

Auraria Board of Directors

Meeting Minutes

Wednesday, May 15, 2024

8:00 AM

Zoom Webinar

Members Present: Tracy Huggins, Marielena DeSanctis, Janine Davidson, Jerry Glick, Rollie Heath, Zsuzsa Balogh, Kate Barton, Paul Washington, Lesley Smith

Members Absent: Gabe Trujillo, Michelle Marks

Staff Present: Colleen Walker, Zach Hermsen, Skip Spear, Shaneis Malouff, Cody Phelps, Devra Ashby, Jason Mollendor

Attendees: Melanie Layton

**1. Call to Order** - Tracy Huggins, Board Chair

Tracy Huggins welcomed everyone to the May 15, 2024, ABOD meeting.

The meeting began at 8:02 am.

**2. Auraria Land Acknowledgement** - Devra Ashby

Tracy welcomed Devra Ashby, AHEC's new Director of Marketing and Communications, to read the Auraria Land Acknowledgement.

**3. Approval of Minutes of the April 3, 2024 meeting of the Auraria Board of Directors (attachment: Proposed minutes of the April 3, 2024 meeting of the Auraria Board of Directors)**

- **Recommended Motion: That the Auraria Board of Directors approve the minutes of the April 3, 2024, meeting as presented.**

Tracy Huggins asked for a motion to approve the minutes as presented. Jerry Glick motioned; Rollie Heath seconded. The motion passed unanimously.

**4. Consent Agenda**

- Policies (10 min)
- **See attachments**
- **Recommended Motion: That the Auraria Board of Directors approve the following policies:**
  - Policy # 2.2.2, "Posters, Flyers, and Chalking on Campus," interim policy approved by the AEC that expires on June 13.

- Policy # 3.4.1, “Peaceful Assembly on Campus,” interim policy approved by the AEC that expires on May 28.
- Policy # 3.4.2, “Records Management and Retention,” a new policy requested by Paul Washington.
- Policy # 3.4.3, “Requests for Public Records,” replaced the policy last updated in 2021, which does not comply with current CORA requirements.

Tracy Huggins asked for a motion to approve the policies. Jerry Glick motioned; Rollie Health seconded. The motion passed unanimously.

## **5. Discussion/Presentation Items**

### 1. Ballfield – Zach Hermsen (25 min)

- Timeline and legal document update

Tracy invited Zach Hermsen to provide an update on the ballfield project. History Colorado is proposed as the tenant/owner of the ground floor. They would plan to operate a Hispano and Latino Heritage Museum. They plan to take the 25,000 sq foot on the first floor and potentially up to 5,00 to 7,00 on the second floor, filling the vacant space. Columbia Ventures will take the construction loan for the museum and work with History Colorado on equity and debt payments. From a funding standpoint, a \$9M CDS request was submitted on March 29<sup>th</sup>, and the governor has provided a letter of support and has been vocal about supporting this project. Additionally, \$1M has been raised and put into escrow pending document execution. AHEC is working with the state P3 office on creative options to bridge History Colorado’s equity investment (\$3M) as part of their 30% requirement. The P3 office has already committed bringing \$5M to the residential project.

DD is 100% complete, and the parties have agreed to self-finance construction draws to reduce financing costs. The 30% deposit is proposed to be due July 1<sup>st</sup>, would be \$2.3M, with the balance of funds drawn throughout construction.

Gary Community Ventures has board approval to stay in the deal but seeks to finalize documents by May 30, 2024, and execute documents by June 26, 2024. Main documents include purchase and sale agreements, ground leases, small planned community documents/condo maps, development financing agreements, and inter-creditor agreements.

Paul Washington wanted to know if, in the capital stack, the city of Denver was included. Zach said that the city of Denver is not in the capital stack for the commercial building, but AHEC is working with them on the AELC unit. Another question was: Since we can provide a lower cost of capital, how does that benefit us as an equity holder? Who would be responsible for financing this if we couldn’t access debt? It benefits us that we can get a lower rate (2-3pts) vs a commercial loan, which would save us ~\$200,000 on our \$7M unit. Jerry also added that the cost would’ve been ours if we had gotten a construction loan; it

would not have been the developers. This is a non-traditional developer approach. Tracy asked as we look forward to the June 26<sup>th</sup> meeting, what will the board be asked to approve? Zach said they are looking for approval of the legal documents and approval of the board resolution of the financing for the deal itself, and those will be the options that North Slope brings forward; it will mainly look at the COP modification of the Admin. Building. Tracy asked Zach to prepare a memo summarizing each document's selling points so the board could understand what they were looking at. Jerry also added that the most important hurdle is the timing. Given Gary's need to move on a particular schedule, they are working on the timing. Regarding the budget that was shown, does it include contingency? Zach said there is a 5% GC contingency at this point. Tracy added that June 30<sup>th</sup> is up against the 4<sup>th</sup> of July weekend, so we should acknowledge whose signature is needed.

2. Legislative Update – Melanie Layton (10 min)

- Long Bill update & successes

Tracy invited Melanie Layton to present the legislative update. The most important one was the House Bill 1430- the budget bill. We got over half of the funding for the public safety building; in year one, we have about 20M allocated. This will be a continuation project, making it easier to get ongoing funding, but it is not a guarantee; next year, we will ask for a little over \$15M. Funding for controlled maintenance level 1, 1.3 M for AHEC's upgrade to classroom security, and 1.8M to replace transformers in 4 buildings. The third piece in the budget was under Capital Information Technology; AHEC got 4.2M for the network infrastructure project. We, ultimately, got 100% of what was asked. MSU Denver also got their Career to Classroom project. A couple of other bills: House Bill 1139 provides death benefits for state employees of surviving spouses; for high-risk law enforcement, we were able to add spouses of police officers on all higher education campuses. House Bill 1219, a first responder employee health benefits trust, is one AHEC supported; it is cardiovascular screening for police. House Bill 1237, a program for the development of childcare facilities, we amended this so that AHEC and higher education institutions would be eligible to get grants for childcare facility buildings. The last one was Senate Bill 222, which was state funding to relocate two state entities. History Colorado will loan some of the dollars to the Department of Revenue. Some of the dollars come from the state, but the Department of Revenue can relocate to the Auraria campus because of this bill.

Dr. Davidson wanted to thank Melanie for all her work and added that MSU Denver got the COP passed for the health institute tower, another relevant construction project. Rollie Heath, Tracy Huggins, and Colleen Walker also thanked Melanie and the AHEC team for all their work.

3. Campus Planning – Carl Meese (20 min)
  - Master Plan Update

Tracy Huggins invited Carl Meese to provide an update on Campus Planning. Carl and his team have been meeting with many campus groups, and they are still arranging meetings with different groups, reconvening a community group with tribal representatives, which will most likely happen a week from this meeting. Carl has also been working with David Olguin, AHEC's Community and Engagement Specialist, to arrange a broader tribal meeting with the official tribal nation groups. A city and state meeting is scheduled at the end of May to reconnect with that group. They will also be adding in some of the items that were mentioned in the next draft of the master plan; they are looking at creating the 9th Street corridor, focusing on the 9th Street Park, St. Cajetan's, rectory building, the peace garden and other potential projects that can help the campus recognize and tell the story of the displacement that took place, the next draft will come out at the end of June.

Regarding the DEI process, we are in contract with Roberto Montoya, a DEI expert, who is reviewing this draft document plan and will provide his recommendation in about a week. We also sent out the link to the draft and would appreciate any feedback. This will allow the team to incorporate that feedback with the other feedback they received. We have received one fairly thorough packet of responses from CU faculty, which will be incorporated into the next part of the Master Plan. Once we have all the feedback from the Board, the DEI expert, and the Steering committee, we will release the next draft in early June to allow for one more round of final edits and review to adopt at the June 26<sup>th</sup> board meeting. Carl also went through many images currently in the Master Plan draft. Dr. Davidson wanted to add that the pictures look like decisions have already been made, which was a problem with previous images. Carl agreed it could be a problem and will talk to Sasaki about editing these images or removing them from the presentation. Colleen added that all future development has to look at Groundfloor activation, which this point is not being conveyed successfully. Sasaki is helping us envision how to activate our campus.

A significant change is the integrative planning group process, which seeks to create a structure that enables as much on-campus and off-campus participation and representation as possible. It aims to form two groups to usher projects through this process: a smaller working group of subject-matter experts from the four institutions and AHEC. The three academic institutions will present reports and plan to a larger advisory group; both groups will then create a report and evaluate projects based on a set of criteria to forward to AEC and, ultimately, ABOD. The advisory group is intended to be made up of students, faculty, and staff from all three institutions, including community partners. A parking and transit demand management study in the next six months will help inform us of the parking needs and how they will be incorporated into the development. We are working with the city on Speer Blvd. and Auraria Pkwy to see if they can

shrink those roads and create more park space to enhance the crossing experience. The city is also embarking on a new downtown area plan with which we will partner.

Dr. Davidson wanted more information on the parking study because her concerns that parking rules may stymie some MSU projects. Zach said they had engaged a consultant to do the TDM, a transportation demand study that looks at the future of development opportunities and what type of parking will be displaced; it will also look at public transit and future demand. Regarding timing, the study kicked off last week, and we hope to have it completed by September. Then, it will be shared with the board. After it's done, engagement sessions will be set up with the campus and campus constituents. Dr. Davidson wanted her team to be there initially, not just in a debrief, and James Mejia will be MSU Denver's contact. Dr. Marks added that CU will add a contact point for this project. Tracy Huggins implored the fellow members that once they receive the final draft of the master plan, they should let Carl know immediately if there is any feedback because they want to adopt the plan at the June 26<sup>th</sup> meeting.

- Capital IT Project Plan FY25-26 to FY29-30 review and discussion

**Recommended Motion: That the Auraria Board of Directors approve the Five-Year Capital IT Project Plan FY25-26 to FY29-30, as presented.**

Tracy Huggins asked for a motion to approve the five-year IT plan as presented. Michelle Marks motioned; Janine Davidson seconded. The motion passed unanimously

- Capital Construction Plan – Carl Meese (5 min)
  - Update on the Five-Year Capital Construction/Capital Renewal Project Plan FY25-26 to FY29-30
  - Last month, ABOD voted on the Capital Construction/Capital Renewal plan. There are two current year requests; the first one is phase 2 of the public safety building, which is about \$16M, and the second is adding the administration building and the 5<sup>th</sup> Street hub to the AHEC electrical grid, as required by Xcel energy and is \$4.4 estimate.

## **6. Executive Session** (20 min)

Tracy Huggins moved that the Auraria Board of Directors move into executive session to discuss details of security arrangements pursuant to Colorado Revised Statute § 24-6-402(3)(a)(III). Jerry Glick seconded. The motion was approved unanimously.

## **7. Public Comment**

One person made a public comment.

**8. Adjourn**

The meeting ended at 10:04 am.