilized to replace targeted HVAC system components. The Plaza houses the Health Center, which is a critical tri-institutional program which must be maintained unntil a new location can be determined and/or built.

The P.E. building is similar in age to the Plaza building and the Master Plan also identifies it as an opportunity for redevelopment. The current HVAC replacement estimate is $13M; combining removing this building with another smaller HVAC project could help solve the shortfall.

Bear Creek is the third building under consideration. It is currently used by CCD for its Center for Workforce Initiatives. The building has about 3500 usable square feet. No regular classes are held there, but the two classrooms are used for training and workforce events. Bear Creek has also been identified as an opportunity for redevelopment in the Master Plan. The project estimate for HVAC replacement is $2M; however, that makes it is the highest per square cost in the project. If removed from the project, the building would be kept running for as long as possible. In the interim, AHEC would work with CCD to figure out a new location for the CWI program.

The recommendation at this time is to remove Plaza and Bear Creek from the project. The athletic programming and the gymnasium in PE cannot be relocated to other buildings on campus. This would require the development of a new Athletic Center. We could and would keep Plaza and Bear Creek operational for as long as possible. As an important aside, they were scheduled to stay online until the summer of 2027 when the HVAC replacement was scheduled.

The next step would be to convene a committee to talk about what to do with the buildings long-term, while maintaining the buildings operationally in order to keep the buildings running for as long as possible. Jerry Glick wanted to know how long the buildings could be operational if removed from the project. Dr. Davidson mentioned that the Plaza building has the Health Clinic, which has been renovated, and worried that it would be difficult to move the clinic if the Plaza building is removed from the project. Liz will provide an update at the February board meeting.

1. **Action Items**
	1. **Ballfield Update- Skip Spear & Zach Hermsen**

The next step in the process is to confirm critical legal and business terms. All parties executed the Project Pursuit Agreement in December, which authorized $1.3M of funding to cover site specific costs, predominantly architectural and engineering costs. Business and Legal teams continue to work through the documents. Specifically, Davis Graham Stubs, MSU’s attorney, is leading the small plan community documents. Ballard Spahr, Gary's attorney, is leading the Purchase and Sale agreements. Brownstein, AHEC's attorney, is leading the development and funding agreement. Document execution is targeted for our 4/3 ABoD meeting, given the gross maximum price is due in March. Schematic Design pricing is $60.6M; there have been Value Engineering (VE) meetings that have reduced that figure by over $3M. Design Development is targeted for completion in February.

Columbia is working with lenders on the construction loan, targeting a financial close in May. The commercial loan is targeted for 65-70% Loan to Cost (LTC). Timelines are still consistent with past presentations, with completion of the commercial building targeted for October 2025, and residential planned for September 2026. The building is being built to support solar panels but that is currently not in the budget. There was a question on whether the project will seek LEED certification. AHEC will follow up in the February meeting with a LEED status.

The request: We are asking the board to amend the previous Project Pursuit Agreement to add additional funding for the design process and the mass timber deposit. We are requesting authorization to execute the amendment once all parties agree on the business terms. The two changes this amendment would make are to extend the deadlines (to accommodate the contract execution in April) and adjust the budget for the design and the mass timber deposit. The maximum AHEC will be putting in is $600K; that amount can decrease, but the percentage is being negotiated. Tracy Huggins asked for an overview of the outstanding issues. The response indicated the currently unknown ownership of vacant spec space and the uncertainty of the final loan terms. Jerry added that many things are still being arranged, but he feels good about the progress so far (including spec space). There are three-four potential partners, and they are moving at a good pace.

**Recommended Motion: The Auraria Board of Directors approve the additional deposit of up to $600K for the purposes discussed**.

Janine Davidson moved; Kate Barton seconded. The motion was approved unanimously.

1. **Public Comment**

Two people made public comments.

1. **Adjourn**

The meeting was adjourned at 10:27am